


**CASE NO. 24040**

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

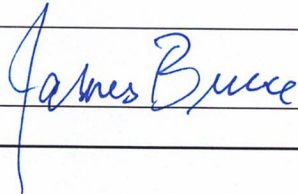
EXHIBITS

1. Pooling Checklist
2. Landman's Affidavit
  - 2-A: C-102
  - 2-B: Tract Maps and Ownership Lists
  - 2-C: Summary of Contacts and Proposal Letter
  - 2-D: AFE
3. Geologist's Affidavit
  - 3-A: Structure Map (Second Bone Spring)
  - 3-B: Cross-Section (Second Bone Spring)
  - 3-A: Structure Map (Third Bone Spring)
  - 3-B: Cross-Section (Third Bone Spring)
  - 3-E: Horizontal Drilling Plans
4. Affidavit of Mailing
  - 4-A: Notice Letter
5. Application and Proposed Notice

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 24040</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: December 7, 2023</b>	
Applicant	<b>Mewbourne Oil Company</b>
Designated Operator & OGRID (affiliation if applicable)	<b>Mewbourne Oil Company/OGRID 14744</b>
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	Rio Grande Bone Spring wells
<b>Formation/Pool</b>	
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:	Palmillo; Bone Spring, East/Pool Code 49553
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330' and 100' setbacks
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	324 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	Lots 1-4 (the N/2N/2) §2 and Lots 1-4 (the N/2N/2) §1, Township 19 South, Range 28 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 
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N

Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit 2-B
<b>Well(s)</b>	
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	<p>Rio Grande 2/1 State Com. Well No. 521H  API No. 30-015-Pending  SHL: 2020 FNL &amp; 210 FWL §2  BHL: 660 FNL &amp; 100 FEL §1  FTP: 660 FNL &amp; 100 FWL §2  LTP: 660 FNL &amp; 100 FEL §1  Second Bone Spring/TVD 7642 feet/MD 17600 feet</p> <p>Rio Grande 2/1 State Com. Well No. 611H  API No. 30-015-Pending  SHL: 2040 FNL &amp; 210 FWL §2  BHL: 660 FNL &amp; 100 FEL §1  FTP: 660 FNL &amp; 100 FWL §2  LTP: 660 FNL &amp; 100 FEL §1  Third Bone Spring/TVD 8587 feet/MD 18670 feet</p>
Well #2	
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$8000
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost plus 200%
<b>Notice of Hearing</b>	
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)	N/A
<b>Ownership Determination</b>	
Land Ownership Schematic of	Exhibit 2-B

the Spacing Unit	
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	No
Ownership Depth Severance (including percentage above & below)	No Depth Severance
<b>Joinder</b>	
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
<b>Geology</b>	
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)	West-East; Exhibits 3 and 3-A
Target Formation	Second and Third Bone Spring Sands
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit	Exhibits 2-B

Recapitulation (Tracts)	
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
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	James Bruce
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	December 5, 2023

**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. 24040**

**VERIFIED STATEMENT OF MITCH ROBB**

Mitch Robb, 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 NMAC 19.15.4.12.A(1), the following information is submitted in support of the compulsory pooling application filed herein:

(a) The purpose of this application is to force pool 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. Some interest owners may be unlocatable.

(c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order pooling all mineral interests in the Bone Spring formation underlying the N/2N/2 of Section 2 and the N/2N/2 of Section 1, Township 19 South, Range 28 East, NMPM. The unit will be dedicated to:

- (i) the Rio Grande 2/1 State Com #521H, a horizontal well with a first take point in the NW/4 NW/4 of 2 and a final take point in the NE/4 NE/4 of Section 1;
- (ii) the Rio Grande 2/1 State Com #611H, a horizontal well with a first take point in the NW/4 NW/4 of 2 and a final take point in the NE/4 NE/4 of Section 1;



- (d) The parties being pooled and their interests are set forth in Attachment B. Their current and correct addresses, or last known addresses, are also set forth.
- (e) In order to locate the interest owners Mewbourne examined the county records, performed internet searches, checked telephone records, made calls to family members, and searched Accurint and Whitepages.
- (f) Attachment C contains a summary of contacts or attempted contacts with the interest owners, together with copies of the proposal letters sent to the interest owners.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well, or to locate the owners.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D contains the Authorizations for Expenditure for the proposed wells. The estimated costs of the wells set forth therein are fair and reasonable, and comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (j) 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 comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Mewbourne requests that it be designated operator of the wells.
- (m) The attachments to this affidavit were prepared by me, or compiled from Company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

STATE OF TEXAS                    )  
  ) ss.  
COUNTY OF MIDLAND            )

Mitch Robb, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

  
\_\_\_\_\_  
Mitch Robb



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) 748-9720  
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

<sup>1</sup> API Number	<sup>2</sup> Pool Code 49553	<sup>3</sup> Pool Name Palmillo; Bone Spring, East
<sup>4</sup> Property Code	<sup>5</sup> Property Name RIO GRANDE 2/1 STATE COM	
<sup>7</sup> GRID NO. 14794	<sup>8</sup> Operator Name MEWBOURNE OIL COMPANY	<sup>6</sup> Well Number 521H
		<sup>9</sup> Elevation 3474'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
E	2	19S	28E		2020	NORTH	210	WEST	EDDY

<sup>11</sup> 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
1	1	19S	28E		660	NORTH	100	EAST	EDDY

<sup>12</sup> Dedicated Acres 324	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

**16**

**GEODETIC DATA**  
NAD 83 GRID - NM EAST

**SURFACE LOCATION**  
N: 615367.3 - E: 596215.6

LAT: 32.6915610° N  
LONG: 104.1549487° W

**BOTTOM HOLE**  
N: 616856.1 - E: 606278.7

LAT: 32.6956025° N  
LONG: 104.1222283° W

**CORNER DATA**  
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"  
N: 612093.1 - E: 595974.2

B: FOUND BRASS CAP "1941"  
N: 614733.6 - E: 595999.8

C: FOUND BRASS CAP "1914"  
N: 617384.0 - E: 596024.3

D: FOUND BRASS CAP "1914"  
N: 617416.7 - E: 598612.6

E: FOUND BRASS CAP "1914"  
N: 617450.3 - E: 601201.0

F: FOUND BRASS CAP "1914"  
N: 617483.0 - E: 603789.7

G: FOUND BRASS CAP "1914"  
N: 617517.3 - E: 606378.0

H: FOUND BRASS CAP "1941"  
N: 614873.3 - E: 606380.7

I: FOUND BRASS CAP "1941"  
N: 612224.9 - E: 606365.7

J: FOUND BRASS CAP "1941"  
N: 612183.7 - E: 603768.0

K: FOUND BRASS CAP "1941"  
N: 612140.9 - E: 601171.0

L: FOUND BRASS CAP "1941"  
N: 612118.4 - E: 598572.7

M: FOUND BRASS CAP "1941"  
N: 614783.6 - E: 601186.0

*FYP 660' FNL  
+ 100' FWL 32*

**17 OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

**18 SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

07/21/2022  
Date of Survey

Signature and Seal of Professional Surveyor

**19680**  
Certificate Number

**LS22070859**

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) 748-9720  
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1220 South St. Francis Dr.  
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Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 49533	<sup>3</sup> Pool Name Palmillo; Bone Spring, East
<sup>4</sup> Property Code	<sup>5</sup> Property Name RIO GRANDE 2/1 STATE COM	<sup>6</sup> Well Number 611H
<sup>7</sup> GRD NO. 14214	<sup>8</sup> Operator Name MEWBOURNE OIL COMPANY	<sup>9</sup> Elevation 3475'

<sup>10</sup> Surface Location

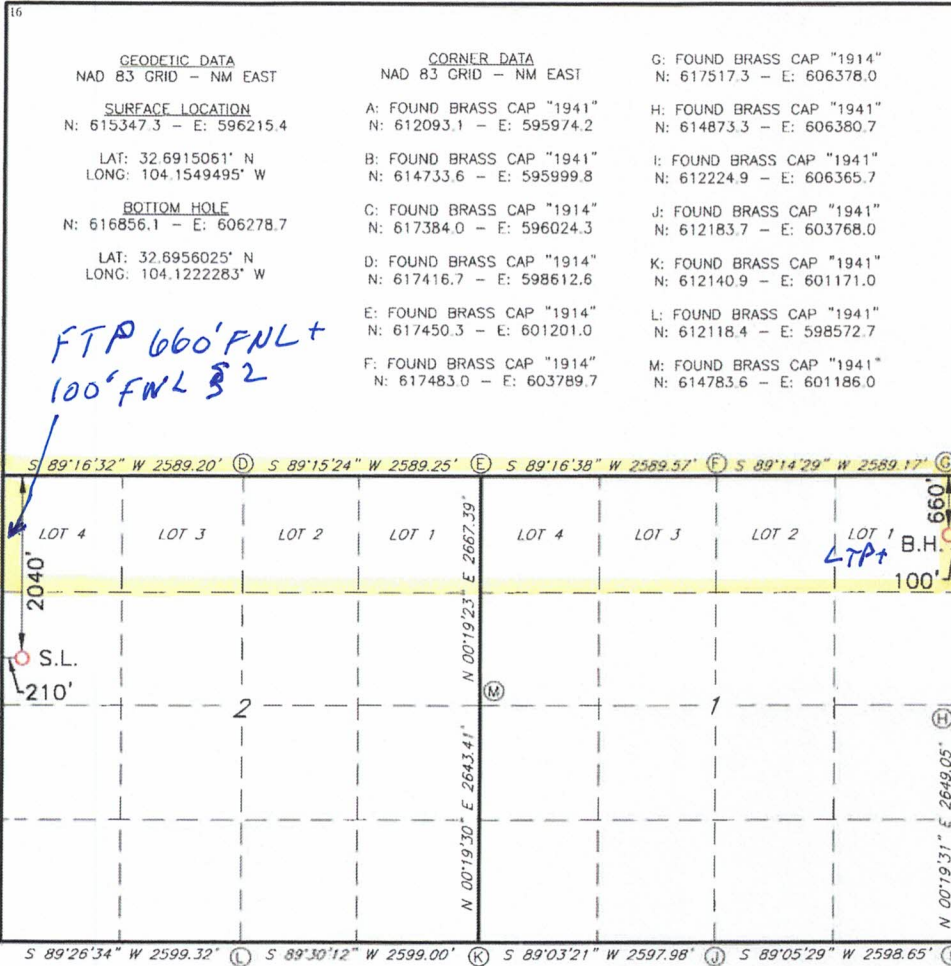
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
E	2	19S	28E		2040	NORTH	210	WEST	EDDY

<sup>11</sup> 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
1	1	19S	28E		660	NORTH	100	EAST	EDDY

<sup>12</sup> Dedicated Acres 324	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**18 SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

07/21/2022  
Date of Survey

Signature and Seal of Professional Surveyor

19680  
Certificate Number

LS22070861

**Section Plat**  
 Rio Grande 2/1 State Com #521H  
 Rio Grande 2/1 State Com #611H  
 N/2N/2 of Section 2 & N/2N/2 of Section 1-T19S-R28E  
 Eddy County, NM

Section 2			Section 1
Tract 1	Tract 2	Tract 3	Tract 3

**Tract 1:** Lots 3&4 (N/2NW/4) of Section 2 - State Lease X0-648

Mewbourne Oil Company, et al.  
 Marathon Oil Permian LLC

**Tract 2:** Lot 2 (NW/4NE/4) of Section 2 - State Lease E0-7435

Mewbourne Oil Company, et al.

**Tract 3:** Lot 1 (NE/4NE/4) of Section 2 and Lots 1-4 (N/2N/2) of Section 1 - State Lease E0-4397

Mewbourne Oil Company, et al.



**RECAPITUALTION FOR**  
 Rio Grande 2/1 State Com #521H  
 Rio Grande 2/1 State Com #611H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	81.00	25.000000%
2	40.65	12.546296%
3	202.35	62.453704%
<b>TOTAL</b>	<b>324.00</b>	<b>100.000000%</b>

T19S-R28E, Eddy County, NM

Section 2			Section 1
Tract 1	Tract 2	Tract 3	Tract 3

**TRACT OWNERSHIP**

Rio Grande 2/1 State Com #521H

Rio Grande 2/1 State Com #611H

N/2N/2 of Section 2 &amp; N/2N/2 of Section 2-T19S-R28E

Eddy County, NM

**N/2N/2 of Section 2 & N/2N/2 of Section 1****Bone Spring Formation:**

<b>Owner</b>	<b>% of Leasehold Interest</b>
Mewbourne Oil Company, et al.	96.006945%
*Marathon Oil Permian LLC	3.993055%
<b>TOTAL</b>	<b>100.000000%</b>

**Total Interest Being Pooled: 3.993055%**

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**OWNERSHIP BY TRACT****Lots 3 & 4 (N/2NW/4) of Section 2**

<b>Owner</b>	<b>% of Leasehold Interest</b>
Mewbourne Oil Company, et al.	84.027778%
Marathon Oil Permian LLC	15.972222%
<b>TOTAL</b>	<b>100.000000%</b>

**Lot 2 (NW/4NE/4) of Section 2**

<b>Owner</b>	<b>% of Leasehold Interest</b>
Mewbourne Oil Company, et al.	100.000000%
<b>TOTAL</b>	<b>100.000000%</b>

**Lot 1 (NE/4NE/4) of Section 2**

<b>Owner</b>	<b>% of Leasehold Interest</b>
Mewbourne Oil Company, et al.	100.000000%
<b>TOTAL</b>	<b>100.000000%</b>

**Lots 1-4 (N/2N/2) of Section 1**

<b>Owner</b>	<b>% of Leasehold Interest</b>
Mewbourne Oil Company, et al.	100.000000%
<b>TOTAL</b>	<b>100.000000%</b>

**Summary of Communications**  
**Rio Grande 2/1 State Com #521H**  
**Rio Grande 2/1 State Com #611H**  
**N/2N/2 of Section 2 and N/2N/2 of Section 1-T19S-R28E**  
**Eddy County, NM**

**Marathon Oil Permian LLC:**

**10/16/2023:** Mailed Well Proposal, Joint Operating Agreement and Communitization Agreement to the above listed party.

**10/23/2023:** Correspondence with above referenced party regarding proposals.

**10/24/2023:** Correspondence with above referenced party regarding proposals. Was informed that Marathon would be participating under the pooling order.

**10/25/2023:** Correspondence with above referenced party regarding proposals.

**10/30/2023:** Received signed AFEs from above referenced party.



# MEWBOURNE OIL COMPANY

FASKEN CENTER  
500 WEST TEXAS, SUITE 1020  
MIDLAND, TX 79701

TELEPHONE (432) 682-3715

October 16, 2023

Via Certified Mail

Marathon Oil Permian LLC  
990 Town & Country Blvd.  
Houston, TX 77024  
Attn: Patricia Schoenberger

Re: Rio Grande 2/1 State Com #521H  
2020' FNL & 210' FWL (SL) (Section 2)  
660' FNL & 100' FEL (BHL) (Section 1)

Rio Grande 2/1 State Com #611H  
2040' FNL & 210' FWL (SL) (Section 2)  
660' FNL & 100' FEL (BHL) (Section 1)

Rio Grande 2/1 State Com #523H  
2080' FNL & 210' FWL (SL) (Section 2)  
1980' FNL & 100' FEL (BHL) (Section 1)

Rio Grande 2/1 State Com #613H  
2060' FNL & 210' FWL (SL) (Section 2)  
1980' FNL & 100' FEL (BHL) (Section 1)

All in Sections 1 & 2, T19S, R28E, Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to drill the captioned Rio Grande 2/1 State Com #521H 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 7,642 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 17,600 feet. The N/2N/2 of the captioned Sections 1 & 2 will be dedicated to the well as the spacing unit.

In addition, Mewbourne as Operator hereby proposes to drill the Rio Grande 2/1 State Com #611H 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 8,587 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 18,670 feet. The N/2N/2 of the captioned Sections 1 & 2 will be dedicated to the well as the spacing unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned Rio Grande 2/1 State Com #523H 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 7,667 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 17,520 feet. The S/2N/2 of the captioned Sections 1 & 2 will be dedicated to the well as the spacing unit.

Finally, Mewbourne as Operator hereby proposes to drill the captioned Rio Grande 2/1 State Com #613H 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 8,638 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 18,515 feet. The S/2N/2 of the captioned Sections 1 & 2 will be dedicated to the well as the spacing unit.

Regarding the above, enclosed for your further handling are our AFEs dated October 2, 2023 and Communitization Agreements dated October 1, 2023 (N2N2 & S2N2 Bone Spring) for the captioned proposed wells. In the event your firm elects to participate in the proposed wells, please execute the enclosed AFEs and extra set of signature/notary pages for the Communitization Agreements and return to me within thirty (30) days.

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

Sincerely,

**MEWBOURNE OIL COMPANY**



Mitch Robb  
Landman





October 20, 2023

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8361 0544 0509 4857 54.**

Item Details

**Status:** Delivered, Front Desk/Reception/Mail Room  
**Status Date / Time:** October 20, 2023, 2:34 pm  
**Location:** HOUSTON, TX 77024  
**Postal Product:** First-Class Mail®  
**Extra Services:** Certified Mail™  
 Return Receipt Electronic  
**Recipient Name:** PATRICIA SCHOENBERGER

Recipient Signature

Signature of Recipient:	<i>Patricia Schoenberger</i>
Address of Recipient:	990 Town & Country Blvd. Houston, TX 77024

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Patricia Schoenberger Marathon Oil Permian LLC 990 Town & Country Blvd. Houston, TX 77024 Reference #: Rio Grande
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**MEWBORNE OIL COMPANY**  
AUTHORIZATION FOR EXPENDITURE

Well Name: **RIO GRANDE 2/1 STATE COM #521H (B2DA)** Prospect: **WPX ARTESIA (BOURBON RED 11)**  
 Location: **SL: 2020 FNL & 210 FWL (2); BHL: 660 FNL & 100 FEL (1)** County: **Eddy** ST: **NM**  
 Sec. **2** Blk:  Survey:  TWP: **19S** RNG: **28E** Prop. TVD: **7642** TMD: **17600**

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$50,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$76,000
Daywork / Turnkey / Footage Drilling	15 days drig / 3 days comp @ \$28000/d	0180-0110	\$448,600	0180-0210	\$89,700
Fuel	1700 gal/day @ \$3.9/gal	0180-0114	\$106,200	0180-0214	\$236,000
Alternate Fuels		0180-0115		0180-0215	\$54,000
Mud, Chemical & Additives		0180-0120	\$50,000	0180-0220	
Mud - Specialized		0180-0121	\$250,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$150,000	0180-0225	\$55,000
Logging & Wireline Services		0180-0130	\$34,000	0180-0230	\$300,000
Casing / Tubing / Snubbing Services		0180-0134	\$40,000	0180-0234	\$16,000
Mud Logging		0180-0137	\$15,000		
Stimulation	51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$2,223,000
Stimulation Rentals & Other				0180-0242	\$222,000
Water & Other	70% PW f/ MOC/SM/VF @ \$0.28/bbl & 30% FW	0180-0145	\$40,000	0180-0245	\$232,000
Bits		0180-0148	\$74,800	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	\$45,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$102,600	0180-0270	\$57,000
Directional Services	Includes Vertical Control	0180-0175	\$228,000		
Equipment Rental		0180-0180	\$114,400	0180-0280	\$25,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,600	0180-0285	
Intangible Supplies		0180-0188	\$7,000	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	\$64,800	0180-0295	\$32,400
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$113,300	0180-0299	\$201,300
<b>TOTAL</b>			<b>\$2,379,300</b>		<b>\$4,226,400</b>

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	325' - 13 3/8" 54.5# J-55 ST&C @ \$58.21/ft	0181-0794	\$20,200		
Casing (8.1" - 10.0")	900' - 9 5/8" 40# J-55 LT&C @ \$46.74/ft	0181-0795	\$44,900		
Casing (6.1" - 8.0")	6040' - 7" 29# HPP110 BT&C @ \$51.82/ft	0181-0796	\$378,600		
Casing (4.1" - 6.0")	11000' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$29.55/ft			0181-0797	\$347,200
Tubing	6800' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13/ft			0181-0798	\$91,600
Drilling Head		0181-0860	\$50,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$75,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Service Pumps	(1/8) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks	(1/8) 6 OT/5 WT/GB			0181-0890	\$51,000
Emissions Control Equipment	(1/8) (4)VRT/(2)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$60,000
Separation / Treating Equipment	(1/8) (2)BULK H SEP/(3)TEST H SEP/(1)V SEP/(3)VHT/(1)H			0181-0895	\$62,000
Automation Metering Equipment				0181-0898	\$56,000
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$15,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$8,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$110,000
Wellhead Flowlines - Construction				0181-0907	\$109,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$74,000
Equipment Installation				0181-0910	\$63,000
Oil/Gas Pipeline - Construction				0181-0920	\$5,000
Water Pipeline - Construction				0181-0921	\$14,000
<b>TOTAL</b>			<b>\$493,700</b>		<b>\$1,200,800</b>
<b>SUBTOTAL</b>			<b>\$2,873,000</b>		<b>\$5,427,200</b>
<b>TOTAL WELL COST</b>			<b>\$8,300,200</b>		

**Extra Expense Insurance**

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: Ryan McDaniel Date: 9/27/2023  
 Company Approval: M. Whittier Date: 10/2/2023

Joint Owner Interest: \_\_\_\_\_ Amount: \_\_\_\_\_  
 Joint Owner Name: \_\_\_\_\_ Signature: \_\_\_\_\_

EXHIBIT 2-D

**MEWBOURNE OIL COMPANY**  
AUTHORIZATION FOR EXPENDITURE

**Well Name:** RIO GRANDE 2/1 STATE COM #611H (B3DA) **Prospect:** WPX ARTESIA (BOURBON RED 11)  
**Location:** SL: 2040 FNL & 210 FWL (2); BHL: 660 FNL & 100 FEL (1) **County:** Eddy **ST:** NM  
**Sec.** 2 **Blk:** **Survey:** **TWP:** 19S **RNG:** 28E **Prop. TVD:** 8587 **TMD:** 18670

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$50,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$76,000
Daywork / Turnkey / Footage Drilling	20 days drlg / 3 days comp @ \$28000/d	0180-0110	\$598,100	0180-0210	\$89,700
Fuel	1700 gal/day @ \$3.9/gal	0180-0114	\$141,600	0180-0214	\$236,000
Alternate Fuels		0180-0115		0180-0215	\$54,000
Mud, Chemical & Additives		0180-0120	\$55,000	0180-0220	
Mud - Specialized		0180-0121	\$275,000	0180-0221	
Horizontal Drilling Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$160,000	0180-0225	\$55,000
Logging & Wireline Services		0180-0130	\$34,000	0180-0230	\$300,000
Casing / Tubing / Snubbing Services		0180-0134	\$40,000	0180-0234	\$16,000
Mud Logging		0180-0137	\$15,000		
Stimulation	51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$2,223,000
Stimulation Rentals & Other				0180-0242	\$222,000
Water & Other	70% PW fl MOC/SM/VF @ \$0.28/bbl & 30% FW	0180-0145	\$40,000	0180-0245	\$232,000
Bits		0180-0148	\$96,100	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	\$45,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$131,100	0180-0270	\$57,000
Directional Services	Includes Vertical Control	0180-0175	\$323,000		
Equipment Rental		0180-0180	\$141,600	0180-0280	\$25,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,800	0180-0285	
Intangible Supplies		0180-0188	\$7,000	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	\$82,800	0180-0295	\$32,400
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$134,100	0180-0299	\$201,300
<b>TOTAL</b>			<b>\$2,615,200</b>		<b>\$4,226,400</b>

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	325' - 13 3/8" 54.5# J-55 ST&C @ \$58.21/ft	0181-0794	\$20,200		
Casing (8.1" - 10.0")	900' - 9 5/8" 40# J-55 LT&C @ \$46.74/ft	0181-0795	\$44,900		
Casing (6.1" - 8.0")	7900' - 7" 29# HPP110 BT&C @ \$51.82/ft	0181-0796	\$437,200		
Casing (4.1" - 6.0")	11000' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$29.55/ft			0181-0797	\$347,200
Tubing	7650' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13/ft			0181-0798	\$106,200
Drilling Head		0181-0860	\$50,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$75,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Service Pumps	(1/8) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks	(1/8) 6 QT/5 WT/GB			0181-0890	\$51,000
Emissions Control Equipment	(1/8) (4)VRT/(2)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$60,000
Separation / Treating Equipment	(1/8) (2)BULK H SEP/(3)TEST H SEP/(1)V SEP/(3)VHT/(1)H			0181-0895	\$62,000
Automation Metering Equipment				0181-0898	\$56,000
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$15,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$8,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$110,000
Wellhead Flowlines - Construction				0181-0907	\$109,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$74,000
Equipment Installation				0181-0910	\$63,000
Oil/Gas Pipeline - Construction				0181-0920	\$5,000
Water Pipeline - Construction				0181-0921	\$14,000
<b>TOTAL</b>			<b>\$552,300</b>		<b>\$1,215,400</b>
<b>SUBTOTAL</b>			<b>\$3,367,500</b>		<b>\$5,441,800</b>

<b>TOTAL WELL COST</b>		<b>\$8,809,300</b>	
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**Extra Expense Insurance**

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: Ryan McDaniel Date: 9/27/2023  
 Company Approval: [Signature] Date: 10/2/2023

Joint Owner Interest: \_\_\_\_\_ Amount: \_\_\_\_\_  
 Joint Owner Name: \_\_\_\_\_ Signature: \_\_\_\_\_

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

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

**Case Nos. 24040 - 24041**

**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 these cases. I have been qualified by the Division as an expert petroleum geologist.

3. The following geological plats are attached hereto:

(a) Exhibit 3-A is a structure map of a portion of 19S-28E on the base of the Second Bone Spring Sand. It shows that structure dips gently to the east-southeast. It also shows Second Bone Spring wells in the area, and a line of cross-section.

(b) Exhibit 3-B is a cross section showing the Second Bone Spring Sand, the target zones for two of the proposed Rio Grande wells. 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.

(c) Exhibit 3-C is a structure map of a portion of 19S-28E on the top of the Wolfcamp formation. It shows that structure dips gently to the east-southeast. It also shows Third Bone Spring wells in the area, and a line of cross-section.

(d) Exhibit 3-D is a cross section showing the Third Bone Spring Sand, the target zones for two of the proposed Rio Grande wells. The well logs on the cross-section give a representative sample of the Third Bone Spring Sand in this area. The sand is continuous and uniformly thick across the well units.

4. I conclude from the maps that:

EXHIBIT 3

- (a) The horizontal spacing units are justified from a geologic standpoint.
- (b) The target zones are continuous and of relatively uniform thickness across the well units.
- (c) Each quarter-quarter section in each well unit will contribute more or less equally to production from the wells.
- (d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.

5. Exhibit 3-A and Exhibit 3-C shows other Second and Third Bone Spring Sand wells drilled in this area. There is a substantial preference for laydown wells.

6. Exhibit 3-E contains horizontal drilling plans for the proposed wells. The producing intervals of the wells 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:

11/28/23



Charles Crosby

EXHIBIT

3.A

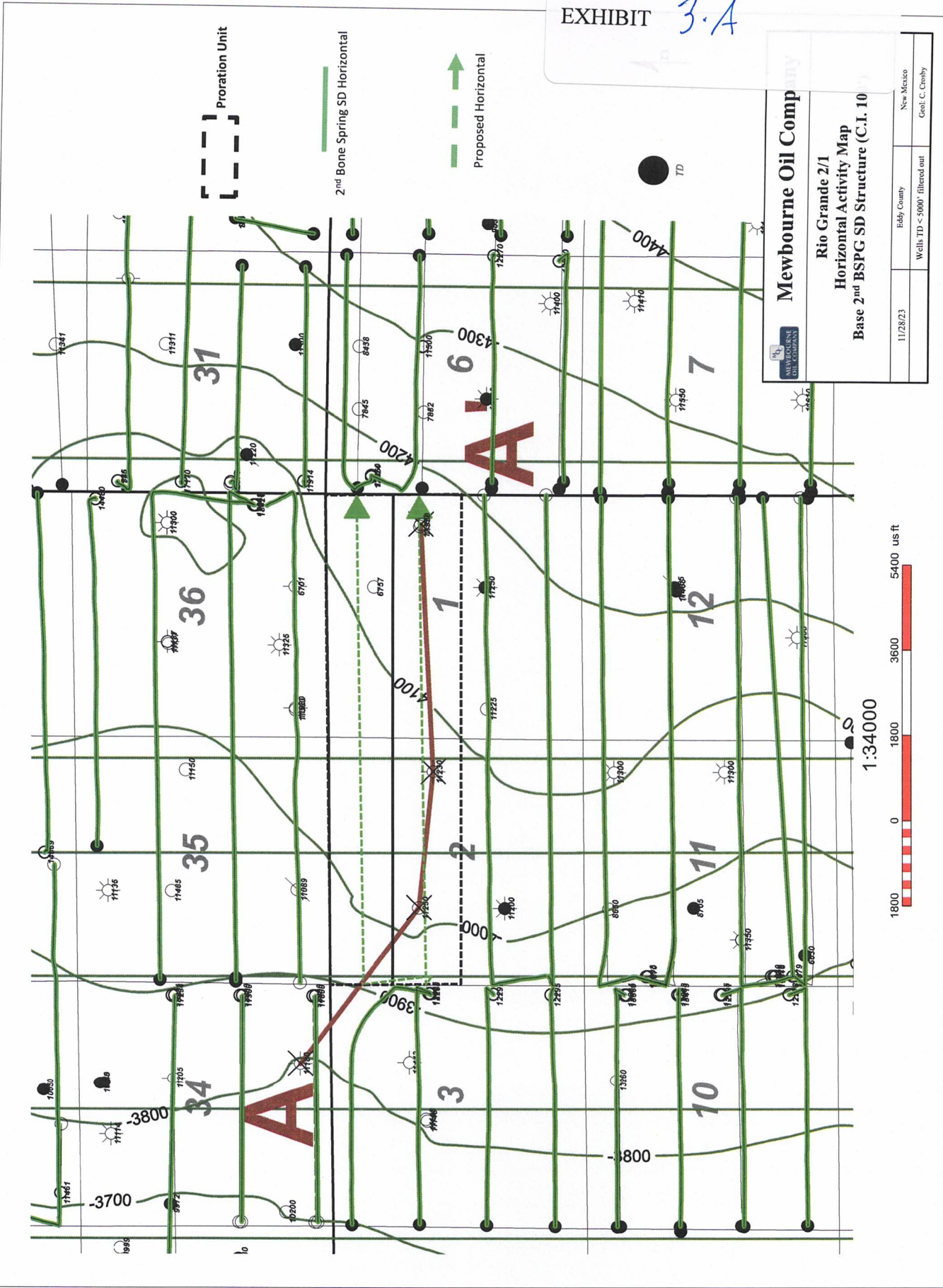
**Mewbourne Oil Company**

**Rio Grande 2/1**

**Horizontal Activity Map**

**Base 2nd BSPG SD Structure (C.I. 10)**

11/28/23	Eddy County	New Mexico
	Wells TD < 5000' filtered out	Geol. C. Crosby



A  
W

A'  
E

3001529310000 4100 ft 3001531282000 2800 ft 30015384810000 5107 ft 30015229410000

MEWBOURNE OIL CO  
SCANLON DRIVE 34 E S 1  
Dulon=26238.00  
650 FNL660 FEL  
TWP: 19 S - Range: 28 E - Sec: 34

DOMINION OKLAHOMA TEXAS EXPL & PROD  
TURKEY TRACK 2 STATE 2  
Dulon=2474.00  
NW SE NW  
TWP: 19 S - Range: 28 E - Sec: 2

BASS ENTERPRISES PROD CO  
TURKEY TRACK 2 ST 1  
Dulon=3441.00  
2100 FNL660 FEL  
TWP: 19 S - Range: 28 E - Sec: 2

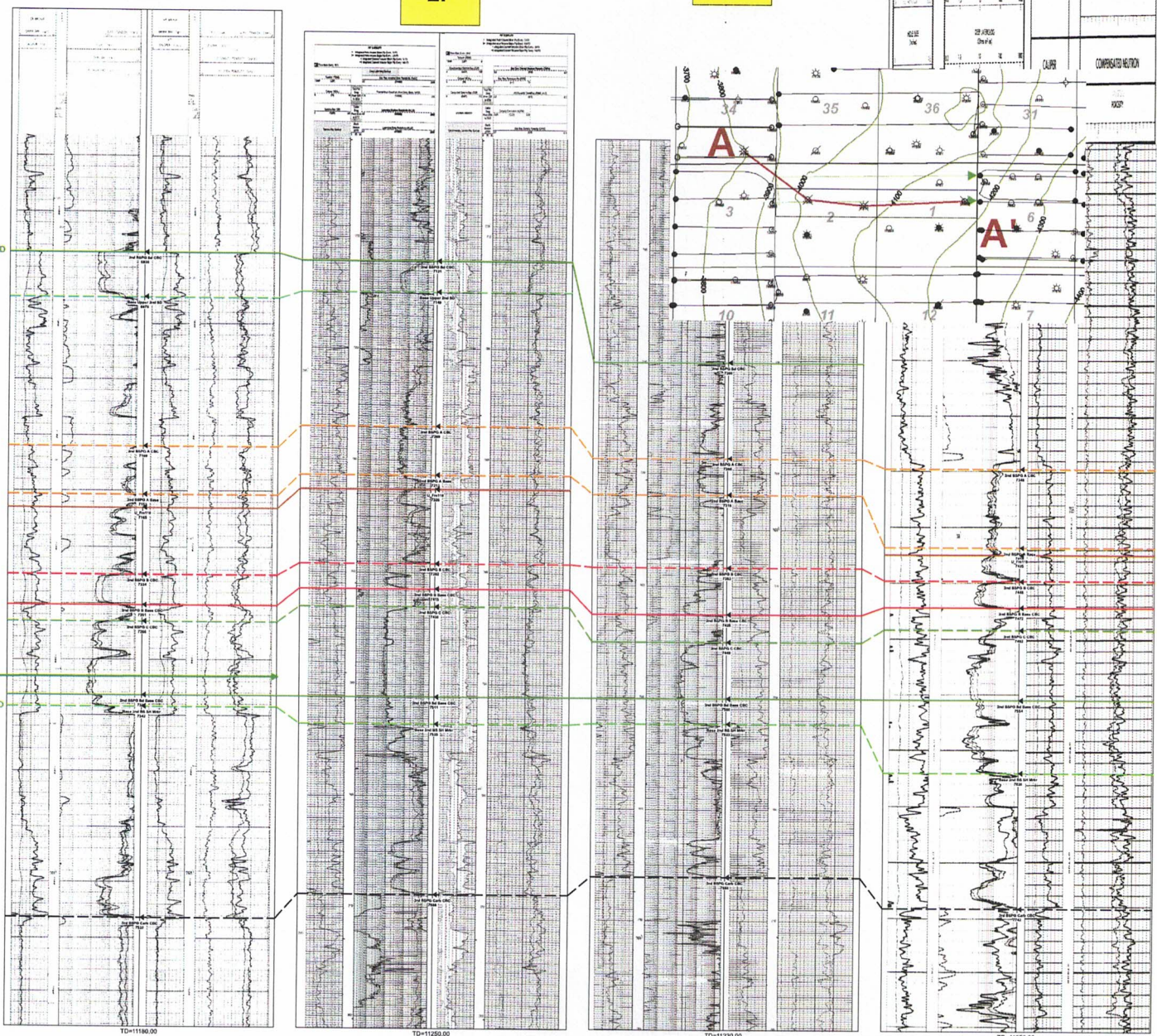
BASS ENTERPRISES PROD CO  
MERCHANT STATE 1  
Dulon=3483.00  
1900 FNL660 FEL  
TWP: 19 S - Range: 28 E - Sec: 1

340

2F

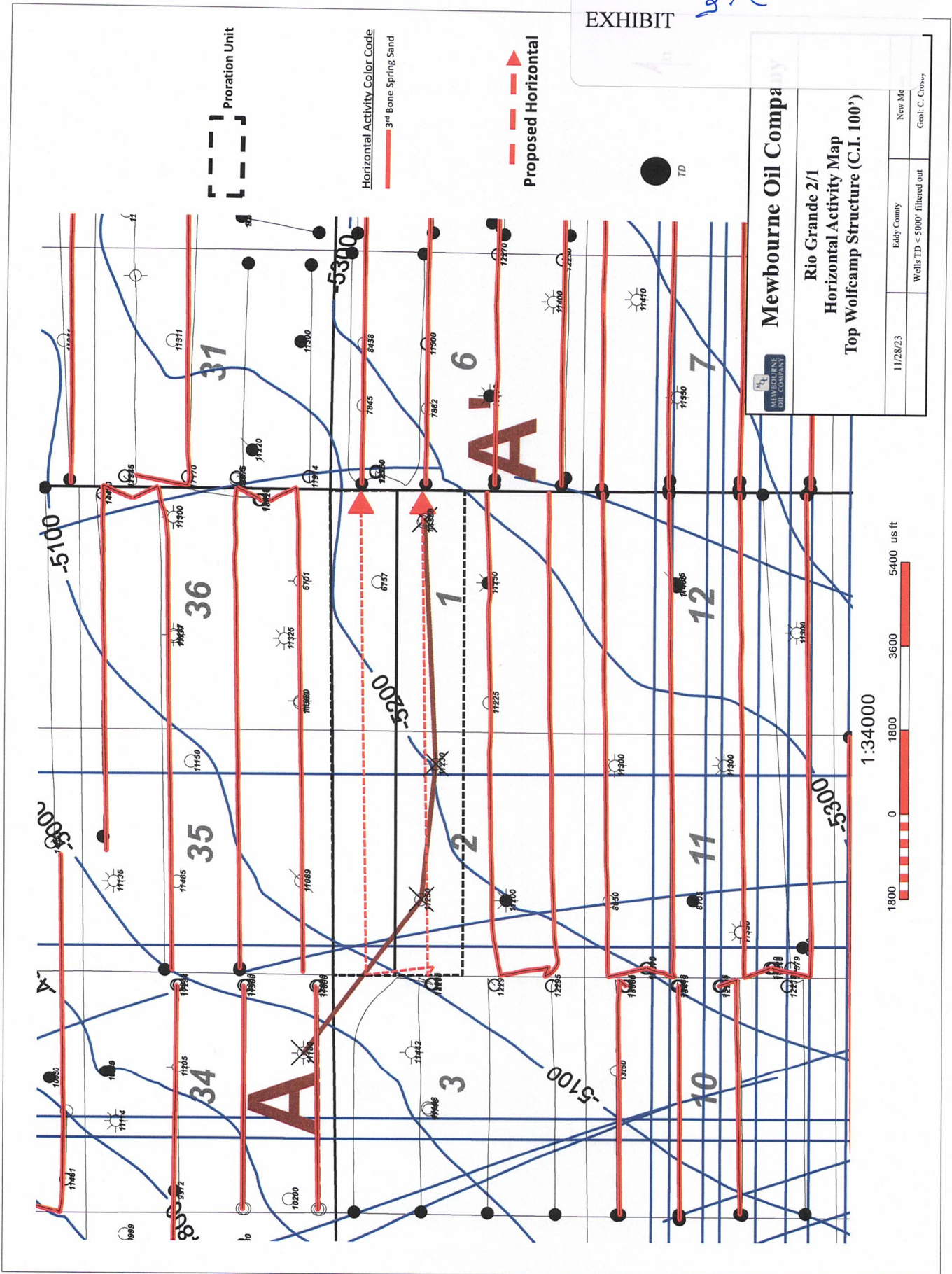
2H

1H



Rio Grande 2/1 2nd BSPG SD Cross Section Exhibit (A-A')

EXHIBIT 3.B



EXHIBIT

W.C.

**Mewbourne Oil Company**  
 Rio Grande 2/1  
 Horizontal Activity Map  
 Top Wolfcamp Structure (C.I. 100')

11/28/23	Eddy County	New Mexico
Wells TD < 5000' filtered out		Geol. C. Crosby



A  
N

A'  
E

30015229750000  
NEWBORG OIL CO  
SCANLON DRAW 34 S 1  
Datum=3474.00  
660 F5/1650 FEL  
TWP: 19 S - Range: 28 E - Sec: 34

4190 ft

30015112820000  
DOMINION OKLAHOMA TEXAS EXPL & PROD  
TURKEY TRACK 2 STATE 2  
Datum=3474.00  
NW 66 NW  
TWP: 19 S - Range: 28 E - Sec: 2

2800 ft

30015224810000  
BASS ENTERPRISES PROD CO  
TURKEY TRACK 2 ST 1  
Datum=3441.00  
2160 FNL/650 FEL  
TWP: 19 S - Range: 28 E - Sec: 2

5167 ft

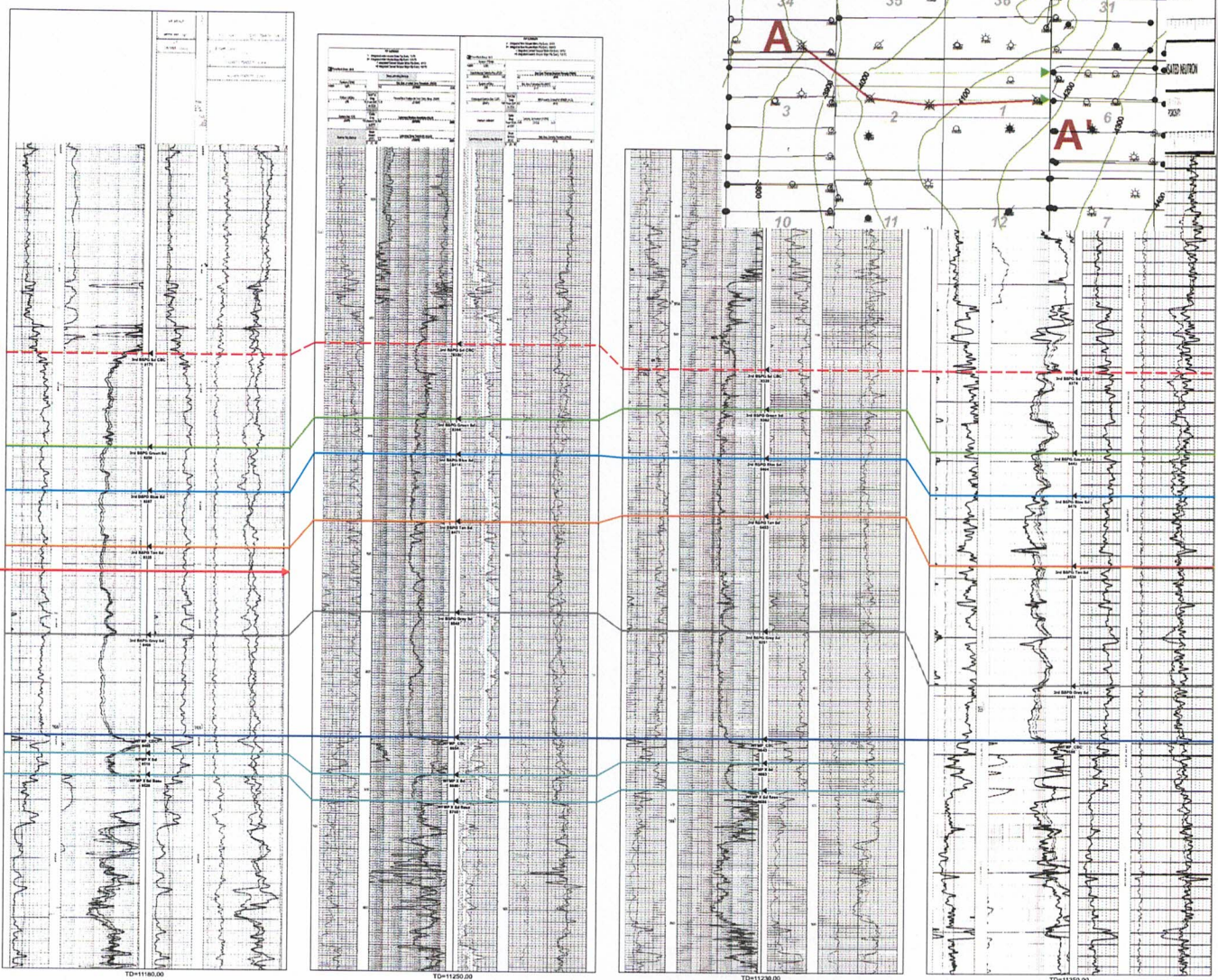
30015222410000  
BASS ENTERPRISES PROD CO  
MERCHANT STATE 1  
Datum=3403.00  
1860 FNL/660 FEL  
TWP: 19 S - Range: 28 E - Sec: 1

340

2F

2H

1H



Rio Grande 2/1 3rd BSPG SD Cross Section Exhibit (A-A')

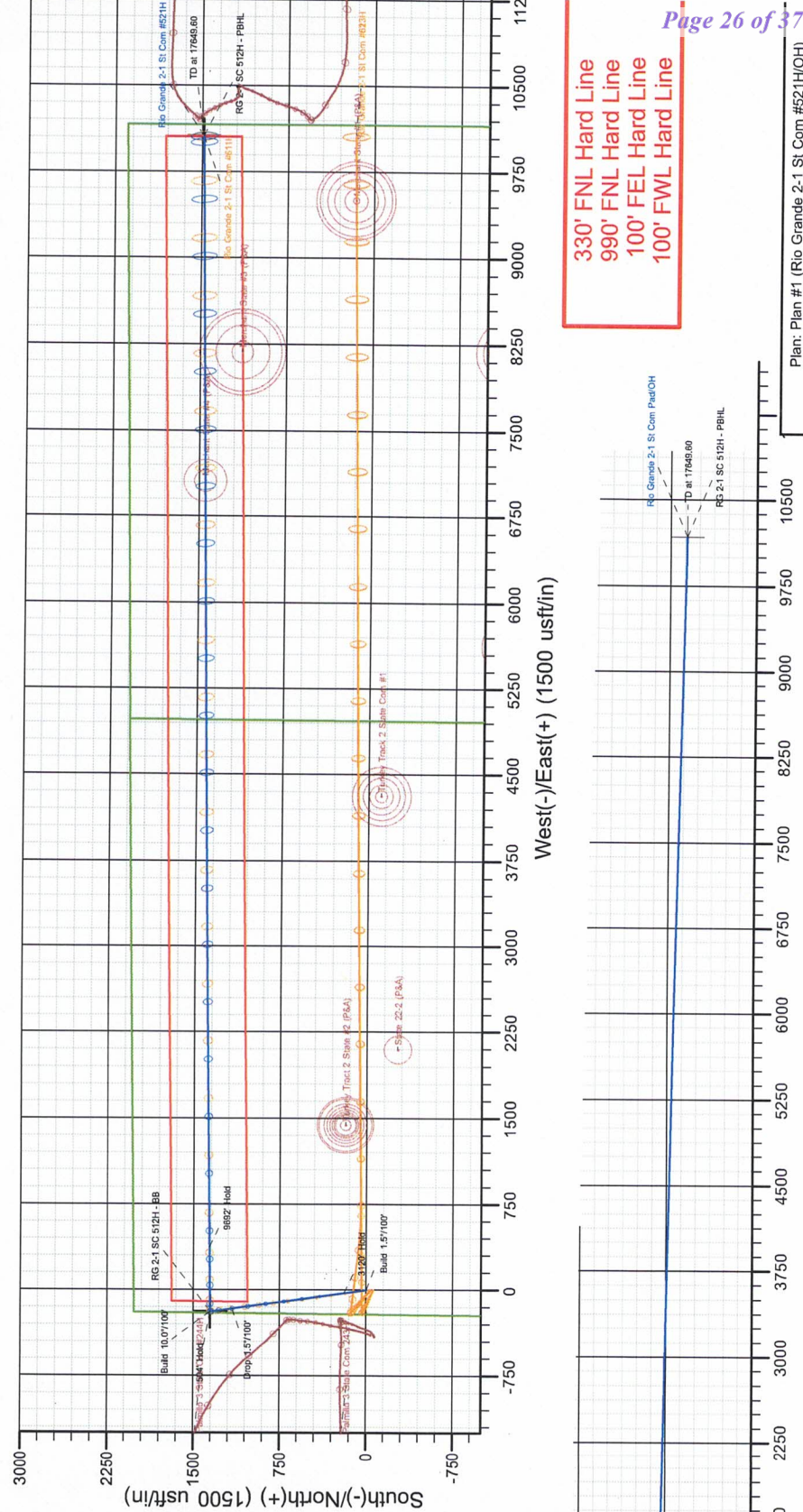
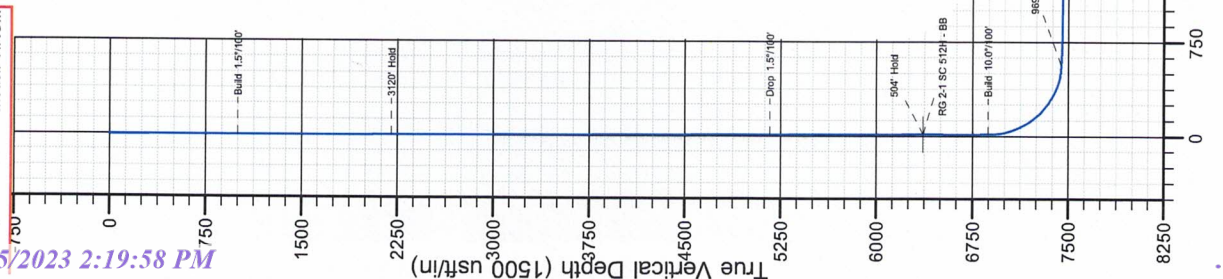
EXHIBIT 3.D



**MEWBOURNE**  
OIL COMPANY

EXHIBIT *3.E*

Azimuths to Grid North  
 True North: -0.10°  
 Magnetic North: 6.78°  
 Magnetic Field  
 Strength: 47520.2nT  
 Dip Angle: 60.28°  
 Date: 9/28/2023  
 Model: HRGM



330' FNL Hard Line  
 990' FNL Hard Line  
 100' FEL Hard Line  
 100' FWL Hard Line

Site: Rio Grande 2-1 St Com #521H  
 Well: Rio Grande 2-1 St Com #521H  
 Wellbore: OH  
 Design: Plan #1  
 Lat: 32.691561  
 Long: -104.154949  
 GL: 3474.00  
 KB: KB=28 @ 3502.00usft (Patterson 559)

WELL DETAILS: Rio Grande 2-1 St Com #521H

+N-S	+E-W	Northing	Eastings	Latitude	Longitude
0.00	0.00	615367.30	596215.60	32.691561	-104.154949

WELLBORE TARGET DETAILS (LAT/LONG)

Name	TVD	+N-S	+E-W	Northing	Eastings	Shape Point
RG 2-1 SC 512H - BB	6365.00	1356.70	-187.40	616724.00	596028.20	Point
RG 2-1 SC 512H - PBHL	7642.00	1488.80	10063.10	616856.10	606278.70	Point

SECTION DETAILS

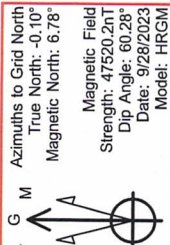
MD	Inc	Azi	TVD	+N-S	+E-W	Dieg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build 1.57/100'
1000.00	0.00	0.00	1000.00	0.00	0.00	0.00	0.00	0.00	3120' Hold
2222.58	18.34	352.14	2201.81	192.17	-26.54	1.50	352.14	1.87	Drop 1.57/100'
5342.40	18.34	352.14	5163.19	1164.53	-160.96	0.00	0.00	11.31	504' Hold
6564.98	0.00	0.00	6365.00	1356.70	-187.40	1.50	180.00	13.18	Build 10.07/100'
7069.14	0.00	0.00	6989.16	1356.70	-187.40	0.00	0.00	0.00	9892' Hold
7957.32	88.82	89.26	7442.00	1363.93	373.69	10.00	89.26	589.28	TD at 17649.60
17649.60	88.82	89.26	7642.00	1488.80	10063.10	0.00	0.00	10172.64	

Rio Grande 2-1 St Com #521H  
 SHL: 2020' FNL & 210' FWL  
 BHL: 660' FNL & 100' FEL



**MEWBOURNE**  
**OIL COMPANY**

Site: Rio Grande 2-1 St Com Pad  
Well: Rio Grande 2-1 St Com #611H  
Wellbore: OH  
Design: Plan #1  
Lat: 32.691506  
Long: -104.154949  
GL: 3475.00  
KB: KB=28 @ 3503.00usft (Patterson 559)



WELL DETAILS: Rio Grande 2-1 St Com #611H

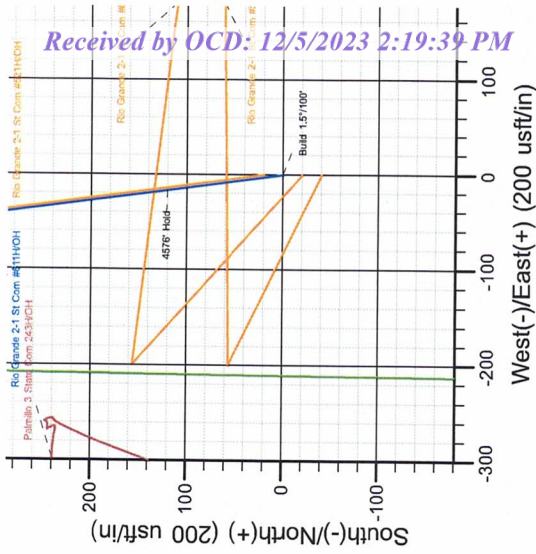
	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
	0.00	0.00	615347.30	596215.40	32.691506	-104.154949

WELLBORE TARGET DETAILS (LAT/LONG)

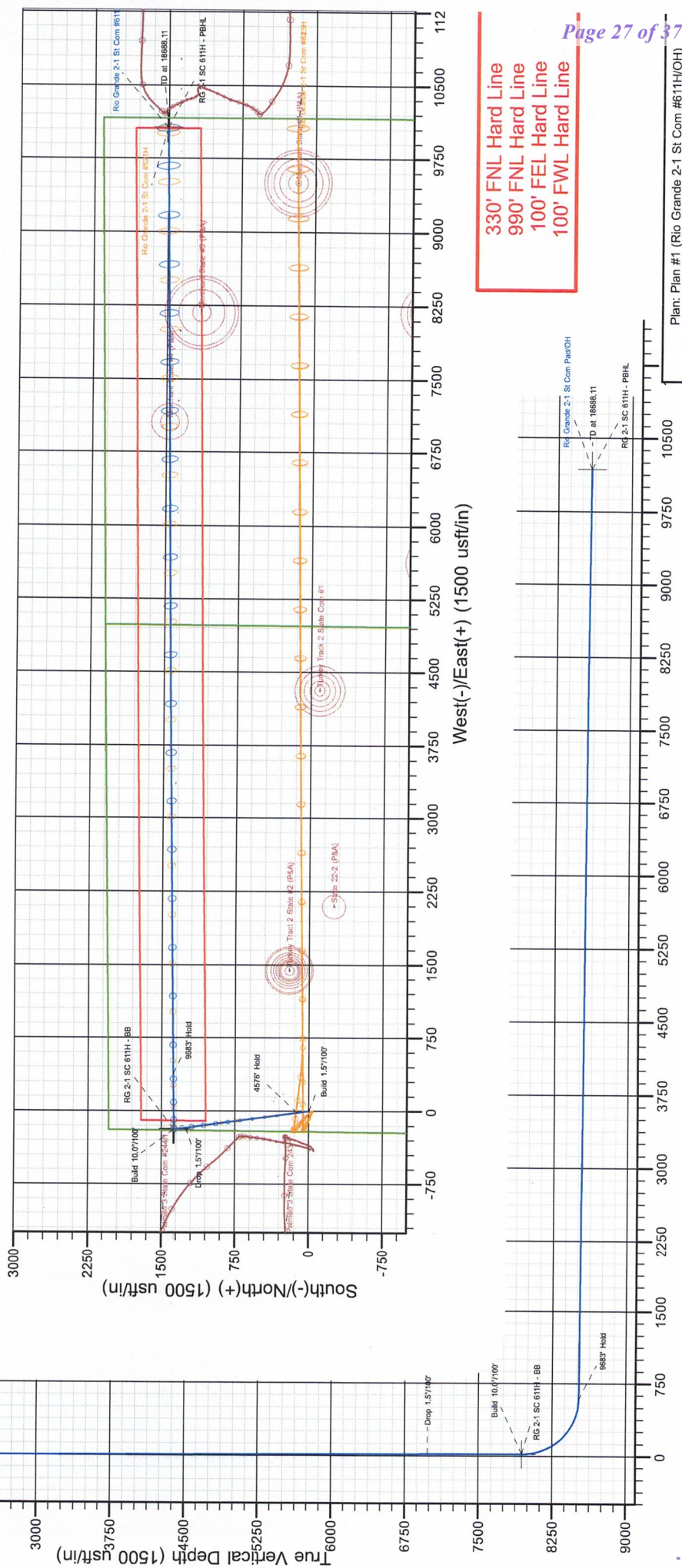
Name	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
RG 2-1 SC 611H - BB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build 1.57/100'
RG 2-1 SC 611H - PBHL	18688.11	89.58	89.26	8587.00	1508.80	10063.30	10.00	89.26	582.51	9683' Hold TD at 18688.11

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build 1.57/100'
1600.00	0.00	0.00	1600.00	0.00	0.00	0.00	0.00	0.00	4576' Hold
2566.89	14.50	352.26	2556.60	120.61	-16.40	1.50	352.26	1.66	Drop 1.57/100'
7142.57	14.50	352.26	6986.46	1256.09	-170.80	0.00	0.00	17.33	Drop 10.09/100'
8109.46	0.00	0.00	7943.06	1376.70	-187.20	1.50	180.00	19.00	Build 10.09/100'
9005.26	89.58	89.26	8516.00	1384.03	381.51	10.00	89.26	582.51	9683' Hold
18688.11	89.58	89.26	8587.00	1508.80	10063.30	0.00	0.00	10175.78	TD at 18688.11



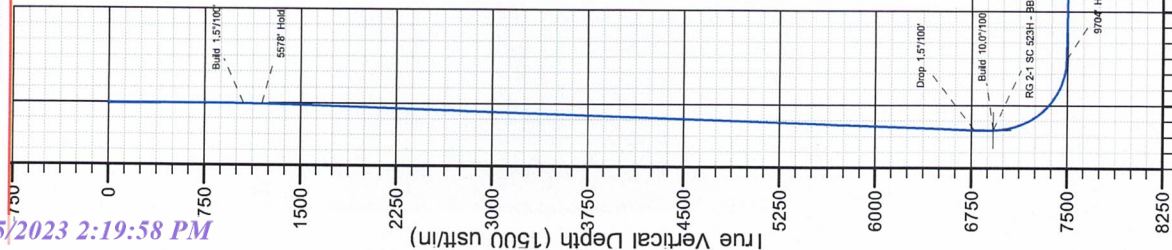
Rio Grande 2-1 St Com #611H  
SHL: 2040' FNL & 210' FWL  
BHL: 660' FNL & 100' FEL





**MEWBOURNE**  
**OIL COMPANY**

Azimuths to Grid North  
True North: -0.10°  
Magnetic North: 6.78°  
Magnetic Field  
Strength: 47520.2nT  
Dip Angle: 60.28°  
Date: 9/28/2023  
Model: HRGM



Site: Rio Grande 2-1 St Com - Pad  
Well: Rio Grande 2-1 St Com #523H  
Wellbore: OH  
Design: Plan #1  
Lat: 32.691396  
Long: -104.154951  
GL: 3476.00  
KB: KB=28 @ 3504.00usft (Patterson 559)

WELL DETAILS: Rio Grande 2-1 St Com #523H

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	615307.30	596215.00	32.691396	-104.154951

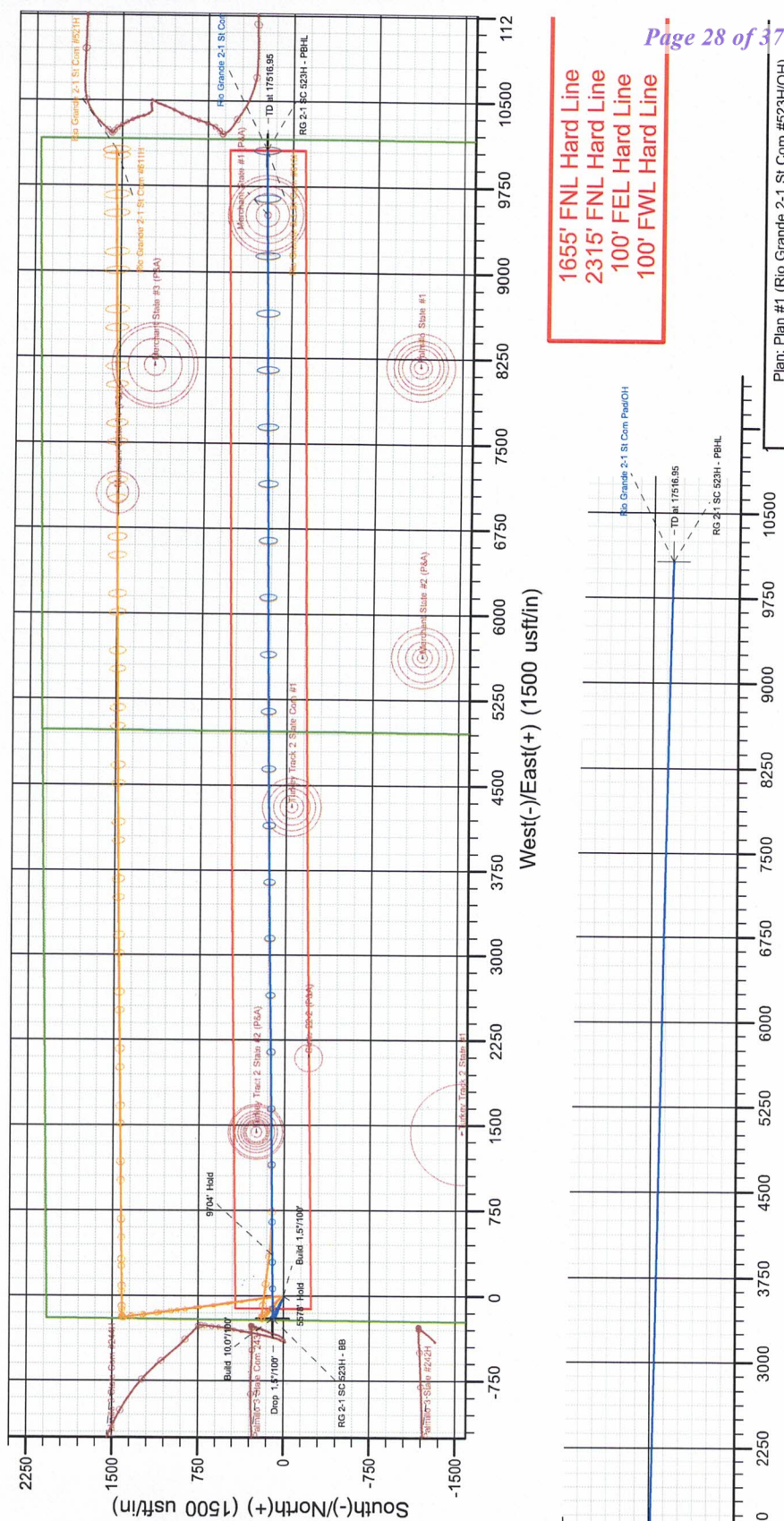
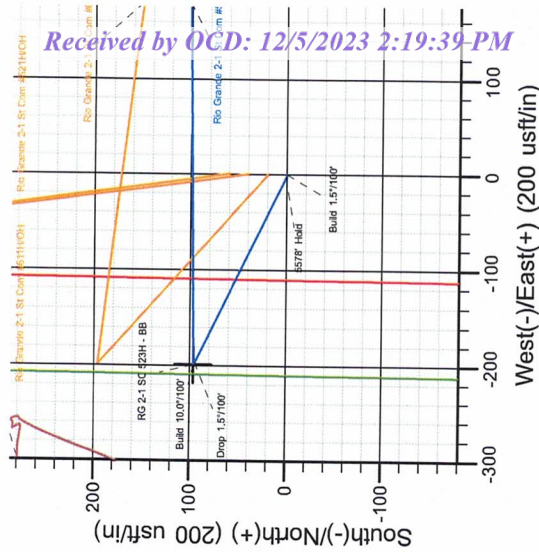
WELLBORE TARGET DETAILS (LAT/LONG)

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape Point
RG 2-1 SC 523H - BB	96.44	-199.00	615403.74	596016.00			
RG 2-1 SC 523H - PBHL	229.10	10065.10	615536.40	606280.10			

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1050.00	0.00	0.00	1050.00	0.00	0.00	0.00	0.00	0.00	Build 1.5'/100'
1197.56	2.21	295.86	1197.52	1.24	-2.56	1.50	295.86	-2.54	5578' Hold
6775.82	2.21	295.86	6771.62	95.20	-196.44	0.00	0.00	-194.22	Drop 1.5'/100'
6923.38	0.00	0.00	6919.14	96.44	-199.00	1.50	180.00	-196.75	Build 10.0'/100'
7813.04	88.97	89.26	7492.00	103.71	363.58	10.00	89.26	365.84	9704' Hold
17516.95	88.97	89.26	7687.00	229.10	10067.71	0.00	0.00	10067.71	TD at 17516.95

Rio Grande 2-1 St Com #523H  
SHL: 2080' FNL & 210' FWL  
BHL: 1980' FNL & 100' FEL



1655' FNL Hard Line  
2315' FNL Hard Line  
100' FEL Hard Line  
100' FWL Hard Line



**MEWBOURNE**  
**OIL COMPANY**

Site: Rio Grande 2-1 St Com Pad  
Well: Rio Grande 2-1 St Com #613H  
Wellbore: OH  
Design: Plan #1  
Lat: 32.691451  
Long: -104.154950  
GL: 3476.00  
KB: KB=28 @ 3504.00usft (Patterson 559)

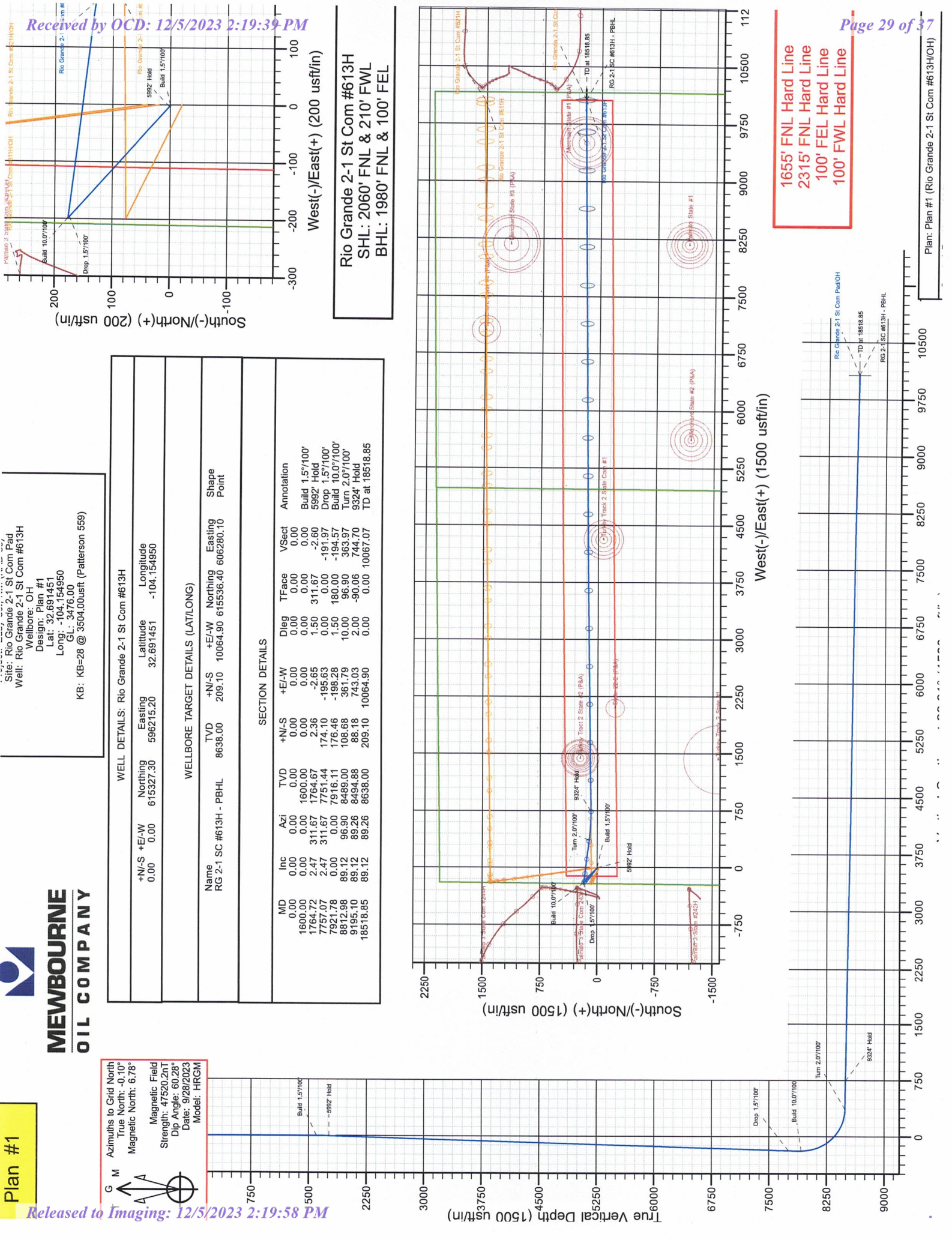
Azimuths to Grid North  
True North: -0.10°  
Magnetic North: 6.78°  
Magnetic Field  
Strength: 47520.2nT  
Dip Angle: 60.28°  
Date: 9/28/2023  
Model: HRGM

WELL DETAILS: Rio Grande 2-1 St Com #613H			
+N/-S	+E/-W	Northing	Eastings
0.00	0.00	615327.30	596215.20
WELLBORE TARGET DETAILS (LAT/LONG)			
Name	TVD	+E/-W	+N/-S
RG 2-1 SC #613H - PBHL	8638.00	10064.90	615536.40
SECTION DETAILS			
MD	Inc	Azi	TVD
0.00	0.00	0.00	0.00
1600.00	0.00	0.00	1600.00
1764.72	2.47	311.67	1764.67
7757.07	2.47	311.67	7751.44
7921.78	0.00	0.00	7916.11
8612.98	89.12	96.90	8489.00
9195.10	89.12	89.26	8494.88
18518.85	89.12	89.26	8638.00

South(-)/North(+)	West(-)/East(+)	Annotation
200	-300	Build 1.57/100'
100	-200	5982' Hold
0	-100	Drop 1.57/100'
-100	0	Build 10.07/100'
-200	0	Turn 2.07/100'
-300	0	9324' Hold
		TD at 18518.85

Rio Grande 2-1 St Com #613H  
SHL: 2060' FNL & 210' FWL  
BHL: 1980' FNL & 100' FEL

1655' FNL Hard Line  
2315' FNL Hard Line  
100' FEL Hard Line  
100' FWL Hard Line



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

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

Case Nos. 24040 & 24041

SELF-AFFIRMED STATEMENT OF NOTICE

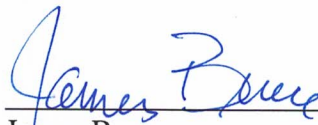
COUNTY OF SANTA FE     )  
  ) ss.  
STATE OF NEW MEXICO    )

James Bruce deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Mewbourne Oil Company.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owner, at its last known address, by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Exhibit 2-A.
5. Applicant has complied with the notice provisions of Division Rules.

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 5 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: 12/5/23

  
\_\_\_\_\_  
James Bruce

EXHIBIT

4

**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](mailto:jamesbruc@aol.com)

November 16, 2023

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of two applications, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, requesting the following relief:

(a) Case No. 24040: 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/2N/2 of Section 2 and the N/2N/2 of Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to Rio Grande 2/1 State Com. Well No. 521H and the Rio Grande 2/1 State Com. Well No. 611H, which have first take points in the NW/4NW/4 of Section 2 and last take points in the NE/4NE/4 of Section 1. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells.

(b) Case No. 24041: 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 S/2N/2 of Section 2 and the S/2N/2 of Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to Rio Grande 2/1 State Com. Well No. 523H and the Rio Grande 2/1 State Com. Well No. 613H, which have first take points in the SW/4NW/4 of Section 2 and last take points in the SE/4NE/4 of Section 1. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells.

EXHIBIT

4.A

These matters are scheduled for hearing at 8:15 a.m. on Thursday, December 7, 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](mailto: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 applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters 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](mailto: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



EXHIBIT A

Marathon Oil Permian LLC  
990 Town & Country Blvd.  
Houston, Texas 77024

Attention: Shawn Willis

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

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

OFFICIAL USE

Certified Mail Fee \_\_\_\_\_

Postmark Here

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

**Total Postage and Fees** \$ \_\_\_\_\_

Sent To Marathon Oil Permian LLC  
 990 Town & Country Blvd.  
 Street, ar Houston, Texas 77024

City, State, ZIP+4® \_\_\_\_\_

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

7020 0090 0000 0863 3619

**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:

Marathon Oil Permian LLC  
 990 Town & Country Blvd.  
 Houston, Texas 77024

2. Article Number (Transfer from service label)

7020 0090 0000 0863 3619

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

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
 X *Mailroom*  Agent Addressee

B. Received by (Printed Name) *Mailroom* Date of Delivery *NOV 28 2023*

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

NOV 28 2023

3. Service Type

Adult Signature  Priority Mail Express®

Adult Signature Restricted Delivery  Registered Mail™

Certified Mail®  Registered Mail Restricted Delivery

Certified Mail Restricted Delivery  Signature Confirmation™

Collect on Delivery  Signature Confirmation Restricted Delivery

Collect on Delivery Restricted Delivery  Restricted Delivery

(over \$500)

Domestic Return Receipt

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

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

Case No. \_\_\_\_\_

**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 Lots 1-4 (the N/2N/2) of Section 2 and Lots 1-4 (the N/2N/2) of Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the N/2N/2 of Section 2 and the N/2N/2 of Section 1 (containing 324 acres), and has the right to drill a well or wells thereon.

2. Applicant proposes to drill the Rio Grande 2/1 State Com. Well No. 521H and the Rio Grande 2/1 State Com. Well No. 611H to depths sufficient to test the Bone Spring formation, with first take points in the NW/4NW/4 (Lot 4) of Section 2 and last take points in the NE/4NE/4 (Lot 1) of Section 1.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N/2N/2 of Section 2 and the N/2N/2 of Section 1 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 wells or to otherwise commit their interests to the wells, 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 5

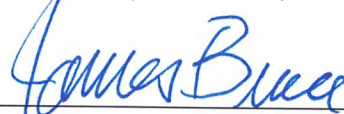
Spring formation underlying the N/2N/2 of Section 2 and the N/2N/2 of Section 1, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the N/2N/2 of Section 2 and the N/2N/2 of Section 1 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 (Palmillo; Bone Spring, East/Pool Code 49553) underlying the N/2N/2 of Section 2 and the N/2N/2 of Section 1;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, testing, and equipping the wells, and allocating the cost among the wells' 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 wells in the event a working interest owner elects not to participate in the wells.

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 Lots 1-4 (the N/2N/2) of Section 2 and Lots 1-4 (the N/2N/2) of Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to Rio Grande 2/1 State Com. Well No. 521H and the Rio Grande 2/1 State Com. Well No. 611H, which have first take points in the NW/4NW/4 (Lot 4) of Section 2 and last take points in the NE/4NE/4 (Lot 1) of Section 1. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 12-1/2 miles southwest of Loco Hills, New Mexico.