CASE NO. 25236

APPLICATION OF MEWBOURNE OIL COMPANY TO EXTEND TIME TO COMMENCE DRILLINGOPERATIONS UNDER ORDER NO. R-23233, LEA COUNTY, NEW MEXICO

EXHIBIT LIST

- 1. Landman's Affidavit 1-A: Order No. R-23233
- 2. Affidavit of Certified Mailing2-A: Notice Letter and Receipts
- 3. Affidavit of Publication
- 4. Application and Proposed Notice

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

APPLICATION OF MEWBOURNE OIL COMPANY TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS UNDER ORDER NO. R-23233, LEA COUNTY, NEW MEXICO.

CASE NO. 25236

SELF-AFFIRMED STATEMENT OF HUDSON L. BRUNSON

Hudson L. Brunson deposes and states:

- 1. I am a landman for Mewbourne Oil Company ("Mewbourne") and have personal knowledge of the matters stated herein. I have previously testified before the Division and my credentials as an expert petroleum landman were recognized on the record.
- 2. Mewbourne filed this application with the Division to request a one-year extension of time to commence drilling operations under Order No. R-23233 (the "Order").
 - 3. The Division entered the Order in Case No. 24381 on May 30, 2024.
- 4. The Order pooled uncommitted interest owners in the Bone Spring formation underlying a 640 acre non-standard horizontal spacing unit comprised of the W/2 of Section 25 and the W/2 of Section 24, Township 18 South, Range 32 East, Lea County, New Mexico (the "Unit"), and dedicated the Unit to the King's Landing 25/24 Fed. Com. Well Nos. 511H and 513H (the "Wells").
- 5. The Order designated Applicant as operator of the Unit and Wells, and it requires Applicant to commence drilling the Wells within one (1) year of the date of the Order unless an extension of time is obtained from the Division Director for good cause shown.

EXHIBIT

- 6. The spud dates for the Wells have been delayed because the Bureau of Land Management has not yet approved APDs for the Wells, although the APDs were filed in 2024. Thus, good cause exists for the requested extension.
- 7. Mewbourne requests that the Division extend the deadline to commence drilling the Wells be extended until May 30, 2026.
- 8. The granting of this application is in the interests of conservation and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in Paragraphs 1 through 8 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 next to my signature below.

4/2/2025

Date

Hudson L. Brunson

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY MEWBOURNE OIL COMPANY

CASE NO. 24381 **ORDER NO.** R-23233

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on May 2, 2024, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Mewbourne Oil Company ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

EXHIBIT /-A

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
- 22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 23. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

CASE NO. 24381 ORDER NO. R-23233

Page 2 of 9

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 30 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- 35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DYLAN M-FUGE

DIRECTOR (ACTING)

DMF/hat

Date: <u>5/30/2024</u>

CASE NO. 24381 ORDER NO. R-23233

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Exhibit A

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COMPULSORY POOLING APPLICATION CHECKLIST		
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 24381	APPLICANT'S RESPONSE	
Date: May 2, 2024		
Applicant	Mewbourne Oil Company	
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID 14744	
Applicant's Counsel:	James Bruce	
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico	
Entries of Appearance/Intervenors:	Burlington Resources Oil & Gas Company/Holland & Hart LLP	
Well Family	Kings Landing Bone Spring wells	
Formation/Pool Formation Name(s) or Vertical Extent:	Bone Spring	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Entire Bone Spring formation	
Pool Name and Pool Code:		
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330' and 100' setbacks	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	640 acres	
Building Blocks:	40 acres	
Orientation:	South-North	
Description: TRS/County	W/2 §25 and W/2 §24, Township 18 South, Range 32 East, NMPM, Lea County	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non- standard unit requested in this application?	No. Approval of an NSP has been requested administratively. Revised EXHIBIT 1	
Other Situations		

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Depth Severance: Y/N. If yes, description	N	· ·
Proximity Tracts: If yes, description	N	

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description Applicant's Ownership in Each	Exhibit 2-B
Fract	
Well(s)	Add wells as needed
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non- standard)	
Well #1	Kings Landing 25/24 Fed. Com. Well No. 511H
	API No. 30-025-Pending
	SHL: 250 FSL & 1280 FWL §25
	BHL: 100 FNL & 660 FWL §24
	FTP: 100 FSL & 660 FWL §25
	LTP: 100 FNL & 660 FWL §24
	Second Bone Spring/TVD 9340 feet/MD 19555 feet
	Kings Landing 25/24 Fed. Com. Well No. 513H
	API No. 30-025-Pending
	SHL: 250 FSL & 1300 FWL §25
	BHL: 100 FNL & 1980 FWL §24
	FTP: 100 FSL & 1980 FWL §25
	LTP: 100 FNL & 1980 FWL §24
	Second Bone Spring/TVD 9342 feet/MD 19638 feet
Well #2	
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision	
Costs	Exhibit 2, page 2
Requested Risk Charge	Cost plus 200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 6
Proof of Mailed Notice of	
Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of	
Hearing (10 days before hearing)	Exhibit 5
Ownership Determination	

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Land Ownership Schematic of	
the Spacing Unit	Exhibit 2-B
Tract List (including lease	
numbers and owners)	Exhibit 2-B
If approval of Non-Standard	
Spacing Unit is requested, Tract	
List (including lease numbers	
and owners) of Tracts subject to	
notice requirements.	
Pooled Parties (including	
ownership type)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	
Ownership Depth Severance	
(including percentage above &	
below)	No Depth Severance
20.017	
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e.	
Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with	
Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal	
Letter	
Cost Estimate to Drill and	
Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production	
Facilities	Exhibit 2-D
Geology	
Summary (including special	
considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-A and 3-A
Gunbarrel/Lateral Trajectory	
Schematic	Exhibit 3-B
Well Orientation (with	
rationale)	South-North; Exhibits 3 and 3-A
Target Formation	Second Bone Spring Sand
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B

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Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibits 2-B
General Location Map (including basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 3-A
Cross Section (including Landing Zone)	Exhibit 3-B
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce /
Signed Name (Attorney or Party Representative):	(Junes Breeze
Date:	April 28, 2024

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

APPLICATION OF MEWBOURNE OIL COMPANY TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS UNDER ORDER NO. R-23233, LEA COUNTY, NEW MEXICO.

CASE NO. 25236

SELF-AFFIRMED STATEMENT OF NOTICE

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

James Bruce deposes and states:

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

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in Paragraphs 1 through 5 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 next to my signature below.

Date

James Bruce

Junes Brue

EXHIBIT (

JAMES BRUCE Attorney at Law

Post Office Box 1056 Santa Fe, New Mexico 87504

369 Montezuma Avenue, No. 213 Santa Fe, New Mexico 87501

Phone: (505-982-2043 Cell: (505) 660-6612

jamesbruc@aol.com

March 19, 2025

To Person Listed on Exhibit A

EXHIBIT 2.A

Ladies and Gentlemen:

Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 25236) requesting a one-year extension of time to commence drilling operations under Order No. R-23233 (the "Order"). The Division entered the Order in Case No. 24381 on May 30, 2024. The Order pooled uncommitted interest owners in the Bone Spring formation underlying a 640 acre non-standard horizontal spacing unit comprised of the W/2 of Section 25 and the W/2 of Section 24, Township 18 South, Range 32 East, Lea County, New Mexico (the "Unit"), and dedicated the Unit to the King's Landing 25/24 Fed. Com. Well Nos. 511H and 513H (the "Wells"). The Order designated Applicant as operator of the Unit and Wells. The Order requires Applicant to commence drilling the Wells within one (1) year of the date of the Order unless an extension of time is obtained from the Division Director for good cause shown. The spud date for the Wells has been delayed to allow Applicant to obtain approved APDs from the Bureau of Land Management, and thus Applicant requests that it be allowed until May 30, 2026 to commence the Wells.

This matter is scheduled for hearing at 9:00 a.m. on Thursday, April 10, 2025. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, First Floor, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or (b) via the Division's virtual meeting platform. To view the hearing docket and determine how to participate in an electronic hearing, go to https://www.emnrd.nm.gov/ocd/hearing-info/ contact Freya **Tschantz** or Freya.Tschantz@emnrd.nm.gov. You are not required to attend the hearing, but an owner of an interest affected by the application may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date. A party appearing in a Division case is required to file a Pre-Hearing Statement with the Division no later than five business days before the hearing date. This statement may be filed online with the Division at ocd, hearings@emnrd.state,nm.gov and should include: The name of the party and the party's attorney; a concise statement of the case; the names of witnesses the party will call to testify at the hearing; the approximate time it will take the party to present its case; and any procedural matters that need to be resolved before the hearing. The Pre-Hearing Statement must also be provided to applicant's attorney, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504.

Very truly yours,

James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT A

Burlington Resources Oil & Gas Company 600 West Illinois Avenue Midland, Texas 79701

Skeeco, L.P. 101 West Park Avenue St. Mary's, Kansas 66536

ALERT: SEVERE WEATHER IN THE SOUTHEAST AND CENTRAL U.S AND WINTER STORMS IN ...

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FAQs >

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161	For delivery information, visit our website	
5270 2453	Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery \$ Adult Signature Required Adult Signature Restricted Delivery \$ Postage	Postmark Here
9589 0710	\$ Total Postage and Fees \$ Sent To Skeeco, L.P. 101 West Park Avenue Street and Apt. No., or PO St. Mary's, Kansas 66336 City, State, ZIP+4®	
_	PS Form 3800, January 2023 PSN 7530-02-600-9047	See Reverse for Instructions

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 March 26, 2025 and ending with the issue dated March 26, 2025.

Publisher

Sworn and subscribed to before me this 26th day of March 2025.

Business Manager

My commission expires

January 29, 2027

(\$eal) 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 March 26, 2025

NOTICE

To: Burlington Resources Oil & Gas Company and Skeeco, L.P., or your successors or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 25236) requesting a one-year extension of time to commence drilling operations under Order No. R-23233 (the "Order"). The Division entered the Order in Case No. 24381 on May 30, 2024. "Order" pooled uncommitted interest owners in the Bone Spring formation The Order pooled uncommitted interest owners in the Bone Spring formation underlying a 640 acre non-standard horizontal spacing unit comprised of the W/2 of Section 24, Township 18 South, Range 32 East, Lea County, New Mexico (the "Unit"), and dedicated the Unit to the King's Landing 25/24 Fed. Com. Well Nos. 511H and 513H (the "Wells"). The Order designated Applicant as operator of the Unit and Wells. The Order requires Applicant to commence drilling the Wells within one (1) year of the date of the Order unless an extension of time is obtained from the Division Director for good cause shown. The spud date for the Wells has been delayed to allow Applicant to obtain approved APDs from the Bureau of Land Management, and thus Applicant requests that it be allowed until May 30, 2026 to commence the Wells.

This matter is scheduled for hearing at 9:00 a.m. on Thursday, April 10, 2025. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, First Floor, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or (b) via the Division's virtual meeting platform. To view the hearing docket and determine how to participate in an electronic hearing, go to https://www.emnrd.nm.gov/ocd/hearing-info/ or contact Freya Tschantz at Freya.Tschantz@emnrd.nm.gov. You are not required to attend the hearing, but an owner of an interest affected by the application may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date. A party appearing in a Division case is required to file a Pre-Hearing Statement with the Division no later than five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@emnrd.state.nm.gov and should include: The name of the party and the party's attorney; a concise statement of the case; the names of witnesses the party will call to testify at the hearing; the approximate time it will take the party to present its case; and any procedural matters that need to be resolved before the hearing. The Pre-Hearing Statement must also be provided to applicant's attorney, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jamesbruc@aol.com. The Unit is located approximately 9 miles south-southeast of Maljamar, New Mexico.

EXHIBIT

3

01101711

00299449

JAMES BRUCE JAMES BRUCE, ATTORNEY AT LAW P.O. BOX 1056 SANTA FE, NM 87504

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

APPLICATION OF MEWBOURNE OIL COMPANY TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS UNDER ORDER NO. R-23233, LEA COUNTY, NEW MEXICO.

CASE NO. 25236

APPLICATION

Mewbourne Oil Company ("Applicant") files this application with the Oil Conservation Division ("Division") to request a one-year extension of time to commence drilling operations under Order No. R-23233 (the "Order"). In support of this application, Applicant states:

- 1. The Division entered the Order in Case No. 24381 on May 30, 2024.
- 2. The Order pooled uncommitted interest owners in the Bone Spring formation underlying a 640 acre non-standard horizontal spacing unit comprised of the W/2 of Section 25 and the W/2 of Section 24, Township 18 South, Range 32 East, Lea County, New Mexico (the "Unit"), and dedicated the Unit to the King's Landing 25/24 Fed. Com. Well Nos. 511H and 513H (the "Wells").
 - 3. The Order designated Applicant as operator of the Unit and Wells.
- The Order requires Applicant to commence drilling the Wells within one
 year of the date of the Order unless an extension of time is obtained from the Division Director for good cause shown.
- 5. The spud date for the Wells has been delayed to allow Applicant to obtain an approved APD from the Bureau of Land Management.

EXHIBIT 4

- 6. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells until May 30, 2026.
 - 7. Good cause exists for the requested extension.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division, and, after notice and hearing, the Division extend the deadline to commence drilling the Wells under the Order until May 30, 2026, and grant such other relief as may be proper.

Respectfully submitted,

James Bruce

Attorney for Mewbourne Oil Company

P.O. Box 1056

Santa Fe, NM 87504

Phone: (505) 982-2043 Cell: (505) 660-6612

jamesbruc@aol.com

Application of Mewbourne Oil Company to extend time to commence drilling operations under Order No. R-23233, Lea County, New Mexico. Mewbourne Oil Company requests a one-year extension of time to commence drilling operations under Order No. R-23233 (the "Order"). The Division entered the Order in Case No. 24381 on May 30, 2024. The Order pooled uncommitted interest owners in the Bone Spring formation underlying a 640 acre non-standard horizontal spacing unit comprised of the W/2 of Section 25 and the W/2 of Section 24, Township 18 South, Range 32 East, Lea County, New Mexico (the "Unit"), and dedicated the Unit to the King's Landing 25/24 Fed. Com. Well Nos. 511H and 513H (the "Wells"). The Order designated Applicant as operator of the Unit and Wells. The Order requires Applicant to commence drilling the Wells within one (1) year of the date of the Order unless an extension of time is obtained from the Division Director for good cause shown. The spud date for the Wells has been delayed to allow Applicant to obtain approved APDs from the Bureau of Land Management, and thus Applicant requests that it be allowed until May 30, 2026 to commence the Wells. The Unit is located approximately 9 miles south-southeast of Maljamar, New Mexico.