CASE NO. 22636

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

MEWBOURNE OIL COMPANY'S EXHIBIT LIST

- 1. Application and Proposed Notice
- 2. Landman's Affidavit
- 3. Geologist's Affidavit
- 4. Affidavit of Mailing
- 5. Publication Affidavit
- 6. Pooling Checklist
- 7. Pre-Hearing Statement Aveau Filed

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

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

CASE NO. 22636

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company ("Applicant") (OGRID No. 14744) applies for an order pooling all uncommitted interests in the Bone Spring formation from a depth of approximately 10,087' to a depth of approximately 10,526' underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2E/2 of Sections 22 and 27, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"). In support of its application, Applicant states:

- 1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
- 2. The Unit will be dedicated to the **Perro Loco 27/22 B2OB Fed Com #2H** well to be horizontally drilled from a surface hole location in the SW/4SE/4 (Unit O) of Section 27 to a bottom hole location in the NW/4NE/4 (Unit B) of Section 22.
 - 3. The completed interval of the Well will be orthodox.
- 4. A depth severance exists in the Bone Spring formation. Accordingly, Applicant seeks to pool all uncommitted interests in the Bone Spring formation at a stratigraphic equivalent of approximately 10,087' MD to approximately 10,526' MD as observed on the Sun Federal Com #1 well log (API 3002530603).
- 5. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

EXHIBIT

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- 6. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the Unit should be pooled and Applicant should be designated the operator of the Well and Unit.

WHEREFORE, Applicant requests this application be set for hearing on April 7, 2022, and that after notice and hearing, the Division enter an order:

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

Released to Imaging: 3/7/2022 4:03:38 PM Released to Imaging: 8/2/2022 8:12:17 AM Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy
Michael Rodriguez
Jaclyn M. McLean
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
dhardy@hinklelawfirm.com
mrodriguez@hinklelawfirm.com
jmclean@hinklelawfirm.com

Counsel for Mewbourne Oil Company

Released to Imaging: 3/7/2022 4:03:38 PM Released to Imaging: 8/2/2022 8:12:17 AM Application of Mewbourne Oil Companyfor Compulsory Pooling, Lea County, New Mexico. Applicantapplies for an order pooling all uncommitted interests in the Bone Spring formation from a depth of approximately 10,087' to a depth of approximately 10,526' underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2E/2 of Sections22 and 27, Township 22 South, Range 34 East, Lea County, New Mexico("Unit"). The Unit will be dedicated to the Perro Loco 27/22 B2OB Fed Com #2H well to be horizontally drilled from a surface hole location in the SW/4SE/4 (Unit O) of Section 27 to a bottom hole location in the NW/4NE/4 (Unit B) of Section 22.A depth severance exists in the Bone Spring formation. Accordingly, Applicant seeks to pool all uncommitted interests in the Bone Spring formation at a stratigraphic equivalent of approximately 10,087' MD to approximately 10,526' MD as observed on the Sun Federal Com #1 well log (API 3002530603). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 45 miles east of Carlsbad, New Mexico.

22636

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, LEA COUNTY, NEW MEXICO.

Case No. 22636

SELF-AFFIRMED STATEMENT OF BRAD DUNN

Brad Dunn, 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 Division Rules, the following information is submitted in support of the compulsory pooling application filed herein:
 - (a) The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
 - (b) The interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well.
 - (c) A plat outlining the unit being pooled is submitted as Attachment A. Mewbourne seeks an order pooling all mineral interests in the W/2E/2 of Section 22 and the W/2E/2 Section 27, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27/22 B2OB Fed. Com. Well No. 2H. A Form C-102 for the well is also part of Attachment A.

Only the 2nd Bone Spring is sought to be pooled in this proposed well unit. It is defined as depths from 10,087 feet subsurface to the base of the 2nd Bone Spring, at a depth of 10,526 feet subsurface, as found in the Compensated Neutron Litho Density log in the Sun Fed. Com. Well No. 1 (API No. 30-025-30603), located in Unit Letter O of Section 27, Township 22 South, Range 34 East, NMPM.

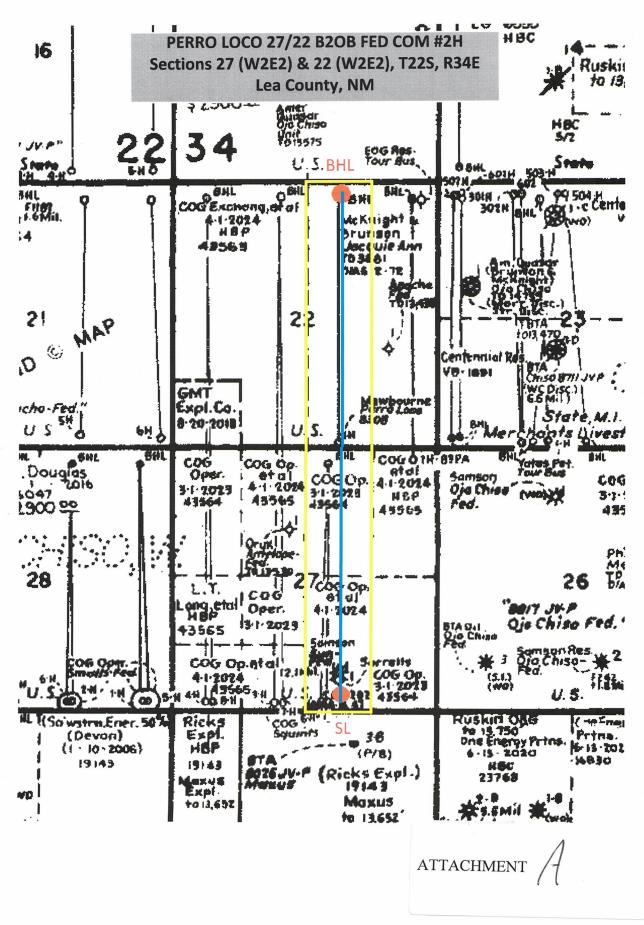
(d) The parties being pooled, and their interests, are set forth in Attachment B.

ехнівіт 2

- (e) In order to locate the interest owners, Mewbourne examined the county and federal records, performed internet searches, checked telephone records, made calls to family members, and searched Accurint and Whitepages.
- (f) Attachment C is a summary of communications and sample copies of the proposal letters sent to the interest owners.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well, or to locate the interest owners.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D contains the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Lea County.
- (j) A sample copy of the letters to working interest owners regarding the overlapping well units is submitted as Attachment E. No objection has been received by Mewbourne from any of the working interest owners.
- (k) 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 Lea 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.
- (l) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (m) Mewbourne requests that it be designated operator of the well.
- (n) The attachments to this affidavit were prepared by me, or compiled from company business records.
- (o) The granting of this application is in the interests of conservation and the prevention of waste.
- 3. 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 2(o) 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: 7/28/2022

Brad Duni



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

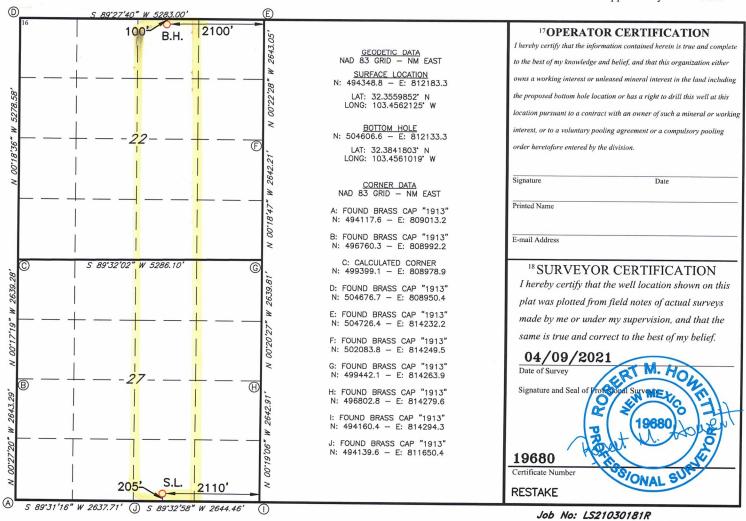
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

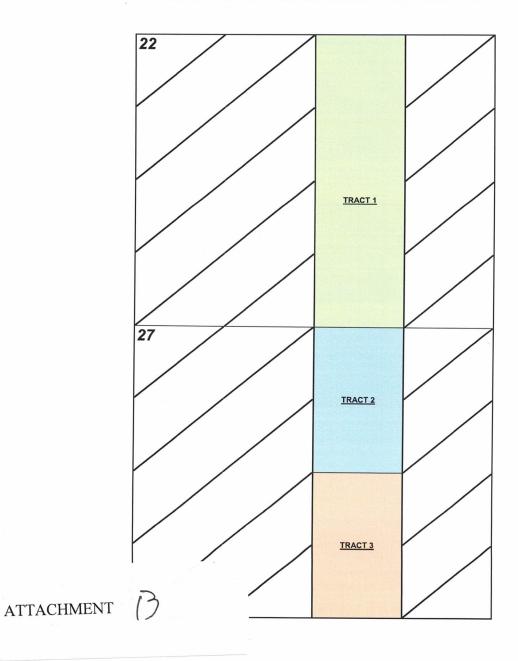
			WE	ELLLC	DCAT:	ION AND ACR	REAGE DEDIC	CATION PLA	T		0
1	API Number				Pool C	553	010	Chiso 3 Pool Na		me	Spring
⁴ Property Cod	е			PI	ERRO	LOCO 27/22	B20B FED	СОМ		6	2H
7OGRID N	O.				ME	8 Operator N WBOURNE OI					Elevation 3408
						10 Surface	Location				
UL or lot no.	Section	Townsl	Township Range Lot Idn Feet from the North/South line Feet From the East/We							est line	County
0	27	228		34E		205	SOUTH	2110	EAS	ST	LEA
				11 I	Bottom	Hole Location	If Different Fr	om Surface			
UL or lot no.	Section	Townsl	hip	Range	Lot Idr	Feet from the	North/South line	Feet from the	East/West line		County
В	22	22S	:	34E		100	NORTH	2100	EAS	ST	LEA
12 Dedicated Acres	13 Joint	or Infill	14 Cor	nsolidation	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.



RECAPITUALTION FOR PERRO LOCO 27-22 B2OB FED COM #2H

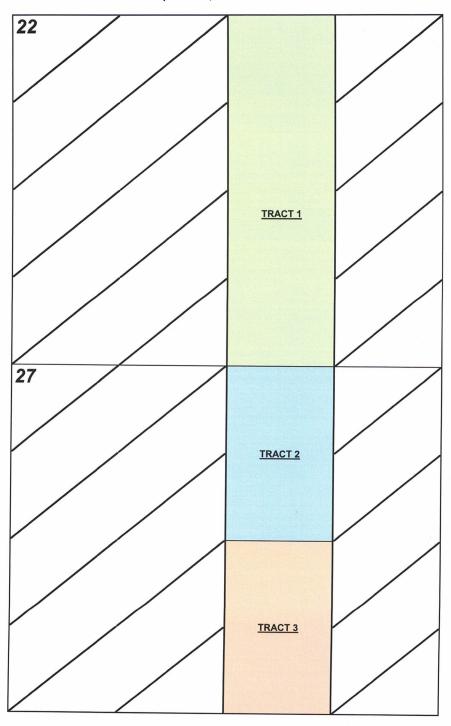
Tract Number	Number of Acres Committed	Percentage of Interest In Communitized Area
1	160.00	50.000000%
2	80.00	25.000000%
3	80.00	25.000000%
TOTAL	320.00	100.00000%



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SECTION PLAT

West Half of the East Half (W/2E/2) of Section 22, Township 22 South, Range 34 East
West Half of the East Half (W/2E/2) of Section 27, Township 22 South, Range 34 East
County of Lea, State of New Mexico



Tract 1: W2E2 SECTION 22-USA LEASE NO. NMNM 11970

MEWBOURNE OIL COMPANY

MRC DELAWARE RESOURCES LLC

Tract 2: W2NE4 SEC. 27-USA LEASE NO. NMNM 43565

MEWBOURNE OIL COMPANY

COG OPERATING LLC

ALPHA ENERGY PARTNERS LLC

AXIS ENERGY CORPORATION

BTA OIL PRODUCERS LLC

ALEYNA N. PACE

CLINTON PACE

LARRY T. LONG

RYAN PACE

TARA N. PACE

Tract 3: W2SE4 SEC. 27-USA LEASE NO. NMNM 43564

MEWBOURNE OIL COMPANY

COG OPERATING LLC

ALPHA ENERGY PARTNERS LLC

AXIS ENERGY CORPORATION

BTA OIL PRODUCERS LLC

ALEYNA N. PACE

CLINTON PACE

LARRY T. LONG

RYAN PACE

TARA N. PACE

TRACT OWNERSHIP PERRO LOCO 27/22 B2OB FED COM #2H Section 27 (W/2E/2) & Section 22 (W/2E/2), T22S, R34E Lea County, New Mexico

Sections 27 (W/2E/2) & 22 (W/2E/2) 2nd Bone Spring formation:

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	% Leasehold Interest 51.666667%
*COG Operating LLC 600 W. Illinois Avenue Midland, Texas 79701	25.000000%
*MRC DELAWARE RESOURCES LLC One Lincoln Centre 5400 LBJ Freeway, STE 1500 Dallas, TX 75240	23.333333%
	100.000000%

^{*} Total interest being pooled: 48.333333%

OWNERSHIP BY TRACT

W/2E/2 Sec. 27 (160 Acres):

Mewbourne Oil Company, et al 50.000000%

Midland, Texas 79701

*COG Operating LLC 50.000000%

Midland, Texas 79701

50.000000%

50.000000%

W/2E/2 Sec. 22 (160 Acres):

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

*MRC DELAWARE RESOURCES LLC
One Lincoln Centre
5400 LBJ Freeway, STE 1500
Dallas, TX 75240

100.000000%

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

TELEPHONE (432) 682-3715

January 3, 2022

Via Certified Mail

COG Operating LLC 600 W. Illinois Avenue Midland, Texas 79701 Attn: Baylor Mitchell

Re:

- PERRO LOCO 27 B2PA FED COM #1H AFE, E2 Section 27, T22S, R34E, Lea County, New Mexico
- 2. PERRO LOCO 27/22 B3PA FED COM #2H AFE, E2 Sections 27 & 22, T22S, R34E, Lea County, New Mexico
- 3. PERRO LOCO 27 B3OB FED COM #1H AFE, E2 Section 27, T22S, R34E, Lea County, New Mexico
- 4. PERRO LOCO 27/22 B2OB FED COM #2H AFE, E2 Sections 27 & 22, T22S, R34E, Lea County, New Mexico
- PERRO LOCO 27/22 Joint Operating Agreement dated January 15, 2022
 E/2 of Sec. 27, T22S, R34E
 E/2 of Sec. 22, T22S, R34E
 Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640.00 acre Working Interest Unit ("WIU") covering the E/2 of the above captioned sections 27 and 22 for oil and gas production. The targeted interval for the proposed unit is the Bone Spring Formation. Mewbourne as Operator hereby proposes to drill the following horizontal Bone Spring wells:

- 1. PERRO LOCO 27 B2PA FED COM #1H will have a surface location 205' FSL & 2070' FEL in the above captioned Section 27 and a bottom hole location approximately 100' FNL & 500' FEL of the above captioned Section 27. We anticipate drilling to an approximate total vertical depth of 10,388' and an approximate total measured depth of 15,143'. The E2E2 of Section 27 will be dedicated to the well as the proration unit.
- 2. PERRO LOCO 27/22 B3PA FED COM #2H will have a surface location 205' FSL & 2090' FEL in the above captioned Section 27 and a bottom hole location approximately 100' FNL & 680' FEL of the above captioned Section 22. We anticipate drilling to an approximate total vertical depth of 11,222' and an approximate total measured depth of 21,289'. The E2E2 of Section 27 and the E2E2 of Section 22 will be dedicated to the well as the proration unit.

ATTACHMENT C

- 3. PERRO LOCO 27 B3OB FED COM #1H will have a surface location 205' FSL & 2130' FEL in the above captioned Section 27 and a bottom hole location approximately 100' FNL & 2100' FEL of the above captioned Section 27. We anticipate drilling to an approximate total vertical depth of 11,261' and an approximate total measured depth of 16,195'. The W2E2 of Section 27 will be dedicated to the well as the proration unit.
- 4. PERRO LOCO 27/22 B2OB FED COM #2H will have a surface location 205' FSL & 2110' FEL in the above captioned Section 27 and a bottom hole location approximately 100' FNL & 2100' FEL of the above captioned Section 22. We anticipate drilling to an approximate total vertical depth of 10,341' and an approximate total measured depth of 20,480'. The W2E2 of Section 27 and the W2E2 of Section 22 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling are our AFEs dated December 30, 2021 for the captioned proposed wells. In the event your firm elects to participate in the proposed wells, please execute the enclosed AFEs and return them to me within thirty (30) days.

Additionally, enclosed for your further handling is the Operating Agreement dated January 15, 2022, by and between Mewbourne Oil Company as Operator and BTA Oil Producers, LLC, et al, as Non-Operators and one (1) set of signature pages (6 total signature pages) for your execution. Our proposed Operating Agreement will have COPAS rates of \$8,000/month while drilling, \$800/month for a producing well and a non-consent penalty of 100%/300%. Upon your review and approval, please return only the executed set of signature pages to my attention at the above letterhead address.

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

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn

Petroleum Landman



January 5, 2022

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9402 8368 9784 6813 1612 82**.

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Location: MIDLAND, TX 79701

Postal Product: Priority Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Up to \$100 insurance included

Recipient Name: Baylor Mitchell

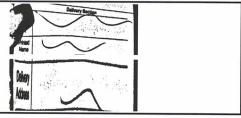
Shipment Details

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Recipient Signature

Signature of Recipient: (Authorized Agent)





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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Baylor Mitchell ConocoPhillilps Co. 600 W. Illinois Ave. Midland, TX 79701 Reference #: Perro Loco 22-27

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

TELEPHONE (432) 682-3715

January 3, 2022

Via Certified Mail

MRC Permian Company One Lincoln Centre 5400 LBJ Freeway, STE 1500 Dallas, TX 75240 Attn: David Johns

Re:

- PERRO LOCO 27 B2PA FED COM #1H AFE, E2 Section 27, T22S, R34E, Lea County, New Mexico
- 2. PERRO LOCO 27/22 B3PA FED COM #2H AFE, E2 Sections 27 & 22, T22S, R34E, Lea County, New Mexico
- 3. PERRO LOCO 27 B3OB FED COM #1H AFE, E2 Section 27, T22S, R34E, Lea County, New Mexico
- 4. PERRO LOCO 27/22 B2OB FED COM #2H AFE, E2 Sections 27 & 22, T22S, R34E, Lea County, New Mexico
- PERRO LOCO 27/22 Joint Operating Agreement dated January 15, 2022
 E/2 of Sec. 27, T22S, R34E
 E/2 of Sec. 22, T22S, R34E
 Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640.00 acre Working Interest Unit ("WIU") covering the E/2 of the above captioned sections 27 and 22 for oil and gas production. The targeted interval for the proposed unit is the Bone Spring Formation. Mewbourne as Operator hereby proposes to drill the following horizontal Bone Spring wells:

- PERRO LOCO 27 B2PA FED COM #1H will have a surface location 205' FSL & 2070' FEL in the above captioned Section 27 and a bottom hole location approximately 100' FNL & 500' FEL of the above captioned Section 27. We anticipate drilling to an approximate total vertical depth of 10,388' and an approximate total measured depth of 15,143'. The E2E2 of Section 27 will be dedicated to the well as the proration unit.
- 2. PERRO LOCO 27/22 B3PA FED COM #2H will have a surface location 205' FSL & 2090' FEL in the above captioned Section 27 and a bottom hole location approximately 100' FNL & 680' FEL of the above captioned Section 22. We anticipate drilling to an approximate total vertical depth of 11,222' and an approximate total measured depth of 21,289'. The E2E2 of Section 27 and the E2E2 of Section 22 will be dedicated to the well as the proration unit.

- 3. PERRO LOCO 27 B3OB FED COM #1H will have a surface location 205' FSL & 2130' FEL in the above captioned Section 27 and a bottom hole location approximately 100' FNL & 2100' FEL of the above captioned Section 27. We anticipate drilling to an approximate total vertical depth of 11,261' and an approximate total measured depth of 16,195'. The W2E2 of Section 27 will be dedicated to the well as the proration unit.
- 4. PERRO LOCO 27/22 B2OB FED COM #2H will have a surface location 205' FSL & 2110' FEL in the above captioned Section 27 and a bottom hole location approximately 100' FNL & 2100' FEL of the above captioned Section 22. We anticipate drilling to an approximate total vertical depth of 10,341' and an approximate total measured depth of 20,480'. The W2E2 of Section 27 and the W2E2 of Section 22 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling are our AFEs dated December 30, 2021 for the captioned proposed wells. In the event your firm elects to participate in the proposed wells, please execute the enclosed AFEs and return them to me within thirty (30) days.

Additionally, enclosed for your further handling is the Operating Agreement dated January 15, 2022, by and between Mewbourne Oil Company as Operator and BTA Oil Producers, LLC, et al, as Non-Operators and one (1) set of signature pages (6 total signature pages) for your execution. Our proposed Operating Agreement will have COPAS rates of \$8,000/month while drilling, \$800/month for a producing well and a non-consent penalty of 100%/300%. Upon your review and approval, please return only the executed set of signature pages to my attention at the above letterhead address.

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

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn

Petroleum Landman



January 6, 2022

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: 9402 8368 9784 6813 1679 49.

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Status Date / Time:

January 6, 2022, 9:24 am

Location:

DALLAS, TX 75240

Postal Product:

Priority Mail®

Extra Services: Certified Mail™

Return Receipt Electronic

Up to \$100 insurance included

Recipient Name:

David Johns

Shipment Details

Weight:

1.0oz

Recipient Signature

Signature of Recipient:

L Brown

L Brown

5400 LYNDON B JOHNSON FWY STE 1500 DALLAS, TX

Address of Recipient:

75240

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> **David Johns** MRC Permian Co. 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 Reference #: Perro Loco 22-27

Summary of Communications PERRO LOCO 27/22 B2OB FED COM #2H W2E2 Section 27 & W2E2 Section 22, T22S, R34E, Lea County

COG Operating LLC

- 1) 1/3/2022: Well proposal letter with AFEs & JOA are sent via certified mail.
- 2) 1/5/2022: Certified mail delivery confirmation to recipient.
- 3) 1/12/2022: Emailed Baylor Mitchell at COG Operating informing him of the well proposals he should have received from me the previous week and sending him an updated Exhibit "A" to the Joint Operating Agreement.
- 4) 2/16/2022: Emailed Baylor Mitchell to follow-up on their elections decisions within this Perro Loco 27/22 unit.
- 5) 3/17/2022: Baylor Mitchell calls me to discuss how COG Operating doesn't like our development plan for the Perro Loco 27/22 unit and he has a trade idea. This is the first time COG Operating discussed this with me after having the well proposals now for two and a half months. The trade idea was never discussed in detail and no details of the trade were ever sent to me in any kind of a document.
- 6) 3/21/2022: Email and phone correspondence with Baylor Mitchell discussing COG's interest in the Perro Loco 27/22 unit. I asked again about setting up a meeting with COG to discuss their issues with our development plan within this unit to which no meeting has still been planned or taken place.
- 7) 4/4/2022: Email from Mackayla Stone at COG with a self-development letter attached giving a brief explanation that COG plans to send us 1-mile counterproposals soon in the E2 of Sec. 27-22S-34E.
- 8) 4/5/2022: Left a voicemail with Mackayla Stone at COG and sent her an email giving her notice that their letter is inaccurate, and that Mewbourne does in fact own in the E2 of Sec. 27-22S-34E. I also once again requested to have a meeting with COG to discuss their issues with our development plan within this unit to which no meeting has still been planned or taken place. COG at this point in time is still unwilling to meet with us.
- 9) 4/11/2022: Sent Mackayla Stone & Baylor Mitchell at COG an email with a specific trade proposal in seeking to work something out with them. COG indicated they were looking into it and would get back with me.
- 10) 4/25/2022: Emailed Baylor Mitchell at COG regarding the trade concept proposed two weeks prior. He again said they were looking into it and would have feedback to me soon. No tangible feedback of any kind from COG so far.
- 11) 5/2/2022: Emailed Baylor Mitchell at COG regarding the trade concept proposed three weeks prior. He again said they were looking into it and would have feedback to me soon. No tangible feedback of any kind from COG so far.

- 12) 5/10/2022: Baylor Mitchell emailed me saying COG was still looking into our trade concept that was proposed to them on 4/11/2022 and that he would have feedback to me soon. No tangible feedback of any kind from COG so far.
- 13) 5/17/2022: Emailed Baylor Mitchell at COG regarding the trade concept proposed five weeks prior. He again said they were looking into it and would have feedback to me by the end of the week. No tangible feedback of any kind from COG so far.
- 14) 5/20/2022: This work week came to end and there was still no feedback of any kind from COG regarding a counter or any input to our trade proposed on 4/11/2022. I have also requested numerous times via email and over the phone to have a meeting with them either in person or on the phone to which they never permitted to happen and made no attempt to happen.

MRC DELAWARE RESOURCES LLC

- 1. 1/3/2022: Well proposal letter with AFEs & JOA are sent via certified mail.
- 2. 1/6/2022: Certified mail delivery confirmation to recipient.
- 3. 2/16/2022: Email sent to David Johns at MRC following up with the well proposals received over a month earlier.
- 4. 3/21/2022: Left a voice mail and sent an email to David Johns at MRC following up with the well proposals received over two months earlier.
- 5. 3/31/2022: Email sent to David Johns at MRC following up with the well proposals they received on January 6, 2022.
- 6. 5/1/2022: Lunch meeting with David Johns and Nick Weeks at Matador to discuss this Perro Loco 27/22 unit, among other things. MRC made it clear during this meeting that they will not choose sides to participate until after the Operator has been determined by the NMOCD after the contested hearing on June 2, 2022.

AUTHORIZATION FOR EXPENDITURE

Well Name: PERRO	LOCO 27/22 B2OB FED COM #2H	Pros	pect: PER	RO LOCO		
Location: SL: 205 FSL & 2110	FEL (27); BHL: 100 FNL & 2100 FEL	(22) Co	ounty: Lea			ST: NM
Sec. 27 Blk: Survey		TWP: 22S	RNG: 3	4E Prop. TVD	10341	TMD: 20480
IN'	TANGIBLE COSTS 0180		CODE	TCP	CODE	СС
Regulatory Permits & Surveys			0180-0100	\$20,000	0180-0200 0180-0205	\$35,000
Location / Road / Site / Preparation Location / Restoration	n		0180-0105 0180-0106	\$35,000 \$200,000	0180-0205	\$75,000
Daywork / Turnkey / Footage Drilling	ng 24 days drig / 3 days comp @	2 \$20500/d	0180-0110	\$525,500	0180-0210	\$65,700
Fuel	1700 gal/day @ \$3.15/gal	, ,	0180-0114		0180-0214	\$203,600
Alternate Fuels			0180-0115		0180-0215	
Mud, Chemical & Additives			0180-0120	\$70,000	0180-0220	
Mud - Specialized Horizontal Drillout Services			0180-0121	\$120,000	0180-0221 0180-0222	\$200,000
Stimulation Toe Preparation					0180-0223	\$30,000
Cementing			0180-0125	\$120,000	0180-0225	\$35,000
Logging & Wireline Services			0180-0130		0180-0230	\$375,000
Casing / Tubing / Snubbing Service	es		0180-0134		0180-0234	\$18,000
Mud Logging Stimulation	51 Stg 20.2 MM gal / 25.3 M	Mih	0180-0137	\$15,000	0180-0241	\$2,313,900
Stimulation Rentals & Other	31 3tg 20.2 Wilvi gai / 23.3 W	IVI ID			0180-0242	\$252,000
Water & Other			0180-0145	\$35,000	0180-0245	\$400,000
Bits			0180-0148		0180-0248	
Inspection & Repair Services			0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services			0180-0154	¢40.000	0180-0254	\$10,000
Testing & Flowback Services Completion / Workover Rig			0180-0158	\$12,000	0180-0258 0180-0260	\$24,000 \$10,500
Rig Mobilization			0180-0164	\$150,000	0 180-0260	φ10,500
Transportation			0180-0165		0180-0265	\$25,000
Welding, Construction & Maint. Se	ervices		0180-0168		0180-0268	\$15,000
Contract Services & Supervision			0180-0170		0180-0270	\$57,100
Directional Services	Includes Vertical Control		0180-0175	\$335,600		
Equipment Rental			0180-0180		0180-0280	\$10,000
Well / Lease Legal Well / Lease Insurance			0180-0184		0180-0284	
Intangible Supplies			0180-0185 0180-0188		0180-0285 0180-0288	\$1,000
Damages			0180-0190		0180-0290	\$5,000
Pipeline Interconnect, ROW Easer	ments		0180-0192	45,000	0180-0292	\$5,000
Company Supervision			0180-0195	\$100,000	0180-0295	\$36,000
Overhead Fixed Rate	09/ /TOD) 409/ /OO)		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 1	0% (TCP) 10% (CC)		0180-0199	\$245,700	0180-0299	\$423,200
Т	ANGIBLE COSTS 0181	TOTAL		\$2,702,600		\$4,655,000
Casing (19.1" – 30")	ANOIDEE COSTS 0181		0181-0793			
			0101-01001			
Casing (10.1" – 19.0")	1750' - 13 3/8" 54.5# J-55 ST&C @ \$58	73/ft	0181-0794	\$109.800		
Casing (8.1" - 10.0")	1750' - 13 3/8" 54.5# J-55 ST&C @ \$58 5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/		0181-0794 0181-0795	\$109,800 \$255,600		
Casing (8.1" – 10.0") Casing (6.1" – 8.0")	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9	ft 2/ft				
Casing (8.1" – 10.0") Casing (6.1" – 8.0") Casing (4.1" – 6.0")	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT	ft 2/ft Q @ \$20.31/ft	0181-0795	\$255,600	0181-0797	\$234,000
Casing (8.1" – 10.0") Casing (6.1" – 8.0") Casing (4.1" – 6.0") Tubing	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0797 0181-0798	\$234,000 \$117,200
Casing (8.1" – 10.0") Casing (6.1" – 8.0") Casing (4.1" – 6.0") Tubing Drilling Head	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT	ft 2/ft Q @ \$20.31/ft	0181-0795	\$255,600	0181-0798	\$117,200
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	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870	\$117,200 \$30,000
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	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12.	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798	\$117,200 \$30,000 \$70,000
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 Pumping Unit Systems	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-30 IPC Tbg @ \$12.	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871	\$117,200
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 Pumping Unit Systems Service Pumps	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0886	\$117,200 \$30,000 \$70,000 \$25,000
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 Pumping Unit Systems Service Pumps Storage Tanks	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC.HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0886 0181-0890	\$117,200 \$30,000 \$70,000 \$25,000 \$8,000 \$108,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0886 0181-0890 0181-0892	\$117,200 \$30,000 \$70,000 \$25,000 \$8,000 \$108,000 \$113,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC.HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0896 0181-0890 0181-0892 0181-0895	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$105,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0886 0181-0890 0181-0892	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$105,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0896 0181-0890 0181-0892 0181-0898	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$105,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0880 0181-0886 0181-0886 0181-0890 0181-0892 0181-0898 0181-0898 0181-0900 0181-0900 0181-0900	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$145,000 \$45,000 \$213,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0880 0181-0886 0181-0890 0181-0892 0181-0895 0181-0996 0181-0990 0181-0900 0181-0900	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$45,000 \$213,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT 1 mile gas & water	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0890 0181-0890 0181-0990 0181-0990 0181-0990 0181-0990	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$45,000 \$213,000 \$85,000 \$90,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0880 0181-0886 0181-0890 0181-0892 0181-0895 0181-0996 0181-0990 0181-0900 0181-0900	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$45,000 \$213,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT 1 mile gas & water	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0890 0181-0890 0181-0990 0181-0990 0181-0990 0181-0990	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$45,000 \$213,000 \$85,000 \$90,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT 1 mile gas & water	ft 2/ft Q @ \$20.31/ft	0181-0795 0181-0796	\$255,600 \$418,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0890 0181-0890 0181-0990 0181-0990 0181-0990 0181-0990	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$45,000 \$213,000 \$85,000 \$90,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT 1 mile gas & water	ft 2/ft Q @ \$20.31/ft 5/ft	0181-0795 0181-0796	\$255,600 \$418,800 \$35,000	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0890 0181-0890 0181-0990 0181-0990 0181-0990 0181-0990	\$117,200 \$30,000 \$70,000 \$25,000 \$108,000 \$113,000 \$45,000 \$213,000 \$85,000 \$90,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/NRU/Flare/KO's (1/4) H sep/V sep/HT 1 mile gas & water	ft 2/ft Q @ \$20.31/ft 5/ft TOTAL	0181-0795 0181-0796	\$255,600 \$418,800 \$35,000 \$35,000 \$3,521,800	0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0890 0181-0890 0181-0990 0181-0990 0181-0990 0181-0990	\$117,200 \$30,000 \$70,000 \$25,000 \$8,000 \$108,000 \$113,000 \$45,000 \$45,000 \$213,000 \$45,000 \$45,000 \$213,000
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 Pumping Unit Systems Service Pumps Storage Tanks Emissions Control Equipment Separation / Treating Equipment Automation Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction	5700' - 9 5/8" 40# J-55 LT&C @ \$41.98/ 10620' - 7" 29# HPP110 BT&C @ \$36.9 10790' - 4 1/2" 13.5# HCP-110 CDC-HT 8780' - 2 7/8" 6.5# L-80 IPC Tbg @ \$12. Completion Liner Hanger (1/4) TP/CP/Circ pump (1/4) 8 OT/6 WT/GB (1/4) VRT's/VRU/Flare/KO's (1/4) H sep/V sep/HT 1 mile gas & water TOTAL	ft 2/ft 2/ft 2/ft 2 ft 2 ft 2 ft 2 ft 2	0181-0795 0181-0796 0181-0860	\$255,600 \$418,800 \$35,000 \$35,000 \$3,521,800 \$9,50	0181-0798 0181-0870 0181-0870 0181-0885 0181-0886 0181-0892 0181-0895 0181-0990 0181-0990 0181-0990 0181-0990 0181-0990	\$117,200 \$30,000 \$70,000 \$25,000 \$8,000 \$108,000 \$113,000 \$45,000 \$45,000 \$213,000 \$45,000 \$45,000 \$213,000
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ATTACHMENT \widehat{D}

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

TELEPHONE (432) 682-3715

June 6, 2022

Certified Mail - Return Receipt Requested

COG Operating LLC 600 W. Illinois Avenue Midland, Texas 79701 Attn: Baylor Mitchell

To: Working Interest Owners in the Bone Spring formation

W/2E/2 §22 and the W/2E/2 §27-22S-27E, NMPM

Lea County New Mexico

Re: Overlapping spacing units

Ladies and Gentlemen:

As you are aware, Mewbourne Oil Company ("Mewbourne") has proposed the drilling of the Perro Loco 27/22 B2OB Fed Com No. 2H ("27/22 B2OB") on the above-described lands to a depth sufficient to test the Second Bone Spring Sand. The W/2E/2 §22-22S-27E, NMPM is in the well unit for the Perro Loco 22 B3OB Federal Com No. 1H ("22 B3OB") (operated by Mewbourne), which has been drilled and completed in the Third Bone Spring Sand. All interest owners in the 22 B3OB well are in the well unit for the 27/22 B2OB well. However, the interest owners in the W/2E/2 §27 own no interest in the 22 B3OB well.

Mewbourne provides this notice pursuant to NMAC 19.15.16.15.B(9)(b). Because of the different sands being tested by the two wells, and the geological barrier between the two zones, Mewbourne expects no effects on the 22 B3OB well from the drilling and completion of the 27/22 B2OB well. In addition, distribution of production proceeds to the interest owners in the 22 B3OB well will not change upon the drilling of the 27/22 B2OB well. The Oil Conservation Division's Rule cited above requires Mewbourne to notify you of the overlapping well units. If you have any objection to Mewbourne filing an Application for Permit to Drill the 27/22 B3OB well, you must deliver a written statement of such objection to Mewbourne within 20 days of the date of this letter.

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

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn

Petroleum Landman

ATTACHMENT

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

TELEPHONE (432) 682-3715

June 6, 2022

Certified Mail - Return Receipt Requested

COG Operating LLC 600 W. Illinois Avenue Midland, Texas 79701 Attn: Baylor Mitchell

To: Working Interest Owners in the Bone Spring formation

E/2E/2 §22 and the E/2E/2 §27-22S-27E, NMPM

Lea County New Mexico

Re: Overlapping spacing units

Ladies and Gentlemen:

As you are aware, Mewbourne Oil Company ("Mewbourne") has proposed the drilling of the Perro Loco 27/22 B3PA Fed Com No. 2H ("27/22 B3PA") on the above-described lands to a depth sufficient to test the Third Bone Spring Sand. The E/2E/2 §22-22S-27E, NMPM is in the well unit for the Perro Loco 22 B2PA Federal Com No. 1H ("22 B2PA") (operated by Mewbourne), which has been drilled and completed in the Second Bone Spring Sand. All interest owners in the 22 B2PA well are in the well unit for the 27/22 B3PA well. However, the interest owners in the E/2E/2 §27 own no interest in the 22 B2PA well.

Mewbourne provides this notice pursuant to NMAC 19.15.16.15.B(9)(b). Because of the different sands being tested by the two wells, and the geological barrier between the two zones, Mewbourne expects no effects on the 22 B2PA well from the drilling and completion of the 27/22 B3PA well. In addition, distribution of production proceeds to the interest owners in the 22 B2PA well will not change upon the drilling of the 27/22 B3PA well. The Oil Conservation Division's Rule cited above requires Mewbourne to notify you of the overlapping well units. If you have any objection to Mewbourne filing an Application for Permit to Drill the 27/22 B2PA well, you must deliver a written statement of such objection to Mewbourne within 20 days of the date of this letter.

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

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn

Petroleum Landman

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

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

Case No. 22633

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

Case No. 22634

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

Case No. 22635

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

Case No. 22636

SELF-AFFIRMED STATEMENT OF JORDAN CARRELL

Jordan Carrell 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 these cases. 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 on the 3rd Bone Spring Sand top. It shows that structure dips to the southwest. It also shows all of the Bone Spring horizontal wells in the area, and a line of cross-section.
 - (b) Attachment B is a 2nd Bone Spring Sand Gross Thickness Map. This map shows the locations of the two proposed 2nd Bones Spring Sand wells, the Perro Loco 27 B2PA Fed. Com. Well No. 1H and the Perro Loco 27/22 B2OB Fed. Com. Well No. 2H.

Only the 2nd Bone Spring is sought to be pooled in these two proposed well units. It is defined as depths from 10,087 feet subsurface to the base of the 2nd Bone Spring, at a depth of 10,526 feet subsurface, as found in the Compensated Neutron Litho Density log

EXHIBIT 3

in the Sun Fed. Com. Well No. 1 (API No. 30-025-30603), located in Unit Letter O of Section 27, Township 22 South, Range 34 East, NMPM.

(c) Attachment C is a 3rd Bone Spring Sand Gross Thickness Map. This map shows the locations of the two proposed 3rd Bone Spring Sand wells, the Perro Loco 27 B3OB Fed. Com. Well No. 1H and the Perro Loco 27/22 B3PA Fed. Com. Well No. 2H.

Only the 3rd Bone Spring is sought to be pooled in these two proposed well units. It is defined as depths from 10,526 feet subsurface to the base of the Bone Spring formation, at a depth of 11,325 feet subsurface, as found in the Compensated Neutron Litho Density log in the Sun Fed. Com. Well No. 1 (API No. 30-025-30603), located in Unit Letter O of Section 27, Township 22 South, Range 34 East, NMPM.

- (d) The reason the depths being pooled are limited is because of existing 2nd and 3rd Bone Spring wells in this acreage.
- (e) Attachment D is a cross section of the 2nd and 3rd Bone Spring Sands, and shows the planned target zones for each well.

The well logs on the cross-section give a representative sample of the 2nd and 3rd Bone Spring Sands in this area. The sands are continuous and uniformly thick across the well units.

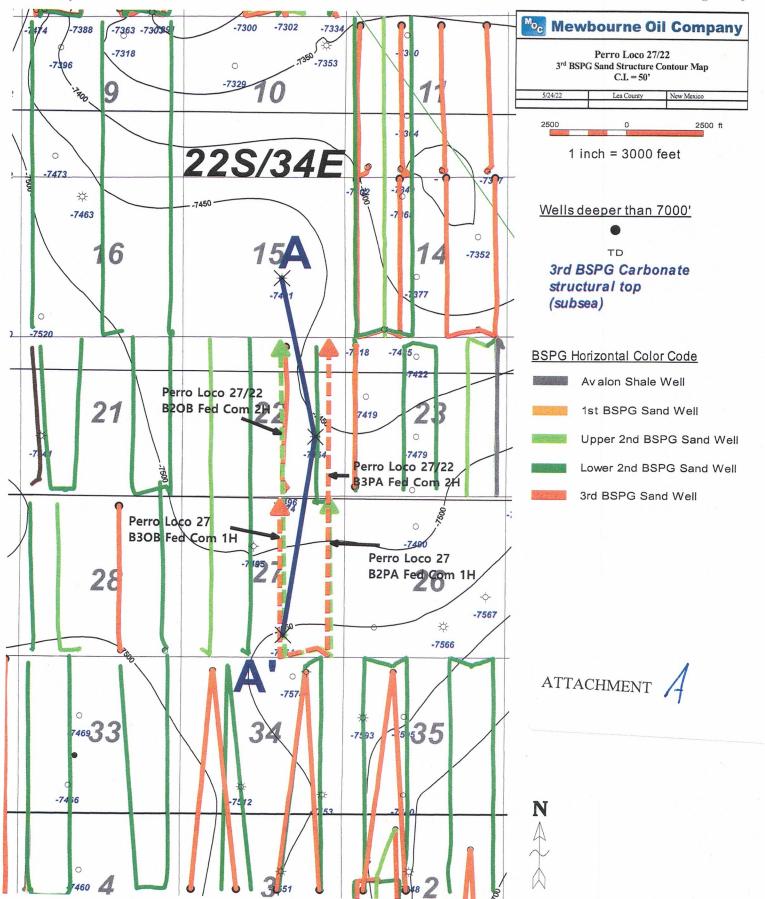
- 4. I conclude from the maps that:
- (a) The horizontal spacing units are justified from a geologic standpoint.
- (b) The target zones are continuous and of relatively uniform thickness across the well units.
- (c) Each quarter-quarter section in the well units will contribute more or less equally to production from the target zone.
- (d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.
- (e) Due to the 3rd Bone Spring Carbonate barrier, production from the 2nd Bone Spring wells will not affect the 3rd Bone Spring wells, and *vice versa*.
- 5. Attachment E contains production information from other 2nd and 3rd Bone Spring Sand wells drilled in this area. The 2nd and 3rd Bone Spring wells in this area are all standup wells.
- 6. Attachment F contains the Horizontal Drilling Plans or Survey Calculation Reports for the proposed wells. The producing intervals of the wells will be orthodox.

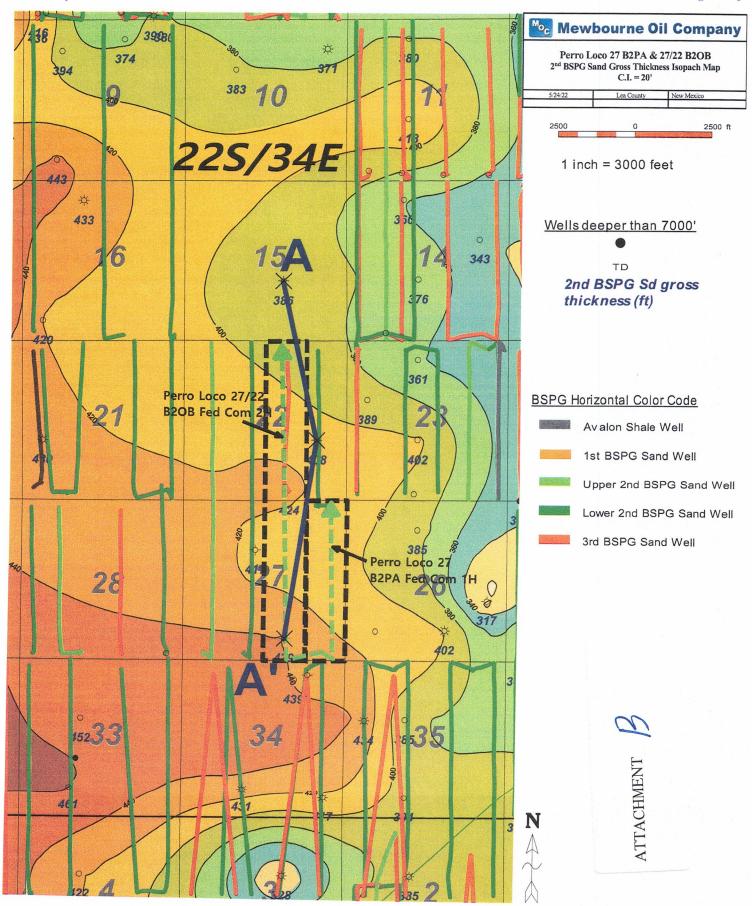
7. I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 6 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

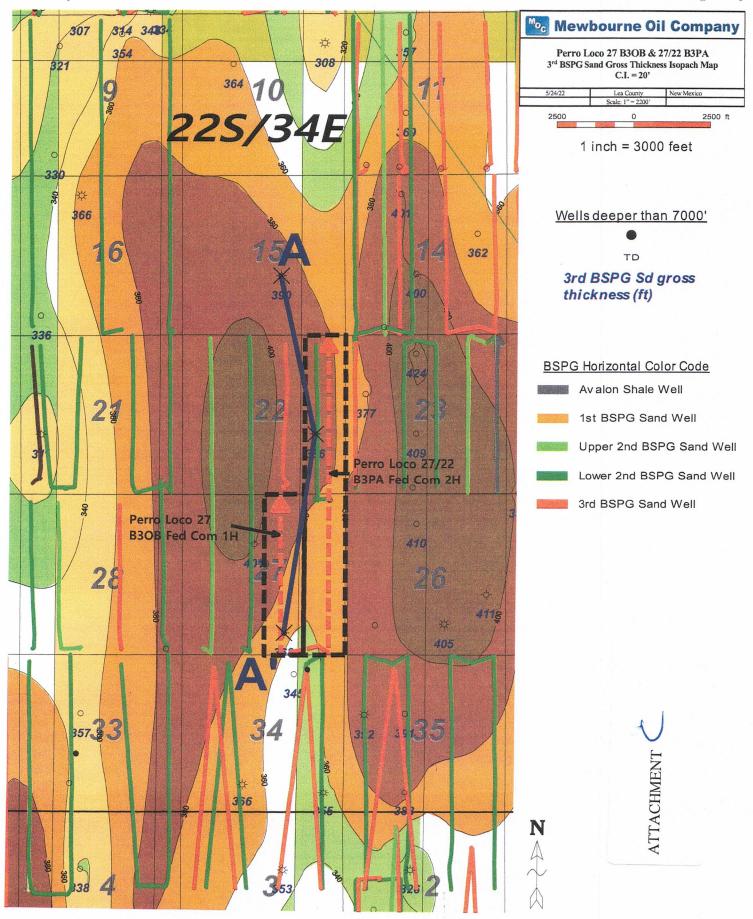
Date: 7-26-2022

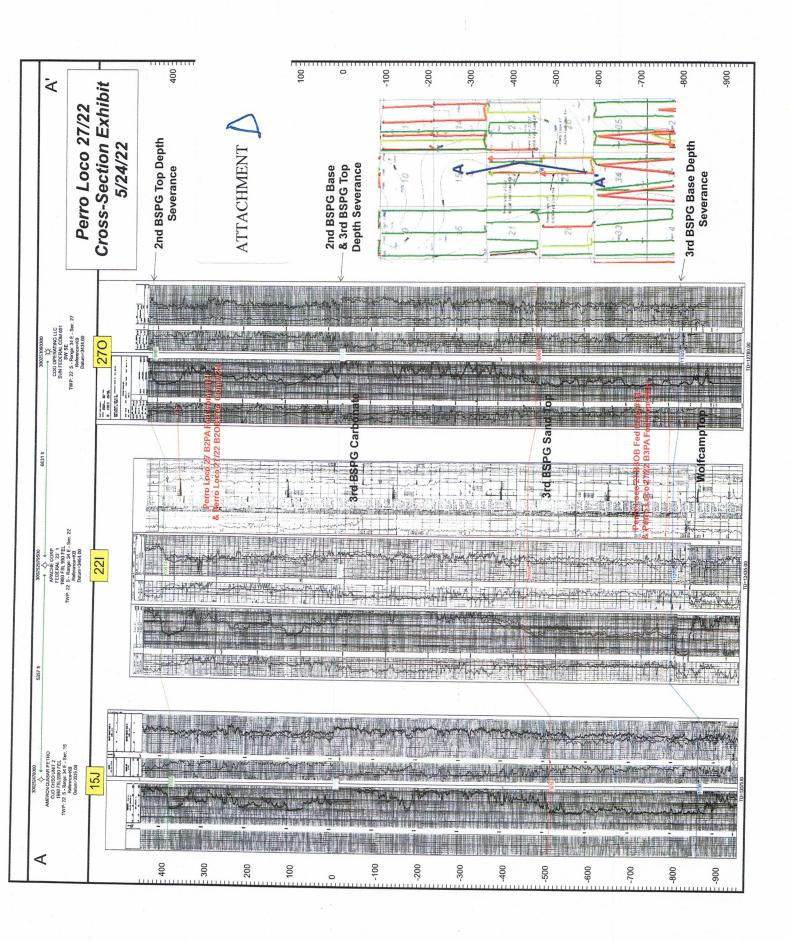
Jarelen Carrell

Jordan Carrell









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Well Name	Operator	API	Location	Comp Date	OdW iiO mii)	100,000		_	
SAUCHO 21 FEDERAL 3H	DEVON ENERGY	3002542136	225 3AE 21NI CE CW		Cuin Oil (MBO)	Cum Oil (MBO) cum Gas (BCF)	Cum Water (MBW)	NS/EW	HZ Target
GAUCHO 21 FEDERAL 4H	DEVON ENERGY	2002572530	223 34E 21N 3E 3W	50-71-5102	288	1.0	341	NS	2nd BSPG Sd
TOUR BUS 23 STATE 502H	DEVON ENERGY	3002342137	225 34E 21N	2015-12-10	389	0.9	334	NS	2nd BSPG Sd
SMALLS FEDERAL 1H	COG OBERATING 11C	3002542/35	225 34E 23D	2016-04-25	257	0.4	502	NS	2nd BSPG Sd
SMALLS FEDERAL 7H	COG OPERATING LLC	3002543001	225 34E 28P SE SE	2016-07-01	530	6.0	684	NS	2nd BSPG Sd
SMALLS FEDERAL 8H	COG OPERATING LLC	3002543068	225 34E 28N SE SW	2017-01-25	417	0.8	302	SN	2nd BSPG Sd
SQUINTS FEDERAL COM 7H	COC OPERATING LLC	3002543069	22S 34E 28M SW SW	2017-01-20	741	1.5	453	SN	2nd BSPG Sd
SQUINTS FEDERAL COM 8H	COG OPERATING LLC	3002543167	22S 34E 27N SE SW	2020-08-02	720	1.1	496	NS	2nd BSPG Sd
RIO BLANCO 4 33 FEDERAL COM 21	DEVON ENTRECY		22S 34E 27M SW SW	2020-07-26	200	0.8	407	NS	2nd BSPG Sd
PERRO LOCO 22 B2PA FEDERAL 1H	MEW/ROLIBNIE OIL CO		23S 34E 4E SW NW	2019-04-03	398	0.5	543	NS	2nd BSPG Sd
GRAMA 8817 JV-P FEDERAL COM 2H	BTA OII BRODITCERS 11.C		225 34E 27A NE NE	2017-07-03	253	0.4	418	NS	2nd BSPG Sd
GRAMA 8817 16-9 FEDERAL 4H	PTA OII PRODUCERS LLC	3002543426	225 34E 16M SW SW	2017-01-23	774	2.0	780	NS	2nd BSPG Sd
GRAMA 8817 16-9 FEDERAI 5H	RTA OIL PRODUCERS LLC		225 34E 160 SW SE	2019-02-26	787	1.5	548	NS	2nd BSPG Sd
TOUR BUS 23 STATE 503H	CENTENNIAL BESOLUBOES		225 34E 16P SE SE	2019-03-02	723	1.4	661	NS	2nd BSPG Sd
TOUR BUS 23 STATE SOAH	CENTENNIAL RESOURCES		225 34E 23C NE NW	2018-01-02	246	0.5	507	SN	2nd BSPG Sd
GAUCHO 21 FEDERAL 6H	DEVON ENITRON		22S 34E 23C	2017-12-12	240	0.5	456	NS	2nd BSPG Sd
TOUR BUS 23 STATE 505H	CENTIFICATION PERSON	_	22S 34E 21P SE SE	2019-01-21	460	0.7	340	SN	2nd BSPG Sd
TOUR BUS 23 STATE 506H	CENTENNIAL RESOURCES		22S 34E 23A	2018-06-30	242	0.5	377	SN	2nd BSPG Sd
RIO BLANCO 4 33 FEDERAL COM 38H	DEVON ENERGY		22S 34E 23A	2018-06-30	202	0.3	390	NS	2nd BSPG Sd
RTO BLANCO 4 33 FEDERAL COM 39H	DEVON ENERGY	3002544829	235 34E 4E SW NW	2019-04-05	330	0.4	412	SN	2nd BSPG Sd
RIO BLANCO 4 33 FEDERAL COM 5H	DEVOIN ENERGY	3002544830	23S 34E 4G SW NE	2019-04-11	332	0.5	392	SN	2nd BSPG Sd
GAUCHO 21 FEDERAL 7H	DEVON ENERGY	3002544962	3002544962 23S 34E 4G SW NE	2019-04-11	399	0.5	446	NS	2nd BSPG Sd
MAXUS 8026 FEDERAL 3H	DTA OII PROPILOTECTION	3002545238	225 34E 21P SE SE	2019-01-21	399	6.0	346	NS	2nd BSPG Sd
MAXUS 8026 FEDERAL 4H	BIA OIL PRODUCERS LLC	3002546815	22S 34E 34A NE NE	2020-09-01	358	0.5	635	SN	2nd BSPG Sd
NORTH RIDGE 8040 FEDERAL COM 15	BIA OIL PRODUCERS LLC	3002546816	3002546816 225 34E 34A NE NE	2020-09-24	345	0.4	566	NS	2nd BSPG Sd
NORTH RIDGE 8040 EEDEBAL COM 21	BIA UIL PRUDUCERS LLC		22S 34E 35C NE NW	2020-10-10	329	0.5	437	N.S.N.	2nd BSPG Sd
NORTH RIDGE 8040 EFDERAL COM 211	BIA OIL PRODUCERS LLC		22S 34E 35C NE NW	2020-10-09	295	0.5	455	SN	2nd BSPG Sd
NORTH RIDGE 8040 FEDERAL COM 41	BIA OIL PRODUCERS LLC	3002546959 2	22S 34E 35A NE NE	2020-10-21	170	0.3	353	NS	2nd BSPG Sd
MAXUS 8026 FEDERAL 5H	BTA OIL PRODUCERS LLC	3002546960 2	22S 34E 35A NE NE	2020-10-21	219	0.4	365	NS	2nd BSPG Sd
MAXUS 8026 FEDERAL 6H	BTA OIL PRODUCERS LLC	3002546817 2	25 34E 34C NE NW	2021-07-01	196	0.3	299	NS	2nd BSPG Sd
CABRA LOCA 11 B3OB STATE 1H	MEMBOLIBNIC OIL CO	3002546818 2	25 34E 34C NE NW	2021-07-26	226	0.3	327	NS	2nd BSPG Sd
	WEW BOOKING OIL CO	3002542002 22S 34E 110	2S 34E 110	2014-12-03	337	0.3	167	NS	3rd BSPG Sd

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CABRA LOCA 11 B3PA STATE COM 1H MEWBOURNE OIL CO	MEWBOURNE OIL CO	3002542149	3002542149 22S 34E 11P	2015-09-12	223	0.3	242	OIA	- 0 0000
PERRO LOCO 22 RAOR FEDERAL 1H	MEWADOLIBME OIL CO	0000470000	1	20000	250	0.3	212	NS	3rd BSPG Sd
ביייים בספס בד מספס ו בתרווער זון	INIEW BOUNNE OIL CO	3002542288	3002542288 225 34E 220 SW SE	2015-03-09	146	0.2	394	NS	3rd BCDC Cd
CABRA NINO 11 B3NC STATE COM 1H MEWBOURNE OIL CO	MEWBOURNE OIL CO	3002542597	22S 34E 11N	2016-11-30	568	8.0	000	2 2	or Boro ou
CABRA NINO 11 B3MD STATE COM 1H MEWBOURNE OIL CO	MEWBOURNE OIL CO	3002542598 2	22S 34F 11M	2017 00 13	505	0.0	200	SN.	Srd BSPG Sd
SMALLS FEDERAL 2H	COC OBEBATINIC 11C	2000470000	MI	01-00-1107	676	0.8	222	NS	3rd BSPG Sd
	COG OFENALING LLC	3002543064	3002543064 225 34E 280 SW SE	2018-06-02	297	0.4	435	NS	3rd BCDC Cd
CHISO 14 STATE 8711 3H	BTA OIL PRODUCERS LLC	3002543614	3002543614 22S 34E 14P	2017-06-05	142	0.4	736	2 2	ord bord ou
CHISO 14 STATE 8711 AH	OTT SATSURGED IN ATA	1,000,10000	1	200	71.		707	NS	Srd BSPG Sd
יייים די מוויים מידי אוו	DIA UIL PRUDULERS LLC	3002543615	3002543615 22S 34E 14P	2017-06-01	140	0.2	318	NC	3rd Dode ed
TOUR BUS 23 STATE 601H	CENTENNIAL RESOURCES	3002544290 22S 34F 23D	22S 34F 23D	2018-04-23	180		010	2	no para no
MAXIIS 2005 EEDEDAL OIL	di d			67-10-01-67	100	0.3	36/	SS	3rd BSPG Sd
MANOS GUZU FEDENAL SH	BIA UIL PRUDUCERS LLC	3002546821	3002546821 22S 34E 34A NE NE	2021-08-08	289	0.4	307	OIN	TO OGOG PTC
NORTH RIDGE 8040 FEDERAL COM 6H BTA OII PRODITIFES ITC	BTA OII PRODITCERS LLC	3002546961	3002546961 22C 34E 25C NE NIM	200000000000000000000000000000000000000		1.0	200	CN	ord BSPG Sd
TOOL OF CONTRACT OF CONTRACT IN THE CONTRACT OF CONTRA	מביום רבס	2005040301	ZZS S4E SSC NE NW	1.0-1.0-2202	83	0.1	115	NS	3rd BSPG Sd
NOK I H KIDGE 8040 FEDERAL COM 5H BTA OIL PRODUCERS LLC	BTA OIL PRODUCERS LLC	3002547000	3002547000 22S 34E 35C NE NW	2022-02-07	26	0.1	127	NIC	
MAXUS 8026 FEDERAL 7H	RTA OII DEODIICEES IIC	SOUSTACOS					171	CN	ord bake so
	DIA OIL I NODOCENS LLC	3007340013	3002340019 ZZS 34E 34D NW NW	2022-02-01	71	0.1	81	SN	3rd BSPG Sd
MAXUS 8026 FEDERAL 8H	BTA OIL PRODUCERS LLC	3002546820	3002546820 22S 34E 34D NW NW	2022-02-22	68	0.4			000000000000000000000000000000000000000
					8	- 1.0	00	NS	3rd BSPG Sd

Mewbourne Oil Company

SURVEY CALCULATION REPORT Minimum Curvature Calculations

Operator: Mewbourne Oil Company Lease Name: Loco 27/22 B2OB Fed Com KOP 9610.04 Target KBTVD: Target Angle: Section Plane:

10,183 Feet 10183.00 90.43 Degrees 90.43 0.97 Degrees

Declination Corrected to True North: Bit to Survey Offset: 6.63 Degrees 44 Feet

										Bit	to Survey	Offset.	44	rect			
														+Above			
Survey	Measured	Drift	Azimuth	Course	TVD	Vertical	+N/-S	+E/-W	Closure	Closure				-Below		AZIMUT	
No	Depth-ft	(Deg)	(Deg.)	Length	(Feet)	Section	(Feet)	(Feet)		Direction	BUR	DLS	KBTVD	Target	RADIANS	(RADIAN	IS)
T/I	9610.04	0.00	0.97	N/A	9610.0	0.0	0.0	0.0	0.0	0.0	N/A	N/A	96100	573.0			#VALUE!
1	9700 47	9.04	0.97	90.4318	9700.1	7.1	7.1	0.1	7.1	1.0	10.0	10.0	9700.2	482.8		0.02	0.157833
2	9790.91	18,09	0.97	90.4318	9787.9	28.3	28 3	0.5		10	10.0	10.0	9788 1	394.9		0.02	0.157833
3	9881,34	27.13	0.97	90,4318	9871.3	63.0	63.0	1.1			10.0	10.0	9871.8	311.2		0.02	0.157833
4	9971.77	36,17	0.97	90.4318	9948 2	110.4	110.4	1.9		1.0	10.0	10.0	9949.0	234.0		0.02	0.157833
5	10062.20	45.22	0.97	90.4318	10016.7	169.3	1693	29		10	10.0	10.0	10018.0	165.0	0 78917	0.02	0.157833
6	10152.63	54,26	0.97	90.4318	10075.1	238.3	238 2	4.0		1.0	10.0	10.0	10076 9	106.1		0.02	0.157833
7	10243.06	63,30	0.97	90.4318	10121.9	315.5	315.5	5.3			10.0	10.0	101243	58 7 24 0		0.02	0.157833
8	10333.50	72.35	0.97	90.4318	10156 0	399.2	399 1	6.8			10.0	10.0	10139.0	28		0.02	0.157833
9	10423.93	81.39	0.97	90.4318	10176.5	487 2	487 1	8.2		10	10.0	10.0	10180 2	-43		0.02	0.157833
10	10514.36	90.43	0.97	90.4318	10183.0	577 3	577 2	9.8			0.0	0.0	101873	-43		0.02	1E-10
- 11	10600.00	90.43	0.97	85,6403	10182 3	662.9 762.9	662 8 762 8	12 9			0.0	0.0	101873	-4.3		0.02	1E-10
12	10700.00	90.43	0.97	100	10181.6	862 9	862 8	14.6			0.0	0.0	10187.3	-43		0.02	1E-10
13	10800.00	90.43	0.97	100	101808		962.8	16.3			0.0	0.0	101873	-4.3		0.02	1E-10
14	10900.00	90.43	0.97	100	10180 1	962 9 1062 9	1062.7	18.0			0.0	0.0	101873	-4.3		0.02	1E-10
15	11000.00	90.43	0.97	100	10179 3 10178 6		1162.7	197			0.0	0.0	10187.3	-4.3		0.02	1E-10
16	11100.00	90.43	0.97	100	10178 8	1262 9	1262 7	21.4			0.0	0.0	10187.3	-4.3		0.02	1E-10
17	11200.00	90.43	0.97	100	10177 1	1362 9	1362 7	23.0			0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
19	11400.00	90.43	0.97	100	10176 3	1462.9	1462 7	24.7			0.0	0.0	10187.3	-4.3	1 57833	0.02	1E-10
20	11500.00	90.43	0.97	100	10175 6	1562.9	1562 7	26 4			0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
21	11600.00	90.43	0.97	100	10174.8	1662 9	1662 6	28 1			0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
22	11700.00	90.43	0.97	100	101740		1762 6	29 8			0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
23	11800.00	90.43	0.97	100	10173.3	1862 9	1862 6	31.5			0.0	0.0	101873	-4.3	1 57833	0.02	1E-10
24	11900.00	90.43	0.97	100	10172.5	1962 9	1962 6	33 2	1962 9	10	0.0	0.0	10187.3	-4.3		0 02	1E-10
25	12000.00	90.43	0.97	100	10171.8	2062 9	2062 6	34.9	2062 9	1.0	0.0	0.0	10187.3	-4.3		0.02	1E-10
26	12100.00	90.43	0.97	100	10171 0	21629	21626	36 6	2162 9	1.0	0.0	0.0	101873	-4 3		0.02	1E-10
27	12200.00	90.43	0.97	100	101703	2262 9	2262 5	38 3	2262 9	1.0	0.0	0.0	101873	-43		0 02	1E-10
28	12300.00	90.43	0.97	100	10169 5	2362 9	2362 5	40 0	2362 9		0.0	0.0	10187 3	-4.3		0 02	1E-10
29	12400 00	90.43	0.97	100	10168.8	2462 9	2462 5	41 6			0.0	0.0	101873	-4.3		0.02	1E-10
30	12500.00	90.43	0.97	100	10168.0		2562 5	43 3			0.0	0.0	10187 3	-4.3		0 02	1E-10 1E-10
31	12600.00	90.43	0.97	100	10167.3	2662.9	2662 5	45 0			0.0	0.0	10187.3	-4.3		0 02	1E-10
32	12700.00	90.43	0,97	100	10166.5	2762.9	2762 5	46.7			0.0	0.0	10187.3	-43		0 02	1E-10
33	12800.00	90.43	0.97	100	10165 8	2862 9	2862 4	48.4			0.0	0.0	101873	-4 3 -4 3		0 02	1E-10
34	12900 00	90 43	0.97	100	10165.0		2962.4	50.1			0.0	0.0	101873	-43		0.02	IE-10
35	13000.00	90.43	0.97	100	10164.3	3062.8	3062.4	51 8			0.0	0.0	10187.3	-43		0.02	1E-10
36	13100.00	90.43	0.97	100	10163.5	3162.8	31624	53.5			0.0	0.0	10187.3	-43		0.02	1E-10
37	13200,00	90.43	0.97	100	10162.7	3262.8	3262 4	55.2		10	0.0	0.0	10187.3	-43		0.02	1E-10
38	13300.00	90.43	0.97	100	10162 0	3362.8	3362.4	56 9		10	0.0	0.0	10187 3	-43		0.02	1E-10
39	13400.00	90.43	0.97	100	10161 2	3462.8	3462.3	58 6 60 2		10	0.0	0.0	10187 3	-43		0 02	1E-10
40	13500,00	90.43	0.97	100	10160 5	3562 8 3662 8	3562 3 3662 3	61.9		1.0	0.0	0.0	10187 3	-43		0 02	1E-10
41	13600.00	90.43	0.97	100	10159.7	3762.8	3762 3	63.6		1.0	0.0	0.0	10187.3	-4 3		0.02	1E-10
42	13700.00 13800.00	90.43	0.97	100	10158 2	3862.8	3862 3	65.3		1.0	0.0	0.0	10187 3	-43		0.02	IE-10
	13900.00	90.43	0.97	100	10157.5	3962.8	3962 3	67.0		1.0	0.0	0.0	10187.3	-43		0.02	IE-10
44	14000.00	90.43	0.97	100	10156 7	4062.8	4062 2	68.7		1.0	0.0	0.0	10187.3	-4 3		0.02	1E-10
	14100.00	90.43	0.97	100	10156 0	4162 8	4162 2	70.4		1.0	0.0	0.0	10187 3	-4.3		0.02	1E-10
46	14100.00	90.43	0.97	100	10155 2	4262.8	4262 2	72.1		1.0	0.0	0.0	10187.3	-4.3		0.02	1E-10
48	14300.00	90.43	0.97	100	10154.5	4362.8	4362 2	73.8			0.0	0.0	10187.3	-43		0.02	1E-10
49	14400.00	90.43	0.97	100	10153.7	4462.8	4462 2	75.5		10	0.0	0.0	101873	-4.3		0.02	1E-10
50	14500.00	90.43	0.97	100	10153.0	4562.8	4562 1	77.2		1.0	0.0	0.0	10187.3	-4 3	1 57833	0.02	1E-10
51	14600.00	90.43	0.97	100	10152 2	4662.8	4662 1	78.8		1.0	0.0	0.0	101873	-4 3	1 57833	0.02	1E-10
52	14700.00	90.43	0.97	100	10151.4	4762.8	4762 1	80.5		1.0	0.0	0.0	101873	-4 3		0.02	1E-10
53	14800.00	90.43	0.97	100	10150.7	4862 8	4862 1	82 2		10	0.0	0.0	101873	-43	1.57833	0.02	1E-10
54	14900.00	90.43	0.97	100	101499	4962 8	4962 1	83 9			0.0	0.0	10187.3	-4 3	1 57833	0 02	1E-10
55	15000.00	90.43	0.97	100	10149.2	5062.8	5062 1	85.6		10	0.0	0.0	101873	-4 3		0 02	1E-10
56	15100.00	90.43	0.97	100	10148.4	5162 8	51620	873			0.0	0.0	101873	-43	1.57833	0.02	1E-10
	, , , , , , , , , , , , , , , , , , , ,	-0.10	2.07	,													

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57	15200.00	90.43	0.97	100	10147.7	5262 8	5262.0	89 0	5262.8	1.0	0.0	0.0	10187.3		1 57833	0.02	1E-10
58	15300.00	90 43	0.97	100	10146.9	5362 8	5362.0	90.7	5362.8	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
59	15400.00	90.43	0.97	100	10146.2	5462 8	5462 0	92 4	5462.8	1.0	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
60	15500.00	90.43	0.97	100	10145.4	5562 8	5562.0	94.1	5562.8	1.0	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
61	15600.00	90.43	0.97	100	10144.7	5662.8	5662.0	95.8	5662.8	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
62	15700.00	90.43	0.97	100	10143.9	5762.8	5761.9	97.4	5762.8	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
63	15800.00	90.43	0.97	100	10143.2	5862 8	5861.9	99.1	5862 8	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
64	15900.00	90.43	0.97	100	101424	5962.8	5961.9	1008	5962.8	1.0	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
65	16000.00	90.43	0.97	100	10141.6	6062.8	6061 9	102.5	6062.8	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
66	16100.00	90.43	0.97	100	10140.9	6162.8	6161.9	104.2	6162.8	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
67	16200.00	90.43	0.97	100	10140.1	6262.8	6261.9	105.9	6262 8	1.0	0.0	0.0	101873	-4 3	1.57833	0.02	1E-10
68	16300.00	90.43	0.97	100	101394	6362.8	6361.8	107.6	63628	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
69	16400.00	90.43	0.97	100	101386	6462.7	6461 8	109.3	6462 7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
70	16500.00	90.43	0.97	100	101379	6562.7	6561 8	111.0	6562.7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
71	16600.00	90.43	0.97	100	101371	6662.7	6661.8	1127	6662 7	1.0	0.0	0.0	10187.3	-43	1.57833	0.02	1E-10
72	16700.00	90 43	0.97	100	10136.4	6762 7	6761 8	114.4	6762.7	10	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
73	16800.00	90.43	0.97	100	101356	6862.7	6861 8	116.0	6862.7	1.0	0.0	0.0	10187.3	-43	1.57833	0.02	1E-10
74	16900.00	90.43	0.97	100	10134.9	6962.7	6961 7	117.7	6962.7	10	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
75	17000.00	90.43	0.97	100	10134.1	7062.7	7061.7	119.4	7062.7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
76	17100.00	90.43	0.97	100	10133.4	7162 7	7161.7	121.1	7162 7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
77	17200.00	90.43	0.97	100	10132.6	7262.7	7261.7	122.8	7262.7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
78	17300.00	90.43	0.97	100	10131.9	7362.7	7361.7	124.5	7362.7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	IE-10
79	17400.00	90.43	0.97	100	10131.1	7462.7	7461.7	126.2	7462.7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
80	17500.00	90.43	0.97	100	10130.3	7562.7	7561.6	127.9	7562 7	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
81	17600.00	90.43	0.97	100	10129.6	7662.7	7661.6	129.6	7662 7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
82	17700.00	90.43	0.97	100	10128.8	7762.7	7761.6	131.3	7762 7	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
83	17800.00	90.43	0.97	100	10128 1	7862.7	7861.6	133.0	7862 7	1.0	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
84	17900.00	90.43	0.97	100	10127.3	7962 7	7961.6	134.6	7962 7	1.0	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
85	18000.00	90.43	0.97	100	10126.6	8062 7	8061.6	136.3	8062 7	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
86	18100.00	90.43	0.97	100	10125.8	8162 7	8161.5	138.0	8162.7	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
87	18200.00	90.43	0.97	100	10125.1	8262 7	8261.5	139.7	8262 7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
88	18300.00	90.43	0.97	100	10124.3	8362 7	8361.5	141.4	8362 7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
89	18400.00	90.43	0.97	100	10123.6	8462 7	8461.5	143.1	8462.7	1.0	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
90	18500.00	90.43	0.97	100	10122.8	8562 7	8561.5	144.8	8562.7	10	0.0	0.0	10187.3	-4.3	1 57833	0.02	1E-10
91	18600.00	90.43	0.97	100	10122.1	8662 7	8661.4	146.5	8662 7	10	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
92	18700.00	90.43	0.97	100	10121.3	8762 7	8761.4	148.2	8762 7	1.0	0.0	0.0	10187.3	-4.3	1 57833	0.02	1E-10
93	18800.00	90.43	0.97	100	10120.5	8862 7	8861.4	149 9	8862.7	1.0	0.0	0.0	101873	-4.3	1 57833	0.02	1E-10
94	18900.00	90.43	0.97	100	101198	8962 7	8961.4	1516	8962.7	10	0.0	0.0	101873	-4.3	1 57833	0.02	1E-10
95	19000.00	90.43	0.97	100	101190	9062 7	9061.4	153.2	9062 7	10	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
96	19100.00	90.43	0.97	100	101183	9162.7	91614	1549	91627	1.0	. 0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
97	19200.00	90.43	0.97	100	10117.5	9262 7	9261.3	156 6	9262.7	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
98	19300.00	90.43	0.97	100	101168	9362 7	9361.3	158 3	9362.7	1.0	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
99	19400.00	90.43	0.97	100	101160	9462 7	9461.3	160 0	9462.7	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
100	19500.00	90.43	0.97	100	101153	9562.7	9561 3	161.7	9562.7	1.0	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
101	19600.00	90.43	0.97	100	10114.5	9662.7	9661 3	163 4	9662.7	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
102	19700.00	90.43	0.97	100	10113 8	9762 7	9761 3	165.1	9762.7	10	0.0	0.0	10187.3	-43	1.57833	0.02	1E-10
103	19800.00	90.43	0.97	100	10113 0	9862 7	9861 2	166.8	9862.7	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
103	19900.00	90.43	0.97	100	101123	9962.6	9961 2	168.5	9962 6	10	0.0	0.0	10187.3	-4.3	1.57833	0.02	1E-10
105	20000.00	90.43	0.97	100	101115	10062.6	10061 2	170.2	10062.6	1.0	0.0	0.0	10187.3	-43	1.57833	0.02	1E-10
105	20100.00	90.43	0.97	100	10110.8	10162.6	10161 2	171.8	10162.6	10	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
107	20100.00	90.43		97 3515	10110.0	10260.0	10258.5	173.5	10260 0	1.0	0.0	0.0	101873	-4.3	1.57833	0.02	1E-10
107	20197.35	90.43	0.97	0		10260 0	10258 5		10260 0	1.0	#DIV/0!	#DIV/0#	101873	-4.3	1.57833	0.02	1E-10

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 Nos. 22636

SELF-AFFIRMED STATEMENT OF NOTICE

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

James Bruce deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am an attorney for Mewbourne Oil Company.
- 3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
- 4. Notice of the application was provided to the interest owner, at its last known address, by certified mail. Copies of the notice letters and certified return receipts are attached hereto as Attachments A and B.
 - 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: 7/27/22

James Bruce

EXHIBIT \mathcal{A}

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

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

Case No. 22636

NOTICE LETTERS

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Alpha Energy Partners, LLC	03/10/22	03/21/22
P.O. Box 10701		
Midland, TX 79701		
BTA Oil Producers	03/10/22	
104 South Pecos		
Midland, TX 79701	1	
COG Operating, LLC	03/09/22	03/16/22
Attn: Baylor Mitchell		
600 W. Illinois Avenue	4	Ť
Midland, TX 79701	all the second	
MRC Delaware Resources LLC	03/09/22	03/16/22
Attn: David Johns	*	1
5400 LBJ Freeway, Ste. 1500		
Houston, TX 77210-4294	,	

ATTACHMENT.





HINKLE SHANOR LLP

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

WRITER:

Dana S. Hardy, Partner dhardy@hinklelawfirm.com

March 9, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO ALL INTERESTED PARTIES SUBJECT TO NOTICE

Re: Case No. 22636: Application of Mewbourne Oil Company for Compulsory

Pooling, Lea County, New Mexico

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **April 7**, **2022** beginning at 8:15 a.m.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic 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.

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

Thank you for your attention to this matter.

Sincerely,

/s/ Dana S. Hardy
Dana S. Hardy

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 575-622-6510 (FAX) 575-623-9332

PO BOX 1720 ARTESIA, NEW MEXICO 88210 575-622-6510 (FAX) 575-746-6316

PO BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623



HINKLE SHANOR LLP

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

WRITER

Dana S. Hardy, Partner dhardy@hinklelawfirm.com

March 10, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO VERTICAL OFFSETS IN POOL

Re.

Case No. 22636: Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **April 7**, **2022** beginning at 8:15 a.m. *Your interest is not being pooled by this application*. You are receiving this notice because you own an offsetting vertical interest within the Bone Spring formation that is not included in the horizontal spacing unit identified in this application.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic 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.

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

Thank you for your attention to this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 575-622-6510 (FAX) 575-623-9332

PO BOX 1720 ARTESIA, NEW MEXICO 88210 575-622-6510 (FAX) 575-746-6316 PO BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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.	A. Signature A. Signature A. Signature A. Signature C. Agent C. Date of Delivery Taref M. Furtsh. 3/16/22
1. Article Addressed to:	D. Is delivery address different from item 1? Yes if YES, enter delivery address below: No
Alpha Energy Partners, LLC P.O. Box 10701 Midland, TX 79701	10701
9590 9402 5760 0003 2665 00	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery
2 Article Number (Transfer from sentine label) 7021 0950 0002 0367 2231	☐ Collect on Delivery Restricted Delivery ☐ Insured Mall ☐ Insured Mall ☐ Insured Mall Restricted Delivery (over \$500)



USPS Tracking®

FAQs >

Track Another Package +

Tracking Number: 70210950000203672224

Remove X

Your item was delivered to an individual at the address at 10:38 am on March 14, 2022 in MIDLAND, TX 79701.

USPS Tracking Plus[®] Available ✓

Overage Series Delivered, Left with Individual

March 14, 2022 at 10:38 am MIDLAND, TX 79701

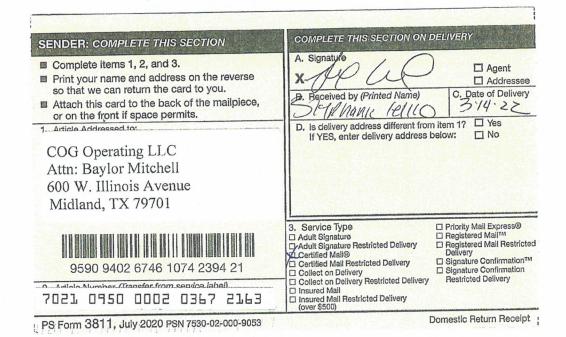
Get Updates ✓

Text & Email Updates	~
Tracking History	~
USPS Tracking Plus®	~
Product Information	~

See Less ^

Can't find what you're looking for?







SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
 ■ 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. 1. Article Addressed to: MRC Delaware Resources LLC Attn: David Johns 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 	A. Signature X L BYOWN	ressee
9590 9402 6746 1074 2394 14 2. Article Number Gransfer from service labell. 7021 0950 0002 0367 2156	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Collect on Delivery Collect on Delivery Restricted Delivery Insured Mail Restricted Delivery (over \$500)	stricted

JMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

July 14, 2022

ATTACHMENT β

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of four applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, seeking to pool all uncommitted mineral interest owners in the Bone Spring formation (depth limited) underlying the following horizontal well units:

Case No. 22633: the W/2E/2 of Section 27, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27 B3OB Fed. Com. Well No. 1H;

Case No. 22634: the E/2E/2 of Section 22 and the E/2E/2 Section 27, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27/22 B3PA Fed. Com. Well No. 2H;

Case No. 22635: the E/2E/2 of Section 27, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27 B2PA Fed. Com. Well No. 1H; and

Case No. 22636: the W/2E/2 of Section 22 and the W/2E/2 Section 27, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27/22 B2OB Fed. Com. Well No. 2H.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, August 4, 2022. 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 <u>emnrd.state.nm.us/OCD/hearings</u> or see the instructions posted on the Division's website, <u>http://emnrd.state.nm.us/OCD/announcements.html</u>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than five business days before the hearing date. This statement may be filed online with the Division at <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 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

Tara N. Pace 5716 Ridgemont Place Midland, TX 79707

Aleyna N. Pace 5716 Ridgemont Place Midland, TX 79707

Larry T. Long P.O. Box 1777 Kilgore, TX 75663

0715	U.S. Postal Service™ CERTIFIED MAIL® RECE Domestic Mail Only For delivery information, visit our website a	
	OFE I A	A Contraction
n	OFFICIAL	Could Great Break
980 0000 060	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 \$ Total Postage and Fees \$	Postmark Here
	Sent To 5716 Ridgemont Plac Midland, TX 79707	e
7020	Street and Apt. No., or PO	
	City, State, ZIP+4®	
	PS Form 3800, April 2015 PSN 7530-02:000-9047	See Reverse for Instructions

92	U.S. Postal Service [™] CERTIFIED MAIL [®] REC Domestic Mail Only	EIPPECE
	For delivery information, visit our website	at www.usps.com®.
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0000	Return Receipt (electronic) \$	Postmark
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	Adult Signature Required \$	
0600	Postage	
	Total Postage and Fees	
	\$ Larry T. Long Sent To P.O. Box 1777	
7020	Street and Apt. No., or PO Box 1. Kilgore, TX 756	563
	City, State, ZIP+4®	
	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

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	For delivery information, visit our website a	t www.usps.com [©] .
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0865	Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate)	
0000	Return Receipt (hardcopy) \$ Return Receipt (electronic) \$ Certified Mail Restricted Delivery \$ Adult Signature Required Adult Signature Restricted Delivery \$	Postmark Here
0600	Postage \$ Total Postage and Fees	
7020	\$ Aleyna N. Pace 5716 Ridgemont Plac Street and Apt. No., or POB Midland, TX 79707	e
	City, State, ZIP+4®	
	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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. Article Addressed to:	A. Signature X A athy (Iddison Addressee B. Received by (Printed Name) C. Date of Delivery 7-19-20 D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
Larry T. Long P.O. Box 1777 Kilgore, TX 75663	1777
9590 9402 7543 2098 9631 58	3. Service Type
2. Arti 7020 0090 0000 0865	Restricted Delivery I (over \$500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	M P Laco Domestic Return Receipt

CASE NOS. 22633 - 22636

STATUS OF CERTIFIED NOTICE

INTEREST OWNER	MAILING DATE	RECEIPT DATE	CARD RETURNED
Tara N. Pace	July 14, 2022	Returned Undelivered	l No
Aleyna N. Pace	٠	Returned Undelivered	l No
Larry T. Long	44	July 19, 2022	Yes

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 17, 2022 and ending with the issue dated March 17, 2022.

Publisher

Sworn and subscribed to before me this 17th day of March 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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

March 17, 2022

This is to notify all interested parties, including COG Operating LLC; MRC Delaware Resources, LLC; BTA Oil Producers; Alpha Energy Partners, LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Mewbourne Oil Company (Case No. 22636). During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted or remotely. The hearing will be conducted on April 7, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: http://www.emnrd.state.nm.us/OCD/hearings.html. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation from a depth of approximately 10,087' to a depth of approximately 10,526' underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2E/2 of Sections 22 and 27, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Perro Loco 27/22 B2OB Fed Com #2H well to be horizontally drilled from a surface hole location in the SW/4SE/4 (Unit O) of Section 27 to a bottom hole location in the NW/4NE/4 (Unit B) of Section 22. A depth severance exists in the Bone Spring formation. Accordingly, Applicant seeks to pool all uncommitted interests in the Bone Spring formation at a stratigraphic equivalent of approximately 10,087' MD to approximately 10,526' MD as observed on the Sun Federal Com #1 well log (API 3002530603). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well and the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 45 miles east of Carlsbad, New Mexico.

EXHIBIT

00264719

02107475

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

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 July 22, 2022 and ending with the issue dated July 22, 2022.

Publisher

Sworn and subscribed to before me this 22nd day of July 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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

LEGAL NOTICE July 22, 2022

To: Tara N. Pace, Aleyna N. Pace, and Larry T. Long, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed four applications with the New Mexico Oil Conservation Division, seeking orders pooling all uncommitted mineral interest owners in the Bone Spring formation underlying horizontal spacing units comprised of:

Case No. 22633: the W/2E/2 of Section 27, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27 B3OB Fed. Com. Well No. 1H;
Case No. 22634: the E/2E/2 of Section 22 and the E/2E/2 Section 27, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27/22 B3PA Fed. Com. Well No. 2H;
NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27/22 B3PA Fed. Com. Well No. 2H;
NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco Case No. 22636: the W/2E/2 of Section 22 and the W/2E/2 Section 27, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Perro Loco 27/22 B2OB Fed. Com. Well No. 2H.

Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. This matter is scheduled for hearing at 8:15 a.m. on Thursday, August 4, 2022. 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 emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's 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. A party Statement no later than Thursday, July 28, 2022. This statement may be filed online with the Division at ocd.hearings@state.nm.us. Failure to appear at that matters at a later date. The attorney for applicant is James Bruce, P.O. Box approximately 14 mile southwest of Oil Center, New Mexico.

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

Received by OCD: 8/1/2022 6:15:09 PM COMPULSORY POOLING APPLICATION CHECKLIST

Case:	TION WIOST BE 3	UPPORTED BY SIGNED AFFIDAVITS 22636	
Date			
Applicant	August 4, 2022 Mewbourne Oil Company		
Designated Operator & OGRID	iviewbourne on co	ampany and the contract of the	
(affiliation if applicable)	Mewhourne Oil Co	mpany/OGRID No. 14744	
		inpany/Odkid No. 14744	
Applicant's Counsel: Case Title:	James Bruce	ec. Support Month & Cooper	
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico		
Entries of Appearance/Intervenors:	COG Operating LLC	C/Holland & Hart LLP	
Well Family	Perro Loco Bone S		
Formation/Pool		dispansante admit ballita a	
Formation Name(s) or Vertical Extent:	Bone Spring Forma	tion	
Primary Product (Oil or Gas):	Oil	TOTAL MAINTENANT TO SURVIVE LANGUAGE TO THE	
Pooling this vertical extent:	Entire Bone Spring	formation	
Pool Name and Pool Code:		ring, East (Pool Code 96553)	
Well Location Setback Rules:	Current horizontal		
Spacing Unit Size:	Quarter-quarter se	that I part	
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal	The Control of the Co	
Size (Acres)	320 acres		
Building Blocks:	40 acres		
Orientation:	South-North		
Description: TRS/County	W/2E/2 §27 & W/2	E/2 §22-22S-34E, NMPM, Lea County	
Standard Horizontal Well Spacing Unit	Yes		
(Y/N), If No, describe			
Other Situations		The second of	
Depth Severance: Y/N. If yes, description	No		
Proximity Tracts: If yes, description	No	EXHIBIT	
Proximity Defining Well: if yes,		EXHIDIT	
description	-		
Applicant's Ownership in Each Tract	Exhibit 2-B	and the same of the same	
Well(s)			
Name & API (if assigned), surface and	Perro Loco 27/22 B	20B Fed. Com. Well No. 2H	
bottom hole location, footages,	API No. 30-015-Pen		
completion target, orientation,	SHL: 205 FSL & 2110 FEL §27 BHL: 100 FNL & 2100 FEL §22 FTP: 100 FSL & 2100 FEL §27		
completion status (standard or non-			
standard)			
	LTP: 100 FNL & 2100 FEL §22		
		:/TVD 10341 feet/MD 20480 feet	
	Only the 2 nd Bone Sunit. It is defined as	pring is sought to be pooled in this proposed well depths from 10,087 feet subsurface to the base of	
	the 2 nd Bone Spring	at a depth of 10,526 feet subsurface, as found in the	

Received by OCD: 8/1/2022 6:15:09 PM	Compensated Neutron Litho Density log in the Sun Fed. Com. Walk So. of 55 1 (API No. 30-025-30603), located in Unit Letter O of Section 27, Township 22 South, Range 34 East, NMPM.
Horizontal Well First and Last Take	See above
Points	A STATE OF THE STA
Completion Target (Formation, TVD and	See above
MD)	
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2
Requested Risk Charge	Exhibit 2
Notice of Hearing	ne de la company
Proposed Notice of Hearing	Exhibit 1
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	
Land Ownership Schematic of the	
Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and	
owners)	Exhibit 2-B
Pooled Parties (including ownership	
type)	Exhibit 2-B
Unlocatable Parties to be Pooled	
Ownership Depth Severance (including	
percentage above & below)	None
Joinder	And the second s
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of	
JOA)	Exhibit 2-B
Chronology of Contacts with Non-Joined	
Working Interests	Full-libit 2.C
Overhead Rates In Proposal Letter	Exhibit 2-C
Cost Estimate to Drill and Complete	Fullihit 2 D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	Exhibit 2-D
Summary (including special	
considerations)	Exhibit 3
Spacing Unit Schematic	Exhibit 3-B
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-D
Well Orientation (with rationale)	Exhibit 3
Target Formation	Bone Spring
HSU Cross Section	Exhibit 3-D
Depth Severance Discussion	N/A
	IVA.

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C-102	Exhibit 2-A	
Tracts	Exhibit 2-B	
Summary of Interests, Unit		
Recapitulation (Tracts)	Exhibit 2-B	X
General Location Map (including basin)	Exhibit 2-A	7 2 342
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-D	
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	1044	River
Representative):	Lamo	Buce
Date:	July 28, 2022	/