

CASE NO. 23692

**APPLICATION OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING,
EEDY COUNTY, NEW MEXICO**

EXHIBIT LIST

1. Application and Proposed Notice
2. Landman's Affidavit
3. Geologist's Affidavit
4. Affidavit of Mailing
5. Certified Notice Spreadsheet
6. Affidavit of Publication
7. Pooling Checklist

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 23692

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 36 and the N/2SE/4 of Section 35, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the N/2S/2 of Section 36 and the N/2SE/4 of Section 35 (containing 240 acres), and has the right to drill a well thereon.

2. Applicant proposes to drill the Gemini 36/35 B2IJ Fed.Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, and to dedicate the N/2S/2 of Section 36 and the N/2SE/4 of Section 35 thereto. The well is a horizontal well with a first take point in the NE/4SE/4 of 36 and a last take point in the NW/4SE/4 of Section 35.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N/2S/2 of Section 36 and the N/2SE/4 of Section 35 for the purposes set forth herein.

4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all uncommitted mineral interest owners in the Bone

EXHIBIT /

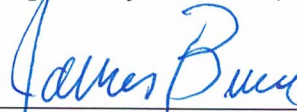
Spring formation underlying the N/2S/2 of Section 36 and the N/2SE/4 of Section 35, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the N/2S/2 of Section 36 and the N/2SE/4 of Section 35 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all uncommitted mineral interest owners in the Bone Spring formation (Walters Lake; Bone Spring/Pool Code 62685) underlying the N/2S/2 of Section 36 and the N/2SE/4 of Section 35;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, testing, and equipping the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 36 and the N/2SE/4 of Section 35, Township 17 South, Range 30 East, NMPM. The unit will be dedicated to the Gemini 36/35 B2IJ Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4SE/4 of Section 36 and a last take point in the NW/4SE/4 of Section 35. Also to be considered will be the cost of drilling, completing, testing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the well. The unit is located approximately 4 miles southeast of Loco Hills, New Mexico.

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 23692

SELF-AFFIRMED STATEMENT OF JOSH ANDERSON

Josh Anderson, being duly sworn upon his oath, deposes and states:

1. I am a landman for Mewbourne Oil Company (“Mewbourne”), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.

2. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application filed herein:

(a) The purpose of this application is to force pool uncommitted working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.

(b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well.

(c) A plat outlining the unit being pooled is submitted as Attachment A. Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 36 and the N/2SE/4 of Section 35, Township 17 South, Range 30 East, NMPM. The unit will be dedicated to the Gemini 36/35 B2IJ Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4SE/4 of Section 36 and a last take point in the NW/4SE/4 of Section 35.

A C-102 for the well is submitted as part of Attachment A.

(d) The land tracts in the well unit, and the parties being pooled and their interests, are set forth in Attachment B.


EXHIBIT

2

- (e) There is no depth severance in the Bone Spring formation.
- (f) Attachment C is a summary of communications, which also includes a sample copy of the proposal letter sent to the interest owners. In order to locate the interest owners Mewbourne searched county records and federal lease files, and when necessary did internet searches. All interest owners are locatable, and all of proposal letters were received according to online data provided by the U.S. Postal Service.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.
- (h) Attachment D contains the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (i) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair and reasonable for wells of this depth and length in this portion of Eddy County. They are also the rates set forth in the proposed Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (j) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (k) Mewbourne requests that it be designated operator of the well.
- (l) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (m) The granting of this application is in the interests of conservation and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 2(m) above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 7/31/23



 Josh Anderson

ASHER ENT. LTD.

650 Penasco
046987
10-1-10-04

ASH (OPER)

650 Penasco
046987
10-1-10-04

650 Penasco
046987
10-1-10-04

650 Penasco
046987
10-1-10-04

650 Penasco
046987
10-1-10-04

650 Penasco
046987
10-1-10-04

650 Penasco
046987
10-1-10-04

650 Penasco
046987
10-1-10-04

GRAYBURG-JACKSON UNIT
Burnhart Oil
Fed. (Nash, Wind, Fehr)
Str. Base.
-B, E, Brown
F1036
2724
10-1-10-04

TNS Stevens
Franklin (Ston, two)
#5, Fair
050570
Fecos Prod. Leco
513
-B
Odele TO
Cabrera's Pet
Leguna Fed
Cabrera Fed
Turner

Enron
Shugart
B-2100
Chevron
HBP
0-3-6-5
Gen'l. 345-5213 Fed

Enron
B-5627
RES/S/R
EOG
Sear's Collier
Mewbourne
2-15-21
2-10-900
3-1-2-10-04

Enron
B-5627
RES/S/R
EOG
Sear's Collier
Mewbourne
2-15-21
2-10-900
3-1-2-10-04

Enron
B-5627
RES/S/R
EOG
Sear's Collier
Mewbourne
2-15-21
2-10-900
3-1-2-10-04

Enron
B-5627
RES/S/R
EOG
Sear's Collier
Mewbourne
2-15-21
2-10-900
3-1-2-10-04

ROCK OPENS
275
028992
Sargent
Procos Prod.
D P.M.
028992

ROCK OPENS
275
028992
Sargent
Procos Prod.
D P.M.
028992

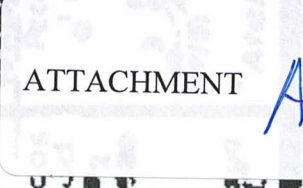
ROCK OPENS
275
028992
Sargent
Procos Prod.
D P.M.
028992

ROCK OPENS
275
028992
Sargent
Procos Prod.
D P.M.
028992

ROCK OPENS
275
028992
Sargent
Procos Prod.
D P.M.
028992

ROCK OPENS
275
028992
Sargent
Procos Prod.
D P.M.
028992

ROCK OPENS
275
028992
Sargent
Procos Prod.
D P.M.
028992



HILLS
Mewbourne Oil
F150
2 (MOCFO)
020
Merritt Energy
Laco
Hills 575
F75
2 Mewbourne
Information

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-0720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30.015.45724	² Pool Code 62685	³ Pool Name Walters Lake, Bone Spring
⁴ Property Code	⁵ Property Name GEMINI 36/35 B2IJ FED COM	
⁷ GRID NO. 14744	⁸ Operator Name MEWBOURNE OIL COMPANY	⁶ Well Number 1H
		⁹ Elevation 3682'

¹⁰ Surface Location

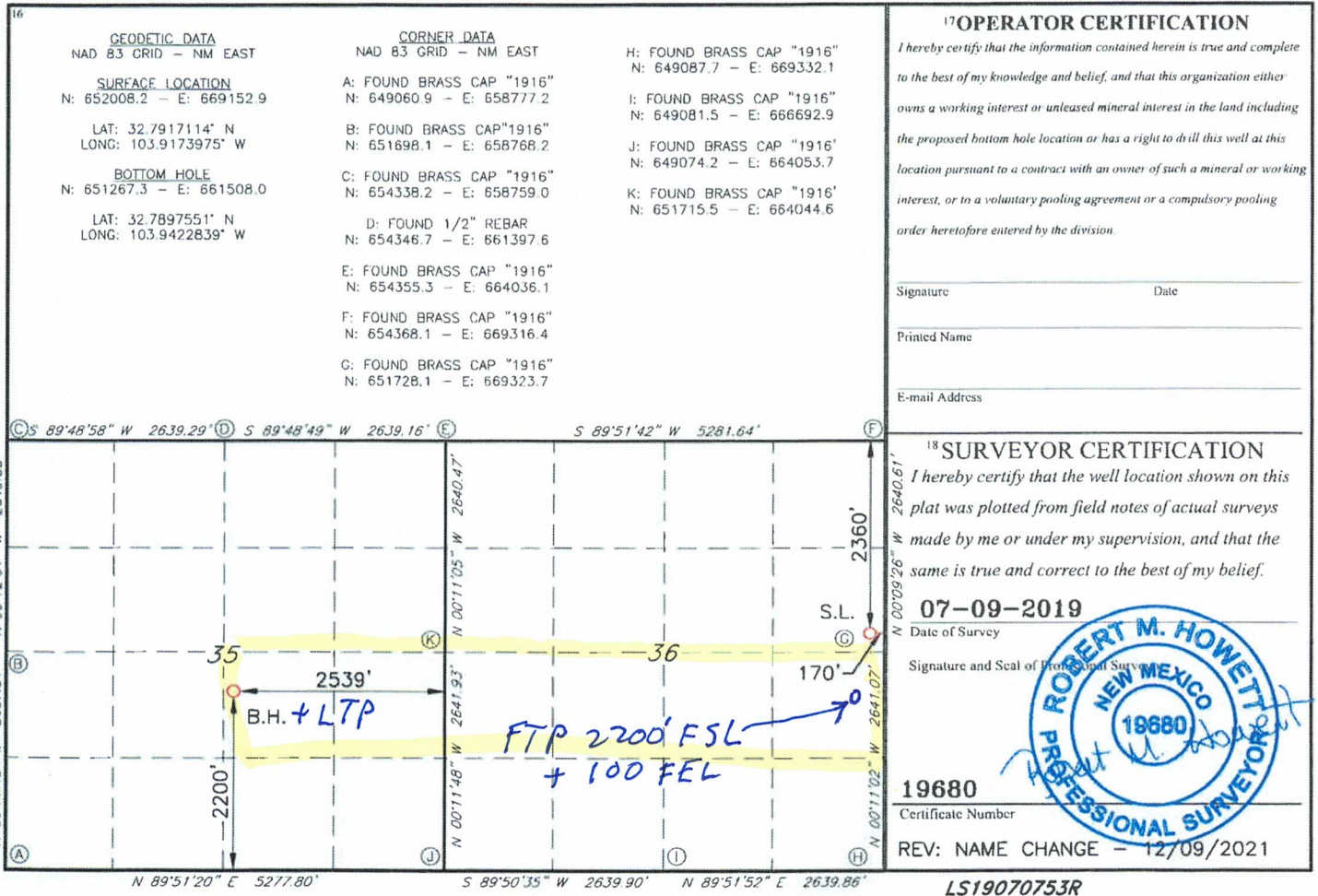
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
H	36	17S	30E		2360	NORTH	170	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	35	17S	30E		2200	SOUTH	2539	EAST	EDDY

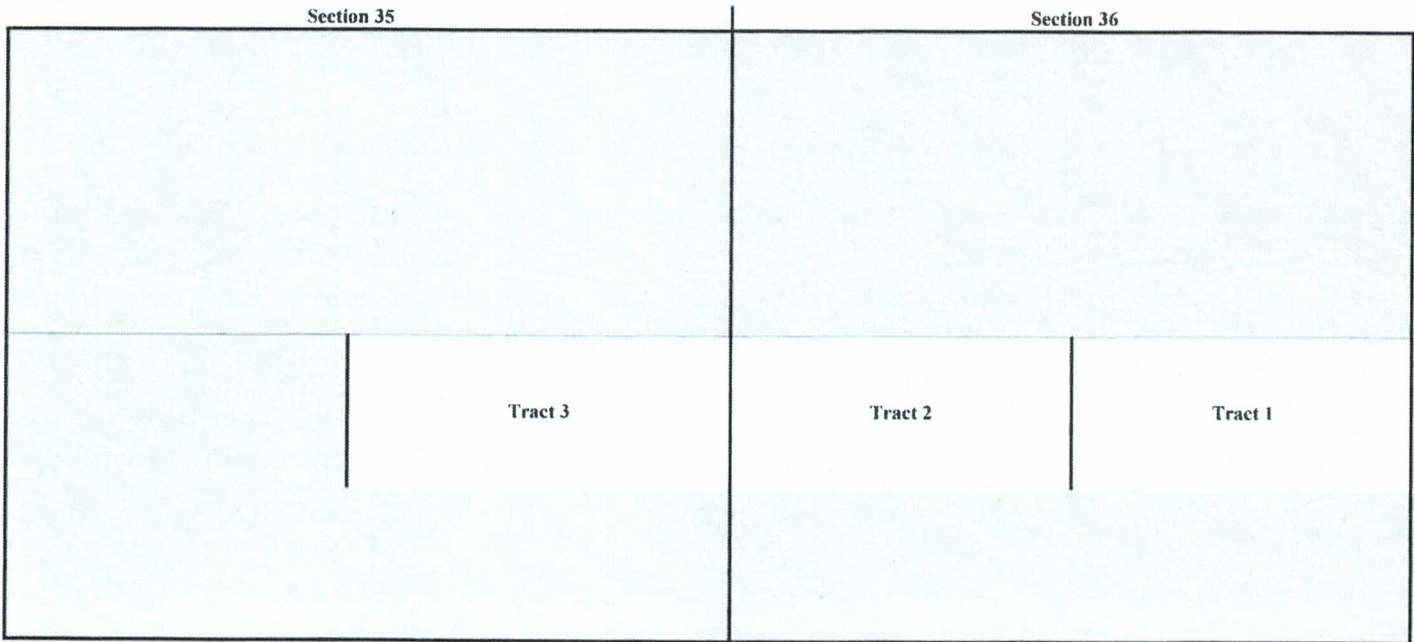
¹² Dedicated Acres 240	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



Section Plat
Gemini 36/35 B2IJ Fed Com #1H
N/2S/2 of Section 36 & N/2SE/4 of Section 35

T17S-R30E, Eddy County, NM



Tract 1: N/2SE/4 of Section 36 - State Lease VB-2537

Mewbourne Oil Company

Tract 2: N/2SW/4 of Section 36 - State Lease B-3627

ZPZ Delaware I, LLC
Maverick Permian, LLC

Tract 3: N/2SE/4 of Section 35 - Federal Lease NMNM 0558579

EOG Resources, Inc./Wellfleet Investment Fund II, LP
Camterra Resources Partners, Ltd.
Judith Keenan Trust
Brigham Trust U/A dated May 11, 1983

ATTACHMENT *B*

TRACT OWNERSHIP
N/2S/2 of Section 36 & N/2SE/4 of Section 35

Bone Spring Formation:

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	79.583333%
*EOG Resources, LLC 104 South 4th Street Artesia, New Mexico 88210	20.291667%
*Wellfleet Investment Fund II, LP One Petroleum Center, Building One 3300 North A Street, Suite 102 Midland, TX 79705	Same As Above
*Brigham Trust U/A dated May 11, 1983 C/O Brigham Young University Natural Resource Services Real Estate Division 50 East North Temple, 12th FLR Salt Lake City, UT 84150-012	0.125000%
TOTAL	100.000000%
Total Interest Being Pooled:	20.416667%

OWNERSHIP BY TRACT**N/2SE/4 of Section 36**

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al	100.000000%

TOTAL 100.000000%

N/2SW/4 of Section 36

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al	100.000000%

TOTAL 100.000000%

N/2SE/4 of Section 35

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al	38.750000%
EOG Resources, Inc./Wellfleet Investment Fund II, L	60.875000%
Brigham Trust U/A dated May 11, 1983	0.375000%

TOTAL 100.000000%

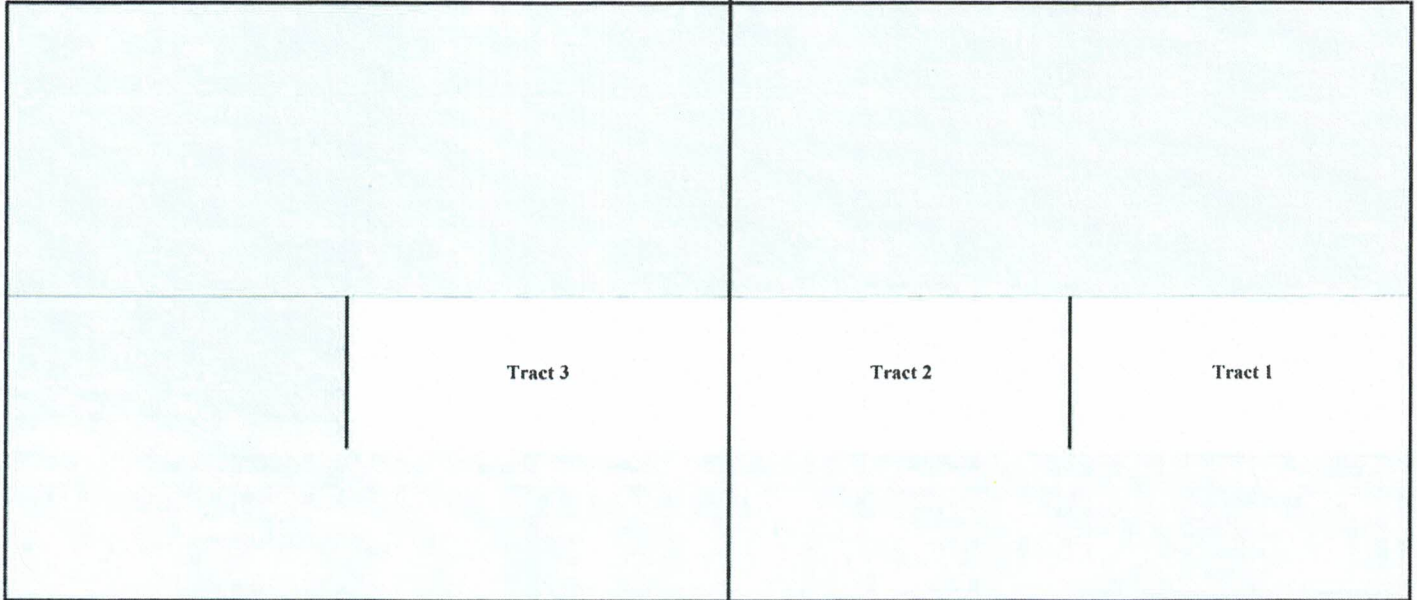
RECAPITULATION FOR GEMINI 36/35 B2IJ FED COM #1H

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
1	80	33.333333%
2	80	33.333333%
3	80	33.333334%
TOTAL	240	100.000000%

T17S-R30E, Eddy County, NM

Section 35

Section 36



Summary of Communications
Gemini 35/35 B2IJ Fed Com #1H
N/2S/2 of Section 36-T17S-R30E, Eddy County, NM &
N/2SE/4 of Section 35-T17S-R30E, Eddy County, NM:

EOG Resources, LLC:

2018: Mailed a Working Interest Unit Gemini 36/35 Joint Operating Agreement, as well as, Gemini 36/35 B2PO Fed Com #1H & Gemini 36/35 B2IJ Fed Com #1H Well Proposals to the above listed party.

2019: The above listed party did not participate in the drilling of the initial well, the Gemini 36/35 B2PO Fed Com #1H, in the 480 acre formed unit under the proposed JOA, and went non-consent under pooling order R-20770.

1/27/2023: Mailed a Gemini 36/35 B2IJ Fed Com #1H Well Proposal to the above listed party.

2/5/2023: The above listed party received and signed for the certified mailing of the above captioned Well Proposal.

3/7/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

3/8/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

3/9/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

3/14/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

3/22/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

3/29/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

6/6/2023: Correspondence with above listed party indicating that they sold their Wellbore interest only to Wellfleet Investment Fund II, LP and that they would prefer to participate under the pooling order.

Ongoing: Mewbourne is force pooling EOG Resources, Inc.'s interest so they can participate under the order.

Wellfleet Investment Fund II, LP:

See Above.

8/26/2022: Wellfleet Investment Fund II, LP purchased EOG Resources, Inc.'s wellbore interest only.

Ongoing: Mewbourne is force pooling Wellfleet Investment Fund II, LP's interest so they can participate under the order.

Brigham Trust U/A dated May 11, 1983:

2018: Mailed a Working Interest Unit Gemini 36/35 Joint Operating Agreement, as well as, Gemini 36/35 B2PO Fed Com #1H & Gemini 36/35 B2IJ Fed Com #1H Well Proposals to the above listed party.

2019: The above listed party did not participate in the drilling of the initial well, the Gemini 36/35 B2PO Fed Com #1H, in the 480 acre formed unit under the proposed JOA, and went non-consent under pooling order R-20770.

1/27/2023: Mailed a Gemini 36/35 B2IJ Fed Com #1H Well Proposal to the above listed party.

2/9/2023: The above listed party received and signed for the certified mailing of the above captioned Well Proposal.

3/8/2023: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposal and they indicated that they did not want to participate and would be forced pooled.

Ongoing: Mewbourne is force pooling Brigham Trust U/A dated May 11, 1983's interest.

ATTACHMENT C

MEWBOURNE OIL COMPANY

500 WEST TEXAS AVENUE, SUITE 1020
MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

January 27, 2023

Via Certified Mail

EOG Resources, Inc.
Midland Division - Land Dept.
P.O. Box 2267
Midland, Texas 79702

Re: Gemini "36/35" B2IJ Fed Com No. 1H
2360' FNL & 170' FEL (SL) (Sec. 36)
2200' FSL & 2539' FEL (BHL) (Sec. 35)
Section 36/35, T17S, R30E
Eddy County, New Mexico

To Whom It May Concern:

Under the terms of the governing Operating Agreement, Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to drill the captioned well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 7,786 feet subsurface to develop the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 15,403 feet. The N/2S/2 of the captioned Section 36 and the N/2SE/4 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our AFE dated January 24, 2023 for the captioned proposed well. EOG Resources, Inc. did not previously execute the Joint Operating Agreement. In the event your firm elects to participate in the proposed well, please execute the enclosed AFE and return to me within thirty (30) days, and a Joint Operating Agreement will be provided for your execution.

Should you have any questions regarding the above, please email me at janderson@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY



Josh Anderson, RPL
Landman



Proof of Delivery (Electronic)

Date: 7/18/2023

Client Name: Mewbourne Oil Company

Certified with RR(E) item number 9414836104262377379017, addressed to Midland Division Land Dept was designated In Transit to Next Facility, Arriving Late at 12:00 AM on February 05, 2023.

The item number, time, date, city, state, and zip code is a true extract of information provided by the United States Postal Service to SimpleCertifiedMail.com.

Midland Division Land Dept
EOG Resources
P.O. Box 2267
Midland, TX 79702
Reference #: Gemini

The above information is for the sole use of SimpleCertifiedMail.com clients and represents information provided by the United States Postal Service.

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: Gemini 36/35 B2IJ Fed Com #1H Prospect: Bone Spring
 Location: SL: 2360' FNL & 170' FEL (36); BHL: 2200' FSL & 2539' FEL (35) County: Eddy ST: NM
 Sec. 36 Blk: Survey: TWP: 17S RNG: 30E Prop. TVD: 7786 TMD: 15403

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$75,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$45,000
Daywork / Turnkey / Footage Drilling	24 days drlg / 3 days comp @ \$30000/d	0180-0110	\$769,000	0180-0210	\$96,100
Fuel	1700 gal/day @ \$3.9/gal	0180-0114	\$169,900	0180-0214	\$235,000
Alternate Fuels		0180-0115		0180-0215	\$72,000
Mud, Chemical & Additives		0180-0120	\$30,000	0180-0220	
Mud - Specialized		0180-0121	\$250,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$150,000
Stimulation Toe Preparation				0180-0223	\$40,000
Cementing		0180-0125	\$100,000	0180-0225	\$55,000
Logging & Wireline Services		0180-0130	\$31,000	0180-0230	\$282,000
Casing / Tubing / Snubbing Services		0180-0134	\$30,000	0180-0234	\$15,000
Mud Logging		0180-0137	\$15,000		
Stimulation	37 Stg 14.9 MM gal / 18.7 MM lb			0180-0241	\$2,300,000
Stimulation Rentals & Other				0180-0242	\$235,000
Water & Other	355,000 bbl FW fl Select @ \$0.85/bbl	0180-0145	\$40,000	0180-0245	\$302,000
Bits		0180-0148	\$94,000	0180-0248	
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$150,000		
Transportation		0180-0165	\$30,000	0180-0265	\$30,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$170,100	0180-0270	\$60,000
Directional Services	Includes Vertical Control	0180-0175	\$357,000		
Equipment Rental		0180-0180	\$168,200	0180-0280	\$20,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,000	0180-0285	
Intangible Supplies		0180-0188	\$14,000	0180-0288	\$1,000
Damages		0180-0190	\$5,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$97,200	0180-0295	\$28,800
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$145,000	0180-0299	\$205,100
TOTAL			\$3,045,400		\$4,308,000

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	500' - 13 3/8" 54.5# J-55 ST&C @ \$76.3/ft	0181-0794	\$40,700		
Casing (8.1" - 10.0")	1825' - 9 5/8" 36# J-55 LT&C @ \$51.16/ft	0181-0795	\$99,700		
Casing (6.1" - 8.0")	7300' - 7" 29# HPP110 BT&C @ \$59.83/ft	0181-0796	\$466,500		
Casing (4.1" - 6.0")	8380' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft			0181-0797	\$299,600
Tubing	7065' - 2 7/8" 6.5# L-80 Tbg @ \$19.89/ft			0181-0798	\$150,100
Drilling Head		0181-0860	\$50,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools				0181-0871	\$75,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Service Pumps	(1/4) TP/CP/Circ Pump			0181-0886	\$17,000
Storage Tanks	(1/4) 6 OT/5 WT/GB			0181-0890	\$73,000
Emissions Control Equipment	(1/4) 2 VRT/VRU/Flare/3 KO/AIR			0181-0892	\$66,000
Separation / Treating Equipment	(1/4) 4 H Sep/2 V Sep/2 VHT/HHT			0181-0895	\$57,000
Automation Metering Equipment				0181-0898	\$68,000
Oil/Gas Pipeline-Pipe/Valves&Misc	(1/4) Gas Line & GL Injection			0181-0900	\$22,000
Water Pipeline-Pipe/Valves & Misc	(1/4) SWDL Pipe/Fittings			0181-0901	\$28,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$183,000
Wellhead Flowlines - Construction				0181-0907	\$48,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$90,000
Equipment Installation				0181-0910	\$56,000
Oil/Gas Pipeline - Construction				0181-0920	\$17,000
Water Pipeline - Construction				0181-0921	\$8,000
TOTAL			\$656,900		\$1,312,700
SUBTOTAL			\$3,702,300		\$5,620,700

TOTAL WELL COST \$9,323,000

I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.
 Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.
 I elect to purchase my own well control insurance policy.
 If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.

Joint owner agrees that Item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.

Prepared by: Andy Taylor Date: 1/24/2023
 Company Approval: *M. Whittier* Date: 1/24/2023

Joint Owner Interest: _____ Amount: _____
 Joint Owner Name: _____ Signature: _____

ATTACHMENT D

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case Nos. 23692

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

Charles Crosby deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in this cases. I have been qualified by the Division as an expert petroleum geologist.
3. The following geological plats are attached hereto:
 - (a) Attachment A is a structure map of a portion of 17S-30E on the base of the Middle Second Bone Spring Sand. It shows that structure dips gently to the south. It also shows Second Bone Spring Sand wells in the area, and a line of cross-section.
 - (b) Attachment B is a cross section showing the Second Bone Spring Sand, the target zone for the Gemini 36/25 B2IJ well. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand in this area. The sand is continuous and uniformly thick across the well units.
4. I conclude from the maps that:
 - (a) The horizontal spacing unit is justified from a geologic standpoint.
 - (b) The target zone is continuous and of relatively uniform thickness across the well unit.
 - (c) Each quarter-quarter section in the well unit will contribute more or less equally to production.

EXHIBIT 3


(d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.

5. Attachment A shows other Second Bone Spring Sand wells drilled in this area. There is a substantial preference for laydown wells.

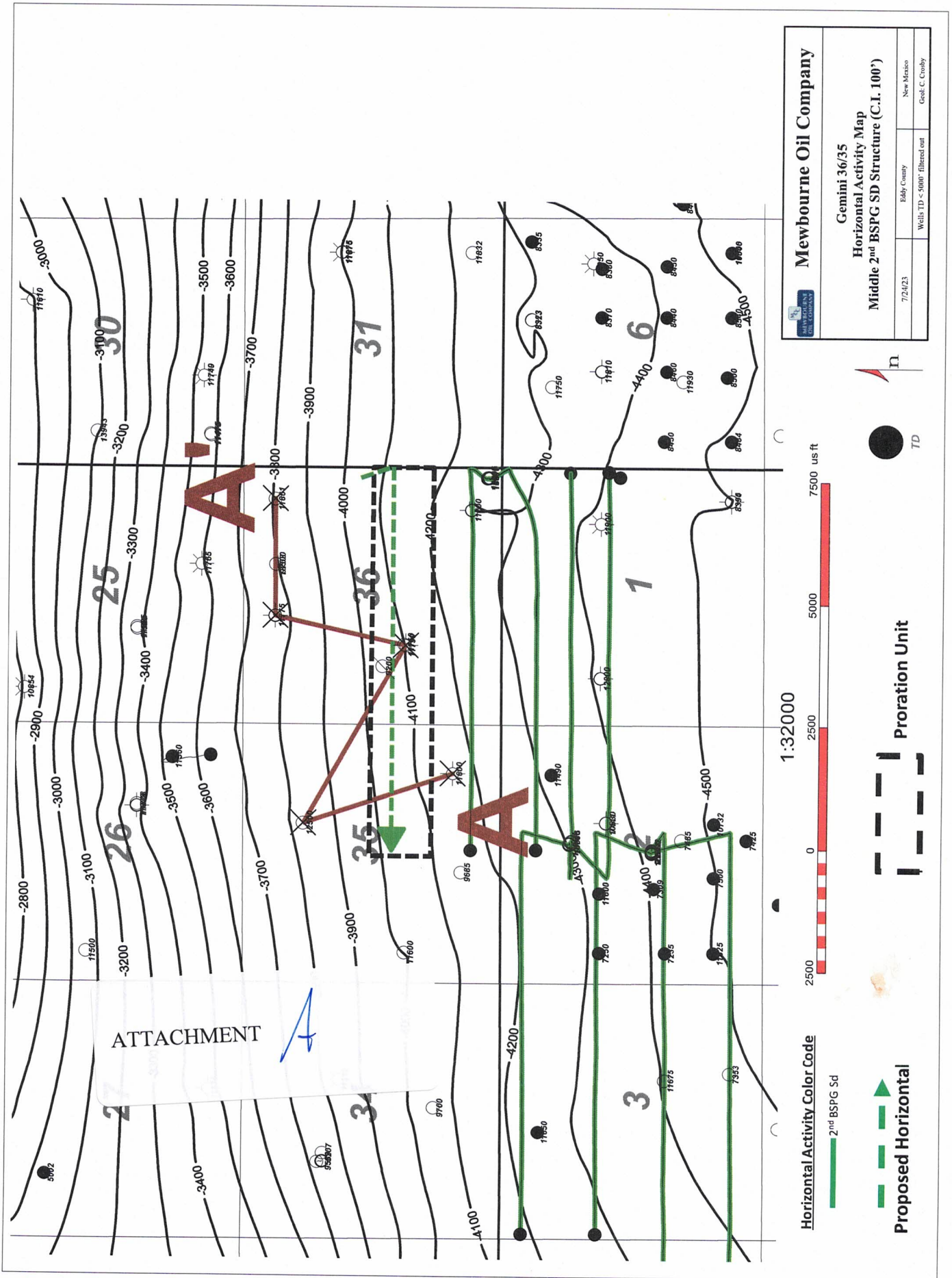
6. Attachment C contains horizontal drilling plan for the proposed well. The producing intervals of the well will be orthodox.

I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 6 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 8/11/23



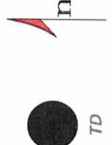
Charles Crosby



Mewbourne Oil Company

Gemini 36/35
Horizontal Activity Map
Middle 2nd BSPG SD Structure (C.I. 100')

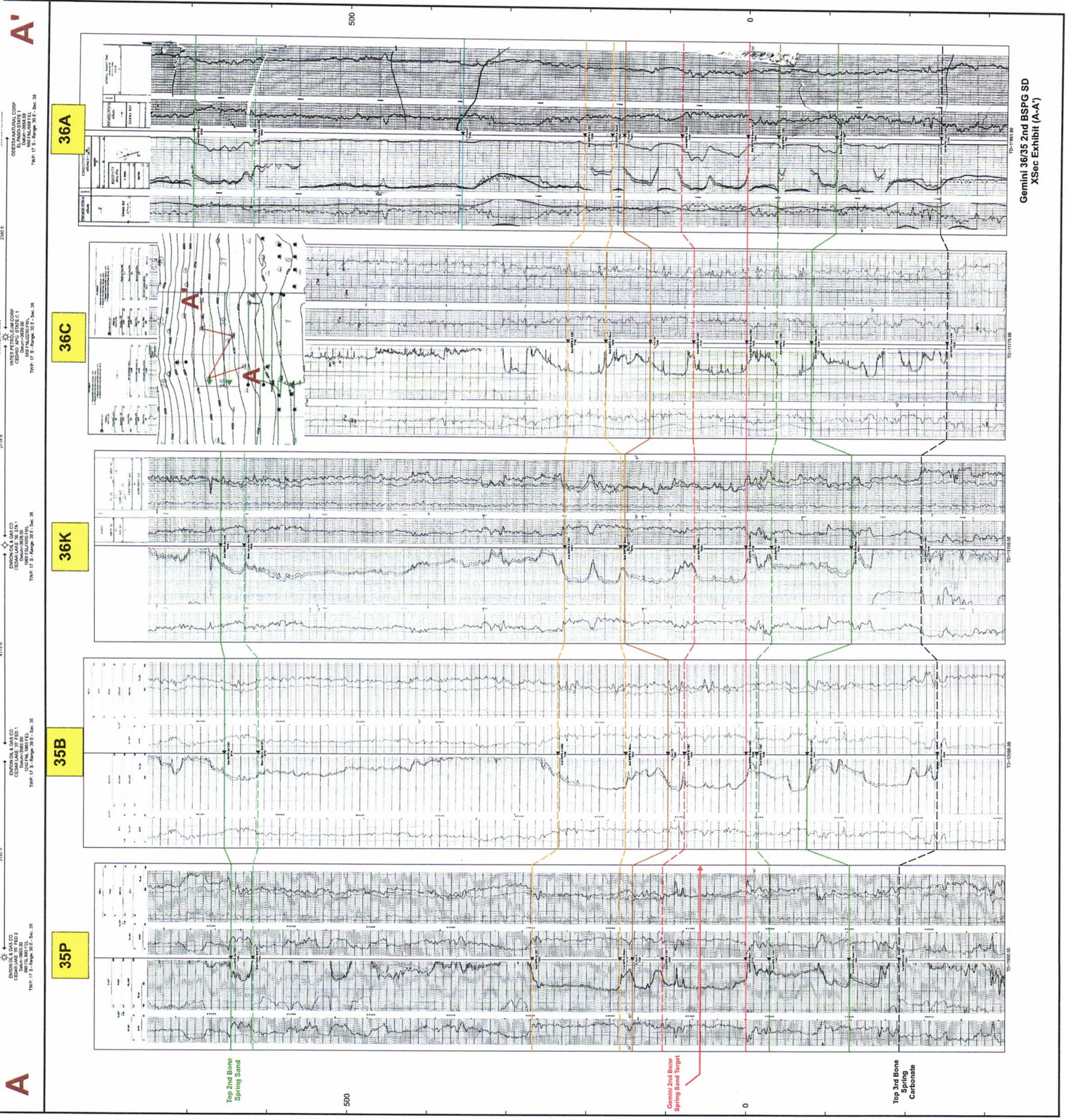
7/24/23	Eddy County	New Mexico
	Wells TD < 5000' filtered out	Geoff C. Crosby



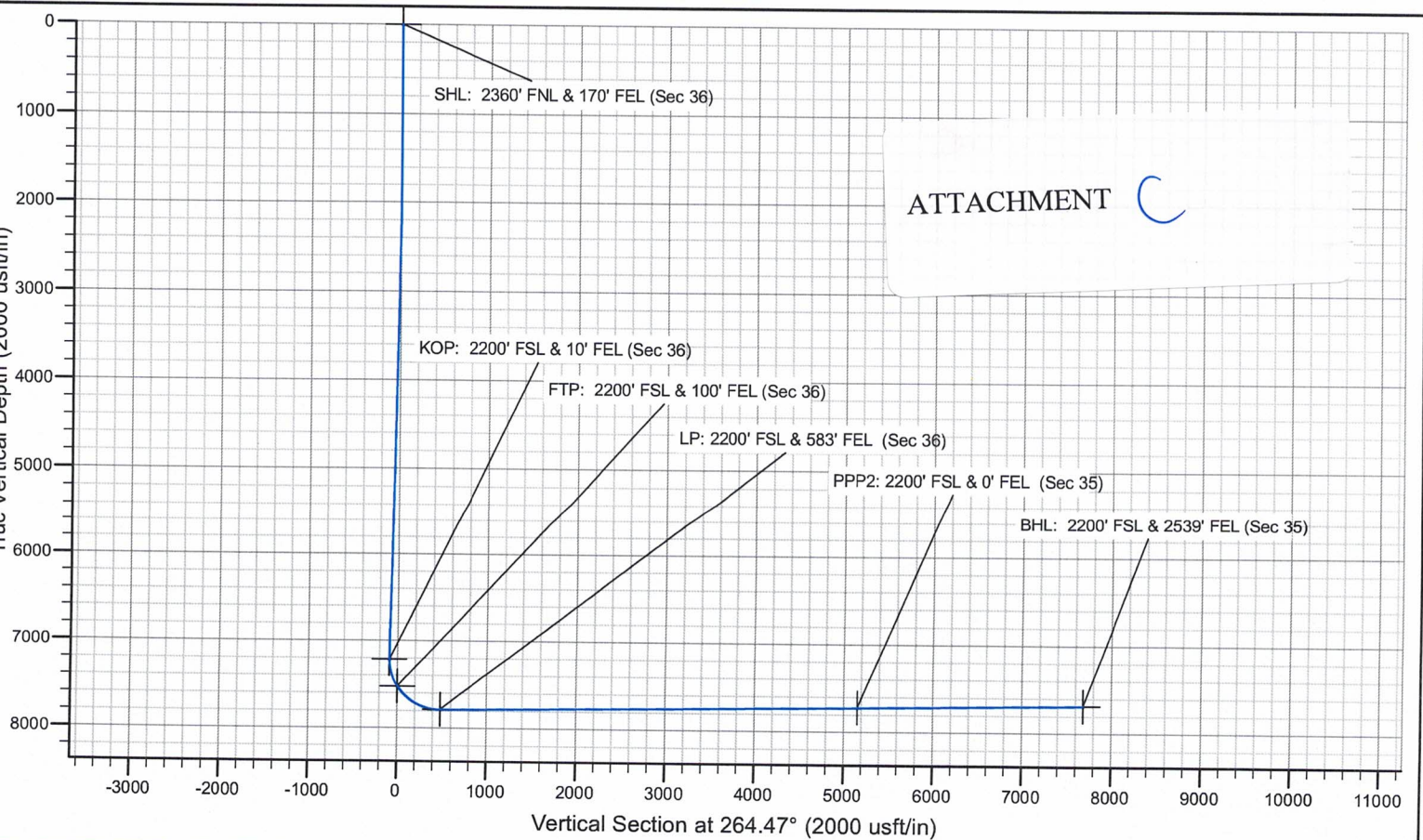
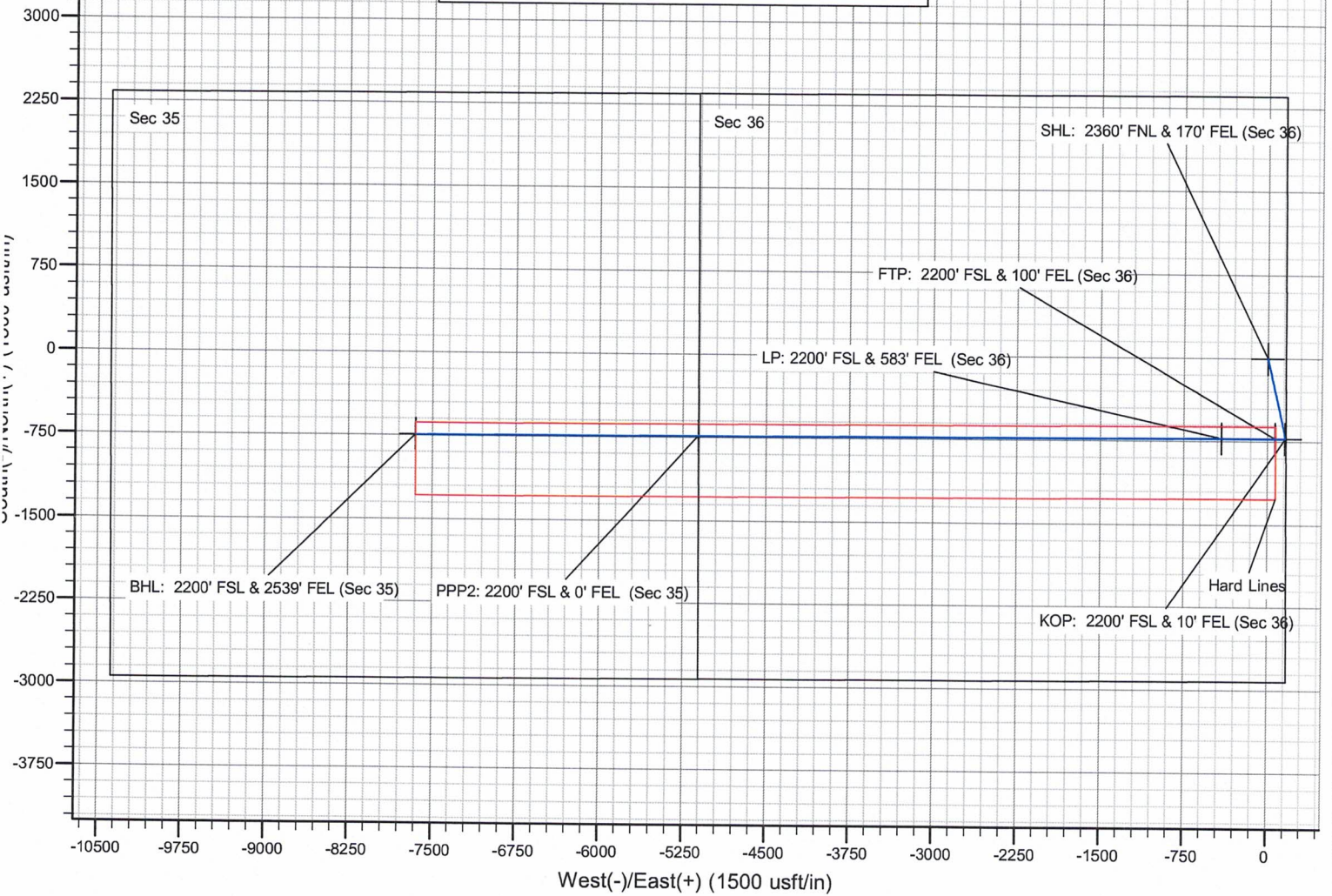
Proration Unit

ATTACHMENT

ATTACHMENT B



Gemini 36/35 2nd BSPG SD
XSec Exhibit (A-A')



JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

July 13, 2023

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company (Case No. 23692), regarding the Gemini 36/35 B2IJ Fed. Com. Well No. 1H, located in a horizontal well unit comprised of the N/2S/2 of Section 36 and the N/2SE/4 of Section 35, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, August 3, 2023. During the current circumstances, state buildings are closed to the public and the hearing will be conducted remotely. To view the hearing docket and to determine how to participate in an electronic hearing, go to <https://www.emnrd.nm.gov/ocd/hearing-info/>, or contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@emnrd.nm.gov, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT 

EXHIBIT A

<p>EOG Resources, Inc. 104 South 4th Street Artesia, New Mexico 88210</p>	<p>Brigham Trust U/A dated May 11, 1983 C/O Brigham Young University Natural Resource Services Real Estate Division 50 East North Temple 12th FLR Salt Lake City, UT 84150-0012 Attn: Energy Group Manager</p>	<p>Wellfleet Investment Fund II, LP One Petroleum Center, Building One 3300 North A Street, Suite 102 Midland, Texas 79705</p>
--	---	--

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

EOG Resources, Inc.
104 South 4th Street
Artesia, New Mexico 88210



9590 9402 7635 2122 8784 72

2. Article 7022 1670 0002 1188 2144 *M Cem* *restricted Delivery*

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature *Robyn Tangley*
 B. Received by (Printed Name) *Robyn Tangley*
 C. Date of Delivery *7/20/23*

D. Is delivery address different from item 1? Yes No

3. Service Type
- Priority Mail Express®
 - Registered Mail™
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Signature Confirmation™
 - Signature Confirmation™ Restricted Delivery
 - Collect on Delivery
 - Collect on Delivery Restricted Delivery

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postmark Here

Postage \$
 Total Postage and Fee \$
 Sent To \$

Brigham Trust U/A dated May 11, 1983
 C/O Brigham Young University
 Natural Resource Services Real Estate Division
 50 East North Temple, 12th FLR
 Salt Lake City, UT 84150-0012
 Attn: Energy Group Manager
 City, State, Zip+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

2122 0297 2000 0297 2201

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Brigham Trust U/A dated May 11, 1983
 C/O Brigham Young University
 Natural Resource Services Real Estate Division
 50 East North Temple 12th FLR
 Salt Lake City, UT 84150-0012
 Attn: Energy Group Manager



9590 9402 7635 2122 8784 89

2. Article 7022 1670 0002 1188 2137 *M Cem* *restricted Delivery*

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature *Robyn Tangley*
 B. Received by (Printed Name) *Robyn Tangley*
 C. Date of Delivery *7/20*

D. Is delivery address different from item 1? Yes No

3. Service Type
- Priority Mail Express®
 - Registered Mail™
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Signature Confirmation™
 - Signature Confirmation™ Restricted Delivery

restricted Delivery
 Insured Mail Restricted Delivery (over \$500)

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

2122 0297 2000 0297 2201

7022 1670 0002 1188 2120

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

M. Cem

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$

Postmark
Here

Sent To	
Wellfleet Investment Fund II, LP One Petroleum Center, Building One 3300 North A Street, Suite 102 Midland, Texas 79705	
Street and Apt. No., or PO Box	
City, State, ZIP+4®	

CASE NO. 23692

STATUS OF CERTIFIED NOTICE

<u>INTEREST OWNER</u>	<u>MAILING DATE</u>	<u>RECEIPT DATE</u>	<u>CARD RETURNED</u>
EOG Resources, Inc.	7/13/23	7/20/23	Yes
Brigham Trust	7/13/23	7/20/23	Yes
Wellfleet Investment Fund II, LP	7/13/23	Not returned	No

EXHIBIT

5

NOTICE

To: Wellfleet Investment Fund II, LP, or your successors or assigns: Mewbourne Oil Company has filed an application with the Oil Conservation Division (Case No. 23692) seeking an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 36 and the N/2SE/4 of Section 35, Township 17 South, Range 30 East, NMPM Eddy County, New Mexico. The unit will be dedicated to the Gemini 36/35 B2IJ Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4SE/4 of Section 36 and a last take point in the NW/4SE/4 of Section 35. Also to be considered will be the cost of drilling, completing, testing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the well. This matter is scheduled for hearing on September 7, 2023 at 8:15 a.m. During the current circumstances, state buildings are closed to the public and the hearing will be conducted remotely. To view the hearing docket and to determine how to participate in an electronic hearing, go to <https://www.emnrd.nm.gov/oed/hearing-info/>, or contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@emnrd.nm.gov, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the attorney for applicant, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jamesbruc@aol.com. The unit is located approximately 4 miles southeast of Loco Hills, New Mexico.

EXHIBIT

6

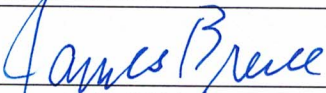
COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23692	APPLICANT'S RESPONSE
Date: September 7, 2023	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID 14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Gemini Bone Spring wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Walters Lake; Bone Spring/Pool Code 62685
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330' and 100' setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	N/2S/2 §36 and N/2SE/4 §35, Township 17 South, Range 30 East, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N

EXHIBIT

7

Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit 2-B
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Gemini 36/35 B2IJ Federal Com. Well No. 1H API No. 30-015-45724 SHL: 2360 FNL & 170 FEL §36 BHL: 2200 FSL & 2539 FEL §35 FTP: 2200 FNL & 100 FEL §36 LTP: 2200 FNL & 2539 FEL §35 Second Bone Spring/TVD 7786 feet/MD 15403 feet
Well #2	
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost plus 200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 6
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and owners)	Exhibit 2-B
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to	

notice requirements.	
Pooled Parties (including ownership type)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance (including percentage above & below)	No Depth Severance
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-A and 3-A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-B
Well Orientation (with rationale)	East-West; Exhibits 3 and 3-A
Target Formation	Second Bone Spring Sand
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits 2-B
General Location Map (including basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A

Cross Section Location Map (including wells)	Exhibit 3-B
Cross Section (including Landing Zone)	Exhibit 3-C
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	August 10, 2023