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

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

CASE NO. 24894

EXHIBIT INDEX

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Brad Dunn
A-1	Application & Proposed Notice of Hearing
A-2	C-102
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Charles Crosby
B-1	General Location Map
B-2	Subsea Structure Map
B-3	Stratigraphic Cross-Section
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Notice Letter Sent October 9, 2024
C-2	Notice Letter Sent October 14, 2024
C-3	Chart of Notice to All Interested Parties
C-4	Copies of Certified Mail Receipts and Returns
C-5	Affidavit of Publication for October 11, 2024
C-6	Affidavit of Publication for October 18, 2024

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24894	APPLICANT'S RESPONSE
Hearing Date: November 7, 2024	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Mewbourne Oil Company for Compulsory Poolin Lea County, New Mexico.
Entries of Appearance/Intervenors:	None
Well Family	Top Round
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Scharb; Bone Spring (Code 55610)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres
Building Blocks:	quarter-quarter
Orientation: South to North	
Description: TRS/County	W/2 W/2 of Section 16 and the W/2 SW/4 of Section 9, Township 18 South, Range 35 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	No.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
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	Top Round 16/9 State Com 521H (API # pending) SHL: 443' FSL & 2,208' FWL (Unit N), Section 16, T18S, R35E BHL: 2,548' FSL & 600' FWL (Unit L), Section 9, T18S, R35E Completion Target: Bone Spring (Approx. TVD: 9,575')
Horizontal Well First and Last Take Points	Exhibit A-2
Released to Imaging: 11/1/2024 9:27:24 AM	

Received by OCD: 10/31/2024 9:10:31 AM	Page 4 of 44
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	N/A
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information prov	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	10/30/2024

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

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

CASE NO. 24894

SELF-AFFIRMED STATEMENT OF BRAD DUNN

- 1. I am a landman for Mewbourne Oil Company ("Mewbourne"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum land matters were accepted and made a matter of record.
- 2. I am familiar with the land matters involved in the above-referenced case. Copies of Mewbourne's Application and proposed hearing notice are attached as **Exhibit A-1**.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.
- 4. Mewbourne applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240- acre, more or less, standard horizonal spacing unit comprised of the W/2 W/2 of Section 16 and the W/2 SW/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico ("Unit").
- 5. Mewbourne seeks to dedicate the Unit to the **Top Round 16/9 State Com #521H (B2ML)** well ("Well"), which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 9.
 - 6. The Well will be completed in the Scharb; Bone Spring (Code 55610).
 - 7. The completed interval of the Well is expected to be orthodox.

Mewbourne Oil Company Case No 24894 Exhibit A

- 8. **Exhibit A-2** contains the C-102 for the Well.
- 9. **Exhibit A-3** contains a plat that identifies ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Mewbourne seeks to pool highlighted in yellow. All of the interest owners are locatable in that Mewbourne believes it located valid addresses for them.
- 10. **Exhibit A-4** contains a sample well proposal letter and AFE sent to the working interest owners for the Well. The estimated costs reflected on the AFE are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.
- 11. Mewbourne has conducted a diligent search of all county public records, including phone directories, internet searches, and computer databases to identify all potential addresses and contact information for each interest owner it seeks to pool.
- 12. In my opinion, Mewbourne made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-5.**
- 13. Mewbourne requests overhead and administrative rates of \$8,000.00 per month while the Well is being drilled and \$800.00 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Mewbourne and other operators in the vicinity.
- 14. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.
- 15. In my opinion, the granting of Mewbourne's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 16. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony 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 identified next to my signature below.

Brad Dunn

Date

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

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

CASE NO. 24894

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company, (OGRID No. 14744) ("Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizonal spacing unit comprised of the W/2 W/2 of Section 16 and the W/2 SW/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico ("Unit"). In support of its application, Mewbourne states the following:

- 1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
- 2. The Unit will be dedicated to the **Top Round 16/9 State Com #521H (B2ML)** well ("Well"), which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 9.
 - 3. The completed interval of the Well is expected to be orthodox.
- 4. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.
- 5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Well and the Unit.

Mewbourne Oil Company Case No 24894 Exhibit A-1

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 31, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Dylan M. Villescas

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

dvillescas@hinklelawfirm.com

Counsel for Mewbourne Oil Company

Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico.

Mewbourne Oil Company ("Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizonal spacing unit comprised of the W/2 W/2 of Section 16 and the W/2 SW/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the **Top Round 16/9 State Com #521H (B2ML)** well ("Well"), which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 9. The completed interval of the Well is expected to be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 17 miles west of Hobbs, New Mexico.

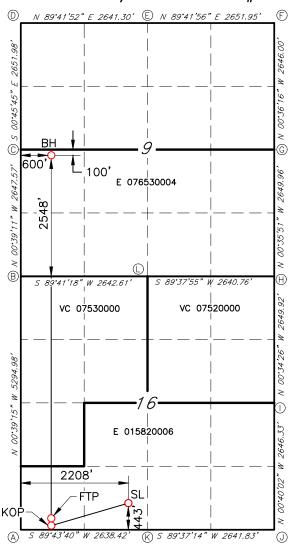
eived l	by OCD: 1	10/31/2024	0:10:31 AM	ſ					Mewl	our	ne Oil Comp	Page 11 o
C-102 State of New Energy, Minerals & Natural Submit Electronically OIL CONSERVAT				w Mexico Il Resources Department		Case	Case No 24894 Revised July 9, 2024 Exhibit A-2					
	t Electronica CD Permitti			OIL	CONSERVAT	NSERVATION DIVISION			☐ Initial Submit	☐ Initial Submittal		
									Subm Type:		☐ Amended Rep	ort
									-71		☐ As Drilled	
					WELL LOCAT	ION INFOR	RMATIO	N				
API Nu	ımber		Pool Code	5561	0 P	Pool Name	Schar	b; Bone Sp	oring			
Propert	y Code		Property Na	ame T	OP ROUND	16/9	STAT	Е СОМ		Well	Number	521H
OGRIE	14/-		Operator N		MEWBOUR						nd Level Elevation	3924'
Surface	Owner:	State □ Fee [☐ Tribal ☐ F	ederal		Mineral	Owner:	☐ State ☐	Fee □Tribal	□Fec	leral	
					Surfa	ce Location						
ul N	Section 16	Township 18S	Range 35E	Lot	Ft. from N/S 443 FSL	Ft. from 1 2208		Latitude 32.741	Latitude 32.7416554°N 1		itude .4638843°W	County LEA
	1		1		Bottom	Hole Locati	on					
UL L	Section 9	Township 18S	Range 35E	Lot	Ft. from N/S 2548 FSL	Ft. from 1		Latitude 32.762	0072°N	Longi	itude .4691894°W	County LEA
					1							
Dedica 24	ted Acres	Infill or Defi	ining Well	Defining	Well API	Overlap	ping Spa	cing Unit (Y	/N) Consoli	dation	Code	
Order N	Numbers.	1				Well set	backs are	e under Com	mon Owners	hip: 🔲	Yes 🗆 No	
					Kick O	ff Point (KO)P)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from 1	-	Latitude		Longi	itude	County
M	16	18S	35E		10 FSL	600			4814°N	_	.4691066°W	LEA
	1				First Ta	L ke Point (FT	(P)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from 1	E/W	Latitude		Long	itude	County
M	16	18S	35E		100 FSL	600	FWL	32.740	7287°N	103.	.4691076°W	LEA
		<u>'</u>	-		Last Tal	ke Point (LT	(P)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from 1	E/W	Latitude Longitude County			County	
Unitize	d Area or A	rea of Uniform	Interest	Spacing	Unit Type ☐ Hori	zontal □ V	ertical		round Floor	Elevati	on:	
OPER	ATOR CER	TIFICATION	S			SURVEY	OR CER	TIFICATIO	NS			
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.				I hereby cer surveys mad my belief.	tify that th le by me u	nder my super	shown on this vision and that MEY 19680	hesam	s plotted from field no ee is true and correct t	tes of actual to the best of		
consent in each interval	of at least one tract (in the tar		of a working inter ution) in which a mpulsory pooling	est or unleas by part of the	sed mineral interest well's completed				SS/ONAL S	SURV		
Signature			Date			Signature and	Seal of Prof	essional Surveyo	ett			
Printed N	ame			_		Certificate Nur	mber	Date of	Survey			
						19	680		0	6/2	4/2024	

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

TOP ROUND 16/9 STATE COM #521H



<u>GEODETIC DATA</u> NAD 83 GRID — NM EAST

<u>SURFACE LOCATION (SL)</u> N: 634643.0 - E: 808668.6

LAT: 32.7416554° N LONG: 103.4638843° W

KICK OFF POINT (FTP)

10' FSL & 600 'FWL (SEC.16)

N: 634202.7 - E: 807066.3

LAT: 32.7404814° N LONG: 103.4691066° W FIRST TAKE POINT (FTP)

100' FSL & 600 'FWL (SEC.16)

N: 634292.7 - E: 807065.3

LAT: 32.7407287° N LONG: 103.4691076° W

<u>BOTTOM HOLE (BH)</u> N: 642034.3 - E: 806976.9

LAT: 32.7620072* N LONG: 103.4691894* W NAD 83 GRID — NM EAST

A: CALCULATED CORNER N: 634189.9 - E: 806466.5

B: FND 1/2" REBAR N: 639483.5 — E: 806406.1

C: FOUND NAIL N: 642130.4 - E: 806375.9

D: FOUND NAIL N: 644781.6 - E: 806340.6

E: FOUND RR SPIKE N: 644795.6 - E: 808981.4

F: FOUND SPIKE NAIL N: 644809.5 - E: 811632.8 G: FOUND SPIKE NAIL N: 642164.2 - E: 811660.7

H: FOUND 1/2" REBAR N: 639514.9 - E: 811688.4

I: FOUND 8"X4"X6" LIMESTONE ROCK N: 636865.6 - E: 811714.9

> J: CALCULATED CORNER N: 634219.9 - E: 811745.7

> K: FOUND 1/2" REBAR N: 634202.4 - E: 809104.4

L: FOUND 10"X4"X8" LIMESTONE ROCK N: 639497.9 - E: 809048.2

TOP ROUND 16-9 STATE COM #521H (B2ML) W/2W/2 of Section 16 & W/2SW/4 of Section 9, T18S, R35E Lea COUNTY, NM

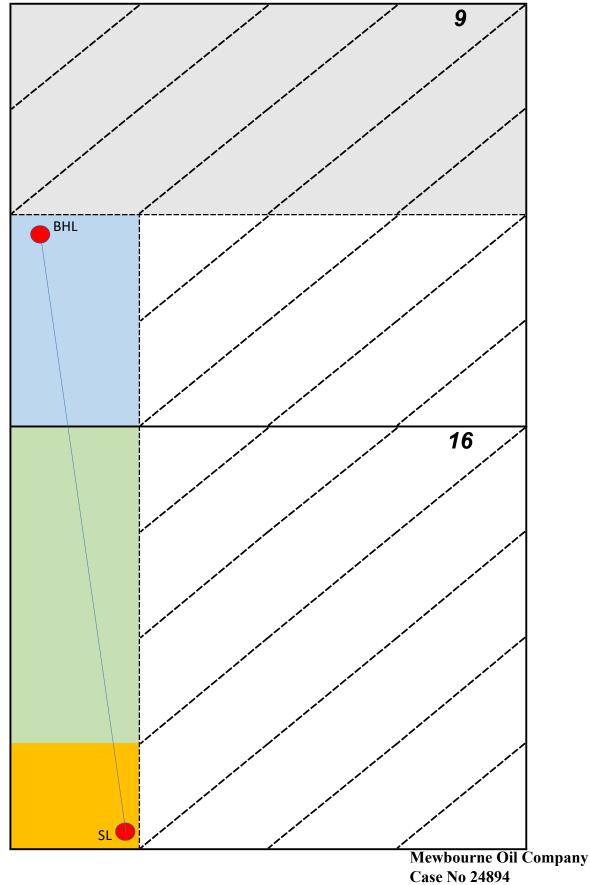


Exhibit A-3

TRACT OWNERSHIP TOP ROUND 16-9 STATE COM #521H (B2ML) Section 16 (W/2W/2) & 9 (W/2SW/4), T18S, R35E Lea County, New Mexico

Sections 16 (W/2W/2) & 9 (W/2SW/4) Bone Spring formation:

Mewbourne Oil Company, et al	% Leasehold Interest 84.583333%
* ZPZ Delaware I, LLC	6.666667%
* PBEX, LLC	6.011300%
*EGL Resources, Inc.	1.286200%
*The Grayrock Corporation	1.202500%
*Olive Petroleum, Inc.	0.187500%
*H. Grady Payne III	0.062500%
	100.000000%

^{*} Total interest being pooled: 15.416667%

OWNERSHIP BY TRACT

W/2SW/4 Section 9 (80 Acres):

Mewbourne Oil Company, et al

** Leasehold Interest*
100.000000%

100.000000%

W/2NW/4 & NW/4SW/4 Section 16 (120 Acres):

100.000000%

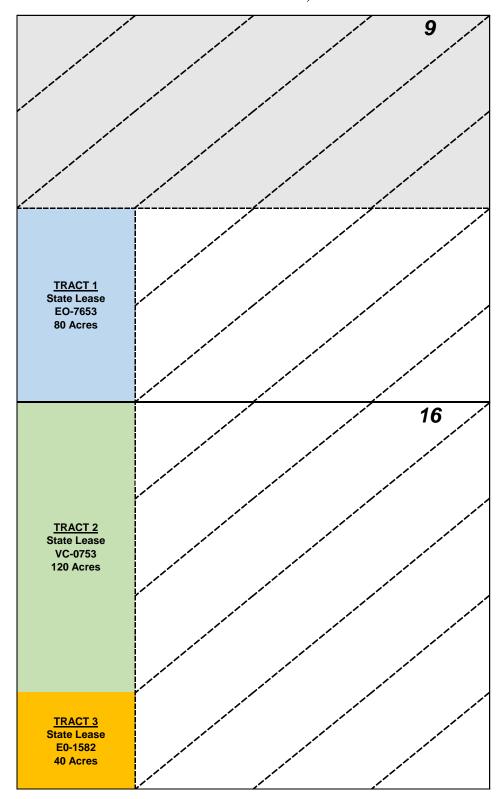
SW/4SW/4 Section 16 (40 Acres):

* ZPZ Delaware I, LLC 40.000000%

* PBEX, LLC 36.068000%

*EGL Resources, Inc.	7.717200%
*The Grayrock Corporation	7.215000%
*Olive Petroleum, Inc.	1.125000%
*H. Grady Payne III	0.375000%
	100.000000%

Section Plat
TOP ROUND 16-9 STATE COM #521H (B2ML)
W/2W/2 of Section 16 & W/2SW/4 of Section 9, T18S, R35E
Lea COUNTY, NM



Tract No. 1: W2SW4 Sec. 9— STATE LEASE EO-7653

Mewbourne Oil Company, et al

Tract No. 2: W2NW4 & NW4SW4 Sec. 16—STATE LEASE VC-0753

Mewbourne Oil Company, et al

<u>Tract No. 3:</u> SW4SW4 Sec. 16— STATE LEASE EO-1582

Mewbourne Oil Company, et al

ZPZ Delaware I, LLC

PBEX, LLC

EGL Resources, Inc.

The Grayrock Corporation

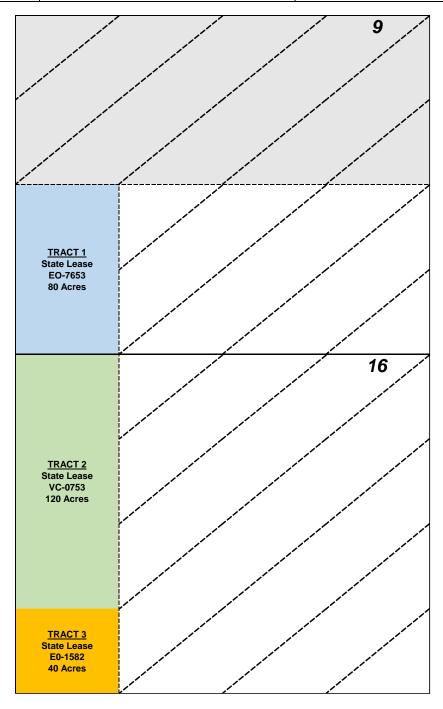
Olive Petroleum, Inc.

H. Grady Payne III

RECAPITUALTION

TOP ROUND 16-9 STATE COM #521H (B2ML) W/2W/2 of Section 16 & W/2SW/4 of Section 9, T18S, R35E Lea COUNTY, NM

Tract Number	Number of Acres Committed	Percentage of Interest In Communitized Area
1	80.00	33.33333%
2	120.00	50.000000%
3	40.00	16.666667%
TOTAL	240.00	100.000000%



MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

August 20, 2024

Via Certified Mail

ZPZ Delaware I, LLC 2000 Post Oak Blvd. STE 100 Houston, TX 77056 Attn: Permian Land Manager

Re:

- 1. TOP ROUND 16/9 STATE COM #521H AFE
- 2. TOP ROUND 16/9 STATE COM #525H AFE (Proximity Tract)
- 3. TOP ROUND 16/9 STATE COM #528H AFE
- 4. CANAL 19/20 Joint Operating Agreement dated August 1, 2024, covering the S/2 of Section 9 and All of Section 16, T18S, R35E, Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 960.00 acre, more or less, Working Interest Unit ("WIU") covering the S/2 of Section 9 and All of Section 16, T18S, R35E, for oil and gas production. The targeted interval for the proposed units is the Bone Spring formation. Mewbourne hereby proposes to drill the following horizontal Bone Spring wells:

- 1. TOP ROUND 16/9 STATE COM #521H (B2ML) will have a surface location 205' FSL & 2590' FWL of the above captioned Section 16 and a bottom hole location approximately 2540' FSL & 500' FWL of the above captioned Section 9. We anticipate drilling to an approximate total vertical depth of 9,575' and an approximate total measured depth of 16,910'. The W/2SW/4 of Section 9 & the W/2W/2 of Section 16 will be dedicated to this well as the 240-acre proration unit.
- 2. TOP ROUND 16/9 STATE COM #525H (B2OJ) will have a surface location 205' FSL & 2610' FWL of the above captioned Section 16 and a bottom hole location approximately 2540' FSL & 2600' FWL of the above captioned Section 9. We anticipate drilling to an approximate total vertical depth of 9,575' and an approximate total measured depth of 16,910'. Because this well is being drilled as a proximity tract, the E/2SW/4 & W/2SE/4 of Section 9 & the E/2W/2 & W/2E/2 of Section 16 will be dedicated to this well as the 480-acre proration unit.
- 3. TOP ROUND 16/9 STATE COM #528H (B2PI) will have a surface location 205' FSL & 2630' FWL of the above captioned Section 16 and a bottom hole location approximately 2540' FSL & 600' FEL of the above captioned Section 9. We anticipate drilling to an

Mewbourne Oil Company Case No 24894 Exhibit A-4 approximate total vertical depth of 9,575° and an approximate total measured depth of 16,910°. The E/2SE/4 of Section 9 & the E/2E/2 of Section 16 will be dedicated to this well as the 240-acre proration unit.

Regarding the above, enclosed for your further handling are our AFEs dated August 15, 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 them to me within thirty (30) days.

Our proposed Operating Agreement will have COPAS rates of \$12,000/month while drilling, \$1200/month for a producing well and a non-consent penalty of 100%/300%. Should you wish to participate, please email me at bdunn@mewbourne.com and I will promptly email you a copy of the Top Round 16/9 Operating Agreement dated August 1, 2024, for your review.

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

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn

Petroleum Landman

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: TOP ROUND 16/9 STATE COM #521H (B2ML) Prospect: SANTA VACA 19/18				
Location: SL: 205 FSL & 2590 FWL (16); BHL: 2540 FSL & 500 FWL (9)	ounty: Lea ST: NM			
Sec. 16 Blk: Survey: TWP: 18S	RNG: 35E Prop. TVE): 9575 TMD: 16910		
INTANGIBLE COSTS 0180	CODE TCP	CODE CC		
Regulatory Permits & Surveys	0180-0100 \$10,000	0180-0200		
Location / Road / Site / Preparation	0180-0105 \$40,000	0180-0205 \$35,000		
Location / Restoration Daywork / Turnkey / Footage Drilling 18 days drlg / 3 days comp @ \$28000/d	0180-0106 \$150,000 0180-0110 \$538,300	0180-0206 \$70,000 0180-0210 \$89,700		
Fuel 1700 gal/day @ \$3.9/gal	0180-0114 \$127,500	0180-0214 \$125,000		
Alternate Fuels	0180-0115	0180-0215 \$66,000		
Mud, Chemical & Additives	0180-0120 \$40,000	0180-0220		
Mud - Specialized Horizontal Drillout Services	0180-0121 \$240,000	0180-0221 0180-0222 \$150,000		
Stimulation Toe Preparation		0180-0223 \$25,000		
Cementing	0180-0125 \$160,000	0180-0225 \$55,000		
Logging & Wireline Services Casing / Tubing / Snubbing Services	0180-0130 \$34,000 0180-0134 \$40,000	0180-0230 \$230,000 0180-0234 \$15,000		
Mud Logging	0180-0137 \$15,000	\$100 0204 \$10,000		
Stimulation 37 Stg 14.9 MM gal / 14.9 MM lb		0180-0241 \$1,837,000		
Stimulation Rentals & Other	0400 0445	0180-0242 \$218,000		
Water & Other 100% BW @ \$1.15/bbl f/ Rancher Bits	0180-0145 \$35,000 0180-0148 \$85,400	0180-0245 \$436,000 0180-0248		
Inspection & Repair Services	0180-0150 \$50,000	0180-0250 \$5,000		
Misc. Air & Pumping Services	0180-0154	0180-0254 \$10,000		
Testing & Flowback Services Completion / Workover Rig	0180-0158 \$12,000	0180-0258 \$24,000		
Rig Mobilization	0180-0164 \$150,000	0180-0260 \$10,500		
Transportation		0180-0265 \$40,000		
Welding, Construction & Maint. Services	0180-0168 \$4,000	0180-0268 \$16,500		
Contract Services & Supervision	0180-0170 \$119,700	0180-0270 \$66,500		
Directional Services Equipment Rental ESP	0180-0175 \$450,000 0180-0180 \$130,700	0180-0280 \$100,000		
Well / Lease Legal	0180-0184 \$5,000	0180-0284		
Well / Lease Insurance	0180-0185 \$4,400	0180-0285		
Intangible Supplies Damages	0180-0188 \$7,000 0180-0190 \$10,000	0180-0288 \$1,000 0180-0290 \$10,000		
Pipeline Interconnect, ROW Easements	0180-0190 \$10,000	0180-0290 \$10,000		
Company Supervision	0180-0195 \$75,600	0180-0295 \$32,400		
Overhead Fixed Rate	0180-0196 \$10,000			
Contingencies 5% (TCP) 5% (CC) TOTAL	0180-0199 \$128,700 \$2,702,300	0180-0299 \$184,600 \$3,877,200		
	\$2,702,300	\$3,077,200		
TANGIBLE COSTS 0181 Casing (19.1" – 30")	0181-0793			
Casing (10.1" – 19.0") 2000' - 13 3/8" 54.5# J-55 ST&C @ \$47.92/ft	0181-0794 \$102,400			
Casing (8.1" – 10.0") 3450' - 9 5/8" 36# J-55 LT&C @ \$28.85/ft	0181-0795 \$106,300			
Casing (6.1" – 8.0") 9050' - 7" 29# HPP110 BT&C @ \$34.18/ft Casing (4.1" – 6.0") 8150' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$19.44/ft	0181-0796 \$330,400	0181-0797 \$169,200		
Tubing 8800' - 2 7/8" 6.5# L-80 IPC Tbg @ \$10.5/ft		0181-0798 \$98,700		
Drilling Head	0181-0860 \$50,000			
Tubing Head & Upper Section Horizontal Completion Tools Completion Liner Hanger		0181-0870 \$30,000 0181-0871 \$75,000		
Horizontal Completion Tools Completion Liner Hanger Subsurface Equip. & Artificial Lift		0181-0880 \$40,000		
Service Pumps (1/3) TP/CP/Circ Pump		0181-0886 \$10,000		
Storage Tanks (1/3) (6)OT/(5)WT/(1)GB		0181-0890 \$136,000		
Emissions Control Equipment (1/3) (2)VRT/(1)VRU/(1)FLARE/(3)KO/(1)AIR Separation / Treating Equipment (1/3) (3) TEST H SEP 500#/(1) V SEP 500#/(2) VHT		0181-0892 \$105,000 0181-0895 \$61,000		
Automation Metering Equipment		0181-0898 \$104,000		
Oil/Gas Pipeline-Pipe/Valves&Misc		0181-0900 \$30,000		
Water Pipeline-Pipe/Valves & Misc		0181-0901 \$94,000		
On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction		0181-0906 \$150,000 0181-0907 \$37,000		
Cathodic Protection		0181-0908		
Electrical Installation		0181-0909 \$227,000		
Equipment Installation Oil/Gas Pipeline - Construction		0181-0910 \$100,000 0181-0920 \$48,000		
Water Pipeline - Construction		0181-0921 \$95,000		
TOTAL	\$589,100	\$1,609,900		
SUBTOTAL	\$3,291,400	\$5,487,100		
Insurance procured for the Joint Account by Operator	JO,1	78,500		
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. Propaged by: Andy Taylor Poto	0/45/2024			
Prepared by: Andy Taylor Date: Company Approval: Date:	8/15/2024			
Company Approval: Date:	8/19/2024			
Joint Owner Interest: Amount:				
Joint Owner Name: Signature:				

Summary of Communications TOP ROUND 16-9 STATE COM #521H (B2ML)

ZPZ Delaware I, LLC

- 1) 8/20/2024: Well proposal letter with AFEs are sent via certified mail.
- 2) 9/4/2024: Well proposal letter with AFEs delivered to owner.
- 3) 10/2/2024: Email correspondence with owner regarding their interest.
- 4) 10/9/2024: Email correspondence with owner regarding their interest. Owner indicates they would like to participate under JOA. Answered owners questions and sent requested information including a copy of the JOA and a letter agreement.
- 5) 10/16/2024: Owner still has not signed the AFEs or JOA and is still evaluating all options.

PBEX, LLC

- 1) 8/20/2024: Well proposal letter with AFEs are sent via certified mail.
- 2) 8/22/2024: Well proposal letter with AFEs delivered to owner.
- 3) 8/30/2024: Email correspondence with owner regarding their interest.
- 4) 9/3/2024: Phone & Email correspondence with owner regarding their interest. Owner indicates they would like to participate under JOA. Answered owners questions and sent requested information including a copy of the JOA
- 5) 9/17/2024: Email correspondence with owner regarding their interest.
- 6) 9/24/2024: Email correspondence with owner regarding their interest.
- 7) 10/16/2024: Owner still has not signed the AFEs or JOA but intends to.

EGL Resources, Inc.

- 1) 8/20/2024: Well proposal letter with AFEs are sent via certified mail.
- 2) 9/4/2024: Well proposal letter with AFEs delivered to owner.
- 3) 10/15/2024: Called and left a voicemail with owner.
- 4) 10/16/2024: Never heard from owner. Owner still has not signed the AFEs or JOA or has contacted me after receiving the well proposal letter containing all my contact information.

The Grayrock Corporation

- 1) 8/20/2024: Well proposal letter with AFEs are sent via certified mail.
- 2) 8/28/2024: Certified mail returned due to unlocatable/undeliverable address.
- 3) 9/16/2024: Detailed search on the internet for a new address of this company/current contact information. Re-proposed wells to another address found on Accurint.
- 4) 10/16/2024: Never heard from owner. No good phone number or email address for owner found.

Mewbourne Oil Company Case No 24894 Exhibit A-5

Olive Petroleum, Inc.

- 1) 8/20/2024: Well proposal letter with AFEs are sent via certified mail.
- 2) 8/22/2024: Well proposal letter with AFEs delivered to owner.
- 3) 10/15/2024: Called and left a voicemail with owner. 10/16/2024: Never heard from owner. Owner still has not signed the AFEs or JOA or has contacted me after receiving the well proposal letter containing all my contact information.

H. Grady Payne, III

- 1) 8/20/2024: Well proposal letter with AFEs are sent via certified mail.
- 2) 8/29/2024: Well proposal letter with AFEs delivered to owner.
- 3) 9/16/2024: Detailed search on the internet for an email and/or phone number of owner. No good contact information found.
 - 10/16/2024: Never heard from owner. Owner still has not signed the AFEs or JOA or has contacted me after receiving the well proposal letter containing all my contact information.

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

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

Case Nos. 24894 24895 24896

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

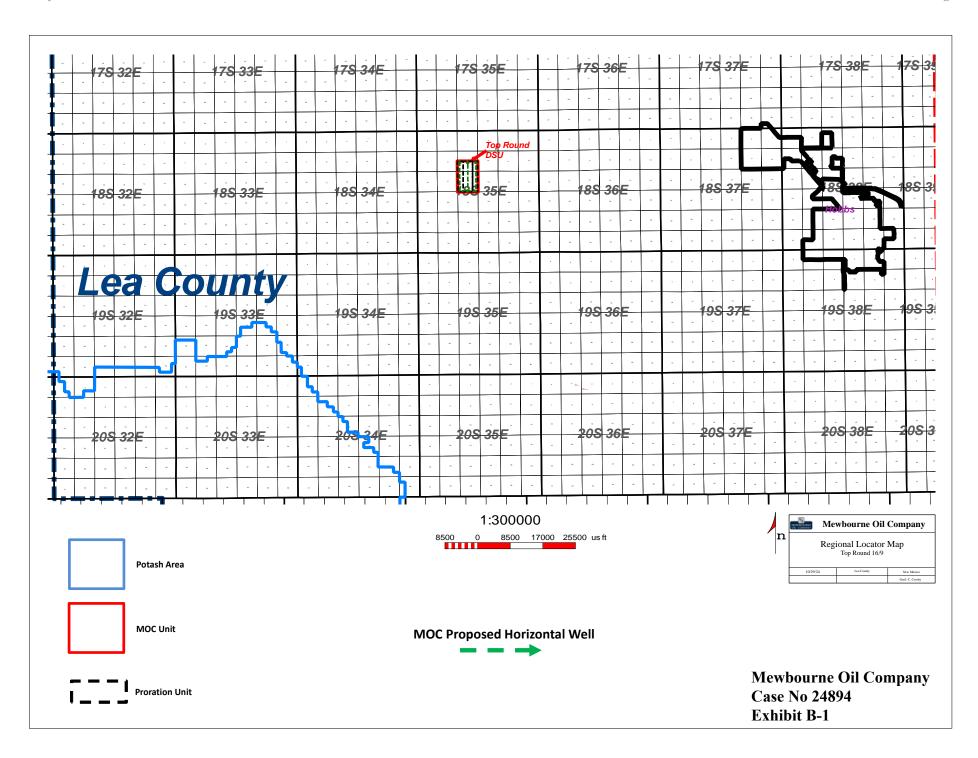
- 1. I am employed by Mewbourne Oil Company ("Mewbourne") as a geologist. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record.
 - 2. I am familiar with the geological matters that pertain to the above-referenced cases.
- 3. **Exhibit B-1** is a general location map that depicts the Top Round spacing units ("Units").
- 4. **Exhibit B-2** is a subsea structure map for the base of the 2nd Bone Spring Sand formation that is representative of the targeted intervals. The contour intervals are 100 feet. The approximate wellbore paths for the Top Round 16/9 State Com #521H (B2ML), Top Round 16/9 State Com #525H (B2OJ), and Top Round 16/9 State Com #528H (B2PI) wells ("Wells") are depicted by dashed green arrows. Existing producing wells in the targeted interval are represented by solid green lines. The map demonstrates the formation is gently dipping to the southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

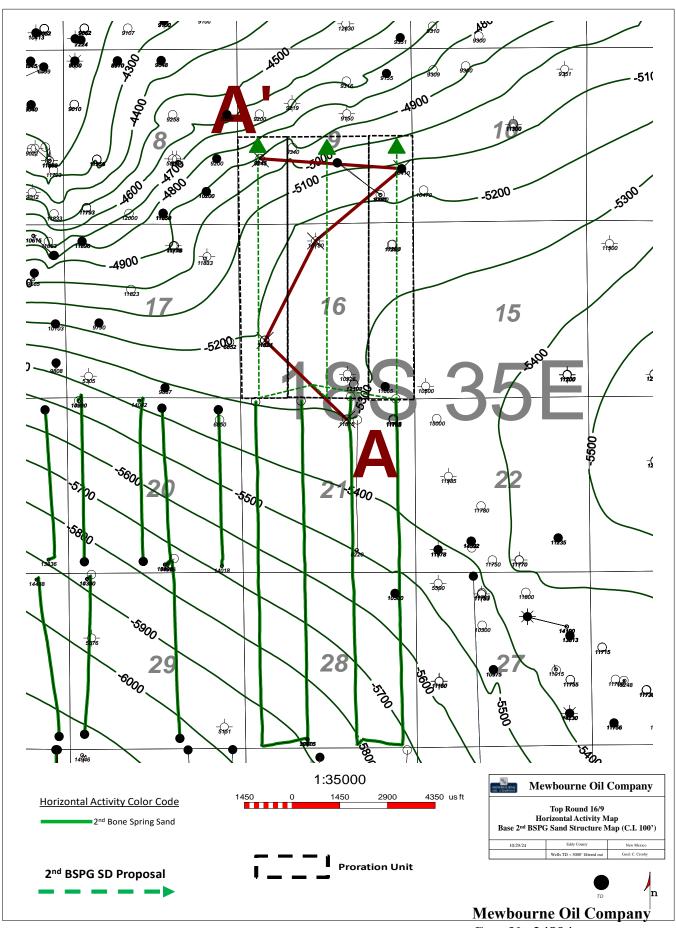
Mewbourne Oil Company Case No 24894 Exhibit B

- 5. Exhibit B-2 also identifies five wells penetrating the targeted intervals that I used to prepare a stratigraphic cross-section from A to A'. I used these well logs because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the area.
- 6. **Exhibit B-3** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown on Exhibit B-2. The proposed landing zones for the wells are labeled on the exhibit. This cross-section demonstrates that the target interval is continuous across the Units.
- 7. In my opinion, a standup orientation for the proposed wells is appropriate to properly develop the subject acreage because of an established directional pattern and the known fracture orientation in this portion of the trend.
- 8. Based on my geologic study of the area, the targeted interval underlying the Units is suitable for development by horizontal wells and the tracts comprising the Units will contribute more or less equally to the production of the Wells.
- 9. In my opinion, the granting of Mewbourne's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 10. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.
- 11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony 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 identified next to my signature below.

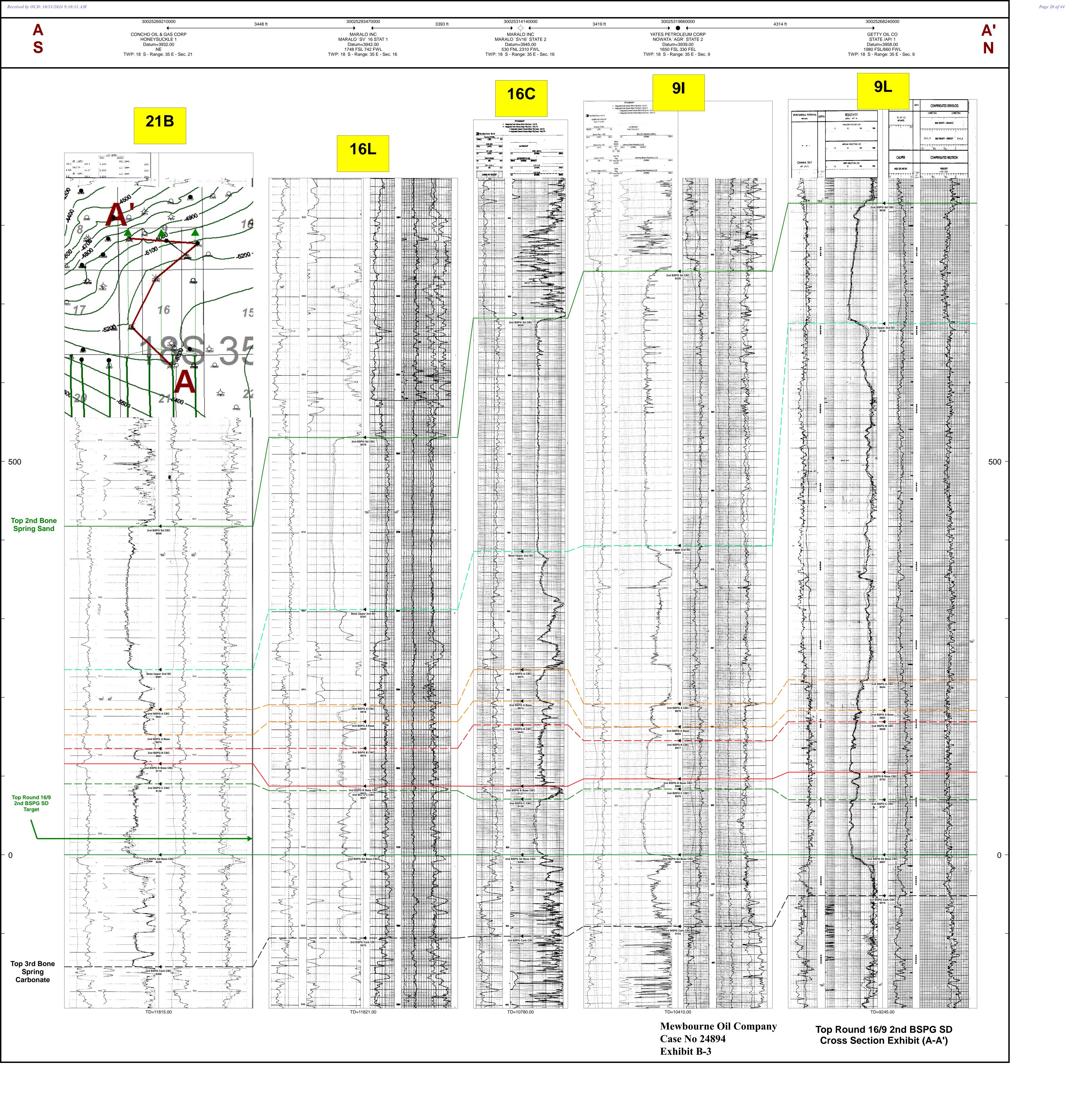
CHARLES CROSBY

10/29/21 Date





Case No 24894 Exhibit B-2



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

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

CASE NO. 24894

SELF-AFFIRMED STATEMENT
OF DANA S. HARDY

1. I am attorney in fact and authorized representative of Mewbourne Oil Company,

the Applicant herein.

2. I am familiar with the Notice Letters attached as **Exhibit C-1** and **Exhibit C-2**, and

caused the Notice Letters, along with the Application in this case, to be sent to the parties set out

in the chart attached as Exhibit C-3.

3. **Exhibit C-3** also provides the date each Notice Letter was sent and the date each

return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit C-**

4 as supporting documentation for proof of mailing and the information provided on Exhibit C-3.

5. On October 11, 2024, and on October 18, 2024, I caused a notice to be published

in the Hobbs News - Sun. Affidavits of Publication from the Legal Clerk of the Hobbs News -

Sun, along with a copy of the notice publications, are attached as Exhibit C-5 and Exhibit C-6.

6. I understand this Self-Affirmed Statement will be used as written testimony in the

subject case. I affirm that my testimony 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.

/s/ Dana S. Hardy

Dana S. Hardy

October 30, 2024

Date

Mewbourne Oil Company Case No 24894 Exhibit C



HINKLE SHANOR LLP

ATTORNEYS AT LAW
P.O. BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

October 9, 2024

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case Nos. 24894, 24895, & 24896– Applications of Mewbourne Oil Company for Compulsory Pooling, LeaCounty, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **October 31, 2024**, beginning at 8:15 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Brad Dunn at Mewbourne Oil Company, by phone at (432) 682-3715 or via e-mail at bdunn@mewbourne.com if you have any questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Case No 24894

Exhibit C-1



HINKLE SHANOR LLP

ATTORNEYS AT LAW
P.O. BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

October 14, 2024

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case Nos. 24894, 24895, & 24896– Applications of Mewbourne Oil Company for Compulsory Pooling, LeaCounty, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **November 7, 2024**, beginning at 9 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Brad Dunn at Mewbourne Oil Company, by phone at (432) 682-3715 or via e-mail at bdunn@mewbourne.com if you have any questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Mewbourne Oil Company Case No 24894 Exhibit C-2

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

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

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

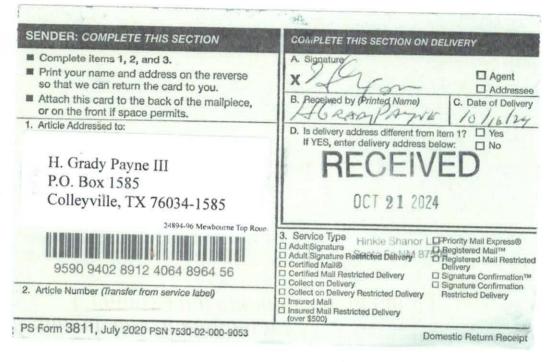
CASE NOS. 24894, 24895, & 24896

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
EGL Resources, Inc.	10/15/2024	USPS Tracking
P.O. Box 10886	9589071052701502392522	10/29/2024: Item
Midland, TX 79702		delivered 10/28/2024.
H. Grady Payne III	10/09/2024	10/21/2024
P.O. Box 1585	9589071052701147071820	
Colleyville, TX 76034-1585		
Olive Petroleum Company, Inc.	10/09/2024	USPS Tracking
315 Carol Lane	9589071052701147071837	10/29/2024: Item
Midland, TX 79705		delivered 10/15/2024.
PBEX, LLC	10/09/2024	10/18/2024
223 W. Wall Street, STE 900	9589071052701147071875	
Attn: Permian Land Manger		
Midland, TX 79701		
PGC Gas Company	10/09/2024	10/28/2024
8150 N Central Expressway, Suite 1475	9589071052701147071851	
Dallas, TX 75206		
The Grayrock Corporation	10/09/2024	USPS Tracking
12201 Merit Drive STE 620	9589071052701147071844	10/29/2024:
Dallas, TX 75251		Return to Sender.
ZPZ Delaware I, LLC	10/09/2024	USPS Tracking
2000 Post Oak Blvd. STE 100	9589071052701147071868	10/29/204: Item in
Houston, TX 77056		transit to next facility.

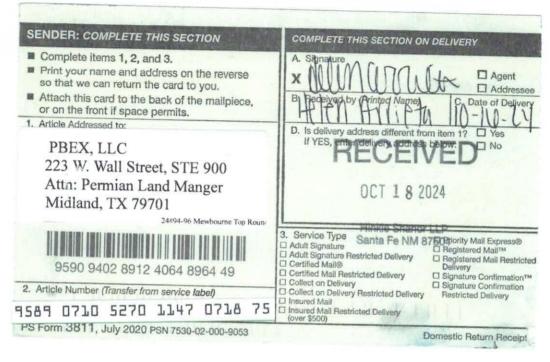
Mewbourne Oil Company Case No 24894 Exhibit C-3



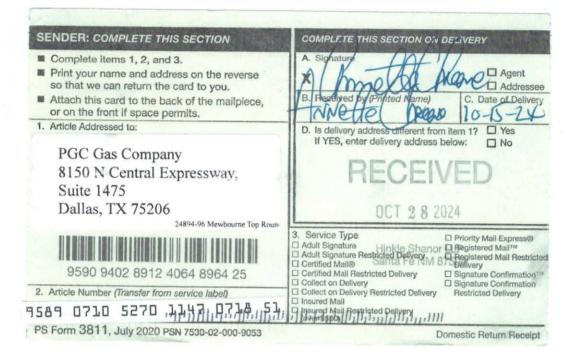


Mewbourne Oil Company Case No 24894 Exhibit C-4





LAI	The second secon
51	U.S. Postal Service CERTIFIED MAIL RECEIPT
	Domestic Mail Only
118	For delivery information, visit our website at www.usps.com
	OFFI POZEN 1205
47	Certified Mail Fee
1147 0718	Extra Services & Fees (check box, and fee as appropriate) Return Receipt (hardcopy)
5270	Return Receipt (electronic) \$ Poduriesk** Certified Mail Restricted Delivery \$ Adult Signature Required \$ Adult Signature Restricted Delivery \$ Postage P
770	\$ Total Postage and Fees
	\$
589 0710	Sent To PGC Gas Company Street and Apt. No., or PO Box 8150 N Central Expressway, Suite 1475 Dallas, TX 75206
	City, State, ZIP+4* 24894-96 Mewbourne Top Round
	PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions



CERT	stal Service™ IFIED MAIL® RECEIPT
-0	information, visit our website at www.usps.com .
Certified Mail Fet \$ Extra Services & Return Receipt Return Receipt Certified Mail Re Conduct Signature	Fees (check box, add fee as appropriate) hardcopy) selectronic stricted Delivery s
Total Postage an	i Fees
Street and Apt. No.	Dallas, TX 75251
PS Form 3800, J	24894-% Mewbourne Top Round anuary 2023 PSN 7530-02-000-9047 See Reverse for Instructions

HINKLE SHANOR LLP ATTORNEYS AT LAW

POST OFFICE BOX 2068 SANTA FE, NEW MEXICO 87504



RECEIVED

OCT 2 9 2024

Santa Fe NM 87504

The Grayrock Corporation 12201 Merit Drive STE 620 Dallas, TX 75251

NIXIE

0010/19/24 RETURN TO SENDER ATTEMPTED - NOT KNOWN UNABLE TO FORWARD

Received by OCD: 10/31/2024 9:10:31 AM



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9589071052701502392522

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Latest Update

Your item has been delivered and is available at a PO Box at 9:48 am on October 28, 2024 in MIDLAND, TX 79701.

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USPS Tracking Plus®

Delivered

Delivered, PO Box

MIDLAND, TX 79701 October 28, 2024, 9:48 am

Reminder to pick up your item before November 6, 2024

MIDLAND, TX 79702 October 28, 2024

Available for Pickup

DOWNTOWN MIDLAND 100 E WALL ST MIDLAND TX 79701-9998 M-F 0830-1700



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9589071052701147071837

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Latest Update

Your item was delivered to an individual at the address at 11:30 am on October 15, 2024 in MIDLAND, TX 79705.

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USPS Tracking Plus®

Delivered

Delivered, Left with Individual

MIDLAND, TX 79705 October 15, 2024, 11:30 am

In Transit to Next Facility

October 14, 2024

Arrived at USPS Regional Facility

MIDLAND TX DISTRIBUTION CENTER October 12, 2024, 5:30 pm

Departed USPS Facility

ALBUQUERQUE, NM 87101



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Learn More

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app=UspsTools&ref=ho nepageBanner&appURL=https%3A%2F%2Finformeddelivery.usps.com/box/pages/intro/start.action)

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Tracking Number:

9589071052701147071868

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Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

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USPS Tracking Plus®

Moving Through Network

In Transit to Next Facility

October 28, 2024

Arrived at USPS Regional Facility

NORTH HOUSTON TX DISTRIBUTION CENTER

October 27, 2024, 9:54 am

Forwarded

HOUSTON, TX October 23, 2024, 10:17 am

Forwarded

HOUSTON, TX

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated October 11, 2024 and ending with the issue dated October 11, 2024.

Publisher

Sworn and subscribed to before me this 11th day of October 2024.

Business Manager

My commission expires

January 29 STATE OF NEW MEXICO NOTARY PUBLIC (Seal) **GUSSIE RUTH BLACK COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL

LEGAL

LEGAL

LEGAL NOTICE October 11, 2024

This is to notify all interested parties, including: PBEX, LLC; ZPZ Delaware I, LLC; PGC Gas Company; The Grayrock Corporation; Olive Petroleum Company, Inc.; H. Grady Payne III; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on applications submitted by Mewbourne Oil Company ("Applicant") in Case Nos. 24894, 24895 and 24896. A hearing on the applications will be conducted on October 31, 2024, in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

In Case No. 24894, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizonal spacing unit comprised of the W/2 W/2 of Section 16 and the W/2 SW/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico. The unit will be dedicated to the Top Round 16/9 State Com #521H (B2ML) well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 9. The completed interval of the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. In Case No. 24895, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizonal spacing unit comprised of the E/2 W/2 and W/2 E/2 of Section 16 and the E/2 SW/4 and W/2 SE/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico. The unit will be dedicated to the Top Round 16/9 State Com #525H (B2OJ) well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SE/4 (Unit J) of Section 9. The well will be located within 330' of the quarter-quarter section line separating the E/2 W/2 and W/2 E/2 of Sections 9 and 16 to allow for the creation of a 480-acre, standard horizontal spacing unit. The completed interval of the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as the operator of the well, and a 200% charge for the risk in

Mexico. #00295042

02107475

00295042

GILBERT HINKLE, SHANOR LLP PO BOX 2068 SANTA FE. NM 87504

Mewbourne Oil Company Case No 24894 **Exhibit C-5**

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated October 18, 2024 and ending with the issue dated October 18, 2024.

Publisher

Sworn and subscribed to before me this 18th day of October 2024.

Business Manager

My commission expires

STATE OF NEW MEXICO NOTARY PUBLIC (Seal) GUSSIE RUTH BLACK **COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

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LEGAL NOTICE October 18, 2024

This is to notify all interested parties, including: PBEX, LLC; ZPZ Delaware I, LLC; EGL Resources, Inc.; PGC Gas Company; The Grayrock Corporation; Olive Petroleum Company, Inc.; H. Grady Payne III; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on applications submitted by Mewbourne Oil Company ("Applicant") in Case Nos. 24894, 24895 and 24896. A hearing on the applications will be conducted on November 7, 2024, in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emrrd.nm.gov/ocd/hearing-info/.
In Case No. 24894, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizonal spacing unit comprised of the W/2 W/2 of Section 16 and the W/2 SW/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico. The unit will be dedicated to the Top Round 16/9 State Com #521H (B2ML) well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of

Mexico. The unit will be dedicated to the **Top Round 16/9 State Com #521H** (**B2ML**) well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 9. The completed interval of the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. In Case No. 24895, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizonal spacing unit comprised of the E/2 W/2 and W/2 E/2 of Section 16 and the E/2 SW/4 and W/2 SE/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico. The unit will be dedicated to the **Top Round 16/9 State Com #525H (B2OJ)** well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SE/4 (Unit J) of Section 9. The well will be located within 330' of the quarter-quarter section line separating the E/2 W/2 and W/2 E/2 of Sections 9 and 16 to allow for the creation of a 480-acre, standard horizontal spacing unit. The completed interval of the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

In Case No. 24896, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizonal spacing unit comprised of the E/2 E/2 of Section 16 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico. The unit will be drilled from a surface hole location in the SE/4

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Mewbourne Oil Company Case No 24894 **Exhibit C-6**