


CASE NO. 24041

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

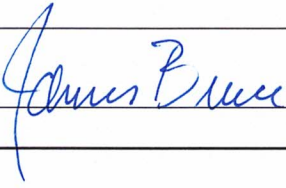
EXHIBITS

1. Pooling Checklist
2. Landman's Affidavit
 - 2-A: C-102
 - 2-B: Tract Maps and Ownership Lists
 - 2-C: Summary of Contacts and Proposal Letter
 - 2-D: AFE
3. Geologist's Affidavit
 - 3-A: Structure Map (Second Bone Spring)
 - 3-B: Cross-Section (Second Bone Spring)
 - 3-A: Structure Map (Third Bone Spring)
 - 3-B: Cross-Section (Third Bone Spring)
 - 3-E: Horizontal Drilling Plans
4. Affidavit of Mailing
 - 4-A: Notice Letter
5. Application and Proposed Notice

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 24041	APPLICANT'S RESPONSE
Date: December 7, 2023	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID 14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Rio Grande Bone Spring wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Palmillo; Bone Spring, East/Pool Code 49553
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330’ and 100’ setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	324 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	S/2N/2 §2 and the S/2N/2) §1, Township 19 South, Range 28 East, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes
	
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N

Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit 2-B
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	<p>Rio Grande 2/1 State Com. Well No. 523H API No. 30-015-Pending SHL: 2080 FNL & 210 FWL §2 BHL: 1980 FNL & 100 FEL §1 FTP: 1980 FNL & 100 FWL §2 LTP: 1980 FNL & 100 FEL §1 Second Bone Spring/TVD 7667 feet/MD 17520 feet</p> <p>Rio Grande 2/1 State Com. Well No. 613H API No. 30-015-Pending SHL: 2060 FNL & 210 FWL §2 BHL: 1980 FNL & 100 FEL §1 FTP: 1980 FNL & 100 FWL §2 LTP: 1980 FNL & 100 FEL §1 Third Bone Spring/TVD 8638 feet/MD 18515 feet</p>
Well #2	
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$8000
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost plus 200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	N/A
Ownership Determination	
Land Ownership Schematic of	Exhibit 2-B

the Spacing Unit	
Tract List (including lease numbers and owners)	Exhibit 2-B
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	
Pooled Parties (including ownership type)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	No
Ownership Depth Severance (including percentage above & below)	No Depth Severance
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-A and 3-A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-B
Well Orientation (with rationale)	West-East; Exhibits 3 and 3-A
Target Formation	Second and Third Bone Spring Sands
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit	Exhibits 2-B

Recapitulation (Tracts)	
General Location Map (including basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 3-B
Cross Section (including Landing Zone)	Exhibit 3-C
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	December 5, 2023

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

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

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

Case No. 24041

VERIFIED STATEMENT OF MITCH ROBB

Mitch Robb, being duly sworn upon his oath, deposes and states:

1. I am a landman for Mewbourne Oil Company (“Mewbourne”), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.
2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the compulsory pooling application filed herein:
 - (a) The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
 - (b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well. Some interest owners may be unlocatable.
 - (c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order pooling all mineral interests in the Bone Spring formation underlying the S/2N/2 of Section 2 and the S/2N/2 of Section 1, Township 19 South, Range 28 East, NMPM. The unit will be dedicated to:
 - (i) the Rio Grande 2/1 State Com #523H, a horizontal well with a first take point in the SW/4 NW/4 of 2 and a final take point in the SE/4 NE/4 of Section 1;
 - (ii) the Rio Grande 2/1 State Com #613H, a horizontal well with a first take point in the SW/4 NW/4 of 2 and a final take point in the SE/4 NE/4 of Section 1;

EXHIBIT 2

- (d) The parties being pooled and their interests are set forth in Attachment B. Their current and correct addresses, or last known addresses, are also set forth.
- (e) In order to locate the interest owners Mewbourne examined the county records, performed internet searches, checked telephone records, made calls to family members, and searched Accurint and Whitepages.
- (f) Attachment C contains a summary of contacts or attempted contacts with the interest owners, together with copies of the proposal letters sent to the interest owners.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well, or to locate the owners.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D contains the Authorizations for Expenditure for the proposed wells. The estimated costs of the wells set forth therein are fair and reasonable, and comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (j) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Mewbourne requests that it be designated operator of the wells.
- (m) The attachments to this affidavit were prepared by me, or compiled from Company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Mitch Robb, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.



Mitch Robb

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	2 Pool Code <i>49553</i>	3 Pool Name <i>Palmito; Bone Spring, East</i>
4 Property Code	5 Property Name RIO GRANDE 2/1 STATE COM	
6 Well Number 523H	7 GRID NO <i>14744</i>	
8 Operator Name MEWBOURNE OIL COMPANY	9 Elevation 3476'	

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
E	2	19S	28E		2080	NORTH	210	WEST	EDDY

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
H	1	19S	28E		1980	NORTH	100	EAST	EDDY

12 Dedicated Acres <i>320</i>	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.

16

GEODETTIC DATA NAD 83 GRID - NM EAST	CORNER DATA NAD 83 GRID - NM EAST	G: FOUND BRASS CAP "1914" N: 617517.3 - E: 606378.0
SURFACE LOCATION N: 615307.3 - E: 596215.0	A: FOUND BRASS CAP "1941" N: 612093.1 - E: 595974.2	H: FOUND BRASS CAP "1941" N: 614873.3 - E: 606380.7
LAT: 32.6913961' N LONG: 104.1549509' W	B: FOUND BRASS CAP "1941" N: 614733.6 - E: 595999.8	I: FOUND BRASS CAP "1941" N: 612224.9 - E: 606365.7
BOTTOM HOLE N: 615536.4 - E: 606280.1	C: FOUND BRASS CAP "1914" N: 617384.0 - E: 596024.3	J: FOUND BRASS CAP "1941" N: 612183.7 - E: 603768.0
LAT: 32.6919752' N LONG: 104.1222325' W	D: FOUND BRASS CAP "1914" N: 617416.7 - E: 598612.6	K: FOUND BRASS CAP "1941" N: 612140.9 - E: 601171.0
	E: FOUND BRASS CAP "1914" N: 617450.3 - E: 601201.0	L: FOUND BRASS CAP "1941" N: 612118.4 - E: 598572.7
	F: FOUND BRASS CAP "1914" N: 617483.0 - E: 603789.7	M: FOUND BRASS CAP "1941" N: 614783.6 - E: 601186.0

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.

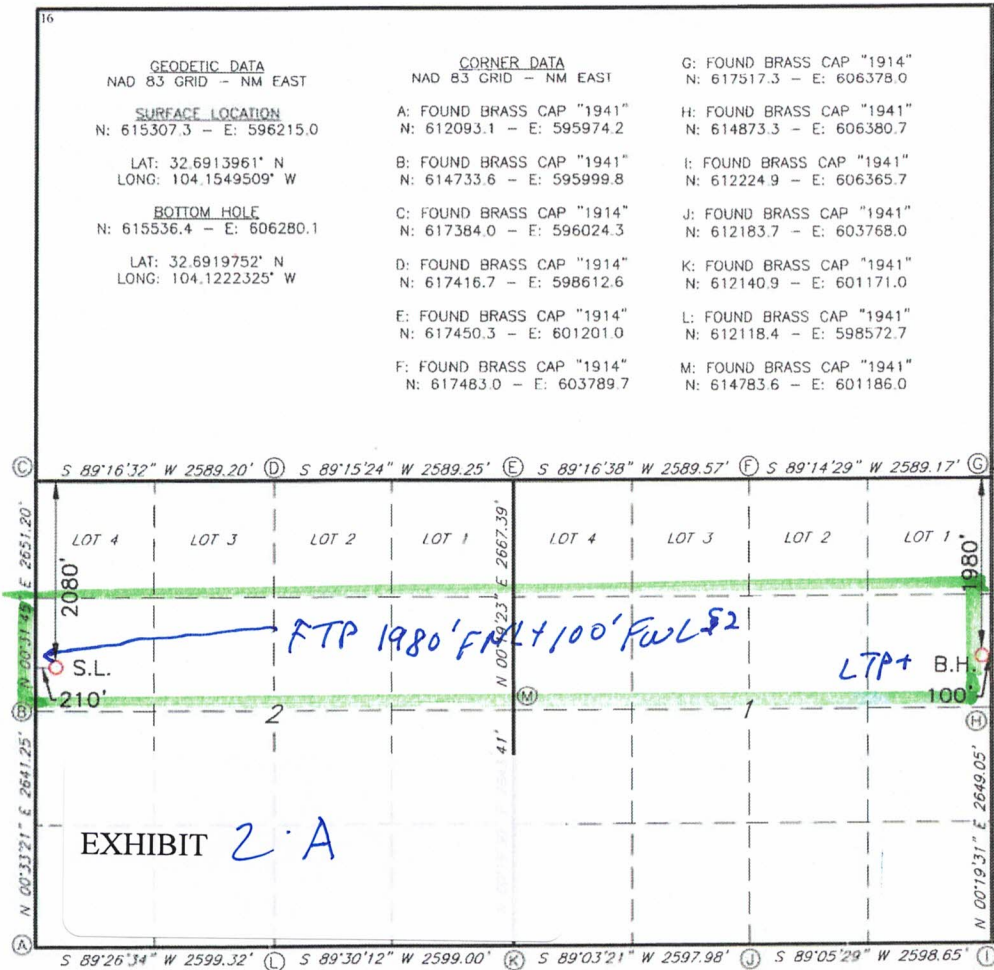
07/21/2022
Date of Survey

Signature and Seal of Professional Surveyor



19680
Certificate Number

EXHIBIT 2-A



LS22070860

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
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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	² Pool Code 49553	³ Pool Name Palmillo; Bone Spring, East
⁴ Property Code	⁵ Property Name RIO GRANDE 2/1 STATE COM	
⁷ TOGRID NO 19194	⁸ Operator Name MEWBOURNE OIL COMPANY	⁶ Well Number 613H
		⁹ Elevation 3476'

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
E	2	19S	28E		2060	NORTH	210	WEST	EDDY

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
H	1	19S	28E		1980	NORTH	100	EAST	EDDY

¹² Dedicated Acres 7.20	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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16

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SURFACE LOCATION N: 615327.3 - E: 596215.2	A: FOUND BRASS CAP "1941" N: 612093.1 - E: 595974.2	H: FOUND BRASS CAP "1941" N: 614873.3 - E: 606380.7
LAT: 32.6914510' N LONG: 104.1549502' W	B: FOUND BRASS CAP "1941" N: 614733.6 - E: 595999.8	I: FOUND BRASS CAP "1941" N: 612224.9 - E: 606365.7
BOTTOM HOLE N: 615536.4 - E: 606280.1	C: FOUND BRASS CAP "1914" N: 617384.0 - E: 596024.3	J: FOUND BRASS CAP "1941" N: 612183.7 - E: 603768.0
LAT: 32.6919752' N LONG: 104.1222325' W	D: FOUND BRASS CAP "1914" N: 617416.7 - E: 598612.6	K: FOUND BRASS CAP "1941" N: 612140.9 - E: 601171.0
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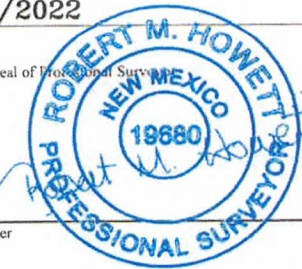
Signature _____ Date _____

Printed Name _____

E-mail Address _____

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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.

07/21/2022
Date of Survey

Signature and Seal of Professional Surveyor


19680
Certificate Number

LS22070862

Section Plat
 Rio Grande 2/1 State Com #523H
 Rio Grande 2/1 State Com #613H
 S/2N/2 of Section 2 & S/2N/2 of Section 1-T19S-R28E
 Eddy County, NM

Section 2		Section 1
Tract 1	Tract 2	Tract 2

Tract 1: S/2NW/4 of Section 2 - State Lease X0-648

Mewbourne Oil Company, et al.
 Marathon Oil Permian LLC (SWNW only)

Tract 2: S/2NE/4 of Section 2 and S/2N/2 of Section 1 - State Lease V0-4397

Mewbourne Oil Company, et al.

EXHIBIT 2.B

RECAPITULATION FOR
Rio Grande 2/1 State Com #523H
Rio Grande 2/1 State Com #613H

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
1	80	25.000000%
2	240	75.000000%
TOTAL	320	100.000000%

T19S-R28E, Eddy County, NM

Section 2

Section 1

Tract 1	Tract 2	Tract 2

TRACT OWNERSHIP

Rio Grande 2/1 State Com #523H

Rio Grande 2/1 State Com #613H

S/2N/2 of Section 2 & S/2N/2 of Section 2-T19S-R28E

Eddy County, NM

S/2N/2 of Section 2 & S/2N/2 of Section 1

Bone Spring Formation:

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	98.003473%
*Marathon Oil Permian LLC	1.996527%
TOTAL	100.000000%

Total Interest Being Pooled: 1.996527%

OWNERSHIP BY TRACT

SWNW of Section 2

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	84.027778%
Marathon Oil Permian LLC	15.972222%
TOTAL	100.000000%

SENW of Section 2

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	100.000000%
TOTAL	100.000000%

S2NE of Section 2 and S2N2 of Section 1

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	100.000000%
TOTAL	100.000000%

Summary of Communications
Rio Grande 2/1 State Com #523H
Rio Grande 2/1 State Com #613H
S/2N/2 of Section 2 and S/2N/2 of Section 1-T19S-R28E
Eddy County, NM

Marathon Oil Permian LLC:

10/16/2023: Mailed Well Proposal, Joint Operating Agreement and Communitization Agreement to the above listed party.

10/23/2023: Correspondence with above referenced party regarding proposals.

10/24/2023: Correspondence with above referenced party regarding proposals. Was informed that Marathon would be participating under the pooling order.

10/25/2023: Correspondence with above referenced party regarding proposals.

10/30/2023: Received signed AFEs from above referenced party.

EXHIBIT

2.C

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

October 16, 2023

Via Certified Mail

Marathon Oil Permian LLC
990 Town & Country Blvd.
Houston, TX 77024
Attn: Patricia Schoenberger

Re: Rio Grande 2/1 State Com #521H
2020' FNL & 210' FWL (SL) (Section 2)
660' FNL & 100' FEL (BHL) (Section 1)

Rio Grande 2/1 State Com #611H
2040' FNL & 210' FWL (SL) (Section 2)
660' FNL & 100' FEL (BHL) (Section 1)

Rio Grande 2/1 State Com #523H
2080' FNL & 210' FWL (SL) (Section 2)
1980' FNL & 100' FEL (BHL) (Section 1)

Rio Grande 2/1 State Com #613H
2060' FNL & 210' FWL (SL) (Section 2)
1980' FNL & 100' FEL (BHL) (Section 1)

All in Sections 1 & 2, T19S, R28E, Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to drill the captioned Rio Grande 2/1 State Com #521H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 7,642 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 17,600 feet. The N/2N/2 of the captioned Sections 1 & 2 will be dedicated to the well as the spacing unit.

In addition, Mewbourne as Operator hereby proposes to drill the Rio Grande 2/1 State Com #611H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,587 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 18,670 feet. The N/2N/2 of the captioned Sections 1 & 2 will be dedicated to the well as the spacing unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned Rio Grande 2/1 State Com #523H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 7,667 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 17,520 feet. The S/2N/2 of the captioned Sections 1 & 2 will be dedicated to the well as the spacing unit.

Finally, Mewbourne as Operator hereby proposes to drill the captioned Rio Grande 2/1 State Com #613H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,638 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 18,515 feet. The S/2N/2 of the captioned Sections 1 & 2 will be dedicated to the well as the spacing unit.

Regarding the above, enclosed for your further handling are our AFEs dated October 2, 2023 and Communitization Agreements dated October 1, 2023 (N2N2 & S2N2 Bone Spring) for the captioned proposed wells. In the event your firm elects to participate in the proposed wells, please execute the enclosed AFEs and extra set of signature/notary pages for the Communitization Agreements and return to me within thirty (30) days.

Should you have any questions regarding the above, please email me at mrobb@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY



Mitch Robb
Landman



October 20, 2023

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8361 0544 0509 4857 54.**

Item Details

Status: Delivered, Front Desk/Reception/Mail Room
Status Date / Time: October 20, 2023, 2:34 pm
Location: HOUSTON, TX 77024
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
 Return Receipt Electronic
Recipient Name: PATRICIA SCHOENBERGER

Recipient Signature

Signature of Recipient: *[Handwritten Signature]*
 Address of Recipient: *W. Woods
 990 Town
 -110*

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

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

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

Patricia Schoenberger
 Marathon Oil Permian LLC
 990 Town & Country Blvd.
 Houston, TX 77024
 Reference #: Rio Grande

MEWBORNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: RIO GRANDE 2/1 STATE COM #523H (B2EH)		Prospect: WPX ARTESIA (BOURBON RED 11)	
Location: SL: 2080 FNL & 210 FWL (2); BHL: 1980 FNL & 100 FEL (1)		County: Eddy ST: NM	
Sec.: 2	Blk.:	Survey:	TWP: 19S RNG: 28E Prop. TVD: 7667 TMD: 17520

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$50,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$76,000
Daywork / Turnkey / Footage Drilling	15 days drlg / 3 days comp @ \$28000/d	0180-0110	\$448,600	0180-0210	\$89,700
Fuel	1700 gal/day @ \$3.9/gal	0180-0114	\$106,200	0180-0214	\$236,000
Alternate Fuels		0180-0115		0180-0215	\$54,000
Mud, Chemical & Additives		0180-0120	\$50,000	0180-0220	
Mud - Specialized		0180-0121	\$250,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$150,000	0180-0225	\$55,000
Logging & Wireline Services		0180-0130	\$34,000	0180-0230	\$300,000
Casing / Tubing / Snubbing Services		0180-0134	\$40,000	0180-0234	\$16,000
Mud Logging		0180-0137	\$15,000		
Stimulation	51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$2,223,000
Stimulation Rentals & Other				0180-0242	\$222,000
Water & Other	70% PW f/ MOC/SM/VF @ \$0.28/bbl & 30% FW	0180-0145	\$40,000	0180-0245	\$232,000
Bits		0180-0148	\$74,800	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	\$45,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$102,600	0180-0270	\$57,000
Directional Services	Includes Vertical Control	0180-0175	\$228,000		
Equipment Rental		0180-0180	\$114,400	0180-0280	\$25,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,500	0180-0285	
Intangible Supplies		0180-0188	\$7,000	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	\$64,800	0180-0295	\$32,400
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$113,300	0180-0299	\$201,300
TOTAL			\$2,379,200		\$4,226,400

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	325' - 13 3/8" 54 5# J-55 ST&C @ \$58.21/ft	0181-0794	\$20,200		
Casing (8.1" - 10.0")	900' - 9 5/8" 40# J-55 LT&C @ \$46.74/ft	0181-0795	\$44,900		
Casing (6.1" - 8.0")	6740' - 7" 29# HPP110 BT&C @ \$51.82/ft	0181-0796	\$373,000		
Casing (4.1" - 6.0")	11000' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$29.55/ft			0181-0797	\$347,200
Tubing	6500' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13/ft			0181-0798	\$90,200
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	(1/8) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks	(1/8) 6 OT/5 WT/GB			0181-0890	\$51,000
Emissions Control Equipment	(1/8) (4)VRT/(2)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$60,000
Separation / Treating Equipment	(1/8) (2)BULK H SEP/(3)TEST H SEP/(1)V SEP/(3)VHT/(1)H			0181-0895	\$62,000
Automation Metering Equipment				0181-0898	\$56,000
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$15,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$8,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$110,000
Wellhead Flowlines - Construction				0181-0907	\$109,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$74,000
Equipment Installation				0181-0910	\$63,000
Oil/Gas Pipeline - Construction				0181-0920	\$5,000
Water Pipeline - Construction				0181-0921	\$14,000
TOTAL			\$488,100		\$1,199,400
SUBTOTAL			\$2,867,300		\$5,425,800
TOTAL WELL COST					\$8,293,100

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: <u>Ryan McDaniel</u>	Date: <u>9/27/2023</u>
Company Approval: <u>M. White</u>	Date: <u>10/2/2023</u>
Joint Owner Interest: _____ Amount: _____	Signature: _____

EXHIBIT 2.D

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name:	RIO GRANDE 2/1 STATE COM #613H (B3EH)	Prospect:	WPX ARTESIA (BOURBON RED 11)
Location:	SL: 2060 FNL & 210 FWL (2); BHL: 1980 FNL & 100 FEL (1)	County:	Eddy
ST:	NM	Sec:	2
Blk:		Survey:	
TWP:	19S	RNG:	28E
Prop. TVD:	8638	TMD:	18515

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$50,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$76,000
Daywork / Turnkey / Footage Drilling	20 days drlg / 3 days comp @ \$28000/d	0180-0110	\$598,100	0180-0210	\$89,700
Fuel	1700 gal/day @ \$3.9/gal	0180-0114	\$141,600	0180-0214	\$236,000
Alternate Fuels		0180-0115		0180-0215	\$54,000
Mud, Chemical & Additives		0180-0120	\$55,000	0180-0220	
Mud - Specialized		0180-0121	\$275,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$160,000	0180-0225	\$55,000
Logging & Wireline Services		0180-0130	\$34,000	0180-0230	\$300,000
Casing / Tubing / Snubbing Services		0180-0134	\$40,000	0180-0234	\$16,000
Mud Logging		0180-0137	\$15,000		
Stimulation	51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$2,223,000
Stimulation Rentals & Other				0180-0242	\$222,000
Water & Other	70% PW f/ MOC/SM/VF @ \$0.28/bbl & 30% FW	0180-0145	\$40,000	0180-0245	\$232,000
Bits		0180-0148	\$96,100	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	\$45,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$131,100	0180-0270	\$57,000
Directional Services	Includes Vertical Control	0180-0175	\$323,000		
Equipment Rental		0180-0180	\$141,600	0180-0280	\$25,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,800	0180-0285	
Intangible Supplies		0180-0188	\$7,000	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	\$82,800	0180-0295	\$32,400
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$134,100	0180-0299	\$201,300
TOTAL			\$2,815,200		\$4,226,400

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	325' - 13 3/8" 54 5# J-55 ST&C @ \$58.21/ft	0181-0794	\$20,200		
Casing (8.1" - 10.0")	900' - 9 5/8" 40# J-55 LT&C @ \$46.74/ft	0181-0795	\$44,900		
Casing (6.1" - 8.0")	7750' - 7" 29# HPP110 BT&C @ \$51.82/ft	0181-0796	\$428,900		
Casing (4.1" - 6.0")	11000' - 4 1/2" 13 5# HCP-110 CDC-HTQ @ \$29.55/ft			0181-0797	\$347,200
Tubing	7500' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13/ft			0181-0798	\$104,100
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	(1/8) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks	(1/8) 6 OT/5 WT/GB			0181-0890	\$51,000
Emissions Control Equipment	(1/8) (4)VRT/(2)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$60,000
Separation / Treating Equipment	(1/8) (2)BULK H SEP/(3)TEST H SEP/(1)V SEP/(3)VHT/(1)H			0181-0895	\$62,000
Automation Metering Equipment				0181-0898	\$56,000
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$15,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$8,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$110,000
Wellhead Flowlines - Construction				0181-0907	\$109,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$74,000
Equipment Installation				0181-0910	\$63,000
Oil/Gas Pipeline - Construction				0181-0920	\$5,000
Water Pipeline - Construction				0181-0921	\$14,000
TOTAL			\$544,000		\$1,213,300
SUBTOTAL			\$3,359,200		\$5,439,700
TOTAL WELL COST					\$8,798,900

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: Ryan McDaniel Date: 9/27/2023

Company Approval: _____ Date: _____

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____ Signature: _____

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

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

Case Nos. 24040 - 24041

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

Charles Crosby deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in these cases. I have been qualified by the Division as an expert petroleum geologist.
3. The following geological plats are attached hereto:
 - (a) Exhibit 3-A is a structure map of a portion of 19S-28E on the base of the Second Bone Spring Sand. It shows that structure dips gently to the east-southeast. It also shows Second Bone Spring wells in the area, and a line of cross-section.
 - (b) Exhibit 3-B is a cross section showing the Second Bone Spring Sand, the target zones for two of the proposed Rio Grande wells. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand in this area. The sand is continuous and uniformly thick across the well units.
 - (c) Exhibit 3-C is a structure map of a portion of 19S-28E on the top of the Wolfcamp formation. It shows that structure dips gently to the east-southeast. It also shows Third Bone Spring wells in the area, and a line of cross-section.
 - (d) Exhibit 3-D is a cross section showing the Third Bone Spring Sand, the target zones for two of the proposed Rio Grande wells. The well logs on the cross-section give a representative sample of the Third Bone Spring Sand in this area. The sand is continuous and uniformly thick across the well units.
4. I conclude from the maps that:

EXHIBIT 3


- (a) The horizontal spacing units are justified from a geologic standpoint.
- (b) The target zones are continuous and of relatively uniform thickness across the well units.
- (c) Each quarter-quarter section in each well unit will contribute more or less equally to production from the wells.
- (d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.

5. Exhibit 3-A and Exhibit 3-C shows other Second and Third Bone Spring Sand wells drilled in this area. There is a substantial preference for laydown wells.

6. Exhibit 3-E contains horizontal drilling plans for the proposed wells. The producing intervals of the wells will be orthodox.

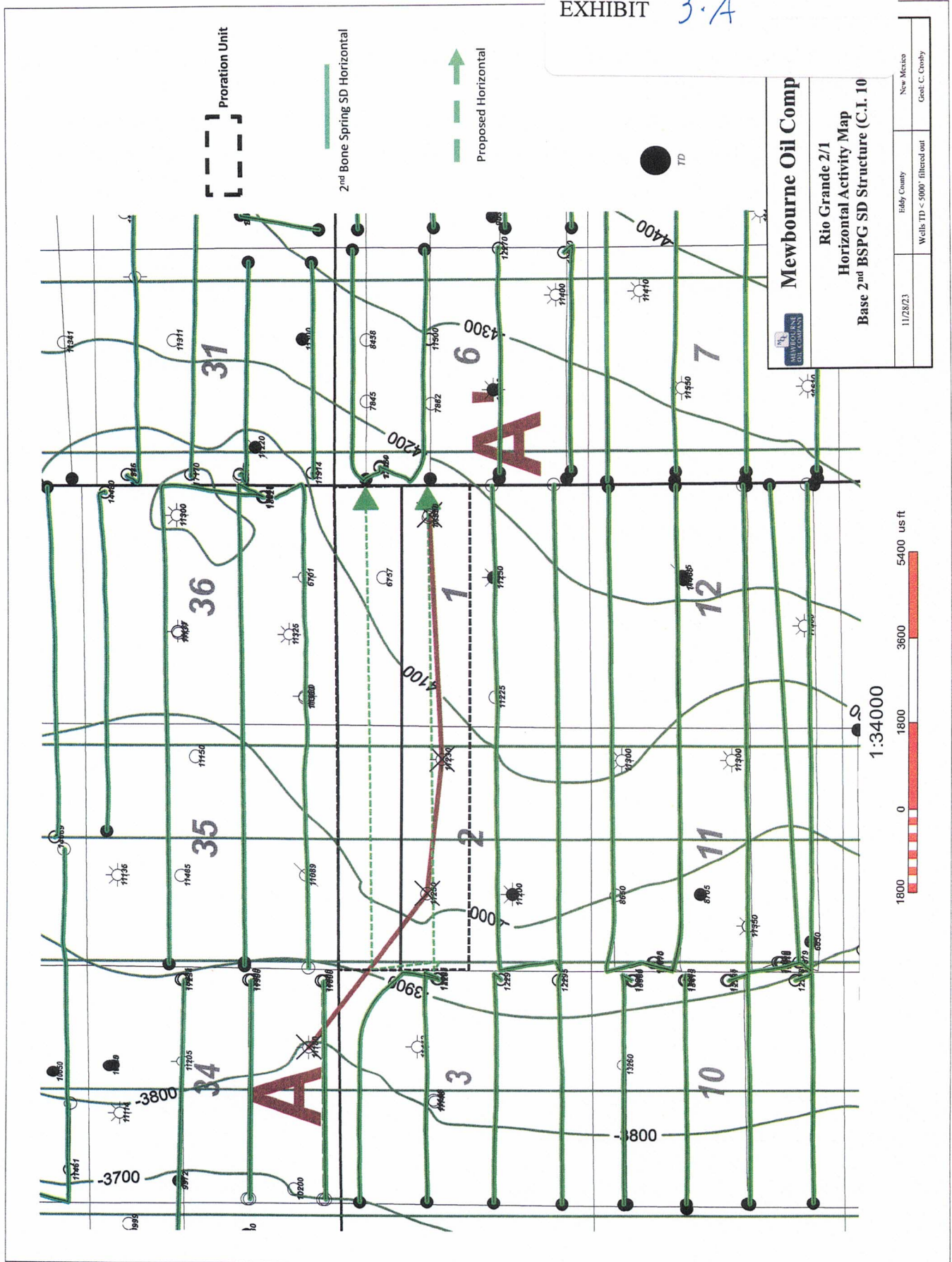
I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 6 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten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

Date: 11/20/23



Charles Crosby

EXHIBIT 3.A



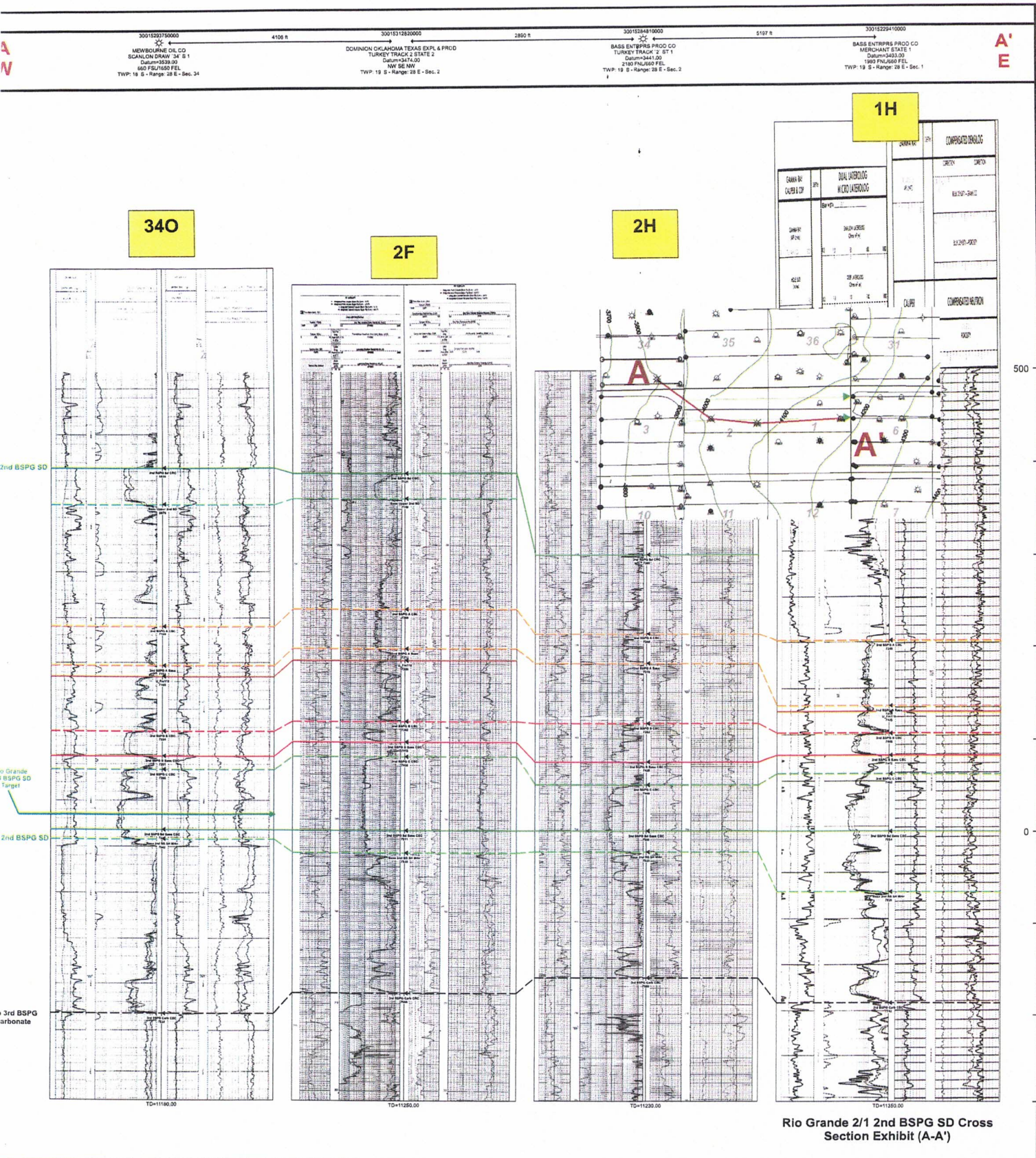
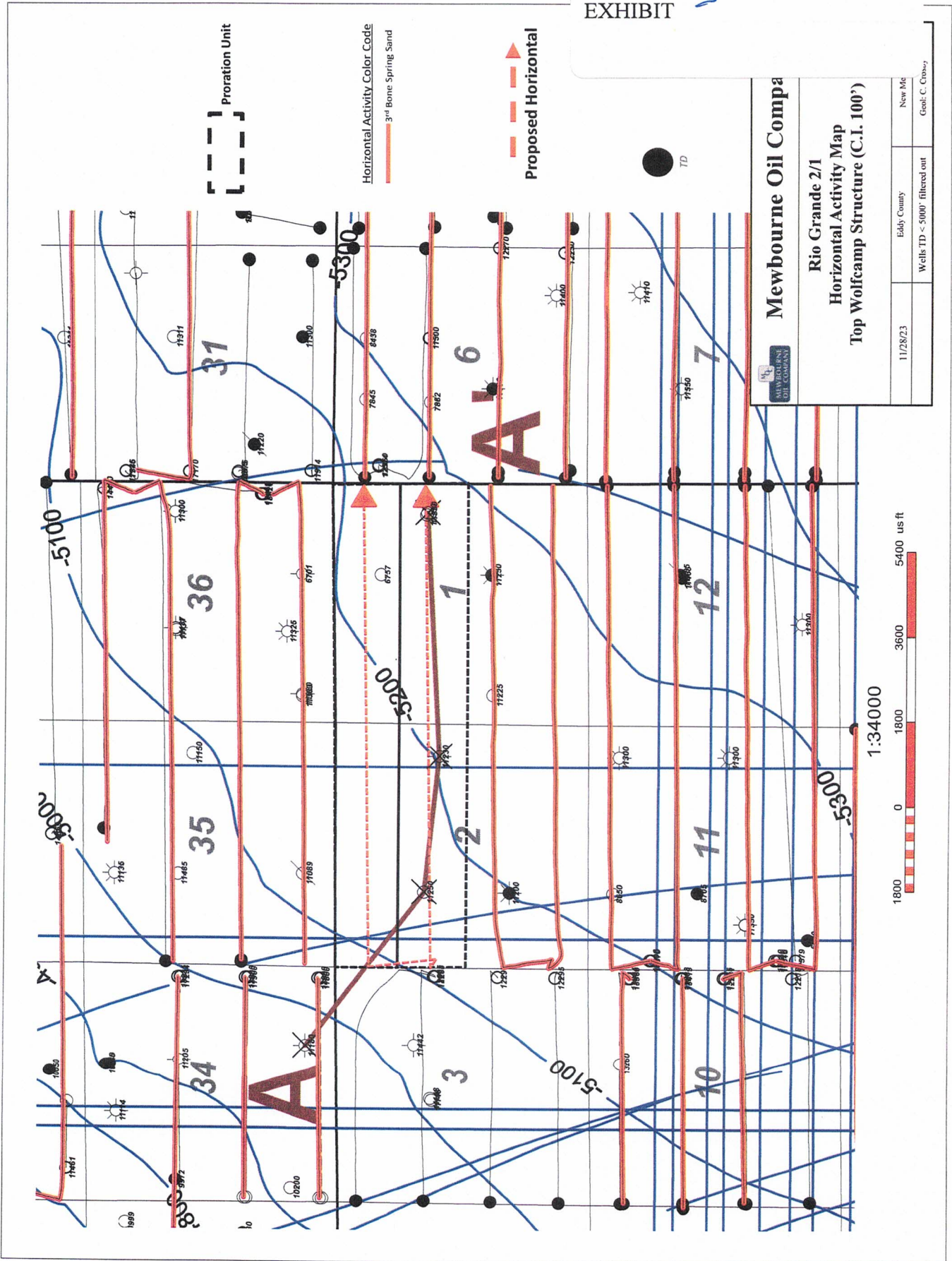


EXHIBIT 3.B

W.C.

EXHIBIT



300122875000 4100 ft 300122875000 2800 ft 300122841000 5100 ft 300122841000

MEWBOURNE OIL CO
SCANLON OSMW 34 S 1
Datum=3328.00
600 FSL/1400 FEL
TWP: 18 S - Range: 28 E - Sec: 34

DOMINION OKLAHOMA TEXAS EXPL & PROD
TURKEY TRACK 2 STATE 2
Datum=3474.00
NW SE NW
TWP: 19 S - Range: 28 E - Sec: 2

BASS ENTERPRISE PROD CO
TURKEY TRACK 2 ST 1
Datum=3447.00
2100 FSL/600 FEL
TWP: 19 S - Range: 28 E - Sec: 2

BASS ENTERPRISE PROD CO
MERCHANT STATE 1
Datum=3402.00
1800 FSL/600 FEL
TWP: 19 S - Range: 28 E - Sec: 1

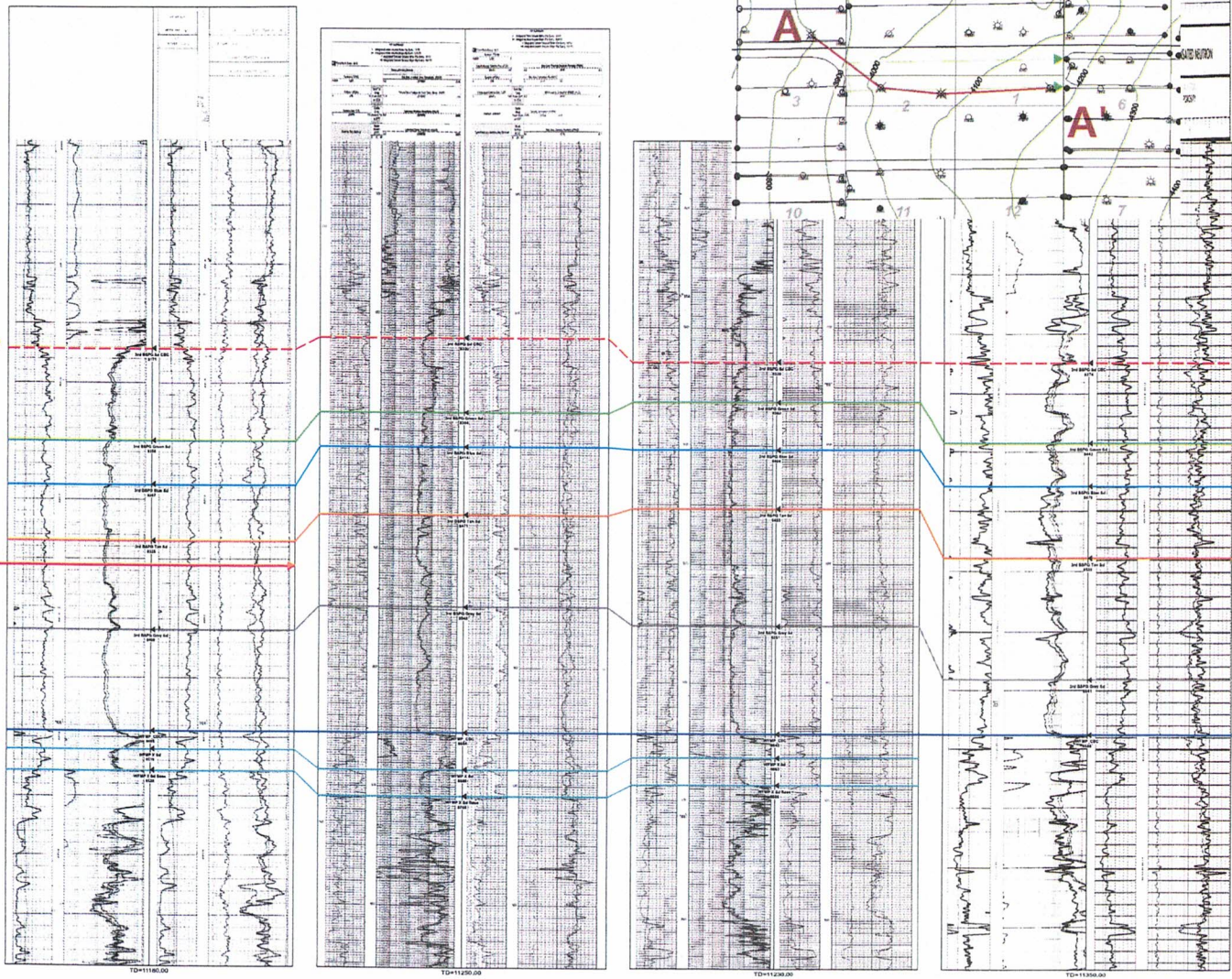
A'E

340

2F

2H

1H



Rio Grande 2/1 3rd BSPG SD Cross Section Exhibit (A-A')

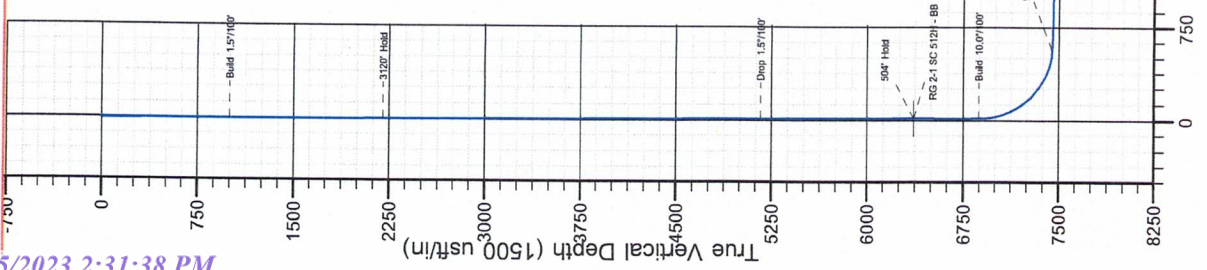
EXHIBIT 3.D



MEWBOURNE
OIL COMPANY

EXHIBIT 3.E

T G M
Azimuths to Grid North
True North: -0.10°
Magnetic North: 6.78°
Magnetic Field
Strength: 47520.2nT
Dip Angle: 60.28°
Date: 9/28/2023
Model: HRCGM



Site: Rio Grande 2-1 St Com Pad
Well: Rio Grande 2-1 St Com #521H
Wellbore: OH
Design: Plan #1
Lat: 32.691561
Long: -104.154949
GL: 3474.00
KB: KB=28 @ 3502.00ust (Patterson 559)

WELL DETAILS: Rio Grande 2-1 St Com #521H

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	615367.30	596215.60	32.691561	-104.154949

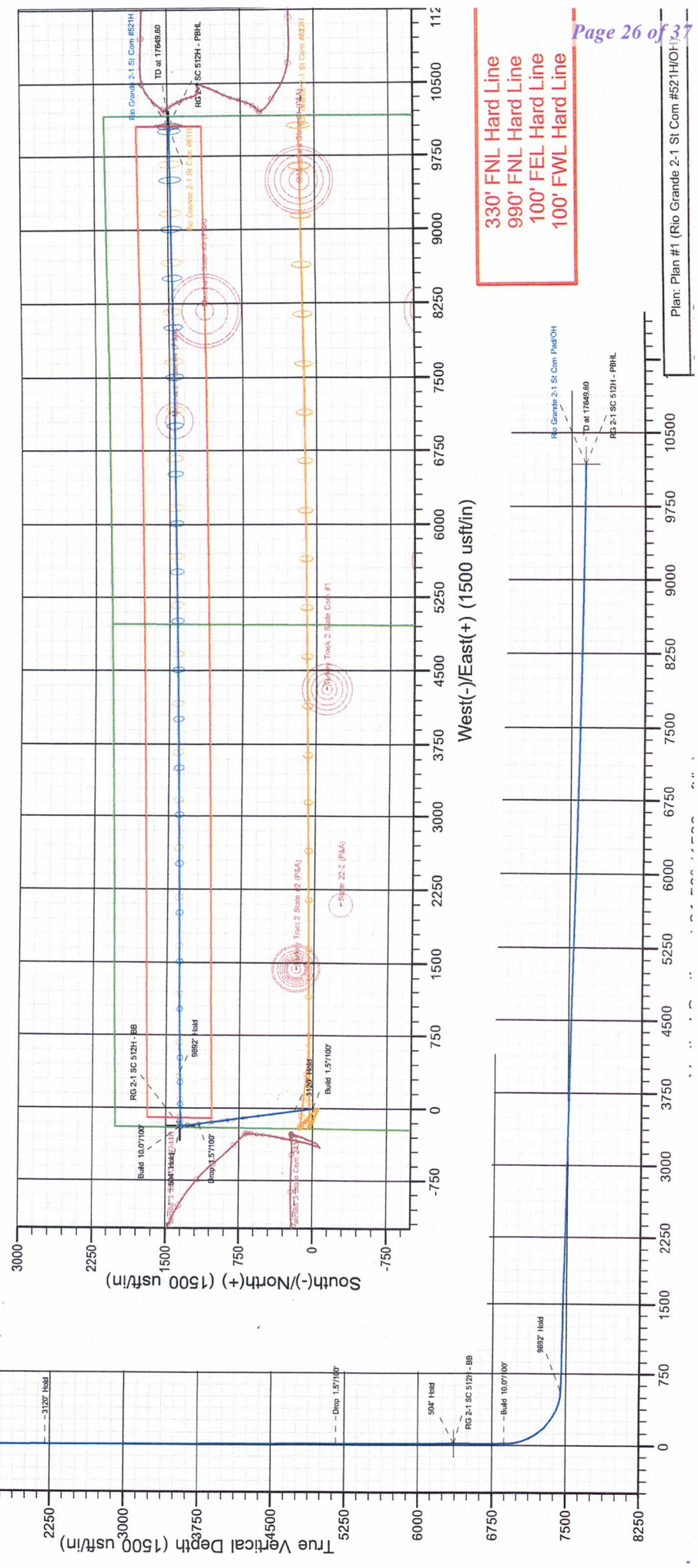
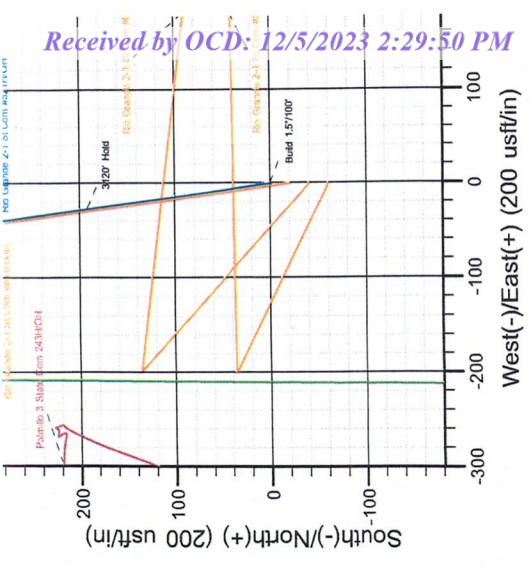
WELLBORE TARGET DETAILS (LAT/LONG)

Name	+N/-S	+E/-W	Northing	Easting	Shape
RG 2-1 SC 512H - BB	6365.00	-187.40	616724.00	596028.20	Point
RG 2-1 SC 512H - PBHL	7642.00	1488.80	10063.10	616956.10	Point

SECTION DETAILS

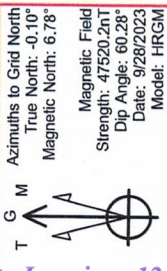
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1000.00	0.00	0.00	1000.00	0.00	0.00	0.00	0.00	0.00	Build 1.57100'
2222.58	18.34	352.14	2201.81	192.17	-26.54	1.50	352.14	1.87	3120' Hold
5342.40	18.34	352.14	5163.19	1164.53	-160.86	0.00	0.00	11.31	Drop 1.57100'
6564.98	0.00	0.00	6365.00	1356.70	-187.40	1.50	180.00	13.18	50M Hold
7069.14	0.00	0.00	6365.00	1356.70	-187.40	1.50	180.00	13.18	Build 10.07100'
7957.32	88.82	89.26	7442.00	1363.93	-187.40	10.00	89.26	569.28	9692' Hold
17649.60	88.82	89.26	7642.00	1488.80	10063.10	0.00	0.00	10172.64	TD at 17649.60

Rio Grande 2-1 St Com #521H
SHL: 2020' FNL & 210' FWL
BHL: 660' FNL & 100' FEL



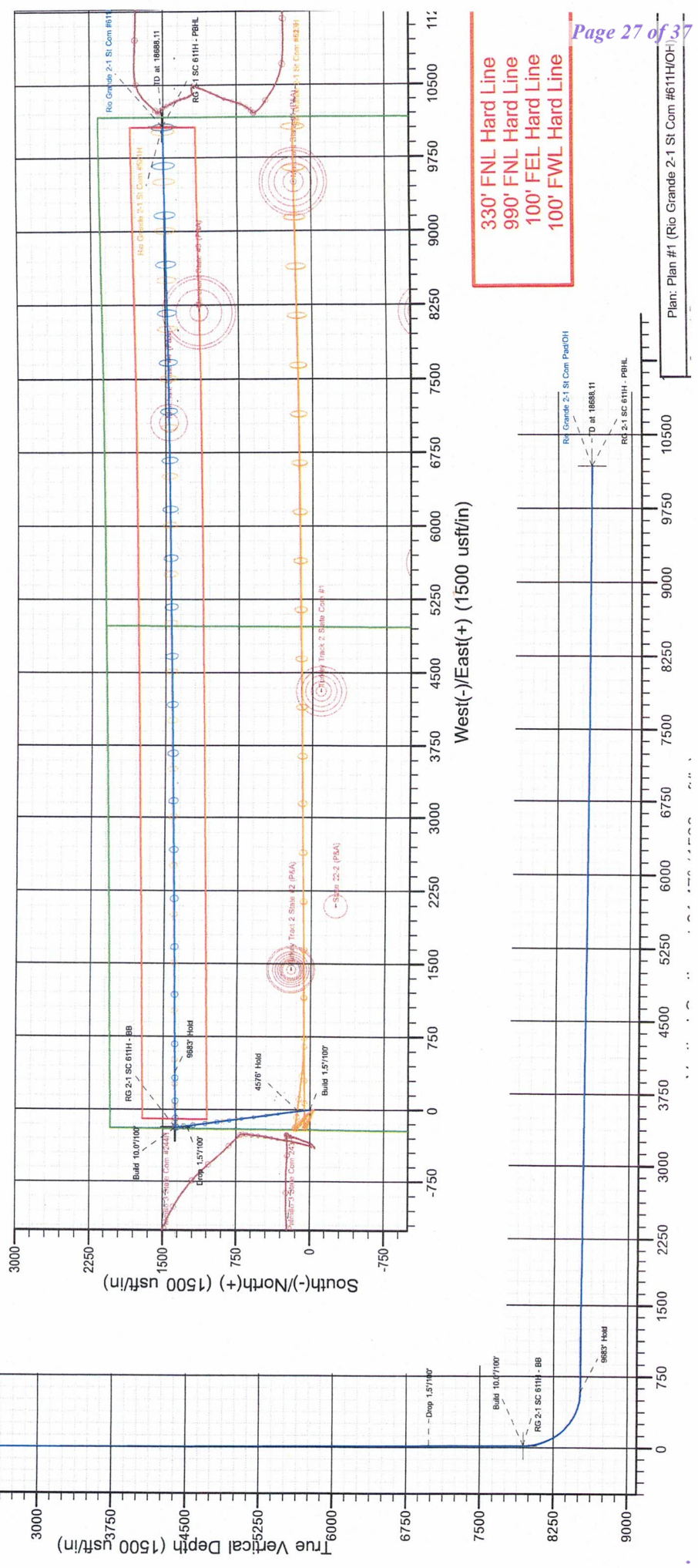
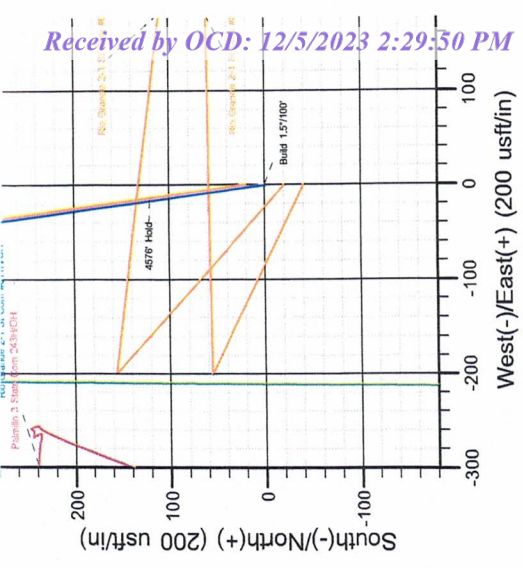
Site: Rio Grande 2-1 St Com Pad
 Well: Rio Grande 2-1 St Com #611H
 Wellbore: OH
 Design: Plan #1
 Lat: 32.691506
 Long: -104.154949
 GL: 3475.00
 KB: KB=28 @ 3503.00usft (Patterson 559)

MEWBOURNE
OIL COMPANY



WELL DETAILS: Rio Grande 2-1 St Com #611H										
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude					
0.00	0.00	615347.30	596215.40	32.691506	-104.154949					
WELLBORE TARGET DETAILS (LAT/LONG)										
Name	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
RG 2-1 SC 611H - BB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build 1.57100'
RG 2-1 SC 611H - PBHL	1600.00	0.00	0.00	1600.00	0.00	0.00	0.00	0.00	0.00	4576' Hold
	2566.89	14.50	352.26	2556.60	120.61	-16.40	1.50	352.26	1.66	Drop 1.57100'
	7142.57	8109.46	0.00	6986.46	1256.09	-170.80	1.50	0.00	17.33	Build 10.07100'
	8109.46	0.00	0.00	7943.06	1376.70	-187.20	1.50	180.00	19.00	9683' Hold
	9005.26	89.58	89.26	8516.00	1384.03	-381.51	10.00	89.26	582.51	TD at 18688.11
	18688.11	89.58	89.26	8587.00	1508.80	10063.30	0.00	0.00	10175.78	

Rio Grande 2-1 St Com #611H
 SHL: 2040' FNL & 210' FWL
 BHL: 660' FNL & 100' FEL



330' FNL Hard Line
 990' FNL Hard Line
 100' FEL Hard Line
 100' FWL Hard Line



MEWBOURNE
OIL COMPANY

Site: Rio Grande 2-1 St Com Pad
Well: Rio Grande 2-1 St Com #523H
Wellbore: OH
Design: Plan #1
Lat: 32.691396
Long: -104.154951
GL: 3476.00
KB: KB=28 @ 3504.00usft (Patterson 559)

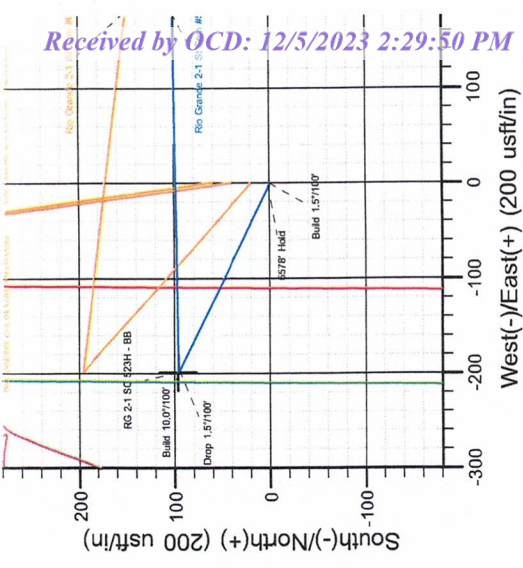
Plan #1
Azimuths to Grid North
True North: -0.10°
Magnetic North: 6.78°
Magnetic Field
Strength: 47520.2nT
Dip Angle: 60.28°
Date: 9/26/2023
Model: HRGM

WELL DETAILS: Rio Grande 2-1 St Com #523H										
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	TVD	+N/-S	+E/-W	Shape Point
RG 2-1 SC 523H - BB	0.00	0.00	615307.30	596215.00	32.691396	-104.154951	6919.14	-199.00	615403.74	596016.00
RG 2-1 SC 523H - PBHL			7667.00	229.10	10065.10	615536.40	606280.10			

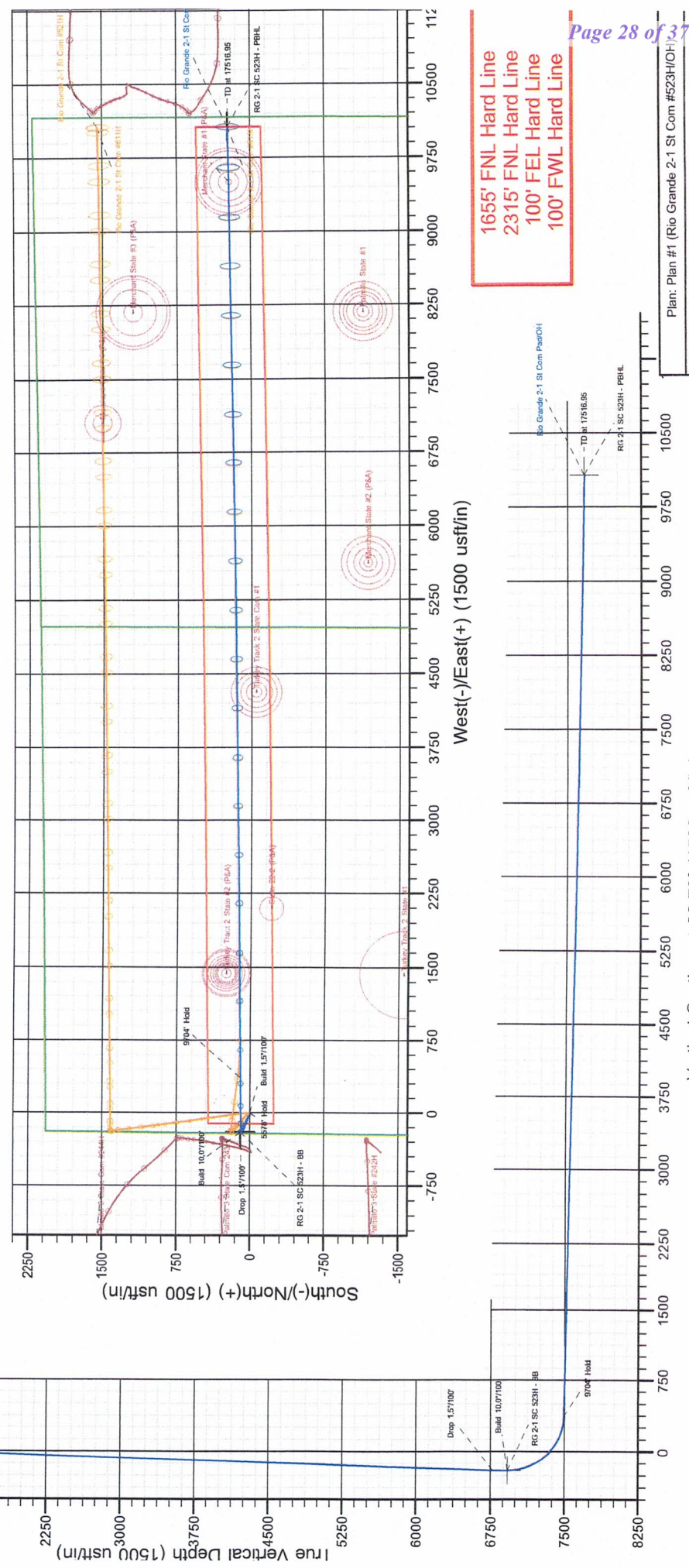
WELLBORE TARGET DETAILS (LAT/LONG)										
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	TVD	+N/-S	+E/-W	Shape Point
Build 10.07/100'	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build 1.57/100'
Drop 1.57/100'	2.21	295.86	1197.52	1.24	-2.56	0.00	0.00	0.00	0.00	5578' Hold
Build 1.57/100'	2.21	295.86	6771.62	95.20	-196.44	0.00	95.20	-194.22	0.00	Build 1.57/100'
Build 10.07/100'	0.00	0.00	6919.14	96.44	-199.00	0.00	96.44	-196.75	0.00	Build 10.07/100'
Build 1.57/100'	88.97	89.26	7492.00	103.71	363.58	10.00	89.26	365.84	0.00	9704' Hold
Build 1.57/100'	88.97	89.26	7667.00	229.10	10065.10	0.00	0.00	10067.71	0.00	TD at 17516.95

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build 1.57/100'
1050.00	0.00	0.00	1050.00	0.00	0.00	0.00	0.00	0.00	5578' Hold
1197.56	2.21	295.86	1197.52	1.24	-2.56	1.50	295.86	-2.54	Build 1.57/100'
6775.82	2.21	295.86	6771.62	95.20	-196.44	0.00	0.00	-194.22	Build 10.07/100'
6923.38	0.00	0.00	6919.14	96.44	-199.00	1.50	180.00	-196.75	Build 10.07/100'
7813.04	88.97	89.26	7492.00	103.71	363.58	10.00	89.26	365.84	9704' Hold
17516.95	88.97	89.26	7667.00	229.10	10065.10	0.00	0.00	10067.71	TD at 17516.95



Rio Grande 2-1 St Com #523H
SHL: 2080' FNL & 210' FWL
BHL: 1980' FNL & 100' FEL



1655' FNL Hard Line
2315' FNL Hard Line
100' FEL Hard Line
100' FWL Hard Line

Site: Rio Grande 2-1 St. Com Pad
 Well: Rio Grande 2-1 St. Com #613H
 Wellbore: OH
 Design: Plan #1
 Lat: 32.691451
 Long: -104.154950
 GL: 3476.00
 KB: KB=28 @ 3504.00ust (Patterson 559)

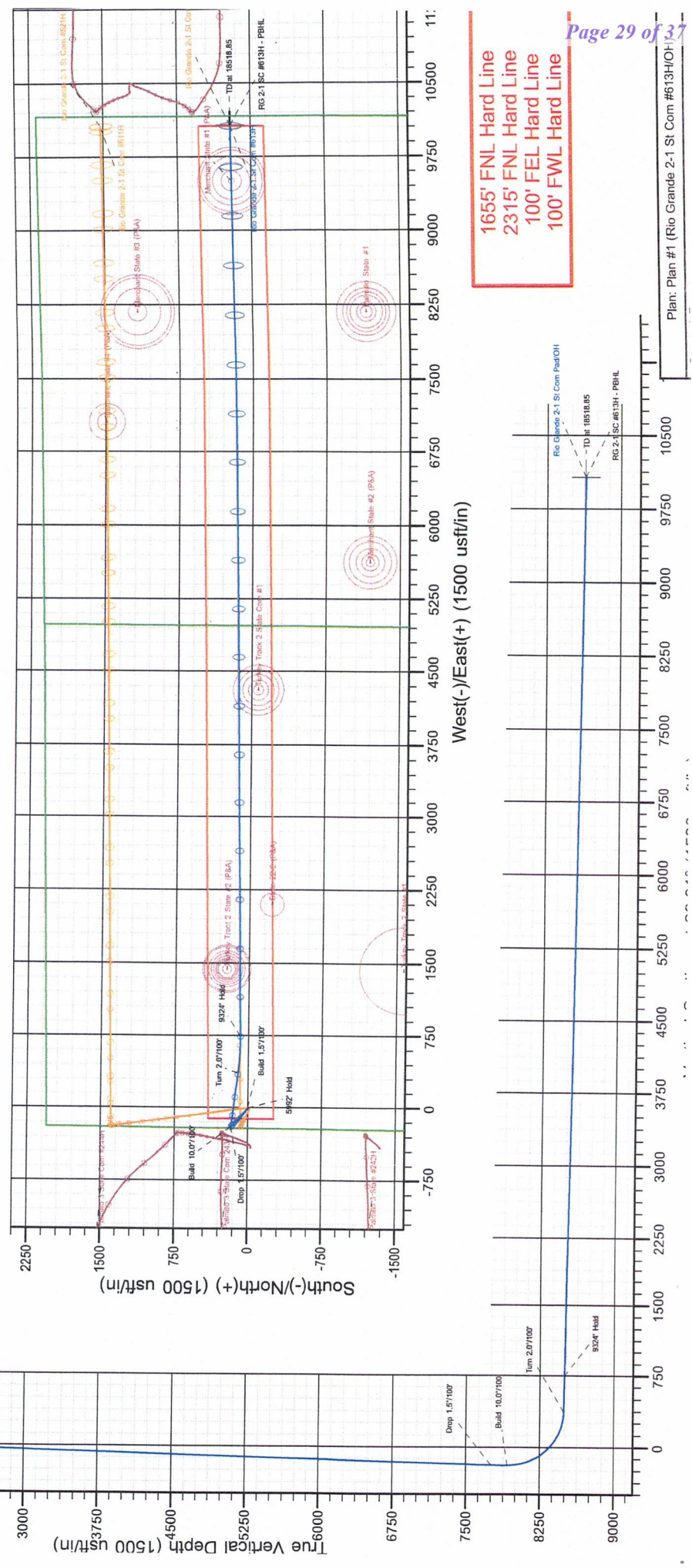
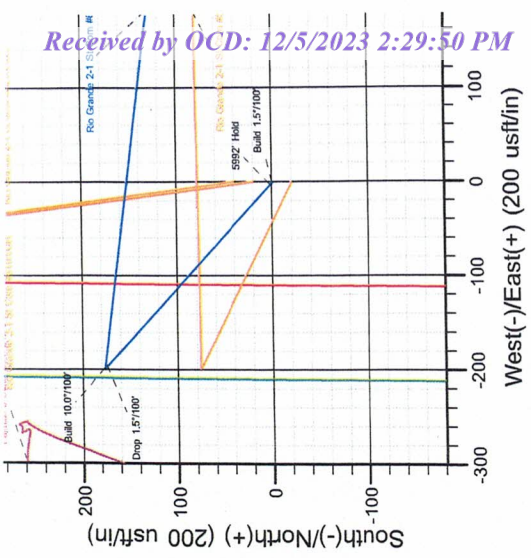


Plan #1

T M
 Azimuths to Grid North
 True North: -0.10°
 Magnetic North: 6.78°
 Magnetic Field Strength: 47520.2nT
 Dip Angle: 60.28°
 Date: 9/28/2023
 Model: HRGM

WELL DETAILS: Rio Grande 2-1 St Com #613H										
+N/-S	+E/-W	Northing	Easting	+N/-S	+E/-W	Northing	Easting	Longitude	Latitude	
0.00	0.00	615327.30	596215.20	209.10	10064.90	615536.40	606280.10	-104.154950	32.691451	
WELLBORE TARGET DETAILS (LAT/LONG)										
Name	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
RG 2-1 SC #613H - PBHL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	1600.00	0.00	0.00	1600.00	0.00	0.00	0.00	0.00	0.00	Build 1.57/100'
	1764.72	2.47	311.67	1764.67	2.36	-2.65	1.50	311.67	-2.60	5992' Hold
	7757.07	2.47	311.67	7751.44	174.10	-195.63	0.00	0.00	-191.97	Drop 1.57/100'
	7921.78	0.00	0.00	7916.11	176.46	-198.28	1.50	180.00	-194.57	Build 10.07/100'
	8812.98	89.12	96.90	8489.00	108.68	361.79	10.00	96.90	363.97	Turn 2.07/100'
	9195.10	89.12	89.26	8494.88	88.18	743.03	2.00	-90.06	744.70	9324' Hold
	18518.85	89.12	89.26	8638.00	209.10	10064.90	0.00	0.00	10067.07	TD at 18518.85

Rio Grande 2-1 St Com #613H
 SHL: 2060' FNL & 210' FWL
 BHL: 1980' FNL & 100' FEL



1655' FNL Hard Line
 2315' FNL Hard Line
 100' FEL Hard Line
 100' FWL Hard Line

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

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

Case Nos. 24040 & 24041

SELF-AFFIRMED STATEMENT OF NOTICE

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

James Bruce deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Mewbourne Oil Company.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owner, at its last known address, by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Exhibit 2-A.
5. Applicant has complied with the notice provisions of Division Rules.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 12/5/23

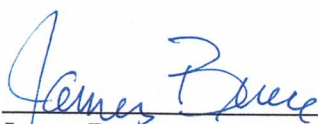

James Bruce

EXHIBIT 4

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

November 16, 2023

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of two applications, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, requesting the following relief:

(a) Case No. 24040: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 2 and the N/2N/2 of Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to Rio Grande 2/1 State Com. Well No. 521H and the Rio Grande 2/1 State Com. Well No. 611H, which have first take points in the NW/4NW/4 of Section 2 and last take points in the NE/4NE/4 of Section 1. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells.

(b) Case No. 24041: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 2 and the S/2N/2 of Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to Rio Grande 2/1 State Com. Well No. 523H and the Rio Grande 2/1 State Com. Well No. 613H, which have first take points in the SW/4NW/4 of Section 2 and last take points in the SE/4NE/4 of Section 1. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells.

EXHIBIT

4-A

These matters are scheduled for hearing at 8:15 a.m. on Thursday, December 7, 2023. During the current circumstances, state buildings are closed to the public and the hearing will be conducted remotely. To view the hearing docket and to determine how to participate in an electronic hearing, go to <https://www.emnrd.nm.gov/ocd/hearing-info/>, or contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@emnrd.nm.gov, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT A

Marathon Oil Permian LLC
990 Town & Country Blvd.
Houston, Texas 77024

Attention: Shawn Willis

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

7020 0090 0000 0863 3619

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Postmark Here

Sent To Marathon Oil Permian LLC
 990 Town & Country Blvd.
 Street, at Houston, Texas 77024

City, State, ZIP+4® _____

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marathon Oil Permian LLC
 990 Town & Country Blvd.
 Houston, Texas 77024

9590 9402 7635 2122 6737 18

2. Article Number (Transfer from service label)
 7020 0090 0000 0863 3619

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X MAIL ROOM Agent

B. Received by (Printed Name) _____ Addressee
 Date of Delivery 12/08/2023

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

NOV 28 2023

3. Service Type

Adult Signature Priority Mail Express®

Adult Signature Restricted Delivery Registered Mail™

Certified Mail® Registered Mail Restricted Delivery

Certified Mail Restricted Delivery Signature Confirmation™

Collect on Delivery Signature Confirmation Restricted Delivery

Collect on Delivery Restricted Delivery

Restricted Delivery (over \$500)

M RG Domestic Return Receipt

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 24041

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 2 and the S/2N/2 of Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the S/2N/2 of Section 2 and the S/2N/2 of Section 1 (containing 320 acres), and has the right to drill a well or wells thereon.
2. Applicant proposes to drill the Rio Grande 2/1 State Com. Well No. 523H and the Rio Grande 2/1 State Com. Well No. 613H to depths sufficient to test the Bone Spring formation, with first take points in the SW/4NW/4 of Section 2 and last take points in the SE/4NE/4 of Section 1.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S/2N/2 of Section 2 and the S/2N/2 of Section 1 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all uncommitted mineral interest owners in the Bone

EXHIBIT 5

Spring formation underlying the S/2N/2 of Section 2 and the S/2N/2 of Section 1, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the S/2N/2 of Section 2 and the S/2N/2 of Section 1 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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

- A. Pooling all uncommitted mineral interest owners in the Bone Spring formation (Palmillo; Bone Spring, East/Pool Code 49553) underlying the S/2N/2 of Section 2 and the S/2N/2 of Section 1;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, testing, and equipping the wells, and allocating the cost among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 2 and the S/2N/2 of Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to Rio Grande 2/1 State Com. Well No. 523H and the Rio Grande 2/1 State Com. Well No. 613H, which have first take points in the SW/4NW/4 of Section 2 and last take points in the SE/4NE/4 of Section 1. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 12-1/2 miles southwest of Loco Hills, New Mexico.