

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING AUGUST 17, 2023**

CASE No. 23681

LA ROCA 521H & 523H WELLS

LEA COUNTY, NEW MEXICO



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

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR APPROVAL OF A
NON-STANDARD 640-ACRE HORIZONTAL
WELL SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 23681

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23681	APPLICANT'S RESPONSE
Date	August 17, 2023
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID 14744)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	Application of Mewbourne Oil Company for Approval of a 640-acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	N/A
Well Family	La Roca 14/11 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Mescalero Escarpe; Bone Spring (45793)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres, more or less
Building Blocks:	40 acres
Orientation:	south to north
Description: TRS/County	W/2 of Sections 11 and 14, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	No; approval is requested in this application for W/2 of Sections 11 and 14, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico.
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit A-2
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	La Roca 14/11 Fed Com 521H 1H (API Pending) SHL: 215' FSL, 645' FWL (Unit M), Sec. 14, T18S, R33E; BHL: 100' FNL, 660' FWL (Unit D), Sec. 11, T18S, R33E; Target: Bone Spring formation Orientation: South to North Completion Status: Expected to be Standard
Well #2	La Roca 14/11 Fed Com 523H 1H (API Pending) SHL: 215' FSL, 675' FWL (Unit M), Sec. 14, T18S, R33E; BHL: 100' FNL, 1980' FWL (Unit C), Sec. 11, T18S, R33E; Target: Bone Spring formation Orientation: South to North Completion Status: Expected to be Standard
Horizontal Well First and Last Take Points	See Exhibit A-1
Completion Target (Formation, TVD and MD)	See Exhibit A-2
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	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
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit A-5
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A

Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B-3
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit 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
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	17-Aug-23

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

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR APPROVAL OF A
NON-STANDARD 640-ACRE HORIZONTAL
WELL SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 23681

APPLICATION

Mewbourne Oil Company (“Mewbourne” or “Applicant”) (OGRID No. 14744), through its undersigned attorneys, hereby files this application with the Oil Conservation Division for an order (a) approving a 640-acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation underlying the W2 of Sections 11 and 14, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico and (b) pooling all uncommitted interests in this acreage. In support of its application, Mewbourne states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Due to the nature and configuration of the federal leases in the subject area, the Bureau of Land Management (“BLM”) will not approve the commingling of production at central facilities if the subject area is developed using standard horizontal well spacing units. See, e.g., 43 CFR 3173.14 (addressing authorized commingling). However, if the proposed non-standard spacing unit is approved by the Division, the BLM has stated it will issue a corresponding Communitization Agreement for the federal leases within the subject area to allow commingling and the corresponding reduction of the necessary surface facilities.

3. Mewbourne seeks to minimize cost and surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit. To allow the proposed wells to be dedicated to a federal Communitization Agreement, Mewbourne requires approval of a corresponding non-standard horizontal well spacing unit in the Bone Spring formation.

4. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **La Roca 14/11 Fed Com 521H** and the **La Roca 14/11 Fed Com 523H** wells to be horizontally drilled from a common surface location in the SW4SW4 (Unit M) of Section 14 to bottom hole locations in the NW4NW4 (Unit D) and the NE4NW4 (Unit C) of Section 11.

5. 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.

6. Approval of the non-standard unit will allow Mewbourne to efficiently locate surface facilities for the recovery of oil and gas underlying the subject lands, reduce surface disturbance, and lower operating costs.

7. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this matter 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. Approving the proposed non-standard spacing unit;
- B. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon;

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

Respectfully submitted,

HOLLAND & HART LLP

By: 

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Adam G. Rankin
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**ATTORNEYS FOR MEWBOURNE OIL
COMPANY**

CASE: _____

Application of Mewbourne Oil Company for Approval of a 640-acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a 640-acre non-standard horizontal well spacing unit in the Bone Spring formation underlying the W2 of Sections 11 and 14, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted interests in this acreage. This spacing unit will be initially dedicated to the proposed **La Roca 14/11 Fed Com 521H** and the **La Roca 14/11 Fed Com 523H** wells to be horizontally drilled from a common surface location in the SW4SW4 (Unit M) of Section 14 to bottom hole locations in the NW4NW4 (Unit D) and the NE4NW4 (Unit C) of Section 11. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs 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 wells. Said area is located approximately 20 miles southwest of Lovington, New Mexico.

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

**APPLICATION OF MEWBOURNE OIL COMPANY FOR APPROVAL OF A
640-ACRE NON-STANDARD HORIZONTAL WELL SPACING UNIT AND
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 23681

SELF AFFIRMED STATEMENT OF TYLER JOLLY, LANDMAN

1. My name is Tyler Jolly, and I am employed by Mewbourne Oil Company (“Mewbourne”) as a Landman. My responsibilities include the Permian Basin of New Mexico. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters and my credentials have been accepted by the Division and made a matter of record.

2. I am familiar with the application filed by Mewbourne in this matter and the status of the lands in the subject area. The mineral owners to be pooled have not expressed any opposition to this proceeding.

3. Mewbourne seeks an order (a) approving a 640-acre non-standard horizontal well spacing unit in the Bone Spring formation [Mescalero Escarpe; Bone Spring Pool (45793)] underlying the W2 of Sections 11 and 14, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted interests in this acreage.

4. Due to the nature and configuration of the federal leases in the subject area, the Bureau of Land Management (“BLM”) will not approve the commingling of production at central facilities if the subject area is developed using standard horizontal well spacing units. However, if the proposed non-standard spacing unit is approved by the Division, the BLM has informed Mewbourne that it will issue a corresponding Communitization Agreement for the

federal leases to allow commingling and the corresponding reduction of the necessary surface facilities.

5. Mewbourne seeks to minimize cost and surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit. To allow the proposed wells to be dedicated to a federal Communitization Agreement, Mewbourne requires approval of a corresponding non-standard horizontal well spacing unit in the Bone Spring formation.

6. I have met with Mewbourne's facility engineers. If the acreage is developed using standard spacing units, an additional tank battery will be required at a cost of approximately \$ 1.4 million and require an additional surface disturbance of 2 acres. If the proposed non-standard spacing unit is approved, the additional cost and surface disturbance required for a second tank battery can be avoided.

7. Eliminating the need for the additional tank battery will also lower the operating costs for this acreage thereby making this project more competitive with drilling projects in other states and extending the productive life of the acreage.

8. This spacing unit will be initially dedicated to the proposed **La Roca 14/11 Fed Com 521H** and the **La Roca 14/11 Fed Com 523H** wells to be horizontally drilled from a common surface location in the SW4SW4 (Unit M) of Section 14 to bottom hole locations in the NW4NW4 (Unit D) and the NE4NW4 (Unit C) of Section 11.

9. **Exhibit A-1** contains the Form C-102s for the proposed initial wells. This exhibit demonstrates that all the quarter-quarter sections in the proposed non-standard unit will be perforated by the initially proposed wells.

10. **Exhibit A-2** 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 state and federal lands.

11. **Exhibits A-3 and A-4** contain a sample of the well proposal letters sent to working interest owners Mewbourne has been able to locate. The costs reflected in the AFEs provide with these letters are consistent with what Mewbourne and other operators have incurred for drilling similar horizontal wells in the area in this formation.

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

13. I have provided the law firm of Holland & 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.

14. Mewbourne requests overhead and administrative rates of \$8,000 per month for drilling and \$800 per month for a producing well. These rates are consistent with or below the rates charged by Mewbourne and other operators for similar wells in this area.

15. **Exhibit A-6** is plat identifying the tracts that adjoin the proposed non-standard spacing unit and a list of the affected parties in these tracts. I instructed the law firm of Holland & Hart, LLP to provide notice of this hearing be these additional affected parties.

16. In compiling the addresses of the parties to be pooled and the parties affected by the request for a non-standard spacing unit, Mewbourne conducted a diligent search of all public records in the county where the proposed unit is located, review telephone directories and conducted computer searches. To my knowledge, there are no unlocatable affected parties.

17. Exhibits A-1 through A-6 were either prepared by me or compiled under my direction from company business records.

18. In my opinion, approval of this application is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

19. 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.



TYLER JOLLY

7/26/23
Date

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

1 API Number Pending		2 Pool Code 45793		3 Pool Name MESCALERO ESCARPE; BONE SPRING	
4 Property Code		5 Property Name La Roca 14/11 Fed Com #521H			6 Well Number 1H
7 OGRID NO. 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3898'

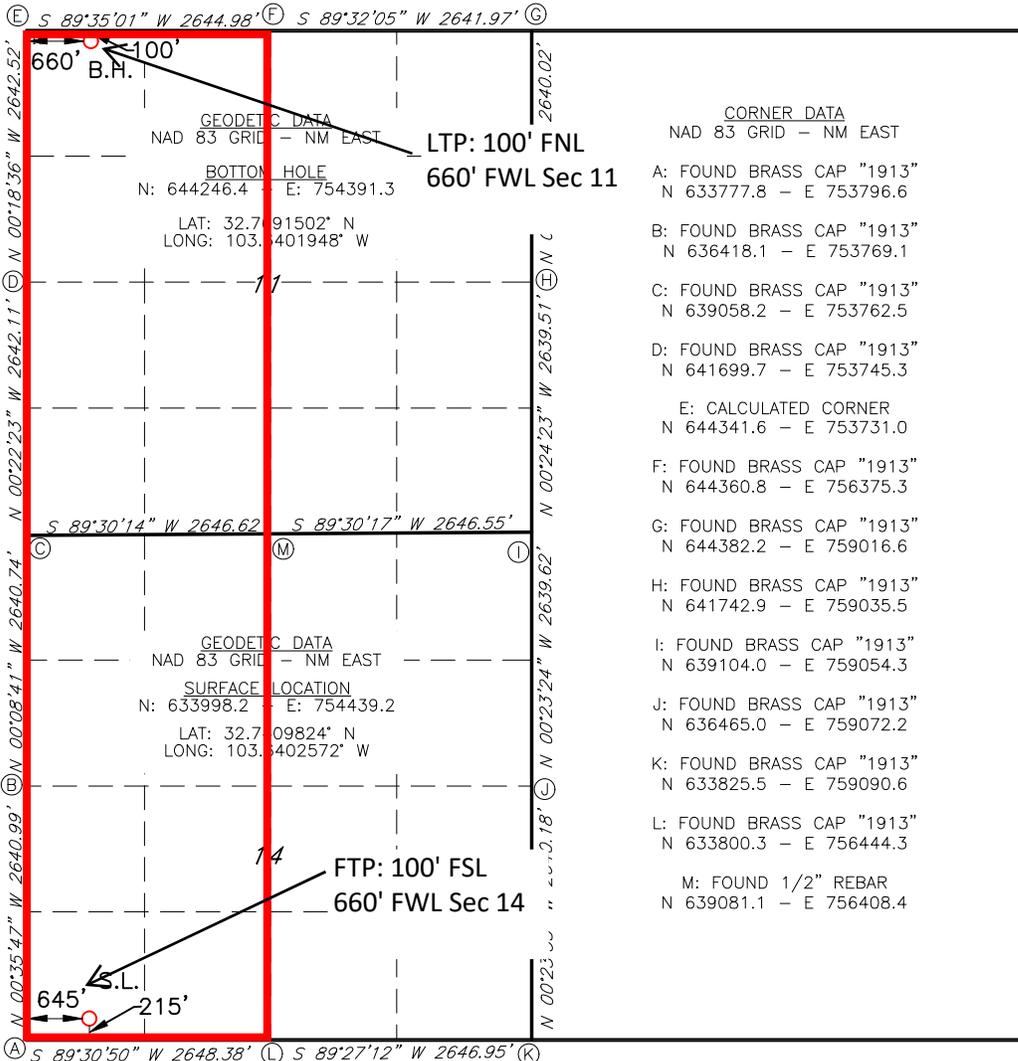
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
M	14	18S	33E		215	SOUTH	645	WEST	LEA

11 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
D	11	18S	33E		100	NORTH	660	WEST	LEA
12 Dedicated Acres 640		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.



17 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.

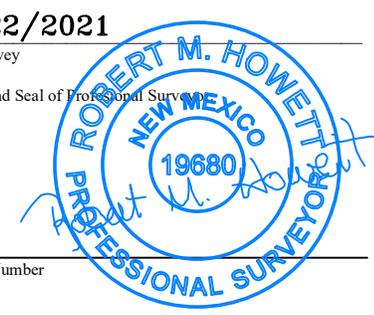
Signature _____ Date _____
 Printed Name _____
 E-mail Address _____

18 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.

07/22/2021

Date of Survey _____
 Signature and Seal of Professional Surveyor _____



19680

Certificate Number

Job No.: LS21070745

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

¹ API Number Pending		² Pool Code 45793		³ Pool Name MESCALERO ESCARPE; BONE SPRING	
⁴ Property Code		⁵ Property Name La Roca 14/11 Fed Com #523H			⁶ Well Number 1H
⁷ OGRID NO. 14744		⁸ Operator Name MEWBOURNE OIL COMPANY			⁹ Elevation 3898'

¹⁰ Surface Location

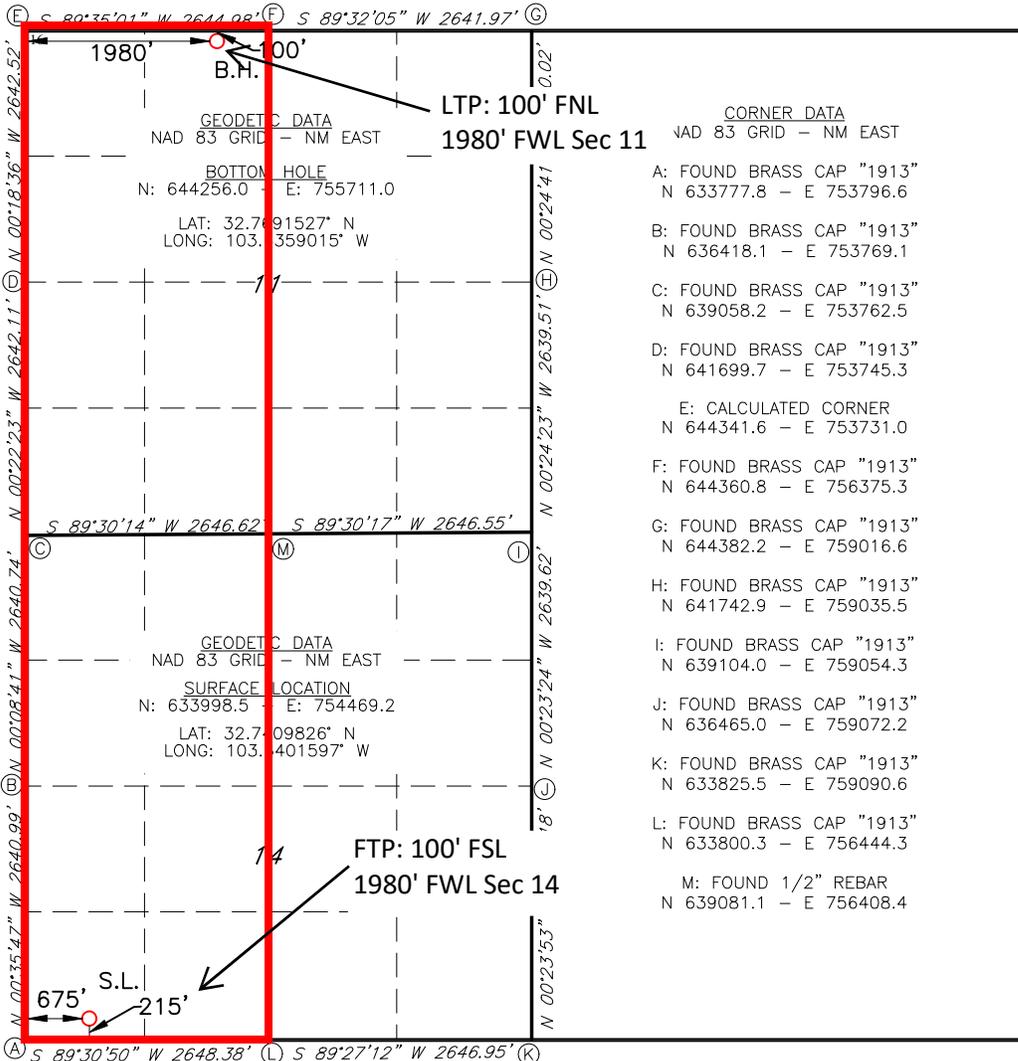
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
M	14	18S	33E		215	SOUTH	675	WEST	LEA

¹¹ 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
C	11	18S	33E		100	NORTH	1980	WEST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



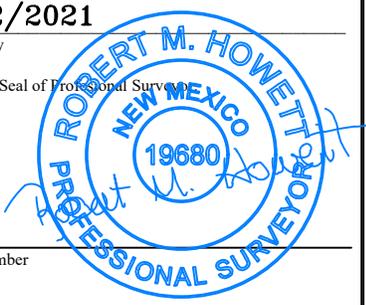
¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to 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 _____

¹⁸ 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.

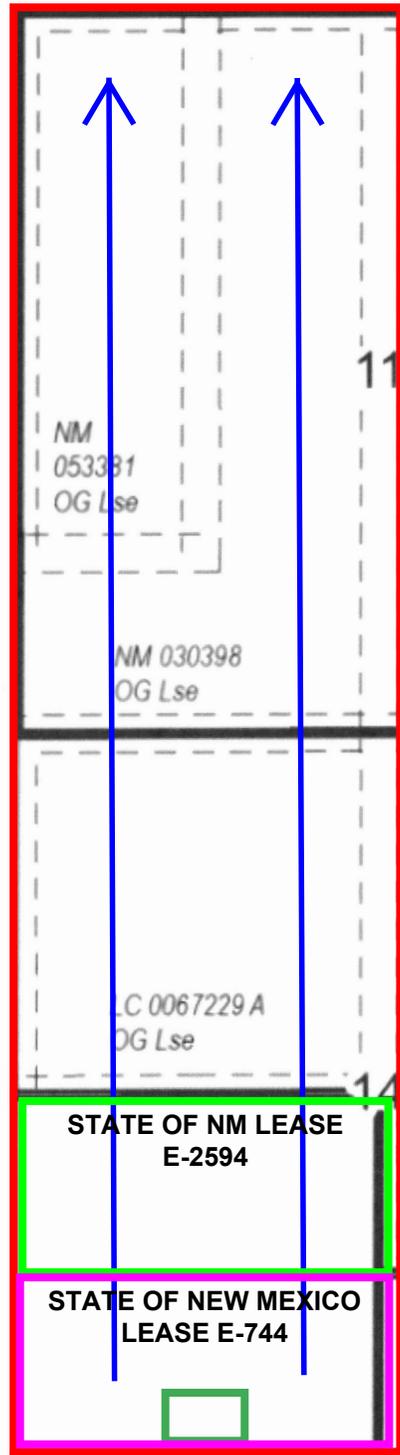
07/22/2021
Date of Survey _____
Signature and Seal of Professional Surveyor _____

19680
Certificate Number



Job No.: LS21070746

**LA ROCA 14-11 WORKING INTEREST UNIT
UNIT SIZE - 640 ACRES
PRIMARY TARGET - 2ND BONE SPRING SAND**



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-2
Submitted by: Mewbourne Oil Company
Hearing Date: August 17, 2023
Case No. 23681

Tract 1: S2SW4 of Section 14 - E2594

Mewbourne Oil Company, et al.
Maverick Permian LLC

Tract 4: SW4SW4, E2W2 of Section 11 - NMNM 30398

Mewbourne Oil Company, et al.
EOG Resources, Inc.

Tract 2: N2SW4 of Section 14 - E-744

Mewbourne Oil Company

Tract 5: NW4SW4, W2NW4 of Section 11 - NMNM 53381

Mewbourne Oil Company, et al.
Chevron Midcontinent, LP
MRC Delaware Resources, LLC
Devon Energy Production Company, L.P.
Diamond Head Properties, L.P.

Tract 3: NW4 of Section 14 - NM 067229-A

Mewbourne Oil Company, et al
Chevron U.S.A. Inc.
Charles Hodges

RECAPITULATION
LA ROCA 14/11 #521H
LA ROCA 14/11 #523H

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
1	80.000	12.50000%
2	80.000	12.50000%
3	160.000	25.00000%
4	200.000	31.25000%
5	120.000	18.75000%
TOTAL	640.000	100.000000%

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-3
Submitted by: Mewbourne Oil Company
Hearing Date: August 17, 2023
Case No. 23681

Ownership by Tract

LA ROCA 14/11 FED COM #521H

LA ROCA 14/11 FED COM #523H

Tract 1: S2SW4 of Section 14 - E2594	
Entity/Individual	Interest
Mewbourne Oil Company, et al.	97.000000%
Maverick Permian LLC	3.000000%
Total	100.000000%

Tract 2: N2SW4 of Section 14 - E-744	
Entity/Individual	Interest
Mewbourne Oil Company	100.000000%
Total	100.000000%

Tract 3: NW4 of Section 14 - NM 067229-A	
Entity/Individual	Interest
Mewbourne Oil Company, et al.	49.9513050%
Chevron U.S.A. Inc.	50.0000000%
Charles Hodges	0.0486950%
Total	100.0000000%

Tract 4: SW4SW4, E2W2 of Section 11 - NMNM 30398	
Entity/Individual	Interest
Mewbourne Oil Company, et al.	70.4000000%
EOG Resources, Inc.	29.6000000%
Total	100.0000000%

Tract 5: NW4SW4, W2NW4 of Section 11 - NMNM 53381	
Entity/Individual	Interest
Mewbourne Oil Company, et al.	14.4300000%
Chevron Midcontinent, LP	50.0000000%
MRC Delaware Resources, LLC	24.4495950%
Devon Energy Production Company, L.P.	8.2800000%
Diamond Head Properties, L.P.	2.8404050%
Total	100.0000000%

Spacing Unit Ownership
LA ROCA 14/11 FED COM #521H
LA ROCA 14/11 FED COM #523H

Entity	Interest
Mewbourne Oil Company, et al.	61.8184510%
Chevron U.S.A. Inc.	12.5000000%
Chevron Midcontinent, LP	9.3750000%
EOG Resources, Inc.	9.2500000%
MRC Delaware Resources, LLC	4.5842990%
Devon Energy Production Company, L.P.	1.5525000%
Diamond Head Properties, L.P.	0.5325760%
Maverick Permian LLC	0.3750000%
Charles Hodges	0.0121740%
Total	100.0000000%

Parties in Red are being pooled - 38.1815490%

MEWBOURNE OIL COMPANY

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

March 13, 2023

Certified Mail

Chevron U.S.A. Inc.
1400 Smith Street
Houston, Texas 77002
Attn: Scott Sabrsula

Re: La Roca 14-11 Working Interest
Unit and Well Proposals
W2 of Section 14 and W2 of Section 11
T18S, R33E, Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("MOC"), as Operator, hereby proposes creating a nonstandard spacing unit comprising the W2 of Section 14 and the W2 of Section 11, T18S, R33E, Lea County, New Mexico as well as a working interest unit covering the same. As part of the initial development of this unit, MOC hereby proposes the following wells targeting the 2nd Bone Spring Sand interval within the Bone Spring formation:

- 1) La Roca 14/11 Fed Com #521H – API # - pending
Surface Location: 215' FSL, 645' FWL, Section 14, T18S, R33E
Bottom Hole Location: 100' FNL, 660' FWL, Section 11, T18S, R33E
Proposed Total Vertical Depth: 9500'
Proposed Total Measured Depth: 19800'
Target: 2nd Bone Spring Sand
- 2) La Roca 14/11 Fed Com #523H – API # - pending
Surface Location: 215' FSL, 675' FWL, Section 14, T18S, R33E
Bottom Hole Location: 100' FNL, 1980' FWL, Section 11, T18S, R33E
Proposed Total Vertical Depth: 9500'
Proposed Total Measured Depth: 19800'
Target: 2nd Bone Spring Sand

The wells will be pad drilled with the first well tentatively planned to spud in 3rd quarter 2023 pending a federal permit. In the event you elect to participate in the proposed wells, please execute the enclosed set of Operating Agreement signature and acknowledgement pages and AFEs before returning them to the undersigned within thirty (30) days. The enclosed Operating Agreement provides a non-consent penalty of 300%/100% and COPAS drilling/producing rates of \$8000/month and \$800/month respectively. A final Exhibit A will be provided after all elections are made. Please enclose your most current well information requirements with your executed AFEs so that we may supply well data when available.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-4
Submitted by: Mewbourne Oil Company
Hearing Date: August 17, 2023
Case No. 23681

Please contact me at (432) 682-3715 or tjolly@mewbourne.com if you have any questions or need additional information.

Very truly yours,

MEWBOURNE OIL COMPANY

A handwritten signature in blue ink, appearing to read "Tyler Jolly".

Tyler Jolly
Landman

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name:	LA ROCA 14/11 FED COM #521H	Prospect:	BRAVOS
Location:	SL: 215 FSL & 645 FWL (14); BHL: 100 FNL & 660 FWL (11)	County:	Lea
ST:	NM		
Sec.:	14	Blk.:	
Survey:		TWP:	18S
RNG:	33E	Prop. TVD:	9500
TMD:	19800		

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC	
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200		
Location / Road / Site / Preparation	0180-0105	\$80,000	0180-0205	\$35,000	
Location / Restoration	0180-0106	\$200,000	0180-0206	\$100,000	
Daywork / Turnkey / Footage Drilling	21 days drlg / 3 days comp @ \$30000/d	0180-0110	\$672,800	0180-0210	\$96,100
Fuel	1700 gal/day @ \$3.9/gal	0180-0114	\$148,700	0180-0214	\$318,200
Alternate Fuels		0180-0115		0180-0215	\$96,300
Mud, Chemical & Additives		0180-0120	\$40,000	0180-0220	
Mud - Specialized		0180-0121	\$21,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$40,000
Cementing		0180-0125	\$135,000	0180-0225	\$55,000
Logging & Wireline Services		0180-0130	\$32,500	0180-0230	\$377,000
Casing / Tubing / Snubbing Services		0180-0134	\$26,000	0180-0234	\$16,000
Mud Logging		0180-0137	\$15,000		
Stimulation	51 Stg 20.2 MM gallons/25.3 MM lb			0180-0241	\$3,049,600
Stimulation Rentals & Other				0180-0242	\$278,000
Water & Other		0180-0145	\$40,000	0180-0245	\$383,300
Bits		0180-0148	\$94,000	0180-0248	
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$150,000		
Transportation		0180-0165	\$30,000	0180-0265	\$30,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$150,000	0180-0270	\$75,900
Directional Services	Includes Vertical Control	0180-0175	\$300,600		
Equipment Rental		0180-0180	\$147,600	0180-0280	\$20,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,100	0180-0285	
Intangible Supplies		0180-0188	\$15,000	0180-0288	\$1,000
Damages		0180-0190	\$5,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$87,600	0180-0295	\$36,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$124,800	0180-0299	\$265,300
TOTAL			\$2,621,700		\$5,572,200

TANGIBLE COSTS 0181	CODE	TCP	CODE	CC	
Casing (19.1" - 30")	0181-0793				
Casing (10.1" - 19.0")	1600' - 13 3/8" 54.5# J-55 ST&C @ \$76.3/ft	0181-0794	\$130,300		
Casing (8.1" - 10.0")	3150' - 9 5/8" 40# J-55 LT&C @ \$55.54/ft	0181-0795	\$186,800		
Casing (6.1" - 8.0")	9000' - 7" 29# HPP110 BT&C @ \$59.83/ft	0181-0796	\$565,000		
Casing (4.1" - 6.0")	10900' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft			0181-0797	\$389,400
Tubing	8900' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19.89/ft			0181-0798	\$189,000
Drilling Head		0181-0860	\$50,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$75,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Service Pumps	(1/2) TP / CP / Circ pump			0181-0886	\$16,000
Storage Tanks	(1/2) (6)OT/(5)WT/(1)GB			0181-0890	\$203,000
Emissions Control Equipment	(1/2) (2)VRT/(1)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$137,700
Separation / Treating Equipment	(1/2) (2)H SEP/(1)V SEP/(2)VHT			0181-0895	\$76,600
Automation Metering Equipment				0181-0898	\$92,500
Oil/Gas Pipeline-Pipe/Valves&Misc	(1/2) Gas Line & GL Injection			0181-0900	\$21,700
Water Pipeline-Pipe/Valves & Misc	(1/2) SWDL Pipe/Fittings			0181-0901	\$27,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$175,000
Wellhead Flowlines - Construction				0181-0907	\$35,700
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$211,300
Equipment Installation				0181-0910	\$150,000
Oil/Gas Pipeline - Construction				0181-0920	\$15,100
Water Pipeline - Construction				0181-0921	\$21,200
TOTAL			\$932,100		\$1,854,900
SUBTOTAL			\$3,553,800		\$7,427,100

TOTAL WELL COST **\$10,980,900**

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.
Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.

Prepared by: T. Cude Date: 3/10/2023

Company Approval: _____ Date: _____

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____ Signature: _____

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name:	LA ROCA 14/11 FED COM #523H	Prospect:	BRAVOS
Location:	SL: 215 FSL & 675 FWL (14); BHL: 100 FNL & 1980 FWL (11)	County:	Lea
ST:	NM		
Sec.:	14	Blk.:	
Survey:		TWP.:	18S
		RNG.:	33E
		Prop. TVD.:	9500
		TMD.:	19800

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC	
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200		
Location / Road / Site / Preparation	0180-0105	\$80,000	0180-0205	\$35,000	
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Stimulation	51 Stg 20.2 MM gallons/25.3 MM lb			0180-0241	\$3,049,600
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TOTAL WELL COST **\$10,980,900**

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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.
Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.

Prepared by: T. Cude Date: 3/10/2023

Company Approval: _____ Date: _____

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____ Signature: _____

Summary of Communications
La Roca 14/11 Fed Com #521H
La Roca 14/11 Fed Com #523H

CHEVRON U.S.A. INC.

1. March 13, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
2. March 21, 2023, to March 29, 2023 – email correspondence between Scott Sabrsula with Chevron U.S.A. Inc. and Tyler Jolly with Mewbourne discussing the well proposal.

CHEVRON MIDCONTINENT, LP

1. March 13, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
2. March 21, 2023, to March 29, 2023 – email correspondence between Scott Sabrsula with Chevron U.S.A. Inc. and Tyler Jolly with Mewbourne discussing the well proposal.

EOG RESOURCES, INC.

1. June 21, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
2. June 15, 2023 – email correspondence between Brian Pond with EOG Resources, Inc. and Tyler Jolly with Mewbourne discussing the well proposal.

MRC DELAWARE RESOURCES, LLC

1. March 13, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
2. August 1, 2023 – email correspondence between Clay Wooten with MRC Delaware Resources, LLC and Tyler Jolly with Mewbourne discussing the well proposal.

DEVON ENERGY PRODUCTION COMPANY, L.P.

1. March 13, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
2. August 1, 2023 – email correspondence between Jake Nourse with Devon Energy Production Company, L.P. and Tyler Jolly with Mewbourne discussing the well proposal.

DIAMOND HEAD PROPERTIES, L.P.

1. July 18, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
2. August 1, 2023 – email correspondence between Shirley with Diamond Head Properties, L.P. and Tyler Jolly with Mewbourne discussing the well proposal.

MAVERICK PERMIAN LLC

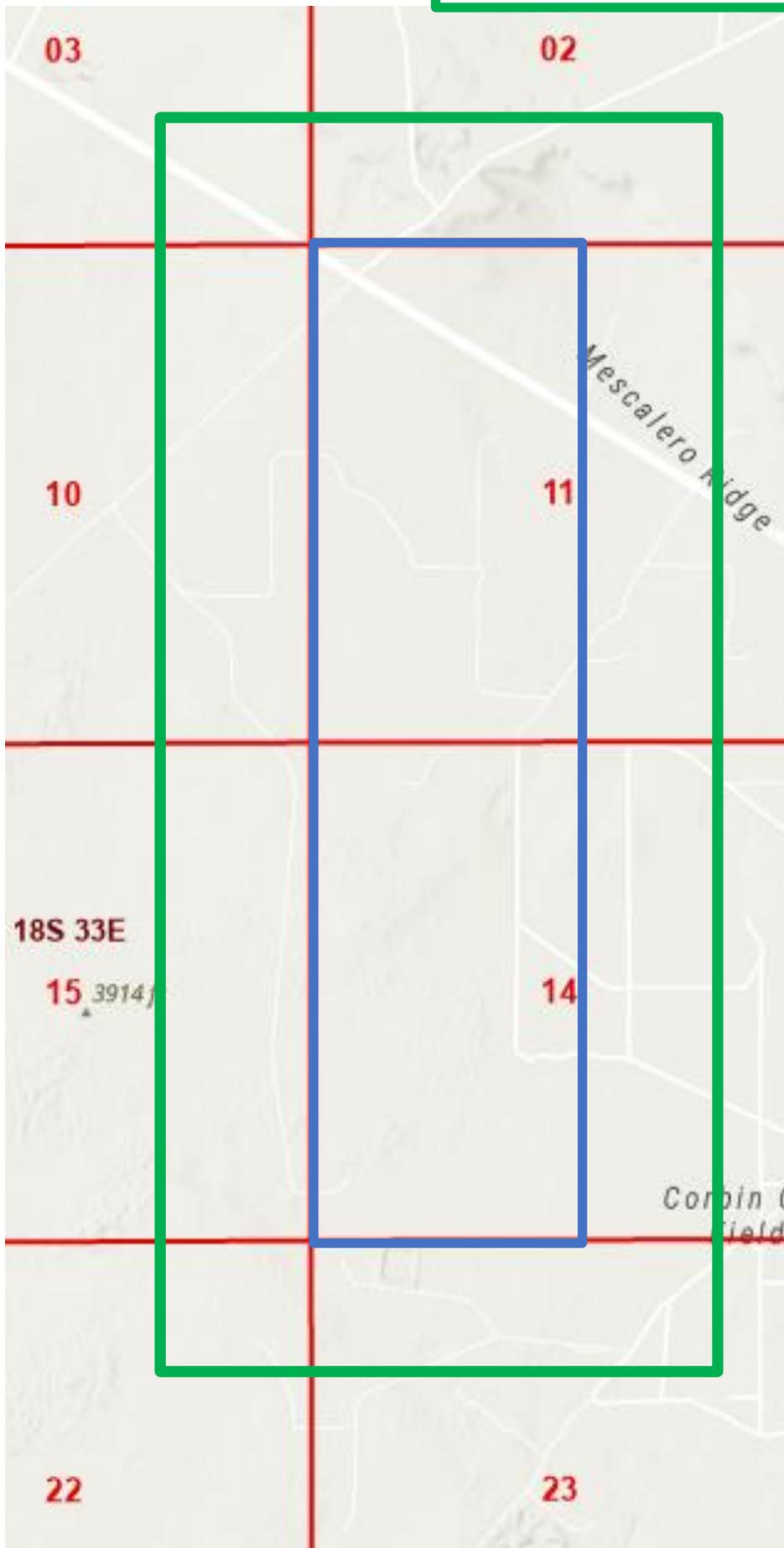
1. July 11, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
2. July 11, 2023 – email correspondence between Emma Kelly with Maverick Permian LLC and Tyler Jolly with Mewbourne discussing the well proposal.

CHARLES F. HODGES / THE HEIRS AND DEVISEES OF CHARLES F. HODGES

1. March 13, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
2. March 13, 2023 – mailed well proposal letter, AFEs, and Operating Agreement via certified mail.
3. Spoke with claimed relative of Charles F. Hodges and claimed he was deceased. Claimed the family wanted to participate but do not have proof Charles F. Hodges is deceased.

Spacing Unit

Affected Acreage



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-6
Submitted by: Mewbourne Oil Company
Hearing Date: August 17, 2023
Case No. 23681

LA ROCA 14-11 NONSTANDARD UNIT NOTICE LIST

W2 of Section 14 and W2 of Section 11
Township 18 South, Range 33 East
Lea County, New Mexico

Chevron U.S.A. Inc.
1400 Smith Street
Houston, TX 77002

EOG Resources, Inc.
5509 Champions Drive
Midland, Texas 79706

Matador Production Co.
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

JR Oil Ltd. Co.
P.O. Box 52647
Tulsa, Oklahoma 74152

Extex Operating Co.
5065 Westheimer Road #625
Houston, Texas 77056

U.S. Energy Development Corporation
1521 N. Cooper Street #400
Arlington, Texas 76011

Seely Oil Co.
815 W. 10th Street
Fort Worth, Texas 76102

COG Operating LLC
600 W. Illinois Avenue
Midland, Texas 79701

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

**APPLICATION OF MEWBOURNE OIL COMPANY FOR APPROVAL OF A 640-
ACRE NON-STANDARD HORIZONTAL WELL SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 23681

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 La Roca 14/11 drilling unit is located.
 - (b) Attachment B-2 is a structure map on the top of the 2nd Bone Spring Sand. It shows that structure dips to the south across the unit. It also shows Bone Spring horizontal wells in the area, and a line of cross-section.
 - (c) Attachment B-3 is a cross section of the 2nd Bone Spring Formation showing the target zone for the La Roca 14/11 Fed Com 521H and La Roca 14/11 Fed Com 523H.

The well logs on the cross-section give a representative sample of the 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 17, 2023
Case No. 23681

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

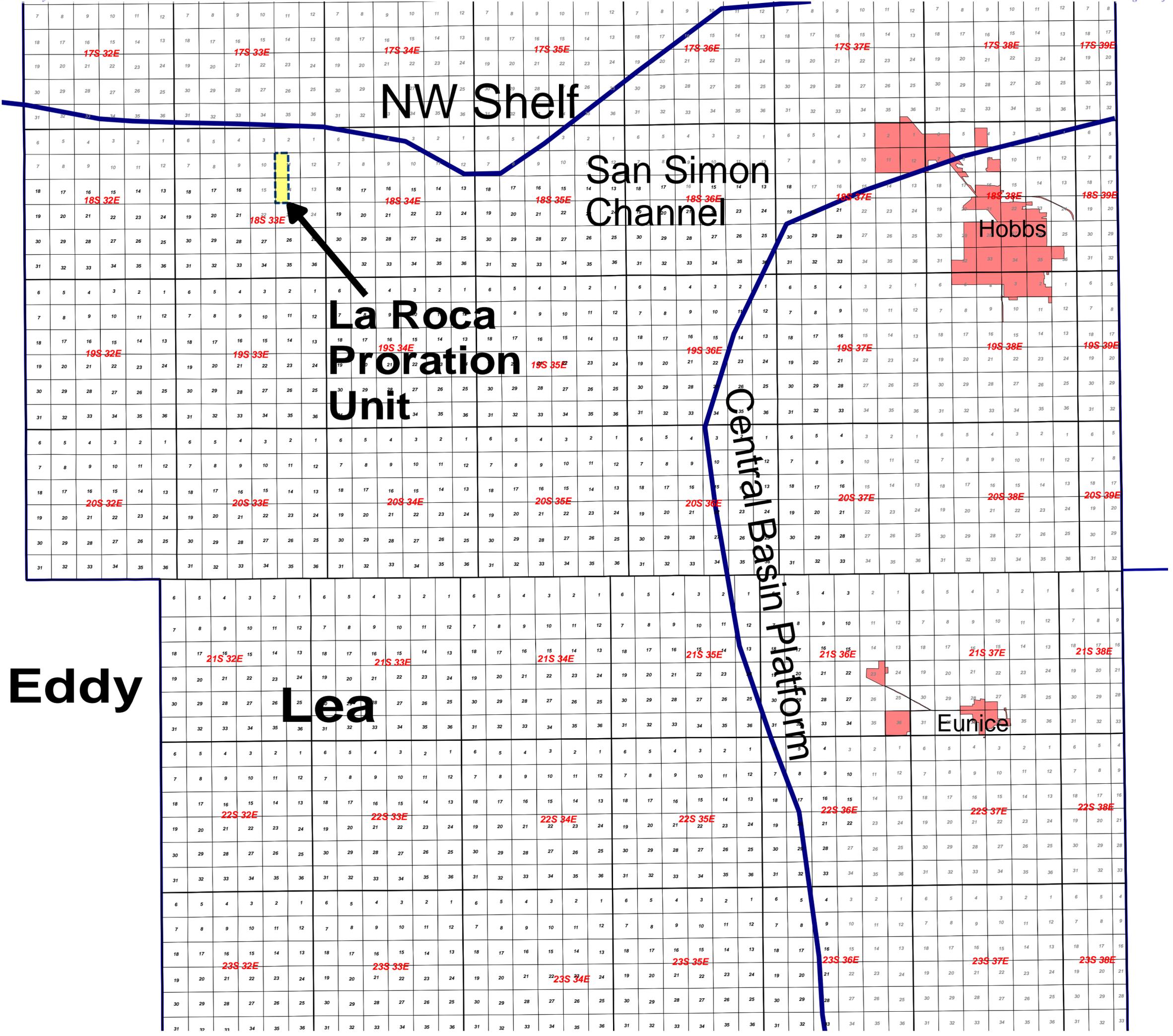
(d) There is no faulting or other geologic impediment in the area which will affect drilling of the subject wells.

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



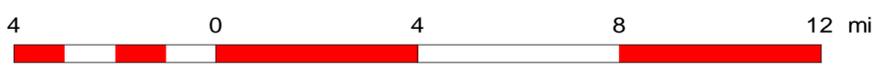
Jordan Carrell



Eddy

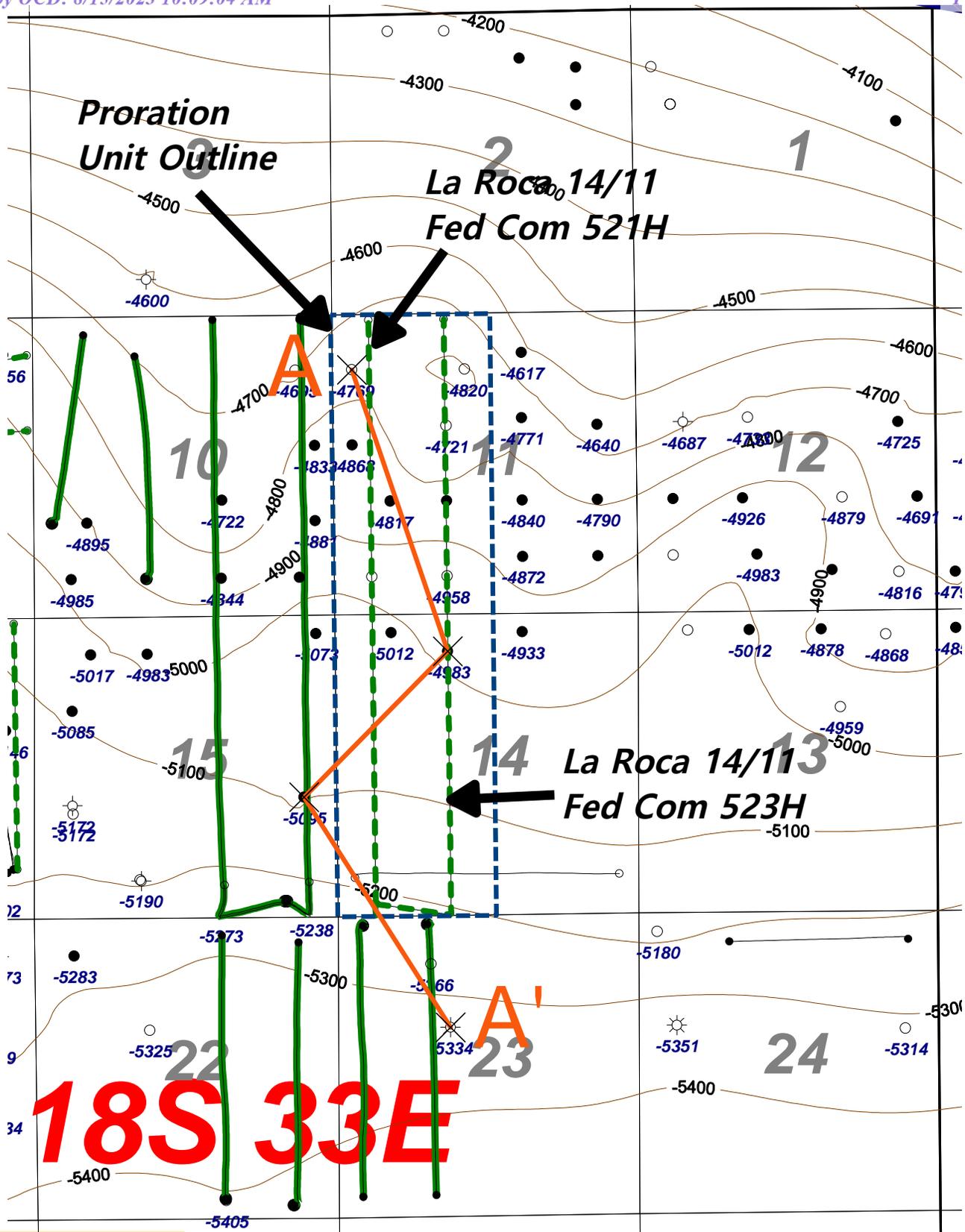
Lea

Eunice

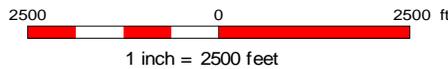


BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B-1
 Submitted by: Mewbourne Oil Company
 Hearing Date: August 17, 2023
 Case No. 23681

 Mewbourne Oil Company		
La Roca 14/11 Lea County Locator Map		
7/26/23	Lea County	New Mexico



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B-2
 Submitted by: Mewbourne Oil Company
 Hearing Date: August 17, 2023
 Case No. 23681



Wells deeper than 7000'

2nd BSPG Hz Color Code

●
 2nd BSPG Sand
 structural top
 (subsea)

- Drilled Well
- - - - Permitted or Proposed Well

Mewbourne Oil Company
La Roca 14/11 2nd BSPG Sand Structure Contour Map
7/26/23 Contour Interval = 100' 18S/33E, Lea County, NM

A

A'

300253063400 5220 ft 300252937800 3590 ft 300253050400 4786 ft 300253699500

YATES HARVEY E CO INC
CAVINNESS 11 FEDERAL 3
NW NW
TWP: 18 S - Range: 33 E - Sec. 11
Reference=KB
Datum=4056.00

U S ENERGY DEVELOPING CORP
TEXACO 14 FEDERAL 001
660 FNL/1980 FWL
TWP: 18 S - Range: 33 E - Sec. 14
Reference=KB
Datum=3982.00

EXTEX OPERATING CO
STATE E 744-15 001
TWP: 18 S - Range: 33 E - Sec. 15
Reference=KB
Datum=3932.00

COG OPERATING LLC
SCOOCH STATE COM 001
TWP: 18 S - Range: 33 E - Sec. 23
Reference=KB
Datum=3898.00

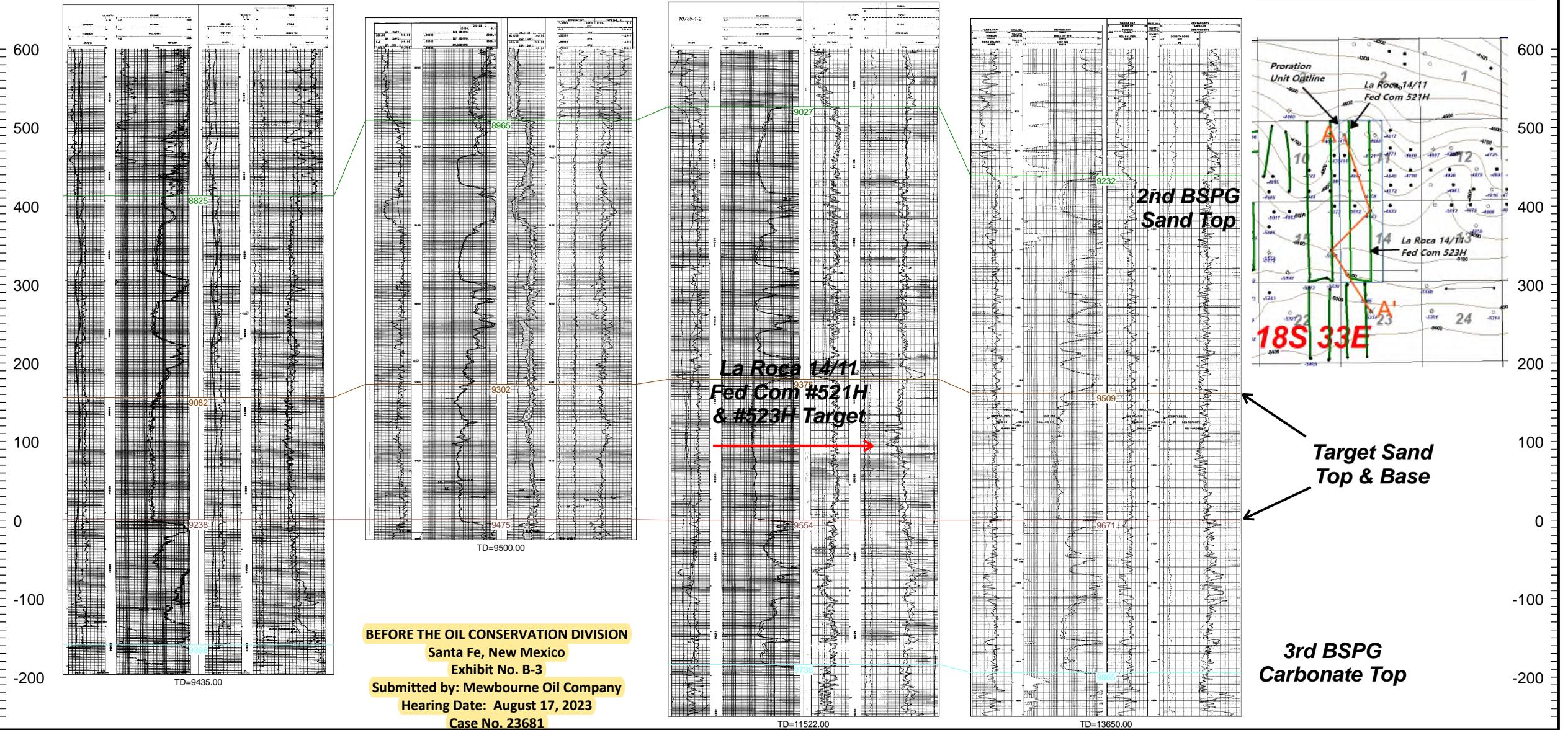
11D

14C

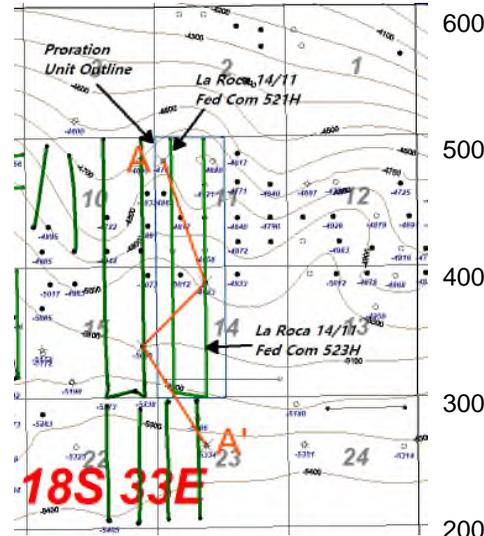
15I

23F

**La Roca 14/11
Cross-Section Exhibit
7/26/23**

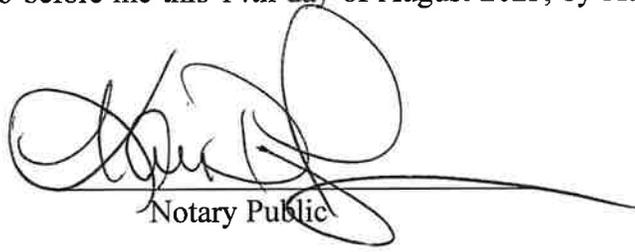


BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-3
Submitted by: Mewbourne Oil Company
Hearing Date: August 17, 2023
Case No. 23681



SUBSCRIBED AND SWORN to before me this 14th day of August 2023, by Adam G.

Rankin.



Notary Public

My Commission Expires:

6/28/26

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



Michael H. Feldewert
Partner
Phone (505) 988-4421
mfeldewert@hollandhart.com

July 14, 2023

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Mewbourne Oil Company for Approval of a 640-acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico: *La Roca 14/11 Fed Com 521H and 523H wells*

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 Tyler Jolly at (432) 682-3715, or at tjolly@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

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

Mewbourne - La Roca 521H & 523H Wells Case
 No. 23681 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765414076348	Chevron U.S.A. Inc.	1400 Smith St	Houston	TX	77002-7327	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77002 on July 21, 2023 at 10:08 am.
9414811898765414076041	W.T. Wynn	4925 Greenville Ave Ste 945	Dallas	TX	75206-4084	Your item departed our DALLAS TX DISTRIBUTION CENTER destination facility on August 14, 2023 at 12:28 am. The item is currently in transit to the destination.
9414811898765414076089	Heirs and devisees of Charles F. Hodges	3715 Northaven Rd	Dallas	TX	75229-2753	Your item was delivered to an individual at the address at 1:11 pm on July 18, 2023 in DALLAS, TX 75229.
9414811898765414076034	Heirs and devisees of Charles F. Hodges	5100 Kell Blvd Apt B212	Wichita Falls	TX	76310-1752	Your item has been delivered to the original sender at 9:38 am on July 27, 2023 in SANTA FE, NM 87501.
9414811898765414076072	8 Way Oil & Gas, Inc.	223 W Wall St Ste 900	Midland	TX	79701-4567	Your item was delivered to an individual at the address at 2:54 pm on July 18, 2023 in MIDLAND, TX 79701.
9414811898765414076416	Redfern Oil Co.	PO Box 50890	Midland	TX	79710-0890	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765414076454	S.P.E.L.L., Inc.	PO Box 50890	Midland	TX	79710-0890	Your item has been delivered to the original sender at 10:56 am on August 3, 2023 in SANTA FE, NM 87501.
9414811898765414076461	Diamond Head Properties, L.P.	2001 Bedford Dr	Midland	TX	79701-5708	Your item was delivered to the front desk, reception area, or mail room at 10:17 am on July 19, 2023 in MIDLAND, TX
9414811898765414076423	ACS-ODS Oil and Gas, Ltd.	3602 S Washington St	Amarillo	TX	79110-1303	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765414076409	The Heirs and Devisees of C.D. La Susa	900 Drane Pl	Corsicana	TX	75110-2536	Your item was delivered to an individual at the address at 4:59 pm on July 17, 2023 in CORSICANA, TX 75110.
9414811898765414076492	Skillet Shot, LLC	PO Box 53067	Amarillo	TX	79159-3067	Your item was delivered to an individual at the address at 10:39 am on July 17, 2023 in AMARILLO, TX 79159.
9414811898765414076386	Chevron Midcontinent, LP	1400 Smith St	Houston	TX	77002-7327	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77002 on July 21, 2023 at 10:08 am.
9414811898765414076447	Maverick Permian LLC Attn Emma Kelly	1111 Bagby St Ste 1600	Houston	TX	77002-2547	Your item was delivered to an individual at the address at 4:08 pm on July 17, 2023 in HOUSTON, TX 77002.
9414811898765414076331	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	Your item has been delivered to an agent for final delivery in MIDLAND, TX 79701 on July 19, 2023 at 7:55 am.
9414811898765414076010	Devon Energy Production Company, L.P. Attn New Mexico Land Manager	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765414076058	MRC Delaware Resources, LLC	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to an individual at the address at 11:52 am on July 17, 2023 in DALLAS, TX 75240.
9414811898765414076065	Apache Corporation Attn Leslie Mullin	2000 Post Oak Blvd Ste 100	Houston	TX	77056-4497	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765414076027	Burnett Oil Company	801 Cherry St Unit 9 Burnett Plaza Suite 1500	Fort Worth	TX	76102-6803	Your item was delivered to an individual at the address at 12:30 pm on July 17, 2023 in FORT WORTH, TX 76102.
9414811898765414076003	COG Operating LLC Attn Mason Maxwell	600 W Illinois Ave Ste 600	Midland	TX	79701-4882	Your item has been delivered to an agent for final delivery in MIDLAND, TX 79701 on July 19, 2023 at 7:57 am.
9414811898765414076096	Concho Oil & Gas LLC Attn Mason Maxwell	600 W Illinois Ave Ste 600	Midland	TX	79701-4882	Your item has been delivered to an agent for final delivery in MIDLAND, TX 79701 on July 19, 2023 at 7:57 am.



Michael H. Feldewert
Partner
Phone (505) 988-4421
mfeldewert@hollandhart.com

July 14, 2023

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS AND AFFECTED PARTIES TO THE GEOGRAPHIC OFFSET

Re: Application of Mewbourne Oil Company for Approval of a 640-acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico: *La Roca 14/11 Fed Com 521H and 523H wells*

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 Tyler Jolly at (432) 682-3715, or at tjolly@mewbourne.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR MEWBOURNE OIL COMPANY

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
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Idaho	New Mexico	Wyoming

Mewbourne Oil Company - La Roca 521H 523H Wells Case no.
23681 Postal Delivery Report - NSL

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765414076355	Matador Production Co.	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to an individual at the address at 11:52 am on July 17, 2023 in DALLAS, TX 75240.
9414811898765414076362	JR Oil Ltd. Co.	PO Box 52647	Tulsa	OK	74152-0647	Your item has been delivered and is available at a PO Box at 12:02 pm on July 17, 2023 in TULSA, OK 74152.
9414811898765414076324	Extex Operating Co.	5065 Westheimer Rd Ste 625	Houston	TX	77056-5606	Your item was picked up at a postal facility at 9:38 am on July 27, 2023 in SANTA FE, NM 87501.
9414811898765414076300	U.S. Energy Development Corporation	1521 N Cooper St Ste 400	Arlington	TX	76011-5537	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765414076393	Seely Oil Co.	815 W 10th St	Fort Worth	TX	76102-3528	Your item was delivered to the front desk, reception area, or mail room at 12:06 pm on July 17, 2023 in FORT WORTH, TX 76102.
9414811898765414076348	Chevron U.S.A. Inc.	1400 Smith St	Houston	TX	77002-7327	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77002 on July 21, 2023 at 10:08 am.
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Mewbourne Oil Company - La Roca 521H 523H wells - NSP Case no. 23681
Postal Delivery Report

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Affidavit of Publication

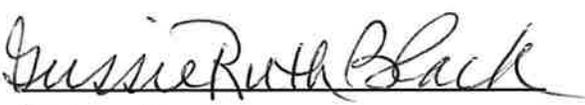
STATE OF NEW MEXICO
COUNTY OF LEA

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 19, 2023
and ending with the issue dated
July 19, 2023.


Publisher

Sworn and subscribed to before me this
19th day of July 2023.


Business Manager



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 19, 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. 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, 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 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 owners, including: Chevron U.S.A. Inc.; Chevron Midcontinent, LP; EOG Resources, Inc.; Devon Energy Production Company, L.P; Matador Production Co.; JR Oil Ltd. Co.; Extex Operating Co.; U.S. Energy Development Corporation; Seely Oil Co.; MRC Delaware Resources, LLC; Apache Corporation; Burnett Oil Company; COG Operating LLC; Concho Oil & Gas LLC; W.T. Wynn, his or her heirs and devisees; Heirs and devisees of Charles F. Hodges; 8 Way Oil & Gas, Inc.; Redfern Oil Co.; S.P.E.L.L., Inc.; Diamond Head Properties, L.P; ACS-ODS Oil and Gas, Ltd.; The Heirs and Devisees of C.D. La Susa; Skillet Shot, LLC; and Maverick Permian LLC.

Case No. 23681: Application of Mewbourne Oil Company for Approval of a 640-acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a 640-acre non-standard horizontal well spacing unit in the Bone Spring formation underlying the W2 of Sections 11 and 14, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted interests in this acreage. This spacing unit will be initially dedicated to the proposed **La Roca 14/11 Fed Com 521H and the La Roca 14/11 Fed Com 523H** wells to be horizontally drilled from a common surface location in the SW4SW4 (Unit M) of Section 14 to bottom hole locations in the NW4NW4 (Unit D) and the NE4NW4 (Unit C) of Section 11. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs 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 wells. Said area is located approximately 20 miles southwest of Lovington, New Mexico.
#00280743

67100754

00280743

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 17, 2023
Case No. 23681