

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

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

CASE NO. 24704

**MEWBOURNE OIL COMPANY'S NOTICE
OF AMENDED EXHIBITS**

Mewbourne Oil Company is submitting the attached amended exhibit packet, which includes the following amended exhibits:

- Exhibit 2-A: C-102
- Exhibit 2-C: Proposal Letter and Summary of Communications
- Exhibit 2-D: AFE
- Exhibit 5: Affidavit of Publication.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

Counsel for Mewbourne Oil Company

CASE NO. 24704

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

EXHIBIT LIST

1. Pooling Checklist
2. Landman's Affidavit
 - 2-A: C-102
 - 2-B: Tract Map/List of Interest Owners
 - 2-C: Proposal Letter and Summary of Communications
 - 2-D: AFE
3. Geologist's Affidavit
 - 3-A: Structure Map
 - 3-B: Cross-Section
 - 3-C: Location Map
 - 3-C: Horizontal Drilling Plan
4. Affidavit of Mailing
 - 4-A: Notice Letter and Green Cards
5. Affidavit of Publication
6. Application and Proposed Notice

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24704

Date: August 8, 2024

APPLICANT'S RESPONSE

Applicant

Mewbourne Oil Company

Designated Operator & OGRID (affiliation if applicable)

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

Foreigner Bone Spring Wells

Formation/Pool

Formation Name(s) or Vertical Extent:

Bone Spring formation

Primary Product (Oil or Gas):

Oil

Pooling this vertical extent:

Entire Bone Spring formation

Pool Name and Pool Code (Only if NSP is requested):

Well Location Setback Rules (Only if NSP is Requested):

Spacing Unit

Type (Horizontal/Vertical)

Horizontal

Size (Acres)

320.05 acres

Building Blocks:

40 acres

Orientation:

North-South

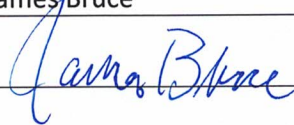
	E/2W/2 §33, Township 23 South, Range 28 East, and Lot 3, SE/4NW/4, and E/2SW/4 §4, Township 24 South, Range 28 East, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
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	Foreigner 33/4 Fed. Com. Well No. 524H API No. 30-015-53346

Horizontal Well First and Last Take Points	FTP: 100 feet FNL and 2000 feet FWL \$33 LTP: 100 feet FSL and 2000 feet FWL \$4
Completion Target (Formation, TVD and MD)	Second Bone Spring Sand TVD 8104 feet, MVD 19360 feet
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2 and Exhibit 2-C
Requested Risk Charge	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

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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 and Exhibit 4-A/Working Interest
Unlocatable Parties to be Pooled Ownership Depth Severance (including percentage above & below)	No 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	Exhibit 4-C
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	Exhibit 2-A and Exhibit 3-A

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Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-B
Well Orientation (with rationale)	Exhibit 3
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)	Exhibit 2-B
General Location Map (including basin)	Exhibit 3-C
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-B
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 1, 2024

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**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. 24704

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 E/2W/2 of Section 33, Township 23 South, Range 28 East, NMPM and Lot 3 (NE/4NW/4), SE/4NW/4, and E/2SW/4 (E/2W/2) of Section 4, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to:

(i) the Foreigner 33/4 Fed Com #524H, a horizontal well with a first take point in the NE/4 NW/4 of 33 and a final take point in the SE/4 SW/4 of Section 4;

(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.

Exhibit 2

- (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

¹ API Number 30-015-53346		² Pool Code 15011		³ Pool Name CULEBRA BLUFF; BONE SPRING, SOUTH					
⁴ Property Code 333746		⁵ Property Name FOREIGNER 33/4 FED COM						⁶ Well Number 524H	
⁷ OGRID NO. 14744		⁸ Operator Name MEWBOURNE OIL COMPANY						⁹ Elevation 3061'	
¹⁰ Surface Location									
UL or lot no. P	Section 28	Township 23S	Range 28E	Lot Idn	Feet from the 215	North/South line SOUTH	Feet From the 610	East/West line EAST	County EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. N	Section 4	Township 24S	Range 28E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 2000	East/West line WEST	County EDDY
¹² Dedicated Acres 320	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.

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GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N: 461836.7 - E: 617908.3
LAT: 32.2694208° N
LONG: 104.0855945° W


CORNER DATA
NAD 83 GRID - NM EAST

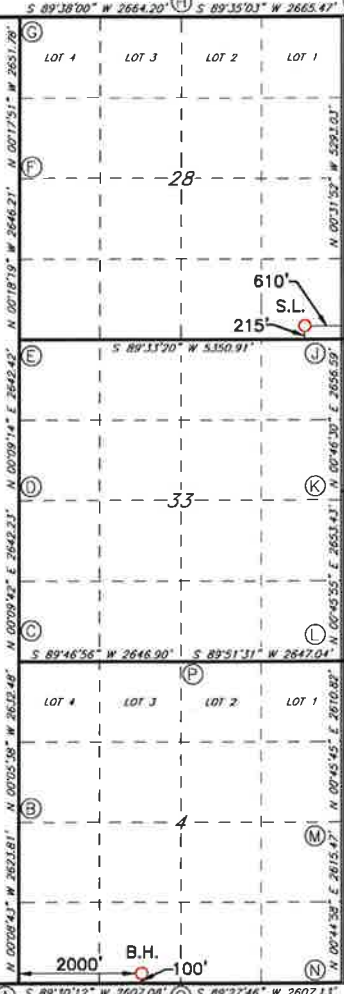
A: FOUND 1/2" REBAR W/CAP "ILLEGIBLE" N: 451046.4 - E: 613167.1	I: FOUND COTTON SPINDLE N: 466918.0 - E: 618471.2
B: FOUND 1/2" REBAR W/CAP "ILLEGIBLE" N: 453669.6 - E: 613160.5	J: FOUND 1/2" REBAR N: 461626.4 - E: 618520.2
C: FOUND 1/2" REBAR W/CAP "ILLEGIBLE" N: 456301.5 - E: 613156.1	K: FOUND 1/2" REBAR N: 458970.7 - E: 618484.3
D: FOUND COTTON SPINDLE N: 458943.1 - E: 613163.6	L: FOUND BRASS CAP "1942" N: 456318.1 - E: 618448.9
E: FOUND COTTON SPINDLE N: 461584.9 - E: 613170.7	M: FOUND BRASS CAP "1942" N: 453708.1 - E: 618414.1
F: FOUND 1/2" REBAR N: 464230.5 - E: 613156.6	N: FOUND 1/2" REBAR N: 451093.4 - E: 618379.9
G: FOUND 1/2" REBAR N: 466881.6 - E: 613142.8	O: FOUND BRASS CAP "1942" N: 451069.0 - E: 615773.5
H: FOUND COTTON SPINDLE N: 466898.7 - E: 615806.4	P: FOUND BRASS CAP "1912" N: 456311.6 - E: 615802.4

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

Bennett Hall 8/25/2023
Signature Date
Bennett Hall
Printed Name
bhall@mewbourne.com
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.

12/15/2022
Date of Survey
Signature and Seal of Professional Surveyor

19680
Certificate Number



JOB No: LS22121353

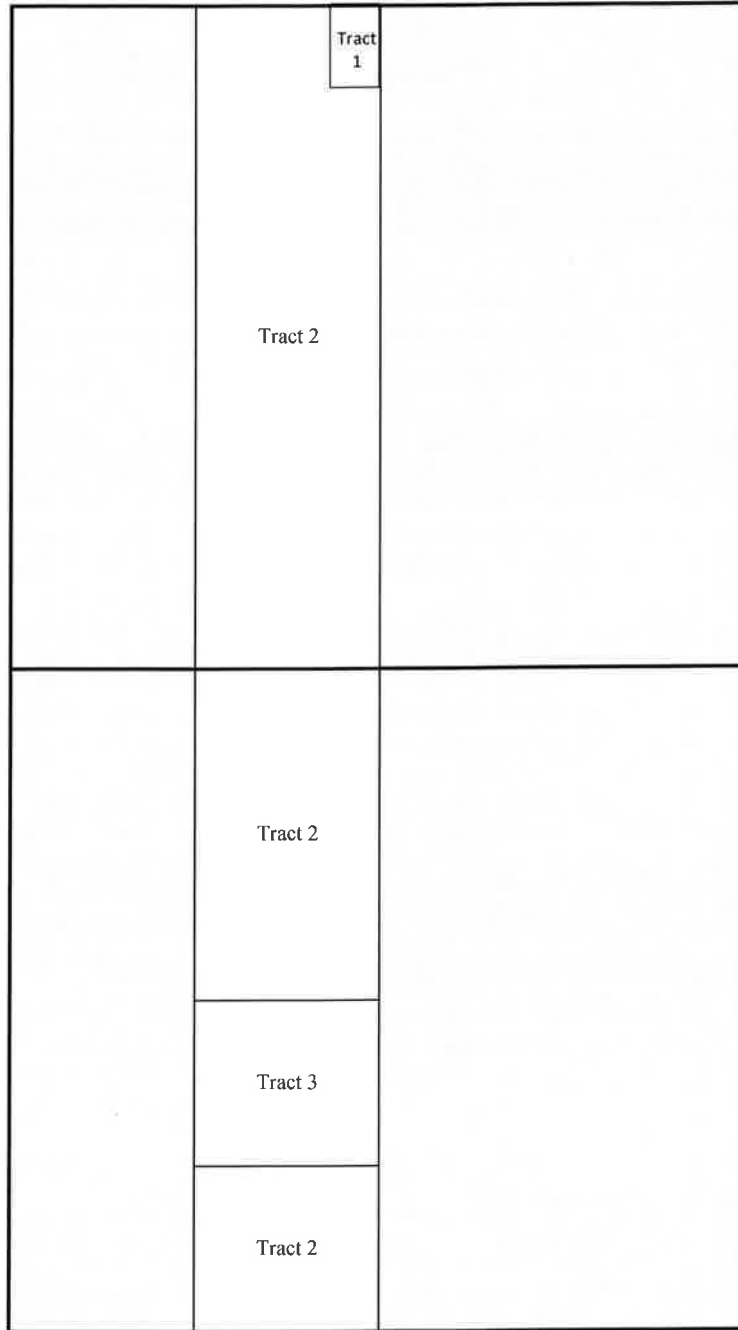
Section Plat

Foreigner 33/4 Fee #524H

E/2W/2 of Section 33-T23S-R28E & and Lot 3 (NE/4NW/4),
SE/4NW/4, and E/2SW/4 (E/2W/2) of Section 4-T24S-R28E

Eddy County, NM

Section 33



Section 4

Tract 1: E2NENENW of Section 33 - Fee Leases

Mewbourne Oil Company, et al.
Heidi C. Barton, as her separate property

**Tract 2: E2W2 of Section 33, less Tract 1 and
Lot 3 (NENW) & SENW & SESW of Section 4- Fee Leases**

Mewbourne Oil Company, et al.

Tract 3: NESW of Section 4 - Fee Leases

Mewbourne Oil Company, et al.
Heirs and Assigns of Joe Beeman

Exhibit 2-B

RECAPITULATION FOR
Foreigner 33/4 Fed Com #524H

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
1	5	1.562256%
2	275.05	85.939697%
3	40	12.498047%
TOTAL	320.05	100.000000%

T23S-R28E, Eddy County, NM
Section 33

	Tract 1	
	Tract 2	
	Tract 2	
	Tract 3	
	Tract 2	

Section 4
T24S-R28E, Eddy County, NM

TRACT OWNERSHIP

Foreigner 33/4 Fee #524H

E/2W/2 of Section 33-T23S-R28E & and Lot 3 (NE/4NW/4), SE/4NW/4, and E/2SW/4
(E/2W/2) of Section 4-T24S-R28E
Eddy County, NM

E/2W/2 of Section 33 & and Lot 3 (NE/4NW/4), SE/4NW/4, and E/2SW/4 (E/2W/2) of Section 4 Bone Spring Formation:

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	98.969953%
*Assigns of Joe H. Beeman	0.899859%
*Heidi C. Barton, as her separate property	0.130188%
TOTAL	100.000000%

Total Interest Being Pooled: 1.030047%

OWNERSHIP BY TRACT

E2NENENW of Section 33

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	91.666667%
Heidi C. Barton, as her separate property	8.333333%
TOTAL	100.000000%

E2W/2 of Section 33, less E2NENENW and Lot 3 (NENW) & SENW & SESW of Section 4

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

NESW of Section 4

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	96.400000%
Assigns of Joe H. Beeman	3.600000%
TOTAL	96.400000%

Summary of Communications
Foreigner 33/4 Fee #524H
E/2W/2 of Section 33-T23S-R28E & and Lot 3 (NE/4NW/4), SE/4NW/4, and
E/2SW/4 (E/2W/2) of Section 4-T24S-R28E
Eddy County, NM

Assigns of Joe H. Beeman:

10/05/2023: Mailed Well Proposal to the above listed party.

05/02/2024: Mailed Well Proposal to the above listed party

Ongoing: Quiet title suit determining heirship

Heidi C. Barton, as her separate property:

10/05/2023: Mailed Well Proposal to the above listed party.

11/28/2023: Called and left message with secretary of above listed party

05/02/2024: Mailed Well Proposal to the above listed party

06/12/2024: Received signed AFE in mail.

Exhibit 2-C

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

May 2, 2024

Via Certified Mail

Working Interest Owner

Re: Foreigner 33/4 Fee #521H
365' FSL & 2380' FEL (SL) (Section 28)
100' FSL & 330' FWL (BHL) (Section 4)

Foreigner 33/4 Fee #524H
365' FSL & 2360' FEL (SL) (Section 28)
100' FSL & 1650' FWL (BHL) (Section 4)

Section 33, T23S, R28E &
Section 4, T24S, R28E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to drill the captioned Foreigner 33/4 Fee #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 8,049 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 20,037 feet. The W/2W/2 of the captioned Section 33 and the W/2W/2 of the captioned Section 4 will be dedicated to the well as the spacing unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned Foreigner 33/4 Fee #524H 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 8,104 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 19,360 feet. The E/2W/2 of the captioned Section 33 and the E/2W/2 of the captioned Section 4 will be dedicated to the well as the spacing unit.

Regarding the above, enclosed for your further handling are our AFEs dated April 17, 2024 for the captioned proposed wells. In the event your firm elects to participate in the proposed wells, please execute the enclosed AFEs and return to me within thirty (30) days. Our proposed Operating Agreement will have COPAS rates of \$8,000/month while drilling, \$800/month for a producing well and a non-consent penalty of 100%/300%. If you wish to participate, in the above wells, please let me know and I will provide a complete copy of the Operating Agreement for your review.

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

Sincerely,

MEWBOURNE OIL COMPANY

Mitch Robb
Landman

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: **FOREIGNER 33/4 FEE #524H (B2CN)** Prospect: **FOREIGNER**
 Location: **SL: 365 FSL & 2360 FEL (28); BHL: 100 FSL & 1650 FWL (4)** County: **Eddy** ST: **NM**
 Sec. **28** Blk: Survey: TWP: **23S** RNG: **28E** Prop. TVD: **8104** TMD: **19360**

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		0180-0108	\$200,000	0180-0208	\$60,000
Daywork / Turnkey / Footage Drilling	15 days drlg / 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	\$202,000
Alternate Fuels		0180-0115		0180-0215	\$72,000
Mud, Chemical & Additives		0180-0120	\$40,000	0180-0220	
Mud - Specialized		0180-0121	\$230,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$160,000	0180-0225	\$50,000
Logging & Wireline Services		0180-0130	\$34,000	0180-0230	\$305,000
Casing / Tubing / Snubbing Services		0180-0134	\$40,000	0180-0234	\$15,000
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	100% PW @ \$0.25/bbl f/ CWMS	0180-0145	\$40,000	0180-0245	\$129,000
Bits		0180-0148	\$53,400	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	\$60,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$102,600	0180-0270	\$70,000
Directional Services	Includes Vertical Control	0180-0175	\$228,000		
Equipment Rental		0180-0180	\$114,400	0180-0280	\$50,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,000	0180-0285	
Intangible Supplies		0180-0188	\$15,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$80,000
Company Supervision		0180-0195	\$64,800	0180-0295	\$36,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$111,900	0180-0299	\$204,300
TOTAL			\$2,349,900		\$4,291,000

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	550' - 13 3/8" 54.5# J-55 ST&C @ \$47.92/ft	0181-0794	\$28,100		
Casing (8.1" - 10.0")	2515' - 9 5/8" 40# J-55 LT&C @ \$32.69/ft	0181-0795	\$87,800		
Casing (6.1" - 8.0")	8123' - 7" 29# HPP110 BT&C @ \$34.18/ft	0181-0796	\$296,500		
Casing (4.1" - 6.0")	11500' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$19.44/ft			0181-0797	\$238,800
Tubing	7900' - 3 1/2" 9.2# L-80 IPC Tbg @ \$13.75/ft			0181-0798	\$116,000
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	(1/4) TP/CP/Circ pump			0181-0886	\$8,000
Storage Tanks	(1/4) (6)OT/(5)WT/(2)GB			0181-0890	\$116,000
Emissions Control Equipment	(1/4) (3)VRT/(2)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$102,000
Separation / Treating Equipment	(1/4) (4)TEST H SEP 500#/(2)V SEP 500#/(3)VHT			0181-0895	\$71,000
Automation Metering Equipment				0181-0898	\$93,000
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$77,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$11,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$162,000
Wellhead Flowlines - Construction				0181-0907	\$72,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$287,000
Equipment Installation				0181-0910	\$103,000
Oil/Gas Pipeline - Construction				0181-0920	\$98,000
Water Pipeline - Construction				0181-0921	\$31,000
TOTAL			\$462,400		\$1,715,800
SUBTOTAL			\$2,812,300		\$6,006,800
TOTAL WELL COST			\$8,819,100		

Insurance procured for the Joint Account by Operator

Opt-in I elect to be covered by Operator's Extra Expense, Commercial General Liability, Pollution Legal Liability, and Excess/Umbrella Insurance Policies, and will pay my proportionate share of the premiums associated with these insurance coverages through joint account billings

Opt-out I elect to purchase my own policies for well control and other insurance requirements, or to self-insure (if applicable). By opting-out, I recognize I will be responsible for my own coverage and will not be afforded protection under operator's policies

If neither box is checked above, non-operating working interest owner elects to be covered by Operator's 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: 4/15/2024
 Company Approval: M. White ne Date: 4/17/2024
 Joint Owner Interest: Amount: _____
 Joint Owner Name: _____ Signature: _____

Exhibit 2-D



May 6, 2024

Dear Simple Certified:

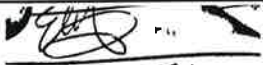
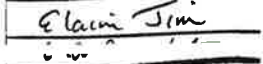
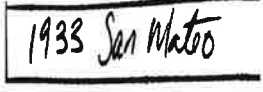
The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1947 3971 20.**

Item Details

Status: Delivered, Front Desk/Reception/Mail Room
Status Date / Time: May 6, 2024, 11:39 am
Location: ALBUQUERQUE, NM 87110
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
 Return Receipt Electronic

Recipient Name: HEIRS AND ASSIGNS OF JOE BEEMAN

Recipient Signature

Signature of Recipient:	 
Address of Recipient:	

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

Heirs and Assigns of Joe Beeman 1933 San Mateo NE Albuquerque, NM 87110 Reference #: Foreigner



May 7, 2024

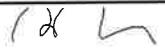
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:
9414 8362 0855 1947 5640 89.

Item Details

Status:	Delivered, Left with Individual
Status Date / Time:	May 7, 2024, 12:30 pm
Location:	HOBBS, NM 88240
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	HEIDI C BARTON

Recipient Signature

Signature of Recipient:	 H C Barton
Address of Recipient:	2008 N VEGA CT, HOBBS, NM 88240

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

Heidi C. Barton 2008 N. Vega Ct. Hobbs, NM 88240 Reference #: Foreigner
--

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

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

Case Nos. 24703 & 24704

SELF AFFIRMED STATEMENT OF TYLER HILL

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

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 this case. 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 the 2nd BS formation, mapped on the top of the correlative 2nd BS 'C' Sd marker. It shows that structure dips to the east, and that the planned wellbores would drill along strike. It also shows a line of cross-section, A-A'.
 - (b) Exhibit 3-B is a north-south cross section. The well logs on the cross-section give a representative sample of the 2nd BS Sd formation in this area. The target zone for the wells is the Lower 2nd BS Sand, and that zone is continuous across the well unit.
4. I conclude from the maps that:
 - (a) The horizontal spacing unit is justified from a geologic standpoint.
 - (b) Each quarter-quarter section in the units will contribute more or less equally to production from each well.
 - (c) There is no faulting or other geologic impediment on the area which will affect the drilling of the subject wells.
5. Exhibit 3-C is a regional map that shows the Foreigner drilling units in relation to nearby cities, and its location in Eddy County, NM.

EXHIBIT 3

18-A

6. Exhibit 3-D contains the Directional Drilling plans for the wells: the Foreigner 33/4 Fed Com #521H and Foreigner 33/4 Fed Com #524H. The producing intervals of the proposed wells will be orthodox. The pool and pool code is Culebra Bluff; Bone Spring South (15011).

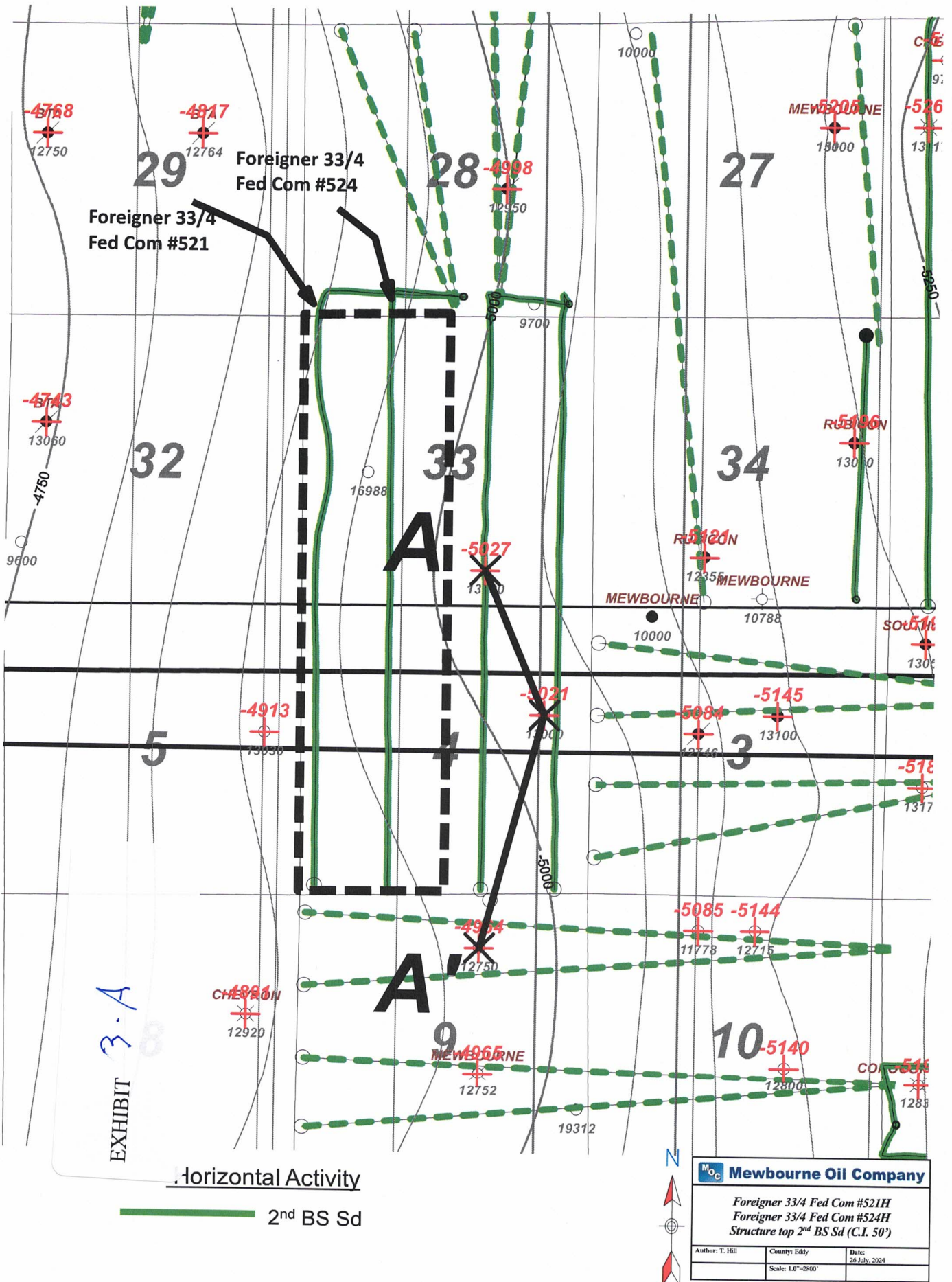
7. Referring to Exhibit 3-A, there are both standup and laydown well units in this area, although most of them are standup. Mewbourne's analysis shows that standup wells are a proper way to develop the reservoir.

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 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.

7/26/24
Date

Tyler Hill
Tyler Hill

19

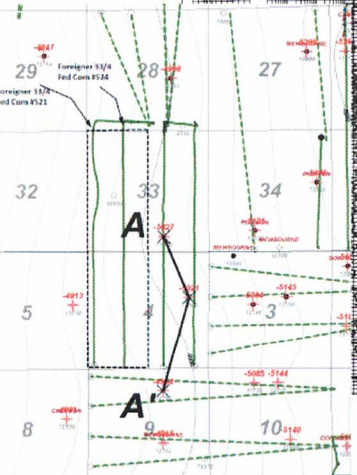
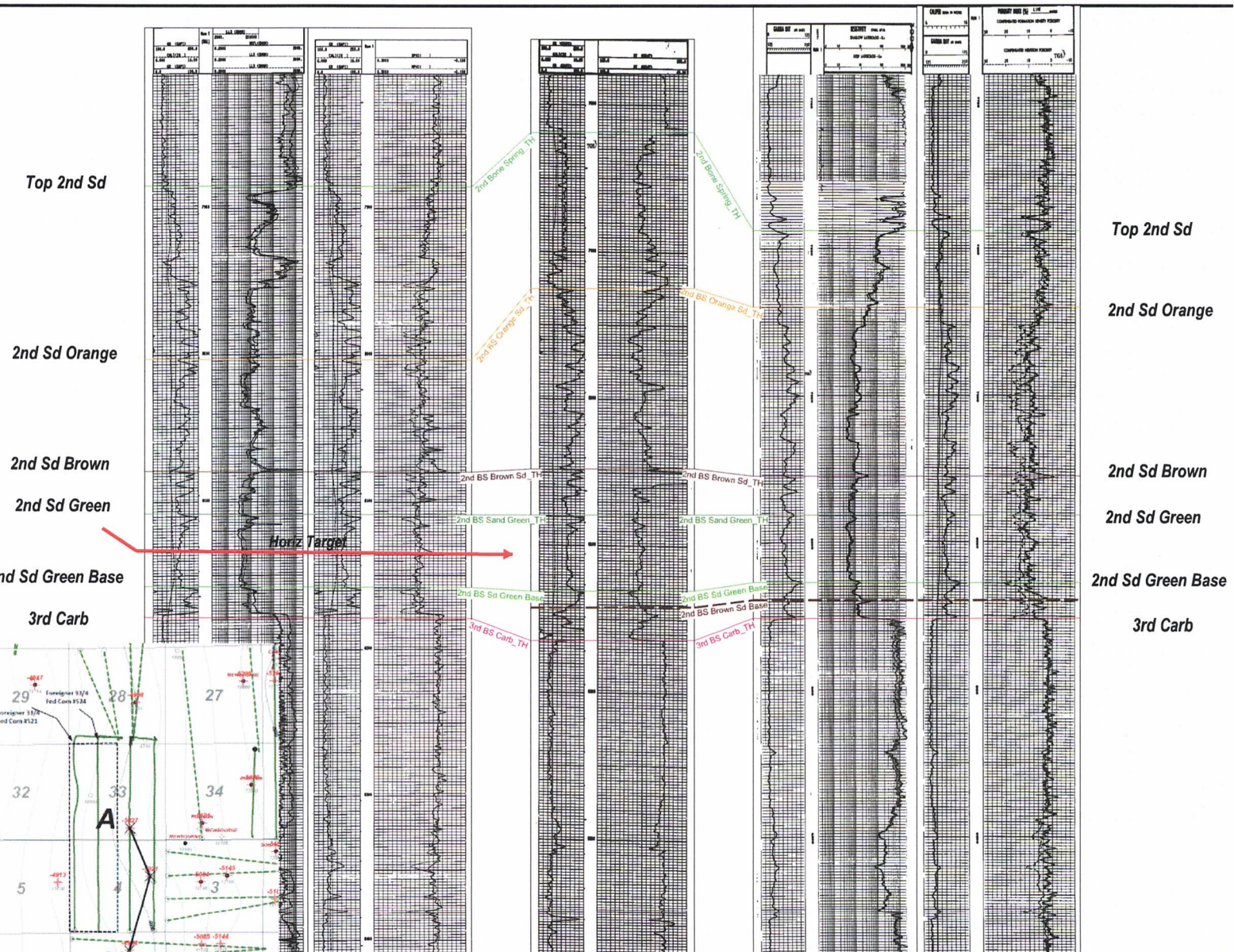
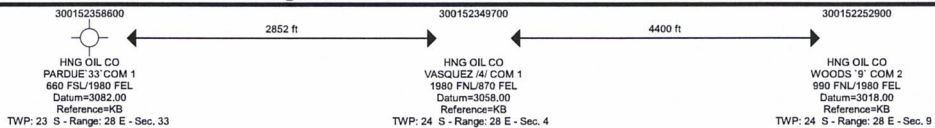


20

Foreigner 33/4 Fed Com #521H, #524

A

A'



Foreigner 33/4 Fed Com #521
Foreigner 33/4 Fed Com #524

EXHIBIT 3-B

21



MOC Mewbourne Oil Company

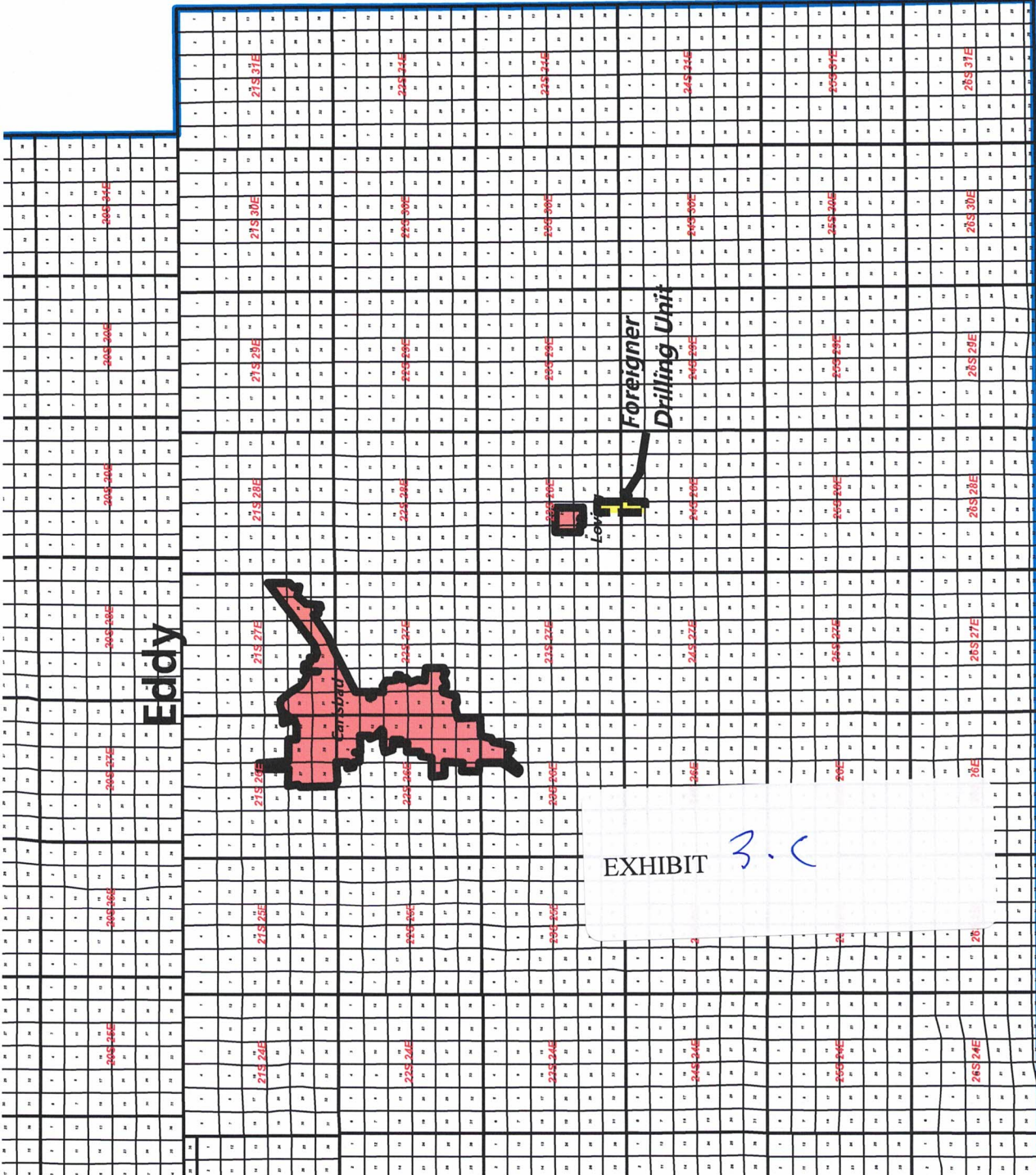
Foreigner
Eddy County Locator Map

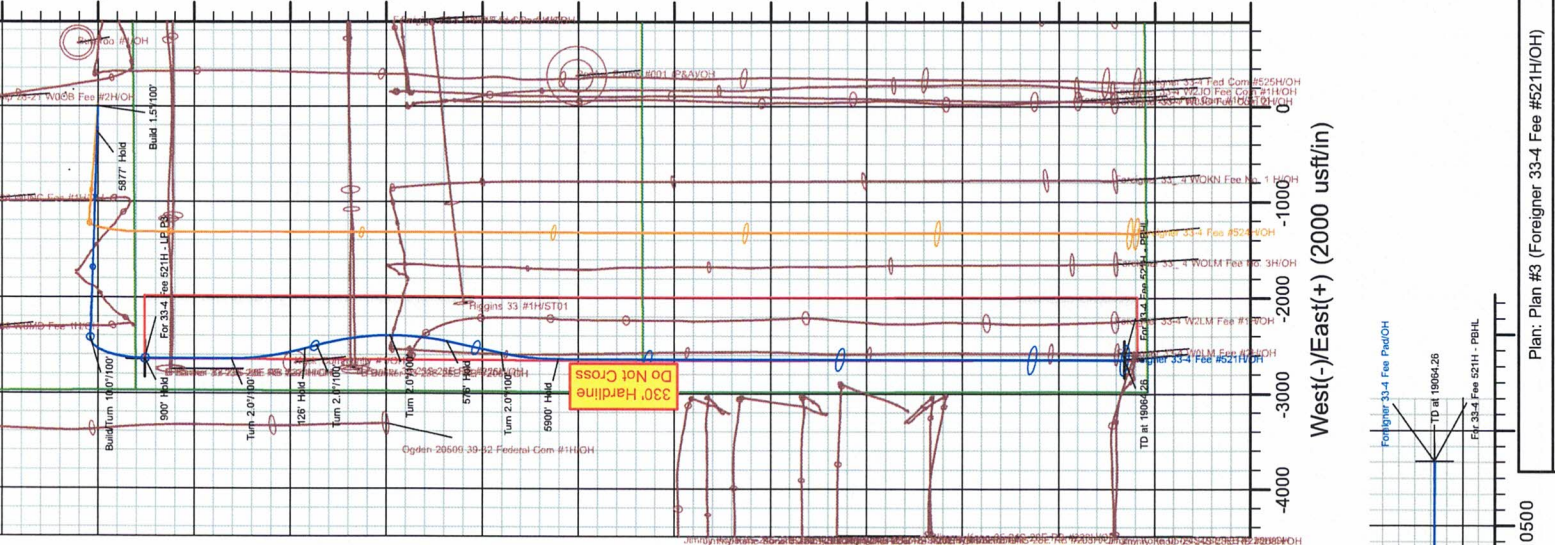
Author: T. Hill	NM/TX	Date: 26 July, 2024
	Scale: 1" = 34668'	

Lea

Eddy

Texas





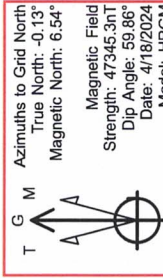
Well: Foreigner 33-4 Fee #521H
 Wellbore: OH
 Design: Plan #3
 Lat: -104.091325
 Long: 3071.00
 KB: KB=28' @ 3099.00usft (Patterson 559)

MEWBOURNE OIL COMPANY

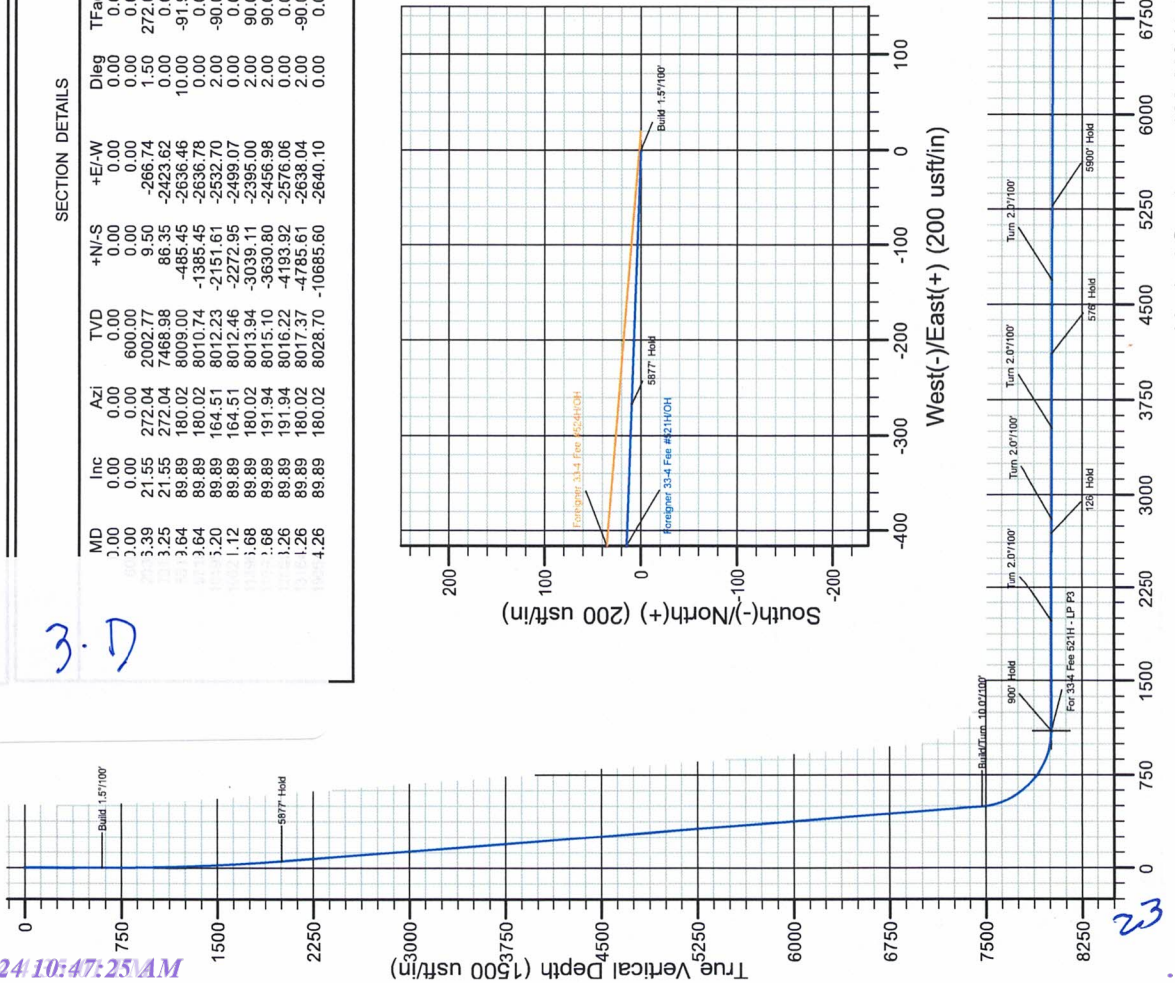
WELL DETAILS: Foreigner 33-4 Fee #521H											
	+N/S	+E/W	Northing	Easting	Latitude	Longitude					
	0.00	0.00	461972.90	616136.90	32.269806	-104.091325					
WELLBORE TARGET DETAILS (LAT/LONG)											
Name	TVD	+N/S	+E/W	+N/S	+E/W	Northing	Easting	Shape			
For 33-4 Fee 521H - LP P3	8009.00	-485.45	-2636.46	461487.45	-2636.46	461487.45	613500.44	Point			
For 33-4 Fee 521H - PBHL	8028.70	-10685.60	-2640.10	451287.30	-2640.10	451287.30	613496.80	Point			
SECTION DETAILS											
MD	Inc	Azi	TVD	+N/S	+E/W	Dleg	TFace	VSect	Annotation		
3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build 1.5'/100'		
3.09	21.55	272.04	600.00	9.50	-266.74	1.50	272.04	54.75	5877' Hold		
3.25	21.55	272.04	2002.77	86.35	-2423.62	0.00	0.00	497.49	Build/Turn 10.0'/100'		
3.64	89.89	180.02	8009.00	-485.45	-2636.46	10.00	-91.92	1103.66	900' Hold		
3.20	89.89	180.02	8010.74	-1385.45	-2636.78	2.00	0.00	1977.46	Turn 2.0'/100'		
1.12	89.89	180.02	8012.46	-2151.61	-2532.70	2.00	0.00	2696.29	126' Hold		
1.68	89.89	180.02	8013.94	-2272.95	-2499.07	2.00	0.00	2806.03	Turn 2.0'/100'		
1.26	89.89	191.94	8015.10	-3630.80	-2456.98	2.00	90.02	4114.13	576' Hold		
1.26	89.89	180.02	8016.22	-4193.92	-2576.06	2.00	0.00	4689.38	Turn 2.0'/100'		
1.26	89.89	180.02	8017.37	-4785.61	-2638.04	2.00	-90.00	5278.67	5900' Hold		
1.26	89.89	180.02	8028.70	-10685.60	-2640.10	0.00	0.00	11006.91	TD at 19064.26		

EXHIBIT 3-D

Foreigner 33-4 Fee #521H
SHL: 365' FSL & 2380' FEL
PBHL: 100' FSL & 330' FWL



100' FNL Hard Line (Sec 33)
100' FSL Hard Line (Sec4)
330' FWL Hard Line
990' FWL Hard Line



23



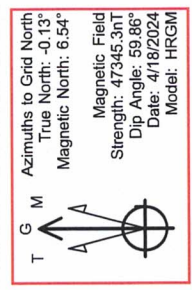
Site: Foreigner 33-4 Fee Pad
 Well: Foreigner 33-4 Fee #524H
 Wellbore: OH
 Design: Plan #2
 Lat: 32.269807
 Long: -104.091260
 GI: 3071.00
 KB: KB=28 @ 3099.00usft (Patterson 559)



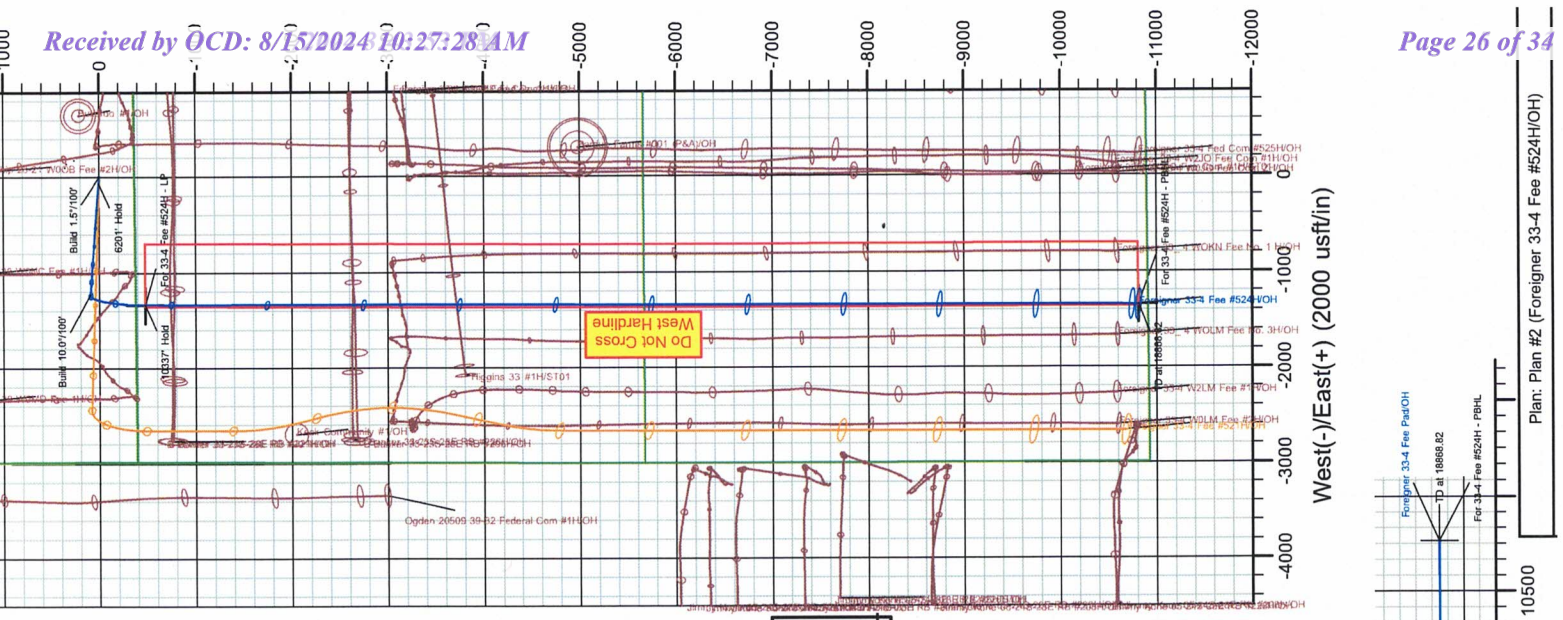
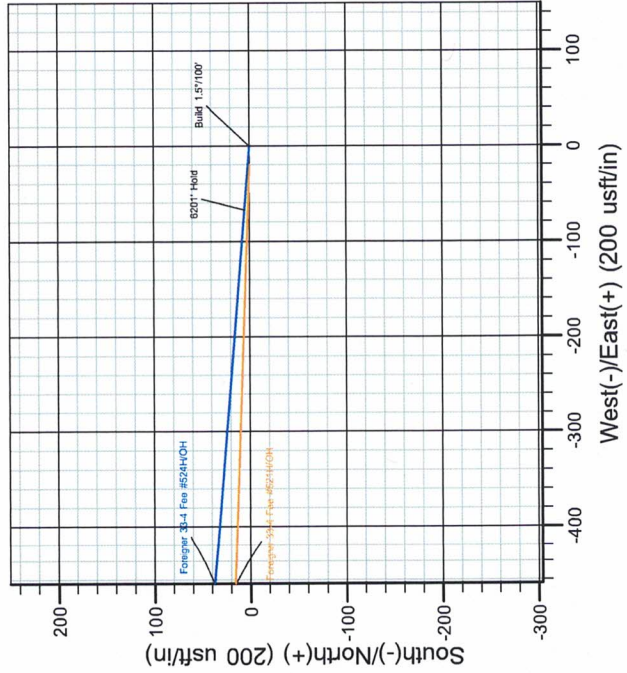
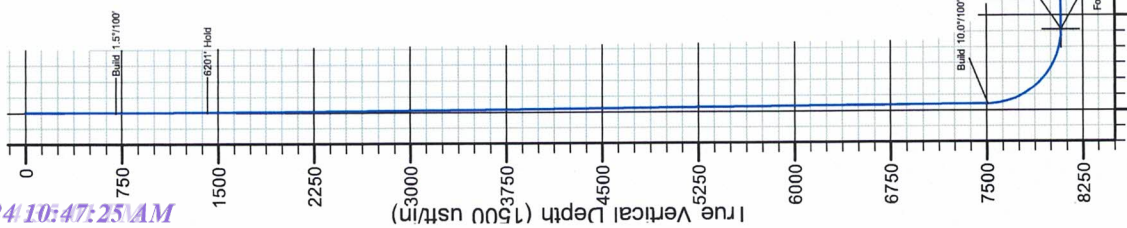
WELL DETAILS: Foreigner 33-4 Fee #524H			
+N-S	+E-W	Northing	Eastings
0.00	0.00	461973.10	616156.90
		Latitude	Longitude
		32.269807	-104.091260
WELLBORE TARGET DETAILS (LAT/LONG)			
Name	TVD	+N-S	+E-W
For 33-4 Fee #524H - PBHL	8059.00	-10812.40	-1340.10
For 33-4 Fee #524H - LP	8079.00	-475.40	-1336.43
		Northing	Eastings
		451160.70	614820.47
		Shape Point	Point

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	
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	Build 1.57/100'
1420.87	10.81	274.59	1416.60	5.43	-67.60	1.50	274.59	2.93	6201' Hold
7622.16	10.81	274.59	7507.78	98.54	-1227.26	0.00	0.00	53.17	Build 10.07/100'
8531.80	90.11	180.02	8079.00	-475.40	-1336.43	10.00	-94.47	636.17	10337' Hold
18868.82	90.11	180.02	8059.00	-10812.40	-1340.10	0.00	0.00	10895.13	TD at 18868.82

Foreigner 33-4 Fee #524H
 SHL: 365' FSL & 2360' FEL
 PBHL: 100' FSL & 1650' FWL



100' FNL Hard Line (Sec 33)
 100' FSL Hard Line (Sec4)
 1633' FWL Hard Line
 2293' FWL Hard Line



Plan: Plan #2 (Foreigner 33-4 Fee #524H/OH)

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. 24703 & 24704

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 owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit 4-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: 8/1/24

James Bruce
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

July 15, 2024

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Successors to Joe Beeman
1933 San Mateo NE
Albuquerque, NM 87110

Heidi C. Barton
2208 North Vega Court
Hobbs, NM 88240

EXHIBIT

4-A

Ladies and gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, requesting the following relief:

Case No. 24704: 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 E/2W/2 of Section 33, Township 23 South, Range 28 East, N.M.P.M., and Lot 3, SE/4NW/4, and E/2SW/4 (the E/2W/2) of Section 4, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Foreigner 33/4 Fed. Com. Well No. 524H, with a first take point in the NE/4NW/4 of Section 33 and a last take point in the SE/4SW/4 of Section 4.

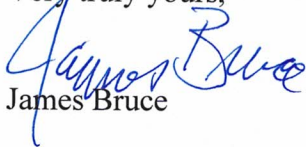
Also to be considered will be the cost of drilling, completing, testing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the well.

This matter is scheduled for hearing at 8:30 a.m. on Thursday, August 8, 2024. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, 1st Floor, 1220 South St. Francis Drive, Santa Fe New Mexico 87505, or (b) via the WebEx virtual meeting platform. To view the hearing docket and to determine how to participate in an electronic hearing, go to

26

<https://www.emnrd.nm.gov/ocd/hearing-info/>, or contact Freya Tschantz at freya.tschantz@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

27

7020 0090 0000 0864 8859

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<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 Fee	\$	
Sent To Successors to Joe Beeman 1933 San Mateo NE Albuquerque, NM 87110		
Street and Apt. No., or PO Box No.		
City, State, ZIP+4®		

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

7020 0090 0000 0864 5681

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<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	\$	
Sent To Heidi C. Barton 2208 North Vega Court Hobbs, NM 88240		
Street and Apt. No., or P		
City, State, ZIP+4®		

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

28

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS
PO BOX 507
HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO }
COUNTY OF EDDY } SS

Account Number: 82
Ad Number: 6710
Description: Case #24703, 24704
Ad Cost: \$157.01

Nicole Bitton, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

July 27, 2024

That said newspaper was regularly issued and circulated on those dates.
SIGNED:

N Bitton
Agent

Subscribed to and sworn to me this 27th day of July 2024.

Kelli Metzger
Notary Public
Van Wert County Ohio
ID#: _____
My commission expires: Oct 19, 2024



NOTICE

To: Joe Beeman (both cases) and Heidi Barton (Case No. 24704), or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed the following applications with the New Mexico Oil Conservation Division seeking orders pooling the following horizontal spacing units:

Case No. 24703: 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 W/2W/2 of Section 33, Township 23 South, Range 28 East, N.M.P.M., and Lot 4, SW/4NW/4, and W/2SW/4 (the W/2W/2) of Section 4, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Foreigner 33/4 Fed. Com. Well No. 521H, with a first take point in the NW/4NW/4 of Section 33 and a last take point in the SW/4SW/4 of Section 4.

Case No. 24704: 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 E/2W/2 of Section 33, Township 23 South, Range 28 East, N.M.P.M., and Lot 3, SE/4NW/4, and E/2SW/4 (the E/2W/2) of Section 4, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Foreigner 33/4 Fed. Com. Well No. 524H, with a first take point in the NE/4NW/4 of Section 33 and a last take point in the SE/4SW/4 of Section 4.

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.

These matters are scheduled for hearing at 8:30 a.m. on Thursday, August 8, 2024. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, 1st Floor, 1220 South St. Francis Drive, Santa Fe New Mexico 87505, or (b) via the WebEx virtual meeting platform. 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 Freya Tschantz at freya.tschantz@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, 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 units are located approximately 2-1/2 miles northwest of Malaga, New Mexico.

6710-Published in the Carlsbad Current-Argus on July 27, 2024.

James Bruce Attorney At Law
Pobox 1056
Santa Fe, NM 87504

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 24704

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 E/2W/2 of Section 33, Township 23 South, Range 28 East, N.M.P.M., and Lot 3, SE/4NW/4, and E/2SW/4 (the E/2W/2) of Section 4, Township 24 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 E/2W/2 of Section 33 and the E/2W/2 of Section 4 (containing 320.05 acres), and has the right to drill a well thereon.
2. Applicant proposes to drill its Foreigner 33/4 Fed. Com. Well No. 524H to a depth sufficient to test the Bone Spring formation, with a first take point in the NE/4NW/4 of Section 33 and a last take point in the SE/4SW/4 of Section 4.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the E/2W/2 of Section 33 and the E/2W/2 of Section 4 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

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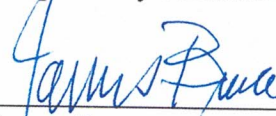
Spring formation underlying the E/2W/2 of Section 33 and the E/2W/2 of Section 4, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the E/2W/2 of Section 33 and the E/2W/2 of Section 4 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 (Culebra Bluff; Bone Spring, South Pool/Pool Code 15011) underlying the E/2W/2 of Section 33 and the E/2W/2 of Section 4;
- 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 E/2W/2 of Section 33, Township 23 South, Range 28 East, N.M.P.M., and Lot 3, SE/4NW/4, and E/2SW/4 (the E/2W/2) of Section 4, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Foreigner 33/4 Fed. Com. Well No. 524H, with a first take point in the NE/4NW/4 of Section 33 and a last take point in the SE/4SW/4 of Section 4. 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 2-1/2 miles northwest of Malaga, New Mexico.

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