CASE NO. 22193

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

MEWBOURNE OIL COMPANY'S EXHIBIT LIST

- 1. Application and Proposed Notice
- 2. Landman's Affidavit
- 3. Geologist's Affidavit
- 4. Notice Affidavit
- 5. Pooling Checklist

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 22/93

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the S/2 of Section 11 and the S/2 of Section 12, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill the Journey 11/12 W0LI Fed. Com. Well No. 2H to a depth sufficient to test the Wolfcamp formation, with a first take point in the NW/4SW/4 of Section 11 and final take point in the NE/4SE/4 of Section 12.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S/2 of Section 11 and the S/2 of Section 12 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying the S/2 of Section 11 and the S/2 of Section 12, pursuant to NMSA 1978 §70-2-17.

EXHIBIT

5. The pooling of all mineral interest owners in the Wolfcamp formation underlying the S/2 of Section 11 and the S/2 of Section 12 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interest owners in the Wolfcamp formation underlying the S/2 of Section 11 and the S/2 of Section 12;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling of all mineral interests in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the Journey 11/12 W0LI Fed. Com. Well No. 2H, with a first take point in the NW/4SW/4 of Section 11 and a final take point in the NE/4SE/4 of Section 12. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately approximately 1-1/2 miles east-northeast of Malaga, New Mexico.

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

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

Case No. 22193

VERIFIED STATEMENT OF CARSON CULLEN

Carson Cullen being duly sworn upon his oath, deposes and states:

- 1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.
- 2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the compulsory pooling application filed herein:
 - (a) The purpose of this application is to force pool working interest and mineral owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
 - (b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed wells but have simply refused to voluntarily commit their interests to the wells. Some interest owners are or may be unlocatable.
 - (c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order approving a 640.00-acre horizontal spacing unit in the Wolfcamp formation comprised of S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Range 28 East, NMPM. Mewbourne further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the unit. The unit will be dedicated to the Journey 11-12 W0LI Fed Com #2H well. The referenced well is a horizontal well. The Journey 11-12 W0LI Fed Com #2H has a first take point in Unit L of Section 11 and a final take point in Unit I of Section 12.
 - (d) There are no depth severances in the Wolfcamp formation.
 - (e) The parties being pooled and their interests are set forth in Attachment B. Their current and correct addresses are also set forth. To find the unlocatable parties we examined

EXHIBIT 2

county and government records, and also conducted internet searches including google and drillinginfo.

- (f) Attachment C contains a summary of contacts with the interest owners, together with copies of the proposal letters sent to them.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest and mineral owners in the proposed wells.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D is the Authorization for Expenditure for each proposed well. The estimated cost of the wells set forth therein are fair and reasonable, and are comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (j) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Applicant requests that it be designated operator of the wells.
- (m) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

Carson Cullen, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

Carson Cullen

day of October, 2021 by

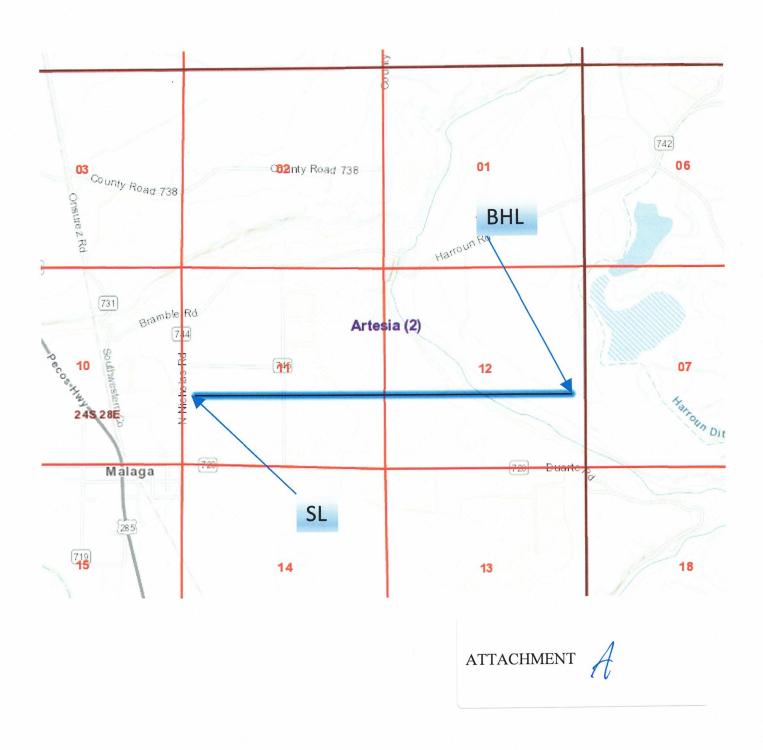
SUBSCRIBED AND SWORN TO before me this

Carson Cullen.

My Commission Expires: 12 09 7023

John Bradley Dunn My Commission Expires

Journey 11-12 W0LI Fed COM #2H Sections 11 (S/2) & 12 (S/2), T24S, R28E EDDY COUNTY, NM



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PL	AT
---	----

1	API Number			² Pool Code		³ Pool Name							
⁴ Property Co	de			JOURNE	⁵ Property Na EY 11/12	WOLI FED CO)M		⁶ Well Number 2H ⁹ Elevation 2999				
7 OGRID 1	NO.			MEWE	8 Operator Na	ame L COMPANY							
					¹⁰ Surface]	Location							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County				
L	11	24S	28E		1725	SOUTH	250	WEST	EDDY				
			¹¹ I	Bottom H	ole Location	If Different Fro	om Surface						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County				
I	12	24S	28E		2200	SOUTH	330	EAST	EDDY				
12 Dedicated Acre	s 13 Joint	or Infill 14 (Consolidation	Code 15 (Order No.								

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

NAD 83 GI A: FOUNI N: 445835.6 B: FOUND B N: 451079.2 C: FOUND I N: 451053.9 D: FOUND B N: 451029.8 E: FOUND B	RID — NM EAST N: 45 0 1/2" REBAR G: FO 0 — E: 623710.0 N: 44 RASS CAP "1942" H: 2 — E: 623703.4 N: 44 RAIL ROAD SPIKE I:	UND BRASS CAP "1942" 51054.0 — E: 634408.7 UND BRASS CAP "1942" 48388.8 — E: 634422.6 FOUND 1" IRON BAR 45726.4 — E: 634436.4 FOUND 1/2" REBAR 45707.6 — E: 629112.1	I hereby cet to the best of owns a wor the propose location put interest, or	
(B) N 89'27'05" W 2686.07' (C) N 8			I here. plat w made same is sa	re and Seal of Programma Survey 19680

TRACT OWNERSHIP Journey 11-12 W0LI Fed Com #2H Section 11 (S/2) &12 (S/2), T24S, R28E Eddy County, New Mexico

Section 11 (S/2) &12 (S/2): Bone Spring formation:

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701

*MRC Permian Company One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240

*OXY USA, Inc. 5 Greenway Plaza, Suite 110 Houston, Texas 77046 % Leasehold Interest

87.837728%

6.250000%

5.912272%

100.000000%

*Total interest being pooled: 12.162272%

ATTACHMENT



Exhibit D

Summary of Communications

Journey 11-12 B1LI Fed Com #1H Journey 11-12 B2LI Fed Com #1H Journey 11-12 B1MP Fed Com #1H Journey 11-12 W0LI Fed Com #2H

MRC Permian Company

- 1) 04/08/2021 Well proposals and AFE's are sent via electronic mail.
- 2) 04/12/2021 Well proposals and AFE's are sent via certified mail.

OXY USA, Inc.

- 1) 04/08/2021 Well proposals and AFE's are sent via electronic mail.
- 2) 04/12/2021 Well proposals and AFE's are sent via certified mail.

ATTACHMENT C

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENS	A SUBSE		THE V CAND		
Well Halle.	Prosp		FMP Y SAND		70=[]
Location: SL: 1725' FSL & 250' FWL (11); BHL: 2200' FSL & 330' FEL (12)	Col	unty: Ec			ST: NM
Sec. 11/12 Bik: Survey: TWP:	245	RNG:	28E Prop. TVD	9797	TMD: 19515
INTANGIBLE COSTS 0180		CODE	ТСР	CODE	СС
Regulatory Permits & Surveys	$\overline{}$	0180-010		0180-0200	405.000
Location / Road / Site / Preparation	_	0180-010		0180-0205	\$35,000 \$25,000
Location / Restoration (1/3) Battery containment	_	0180-010			\$59,400
Daywork / Turnkey / Footage Drilling 19 days drlg / 3 days comp @ \$18,550/d 1700 qal/day @ \$1.60/gal	\dashv	0180-011		0180-0214	\$328,000
Fuel 1700 gal/day @ \$1.50/gal Alternate Fuels		0180-011	5	0180-0215	
Mud, Chemical & Additives		0180-012		0180-0220	
Mud - Specialized	\dashv	0180-012	1 \$110,000	0180-0221 0180-0222	\$200,000
Horizontal Drillout Services Stimulation Toe Preparation				0180-0223	\$30,000
Cementing		0180-012		0180-0225	
Logging & Wireline Services		0180-013		0180-0230 0180-0234	
Casing / Tubing / Snubbing Service		0180-013		0180-0234	\$40,000
Mud Logging Stimulation 83 Stg 25.0 MM gal & 25.0 MM lbs		0100-010	7 420,000	0180-0241	\$1,751,000
Stimulation Rentals & Other				0180-0242	
Water & Other		0180-014		0180-0245	
Bits		0180-014		0180-0248 0180-0250	
Inspection & Repair Services Misc. Air & Pumping Services		0180-015		0180-0254	
Testing & Flowback Services		0180-015		0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-016		0180-0265	\$15,000
Transportation Welding, Construction, & Maint. Services		0180-016		0180-0268	
Contract Services & Supervision		0180-017		0180-0270	_
Directional Services Includes vertical control		0180-017	5 \$247,800		
Equipment Rental		0180-018		0180-0280	
Well / Lease Legal		0180-018		0180-0284 0180-0285	
Well / Lease Insurance Intangible Supplies		0180-018		0180-0288	
Damages		0180-019	_	0180-0290	
Pipeline Interconnect & ROW Easements		0180-019		0180-0292	
Company Supervision		0180-019		0180-0295 0180-0296	
Overhead Fixed Rate Contingencies 2% (TCP) 2% (CC)	-	0180-019		0180-0299	
	OTAL	0.000	\$1,921,700		\$4,005,400
TANGIBLE COSTS 0181					-
Casing (19.1" - 30")		0181-079	93		
Casing (10.1" - 19.0") 550' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft		0181-079			
Casing (8.1" - 10.0") 2610' - 9 5/8" 40# HCL80 LT&C @ \$25.77/ft		0181-079			
Casing (6.1" - 8.0") 9870' - 7" 29# HCP-110 LT&C @ \$24.50/ft Casing (4.1" - 6.0") 10750' - 4 1/2" 13.5# P-110 BPN @ \$13.75/ft	_	0181-079	\$250,500	0181-0797	\$157,900
Tubing 9032' - 2 7/8" 6.5# EUE tbg @ \$7.82/ft				0181-0798	
Drilling Head		0181-086	\$35,000		
Tubing Head & Upper Section				0181-0870 0181-0871	
Horizontal Completion Tools Completion liner hanger Subsurface Equip. & Artificial Lift Packer	_			0181-0880	
Pumping Unit Systems				0181-0885	
Service Pumps (1/2) TP/CP/circ. pump				0181-0886	
Storage Tanks (1/3) 6 - 750 bbl/5 - 750 bbl coated/1 - GB				0181-0890	
Emissions Control Equipment (1/3) VRTs/VRU/KOs Separation / Treating Equipment (1/3) horz. sep./vert. sep./HT				0181-0892 0181-0895	
Automation / Metering Equipment (173) notz. sep./vert. sep./ini				0181-0898	
Line Pipe & Valves - Gathering (1/3) 1 mile gas & water				0181-0900	
Fittings / Valves & Accessories				0181-0906	
Cathodic Protection Electrical Installation				0181-0908	
Equipment Installation				0181-0910	
Pipeline Construction (1/3) 1 mile gas & water				0181-0920	\$100,400
T	DTAL		\$384,000		\$1,177,200
SUBT	DTAL		\$2,305,700		\$5,182,600
TOTAL WELL CO	ST		\$7,4	88,300	
Extra Expense insurance I elect to be covered by Operator's Extra Expense Insurance and pay my pro Operator has secured Extra Expense Insurance covering costs of well control, cle I elect to purchase my own well control insurance policy.	portion ean up a	nate shar and redrilli	e of the premium. ng as estimated in Li	ne Item 018	0-0185.
If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well	control in	nsurance.			1
	Date:	A Company of the Comp	2021		
			2021		
	Date:				
Company Approval:					
Company Approval:					

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

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

Case No. 22193

VERIFIED STATEMENT	OF TYLER HILL
--------------------	---------------

COUNTY OF MIDLAND)	
) ss.	
STATE OF TEXAS)	

Tyler Hill, being duly sworn upon his oath, deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in this case. I have been qualified by the Division as an expert petroleum geologist.
- 3. The following geological plats are attached hereto:
- (a) Attachment A is a structure map of the Wolfcamp formation, mapped on the top of the correlative Wolfcamp marker. It shows that structure dips to the east, and that the planned wellbores would drill perpendicular to strike. It also shows a line of cross-section, J-J'.
- (b) Attachment B is a west-east cross section. The well logs on the cross-section give a representative sample of the Wolfcamp formation in this area. The target zone for the wells is the Upper Wolfcamp Sand, and that zone is continuous across the well unit.
- 4. I conclude from the maps that:
- (a) The horizontal spacing unit is justified from a geologic standpoint.
- (b) Each quarter section in the unit will contribute more or less equally to production.
- (c) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.

EXHIBIT γ

- 5. Attachment C contains information from other wells drilled in the immediate area. There are numerous upper Wolfcamp sand wells, and the preferred orientation is for laydown units. The completed wells in the area are commercial.
- 6. Attachment D is the Survey Calculation Report for wells: Journey 11/12 W0LI Fed Com 2H. The producing interval of the proposed well will be orthodox. The Pool code is Purple Sage Wolfcamp (98220).

Tyler Hill

VERIFICATION

STATE OF TEXAS)	
) ss.	
COUNTY OF MIDLAND)	

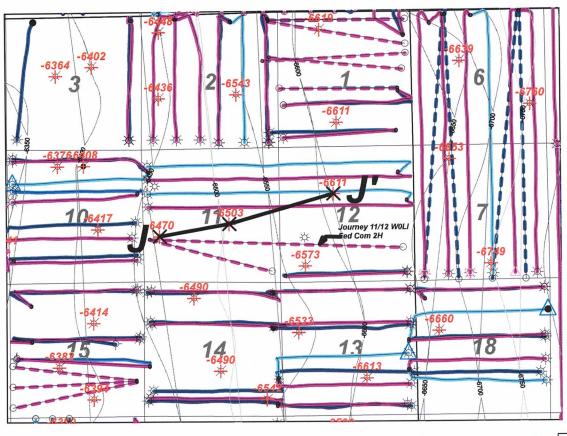
Tyler Hill, being duly sworn upon his oath, deposes and states that: He is a geologist for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

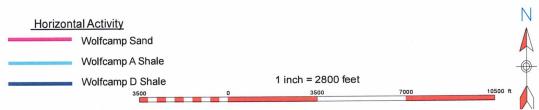
Tyler Hill

SUBSCRIBED AND SWORN TO before me this day of September, 2021 by Tyler Hill.

My Commission Expires

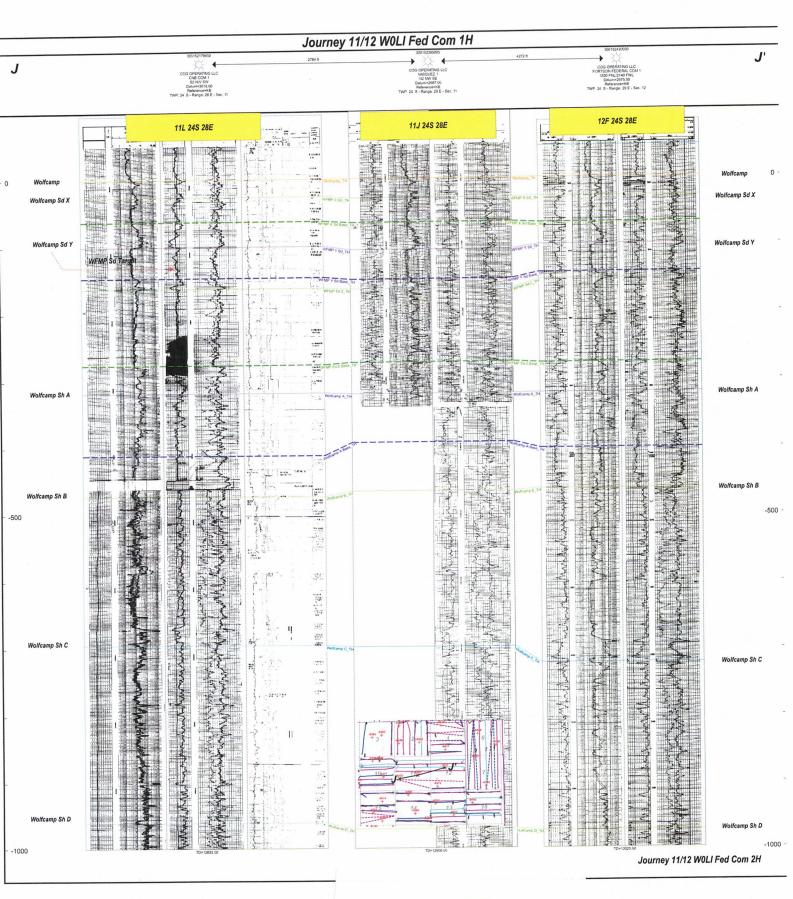
ALEJANDRA KIRKSEY Notary ID #131406744 My Commission Expires January 11, 2022







ATTACHMENT /

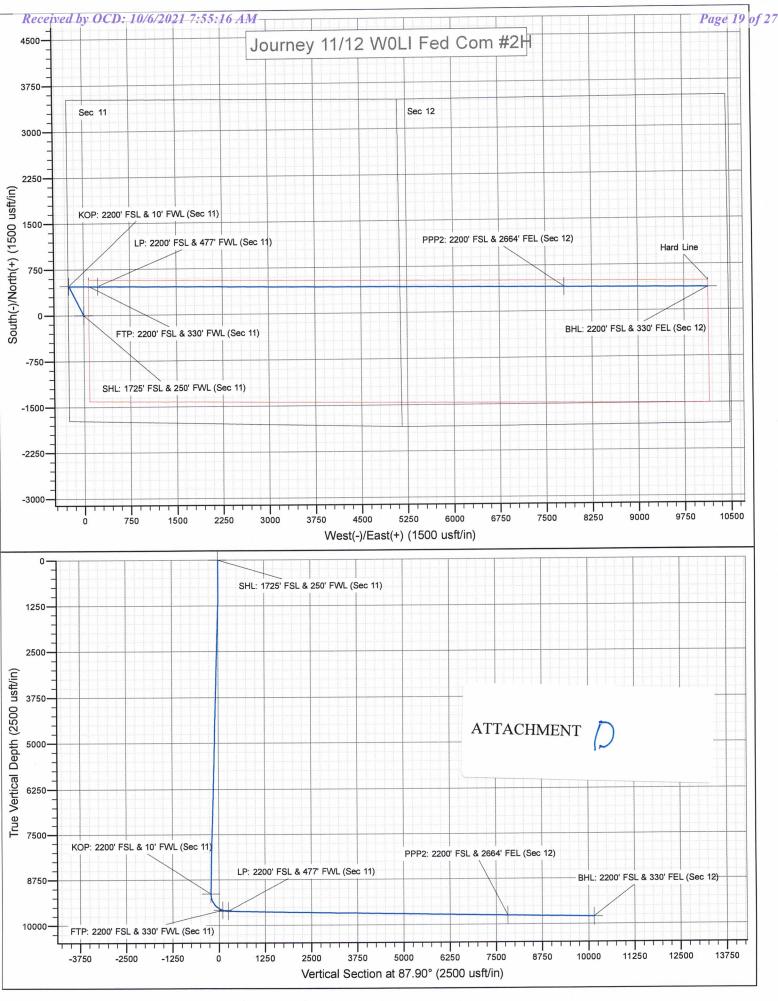


ATTACHMENT 13

			Journey Area Wo	ijcump i io					E: . D I D . 4 -	Zone
Primary API	Lease Name	Well Num	Operator Name	Location	Field Name	Oil Cum	Gas Cum	Wtr Cum	First Prod Date	WFMP A
30015442540000	ZACH MCCORMICK FEDERAL COM	202H	MATADOR PRODUCTION CO	24S 28E 13H NE	PURPLE SAGE	237.8	0.67	887.3	2018-08-01	
30015439730000	JANIE CONNER 13 24S 28E RB	203H	MATADOR PRODUCTION CO	24S 28E 14I	PURPLE SAGE	168.6	0.77	734.5	2018-03-01	WFMP A
30015439930000	GUITAR 10 24 28 RB	205H	MATADOR PRODUCTION CO	24S 28E 11D	PURPLE SAGE	196.2	0.81	718.3	2017-04-01	WFMP A
30015455570000	GENERAL KEHOE 02 24S 28E RB	217H	MATADOR PRODUCTION CO	24S 28E 2B	PURPLE SAGE	289.3	0.77	712.2	2019-08-01	WFMP A
30015455620000	HEIGHT CC 6 7 FEDERAL COM	034H	OXY USA INC	24S 29E 6C NW	PURPLE SAGE	359.7	1.21	1000.4	2019-09-01	WFMP A
30015458310000	HOWITZER FEDERAL COM	602H	COG OPERATING LLC	24S 28E 12A NE	PURPLE SAGE	331.1	1.10	980.3	2020-01-01	WFMP A
30015458310000	HOWITZER FEDERAL COM	605H	COG OPERATING LLC	24S 28E 12H NE	PURPLE SAGE	329.2	1.12	881.9	2020-01-01	WFMP A
30015461770000	DR LANA WHITE COM	217H	MATADOR PRODUCTION CO	24S 28E 13I	PURPLE SAGE	284.3	0.90	857.0	2019-11-01	WFMP A
	GUITAR 10 24 28 RB	202H	MATADOR PRODUCTION CO	24S 28E 10H	PURPLE SAGE	284.2	0.61	930.1	2015-03-01	WFMP SD
30015426600000	TIGER 14 24S 28E RB	204H	MATADOR PRODUCTION CO	24S 28E 14P	PURPLE SAGE	386.4	0.96	1232.4	2015-06-01	WFMP SD
30015430870000	JANIE CONNER 13 245 28E RB	201H	MATADOR PRODUCTION CO	24S 28E 14A	PURPLE SAGE	309.8	0.84	1441.4	2016-08-01	WFMP SD
30015434630000	JANIE CONNER 13 243 28E RB	207H	MATADOR PRODUCTION CO	24S 28E 14I	PURPLE SAGE	269.5	0.82	1226.4	2016-05-01	WFMP SD
30015436150000	DR SCRIVNER FEDERAL 01 24S 28E RB		MATADOR PRODUCTION CO	24S 28E 1P SE	PURPLE SAGE	423.8	1.05	1572.3	2016-10-01	WFMP SD
DOULD IDOLLEGED	JOURNEY 12 WOMP FEE COM	003H	MEWBOURNE OIL CO	24S 28E 12M	PURPLE SAGE	265.0	0.71	955.6	2017-04-01	WFMP SD
30015438460000	JANIE CONNER 13 24S 28E RB	202H	MATADOR PRODUCTION CO	24S 28E 14H	PURPLE SAGE	223.1	0.67	1126.0	2018-04-01	WFMP SD
30015439200000		202H	MATADOR PRODUCTION CO	24S 28E 11D	PURPLE SAGE	295.2	1.02	1262.8	2017-05-01	WFMP SD
30015439400000	GUITAR 10 24 28 RB	002H	MEWBOURNE OIL CO	24S 28E 3A	PURPLE SAGE	397.8	0.89	1328.5	2017-07-01	WFMP SD
30015439490000	YARDBIRDS 3 WOAP FEE	202H	MATADOR PRODUCTION CO	24S 28E 14H	PURPLE SAGE	272.1	0.95	1159.5	2017-07-01	WFMP SD
30015441290000	TIGER 14 24S 28E RB	202H	MATADOR PRODUCTION CO	24S 28E 15D	PURPLE SAGE	308.0	1.04	1086.9	2017-09-01	WFMP SD
30015442100000	ANNE COM 15 24S 28E RB	201H 206H	MATADOR PRODUCTION CO	24S 28E 13H NE	PURPLE SAGE	268.5	0.72	1147.9	2018-08-01	WFMP SD
30015442460000	ZACH MCCORMICK FEDERAL COM		MATADOR PRODUCTION CO	24S 29E 18D NW	PURPLE SAGE	210.1	0.57	906.8	2018-03-01	WFMP SD
30015442470000	ZACH MCCORMICK FEDERAL COM	201H	MATADOR PRODUCTION CO	245 29E 18D NVV	PURPLE SAGE	331.2	1.09	1256.0	2017-12-01	WFMP SD
30015444170000	ANNE COM 15 24S 28E RB	202H		245 28E 10M	PURPLE SAGE	218.0	0.82	963.8	2018-04-01	WFMP SD
30015445150000	TOM MATTHEWS 10 24S 28E RB	204H	MATADOR PRODUCTION CO	24S 28E 9I	PURPLE SAGE	244.6	0.78	1130.7	2018-04-01	WFMP SD
30015445610000	TOM MATTHEWS 10 24S 28E RB	203H	MATADOR PRODUCTION CO	245 28E 2C	PURPLE SAGE	298.8	0.75	919.8	2019-01-01	WFMP SD
30015448010000	SKYNYRD 2 WOCN FEE	001H	MEWBOURNE OIL CO		PURPLE SAGE	181.0	0.65	932.3	2019-01-01	WFMP SD
30015448020000	SKYNYRD 2 WODM FEE	001H	MEWBOURNE OIL CO	24S 28E 2D 24S 28E 2D	PURPLE SAGE	236.7	0.64	828.9	2019-01-01	WFMP SD
30015448030000	SKYNYRD 2 WODM FEE	002H	MEWBOURNE OIL CO		PURPLE SAGE	461.2	1.18	1582.4	2019-08-01	WFMP SD
30015455540000	HEIGHT CC 6 7 FEDERAL COM	032H	OXY USA INC	24S 29E 6D NW	PURPLE SAGE	221.5	0.63	807.0	2019-08-01	WFMP SD
30015455550000	GENERAL KEHOE 02 24S 28E RB	203H	MATADOR PRODUCTION CO	24S 28E 2B NE	PURPLE SAGE	406.0	0.03	1019.7	2019-08-01	WFMP SD
30015455560000	GENERAL KEHOE 02 24S 28E RB	208H	MATADOR PRODUCTION CO	24S 28E 2A		439.2	1.40	1119.6	2019-09-01	WFMP SD
30015455610000	HEIGHT CC 6 7 FEDERAL COM	033H	OXY USA INC	24S 29E 6C NW	PURPLE SAGE	384.8	1.16	1381.6	2019-08-24	WFMP SD
30015455630000	HEIGHT CC 6 7 FEDERAL COM	035H	OXY USA INC	24S 29E 6A NE	PURPLE SAGE	553.5	1.16	1482.7	2019-09-01	WFMP SD
30015455640000	HEIGHT CC 6 7 FEDERAL COM	036H	OXY USA INC	24S 29E 6A NE	PURPLE SAGE		1.19	941.7	2019-07-01	WFMP SD
30015457700000	HEIGHT CC 6 7 FEDERAL COM	031Y	OXY USA INC	24S 29E 6D NW	PURPLE SAGE	403.7	0.96	992.1	2020-01-01	WFMP SD
30015458320000	HOWITZER FEDERAL COM	603H	COG OPERATING LLC	24S 28E 12A NE	PURPLE SAGE	313.3	0.96	994.4	2020-01-01	WFMP SD
30015458340000	HOWITZER FEDERAL COM	606H	COG OPERATING LLC	24S 28E 12H NE	PURPLE SAGE	382.2		700.5	2019-11-01	WFMP SD
30015461760000	DR LANA WHITE COM	203H	MATADOR PRODUCTION CO	24S 28E 13I	PURPLE SAGE	160.0	0.54		2019-11-01	WFMP SD
30015464490000	RAY STATE COM	204H	MATADOR PRODUCTION CO	24S 28E 1A	PURPLE SAGE	209.0	0.47	881.8		WFMP SD
30015464500100	RAY STATE COM	217H	MATADOR PRODUCTION CO	24S 28E 1A	PURPLE SAGE	309.9	0.63	1143.6	2020-06-01	VV FIVIP SU

ATTACHMENT C





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

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

Case Nos. 22191 - 22193

SELF-AFFIRMED STATEMENT OF NOTICE

COUNTY OF SANTA FE)) ss.
STATE OF NEW MEXICO)
James Bruce deposes and states:
1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Mewbourne Oil Company.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the applications filed herein.
4. Notice of the application was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules.
6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below. Date: O S I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below. Date: I I I I I I I I I
EXHIBIT

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

September 16, 2021

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of three applications, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, seeking orders pooling all mineral interest owners in the horizontal spacing units described below:

- 1. <u>Case 22191</u>: The Bone Spring formation underlying the N/2S/2 of Section 11 and the N/2S/2 of Section 12, Township 24 South, Range 28 East, NMPM;
- 2. <u>Case 22192</u>: The Bone Spring formation underlying the S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 24 South, Range 28 East, NMPM; and
- 3. <u>Case 22193</u>: The Wolfcamp formation underlying the S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Range 28 East, NMPM.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, October 7, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emmrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emmrd.state.nm.us/OCD/announcements.html. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, September 30, 2021. This statement may be filed online with the Division at <u>ocd.hearings@state.nm.us</u>, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to

ATTACHMENT

testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT A

OXY USA Inc. Suite 110 5 Greenway Plaza Houston, Texas 77046

MRC Permian Company Suite 1500 5400 LBJ Freeway Dallas, Texas 75240

Attention:

Kyle Perkins

U.S. Postal Service ^{TW} CERTIFIED MAIL® RECE INT Domestic Mail Only For delivery information, visit our website at www.us For delivery in Control of the	Cartified Mail Restricted Delivery \$ Cartified Mail Restricted Mail Restr	ses@ Total Postage and Fees MRC Permian Company sestricted To Sent To Suite 1500 Rule 1500 Sireet and Apt No., or PO Box Ni 5400 LBJ Freeway Dallas, Texas 75240 ry		
A. Signature (1) Character THIS SECTIFM ON DELIVERY A. Signature (1) Character Charac		3. Service Type Adult Signature Adult Signature Restricted Delivery Adult Signature Restricted Delivery Coertified Mail Restricted Delivery Coertified Mail Restricted Delivery Coertified Mail Restricted Delivery Signature Confirmation Signature Confirmation	2	A 7 M
SENDER: COMPLET FTHIS SECTION Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	OXY USA Inc. Suite 110 5 Greenway Plaza 5 Greenway Plaza Houston, Texas 77046	9590 9402 6746 1074 2229 66	2. Ar 7021 0350 0001 3337	DS Form 3811, July 2020 PSN 7530-02-000-9053

A. Signature A. Signature A. Signature A. Signature A. Signature A. Signature B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? D. Is delivery address different delivery address below:		3. Service Type I Adult Signature Adult Signature Collect on Delivery Collect on Delivery	Commercial Mail Commercial
SENDER: COMPLETE THIS SECTION Complete items 1, 2, d 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to:	MRC Permian Company Suite 1500 5400 LBJ Freeway Dallas, Texas 75240	9590 9402 6746 1074 2229 73	2. 7021. 0350 0001. 3337. 8773. PS Form 3811, July 2020 PSN 7530-02-000-9053
U.S. Postal Service" CERTIFIED MAIL® RECFIPT Domestic Mail Only For delivery information, visit our website at www.usps.com*. Compared to the compared to	Return Receipt (hardcopy) \$ Postmark Return Receipt (electronic) Return Receipt (electroni	\$ Total Postage and Fees OXY USA Inc. Sent To Suite 110 Sinear and Apt No., or Houston, Texas 77046	City, State, ZIP+4* PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

9928 ZEEE TOOO OSEO T202

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS 22193 Case: October7, 2021 Date: Mewbourne Oil Company **Applicant Designated Operator & OGRID** Mewbourne Oil Company/OGRID No.14744 (affiliation if applicable) James Bruce Applicant's Counsel: Application of Mewbourne Oil Company for Compulsory Pooling, Eddy Case Title: County, New Mexico Entries of Appearance/Intervenors: Journey 11/12 wells Well Family Formation/Pool Wolfcamp formation Formation Name(s) or Vertical Extent: Oil Primary Product (Oil or Gas): **Entire Wolfcamp formation** Pooling this vertical extent: Purple Sage; Wolfcamp, Gas Pool Name and Pool Code: Purple Sage Wolfcamp Gas Pool rules and current horizontal well rules Well Location Setback Rules: 640 acres Spacing Unit Size: **Spacing Unit** Type (Horizontal/Vertical) Horizontal 640 acres Size (Acres) 160 acres **Building Blocks:** East-West Orientation: S/2 §11and S/2 §12-24S-28E, NMPM, Eddy County Description: TRS/County Standard Horizontal Well Spacing Unit Yes (Y/N), If No, describe **Other Situations** Depth Severance: Y/N. If yes, description No **EXHIBIT** Proximity Tracts: If yes, description No Proximity Defining Well: if yes, description Exhibit 2-B Applicant's Ownership in Each Tract Well(s) Journey11/12W0LI Fed Com. Well No. 2H Name & API (if assigned), surface and bottom hole location, footages, API No. Pending SHL: 1,725' FSL &250' FWL §11 completion target, orientation, BHL: 2,200' FSL &330' FEL §12 completion status (standard or non-FTP: 2,200' FSL& 330' FWL §11 standard) LTP: 2,200' FSL & 330' FEL §12 Wolfcamp/TVD 9,797 feet/MD 19,515 feet

Horizontal Well First and Last Take AM Points	See above	Page 26 of 27
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 + 200%/Exhibit 2, page 2	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit 1	
Proof of Mailed Notice of Hearing (20		
days before hearing)	Exhibit 4	4
Proof of Published Notice of Hearing (10		
days before hearing)		
Ownership Determination		
Land Ownership Schematic of the		
Spacing Unit	Exhibit 2-A	
Tract List (including lease numbers and	EXIMATE 2 7	
owners)	Exhibit 2-B	
Pooled Parties (including ownership	EXIMATE 2 B	
	Exhibit 2-B	
type) Unlocatable Parties to be Pooled	Not applicable	
Ownership Depth Severance (including	Not applicable	
percentage above & below)	None	
Joinder	None	
	Exhibit 2-C	
Sample Copy of Proposal Letter	EXHIBIT 2-C	
List of Interest Owners (i.e. Exhibit A of	Exhibit 2-B	
JOA)	EXHIBIT 2-D	
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	Exhibit 2-A	
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-C	
Well Orientation (with rationale)	Standup/Exhibit 3	
Target Formation	Wolfcamp	
HSU Cross Section	Exhibit 3-C	
Depth Severance Discussion	Not Applicable	
Forms, Figures and Tables		
C-102	Exhibit 2-A	
Tracts	Exhibit 2-A	
Summary of Interests, Unit		
Recapitulation (Tracts)	Exhibit 2-B	
Released to Imaging: 10/6/2021 8:23:39 AM		

Received by OCD: 10/6/2021 7:55:16 AM General Location Wap (including basin)	Exhibit 2-A Page 27 of 27
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including	
wells)	Exhibit 3-B
Cross Section (including Landing Zone)	Exhibit 3-B
Additional Information	
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	Caller & use
Representative):	Te mil
Date:	October 5, 2021