

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

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

CASE NO. 25109

NOTICE OF REVISED EXHIBITS

Mewbourne Oil Company, applicant in the above-referenced case, gives notice that it is filing the attached revised exhibit for acceptance into the record.

Revised Exhibit A is a revised compulsory pooling checklist with the corrected pool name and code.

Revised Exhibit C-2 are revised C-102s with corrected pool name and code.

Revised Exhibit C-3 is a revised structural cross-section that removes the map overlapping the exhibit.

Respectfully submitted,

HOLLAND & HART LLP



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Adam G. Rankin
Paula M. Vance
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ATTORNEYS FOR MEWBOURNE OIL COMPANY

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JANUARY 9, 2025**

CASE No. 25109

BLACK PEARL 7/19 FED COM #526H & #528H

LEA COUNTY, NEW MEXICO



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

**APPLICATION OF MEWBOURNE OIL
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LEA COUNTY, NEW MEXICO.**

CASE NO. 25109

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 - Mewbourne Exhibit C-2: *Revised* C-102
 - Mewbourne Exhibit C-3: Land Tract Map / Uncommitted Interest Owners
 - Mewbourne Exhibit C-4: Sample Well Proposal Letter with AFEs
 - Mewbourne Exhibit C-5: Chronology of Contacts
- **Mewbourne Exhibit D:** Self-Affirmed Statement of Charles Crosby, Geologist
 - Mewbourne Exhibit D-1: Locator map
 - Mewbourne Exhibit D-2: Subsea structure & cross-section map
 - Mewbourne Exhibit D-3: *Revised* Stratigraphic cross-section
- **Mewbourne Exhibit E:** Self-Affirmed Statement of Notice
- **Mewbourne Exhibit F:** Affidavit of Publication for the Case

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25109	APPLICANT'S RESPONSE
Date	January 9, 2025
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	None
Well Family	Black Pearl
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Pearl; Bone Spring; East [49690]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1,572.79
Building Blocks:	40 acres
Orientation:	Standup / North to South
Description: TRS/County	<p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Revised Exhibit No. A Submitted by: Mewbourne Oil Company Hearing Date: January 9, 2025 Case No. 25109</p>
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	No. Applicant has filed a separate administrative application for approval of a non-standard spacing unit.
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 C-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	Black Pearl 7/19 Fed Com 526H well SHL: 2,639' FSL, 1,400' FEL (Unit J) of Section 7 BHL: 100' FSL, 1,850' FEL (Unit O) of Section 19 Target: Bone Spring Orientation: Standup / North to South Completion: Standard
Well #2	Black Pearl 7/19 Fed Com 528H well SHL: 2,639' FSL, 1,200' FEL (Unit I) of Section 7 BHL: 100' FSL, 400' FEL (Unit P) of Section 19 Target: Bone Spring Orientation: Standup / North to South Completion: Standard
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$12,000
Production Supervision/Month \$	\$1,200
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Release and Waiver of Proposed Lease	Exhibit C-4

Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	1/2/2025

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

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

CASE NO. 25109

APPLICATION

Mewbourne Oil Company (“Mewbourne” or “Applicant”) (OGRID No. 14744), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a 1,600-acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation underlying Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 7, Lots 1-4, E/2 W/2, and E/2 (entire Section equivalent) of irregular Sections 18 and 19, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Mewbourne states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Black Pearl 7/19 Fed Com #526H**, to be drilled horizontally from a surface location in NW/4 SE/4 (Unit J) of irregular Section 7, a first take point in NW/4 SE/4 (Unit J) of irregular Section 7 and last take point the SW/4 SE/4 (Unit O) of irregular Section 19; and **Black Pearl 7/19 Fed Com #528H**, to be drilled horizontally from a surface location in NE/4 SE/4 (Unit I) of irregular Section 7, a first take point in NE/4 SE/4 (Unit I) of irregular Section 7 and last take point the SE/4 SE/4 (Unit P) of irregular Section 19.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Mewbourne Oil Company
Hearing Date: January 9, 2025
Case No. 25109

3. Applicant has filed a separate administrative application for approval of a non-standard spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this matter be set for hearing before an Examiner of the Oil Conservation Division on January 9, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted mineral owners in the horizontal spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. 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
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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Adam G. Rankin
Paula M. Vance
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ATTORNEYS FOR MEWBOURNE OIL COMPANY

CASE: _____

Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a 1,600-acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation underlying Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 7, Lots 1-4, E/2 W/2, and E/2 (entire Section equivalent) of irregular Sections 18 and 19, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the proposed **Black Pearl 7/19 Fed Com #526H**, to be drilled horizontally from a surface location in NW/4 SE/4 (Unit J) of irregular Section 7, a first take point in NW/4 SE/4 (Unit J) of irregular Section 7 and last take point the SW/4 SE/4 (Unit O) of irregular Section 19; and **Black Pearl 7/19 Fed Com #528H**, to be drilled horizontally from a surface location in NE/4 SE/4 (Unit I) of irregular Section 7, a first take point in NE/4 SE/4 (Unit I) of irregular Section 7 and last take point the SE/4 SE/4 (Unit P) of irregular Section 19. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed non-standard spacing unit, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 13 miles west of Hobbs, New Mexico.

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

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

CASE NO. 25109

SELF-AFFIRMED STATEMENT OF PEYTON WARREN

1. My name is Peyton Warren. I work for Mewbourne Oil Company (“Mewbourne”) as a Landman.
2. I have not previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters. I have included a copy of my resume as **Mewbourne Exhibit C-1** for the Division to review and respectfully request that my credentials be accepted as a matter of record, and I be tendered as an expert in land matters.
3. I am familiar with the application filed by Mewbourne in this case, and I am familiar with the status of the lands in the subject area.
4. None of the uncommitted parties in this case have indicated opposition to proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.
5. In **Case No. 25109**, Mewbourne seeks to pool the uncommitted interests in the Bone Spring formation (Pearl; Bone Spring; South [49685]) underlying a 1,572.79-acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation underlying Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 7, Lots 1-4, E/2 W/2, and E/2 (entire Section equivalent) of irregular Sections 18 and 19, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Black Pearl 7/19 Fed Com #526H**, to be drilled horizontally from a surface

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
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Submitted by: Mewbourne Oil Company
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location in NW/4 SE/4 (Unit J) of irregular Section 7, a first take point in NW/4 SE/4 (Unit J) of irregular Section 7 and last take point the SW/4 SE/4 (Unit O) of irregular Section 19; and **Black Pearl 7/19 Fed Com #528H**, to be drilled horizontally from a surface location in NE/4 SE/4 (Unit I) of irregular Section 7, a first take point in NE/4 SE/4 (Unit I) of irregular Section 7 and last take point the SE/4 SE/4 (Unit P) of irregular Section 19.

6. **Mewbourne Exhibit C-2** contains a draft Form C-102 for the wells. The exhibit shows that the wells will be assigned to the Pearl; Bone Spring; South [49685]. Applicant has filed a separate administrative application for approval of a non-standard spacing unit.

7. **Mewbourne Exhibit C-3** identifies the tracts of land comprising the horizontal spacing unit, the ownership interests in each tract, and ownership interests on a spacing unit basis. The subject acreage is comprised of state and fee lands. The parties Mewbourne seeks to pool are highlighted in yellow.

8. **Mewbourne Exhibit C-4** contains a sample of the well proposal letter and AFEs sent to owners with a working interest. The costs reflected in the AFEs are consistent with what Mewbourne and other operators have incurred for drilling similar horizontal wells in the area in this formation.

9. Mewbourne requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$12,000 per month while drilling and \$1,200 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

10. **Mewbourne Exhibit C-5** contains a general summary of the contacts with the uncommitted interest owners. As indicated in the exhibit, Mewbourne has made a good faith effort to locate and has had communications with all of the parties that it seeks to pool in this case in an

effort to reach voluntary joinder. In my opinion, Mewbourne has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

11. Mewbourne has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Mewbourne seeks to pool and instructed that they be notified of this hearing. Mewbourne has conducted a diligent search of all public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.

12. **Mewbourne Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Peyton Warren

Peyton Warren

1/2/2025

Date

Peyton Warren

3600 N Edwards St., Apt. 3219, Midland, TX 79705
(405) 650-5818 | pwarren@mewbourne.com

EDUCATION

Texas Tech University, Rawls College of Business

Bachelor of Business Administration in Energy Commerce

Lubbock, TX
Graduation: May 2023

WORK EXPERIENCE

Mewbourne Oil Company

Landman

Tyler/Midland, TX
June 2023 - Present

- Negotiate and prepare oil and gas leases, letters, assignments and agreements
- Responsible for setting up billing and revenue decks
- Build relationships and trust with industry partners
- Work alongside geologists and engineers to develop profitable acreage positions

Warren Ranch

Ranch Hand

Mill Creek, OK
January 2015 - Present

- Keep records of expenditures and cattle
- Perform ranch hand duties such as fencing, working cattle, and bailing hay
- Maintain and improve the land by completing projects

Mewbourne Oil Company

Land Intern

Oklahoma City, OK
May 2022 – August 2022

- Negotiate oil and gas leases with mineral owners
- Draft and file applications with the Oklahoma Corporation Commission
- Examine title and compile respondent lists

Mewbourne Oil Company

Land Intern

Midland, TX
May 2021 – August 2021

- Build abstracts and runsheets to assist in the determination of ownership
- Interpret how to perpetuate leases, agreements and assignments
- Prepare ownership takeoffs and plats

Quarry Gate LLC

Assistant

Norman, OK
October 2017 - August 2019

- Organize and keep records
- Document Oklahoma Corporation Commission Regulatory work
- Consolidate and map Oil and Gas Lease Records
- Review Drilling Title Opinion

ASSOCIATIONS

American Association of Petroleum Landmen

Permian Basin Landman Association

August 2020 - Present
October 2024 - Present

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: Mewbourne Oil Company
Hearing Date: January 9, 2025
Case No. 25109

Santa Fe, New Mexico

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised Exhibit No. C-2
			Submitted by: Mewbourne Oil Company
		Revised July 9, 2024	
		Examining Date: January 9, 2025	
		Case No. 25109	
		Submittal Type:	<input checked="checked" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-025-54128	Pool Code 49690	Pool Name PEARL;BO NE SPRI NG, EAST
Property Code	Property Name BLACK PEARL 7/19 FED COM	Well Number 526H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 3813'
Surface Owner: <input checked="checked" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="checked" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	7	19S	36E		2639 FSL	1400 FEL	32.6750861°N	103.3897699°W	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	19	19S	36E		100 FSL	1850 FEL	32.6389839°N	103.3911871°W	LEA

Dedicated Acres 1572.79	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
G	7	19S	36E		2178 FNL	1850 FEL	32.6764071°N	103.3912349°W	LEA


First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	7	19S	36E		2548 FSL	1850 FEL	32.6748325°N	103.3912311°W	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	19	19S	36E		100 FSL	1850 FEL	32.6389839°N	103.3911871°W	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="checked" type="checkbox"/> Vertical	Ground Floor Elevation:
-------------------------------------------	-----------------------------------------------------------------------------------------------------------	-------------------------

OPERATOR CERTIFICATIONS <p><i>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></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p><i>Brett Miller</i> 09/18/2024</p>		SURVEYOR CERTIFICATIONS <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i></p> 	
Signature Brett Miller	Date	Signature and Seal of Professional Surveyor <i>Robert M. Howett</i>	
Printed Name brett.miller@mewbourne.com	Email Address	Certificate Number 19680	Date of Survey 08/06/2024

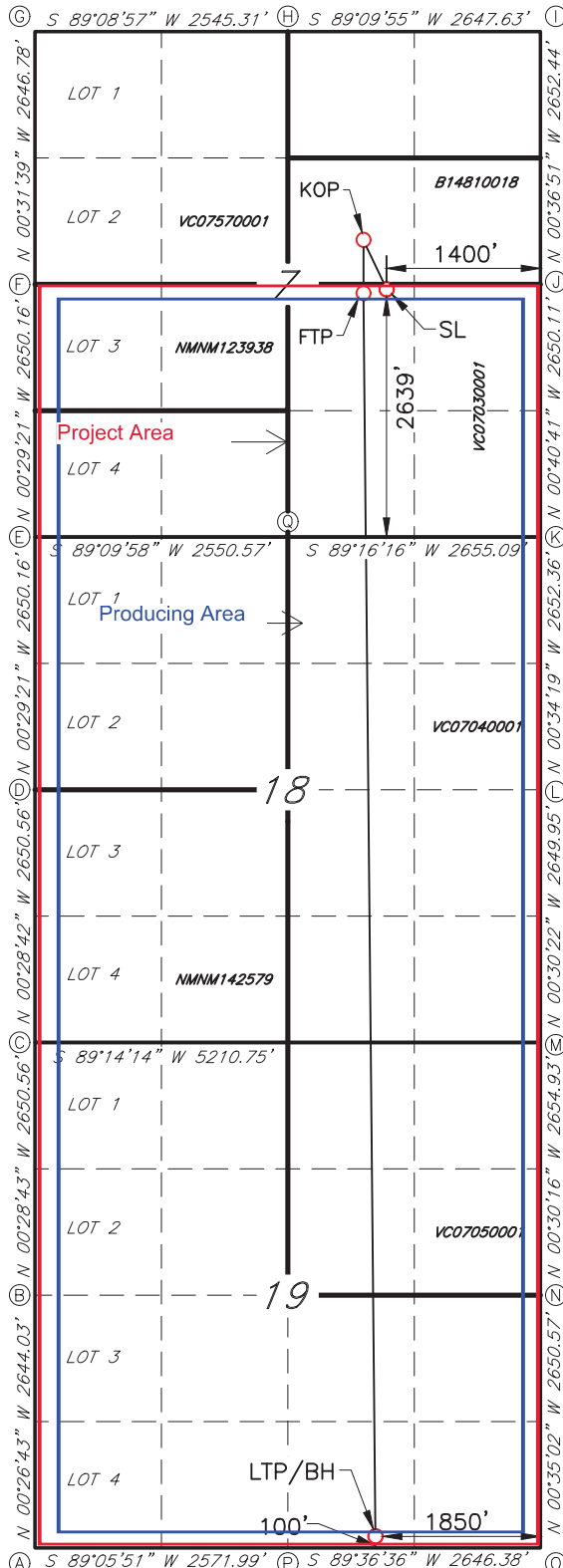
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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.

BLACK PEARL 7/19 FED COM 526H



GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 610618.2 - E: 831673.1

LAT: 32.6750861° N
LONG: 103.3897699° W

KICK OFF POINT (KOP)
2178' FNL & 1850' FEL - SEC.7
N: 611094.8 - E: 831218.0

LON: 32.6764071° N
LONG: 103.3912349° W

FIRST TAKE POINT (FTP)
2548' FSL & 1850' FEL - SEC.7
N: 610521.9 - E: 831224.3

LON: 32.6748325° N
LONG: 103.3912311° W

LAST TAKE POINT (LTP)/BOTTOM HOLE (BH)
N: 597479.3 - E: 831353.5

LAT: 32.6389839° N
LONG: 103.3911871° W

CORNER DATA
NAD 83 GRID - NM EAST

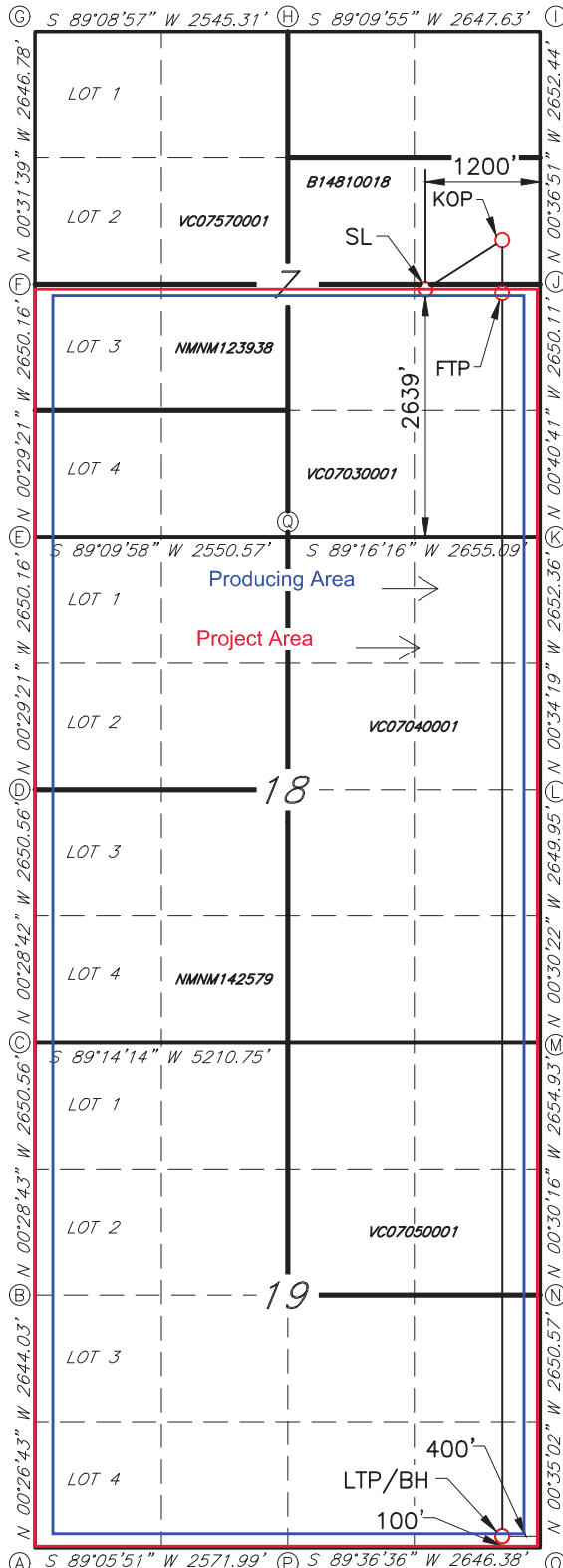
- | | |
|--------------------------------------------------------|--------------------------------------------------------|
| A: FOUND BRASS CAP "1936"
N: 597333.4 - E: 827987.1 | J: FOUND BRASS CAP "1936"
N: 610647.1 - E: 833072.6 |
| B: FND 1/2" REBAR
N: 599976.9 - E: 827966.5 | K: FOUND BRASS CAP "1936"
N: 607997.6 - E: 833104.0 |
| C: CALCULATED CORNER
N: 602627.0 - E: 827944.4 | L: FOUND BRASS CAP "1936"
N: 605345.8 - E: 833130.4 |
| D: FOUND BRASS CAP "1936"
N: 605277.0 - E: 827922.2 | M: FOUND BRASS CAP "1936"
N: 602696.3 - E: 833153.8 |
| E: CALCULATED CORNER
N: 607926.7 - E: 827899.6 | N: FOUND BRASS CAP "1936"
N: 600041.9 - E: 833177.2 |
| F: FOUND BRASS CAP "1936"
N: 610576.3 - E: 827877.0 | O: FOUND BRASS CAP "1936"
N: 597391.9 - E: 833204.2 |
| G: FOUND BRASS CAP "1936"
N: 613222.6 - E: 827852.6 | P: FOUND 1" PIPE
N: 597373.9 - E: 830558.3 |
| H: FOUND BRASS CAP "1936"
N: 613260.4 - E: 830397.2 | Q: FOUND BRASS CAP "1936"
N: 607963.8 - E: 830449.5 |
| I: FOUND BRASS CAP "1936"
N: 613298.9 - E: 833044.2 | |

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.

BLACK PEARL 7/19 FED COM 528H



GEODETIC DATA
 NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
 N: 610620.7 - E: 831873.0

LAT: 32.6750882° N
 LONG: 103.3891201° W

KICK OFF POINT (KOP)
 2179' FNL & 400' FEL - SEC.7
 N: 611114.5 - E: 832667.6

LON: 32.6764259° N
 LONG: 103.3865236° W

FIRST TAKE POINT (FTP)
 2550' FSL & 400' FEL - SEC.7
 N: 610541.6 - E: 832673.9

LON: 32.6748513° N
 LONG: 103.3865199° W

LAST TAKE POINT (LTP)/BOTTOM HOLE (BH)
 N: 597489.2 - E: 832803.3

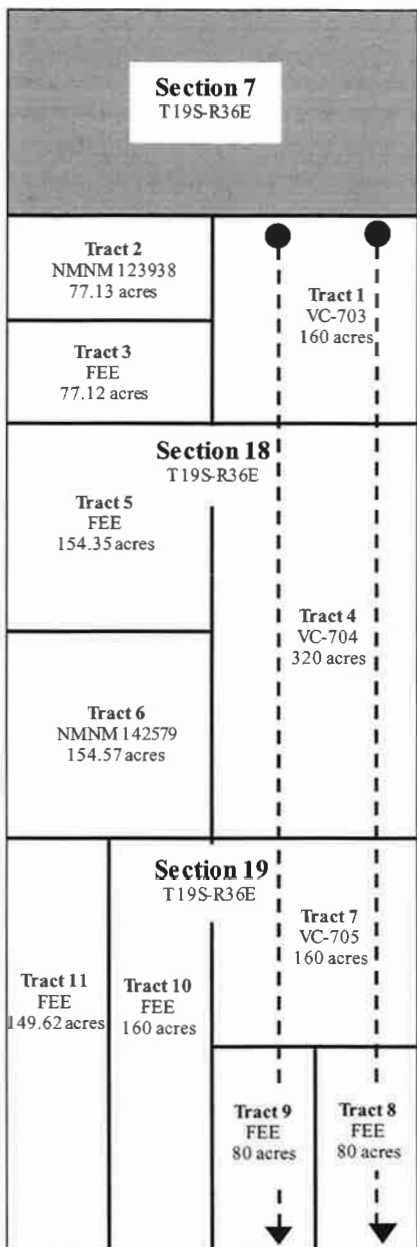
LAT: 32.6389755° N
 LONG: 103.3864777° W

CORNER DATA
 NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1936" N: 597333.4 - E: 827987.1	J: FOUND BRASS CAP "1936" N: 610647.1 - E: 833072.6
B: FND 1/2" REBAR N: 599976.9 - E: 827966.5	K: FOUND BRASS CAP "1936" N: 607997.6 - E: 833104.0
C: CALCULATED CORNER N: 602627.0 - E: 827944.4	L: FOUND BRASS CAP "1936" N: 605345.8 - E: 833130.4
D: FOUND BRASS CAP "1936" N: 605277.0 - E: 827922.2	M: FOUND BRASS CAP "1936" N: 602696.3 - E: 833153.8
E: CALCULATED CORNER N: 607926.7 - E: 827899.6	N: FOUND BRASS CAP "1936" N: 600041.9 - E: 833177.2
F: FOUND BRASS CAP "1936" N: 610576.3 - E: 827877.0	O: FOUND BRASS CAP "1936" N: 597391.9 - E: 833204.2
G: FOUND BRASS CAP "1936" N: 613222.6 - E: 827852.6	P: FOUND 1" PIPE N: 597373.9 - E: 830558.3
H: FOUND BRASS CAP "1936" N: 613260.4 - E: 830397.2	Q: FOUND BRASS CAP "1936" N: 607963.8 - E: 830449.5
I: FOUND BRASS CAP "1936" N: 613298.9 - E: 833044.2	

Section Plat
Black Pearl 7/19 Fed Com #526H
Black Pearl 7/19 Fed Com #528H

Plat covering Lots 3-4, E/2SW/4, and SE/4 of Section 7, Lots 1-4, E/2W/2, and E/2 of Section 18, and Lots 1-4, E/2W/2, and E/2 of Section 19, Lea County, New Mexico.



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-3
Submitted by: Mewbourne Oil Company
Hearing Date: January 9, 2025
Case No. 25109

Tract 1: SE/4 of Section 7 – State Lease VC-0703

Mewbourne Oil Company

Tract 2: Lot 3, NE/4SW/4 of Section 7 – Federal Lease NMNM 123938

MAC Resources LLC

Tract 3: Lot 4, SE/4SW/4 of Section 7 – Fee Ownership

Mewbourne Oil Company

Tract 4: E/2 of Section 18 – State Lease VC-0704

Mewbourne Oil Company

Tract 5: E/2 of Section 18 – Fee Ownership

Mewbourne Oil Company

Tract 6: Lots 3-4, E/2SW/4 of Section 18 – Federal Lease NMNM 142579

Featherstone Development Corporation

Tract 7: NE/4 of Section 19 – State Lease VC-0705

Mewbourne Oil Company

Tract 8: E/2SE/4 of Section 19 – Fee Ownership

Mewbourne Oil Company
Copperhead Resources, LLC
Jeannine Hooper Byron Trust
Patrick M. Hooper and Lori K. Hooper (JT)
LYM, LLC
Mud Guy, LLC
John C. Hooper
Michael T. Hooper GST Trust
Deborah H. Wachsmuth GST Trust
Robert G. Hooper GST Trust
Jack P. Hooper GST Trust

Tract 9: W/2SE/4 of Section 19 – Fee Ownership

Mewbourne Oil Company

Tract 10: E/2W/2 of Section 19 – Fee Ownership

Mewbourne Oil Company
Copperhead Resources, LLC

Tract 11: Lots 1-4 of Section 19 – Fee Ownership

Mewbourne Oil Company
Boss Hog Royalties, LLC
Robert Ellis Orr, Heir of Mildred K. Whitaker Orr

RECAPITULATION FOR
Black Pearl 7/19 Fed Com #526H
Black Pearl 7/19 Fed Com #528H

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	160.00	10.1730%
2	77.13	4.9040%
3	77.12	4.9034%
4	320.00	20.3460%
5	154.35	9.8138%
6	154.57	9.8278%
7	160.00	10.1730%
8	80.00	5.0865%
9	80.00	5.0865%
10	160.00	10.1730%
11	149.62	9.5130%
Total	1572.79	100.0000%

TRACT OWNERSHIP
Black Pearl 7/19 Fed Com #526H
Black Pearl 7/19 Fed Com #528H

Total:

Mewbourne Oil Company	91.269304%
Franklin Mountain Energy 3, LLC / Catena Resources Oper., LLC	4.903388%
Copperhead Resources, LLC	1.624855%
Boss Hog Royalties, LLC	0.293110%
Robert Ellis Orr (Mildred K. Whitaker Orr)	1.273533%
Jeannine Hooper Byron Trust	0.211938%
Patrick M. Hooper and Lori K. Hooper (JT)	0.052984%
LYM, LLC	0.052984%
Mud Guy, LLC	0.052984%
John C. Hooper	0.052984%
Michael T. Hooper GST Trust	0.052984%
Deborah H. Wachsmuth GST Trust	0.052984%
Robert G. Hooper GST Trust	0.052984%
Jack P. Hooper GST Trust	0.052984%
	100.000000%

***** 8.730696% Total Interest Being Pooled.**

Tract 1: SE/4 of Section 7 – State Lease VC-0703

Mewbourne Oil Company - 100%

Tract 2: Lot 3, NE/4SW/4 of Section 7 – Federal Lease NMNM 123938

Franklin Mountain Energy 3, LLC / Catena Resources Operating, LLC – 100%

Tract 3: Lot 4, SE/4SW/4 of Section 7 – Fee Ownership

Mewbourne Oil Company - 100%

Tract 4: E/2 of Section 18 – State Lease VC-0704

Mewbourne Oil Company - 100%

Tract 5: E/2 of Section 18 – Fee Ownership

Mewbourne Oil Company - 100%

Tract 6: Lots 3-4, E/2SW/4 of Section 18 – Federal Lease NMNM 142579

Featherstone Development Corporation – 100%

Tract 7: NE/4 of Section 19 – State Lease VC-0705

Mewbourne Oil Company - 100%

Tract 8: E/2SE/4 of Section 19 – Fee Ownership

Mewbourne Oil Company – 58.333375%
Copperhead Resources, LLC – 29.166625%
Jeannine Hooper Byron Trust – 4.166667%
Patrick M. Hooper and Lori K. Hooper (JT) – 1.041667%
LYM, LLC – 1.041667%
Mud Guy, LLC – 1.041667%
John C. Hooper – 1.041667%
Michael T. Hooper GST Trust – 1.041667%
Deborah H. Wachsmuth GST Trust – 1.041667%
Robert G. Hooper GST Trust – 1.041667%
Jack P. Hooper GST Trust – 1.041667%

Tract 9: W/2SE/4 of Section 19 – Fee Ownership

Mewbourne Oil Company - 100%

Tract 10: E/2W/2 of Section 19 – Fee Ownership

Mewbourne Oil Company – 78.875000%
Copperhead Resources, LLC – 21.875000%

Tract 11: Lots 1-4 of Section 19 – Fee Ownership

Mewbourne Oil Company – 83.531613%
Boss Hog Royalties, LLC – 3.0811389%

Robert Ellis Orr, Heir of Mildred K. Whitaker Orr - 13.387248%

MEWBOURNE OIL COMPANY

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

November 1, 2024

Certified Mail

Working Interest Owner

Re: Black Pearl 7/19 Working Interest Unit
Lots 3-4, E2SW4, and SE4 of Section 7,
Lots 1-4, E2W2, and E2 of Section 18, and
Lots 1-4, E2W2, and E2 of Section 19, T19S, R36E
Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (“MOC”), as Operator, hereby proposes creating a working interest unit comprising Lots 3-4, E/2SW/4, and SE/4 of Section 7, Lots 1-4, E/2W/2, and E/2 of Section 18, and Lots 1-4, E/2W/2, and E/2 of Section 19, Township 19 South, Range 36 East, Lea County, New Mexico. As part of the initial development, MOC also proposes drilling the following wells:

- 1) Black Pearl 7/19 Fed Com #526H – API #pending
Surface Location: 2650’ FSL, 1400’ FEL, Section 7, T19S, R36E
Bottom Hole Location: 100’ FSL, 1850’ FEL, Section 19, T19S, R36E
Proposed Total Vertical Depth: 9671’
Proposed Total Measured Depth: 22467’
Target: 2nd Bone Spring Sand
- 2) Black Pearl 7/19 Fed Com #528H – API #pending
Surface Location: 2650’ FSL, 1200’ FEL, Section 7, T19S, R36E
Bottom Hole Location: 100’ FSL, 400’ FEL, Section 19, T19S, R36E
Proposed Total Vertical Depth: 9621’
Proposed Total Measured Depth: 22430’
Target: 2nd Bone Spring Sand

The wells are planned to be pad drilled with the first well tentatively planned to spud 1st quarter of 2025 depending on rig availability, commodity prices, and federal permit approval. In the event you elect to participate in the above referenced wells, please execute the enclosed Operating Agreement and AFEs before returning them to the undersigned within thirty (30) days. Please enclose your most current well information requirements so that we may supply well data when available.

Page 2 of 2

Please contact me at (432) 682-3715 or via email at pwarren@mewbourne.com if you have any questions.

Very truly yours,

MEWBOURNE OIL COMPANY

Peyton Warren

Landman

Enclosures

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: BLACK PEARL 7/19 FED COM #526H (B2JO) Prospect: PEARL VALLEY
Location: SL: 2650 FSL & 1400 FEL (7); BHL: 100 FSL & 1850 FEL(19) County: LEA ST: NM
Sec. 7 Blk: Survey: TWP: 19S RNG: 36E Prop. TVD: 9671 TMD: 22467

Table with columns: INTANGIBLE COSTS 0180, CODE, TCP, CODE, CC. Rows include: Regulatory Permits & Surveys, Location / Road / Site / Preparation, Location / Restoration, Daywork / Turnkey / Footage Drilling, Fuel, Alternate Fuels, Mud, Chemical & Additives, Mud - Specialized, Horizontal Drillout Services, Stimulation Toe Preparation, Cementing, Logging & Wireline Services, Casing / Tubing / Snubbing Service, Mud Logging, Stimulation, Stimulation Rentals & Other, Water & Other, Bits, Inspection & Repair Services, Misc. Air & Pumping Services, Testing & Flowback Services, Completion / Workover Rig, Rig Mobilization, Transportation, Welding, Construction, & Maint. Services, Contract Services & Supervision, Directional Services, Equipment Rental, Well / Lease Legal, Well / Lease Insurance, Intangible Supplies, Damages, Pipeline Interconnect & ROW Easements, Company Supervision, Overhead Fixed Rate, Contingencies. TOTAL: \$3,350,200 (TCP), \$5,731,200 (CC)

Table with columns: TANGIBLE COSTS 0181, CODE, TCP, CODE, CC. Rows include: Casing (19.1" - 30"), Casing (10.1" - 19.0"), Casing (8.1" - 10.0"), Casing (6.1" - 8.0"), Casing (4.1" - 6.0"), Tubing, Drilling Head, Tubing Head & Upper Section, Horizontal Completion Tools, Subsurface Equip. & Artificial Lift, Service Pumps, Storage Tanks, Emissions Control Equipment, Separation / Treating Equipment, Automation Metering Equipment, Oil/Gas Pipeline-Pipe/Valves&Misc, Water Pipeline-Pipe/Valves & Misc, On-site Valves/Fittings/Lines&Misc, Wellhead Flowlines - Construction, Cathodic Protection, Electrical Installation, Equipment Installation, Oil/Gas Pipeline - Construction, Water Pipeline - Construction. TOTAL: \$589,600 (TCP), \$1,778,800 (CC)

SUBTOTAL: \$3,939,800 (TCP), \$7,510,000 (CC)
TOTAL WELL COST: \$11,449,800

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

Prepared by: H. Buckley Date: 08/22/2024
Company Approval: Date:
Joint Owner Interest: Amount:
Joint Owner Name: Signature:

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: BLACK PEARL 7/19 FED COM #528H (B2IP) Prospect: PEARL VALLEY
Location: SL: 2650 FSL & 1200 FEL (7); BHL: 100 FSL & 400 FEL(19) County: LEA ST: NM
Sec. 7 Blk: Survey: TWP: 19S RNG: 36E Prop. TVD: 9621 TMD: 22430

Table with 5 columns: Description, CODE, TCP, CODE, CC. Section: INTANGIBLE COSTS 0180. Rows include Regulatory Permits & Surveys, Location / Road / Site / Preparation, Fuel, Cementing, etc. Total: \$3,350,200 (TCP) / \$5,731,200 (CC).

Table with 5 columns: Description, CODE, TCP, CODE, CC. Section: TANGIBLE COSTS 0181. Rows include Casing (19.1" - 30"), Tubing, Drilling Head, etc. Total: \$587,800 (TCP) / \$1,778,300 (CC). Subtotal: \$3,938,000 (TCP) / \$7,509,500 (CC).

TOTAL WELL COST \$11,447,500

Extra Expense Insurance
I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.
I elect to purchase my own well control insurance policy.

Prepared by: H. Buckley Date: 08/22/2024
Company Approval: Date:
Joint Owner Interest: Amount:
Joint Owner Name: Signature:

Summary of Communications
Black Pearl 7/19 Fed Com #526H
Black Pearl 7/19 Fed Com #528H

Lots 3-4, E/2SW/4, and SE/4 of Section 7, Lots 1-4, E/2W/2, and E/2 of Section 18, and Lots 1-4, E/2W/2, and E/2 of Section 19-T19S-R36E, Lea County, NM

Boss Hog Royalties, LLC:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

12/27/2024: Received voicemail from an employee of the above listed party.

1/2/2025: Phone call and email with an employee of the above listed party.

Catena Resources Operating, LLC:

12/18/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

Copperhead Resources, LLC:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

12/19/2024: Called an employee of the above listed party.

Deborah H. Wachsmuth GST Trust:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

12/23/2024: Phone call with a representative of the above listed party.

1/2/2024: Phone call with a representative of the above listed party.

Featherstone Development Corporation:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/22/2024: Email with an employee of the above listed party.

11/22/2024: Email with an employee of the above listed party.

12/10/2024: Phone call with an employee of the above listed party.

12/17/2024: Email with an employee of the above listed party.

Franklin Mountain Energy 3, LLC:

12/16/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

12/16/2024: Emailed an employee of the above listed party.

12/23/2024: Emailed an employee of the above listed party.

12/31/2024: Emailed an employee of the above listed party.

Jack P. Hooper GST Trust:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/22/2024: Called a representative of the above listed party.

11/22/2024: Emailed a representative of the above listed party.

12/19/2024: Called a representative of the above listed party.

12/19/2024: Emailed a representative of the above listed party.

Jeannine Hooper Byron Trust:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/18/2024: Emailed a representative of the above listed party.

11/20/2024: Emailed a representative of the above listed party.

12/4/2024: Emailed a representative of the above listed party.

John C. Hooper:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/22/2024: Called a representative of the above listed party.

11/22/2024: Emailed a representative of the above listed party.

12/19/2024: Called a representative of the above listed party.

12/19/2024: Emailed a representative of the above listed party.

LYM, LLC:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/22/2024: Called a representative of the above listed party.

11/22/2024: Emailed a representative of the above listed party.

12/19/2024: Called a representative of the above listed party.

12/19/2024: Emailed a representative of the above listed party.

Michael T. Hooper GST Trust:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/21/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party at a different address.

11/22/2024: Called a representative of the above listed party.

11/22/2024: Emailed a representative of the above listed party.

12/19/2024: Called a representative of the above listed party.

12/19/2024: Emailed a representative of the above listed party.

1/2/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party at a different address.

Mud Guy, LLC:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/22/2024: Called a representative of the above listed party.

11/22/2024: Emailed a representative of the above listed party.

12/19/2024: Called a representative of the above listed party.

12/19/2024: Emailed a representative of the above listed party.

Patrick M. Hooper and Lori Hooper (JT):

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/22/2024: Called a representative of the above listed party.

11/22/2024: Emailed a representative of the above listed party.

12/19/2024: Called a representative of the above listed party.

12/19/2024: Emailed a representative of the above listed party.

Robert Ellis Orr (Possible Heir of Mildred K. Whitaker Orr):

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/21/2024: Called heir of the above listed party and left message.

11/21/2024: Called heir of the above listed party and left message.

11/21/2024: Called heir of the above listed party and left message.

Robert G. Hooper GST Trust:

11/8/2024: Mailed Working Interest Unit, Well Proposal, Joint Operating Agreement, AFEs, and Communitization Agreements to above listed party.

11/22/2024: Called a representative of the above listed party.

11/22/2024: Emailed a representative of the above listed party.

12/19/2024: Called a representative of the above listed party.

12/19/2024: Emailed a representative of the above listed party.

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

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

CASE NO. 25109

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

1. My name is Charles Crosby. I work for Mewbourne Oil Company (“Mewbourne”) as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Mewbourne in this case, and I have conducted a geologic study of the lands in the subject area.
4. Mewbourne is targeting the 2nd Bone Spring Sand interval of the Bone Spring formation in this case.
5. **Mewbourne Exhibit D-1** is a general locator map.
6. **Mewbourne Exhibit D-2** is a subsea structure map that I prepared for the base of the 2nd Bone Spring Sand formation. The contour intervals are 100 feet. The area comprising the proposed spacing unit is outlined in red with the approximate location and orientation of the initial wells noted with a black line. The structure map shows the targeted formation gently dipping to the southwest. The structure appears consistent across the proposed spacing unit, and I do not observe any faulting, pinch outs, or other geologic impediments to drilling horizontal wells.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Mewbourne Oil Company
Hearing Date: January 9, 2025
Case No. 25109

7. Mewbourne Exhibit D-2 also shows a line of cross-section through the proposed horizontal spacing unit from A to A'. I chose the logs from these wells to create the cross-section because they penetrate the targeted interval, are of good quality and have been subjected to petrophysical analysis of the targeted interval. In my opinion, these well logs are representative of the geology in the subject area.

8. **Mewbourne Exhibit D-3** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown in Exhibit D-2. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the proposed wells is marked on the cross-section with a green arrow. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.

9. In my opinion, standup orientation of the proposed wells is the appropriate orientation for horizontal well development in this area because it is more near perpendicular to the maximum horizontal stress of the area.

10. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbore. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.

11. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving Mewbourne's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **Mewbourne Exhibits D-1 through D-3** were either prepared by me or compiled under my direction and supervision.

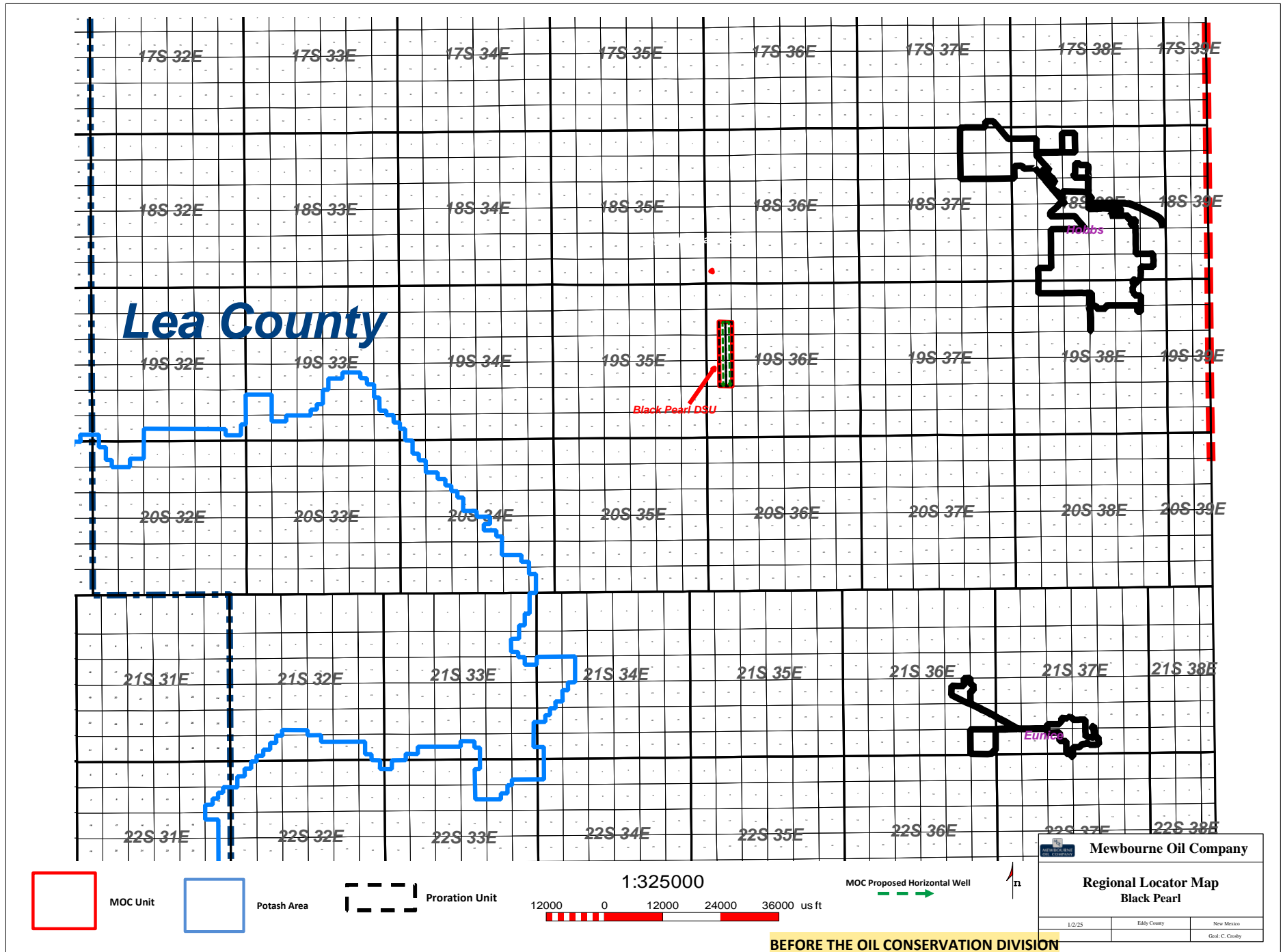
13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Charles Crosby



Date



BEFORE THE OIL CONSERVATION DIVISION

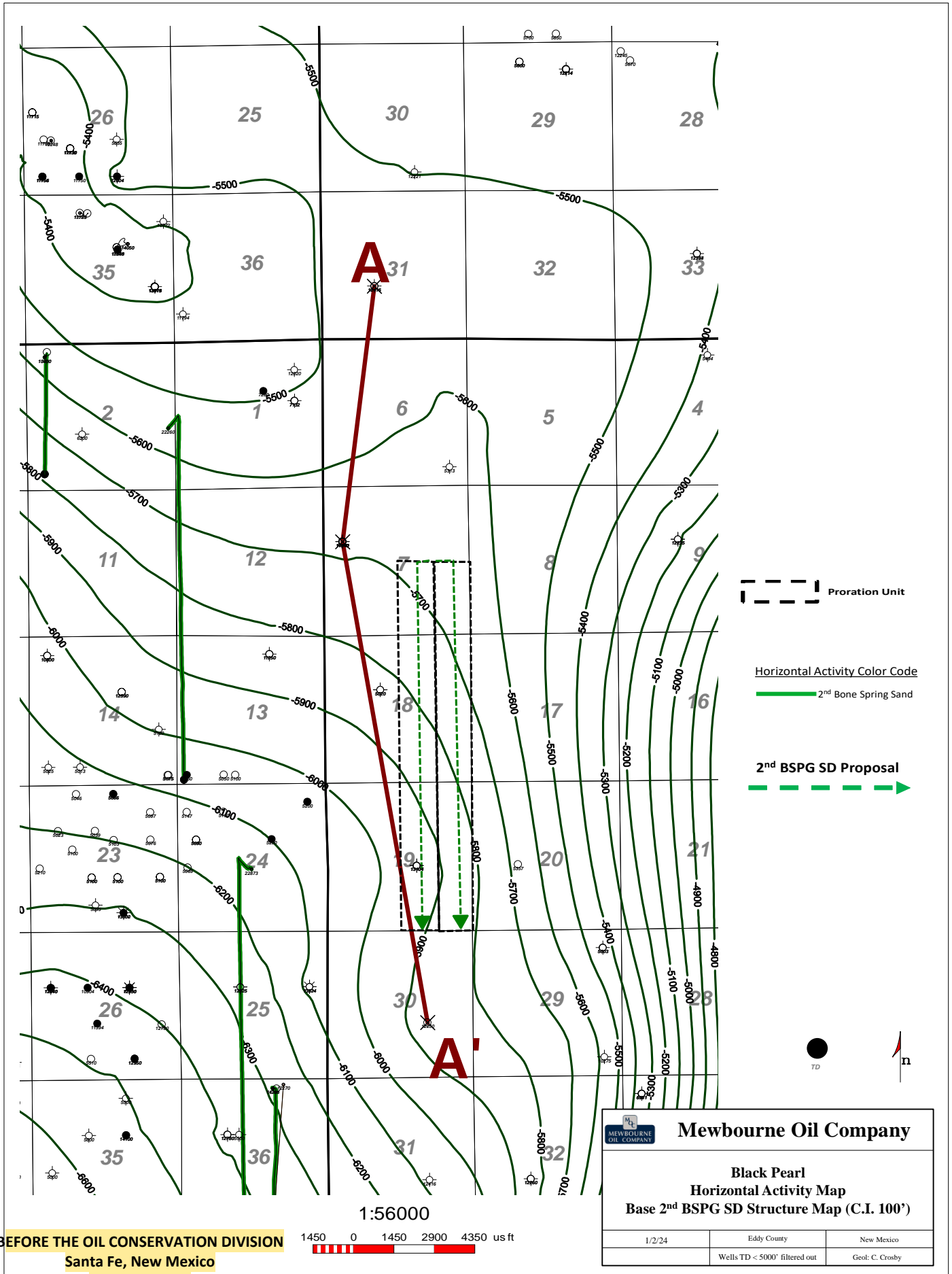
Santa Fe, New Mexico

Exhibit No. D-1

Submitted by: Mewbourne Oil Company

Hearing Date: January 9, 2025

Case No. 25109



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

1450 0 1450 2900 4350 us ft

Exhibit No. D-2

Submitted by: Mewbourne Oil Company

Hearing Date: January 9, 2025

Released to Imaging: 1/27/2025 9:34:45 AM

Case No. 23169

Mewbourne Oil Company		
Black Pearl Horizontal Activity Map Base 2nd BSPG SD Structure Map (C.I. 100')		
1/2/24	Eddy County	New Mexico
	Wells TD < 5000' filtered out	Geol: C. Crosby

A
N

A'
E

30025039790000 9221 ft 30025284680000 17479 ft 30025313380000

SHELL OIL CO STATE RA 1 Datum=3846.00 1980 FSL/1909 FWL TWP: 18 S - Range: 36 E - Sec. 31

AMOCO PROD CO STATE NO 001 Datum=3845.00 1980 FNL 660 FWL TWP: 19 S - Range: 36 E - Sec. 7

NEARBURG PRODUCING CO LEO 30 FEDERAL COM 1 Datum=3690.00 NW SE TWP: 19 S - Range: 36 E - Sec. 30

31K

7E

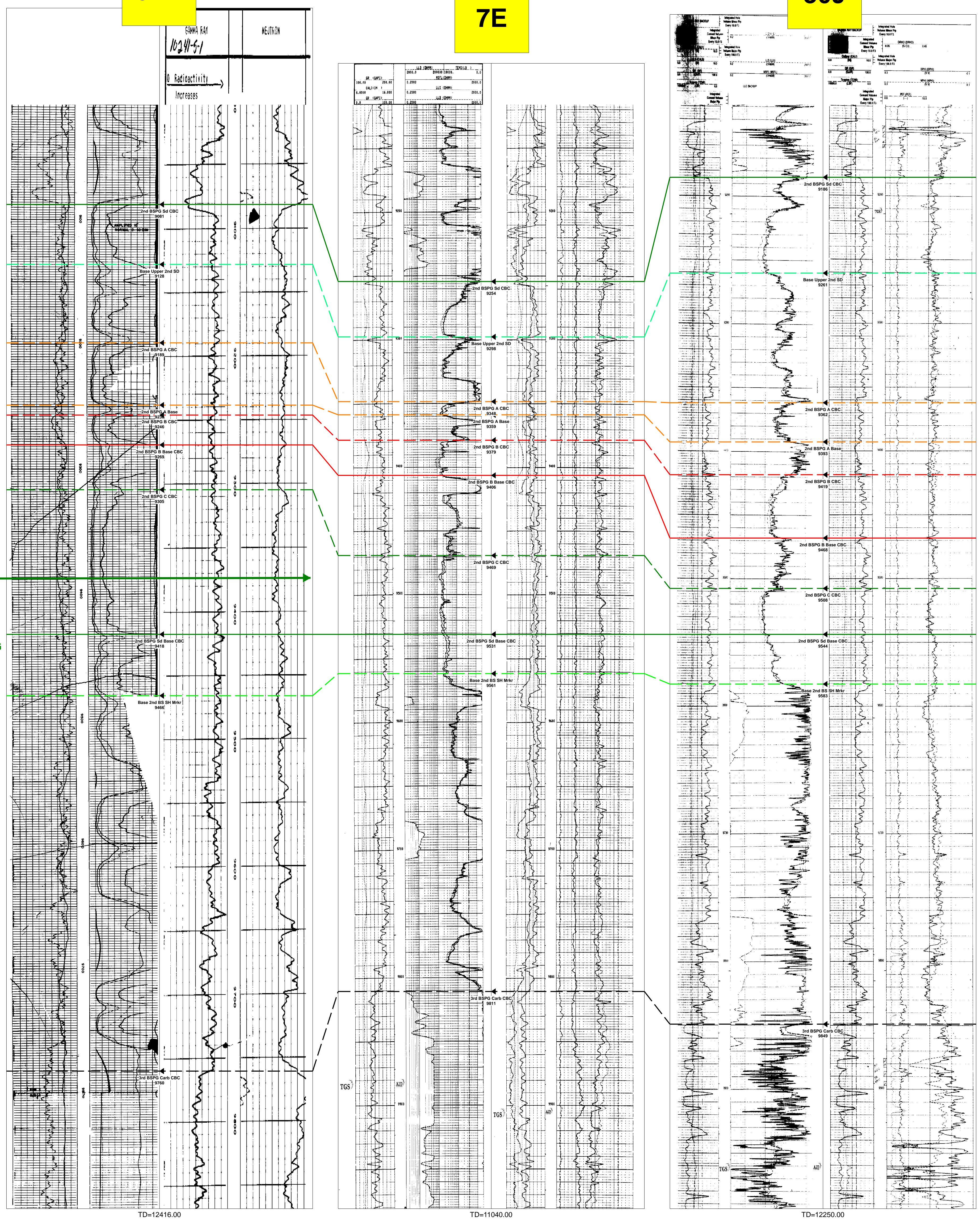
30J

Top 2nd BSPG SD

Flying Dutchman Black Pearl 2nd BSPG Sd Target

Base 2nd BSPG SD

Top 3rd BSPG Carbonate



Flying Dutchman Black Pearl 2nd BSPG SD Cross Section Exhibit (A-A')

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

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

CASE NO. 25109

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Mewbourne Oil Company (“Mewbourne”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of December 27, 2024.

5. I caused a notice to be published to all parties subject to this compulsory pooling proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice of publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Mewbourne Oil Company
Hearing Date: January 9, 2025
Case No. 25109**



Paula M. Vance

01/02//2025

Date

33961658_v1



Paula M. Vance
Associate
Phone (505) 988-4421
Email pmvance@hollandhart.com

December 20, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico: Black Pearl 7/19 Fed Com #526H and #528H wells

Greetings:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on January 9, 2025, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, 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. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Peyton Warren at (432) 682-3715, or at pwarren@mewbourne.com.

Sincerely,

Paula M. Vance
ATTORNEY FOR MEWBOURNE OIL COMPANY

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
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Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

MOC - Black Pearl 526H and 528H wells - Case no. 25109
Postal Delivery Report

9414811898765459527072	Boss Hog Royalties, LLC	15 Brookhaven Trl	Littleton	CO	80123-6686	Your item was delivered to an individual at the address at 5:09 pm on December 23, 2024 in LITTLETON, CO 80123.
9414811898765459527416	Catena Resources Operating, LLC	18402 US Highway 281 N Ste 258	San Antonio	TX	78259-7614	Your item was forwarded to a different address at 9:54 am on December 24, 2024 in SAN ANTONIO, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
9414811898765459527454	Copperhead Resources, LLC	PO Box 8355	Midland	TX	79708-8355	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765459527461	Deborah H. Wachsmuth GST Trust	PO Box 17006	San Antonio	TX	78217-0006	Your item arrived at the SAN ANTONIO, TX 78217 post office at 8:30 am on December 24, 2024 and is ready for pickup.
9414811898765459527423	Featherstone Development Corporation	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 10:29 am on December 26, 2024 in ROSWELL, NM 88201.
9414811898765459527492	Franklin Mountain Energy 3, LLC	44 Cook St Ste 1000	Denver	CO	80206-5827	Your item was delivered to the front desk, reception area, or mail room at 10:05 am on December 23, 2024 in DENVER, CO 80206.
9414811898765459527447	Jack P. Hooper GST Trust	5511 E 89th Ct	Tulsa	OK	74137-3581	Your item is being held at the TULSA, OK 74137 post office at 9:26 am on December 26, 2024. This is at the request of the customer.
9414811898765459527485	Jeannine Hooper Byron Trust	PO Box 1562	Roswell	NM	88202-1562	Your item arrived at the ROSWELL, NM 88202 post office at 9:26 am on December 26, 2024 and is ready for pickup.

MOC - Black Pearl 526H and 528H wells - Case no. 25109
Postal Delivery Report

9414811898765459527430	John C. Hooper	1354 Canterbury Rd N	St Petersburg	FL	33710-6303	Your item was delivered to an individual at the address at 4:22 pm on December 26, 2024 in SAINT PETERSBURG, FL 33710.
9414811898765459527478	LYM, LLC	172 Bricknell Ln	Coppell	TX	75019-2599	Your item was delivered to an individual at the address at 3:23 pm on December 24, 2024 in COPPELL, TX 75019.
9414811898765459527515	MAC Resources, LLC	1819 Denver West Dr Ste 260	Lakewood	CO	80401-3118	We were unable to deliver your package at 11:24 am on December 24, 2024 in GOLDEN, CO 80401 because the business was closed. We will redeliver on the next business day. No action needed.
9414811898765459527553	Michael T. Hooper GST Trust	11015 Sunshine Ct	El Paso	TX	79936-1062	Your item was delivered to an individual at the address at 12:28 pm on December 26, 2024 in EL PASO, TX 79936.
9414811898765459527560	Mud Guy, LLC	3774 Logsden Rd	Siletz	OR	97380-9613	Your item was picked up at a postal facility at 8:40 am on December 26, 2024 in SILETZ, OR 97380.
9414811898765459527522	Patrick M. Hooper and Lori K. Hooper JT	610 N Wyoming Ave	Roswell	NM	88201-2171	Your item is being held at the ROSWELL, NM 88201 post office at 10:11 am on December 26, 2024. This is at the request of the customer.
9414811898765459527508	Robert Ellis Orr	2867 San Juan Cir	Minden	NV	89423-7827	We attempted to deliver your item at 2:32 pm on December 23, 2024 in MINDEN, NV 89423 and a notice was left because an authorized recipient was not available.
9414811898765459527591	Robert G. Hooper GST Trust	PO Box 733	Roswell	NM	88202-0733	Your item arrived at the ROSWELL, NM 88202 post office at 9:27 am on December 26, 2024 and is ready for pickup.

MOC - Black Pearl 526H and 528H wells - Case no. 25109
Postal Delivery Report

9414811898765459527546	Rockwood Energy, L.P.	4450 Oak Park Ln Ste 101897	Fort Worth	TX	76109-9538	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
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Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

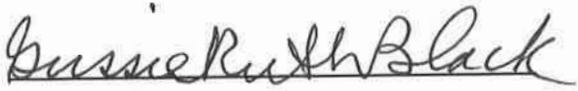
I, Andy Brosig, Editor of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
December 24, 2024
and ending with the issue dated
December 24, 2024.



Editor

Sworn and subscribed to before me this
24th day of December 2024.



Business Manager

My commission expires
January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
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 NOTICE
December 24, 2024

Case No. 25109: Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Boss Hog Royalties, LLC; Catena Resources Operating, LLC; Copperhead Resources, LLC; Deborah H. Wachsmuth GST Trust; Featherstone Development Corporation; Franklin Mountain Energy 3, LLC; Jack P. Hooper GST Trust; Jeannine Hooper Byron Trust; John C. Hooper; LYM, LLC; MAC Resources, LLC; Michael T. Hooper GST Trust; Mud Guy, LLC; Patrick M. Hooper and Lori K. Hooper (JT); Robert Ellis Orr; Robert G. Hooper GST Trust; Rockwood Energy, L.P. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on January 9, 2025, to consider this application. The hearing will be conducted in a hybrid fashion, both 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 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a 1,600-acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation underlying Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 7, Lots 1-4, E/2 W/2, and E/2 (entire Section equivalent) of irregular Sections 18 and 19, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the proposed **Black Pearl 7/19 Fed Com #526H**, to be drilled horizontally from a surface location in NW/4 SE/4 (Unit J) of irregular Section 7, a first take point in NW/4 SE/4 (Unit J) of irregular Section 7 and last take point the SW/4 SE/4 (Unit O) of irregular Section 19; and **Black Pearl 7/19 Fed Com #528H**, to be drilled horizontally from a surface location in NE/4 SE/4 (Unit I) of irregular Section 7, a first take point in NE/4 SE/4 (Unit I) of irregular Section 7 and last take point the SE/4 SE/4 (Unit P) of irregular Section 19. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed non-standard spacing unit, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 13 miles west of Hobbs, New Mexico.
#00297010

67100754

00297010

HOLLAND & HART LLC
110 N GUADALUPE ST., STE. 1
SANTA FE, NM 87501

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Mewbourne Oil Company
Hearing Date: January 9, 2025
Case No. 25109