

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

APPLICATION OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING, A NON-STANDARD
SPACING AND PRORATION UNIT, AND APPROVAL
OF OVERLAPPING WELL UNITS, EDDY COUNTY,
NEW MEXICO.

Case No. 23488

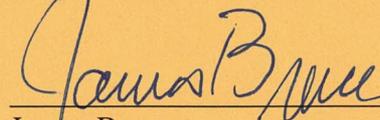
NOTICE OF FILING SUPPLEMENTAL EXHIBIT

Mewbourne Oil Company ("Mewbourne") hereby submits for filing the following supplemental exhibit:

Exhibit 5, the affidavit of Travis Cude, an engineer for Mewbourne. It addresses the questions raised by the Examiners on May 18th about the requested non-standard unit.

In addition, written notice is also given of Mewbourne's withdrawal of the pooling portion of the application.

Respectfully submitted,



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Attorney for Mewbourne Oil Company

(d) the Pavo Macho 31/33 B3MP Fed. Com. Well No. 1H, with a first take point in Lot 4 of Section 31 and a last take point in the SE/4SE/4, of Section 33.

A plat of the lands is marked as Attachment A. This plat is from company business records.

4. Mewbourne requests the non-standard unit for the following reasons:

(a) Mewbourne is the operator of the Bone Spring formation in all three sections of land. (There are two older, vertical Bone Spring wells operated by Cimarex Energy Co. of Colorado, as noted in the application.) All working interest owners in the three sections of land have voluntarily joined the wells, and do not object to the proposed non-standard unit.

(b) The non-standard unit will allow Mewbourne to minimize surface use. The acreage needed for facilities for one well is approximately two acres, plus there is additional disturbance for roads, flowlines, water and gas pipelines, and electrical lines, which can total up to over eight acres for the proposed wells. Therefore, centralizing equipment and facilities for the above wells will reduce the total (absent a non-standard unit) by over 75% of that amount.

(c) Surface facilities and equipment, and pipelines and rights-of way, for one well cost approximately \$1,250,000. While the centralized facilities will be larger, to handle production from multiple wells, I estimate the overall savings, if a non-standard unit is granted, will be \$1,600,000. This will reduce well costs and improve economics for the wells.

(d) A common facility reduces our number of flares from four to one. Additionally, the gas sales line in the area averages approximately 1000 psig and requires compression. A single facility reduces the number of compression facilities from four to one, which will reduce emissions.

5. There is federal and state land in Sections 31-33. Certified notice of the non-standard unit was mailed to the Bureau of Land Management and the Commissioner of Public Lands, who received the mailings. They have not informed Mewbourne of any objection to the requested well unit.

6. The granting of this application is in the interests of conservation, the protection of correlative rights, and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 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: 5/22/23

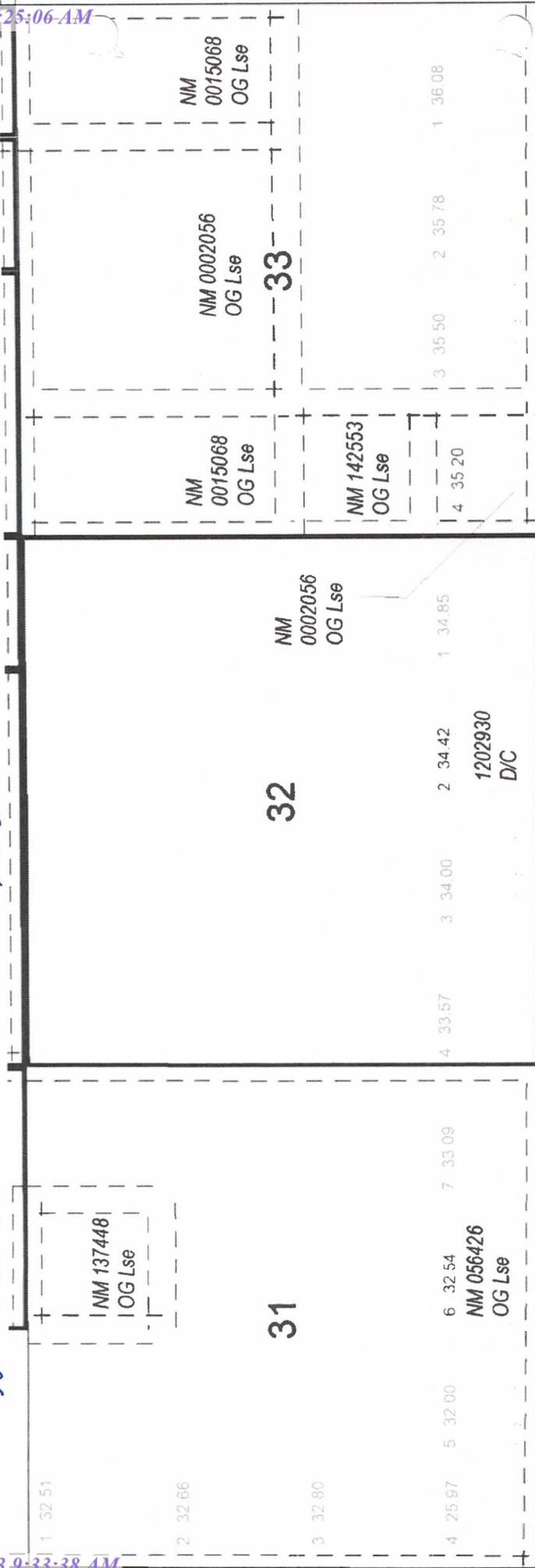


Travis Cude

622.56 Acres

616.84 Acres

581.57 Acres



Total Acres - 1820.97 Acres

ATTACHMENT A