

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING AUGUST 03, 2023**

**CASE NO. 23674**

*THUNDERCLOUD 29/30 B2AD FED COM 1H -  
N2N2*

**LEA COUNTY, NEW MEXICO**



**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 NO. 23674**

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**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 23674</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>August 3, 2023</b>
Applicant	<b>Mewbourne Oil Company</b>
Designated Operator & OGRID (affiliation if applicable)	<b>Mewbourne Oil Company (OGRID 14744)</b>
Applicant's Counsel:	<b>Holland &amp; Hart LLP</b>
Case Title:	<b>APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.</b>
Entries of Appearance/Intervenors:	<b>N/A</b>
Well Family	<b>Thundercloud 29/30 wells</b>
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	<b>Bone Spring Formation</b>
Primary Product (Oil or Gas):	<b>Oil</b>
Pooling this vertical extent:	<b>N/A</b>
Pool Name and Pool Code:	<b>Lusk; Bone Spring North Pool (41450)</b>
Well Location Setback Rules:	<b>Statewide rules</b>
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	<b>Horizontal</b>
Size (Acres)	<b>321.07-acres</b>
Building Blocks:	<b>40-acres</b>
Orientation:	<b>East-West</b>
Description: TRS/County	<b>N2N2 of Section 29 and the N2NE4, NE4NW4 and Lot 1 (NW4NW4 equivalent) of irregular 30, T18S, R32E, NMPM, Lea County, New Mexico</b>
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	<b>Yes</b>
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	<b>No</b>
Proximity Tracts: If yes, description	<b>No</b>
Proximity Defining Well: if yes, description	<b>N/A</b>
Applicant's Ownership in Each Tract	<b>Exhibit A-3</b>
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	<b>Add wells as needed</b>
Well #1	<b>Thundercloud 29/30 B2AD Fed Com 1H (API No. -----) SHL: 1200' FNL, 205' FWL (Unit D) of Section 28, T18S, R32E BHL: 500' FNL, 100' FWL (Lot 1) of Section 30, T18S, R32E Target: Bone Spring Orientation: East-West Completion: Standard Location</b>
Horizontal Well First and Last Take Point	<b>Exhibit A-2</b>

Completion Target (Formation, TVD and MD)	Exhibit A-3, Exhibit B-3
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	See filed Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibits A-2, B-2
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibits A-4, B-3
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1

Well Bore Location Map	Exhibit A-2, B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	<b>Michael Feldewert</b>
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	<b>8/1/2023</b>

**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 NO. 23674**

**APPLICATION**

Mewbourne Oil Company (“Applicant”) (OGRID No. 14744), through its undersigned attorneys, hereby files this application with the Oil Conservation Division for an order pooling a 321.07-acre standard horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 29, and the N2NE4, NE4NW4 and Lot 1 (NW4NW4 equivalent) of irregular Section 30, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico. In support Applicant states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to initially dedicate the proposed spacing unit to the proposed **Thundercloud 29/30 B2AD Fed Com 1H** well to be horizontally drilled with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take point in the NW4NW4 equivalent (Lot 1) of irregular Section 30.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.
4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. Approval of this application will allow the efficient recovery of the oil and gas reserves underlying the subject lands, and is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 3, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. 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
- E. Imposing a 200% charge 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.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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**ATTORNEYS FOR MEWBOURNE OIL  
COMPANY**

CASE \_\_\_\_\_: **Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling a 321.07-acre standard horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Sections 29 and the N2NE4, NE4NW4 and Lot 1 (NW4NW4 equivalent) of irregular 30, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the proposed **Thundercloud 29/30 B2AD Fed Com 1H** well to be horizontally drilled with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take point in the NW4NW4 equivalent (Lot 1) of irregular Section 30. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 9 miles southwest of Maljamar, New Mexico.

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

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

CASE NOS. 23674 & 23675

**SELF AFFIRMED STATEMENT OF THOMAS SLOAN, LANDMAN**

1. My name is Thomas Sloan, and I am employed by Mewbourne Oil Company (“Mewbourne”) as a Landman. My responsibilities include the Permian Basin of New Mexico.

2. This is my first time testifying before the New Mexico Oil Conservation Division. **MOC Exhibit A-1** identifies my education background, work experience and professional affiliations. I believe that these credentials qualify me to testify as an expert witness in petroleum land matters.

3. I am familiar with the applications filed by Mewbourne in these consolidated cases and the status of the lands in the subject area. None of the mineral owners to be pooled have expressed opposition to this proceeding.

4. Mewbourne seeks an order pooling all uncommitted interests in the Bone Spring formation [Lusk; Bone Spring North Pool (41450)] underlying standard horizontal spacing units in the N2 equivalent of Sections 29 and 30, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico, as follows:

- **Case 23674** seeks to pool a standard 321.07-acre horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 29 and the N2NE4, NE4NW4 and Lot 1 (NW4NW4 equivalent) of irregular 30. This spacing unit will be initially dedicated to the proposed **Thundercloud 29/30 B2AD Fed Com 1H**

well to be horizontally drilled with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take point in the NW4NW4 equivalent (Lot 1) of irregular Section 30.

- **Case 23675** seeks to pool a standard 321.09-acre horizontal well spacing unit in the Bone Spring formation underlying the S2N2 of Sections 29 and the S2NE4, SE4NW4, Lot 2 (SW4NW4 equivalent) of irregular Section 30. This spacing unit will be initially dedicated to the proposed **Thundercloud 29/30 B2HE Fed Com 1H** well to be horizontally drilled with a first take point in the SE4NE4 (Unit H) of Section 29 and a last take point in the SW4NW4 equivalent (Lot 2) of irregular Section 30.

5. **MOC Exhibit A-2** contains the Form C-102s for the proposed initial wells for each spacing unit.

6. **MOC Exhibit A-3** identifies the tracts of land comprising the proposed spacing units, and the working interest ownership in each tract and their respective interest in the horizontal spacing unit. Mewbourne has identified the “uncommitted” working interest owners that remain to be pooled in red. The acreage is comprised of federal lands.

7. Mewbourne has been able to locate an address of record for all the mineral owners that it seeks to pool.

8. **MOC Exhibit A-4** contains a sample of the well proposal letter and the AFEs for the proposed wells submitted to the working interest owners that Mewbourne has been able to locate. The costs reflected in these AFEs are consistent with what Mewbourne and other operators have incurred for drilling similar horizontal wells in the area in this formation.

9. **MOC Exhibit A-5** contains a chronology of the contacts with the uncommitted working interest owners that Mewbourne seeks to pool. Mewbourne has made a good faith effort to obtain voluntary joinder of these owners in the proposed spacing units and initial wells.

10. Mewbourne requests overhead and administrative rates of \$10,000 per month for drilling and \$1,000 per month for a producing well. These rates have been accepted by the owners executing the Joint Operating Agreement for this project and are consistent with the rates charged by Mewbourne and other operators for similar wells in this area.

11. I have provided the law firm of Holland and Hart, LLP, with the names and addresses of the mineral owners that remain to be pooled and instructed that they be notified of this hearing.

12. MOC Exhibits A-1 through A-5 were either prepared by me or compiled under my direction from company business records.

13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

  
\_\_\_\_\_  
THOMAS SLOAN

  
\_\_\_\_\_  
Date

## **MOC EXHIBIT A-1**

### **Thomas Sneed Sloan**

500 West Texas, Suite 1020, Midland, Texas 79701

Mobile: 432-234-2856 | Tsloan@mewbourne.com

### **Education**

**Texas Tech University, Rawls College of Business**  
Bachelor of Business Administration, Energy Commerce

**Lubbock, TX**  
Graduated May 2022

- Graduated Cum Laude
- Studied in the Petroleum Land Management Cohort
- Received Microsoft Excel Certification Fall 2019
- Dean's list: Fall 2019; Fall 2020
- President's list: Spring 2020
- Scholarships Awarded: Mewbourne Oil Company, AAPL Landman Scholarship Trust, Joy Foundation, Marathon Oil Corporation, Energy Commerce Department

### **Work Experience**

**Veritas 321 Energy Partners, LP**  
Intern Landman

**Midland, TX**  
June 2017 – December 2019

- Obtained considerable degree of experience analyzing Mineral and Surface chain of title
- Performed Run sheet construction, analysis, and edits
- Created Ownership Reports for Mineral and Surface title
- Gained experience indexing for and obtaining copies of and recording Instruments various Clerks offices in West Texas and Eastern New Mexico
- Frequented Abstract Plants, in person and online
- Performed Abstract construction, analysis, and edits
- Conveyed knowledge and worked with peers on multiple projects

**Mewbourne Oil Company**  
Intern Landman

**Oklahoma City, OK**  
May 17, 2021 – August 20, 2021

- Ran Mineral & Working Interest Title
- Built Ownership Reports
- Lead negotiations in various prospects, Leasing Mineral Interests in Oklahoma
- Built Spacing & Pooling respondent lists for the drilling of Wells, related to the Forced Pooling Process in Oklahoma

- Gained experience sitting in on Oklahoma Corporation Commission Hearings
- Obtained copies, recording original instruments in various Oklahoma County Clerks offices

**Mewbourne Oil Company**

**Midland, TX**

Petroleum Landman

May 23, 2022 – Present

- Run Mineral & Working Interest Title
- Build Ownership Reports/Takeoffs
- Build Spacing & Pooling respondent lists for the drilling of Wells, related to the Forced Pooling Process in New Mexico
- Compose and perform the Communitization process for State and Federal Leases
- Lead negotiations in various prospects, Leasing Mineral Interests and acquiring Leasehold interest in Texas & New Mexico
- Communication and negotiations with various operators and other Leasehold owners to bring prospects together for the purpose of drilling
- Communicate on a frequent basis with State and Federal entities of both Texas and New Mexico in compliance with the governing rules and regulations

**Involvement and Certifications**

**Notary Public State of Texas**

Expires: 9/6/2026

**American Association of Professional Landmen**

**Midland, TX**

Member

September 2017 – Present

Attended the 67<sup>th</sup> AAPL Annual Conference as the student representative for the Energy Commerce Program on the Student Leadership Council of the Landman Scholarship Trust

**West Texas Food Bank, Permian Basin**

**Midland, TX**

Volunteer, 500+ Hours

June 2017 – December 2019

**Texas Oil & Gas Association**

**Midland, TX**

Member

January 2021 – Present

**Energy Commerce Association**

**Lubbock, TX**

Former Member, Former President

August 2020 – May 2022

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>PENDING</b>	<sup>2</sup> Pool Code <b>41450</b>	<sup>3</sup> Pool Name <b>LUSK; BONE SPRING NORTH</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>THUNDERCLOUD 29/30 B2AD FED COM</b>	
<sup>7</sup> OGRID NO. <b>14744</b>	<sup>8</sup> Operator Name <b>MEWBOURNE OIL COMPANY</b>	<sup>6</sup> Well Number <b>1H</b>
		<sup>9</sup> Elevation <b>3730'</b>

<sup>10</sup> Surface Location

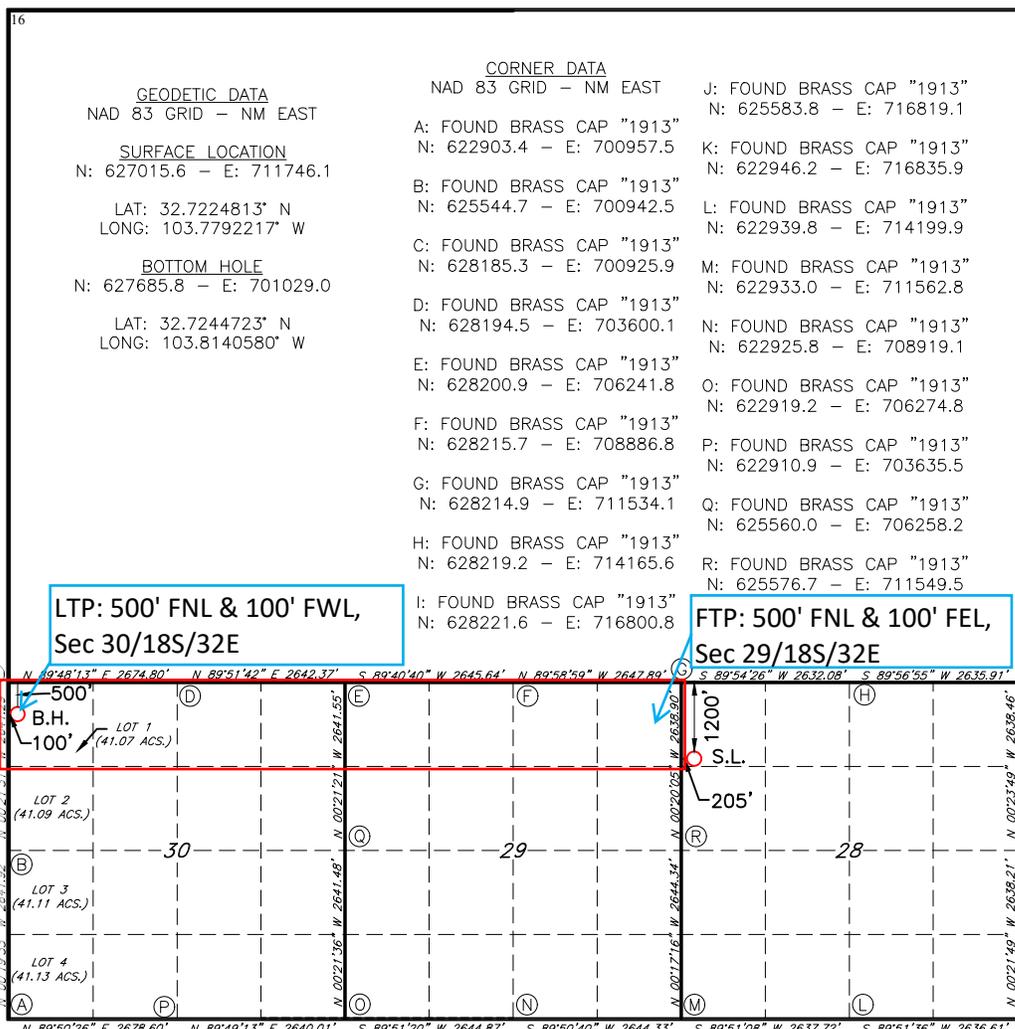
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>D</b>	<b>28</b>	<b>18S</b>	<b>32E</b>		<b>1200</b>	<b>NORTH</b>	<b>205</b>	<b>WEST</b>	<b>LEA</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>1</b>	<b>30</b>	<b>18S</b>	<b>32E</b>		<b>500</b>	<b>NORTH</b>	<b>100</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>321.07</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.



**<sup>17</sup> OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Printed Name \_\_\_\_\_  
E-mail Address \_\_\_\_\_

**<sup>18</sup> SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

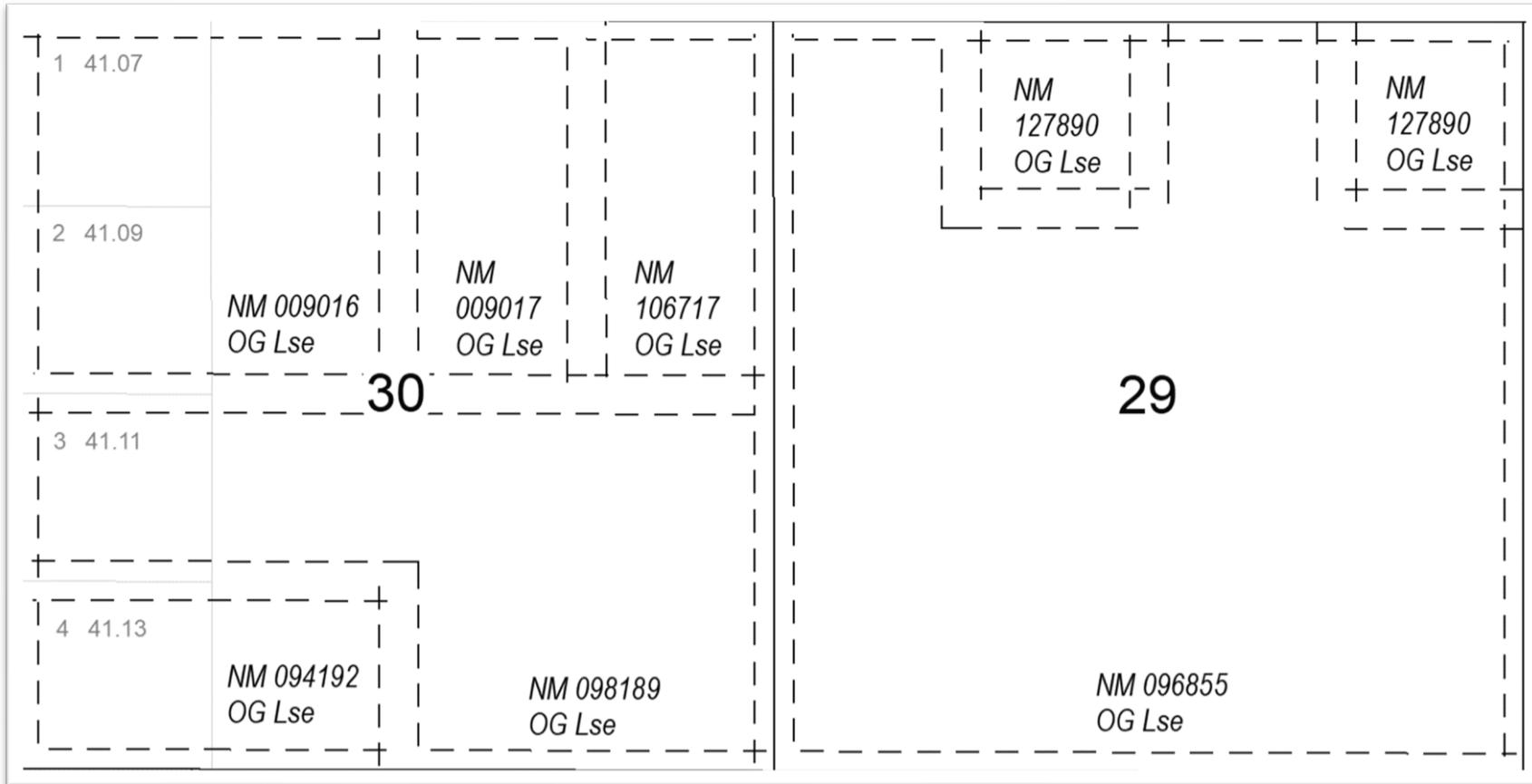
**01/21/2022**  
Date of Survey

Signature and Seal of Professional Surveyor \_\_\_\_\_

**19680**  
Certificate Number

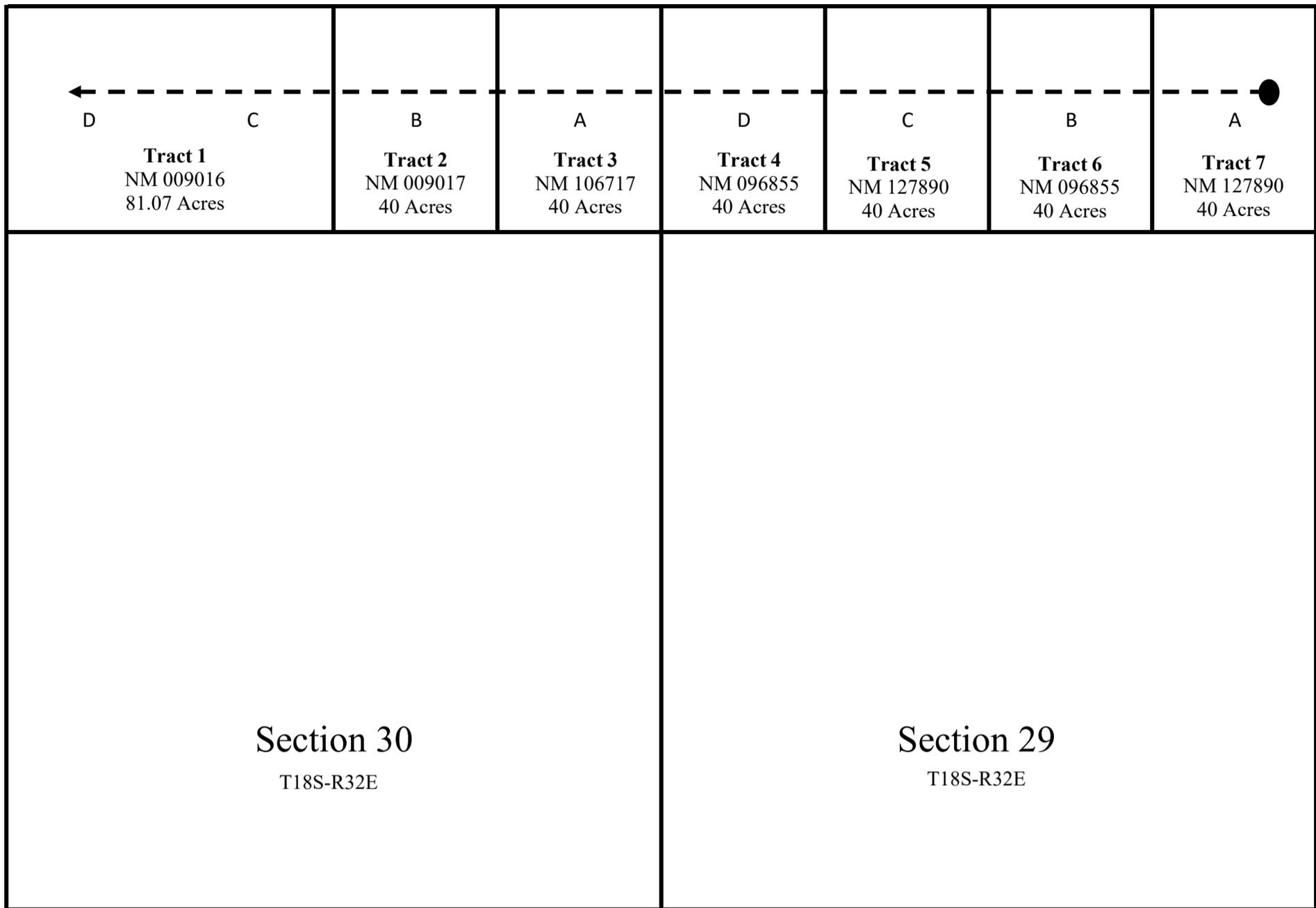
**PROF. ROBERT M. HOWETT**  
NEW MEXICO  
19680  
PROFESSIONAL SURVEYOR

**THUNDERCLOUD 29/30 POOLING PLAT AND OWNERSHIP BY TRACT/SPACING UNIT AS OF 5/16/2023  
PREPARED BY THOMAS SLOAN**



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A-3  
Submitted by: Mewbourne Oil Company  
Hearing Date: August 3, 2023  
Case No. 23674

Thundercloud 29-30 B2AD Fed Com #1H



B2AD

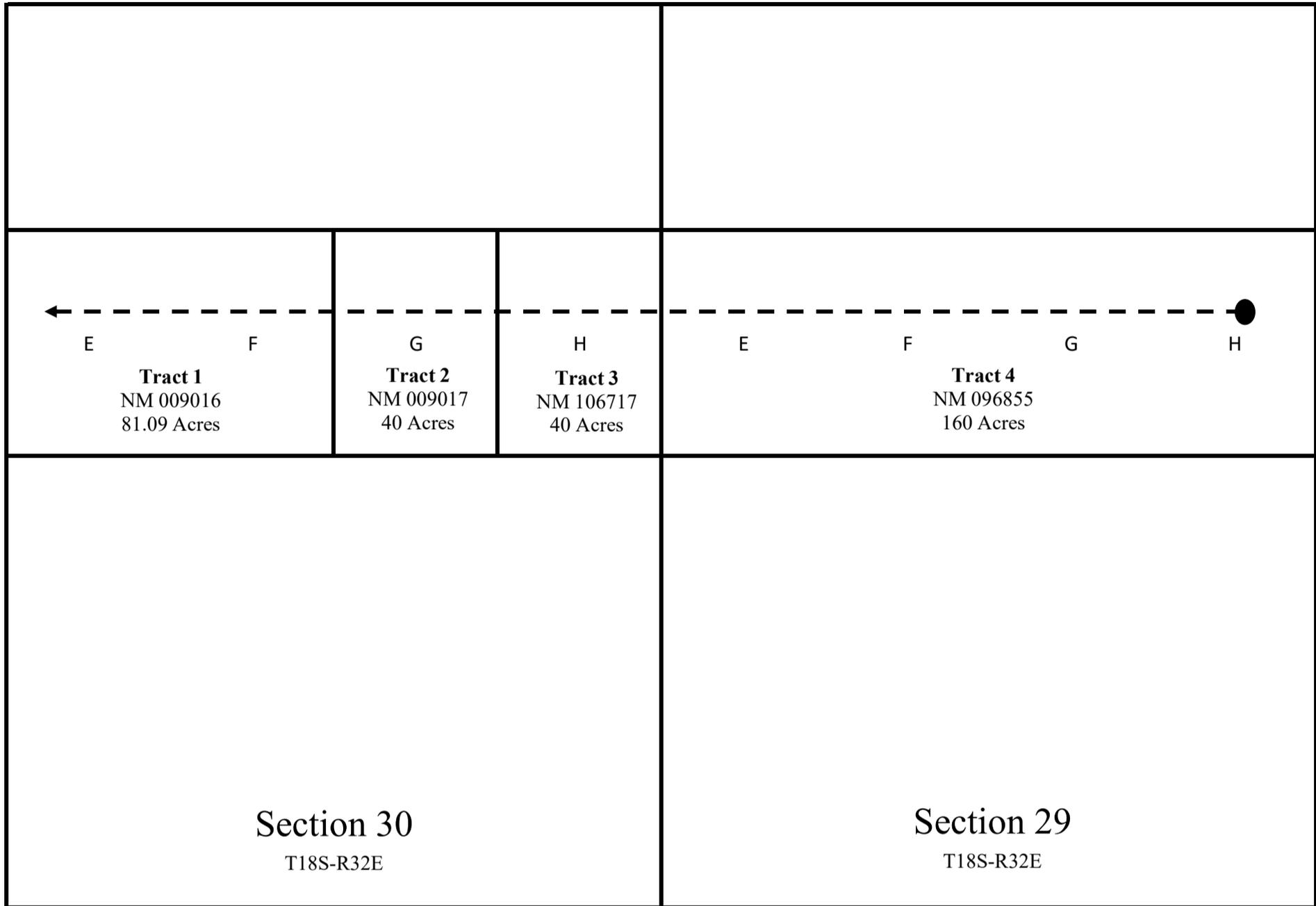
Tract 1 NM 009016	Tract 2 NM 009017	Tract 3 NM 106717	Tract 4 NM 096855	Tract 5 NM 127890	Tract 6 NM 096855	Tract 7 NM 127890	Unit Total
81.07	40	40	40	40	40	40	321.07
25.25%	12.45834%	12.45834%	12.45834%	12.45834%	12.45834%	12.45834%	100.00%
Section 30			Section 29				

**Thundercloud 29-30 B2AD Well Recapitulation**

Tract No.	No. of Acres Committed	Percentage of Interest in Area
1	81.07	25.249945%
2	40.00	12.458342%
3	40.00	12.458342%
4	40.00	12.458342%
5	40.00	12.458342%
6	40.00	12.458342%
7	40.00	12.458342%
<b>Total</b>	<b>321.07</b>	<b>100.000000%</b>

Thundercloud 29-30 B2AD Ownership				
Tract No.	Party	Net Acres	% of Tract	% of Spacing unit
<b>1</b>	Mewbourne Oil Company, et al	80.25930	99.00000%	24.99745%
	Timothy Z. Jennings	0.20268	0.25000%	0.06312%
	Charles Jay Kinsolving	0.13512	0.16667%	0.04208%
	Ashley Dean Crow	0.13512	0.16667%	0.04208%
	Jonathan M. Cieszinski, Trustee of the Cieszinski Trust u/t/a dated 5/15/2007	0.20268	0.25000%	0.06312%
	Jenna Leigh Decker (3SD Interests, LLC)	0.13512	0.16667%	0.04208%
	<b>Total Tract 1</b>	<b>81.07000</b>	<b>100.00000%</b>	<b>25.24995%</b>
<b>2</b>	<b>Maverick Permian Agent Corporation</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
	<b>Total Tract 2</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
<b>3</b>	Rockwood Resources, LLC	20.00000	50.00000%	6.22917%
	SITL Energy, LLC	10.00000	25.00000%	3.11459%
	R.E.B Resources, LLC	10.00000	25.00000%	3.11459%
	<b>Total Tract 3</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
<b>4</b>	<b>Chevron U.S.A. Inc.</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
	<b>Total Tract 4</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
<b>5</b>	Mewbourne Oil Company	40.00000	100.00000%	12.45834%
	<b>Total Tract 4</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
<b>6</b>	<b>Chevron U.S.A. Inc.</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
	<b>Total Tract 6</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
<b>7</b>	Mewbourne Oil Company	40.00000	100.00000%	12.45834%
	<b>Total Tract 7</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45834%</b>
<b>Total Spacing Unit</b>		<b>321.07000</b>		<b>100.00000%</b>
<b>** PARTIES HIGHLIGHTED IN RED ARE PARTIES TO BE POOLED**</b>				

Thundercloud 29-30 B2HE Fed Com #1H



B2HE

Tract 1	Tract 2	Tract 3	Tract 4	Unit Total
81.09	40	40	160	321.09
25.25%	12.46%	12.46%	49.83%	100.00%
Section 30			Section 29	

**Thundercloud 29-30 B2HE Well Recapitulation**

Tract No.	No. of Acres Committed	Percentage of Interest in Area
1	81.09	25.254602%
2	40.00	12.457566%
3	40.00	12.457566%
4	160.00	49.830266%
<b>Total</b>	<b>321.09</b>	<b>100.000000%</b>

Thundercloud 29-30 B2HE Ownership				
Tract No.	Party	Net Acres	% of Tract	% of Spacing unit
<b>1</b>	Mewbourne Oil Company, et al	80.27910	99.00000%	25.00206%
	Timothy Z. Jennings	0.20273	0.25000%	0.06314%
	Charles Jay Kinsolving	0.13515	0.16667%	0.04209%
	Ashley Dean Crow	0.13515	0.16667%	0.04209%
	Jonathan M. Cieszinski, Trustee of the Cieszinski Trust u/t/a dated	0.20273	0.25000%	0.06314%
	Jenna Leigh Decker (3SD Interests, LLC)	0.13515	0.16667%	0.04209%
	<b>Total Tract 1</b>	<b>81.09000</b>	<b>100.00000%</b>	<b>25.25460%</b>
<b>2</b>	<b>Maverick Permian Agent Corporation</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45757%</b>
	<b>Total Tract 2</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45757%</b>
<b>3</b>	Rockwood Resources, LLC	20.00000	50.00000%	6.22878%
	SITL Energy, LLC	10.00000	25.00000%	3.11439%
	R.E.B Resources, LLC	10.00000	25.00000%	3.11439%
	<b>Total Tract 3</b>	<b>40.00000</b>	<b>100.00000%</b>	<b>12.45757%</b>
<b>4</b>	<b>Chevron U.S.A. Inc.</b>	<b>160.00000</b>	<b>100.00000%</b>	<b>49.83027%</b>
	<b>Total Tract 4</b>	<b>160.00000</b>	<b>100.00000%</b>	<b>49.83027%</b>
<b>Total Spacing Unit</b>		<b>321.09000</b>		<b>100.00000%</b>
<b>** PARTIES HIGHLIGHTED IN RED ARE PARTIES TO BE POOLED**</b>				

**MEWBOURNE OIL COMPANY**

500 West Texas, Suite 1020  
Midland, Texas 79701  
Phone (432) 682-3715

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A-4  
Submitted by: Mewbourne Oil Company  
Hearing Date: August 3, 2023  
Case No. 23674

March 31, 2023

Certified Mail

Chevron U.S.A., Inc.  
1400 Smith Street  
Houston, TX 77024  
Attn: Land Manager

Re: **Thundercloud 29/30 Working Interest  
Unit and Well Proposals**  
The North Half of Section 29 & The North Half of Section 30  
T18S, R32E, Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("MOC"), as Operator, hereby proposes creating a working interest unit comprising of the referenced lands. As part of the initial development, MOC proposes drilling the following wells:

- 1) **Thundercloud 29/30 B2AD Fed Com #1H** – API # - pending  
Surface Location: 1200' FNL, 205' FWL, Section 28  
Bottom Hole Location: 500' FNL, 100' FWL, Section 30  
Proposed Total Vertical Depth: 9195'  
Proposed Total Measured Depth: 19891'  
Target: 2<sup>nd</sup> Bone Spring Sand
  
- 2) **Thundercloud 29/30 B2HE Fed Com #1H** – API # - pending  
Surface Location: 1230' FNL, 205' FWL, Section 28  
Bottom Hole Location: 1900' FNL, 100' FWL, Section 30  
Proposed Total Vertical Depth: 9187'  
Proposed Total Measured Depth: 19890'  
Target: 2<sup>nd</sup> Bone Spring Sand

The wells are planned to be pad drilled with the first well tentatively scheduled to spud in 4<sup>th</sup> quarter 2023 depending on commodity prices. In the event you elect to participate in the proposed wells, please execute the enclosed Operating Agreement and AFEs before returning them to the undersigned within thirty (30) days. Please enclose your most current well information requirements so that we may provide well data when available.

Please contact me at (432) 682-3715 or via email at [tsloan@mewbourne.com](mailto:tsloan@mewbourne.com) if you have any questions or need more information.

Very truly yours,

**MEWBOURNE OIL COMPANY**

A handwritten signature in blue ink, appearing to read 'T Sloan', with a stylized flourish at the end.

Thomas Sloan  
Landman





**Summary of Communications**  
**THUNDERCLOUD 29/30 B2AD FED COM #1H**  
**THUNDERCLOUD 29/30 B2HE FED COM #1H**

**Chevron U.S.A., Inc.**

1. April 13<sup>th</sup>, 2023 – Certified Mailed well proposal letter, AFEs, and Operating Agreement. Certified Delivery April 20<sup>th</sup>, 2023.
2. May 10<sup>th</sup>, 2023 – Called and left Voicemail inquiring to discuss well proposals.
3. Email correspondence between Scott Sabrsula with Chevron and Thomas Sloan with Mewbourne discussing the well proposal.

**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. A-5**  
**Submitted by: Mewbourne Oil Company**  
**Hearing Date: August 3, 2023**  
**Case No. 23674**

**Summary of Communications**  
**THUNDERCLOUD 29/30 B2AD FED COM #1H**  
**THUNDERCLOUD 29/30 B2HE FED COM #1H**

**Jenna Leigh Decker (3SD Interests, LLC)**

1. April 13<sup>th</sup>, 2023 – Certified Mailed Well Proposal letter, AFEs, and Operating Agreement. Certified Delivery April 15<sup>th</sup>, 2023.
2. April 25<sup>th</sup>, 2023 – Thomas Sloan Received call from Jenna, asking that she Assign all of her interest to Mewbourne, Thomas Sloan Certified Mailed Assignment and Bill of Sale of Interest to Party, Certified Delivery May 11<sup>th</sup>, 2023.

**Summary of Communications**  
**THUNDERCLOUD 29/30 B2AD FED COM #1H**  
**THUNDERCLOUD 29/30 B2HE FED COM #1H**

**Jonathan M. Cieszinski, Trustee of the Cieszinski Trust u/t/a dated 5/15/2007**

1. April 13<sup>th</sup>, 2023 – Certified Mailed well proposal letter, AFEs, and Operating Agreement. Certified Delivery April 14<sup>th</sup>, 2023.
2. May 10<sup>th</sup>, 2023 – Called and spoke with Jonathan inquiring to discuss well proposals. He said he was likely to participate.
3. May 15<sup>th</sup>, 2023 – Received Executed Operating Agreement Signature pages from Jonathan, but no AFE Pages.
4. Email correspondence between Jonathan and Thomas Sloan with Mewbourne discussing the well proposal.

**Summary of Communications**  
**THUNDERCLOUD 29/30 B2AD FED COM #1H**  
**THUNDERCLOUD 29/30 B2HE FED COM #1H**

**Maverick Permian Agent, Corporation**

1. April 13<sup>th</sup>, 2023 – Certified Mailed Well Proposal letter, AFEs, and Operating Agreement. Certified Delivery April 17<sup>th</sup>, 2023.
2. Email correspondence between Christopher Jordan with Maverick and Tyler Jolly with Mewbourne discussing the well proposal.

**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. 23674 & 23675**

**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 B-1 is a regional map showing the northern end of the Delaware Basin within Lea County where the Thundercloud 29/30 drilling units are located.
  - (b) Attachment B-2 is a structure map on the top of the 2<sup>nd</sup> Bone Spring Sand. It shows that structure dips to the southeast across the unit. It also shows 2<sup>nd</sup> Bone Spring horizontal wells in the area, and a line of cross-section.
  - (c) Attachment B-3 is a cross section of the 2<sup>nd</sup> Bone Spring Formation showing the target zone for the Thundercloud 29/30 B2AD Fed Com 1H and Thundercloud 29/30 B2HE Fed Com 1H.

The well logs on the cross-section give a representative sample of the 2<sup>nd</sup> Bone Spring Formation in this area. The target zones 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.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Mewbourne Oil Company  
Hearing Date: August 3, 2023  
Case No. 23674

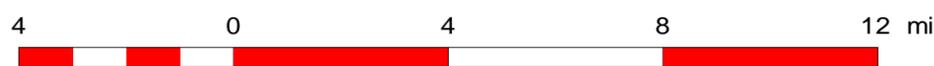
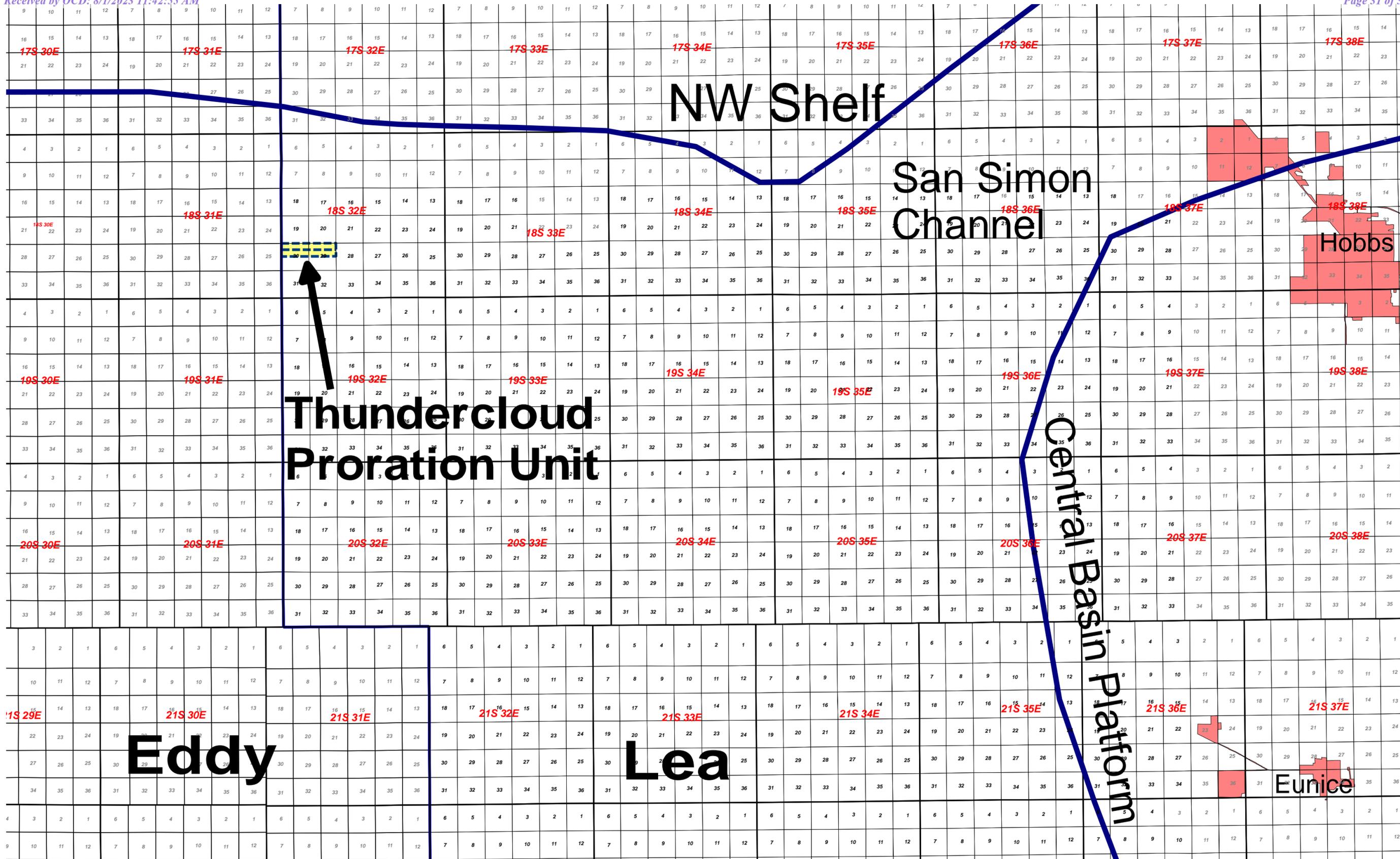
(c) Each quarter-quarter section in the well units will contribute more or less equally to production from the target zone.

(d) There is no faulting or other geologic impediment in the area which will affect drilling of the subject wells.

5. 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 4 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.

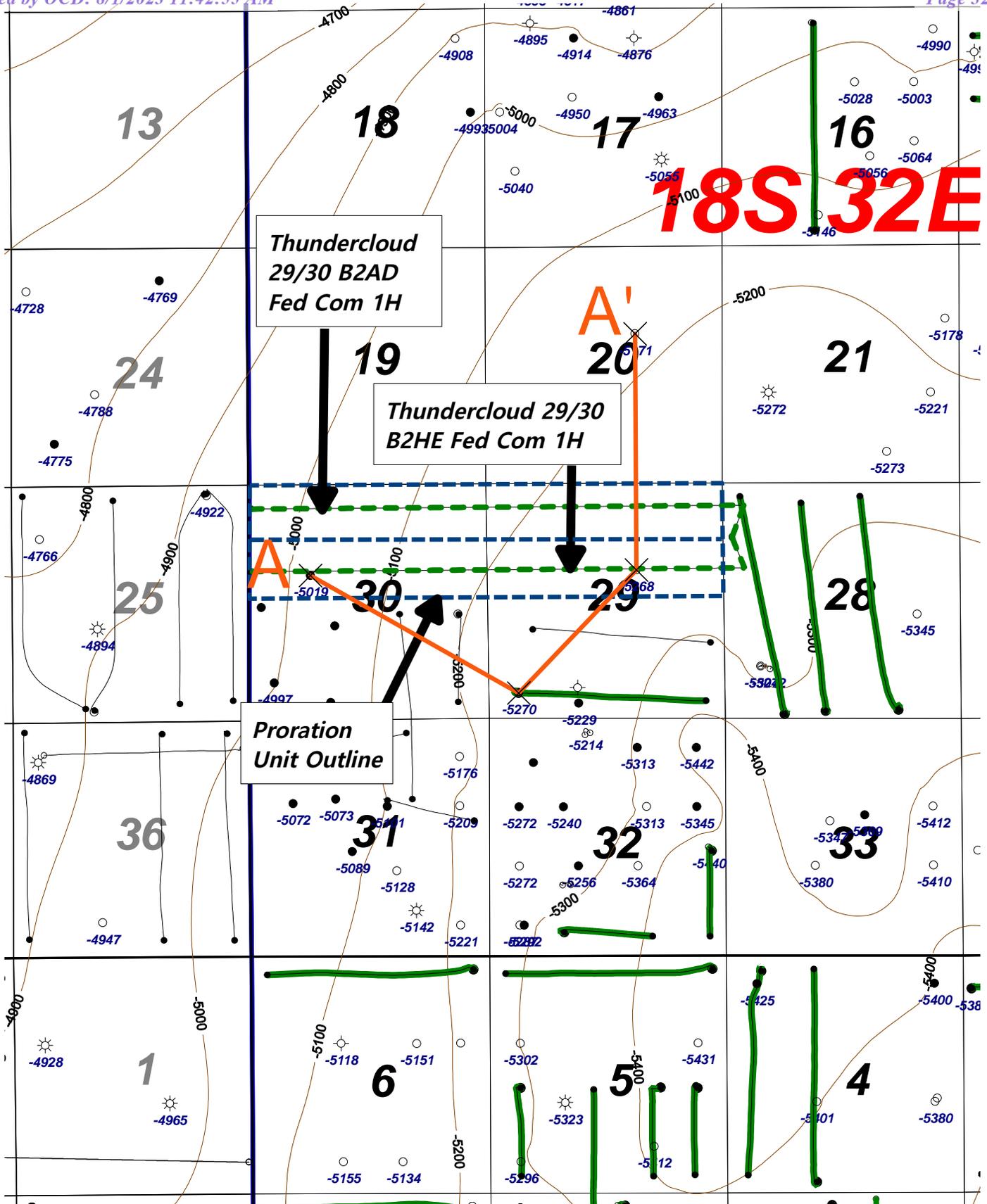
Date: 7-27-2023

  
\_\_\_\_\_  
Jordan Carrell



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B-1  
 Submitted by: Mewbourne Oil Company  
 Hearing Date: August 3, 2023  
 Case No. 23674

<b>Thundercloud 29/30        Lea County Locator Map</b>		
7/27/23	Lea County	New Mexico



3000 0 3000 ft

1 inch = 3000 feet

Wells deeper than 7000'

● 2nd BSPG Sand structural top (subsea)

2nd BSPG Hz Color Code

— Drilled Well

- - - Permitted or Proposed Well

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B-2

Submitted by: Mewbourne Oil Company  
Hearing Date: August 28, 2023

Released to Imaging 8/1/2023 11:43:29 AM

Case No. 23674



 <b>Mewbourne Oil Company</b>		
<b>Thundercloud 29/30</b> <b>2nd BSPG Sand Structure Contour Map</b>		
7/27/23	Contour Interval = 100'	18S/32E, Lea County, NM

A

A'

300253798800  
 MEWBOURNE OIL CO  
 GERONIMO 30 FEDERAL 003  
 SW SE NW  
 TWP: 18 S - Range: 32 E - Sec. 30  
 Reference=KB  
 Datum=3706.00

5336 ft  
 300254070600  
 CHEVRON U S A INC  
 CROSS BONES 2-29 1H  
 TWP: 18 S - Range: 32 E - Sec. 29  
 Reference=KB  
 Datum=3718.00

3801 ft  
 300252148000  
 TRIGG JOHN H  
 MCCURDY FEDERAL 1  
 1980 FNL/1980 FEL  
 TWP: 18 S - Range: 32 E - Sec. 29  
 Reference=KB  
 Datum=3733.00

5279 ft  
 300252494000  
 CHEVRON U S A INC  
 YOUNG FEDERAL 001  
 TWP: 18 S - Range: 32 E - Sec. 20  
 Reference=KB  
 Datum=3767.00

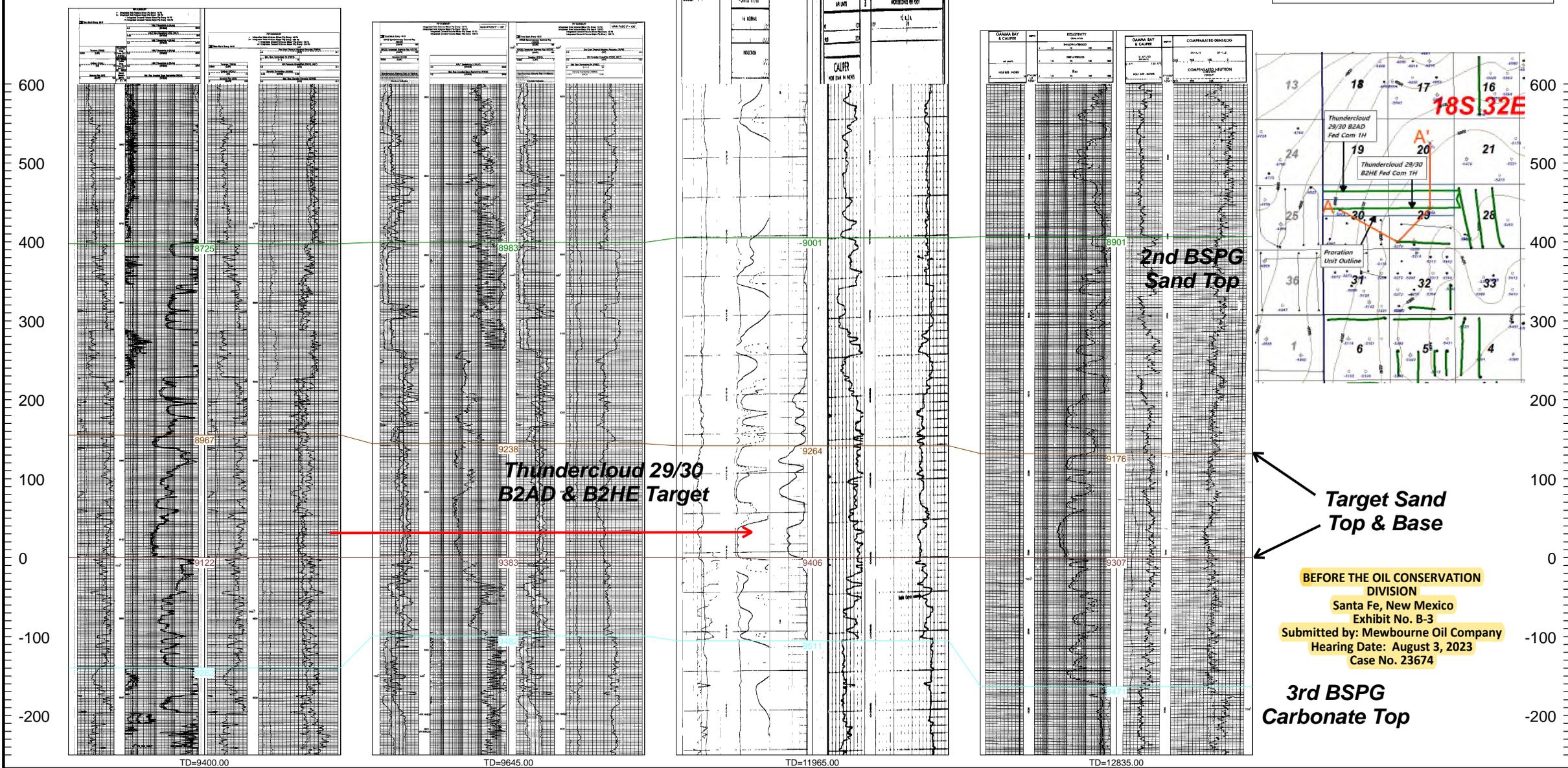
15I

23F

11D

11D

**Thundercloud 29/30  
 Cross-Section Exhibit  
 7/27/23**





SUBSCRIBED AND SWORN to before me this 31st day of July, 2023 by Michael H.

Feldewert.



Notary Public

My Commission Expires:

6/28/24

STATE OF NEW MEXICO  
NOTARY PUBLIC  
KARI D PEREZ  
COMMISSION # 1138272  
COMMISSION EXPIRES 06/28/2026



July 14, 2023

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL AFFECTED PARTIES**

**Re: Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico: Thundercloud 29/30 B2AD Fed Com 1H well (N2N2 spacing unit)**

Greetings:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on August 3, 2023, and the status of the hearing can be monitored through the Division’s website at <http://www.emnrd.nm.gov/ocd/>.

**Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. 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. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Thomas Sloan at (432) 682-3715, or at [tsloan@mewbourne.com](mailto:tsloan@mewbourne.com).

Sincerely,

Michael H. Feldewert  
**ATTORNEY FOR MEWBOURNE OIL COMPANY**

**Location**  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501-1849

**Mailing Address**  
P.O. Box 2208  
Santa Fe, NM 87504-2208

**Contact**  
p: 505.988.4421 | f: 595.983.6043  
[www.hollandhart.com](http://www.hollandhart.com)

Holland & Hart LLP Anchorage Aspen Billings Boise Boulder Cheyenne Denver Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C.

MOC - Thundercloud 29 30 B2AD Fed Com 1H - N2N2 Case No. 23674  
 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765414077277	Chevron U.S.A. Inc. Attn Scott Sabrsula	1400 Smith St	Houston	TX	77002-7327	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77002 on July 25, 2023 at 12:43 pm.
9414811898765414077819	Maverick Permian Agent, Corporation Attn Land Manager	1111 Bagby St Ste 1600	Houston	TX	77002-2547	Your item was delivered to an individual at the address at 3:03 pm on July 19, 2023 in HOUSTON, TX 77002.
9414811898765414077857	Jenna Leigh Decker 3SD Interests, LLC	221 Doran Rd	Lovington	NM	88260-8516	Your item has been delivered to an agent for final delivery in LOVINGTON, NM 88260 on July 19, 2023 at 2:19 pm.
9414811898765414077864	Jonathan M. Ciezinski, Trustee of the Ciezinski Trust u/t/a dated 5/15/2001	2737 81st St	Lubbock	TX	79423-2229	Your item was delivered to an individual at the address at 12:07 pm on July 19, 2023 in LUBBOCK, TX 79423.

# 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 18, 2023  
and ending with the issue dated  
July 18, 2023.



Publisher

Sworn and subscribed to before me this  
18th day of July 2023.



Business Manager

My commission expires  
January 29, 2027

(Seal) STATE OF NEW MEXICO  
NOTARY PUBLIC  
GUSSIE RUTH BLACK  
COMMISSION # 1087528  
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

## LEGAL NOTICE July 18, 2023

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on Thursday, August 3, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov). Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov), or the New Mexico Relay Network at 1-800-659-1779, no later than July 23, 2023.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=mc68e708eacdd7b63543532aead523b82>  
Webinar number: 2480 139 3502

Join by video system: [24801393502@nmemnrd.webex.com](mailto:24801393502@nmemnrd.webex.com)  
You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free  
+1-408-418-9388 United States Toll  
Access code: 2480 139 3502

Panelist password: PGpPdJhW277 (74773549 from phones and video systems)

**STATE OF NEW MEXICO TO:  
All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected interest owners, including: Chevron U.S.A. Inc.; Maverick Permian Agent, Corporation; Jenna Leigh Decker (3SD Interests, LLC); and Jonathan M. Ciezinski, Trustee of the Ciezinski Trust u/t/a dated 5/15/2001.

**Case No. 23674: Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling a 321.07-acre standard horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Sections 29 and the N2NE4, NE4NW4 and Lot 1 (NW4NW4 equivalent) of irregular 30, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the proposed **Thundercloud 29/30 B2AD Fed Com 1H** well to be horizontally drilled with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take point in the NW4NW4 equivalent (Lot 1) of irregular Section 30. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 9 miles southwest of Maljamar, New Mexico.  
**#00280735**

67100754

00280735

HOLLAND & HART LLC  
PO BOX 2208  
SANTA FE, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Mewbourne Oil Company  
Hearing Date: August 3, 2023  
Case No. 23674