

CASE NO. 24190

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

EXHIBIT LIST (2nd Revised)

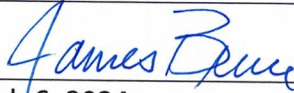
1. Pooling Checklist (omitted from original exhibit package)
2. Landman's Affidavit
2-A: Tract Maps, C-102 and Ownership Lists
2-B: Proposal Letter and AFE
3. Geologist's Affidavit
3-A: Structure Map
3-B: Cross-Section
3-C: Horizontal Drilling Plan
4. Affidavit of Mailing
4-A: Notice Letter
5. Affidavit of Publication
6. Application and Proposed Notice

Part I

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 24190	APPLICANT'S RESPONSE
Date: March 7, 2024	
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	Sandlot 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:	Cass Draw; Bone Spring/Pool Code 10380
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330' and 100' setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	N/2S/2 §8 and N/2S/2 §9, Township 22 South, Range 27 East
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes EXHIBIT 1
Other Situations	
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-A
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	Sandlot 9/8 Fee Well No. 525H API No. 30-015-48079 SHL: 1355 FSL & 355 FWL §10 BHL: 2310 FSL & 100 FWL §8 FTP: 2310 FSL & 100 FEL §9 LTP: 2310 FSL & 100 FWL §8 Second Bone Spring/TVD 7318 feet/MD 18000 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 1
Requested Risk Charge	Cost plus 200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 6
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-A
Tract List (including lease numbers and owners)	Exhibit 2-A
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-A; 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-B
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2-A
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-B
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-B
Cost Estimate to Equip Well	Exhibit 2-B
Cost Estimate for Production Facilities	Exhibit 2-8
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-A and 3-B
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-C
Well Orientation (with rationale)	East-West; Exhibits 3 and 3-A
Target Formation	Second Bone Spring Sand
HSU Cross Section	Exhibit 3-c
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-A
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits 2-A
General Location Map (including basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-B
Cross Section Location Map (including wells)	Exhibits 3-B and 3-C

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:	March 6, 2024

**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 No. 24190

SELF-AFFIRMED STATEMENT OF CARSON CULLEN

Carson Cullen 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. The purpose of this application is to force pool working interest and unleased mineral owners into the Bone Spring horizontal spacing unit described below.
3. The interest owners being pooled have been contacted regarding the proposed wells but have simply refused to voluntarily commit their interests to the wells. Some interest owners are or may be unlocatable.
4. In this case 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 9 and the N/2S/2 Section 8, Township 22 South, Range 27 East, NMPM. Applicant proposes to drill the Sandlot 9/8 Fee Well No. 525H, with a first take point in the NE/4SE/4 of Section 9 and a last take point in the NW/4SW/4 of Section 8.
5. There are no depth severances in the Bone Spring formation.
6. Land plats and information on the parties being pooled and their interests are set forth in Exhibit 2-A. To find the addresses for the parties we examined county and government records, and also conducted internet searches including google and drillinginfo.
7. Exhibit 2-B contains a sample copy of the proposal letters sent to the interest owners, together with an AFE for the well. The costs in the AFE are fair and reasonable for a well in this area of Eddy County.
8. Mewbourne has made a good faith effort to locate or obtain the voluntary joinder of the working interest and mineral owners in the proposed wells.
9. 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

EXHIBIT

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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.

10. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

11. Applicant requests that it be designated operator of the well.

12. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.

13. 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 these cases. I affirm that my testimony in paragraphs 1 through 13 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.

March 5, 2024
Date

Carson Cullen
Carson Cullen

Sandlot 9/8 FEE #525H
Sections 8 (N/2S/2) & 9 (N/2S/2), T22S, R27E
EDDY COUNTY, NM

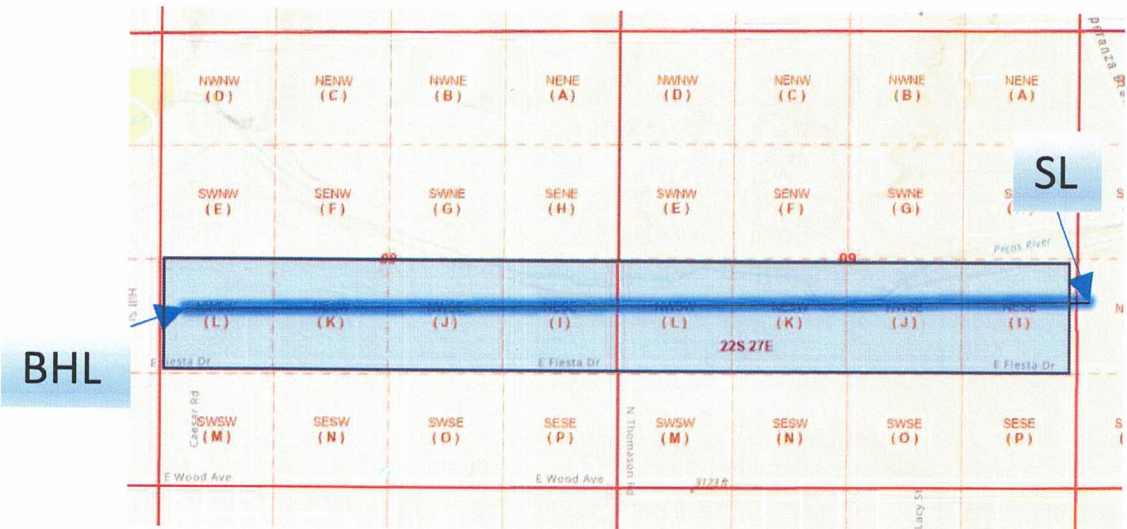


EXHIBIT 2-A

EXHIBIT A

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

¹ API Number 30-015-48079		² Pool Code 10380		³ Pool Name CASS DRAW; BONE SPRING	
⁴ Property Code		⁵ Property Name SANDLOT 9/8 FEE			⁶ Well Number 525H
⁷ OGRID NO. 14744		⁸ Operator Name MEWBOURNE OIL COMPANY			⁹ Elevation 3082'

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
L	10	22S	27E		1355	SOUTH	355	WEST	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
L	8	22S	27E		2310	SOUTH	100	WEST	EDDY

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

<p>16</p> <p>GEODETIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION N: 510697.0 - E: 587193.0 LAT: 32.4038862° N LONG: 104.1847519° W</p> <p>BOTTOM HOLE N: 511605.2 - E: 576349.1 LAT: 32.4064192° N LONG: 104.2198852° W</p>	<p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND 1/2" REBAR N: 509295.4 - E: 576249.5</p> <p>B: FOUND 1" PIPE N: 514658.2 - E: 576248.6</p> <p>C: FOUND 1" IRON PIPE N: 514641.5 - E: 578890.0</p> <p>D: FOUND 1" IRON PIPE N: 514624.6 - E: 581530.3</p> <p>E: FOUND 2" IRON PIPE N: 514672.0 - E: 584188.3</p> <p>F: FOUND 1/2" REBAR N: 514644.6 - E: 586833.4</p> <p>G: FOUND 1/2" REBAR N: 514619.5 - E: 589464.7</p> <p>H: FOUND 1/2" REBAR N: 514605.4 - E: 592087.5</p> <p>I: FOUND 1/2" REBAR N: 511996.7 - E: 592113.3</p>	<p>J: FOUND ALUMINUM CAP STAMPED "PE & PS 5412" N: 509338.2 - E: 592118.7</p> <p>K: FOUND COTTON SPINDLE N: 509339.9 - E: 589478.7</p> <p>L: FOUND COTTON SPINDLE N: 509342.6 - E: 586839.8</p> <p>M: FOUND 1/2" REBAR N: 509327.9 - E: 584195.2</p> <p>N: FOUND 1/2" REBAR N: 509313.0 - E: 581561.0</p>	<p>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.</p> <p><i>Andrew W Taylor</i> 11/20/2023 Signature Date Andrew Taylor Printed Name</p> <p>ataylor@mewbourne.com E-mail Address</p>
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<p>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.</p> <p>08/02/2023 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>19680 Certificate Number</p> <p>REV: BH MOVE, NAME CHANGE 11/17/23 Job No.: LS23080658R</p>	
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EXHIBIT C

TRACT OWNERSHIP
SANDLOT 9/8 FEE #525H
SANDLOT 9/8 FEE #554H
S/2N/2 & N/2S/2 of Sections 9 & 8, T22S, R27E
EDDY COUNTY, NM

S/2N/2 & N/2S/2 of Sections 9 & 8, T22S, R27E:**Bone Spring formation:**% Leasehold Interest

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	63.908297%
Aplomado Management LLC 3319 Longfield Circle Houston, Texas 77063	Part of 36.091703%
Bennett Oil and Gas PO Box 264 Midland, Texas 79702	Part of 36.091703%
COG Operating, LLC 600 West Illinois Avenue Midland, Texas 79701	Part of 36.091703%
Concho Oil & Gas, LLC 600 West Illinois Avenue Midland, Texas 79701	Part of 36.091703%
David J. Sorenson PO Box 1453 Roswell, New Mexico 88202	Part of 36.091703%
EOG Resources Inc. 5509 Champions Drive Midland, Texas 79706	Part of 36.091703%
Featherstone Development Corporation PO Box 429 Roswell, New Mexico 88202	Part of 36.091703%
Joann Sivley Ruppert Trust PO Box 550 Tesuque, New Mexico 87574	Part of 36.091703%
The Karen Roberts Special Needs Trust 2509 Aspen Street Longview, Texas 75605	Part of 36.091703%
Mary Carol Green, Trustee Lanita C. Williamson Family Living Trust 5910 N. Central Expressway, Suite 1662 Dallas, Texas 75206	Part of 36.091703%
Magnum Hunter Production, Inc. 600 N. Marienfeld Street, Suite 600 Midland, Texas 79701	Part of 36.091703%

Marathon Oil Company 990 Town & Country Blvd. Houston, Texas 77024	Part of 36.091703%
OXY USA Inc. 5 Greenway Plaza, Suite 110 Houston, Texas 77046	Part of 36.091703%
Pozo Rico Partners, LTD PO Box 2258 Cleburne, Texas 76033	Part of 36.091703%
Red Bird Ventures, Inc. 15814 Champion Forest Drive, PMB 250 Spring, Texas 77379	Part of 36.091703%
Ruth D. Roberts 5304 Scout Island Circle Austin, Texas 78731	Part of 36.091703%
Sharbro Energy LLC PO Box 840 Artesia, New Mexico 88211	Part of 36.091703%
Thomas Ray Sivley Trust PO Box 830308 Dallas, Texas 75283	Part of 36.091703%
Wadi Petroleum, Inc 13231 Champion Forest Drive, Suite 401 Houston, Texas 77069	Part of 36.091703%
Warwick-Ares LLC 6608 N. Western Avenue, Box 417 Oklahoma City, Oklahoma 73116	Part of 36.091703%
Wesley Keith Roberts 418 Forest Hills Drive League City, Texas 77573	Part of 36.091703%
Williamson Enterprises PO Box 32570 Santa Fe, New Mexico 87594	Part of 36.091703%

*** Total interest being pooled: 36.091703%**

Name	W/2 of Section 8			E/2 of Section 8			N/2 of Section 9			S/2 of Section 9			Unit Ownership	
	WI	Net Acres		WI	Net Acres		WI	Net Acres		WI	Net Acres		WI	Net Acres
Mewbourne Oil Company	17.134259%	54.89		88.583333%	283.10		10.329540%	33.05		53.988090%	320		53.988090%	691.05
OXY USA WTP LP	81.306692%	260.48		3.125000%	10.00					21.131426%			21.131426%	270.48
Sheldon K. Beren, et ux Miriam Beren	0.216956%	0.70								0.054302%			0.054302%	0.70
Robert M. Beren, ssp	0.108478%	0.35		1.718750%	5.50					0.456838%			0.456838%	5.85
Jean S. Beren, ssp	0.108478%	0.35								0.027151%			0.027151%	0.35
Frits Markus, et ux Marie E.S.A. Markus	0.173565%	0.56								0.043441%			0.043441%	0.56
David S. Gottesman et ux, Ruth L. Gottesman	0.173565%	0.56								0.043441%			0.043441%	0.56
Ruth D. Roberts	0.185463%	0.59								0.046419%			0.046419%	0.59
Tumbler Operating Partners LLC	0.185463%	0.59								0.046419%			0.046419%	0.59
Wesley Keith Roberts	0.185463%	0.59								0.046419%			0.046419%	0.59
****Unleased****	0.221619%	0.71								0.055469%			0.055469%	0.71
COG Operating							71.626639%	229.21		17.906660%			17.906660%	229.21
C. Mark Maloney et ux				2.083334%	6.67					0.520834%			0.520834%	6.67
Featherstone Development Corporation				2.083333%	6.67					0.520833%			0.520833%	6.67
Jack Barnett				0.687500%	2.20					0.171875%			0.171875%	2.20
Matzliach, LP				1.718750%	5.50					0.429688%			0.429688%	5.50
Concho Oil & Gas							3.916939%	12.53		0.979235%			0.979235%	12.53
Featherstone Development Corp							4.166667%	13.333344		1.041667%			1.041667%	13.33
Genesis Limited Partners							2.083333%	6.67		0.520833%			0.520833%	6.67
T.J. & Mary Sivley Trust							1.332352%	4.26		0.333088%			0.333088%	4.26
Pozo Rico Partners, Ltd.							1.167532%	3.74		0.291883%			0.291883%	3.74
David Sorenson							1.000253%	3.20		0.250063%			0.250063%	3.20
Red Bird Ventures, Inc.							0.986925%	3.16		0.246731%			0.246731%	3.16
Sharbro Energy Ltd.							1.582628%	5.06		0.395657%			0.395657%	5.06
Williamson Eneerprises							0.600150%	1.92		0.150038%			0.150038%	1.92
Cody Energy, Inc.							0.395115%	1.26		0.098779%			0.098779%	1.26
Tex-OK Limited Partnership							0.395115%	1.26		0.098779%			0.098779%	1.26
Lanita C. Williamson Family Trust							0.266745%	0.85		0.066686%			0.066686%	0.85
Jalee Nicole Hill							0.041696%	0.13		0.010424%			0.010424%	0.13
Jodi Kristen Hill							0.041696%	0.13		0.010424%			0.010424%	0.13
Jay R Nunnally							0.066675%	0.21		0.016669%			0.016669%	0.21
Total	100.000000%	320.00		100.000000%	319.63		100%	320.00		100%	320.00		100.000261%	1280.00

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020
Midland, Texas 79701
Phone (432) 682-3715
Fax (432) 685-4170

January 9, 2023

Via: Certified Mail

Bennett Oil and Gas
PO Box 51510
Midland, Texas 79710

Re: Proposed Unit for Horizontal Bone Spring and Wolfcamp Wells
Section 9, T22S-R27E
Section 8, T22S-R27E
Eddy County, New Mexico

Wells:

- Sandlot 9/8 Fee #525H
- Sandlot 9/8 Fee #554H
- Sandlot 9/8 Fee #711H (W0AD)
- Sandlot 9/8 Fee #713H (W0HE)
- Sandlot 9/8 Fee #716H (W0IL)
- Sandlot 9/8 Fee #718H (W0PM)
- Sandlot 9/8 Fee #851H

EXHIBIT 2-B

Dear Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 1280.00 acre Working Interest Unit ("WIU") covering the above captioned acreage for oil and gas production. Mewbourne's previous proposal included the Sandlot 9/8 W0PM Fee #1H, W0IL Fee #1H, W0HE Fee #1H, W0AD Fee #1H which are still included in this proposal, just under our new naming format. The targeted interval for the proposed unit is the Bone Spring and Wolfcamp formations.

Mewbourne hereby proposes to drill and operate the following horizontal Bone Spring and Wolfcamp wells:

1. Sandlot 9/8 Fee #525H located at a surface location 1355' FSL & 355' FWL of Section 10, with a bottom hole location 2310' FSL & 100' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 7,318' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 18,000'.
2. Sandlot 9/8 Fee #554H located at a surface location 1415' FNL & 355' FWL of Section 10, with a bottom hole location 2310' FNL & 100' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 7,918' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 18,550'.
3. Sandlot 9/8 Fee #711H located at a surface location 1,900' FNL & 205' FWL of Section 10, with a bottom hole location 660' FNL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 8,760' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 19,115'.

4. Sandlot 9/8 Fee #713H located at a surface location 1,930' FNL & 205' FWL of Section 10, with a bottom hole location 1,980' FNL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 8,770' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 19,057'.
5. Sandlot 9/8 Fee #716H located at a surface location 1,335' FSL & 355' FWL of Section 10, with a bottom hole location 1,980' FSL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 8,894' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 19,100'.
6. Sandlot 9/8 Fee #718H located at a surface location 1,315' FSL & 355' FWL of Section 10, with a bottom hole location 660' FSL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 8,894' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 19,170'.
7. Sandlot 9/8 Fee #851H located at a surface location 1,395' FSL & 355' FWL of Section 10, with a bottom hole location 450' FNL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 9,350' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 20,300'.

Regarding the above, enclosed for your further handling and information are copies of our Authorization For Expenditure ("AFE") for the above wells.

Please indicate your participation election by having each AFE executed and returned to my attention at the above address within thirty (30) days of receipt hereof. Our proposed Operating Agreement to follow.

Feel free to contact me at (432) 682-3715 or via email at ccullen@mewbourne.com if you have any questions or concerns. I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY



Carson Cullen
Landman

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: **SANDLOT 9/8 FEE #525H (B2IL)** Prospect: **SANDLOT**
 Location: **SL: 1355 FSL & 355 FWL (10); BHL: 2310 FSL & 100 FWL (8)** County: **Eddy** ST: **NM**
 Sec. **10** Blk: Survey: TWP: **22S** RNG: **27E** Prop. TVD: **7318** TMD: **18000**

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$100,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$75,000
Daywork / Turnkey / Footage Drilling 18 days drtg / 3 days comp @ \$28000/d		0180-0110	\$538,300	0180-0210	\$89,700
Fuel 1700 gal/day @ \$3.9/gal		0180-0114	\$127,500	0180-0214	\$236,000
Alternate Fuels		0180-0115		0180-0215	\$54,000
Mud, Chemical & Additives		0180-0120	\$40,000	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	\$120,000	0180-0225	\$55,000
Logging & Wireline Services		0180-0130	\$40,000	0180-0230	\$305,000
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	\$2,279,000
Stimulation Rentals & Other				0180-0242	\$232,000
Water & Other 80% PW f/ NGL @ \$0/bbl, 20% FW f/ Aris @ \$0		0180-0145	\$35,000	0180-0245	\$21,000
Bits		0180-0148	\$64,100	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	\$65,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$119,700	0180-0270	\$68,000
Directional Services Includes Vertical Control		0180-0175	\$285,000		
Equipment Rental		0180-0180	\$130,700	0180-0280	\$100,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,700	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$150,000	0180-0290	\$1,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$10,000
Company Supervision		0180-0195	\$75,600	0180-0295	\$36,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 5% (TCP) 5% (CC)		0180-0199	\$131,200	0180-0299	\$199,500
TOTAL			\$2,754,800		\$4,189,200

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 410' - 13 3/8" 54.5# J-55 ST&C @ \$47.92/ft		0181-0794	\$21,000		
Casing (8.1" - 10.0") 1775' - 9 5/8" 40# HCL80 LT&C @ \$40.67/ft		0181-0795	\$77,100		
Casing (6.1" - 8.0") 6750' - 7" 29# HPP110 BT&C @ \$38.93/ft		0181-0796	\$280,600		
Casing (4.1" - 6.0") 11450' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$21.65/ft				0181-0797	\$264,700
Tubing 6500' - 2 7/8" 6.5# N-80 Tbg @ \$13/ft				0181-0798	\$90,200
Drilling Head		0181-0860	\$50,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools				0181-0871	
Subsurface Equip. & Artificial Lift				0181-0880	\$40,000
Service Pumps (1/3) TP/CP/Circ pump				0181-0886	\$8,000
Storage Tanks (1/3) (6)OT/(5)WT/(1)GB				0181-0890	\$102,000
Emissions Control Equipment (1/3) (3)VRT/(1)VRU/(1)FLARE/(3)KO/(1)AIR				0181-0892	\$85,000
Separation / Treating Equipment (1/3) (3)TEST H SEP 500#/(1)V SEP 500#/(2)VHT				0181-0895	\$55,000
Automation Metering Equipment				0181-0898	\$47,000
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$15,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$4,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$105,000
Wellhead Flowlines - Construction				0181-0907	\$18,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$84,000
Equipment Installation				0181-0910	\$100,000
Oil/Gas Pipeline - Construction				0181-0920	\$21,000
Water Pipeline - Construction				0181-0921	\$5,000
TOTAL			\$428,700		\$1,073,900
SUBTOTAL			\$3,183,500		\$5,263,100

TOTAL WELL COST \$8,446,600

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: 11/29/2023
 Company Approval: *M. Whittier* Date: 11/30/2023
 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. 24189 - 24190

SELF-AFFIRMED STATEMENT OF TYLER HILL

Tyler Hill 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 plats are attached hereto:
 - (a) Exhibit 3-A is an area locator plat.
 - (b) Exhibit 3-B is a structure map on the top of the Second Bone Spring Sand. It shows that structure dips gently to the east-northeast. It also shows proposed Second Bone Spring wells in the area, and that the wellbores are perpendicular to strike. It also shows a line of cross-section.
 - (c) Exhibit 3-C is a west-east cross section of the Bone Spring. The 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 units are justified from a geologic standpoint.
 - (b) The target zones are continuous and of uniform thickness across the well units.
 - (c) Each quarter section in the well units will contribute more or less equally to production.
 - (d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.
5. Other Bone Spring wells drilled in this area show a preference for laydown wells.

EXHIBIT 3

6. Exhibit 3-D contains copies of the horizontal drilling plans for the subject wells. The well locations are 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 written next to my signature below.

Date: March 5, 2024

Tyler Hill

Tyler Hill



Lea

Eddy

Texas

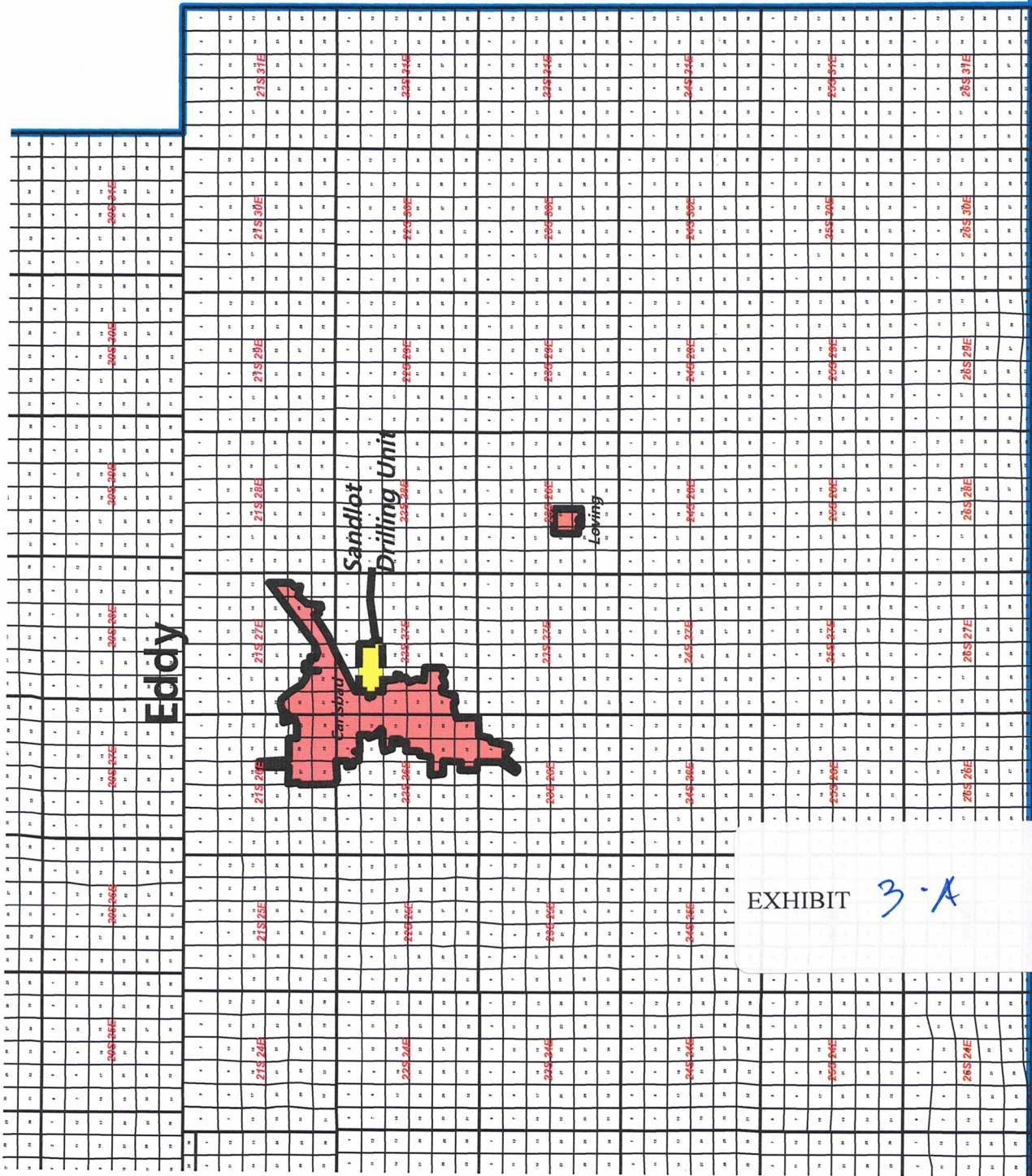
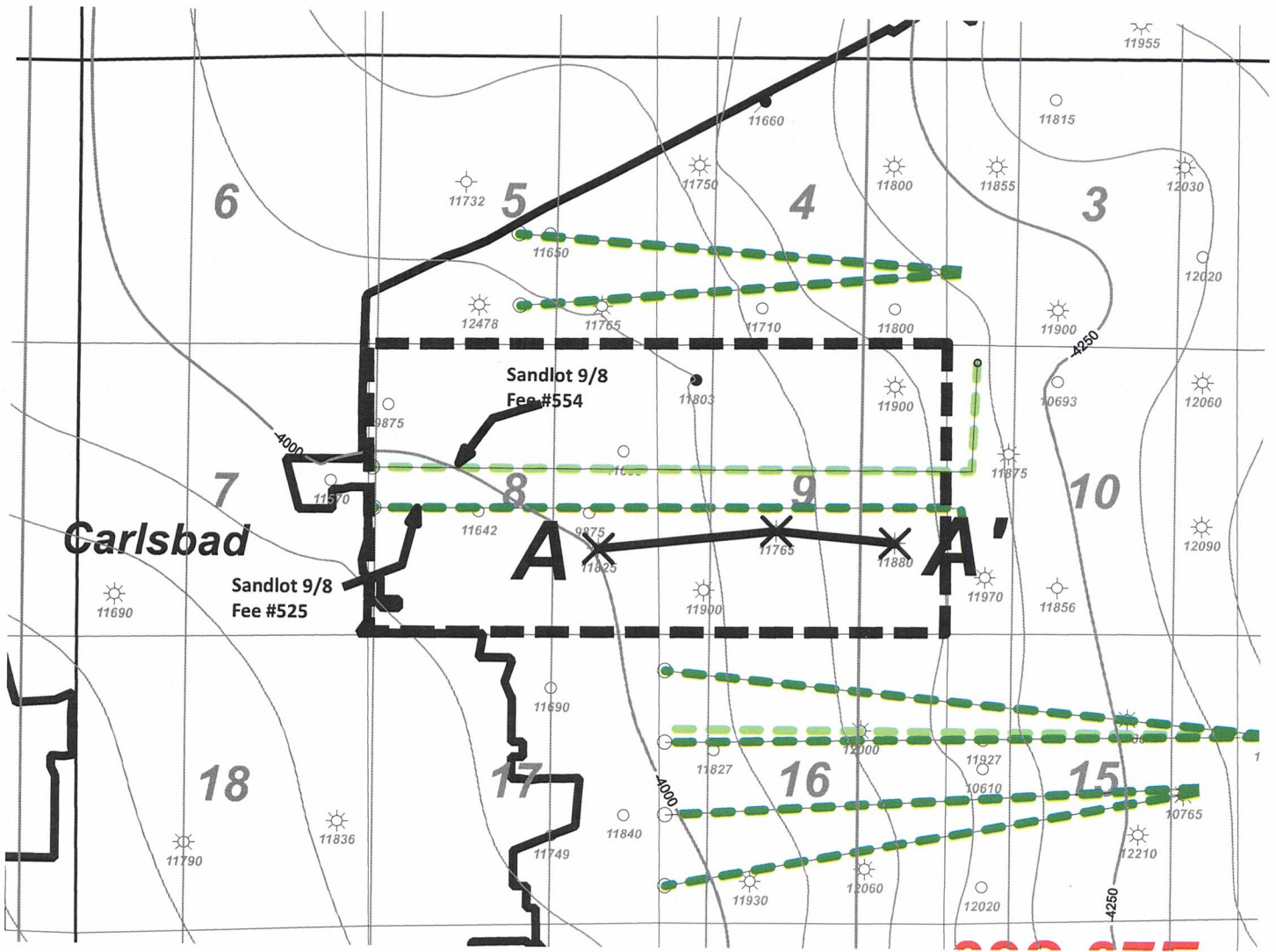


EXHIBIT 3-A

MOC Mewbourne Oil Company

Sandlot 9/8
Eddy County Locator Map

Author: T. Hill	NMTX	Date: 23 January, 2024
		Scale: 1.0"=34868'



Horizontal Activity

 2nd BS Sd




 Mewbourne Oil Company		
<i>Sandlot 9/8 Fee #525</i> <i>Sandlot 9/8 Fee #554</i> <i>Structure top 2nd BS Sd (C.I. 50')</i>		
Author: T. Hill	County: Eddy	Date: 23 January, 2024
Scale: 1.0"=2800'		

EXHIBIT 3-B

CHEVRON MIDCONTINENT
MEAD 6
1555 FSL 1129 FEL
Datum=3111.00
Reference=KB
TWP. 22 S - Range: 27 E - Sec. 8

UNION OIL CO OF CA
CALVANI COM 1
1880 FSL 2130 FWL
Datum=3102.26
Reference=KB
TWP. 22 S - Range: 27 E - Sec. 9

MEWBOURNE OIL CO
PECOS RIVER 9-1
1650 FSL 990 FEL
Datum=3093.00
Reference=KB
TWP. 22 S - Range: 27 E - Sec. 9

A'

