CASE NO. 23545

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

EXHIBITS

- 1. Application and Proposed Notice
- 2. Landman's Affidavit
- 3. Geologist's Affidavit
- 4. Affidavit of Notice
- 5. Affidavit of Publication
- 6. Pooling Checklist
- 7. Certified Notice Spreadsheet

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY TO RE-OPEN CASE NO. 22842 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 23545

APPLICATION

Mewbourne Oil Company applies to re-open Case No. 22842 for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 25 and the S/2NE/4 of Section 26, Township 18 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the S/2N/2 of Section 25 and the S/2NE/4 of Section 26, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill the Deep Ellum 25/26 Fed. Com. Well No. 513H (f/k/a the Deep Ellum 25/26 B2HG Fed. Com. Well No. 1H) and the Deep Ellum 25/26 Fed. Com. Well No. 613H to depths sufficient to test the Bone Spring formation, and to dedicate the S/2N/2 of Section 25 and the S/2NE/4 of Section 26 to the wells. The wells have first take points in the SE/4NE/4 of Section 25 and last take points in the SW/4NE/4 of Section 26.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S/2N/2 of Section 25 and the S/2NE/4 of Section 26 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all uncommitted mineral interest owners in the Bone

EXHIBIT

Spring formation underlying S/2N/2 of Section 25 and the S/2NE/4 of Section 26, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the S/2N/2 of Section 25 and the S/2NE/4 of Section 26 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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

- A. Re-opening Case No. 22842 and pooling all uncommitted mineral interest owners in the Bone Spring formation underlying the S/2N/2 of Section 25 and the S/2NE/4 of Section 26;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, testing, and equipping the wells, and allocating the cost among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company to re-open Case No. 22842 for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order re-opening Case No. 22842 and pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the S/2N/2 of Section 25 and the S/2NE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 513H (f/k/a the Deep Ellum 25/26 B2HG Fed. Com. Well No. 1H) and the the Deep Ellum 25/26 Fed. Com. Well No. 613H, horizontal wells with first take points in the SE/4NE/4 of Section 25 and last take points in the SW/4NE/4 of Section 26. Also to be considered will be the cost of drilling, completing, testing, 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, testing, and equipping the wells. The unit is located approximately 11-1/2 miles southeast of Loco Hills, New Mexico.

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

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

APPLICATION OF MEWBOURNE OIL COMPANY TO RE-OPEN CASE NO. 22842 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 23545

SELF-AFFIRMED STATEMENT OF ARIANA RODRIGUES

Ariana Rodrigues deposes and states:

- 1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and I 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 this application.
- 3. The purpose of this application is to pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit. No opposition is expected.
- 4. In this case Mewbourne seeks an order re-opening Case No. 22842 and pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the S/2N/2 of Section 25 and the S/2NE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 513H (f/k/a the Deep Ellum 25/26 B2HG Fed. Com. Well No. 1H) and the Deep Ellum 25/26 Fed. Com. Well No. 613H, horizontal wells with first take points in the SE/4NE/4 of Section 25 and last take points in the SW/4NE/4 of Section 26.
 - 5. There is no depth severance in the Bone Spring formation.
- 6. A plat outlining the unit being pooled is submitted as Attachment A. Form C-102s for the wells are part of Attachment A.
- 7. The tracts in the unit, the leases, and the parties being pooled and their interests, are set forth in Attachment B. The persons noted with an asterisk are being pooled.

ехнівіт 2

- The interest owners being pooled have been contacted regarding the proposed 8. wells, but have failed or refused to voluntarily commit their interests to the wells.
- In order to locate the interest owners, Mewbourne examined the county and federal 9. records, performed internet searches, checked telephone records, and searched Accurint and Whitepages. The names and addresses were supplied to Mewbourne's attorney for notice purposes.
- Attachment C contains a sample copy of the proposal letter sent to the interest 10. owners being pooled. It also contains a summary of communications with the locatable parties. Mewbourne has made a good faith effort to locate and obtain the voluntary joinder of the working interest owners in the proposed wells.
- Attachment D contains the Authorizations for Expenditure for the proposed wells. 11. The estimated costs of the wells set forth therein are fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Eddy County.
- Mewbourne requests overhead and administrative rates of \$9000/month for a 12. drilling well and \$900/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the proposed Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- Mewbourne requests that the maximum cost plus 200% risk charge be assessed 13. against a non-consenting working interest owner.
 - Mewbourne requests that it be designated operator of the wells. 14.
- The attachments to this affidavit were prepared by me or under my supervision, or 15. compiled from company business records.
- Granting this application is in the interests of conservation and the prevention of 16. 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 16 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: 5/25/2023

Ariana Rodrigues

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

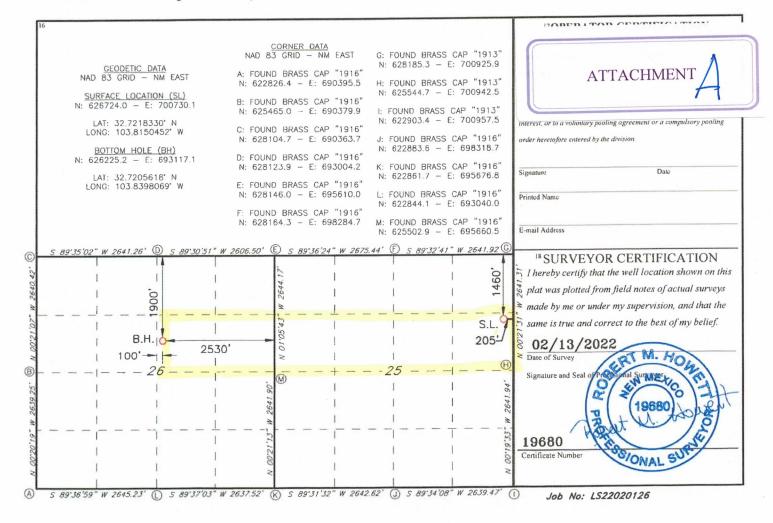
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

■ AMENDED REPORT

1			2 Pool Code			e				
⁴ Property Code			DI	DEEP ELLUM 25/26 B2HG FED COM					⁶ Well Number 1 H	
7 OGRID				8 Operator N				Elevation 3694'		
					10 Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County	
Н	25	18S	31E		1460	NORTH	205	EAST	EDDY	
			11]	Bottom F	lole Location	If Different Fre	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
G	26	18S	31E		1900	NORTH	2530	EAST	EDDY	
Dedicated Acre	s 13 Joint	or Infill 14	Consolidation	Code 15 (Order No.					

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



District 1
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

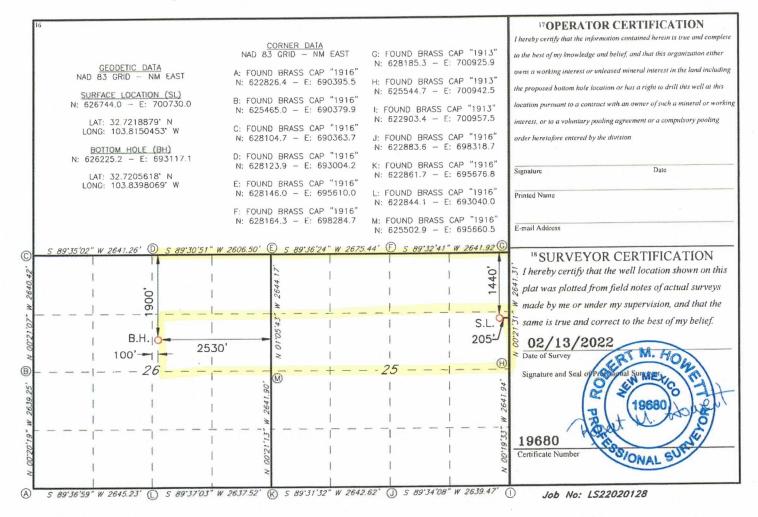
State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

1 API Number				2 Pool Cod	1 Code 3 Pool Name			e		
⁴ Property Code			DH	DEEP ELLUM 25/26 B3HG FED COM					6 Well Number	
7 OGRID			MEW	BOURNE OI	L COMPANY			3695'		
					10 Surface	Location	300			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County	
Н	25	18S	31E		1440	NORTH	205	EAST	EDDY	
			11]	Bottom	Hole Location	If Different Fro	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
G	26	18S	31E		1900	NORTH	2530	EAST	EDDY	
2 Dedicated Acre	s 13 Joint	or Infill 14	Consolidation	Code 1:	5 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.



Section Plat Deep Ellum 25/26 Fed Com #513H Deep Ellum 25/26 Fed Com #613H S2N2 of Section 25 & S2NE4 of Section 26

T18S, 31E, Eddy County, New Mexico

T18S, 31E, Eddy County, New Mexico

Section 26	Section 25
Tract 2	Tract 1
See	

RECAPITULATION

Tract Number	Number of Acres Committeed	Percentage of Interest in Communitized Area
1	160.00	66.666667%
2	80.00	33.33333%
TOTAL	240.00	100.000000%



TRACT OWNERSHIP
Deep Ellum 25/26 Fed Com #513H
Deep Ellum 25/26 Fed Com #613H
S2N2 of Section 25 & S2NE4 of Section 26
T18S-R31E, Eddy County, NM

Ownership by Tract

Tract 1: S2N2 of Section 25 - Federal Lease NMLC 065680

Entity/Individual	Interest		Gross Acres	Net Acres
Mewbourne Oil Company, et. al.		93.750000%	160.00	150.000000000
Occidental Permian Limited Partnership		6.250000%	160.00	10.000000000
Total		100.000000000%		160.000000000

Tract 2: S2NE4 of Section 26 - Federal Lease NMLC 029392-B

Entity/Individual	Interest	Interest		
Chevron USA Inc.		99.000000%	80.00	79.200000000
Mewbourne Oil Company, et. al.		1.000000%	80.00	0.800000000
Total		100.000000000%		80.000000000

Spacing Unit Ownership

Deep Ellum 25/26 Fed Com #513H		
Deep Ellum 25/26 Fed Com #613H	Percentage	
Mewbourne Oil Company, et al.	62.833333%	150.800000
Chevron USA Inc.*	33.000000%	79.200000
Occidental Permian Limited Partnership*	4.166667%	10.000000
Tota	100.000000%	240.000000000

*Parties highlighted in Red are being pooled

Total Interest Being Pooled:

37.166667%

Summary of Communications Deep Ellum 25/26 Fed Com #513H Deep Ellum 25/26 Fed Com #613H S2N2 of Section 25 & S2NE4 of Section 26 T18S-R31E, Eddy County, NM

Chevron USA, Inc.:

2/17/2022: Mailed Working Interest Unit and Well Proposal to the above listed party.
2/17/2022: Emailed Working Interest Unit and Well Proposal to the above listed party.

2/17/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal. 4/22/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal. 5/25/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal. 5/26/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

2/23/2023: Mailed updated Well Proposal and name change for previously proposed wells to the above listed party.

3/1/2023: Mailed JOA to the above listed party. 3/1/2023: Emailed JOA to the above listed party.

3/1/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

Occidental Permian Limited Partnership:

2/23/2023: Mailed Well Proposal to the above listed party.

3/1/2023: Mailed JOA to the above listed party.

3/3/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

ATTACHMENT C

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

February 22, 2023

Certified Mail

«Owners»
«Attn»
«Address_Line_1»
«Address_Line_2»
«City», «State» «Zip_Code»

Re: Well Proposals

Sections 25 & 26, T18S, R31E Eddy County, New Mexico

Deep Ellum 25/26 Fed Com #511H 1400' FNL & 205' FEL (SL) (Sec 25) 450' FNL & 2540' FEL (BHL) (Sec 26)

Deep Ellum 25/26 Fed Com #513H 1460' FNL & 205' FEL (SL) (Sec 25) 1900' FNL & 2540' FEL (BHL) (Sec 26)

Deep Ellum 25/26 Fed Com #516H 1460' FSL & 205' FEL (SL) (Sec 25) 1900' FSL & 2540' FEL (BHL) (Sec 26)

Deep Ellum 25/26 Fed Com #518H 1400' FSL & 205' FEL (SL) (Sec 25) 450' FSL & 2540' FEL (BHL) (Sec 26) Deep Ellum 25/26 Fed Com #611H 1420' FNL & 205' FEL (SL) (Sec 25) 450' FNL & 2540' FEL (BHL) (Sec 26)

Deep Ellum 25/26 Fed Com #613H 1440' FNL & 205' FEL (SL) (Sec 25) 1900' FNL & 2540' FEL (BHL) (Sec 26)

Deep Ellum 25/26 Fed Com #616H 1440' FSL & 205' FEL (SL) (Sec 25) 1900' FSL & 2540' FEL (BHL) (Sec 26)

Deep Ellum 25/26 Fed Com #618H 1420' FSL & 205' FEL (SL) (Sec 25) 450' FSL & 2540' FEL (BHL) (Sec 26)

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 960.00 acre Working Interest Unit ("WIU") covering the E/2 of the captioned Section 26 and All of the captioned Section 25 for oil and gas production.

Mewbourne as Operator hereby proposes to drill the captioned **Deep Ellum 25/26 Fed Com #511H** at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,927 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 16,554 feet. The N/2N/2 of the captioned Section 25 and the N/2NE/4 of the captioned Section 26 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned **Deep Ellum 25/26 Fed Com** #513H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,936 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 16,472 feet. The S/2N/2 of the captioned Section 25 and the S/2NE/4 of the captioned Section 26 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned **Deep Ellum 25/26 Fed Com** #516H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,953.50 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 16,490 feet. The N/2S/2 of the captioned Section 25 and the N/2SE/4 of the captioned Section 26 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned **Deep Ellum 25/26 Fed Com #518H** at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,971 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 16,507 feet. The S/2S/2 of the captioned Section 25 and the S/2SE/4 of the captioned Section 26 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned **Deep Ellum 25/26 Fed Com** #611H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,629 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 17,213 feet. The N/2N/2 of the captioned Section 25 and the N/2NE/4 of the captioned Section 26 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned **Deep Ellum 25/26 Fed Com** #613H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,651 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 17,196 feet. The S/2N/2 of the captioned Section 25 and the S/2NE/4 of the captioned Section 26 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned **Deep Ellum 25/26 Fed Com #616H** at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,668.50 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 17,214 feet. The N/2S/2 of the captioned Section 25 and the N/2SE/4 of the captioned Section 26 will be dedicated to the well as the proration unit.

Finally, Mewbourne as Operator hereby proposes to drill the captioned **Deep Ellum 25/26 Fed Com** #618H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,686 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 17,231 feet. The S/2S/2 of the captioned Section 25 and the S/2SE/4 of the captioned Section 26 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling our AFEs dated February 9, 2023 for the captioned proposed wells. Please sign and return said AFEs at your earliest convenience if you elect to participate in the captioned wells and WIU and return to me within thirty (30) days.

Should you elect to participate, I will send a copy of our Joint Operating Agreement ("JOA") under a separate cover letter. Our proposed Operating Agreement will have COPAS rates of \$10,000/month while drilling, \$1000/month for a producing well.

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

Sincerely,

MEWBOURNE OIL COMPANY

Ariana Rodrigues Landman



February 27, 2023

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: 9414 8361 0426 2482 2246 84.

Item Details

Status:

Delivered to Agent for Final Delivery

Status Date / Time:

February 27, 2023, 11:05 am

Location:

HOUSTON, TX 77046

Postal Product:

First-Class Mail®

Extra Services:

Certified Mail™ Return Receipt Electronic

Jonathan Gonzales

Recipient Name:

Recipient Signature

Signature of Recipient: (Authorized Agent)

Govern Markez

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

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

> Jonathan Gonzales Occidental Permian Limited Partnership 5 Greenway Plaza suite 110 Houston, TX 77046 Reference #: Deep Ellum



March 8, 2023

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: 9414 8361 0426 2482 2072 12.

Item Details

Status:

Delivered, Individual Picked Up at Postal Facility

Status Date / Time:

March 8, 2023, 2:50 pm

Location:

HOUSTON, TX 77002

Postal Product:

First-Class Mail®

Extra Services:

Certified Mail™

Return Receipt Electronic

Recipient Name:

Scott Sabrsula

Recipient Signature

Signature of Recipient:



Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

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

> Scott Sabrsula Chevron USA Inc. 1400 Smith Street Houston, TX 77002 Reference #: Deep Elium

MEWBOURNE OIL COMPANY

UTHORIZATION FOR EXPENDITURE

	ounty: ED	SS		ST; NM
Location: SL: 1460 FNL & 205 FEL (25); BHL: 1900 FNL & 2540 FEL (26) Sec. 25 Blk: Survey: TWP: 18S	A STATE OF THE PARTY OF	31E Prop. TVD	8936	TMD: 16472
INTANGIBLE COSTS 0180 Regulatory Permits & Surveys	0180-010	TCP \$20,000	0180-0200	CC
ocation / Road / Site / Preparation	0180-010	-	0180-0205	\$35,000
ocation / Restoration	0180-010			\$45,000
Daywork / Turnkey / Footage Drilling 22 days drlg / 3 days comp @ \$30,000/d	0180-011	\$704,900	0180-0210	\$96,100
Fuel 1700 gal/day @ \$3.90/gal	0180-011		0180-0214	\$254,50
Alternate Fuels	0180-011		0180-0215	
Mud, Chemical & Additives Mud - Specialized	0180-012		0180-0220	
Horizontal Drillout Services	0180-012	φ250,000	0180-0221	+
Stimulation Toe Preparation		-	0180-0223	
Cementing	0180-012	5 \$100,000	0180-0225	\$55,00
Logging & Wireline Services	0180-013		0180-0230	
Casing / Tubing / Snubbing Service	0180-013		0180-0234	\$15,00
Mud Logging Stimulation 37 Stg 14.9 MMgal & 14.9 MMlbs	0180-013	7 \$15,000	0180-0241	\$2,300,00
Stimulation Rentals & Other			0180-0241	
Water & Other	0180-014	5 \$40,000	0180-0245	
Bits	0180-014	8 \$93,700	0180-0248	\$5,00
Inspection & Repair Services	0180-015	0 \$50,000		
Misc. Air & Pumping Services	0180-015		0180-0254	
Testing & Flowback Services	0180-015	8 \$12,000	0180-0258	
Completion / Workover Rig Rig Mobilization	0100 010	4 \$150,000	0180-0260	\$10,50
Rig Modification Transportation	0180-016 0180-016	THE RESERVE AND ADDRESS OF THE PERSON NAMED IN	0180-0265	\$30,00
Welding, Construction, & Maint. Services	0180-016		0180-0268	
Contract Services & Supervision	0180-017		0180-0270	
Directional Services Includes vertical control	0180-017	5 \$324,700		
Equipment Rental	0180-018			
Well / Lease Legal	0180-018		0180-0284	
Well / Lease Insurance Intangible Supplies	0180-018		0180-0285 0180-0288	
Damages	0180-018		-	
Pipeline Interconnect & ROW Easements	0180-019		0180-0292	
Company Supervision	0180-019		0180-0295	
Overhead Fixed Rate	0180-019	6 \$10,000	0180-0296	\$20,00
Contingencies 5% (TCP) 5% (CC)	0180-019	9 \$136,600	0180-0299	\$207,30
TOTAL		\$2,868,900		\$4,353,80
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-079			-
Casing (10.1" - 19.0") 950' - 13 3/8" 54.5# J-55 ST&C @ \$76.30/ft Casing (8.1" - 10.0") 1330' - 9 5/8" 36# J-55 LT&C @ \$51.16/ft	0181-079			-
Casing (6.1" - 8.0") 9430' - 7" 29# HPP110 BT&C @ \$59.83/ft	0181-079		-	
Casing (4.1" - 6.0") 7195' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft	1	4002,000	0181-0797	\$257,20
			0181-0798	
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft	11			1
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head	0181-086	0 \$35,000		1
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section	0181-086	\$35,000	0181-0870	
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools	0181-086	50 \$35,000	0181-0870 0181-0871	\$75,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift	0181-086	\$35,000	0181-0870 0181-0871 0181-0880	\$75,00 \$25,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump	0181-086	\$35,000	0181-0870 0181-0871 0181-0880 0181-0886	\$75,00 \$25,00 \$17,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift	0181-086	\$35,000	0181-0870 0181-0871 0181-0880	\$75,00 \$25,00 \$17,00 \$73,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT	0181-086	\$35,000	0181-0870 0181-0871 0181-0880 0181-0890 0181-0892 0181-0895	\$75,00 \$25,00 \$17,00 \$73,00 \$66,00 \$57,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head 4 Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Fjare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment	0181-086	\$35,000	0181-0870 0181-0880 0181-0880 0181-0880 0181-0890 0181-0892 0181-0895 0181-0898	\$75,00 \$25,00 \$17,00 \$73,00 \$\$66,00 \$\$57,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip, & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection	0181-086	\$35,000	0181-0870 0181-0880 0181-0880 0181-0890 0181-0892 0181-0892 0181-0892 0181-0896	\$75,00 \$25,00 \$17,00 \$73,00 \$2 \$66,00 \$3 \$68,00 \$22,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) SWDL Pipe / Fittings	0181-086	0 \$35,000	0181-0870 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900	\$75,00 \$25,00 \$17,00 \$73,00 \$866,00 \$3,50 \$68,00 \$22,00 \$28,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip, & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection	0181-086	0 \$35,000	0181-0870 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$157,00 \$158,00 \$28,00 \$183,00 \$183,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves & Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) SWDL Pipe / Fittings On-site Valves/Fittings/Lines&Misc	0181-086	0 \$35,000	0181-0870 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900	\$75,00 \$25,00 \$17,00 \$73,00 \$66,00 \$57,00 \$68,00 \$22,00 \$28,00 \$183,00 \$48,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) SWDL Pipe / Fittings On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction Cathodic Protection Electrical Installation	0181-086	90 \$35,000	0181-0870 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900	\$75,00 \$25,00 \$17,00 \$73,00 \$66,00 \$3 \$66,00 \$22,00 \$22,00 \$183,00 \$44,00 \$3
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc Water Pipeline-Pipe/Valves& Misc On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction Cathodic Protection Electrical Installation Equipment Installation	0181-086	0 \$35,000	0181-0870 0181-0880 0181-0886 0181-0890 0181-0890 0181-0892 0181-0892 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900	\$75,000 \$25,000 \$17,000 \$187,000 \$187,000 \$187,000 \$188,000 \$28,000 \$183,00
Tubing 8515" - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head A Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Fiare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment (1/4) 2 B Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) SWDL Pipe / Fittings Un-site Valves/Fittings/Lines&Misc (1/4) SWDL Pipe / Fittings Wellhead Flowlines - Construction Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction	0181-086	90 \$35,000	0181-0870 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$157,00 \$28,00 \$28,00 \$28,00 \$183,0
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment Oii/Gas Pipeline-Pipe/Valves& Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) SWDL Pipe / Fittings Con-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction Electrical Installation Equipment Installation Gil/Gas Pipeline - Construction Water Pipeline - Construction			0181-0870 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$157,00 \$28,00 \$28,00 \$28,00 \$183,0
Tubing 8515" - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head A Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Fiare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment (1/4) 2 B Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) SWDL Pipe / Fittings Un-site Valves/Fittings/Lines&Misc (1/4) SWDL Pipe / Fittings Wellhead Flowlines - Construction Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction		\$787,700	0181-0870 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$157,00 \$28,00 \$28,00 \$28,00 \$183,0
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves&Misc (1/4) SWDL Pipe / Fittings On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction			0181-0870 0181-0880 0181-0886 0181-0899 0181-0899 0181-0899 0181-0899 0181-0909 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0910 0181-0910	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$157,00 \$28,00 \$28,00 \$28,00 \$183,0
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 VRT/2 VSE//2 VHT/HHT Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc Water Pipeline-Pipe/Valves& Misc Wellhead Flowlines - Construction Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction Uniform Pipeline - Construction Equipment Installation Equipment Installation Water Pipeline - Construction Water Pipeline - Construction TOTAL		\$787,700 \$3,656,600	0181-0870 0181-0880 0181-0886 0181-0899 0181-0899 0181-0899 0181-0899 0181-0909 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0910 0181-0910	\$75,000 \$75,000 \$25,000 \$73,000 \$73,000 \$73,000 \$75,000
Tubing	onate share	\$787,700 \$3,656,600 \$9,2	0181-0870 0181-0880 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0910 0181-0920 0181-0920	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$28,00
Tubing	onate share	\$787,700 \$3,656,600 \$9,2	0181-0870 0181-0880 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0910 0181-0920 0181-0920	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$28,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 OT/ 5 WT/ 1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Flare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) GwDL Pipe / Fittings On-site Valves/Fittings/Lines&Misc (1/4) SWDL Pipe / Fittings Wellhead Flowlines - Construction Cathodic Protection Electrical Installation Gil/Gas Pipeline - Construction Water Pipeline - Construction Water Pipeline - Construction Water Pipeline - Construction TOTAL SUBTOTAL TOTAL WELL COST Extra Expense Insurance and pay my proportion of the propo	onate share and redrilli	\$787,700 \$3,656,600 \$9,2 s of the premium. ng as estimated in L	0181-0870 0181-0880 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0910 0181-0920 0181-0920	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$28,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 0T/5 WT/1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Fiare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves & Misc (1/4) SWDL Pipe / Fittings On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction Cathodic Protection Electrical Installation Electrical Installation Electrical Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction TOTAL SUBTOTAL TOTAL WELL COST Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proporti Operator has secured Extra Expense Insurance covering costs of well control, clean up I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control Prepared by: H. Buckley Dat	onate sharro and redrifti	\$787,700 \$3,656,600 \$9,2 s of the premium. ng as estimated in L	0181-0870 0181-0880 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0910 0181-0920 0181-0920	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$28,00
Tubing 8515' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft Drilling Head Tubing Head & Upper Section Horizontal Completion Tools Subsurface Equip. & Artificial Lift Service Pumps (1/4) TP/CP/Circ pump Storage Tanks (1/4) 6 0T/5 WT/1 GB Emissions Control Equipment (1/4) 2 VRT/2 VRU/Fiare/3 KOs/AIR Separation / Treating Equipment (1/4) 2 H Sep/2 V Sep/2 VHT/HHT Automation Metering Equipment Oii/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection Water Pipeline-Pipe/Valves&Misc (1/4) SWDL Pipe / Fittings On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction Cathodic Protection Electrical Installation Electrical Installation Oii/Gas Pipeline - Construction Water Pipeline - Construction TOTAL SUBTOTAL TOTAL WELL COST Extra Expense Insurance and pay my proport Operator has secured Extra Expense Insurance covering costs of well control, clean used to the control of the proposed of the control of the control of the proposed of the propos	onate sharro and redrifti	\$787,700 \$3,656,600 \$9,2 s of the premium. ng as estimated in L	0181-0870 0181-0880 0181-0880 0181-0880 0181-0890 0181-0890 0181-0890 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900 0181-0910 0181-0920 0181-0920	\$75,00 \$25,00 \$17,00 \$13,00 \$66,00 \$157,00 \$157,00 \$28,00

ATTACHMENT

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Segulatory Permits & Surveys Street	Well Name: DEEP ELLUM 25	/26 FED COM #613H		Prosp	ect: 3BSS				
No. Section	Location: SL: 1440 FNL & 205	5 FEL (25); BHL: 1900 FNL & 2540 FEL ((26)	Co	enty: EDDY			ST	r: NM
Impulsion Personal & Surveys	Sec. 25 Blk: Surve	ву:	TWP:	185	RNG: 311	Prop. TVD:	9651	TMD:	17196
Causiner Teacher Tea		INTANGIBLE COSTS 0180			CODE	тср	CODE		СС
Condent President Content Co	Regulatory Permits & Surveys								405.00
		on							
United 1700 galiday @ \$5,000gal 0180-0115 5019-0021 502-005		ding 23 days drig / 3 days comp @	\$30.000/d			-			\$96,100
Aut. Chemical & Additives 0160-0120 \$30,000 0180-0220 Aut. Chemical Specialists \$30,000 0180-0220 \$150,000 0180-0221	Fuel	1700 gal/day @ \$3.90/gal	400,000	-		\$162,900	0180-0214		\$254,500
Add - Specialized Add - Special	Alternate Fuels								\$72,000
					0180-0121	Ψ250,000			\$150,00
Cogging Services	Stimulation Toe Preparation								\$40,00
Display Studbing Service Display Servi	Cementing								
Mult Logging		rice							\$15,00
Simulation Rentals & Other	Mud Logging	100							
Value & Other	Stimulation	37 Stg 14.9 MMgal & 18.6 MN	VIIbs						\$2,425,00
185					0400 0445	\$40,000			
1980-150 \$50,000 1980-0250 \$50,000 1980-0251 \$50,000 1980-0251 \$10,000						THE RESERVE THE PERSON NAMED IN COLUMN TWO	-		\$5,00
						AND DESCRIPTION OF THE PERSON NAMED IN COLUMN	-		\$5,00
0190-0160 0190-0260 0190	Misc. Air & Pumping Services				0180-0154			****	\$10,00
Signor	Testing & Flowback Services				0180-0158	\$12,000			\$24,00
Transportation					0180-0164	\$150,000	0180-0260		\$10,50
Welding Construction, & Maint, Services	Transportation		***************************************				0180-0265		\$30,00
Directional Services	Welding, Construction, & Maint.					\$4,000	0180-0268		\$16,50
Sequence	The state of the s						0180-0270		\$64,10
Well / Lases Legal		Includes vertical control					0400 0000	-	\$20.00
Mel / Lesse insurance				-					\$20,00
Intendible Supplies					THE RESERVE AND ADDRESS OF THE PERSON NAMED IN				
Pipeline Interconnect & ROW Easements	Intangible Supplies								\$1,00
Company Supervision	Damages					\$5,000			\$10,00
Overhead Fixed Rate		asements				****			\$5,00
TANGIBLE COSTS 0181									
TANGIBLE COSTS 0181	Contingencies	5% (TCP) 5% (CC)							\$213,60
Casing (19.1" - 30")			TC	DTAL		\$2,945,500			\$4,485,10
Casing (10.1" - 19.0") 950' - 13.38" 54.8F J-55 TREC @ \$76.30ft 0181-0794 \$77.400		TANGIBLE COSTS 0181							
Casing (8.1" - 10.0") 1330' - 9 5/8" 388 J-55 LT8C @ \$51.16/m 0181-0795 \$72,700	Casing (19.1" - 30")								
Casing (6.1" - 8.0")								-	
Casing (4.1" - 6.0")									
Tubing 9235 - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft 0181-0860 \$35,000 0181-0860 \$35,000 0181-0860 \$35,000 0181-0860 \$35,000 0181-0860 \$35,000 0181-0870 \$30,00 0181-0870 \$30,00 0181-0871 \$75,0 \$30,00 0181-0871 \$75,0 \$30,00 0181-0871 \$75,0 \$30,00 0181-0871 \$75,0 \$30,00 0181-0880 \$25,00 \$35,000	Casing (4.1" - 6.0")				01010100	4010,000	0181-0797		\$257,20
Tubing Head & Upper Section	Tubing						0181-0798		\$196,20
Horizontal Completion Tools					0181-0860	\$35,000			
Subsurface Equip. & Artificial Lift									
Service Pumps		ft					-	-	
Emissions Control Equipment	Service Pumps .								\$17,00
Separation / Treating Equipment	Storage Tanks	(1/4) 6 OT/ 5 WT/ 1 GB					0181-0890		\$73,00
Automation Metering Equipment Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) Gas Line & GL Injection Oil/Gas Pipeline-Pipe/Valves&Misc (1/4) SWDL Pipe / Fittings On-site Valves/Fittings/Lines&Misc (1/4) SWDL Pipe / Fittings							-	-	\$66,00
Oil/Gas Pipeline-Pipe/Valves&Misc								***	
Water Pipeline-Pipe/Valves & Misc	Oil/Gas Pipeline-Pipe/Valves&N	flisc (1/4) Gas Line & GL Injection							\$22,00
Wellhead Flowlines - Construction 0181-0907 \$48,0 Cathodic Protection 0181-0908 Electrical Installation 0181-0909 \$90,0 Equipment Installation 0181-0909 \$90,0 Coll/Gas Pipeline - Construction 0181-0920 \$17,0 Water Pipeline - Construction 0181-0921 \$8.0 TOTAL \$833,700 \$1,291,4 SUBTOTAL \$3,779,200 \$5,776,5 TOTAL WELL COST \$9,555,700 Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control. clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by: H. Buckley Date: 02/09/2023 Company Approval: Date: Date: Joint Owner Interest: Amount:							0181-0901		\$28,00
Cathodic Protection 0181-0908 Electrical Installation 0181-0909 \$90,0 Equipment Installation 0181-0910 \$56,0 Oil/Gas Pipeline - Construction 0181-0920 \$17,0 Water Pipeline - Construction 0181-0921 \$8,0 Water Pipeline - Construction 0181-0921 \$8,0 TOTAL \$833,700 \$1,291,4 SUBTOTAL \$3,779,200 \$5,776,5 TOTAL WELL COST \$9,555,700 Extra Expense Insurance							-	-	\$183,00
Electrical Installation 0181-0909 \$90,0 Equipment Installation 0181-0909 \$90,0 Equipment Installation 0181-0910 \$56,0 Oil/Gas Pipeline - Construction 0181-0920 \$17,0 Water Pipeline - Construction 0181-0921 \$8.0 TOTAL \$833,700 \$1,291,4 SUBTOTAL \$3,779,200 \$5,776,5 TOTAL WELL COST \$9,555,700 Extra Expense Insurance Lelect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. Lelect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by: H. Buckley Date: 02/09/2023 Company Approval: Date:		UII			-		_	-	\$48,00
Equipment Installation 0181-0910 \$56.0 Oil/Gas Pipeline - Construction 0181-0920 \$17.0 Oil/Gas Pipeline - Construction 0181-0920 \$17.0 Oil/Gas Pipeline - Construction 0181-0921 \$8.0 Oil/Gas Pipeline - Construction	Electrical Installation						-	-	\$90,00
Oil/Gas Pipeline - Construction	Equipment Installation						_		\$56,00
TOTAL \$833,700 \$1,291,4 SUBTOTAL \$3,779,200 \$5,776,5 TOTAL WELL COST \$9,555,700 Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by: H. Buckley Date: 02/09/2023	Oil/Gas Pipeline - Construction						0181-0920		\$17,00
SUBTOTAL \$3,779,200 \$5,776,500 TOTAL WELL COST \$9,555,700 Extra Expense Insurance lelect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. lelect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by: H. Buckley Date: 02/09/2023 Company Approval: Date: Date:	Water Pipeline - Construction								\$8,00
Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by: H. Buckley Date: Date: Joint Owner Interest: Amount:			TO	OTAL		\$833,700			\$1,291,4
Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control Insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by: H. Buckley Date: 02/09/2023			SUBTO	OTAL		\$3,779,200			\$5,776,5
Lelect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. Lelect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by:		TOTAL	WELL CO	ST		\$9,5	55,700		
Prepared by: H. Buckley Date: 02/09/2023 Company Approval: Date: Joint Owner Interest: Amount: Standard	Operator has secu	ired Extra Expense Insurance covering costs of					ine Item 018	0-0185.	
Company Approval: Date: Joint Owner Interest: Amount:	If neither box is checked above, non-ope	erating working interest owner elects to be covered b	by Operator's well of	control i	nsurance.				
Joint Owner Interest: Amount:		H. Buckley				3			
		Amount:		re:					

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

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

Case No. 23545

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

Charles Crosby 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 of the area around Sections 25 and 26, Township 18 South Range 31 East, NMPM, on top of the Second Bone Spring, the target zone for the proposed 500 series Deep Ellum wells. It shows that structure dips gently to the southeast. It also shows Second Bone Spring wells in the area, and a line of cross-section.
 - (b) Attachment B is a cross section showing the Second Bone Spring Sand. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand in this area. The sand is continuous and uniformly thick across the well units.
 - (c) Attachment C is a structure map of the area around Sections 25 and 26, Township 18 South Range 31 East, NMPM, on the base of the Third Bone Spring, the target zone for the proposed 600 series Deep Ellum wells. It shows that structure dips gently to the southeast. It also shows Third Bone Spring wells in the area, and a line of cross-section.
 - (d) Attachment D is a cross section showing the Third Bone Spring Sand. The well logs on the cross-section give a representative sample of the Third Bone Spring Sand in this area. The sand is continuous and uniformly thick across the well units.
- 4. I conclude from the maps that:

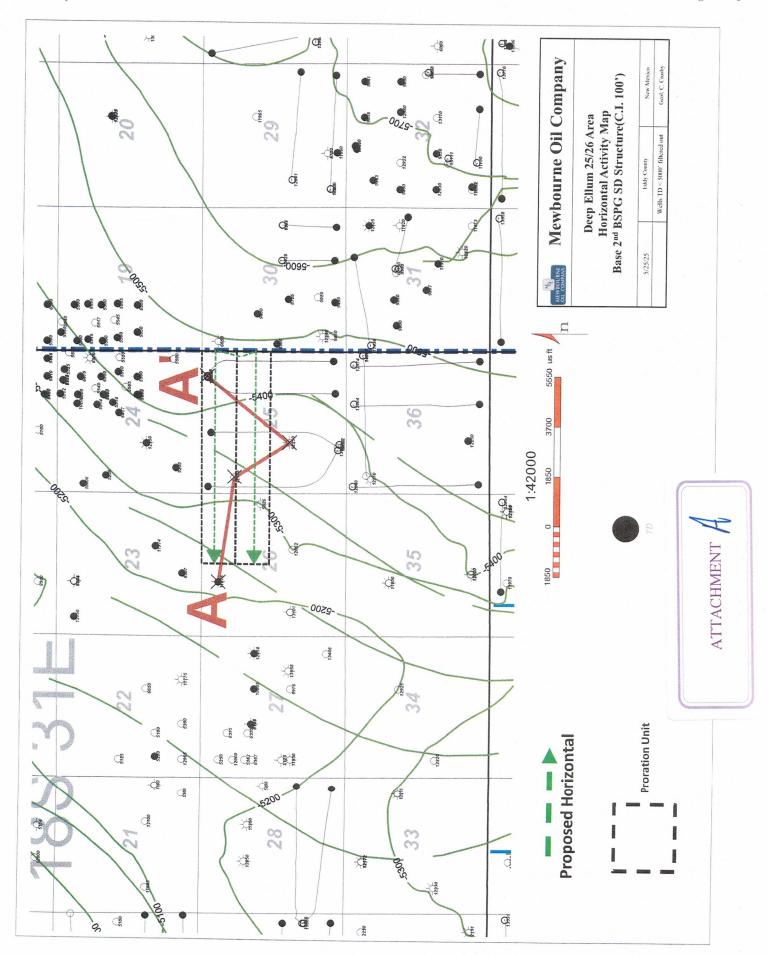
EXHIBIT 3

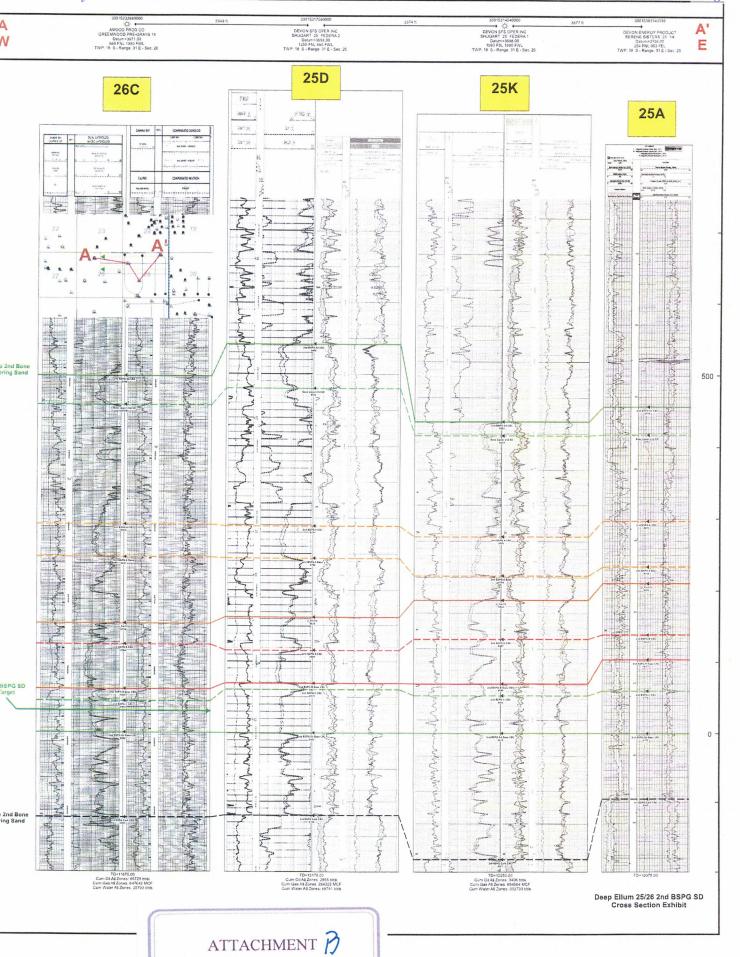
- (a) The horizontal spacing unit is justified from a geologic standpoint.
- (b) The target zones are continuous and of relatively uniform thickness across the well unit in both proposed completion zones.
- (c) Each quarter-quarter section in the well unit will contribute more or less equally to production in both proposed completion zones.
- (d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.
- 5. Attachment E contains Survey Calculation Reports for the proposed wells. The producing intervals of the wells will be orthodox.

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.

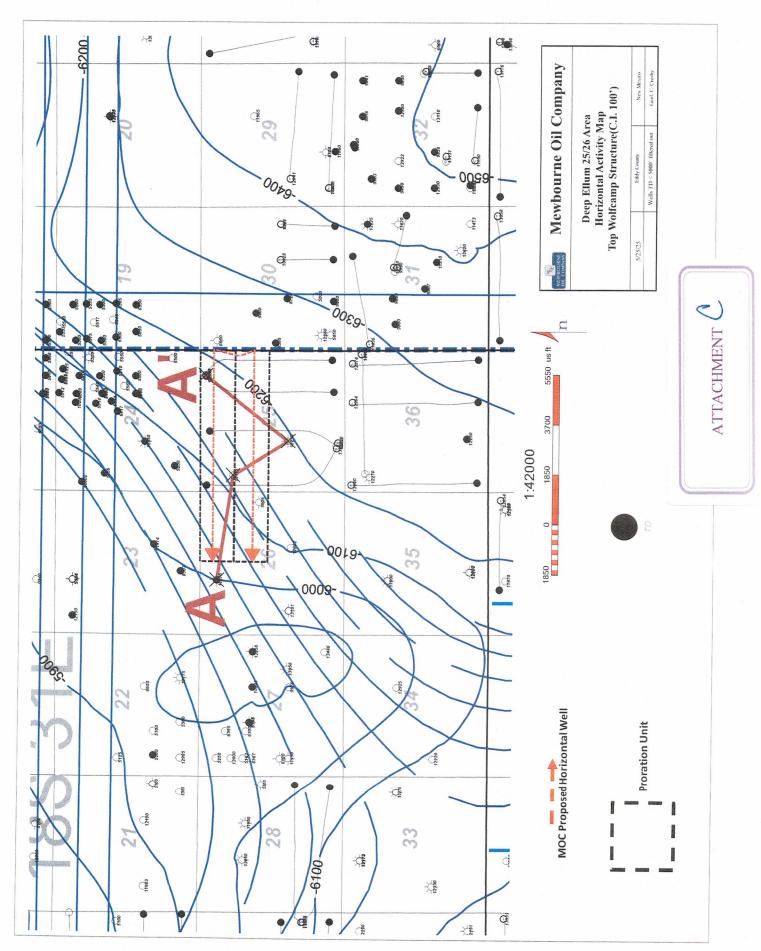
Date: 5/25/27

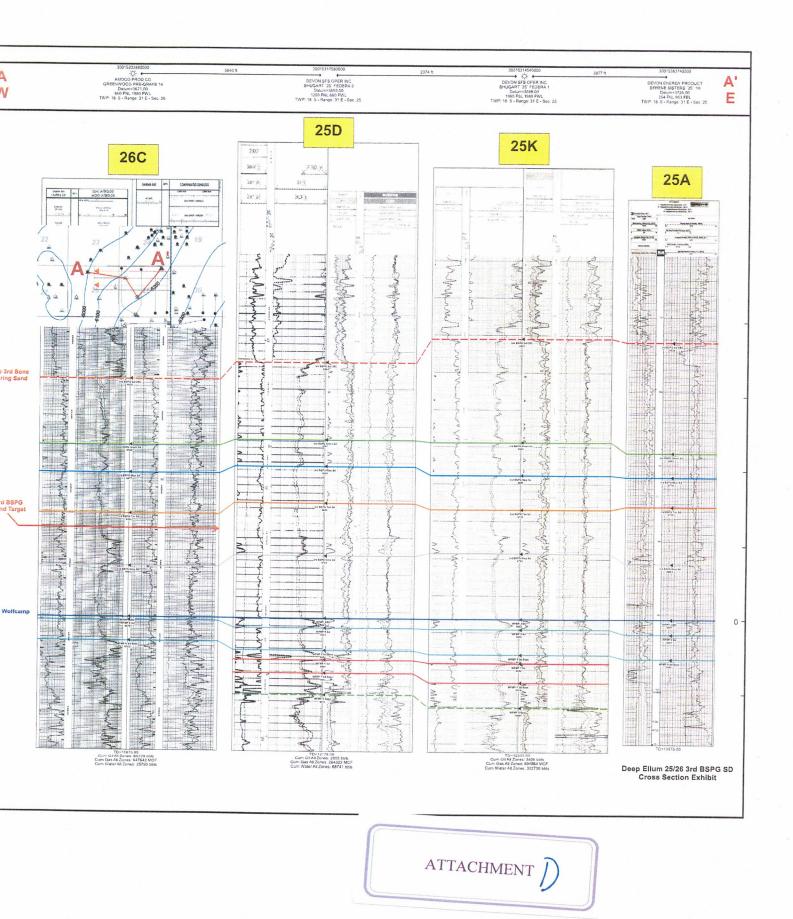
Charles Crosby

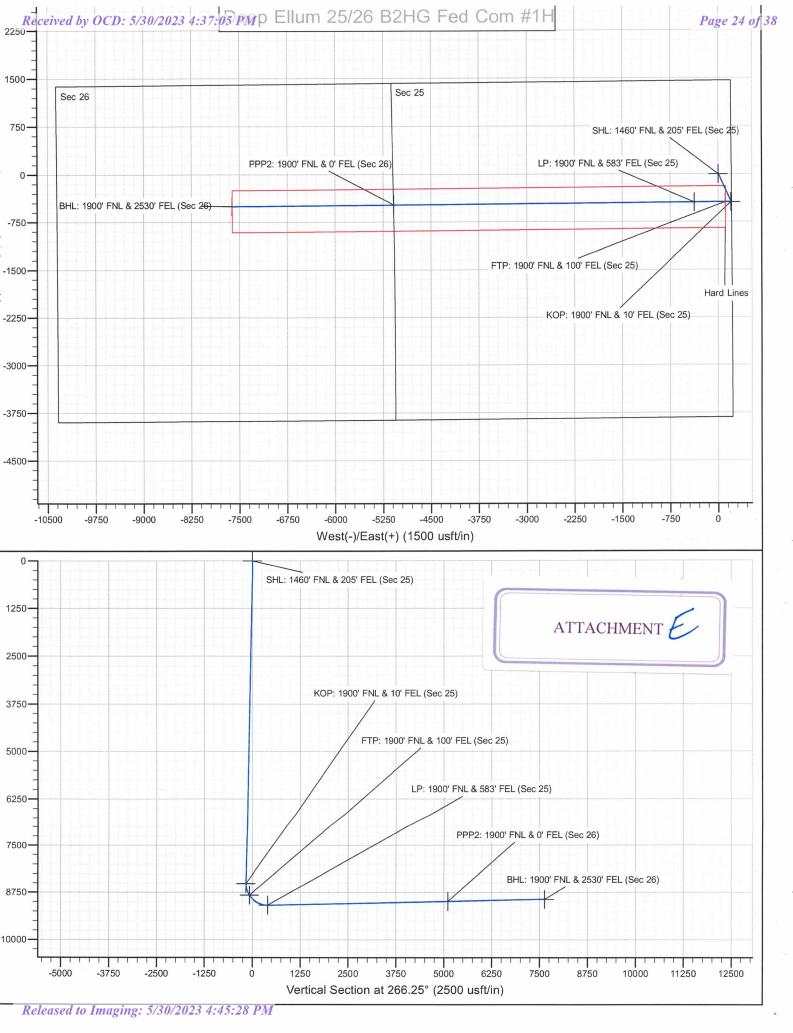


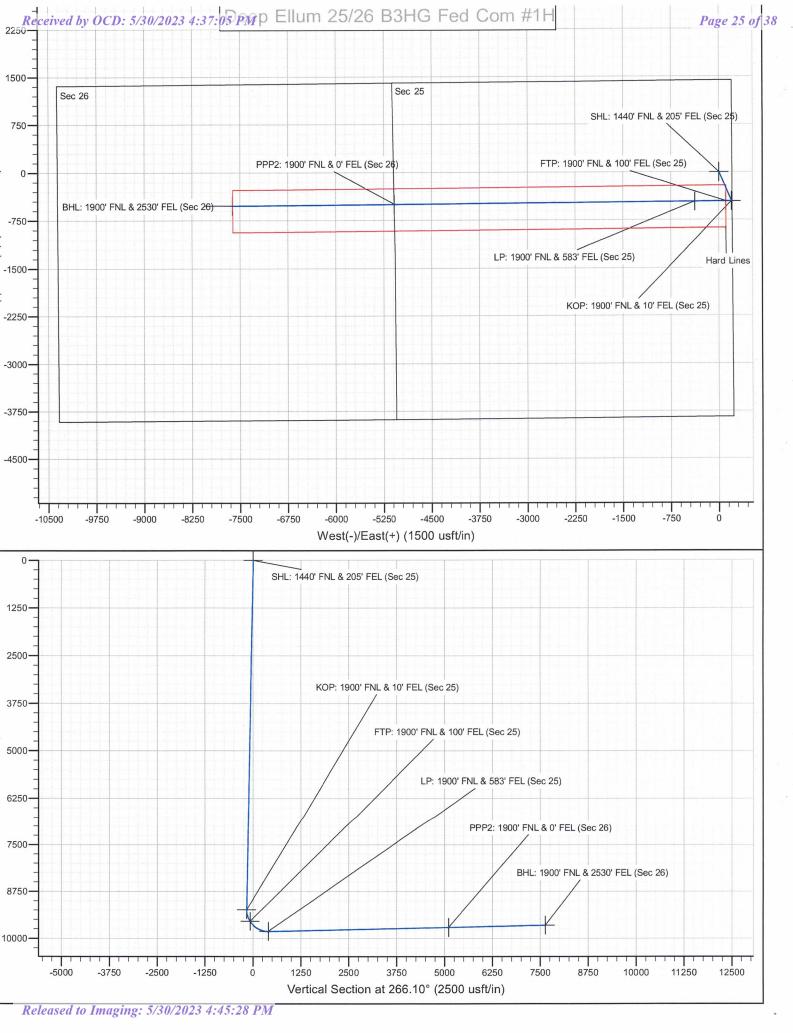


Released to Imaging: 5/30/2023 4:45:28 PM









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

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

Case No. 23545

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 owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
 - 5. Applicant has complied with the notice provisions of Division Rules.

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:

James Bruce

EXHIBIT

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

May 9, 2023

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of four applications for compulsory pooling, filed by Mewbourne Oil Company with the Oil Conservation Division, seeking to pool the Bone Spring formation underlying the following horizontal spacing units:

- (i) <u>Case 23544</u>: the N/2N/2 of Section 25 and the N/2NE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 511H (f/k/a the Deep Ellum 25/26 B2AB Fed. Com. Well No. 1H) and the the Deep Ellum 25/26 Fed. Com. Well No. 611H;
- (ii) <u>Case 23545</u>: the S/2N/2 of Section 25 and the S/2NE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 513H (f/k/a the Deep Ellum 25/26 B2HG Fed. Com. Well No. 1H) and the the Deep Ellum 25/26 Fed. Com. Well No. 613H;
- (iii) <u>Case 23546</u>: the N/2S/2 of Section 25 and the N/2SE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 516H and the Deep Ellum 25/26 Fed. Com. Well No. 616H; and
- (iv) <u>Case 23547</u>: the S/2S/2 of Section 25 and the S/2SE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 518H and the Deep Ellum 25/26 Fed. Com. Well No. 618H.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, June 1, 2023. During the current circumstances, state buildings are closed to the public and the hearing will be conducted remotely. To view the hearing docket and to determine how to participate in an electronic hearing, go to https://www.emnrd.nm.gov/ocd/hearing-info/, or contact Marlene Salvidrez at



Marlene.Salvidrez@emnrd.nm.gov. 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 this matter 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 ocd.hearings@emnrd.nm.gov, 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

Chevron U.S.A. Inc. 6301 Deauville Boulevard Midland, Texas 79706

Attention: Permitting Team

ConocoPhillips Company 600 West Illinois Avenue Midland, Texas 79701

Occidental Permian Limited Partnership 5 Greenway Plaza Houston, Texas 77046

Zall.	RECEIPT)	r website at www.usps.com*.		appropriate)	Postitian Here			ps Company nois Avenue cas 79701		.000.9047 See Reverse for Instructions	
U.S. Postal Service			For delivery information, visit our website at www.usps.com.	Certified Mail Fee	S T	Carlon Recaipt (electronic) Carlon Carlo	P &	Total Postage and Fees	Concoophillips Company (20 West Illinois Avenue Congress) Avenue Congress and Ant No. or PO Midland, Texas 79701	Site Carto Zip. 40	PS Form 3800, April 2015 PSN 7530-02-000-9047	
	COMPLETE THIS SECTION ON DELIVERY	A. Signature	X MD on DAdinessee	B. Received by (Printed Name) C. Date of Delivery	D. Is delivery address different from item 1? \(\text{TYES}\) yes If YES, enter delivery address below: \(\text{INO}\)			PROPERTY OF THE PROPERTY OF TH	Set vice 1 ype Adult Signature Adult Signature Restricted Delivery Contined Mail		Delivery Restricted Delivery	El (W.M. Domestic Return Receipt
	SENDER: COMPLETE THIS SECTION	E 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:	Chevron U.S.A. Inc. Chevron U.S.A. Inc. 6301 Deauville Ballevard 6301 peaville Ballevard	Midland, Team. Attention: Permitting Team		displacement of the second of	9590 9402 7635 2122 8860 71	2. Article Nu 7022 1670 0002 1.1	PS Form 3811, July 2020 PSN 7530-02-000-9053

	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	Complete items 1, 2, and 3. Print voir name and andress on the second	A. Signature
ட் Lomestic Mail Only	so that we can return the card to you.	
For delivery information, visit our website at www.usps.com?	Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery
	1. Article Addressed to:	D. is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
Extra Services & Fees (check box, add fee as appropriate)	ConocoPhillips Company 600 West Illinois Avenue Midhand, Texas 79701	
	9590 9402 7635 2122 8860 88	Service Type Adult Signature Adult Signature Adult Signature Restricted Delivery Certified Mail Restricted Delivery Certified Mail Restricted Delivery
Street and Apt. No., or PO Attenton: Permitting Team City, State, ZIP446	2. Article Number Transfer from servine Johan Collect on Delis 7022 Jb70 0002 JJB7 B32J	□ Collect on Delivery □ Collect on Delivery Restricted Delivery □ □ B □ B □ B □ II B □ B □ B □ B □ B □ B

The friends them s 1, 2, and 3. Consideral treat and address on the reverse so that we can return the card to you. Attach this card to the back of the malplece, or on the front if space permits. Attach this card to the back of the malplece, or on the front if space permits. Attach this card to the back of the malplece, or on the front if space permits. Attach this card to the back of the malplece, or on the front if space permits. Attach this card to the back of the malplece, or on the front if space permits. Attach this card to the back of the malplece, or on the front if space permits. Attach this card to the back of the malplece, if YES, anter delivery address below: No 1, Article Addressed for 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,	SENDER. COMPLETE (FIS SECTION		
D. Is delivery addressed to: Trick orderessed to: Free and the angle of the an		A. Signature X B. Received by (Printed Name)	C. Date of Delivery
Ccentral Permin Limited Partnership S. Greenwy Plaza Houston, Teass 77046 S. Service Type S. Service Type S. Service Type And Signature Restricted Delivery 9590 9402 7635 2122 8860 95 Cartified Mail Restricted Delivery CERTIFIED MAIL ® RECEIPT Correspond Corrilled Mail Fee S. Service Type Corrilled Mail Fee Corrilled Mail Fee Corrilled Mail Fee S. Service Type Corrilled Mail Fee Corrilled Mail Fee S. Edward Service Corrilled Mail Fee S. Edward Service & S. Fees (check box, add fee as appropriate) S. Edward Services & Fees (check box, add fee as appropriate) S. Edward Services & Fees (check box, add fee as appropriate) S. Edward Service & S. Edward Servic	1. Article Addressed to:	D. Is delivery address different fro If YES, enter delivery address	00
Adult Signature Restricted Delivery Certified Mail Fee Certified M	Occidental Permian Limited Partnership 5 Greenway Plaza F77046 Houston, Texas 777046		
S Form 3811, July 2020 PSN 7530-02-000-9053 CERTIFIED MAIL® RECEIPT Contined Mail Fee Stress Education Service Stress (check box, add fee as appropriate) Contined Mail Resistance Delivery \$ Adult Signature Respired Delivery \$ Adult Signature Respired Delivery \$ Contined Mail Resistance Delivery \$ Adult Signature Respired Delivery \$ Contined Mail Resistance Delivery \$ Adult Signature Respired Delivery \$ Contined Mail Resistance Delivery \$ Adult Signature Respired Delivery \$ Sent 70 Sirical and Apt. No., or P. Leve no	9590 9402 7635 2122 8860 95	ricted Delivery ted Delivery testricted Delivery	000 00
U.S. Postal Service TM CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery Information, visit our website at www.usps.com®. Certified Mail Fee Strip Services & Fees (check box, add fee as appropriate) Certified Mail Fee Strip Continue Mail Restricted Delivery \$ Adult Signature Restricted Delivery \$ Total Postage and Fees Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership Street and Apt. No., or P. Decidental Permian Limited Partnership		(no.	Domestic Return Receipt
For delivery information, visit our website at www.usps.co. Certified Mail Fee Stra Services & Fees (check box, add fee as appropriate) Extra Services & Fees (check box, add fee as appropriate) The Reum Receipt (electrodop) The Reum Receipt (electrodop) The Adult Signature Restricted Delivery \$ Adult Signature Restricted Delivery \$ Total Postage and Fees Sent To Street and Apt. No., or P			
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\$ Sent To Street and Apt. No., or P. City, State, ZIP-4*			
	\$ Sent To Street and Apt. No., or P.		

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005705152 This is not an invoice

JAMES BRUCE ATTORNEY AT LAW POBOX 1056

SANTA FE, NM 87504

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

05/17/2023

Legal Clerk

Subscribed and sworn before me this May 17, 2023:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005705152 PO #: # of Affidavits1

This is not an invoice

EXHIBIT

NOTICE

To: Chevron U.S.A. Inc., ConocoPhillips Company, and Occidental Permian Limited Partnership, or your 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 the horizontal spacing units described below:

(i) Case 23544: the N/2N/2 of Section 25 and the N/2NE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 511H (f/k/a the Deep Ellum 25/26 B2AB Fed. Com. Well No. 11H) and the tthe Deep Ellum 25/26 B2AB Fed. Com. Well No. 611H; (ii) Case 23545: the S/2N/2 of Section 25 and the S/2NE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 513H (f/k/a the Deep Ellum 25/26 B2HG Fed. Com. Well No. 11H) and the tthe Deep Ellum 25/26 Fed. Com. Well No. 613H; (iii) Case 23546: the N/2S/2 of Section 25 and the N/2SE/4 of Section 25 and the N/2SE/4 of Section 25 and the N/2SE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 516H and the Deep Ellum 25/26 Fed. Com. Well No. 616H; and (iv) Case 23547: the S/2S/2 of Section 25 and the S/2SE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 518H and the Deep Ellum 25/26 Fed. Com. Well No. 518H and the Deep Ellum 25/26 Fed. Com. Well No. 518H and the Deep Ellum 25/26 Fed. Com. Well No. 618H.

Also to be considered will be the cost of drilling, completing, testing, 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, testing, and equipping the wells. These matters are scheduled for hearing on June 1, 2023 at 8:15 a.m. During the current circumstances, state buildings are closed to the public and the hearing will be conducted remotely. To view the hearing docket and to determine how to participate in an electronic hear-ing, go to https://www.emnr d.nm.gov/ocd/hearing-info/, or contact Marlene Salvidrez at Marlene Salvidrez@emnr d.nm.gov. 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 o cd.hearings@emnrd.nm.gov, 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 attorney for applicant, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jame sbruc@aol.com. The unit is online with the Division at o sbruc@aol.com. The unit is located approximately 6-1/2 miles southeast of Lake-wood, New Mexico #0005705152, Current Argus, May 17, 2023

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23545	APPLICANT'S RESPONSE
Date: June 1, 2023	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID 14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Deep Ellum Bone Spring wells
Formation/Dool	
Formation/Pool Formation Name(s) or Vertical	Bone Spring
Extent:	
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Tonto; Bone Spring, North/Pool Code 58040
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330' and 100' setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	S/2N/2 §25 and S/2NE/4 §26, Township 18 South, Range 31 East, NMPM, EDDY County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non- standard unit requested in this application?	Yes EXHIBIT
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N

description	Fubibit 2 D
Applicant's Ownership in Each Tract	Exhibit 2-B
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Deep Ellum 25/26 Federal Com. Well No. 513H API No. 30-025-Pending SHL: 1460 FNL & 205 FEL §25
	BHL: 1900 FNL & 2530 FEL §26 FTP: 1900 FNL & 100 FEL §25
	LTP: 1900 FNL & 2530 FEL §26 First Bone Spring/TVD 8936 feet/MD 16472 feet
Well #2	Deep Ellum 25/26 Federal Com. Well No. 613H API No. 30-025-Pending
	SHL: 1440 FNL & 205 FEL §25 BHL: 1900 FNL & 2530 FEL §26 FTP: 1900 FNL & 100 FEL §25 LTP: 1900 FNL & 2530 FEL §26 First Bone Spring/TVD 9651 feet/MD 17196 feet
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$9000
Production Supervision/Month \$	\$900
Justification for Supervision Costs	Exhibit 2, page 2 and Exhibit 2-C
Requested Risk Charge	Cost plus 200%
Notice of Hearing	
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	Exhibit 2-A

the Spacing Unit	
Tract List (including lease	
numbers and owners)	Exhibit 2-B
If approval of Non-Standard	
Spacing Unit is requested, Tract	
List (including lease numbers	•
and owners) of Tracts subject to	
notice requirements.	
Pooled Parties (including	
ownership type)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	None
Ownership Depth Severance	None .
(including percentage above &	
below)	No Depth Severance
	THE BETTE STATE OF THE STATE OF
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e.	
Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with	
Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal	
Letter	
Cost Estimate to Drill and	
Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production	
Facilities	Exhibit 2-D
Caalami	
Geology Summary (including anglia)	
Summary (including special considerations)	Exhibit 3
	Exhibits 2-A and 3-A
Spacing Unit Schematic Gunbarrel/Lateral Trajectory	EXHIBITS 7-4 and 2-4
Schematic	Evhibit 2 D
	Exhibit 3-B
Well Orientation (with	Foot Works Fullility 2 and 2 A
rationale)	East-West; Exhibits 3 and 3-A
Target Formation HSU Cross Section	Second and Third Bone Spring Sands Exhibit 3-B
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit	Exhibits 2-B
	I Company of the Comp

Recapitulation (Tracts)	
General Location Map (including	
basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea	
Depth	Exhibit 3-A
Cross Section Location Map	
(including wells)	Exhibit 3-B
Cross Section (including Landing	
Zone)	Exhibit 3-C
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify	
that the information provided	
in this checklist is complete and	
accurate.	
Printed Name (Attorney or Party	
Representative):	James Bruge
Signed Name (Attorney or Party	Λ . Ω
Representative):	4 ames Office
Date:	May 30, 2023