CASE NO. 23688

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

EXHIBITS

Part I of II

- 1. Pooling Checklist
- 2. Landman's Affidavit

Exhibit 2-A: Land Plat and C-102

Exhibit 2-B: Tract Maps and Ownership Information

Exhibit 2-C: List of Pooled Persons

Exhibit 2-D: Summary of Communications and Proposal Letter

Exhibit 2-E: AFE

3. Geologist's Affidavit

Exhibit 3-A: Structure and Activity Map

Exhibit 3-B: Cross-Section

Exhibit 3-C: Horizontal Drilling Plan

Part II of II

4. Affidavit of Notice

Exhibit 4-A: Notice Letters and Return Receipts

- 5. Certified Notice Spreadsheet
- 6. Affidavit of Publication
- 7. Application and Proposed Notice

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23688	APPLICANT'S RESPONSE
Date: December 21, 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	Judge 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:	Parkway; Bone Spring/Pool Code 49622
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330' and 100' setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	336.12 acres
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	Lots 1-4 (N/2N/2) §3 and Lots 1-4 (N/2N/2) §4, Township 20 South, Range 29 East, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non- standard unit requested in this	Yes
application?	EXHIBIT]
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	Judge 3/4 B3AD Federal Com. Well No. 1H
	API No. 30-015-Pending
	SHL: 1660 FNL & 250 FEL §3
	BHL: 500 FNL & 100 FWL §4
	FTP: 500 FNL & 100 FEL §3
	LTP: 500 FNL & 100 FWL §4
	Third Bone Spring/TVD 9110 feet/MD 19268 feet
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 \$	\$800
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) Proof of Published Notice of	Exhibit 4
Hearing (10 days before hearing)	Exhibit 6
Ownership Determination	LATIBLE O
Land Ownership Schematic of	
the Spacing Unit	Exhibit 2-B
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	Exhibits 2-B and 2-C; Working Interest Owners and Record Title Owners
ownership type)	(to obtain approval of communitization agreement)
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance	
(including percentage above &	
below)	No Depth Severance
Joinder	Exhibit 2-D
Sample Copy of Proposal Letter	Exhibit 2-D
List of Interest Owners (i.e.	Fullibit 2 D
Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with	Fullibit 2 D
Non-Joined Working Interests	Exhibit 2-D
Overhead Rates In Proposal	
Letter	
Cost Estimate to Drill and	
Complete	Exhibit 2-E
Cost Estimate to Equip Well	Exhibit 2-E
Cost Estimate for Production	
Facilities	Exhibit 2-E
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)	East-West; Exhibits 3 and 3-A
Target Formation	Third Bone Spring Sand
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	EATHER E
Recapitulation (Tracts)	Exhibits 2-B
General Location Map (including	LAHIDIG Z D
basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 3-A
Structure Contour Map - Subsea	EXITIBIT 3-7
Depth	Exhibit 3-A
Deptil	LAITIBIL 3-M

Cross Section Location Map	
(including wells)	Exhibit 3-A
Cross Section (including Landing	
Zone)	Exhibit 3-B
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	1 3
Representative):	James Piner
Date:	December 9, 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 TO VACATE ORDER NO. R-21575 AND FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 23688

SELF-AFFIRMED STATEMENT OF BRAXTON BLANDFORD

Braxton Blandford, 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 Division Rules, the following information is submitted in support of this application.
- 3. The purpose of this application is to force pool uncommitted interest owners into the standard Bone Spring horizontal spacing unit described below.
- 4. Mewbourne seeks an order pooling uncommitted working interest owners and Record Title owners in the Bone Spring formation underlying a horizontal spacing unit comprised of Lots 1-4 (the N/2N/2) of Section 3 and Lots 1-4 (the N/2N/2) of Section 4, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Judge 3/4 B3AD Fed. Com. Well No. 1H.

Order No. R-21575 pooled the N/2N/2 of Section 2 and the N/2N/2 of Section 3, Township 20 South, Range 29 East, N.M.P.M. for the purpose of drilling the proposed Meridian 3 Fed. State Com. Well No. 113H. The operator of the well is Colgate Operating, LLC ("Colgate").

In conjunction with three other applications filed by Mewbourne, covering portions of Sections 3 and 4, those two sections will be fully developed by Mewbourne's development plan. (Order Nos. R-22912, R-22913, and R-22914 in those cases have been issued.) As a result, Mewbourne requests that Order No. R-21575 be vacated so that Mewbourne may reasonably develop all of Sections 3 and 4. Colgate has signed Mewbourne's JOA.

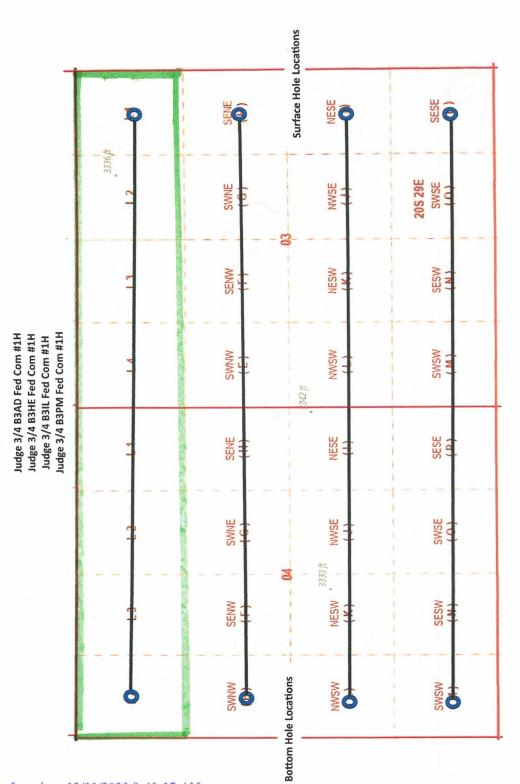
EXHIBIT 2

- 5. There is no depth severance in the Bone Spring formation.
- 6. A plat outlining the unit being pooled is submitted as Attachment 2-A. A Form C-102 for the well is part of Attachment 2-A.
- 7. The tracts in the unit, the leases, and the parties being pooled and their interests, are set forth in Attachment 2-B. The persons being pooled are listed on Attachment 2-C.
- 8. 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. In order to locate the interest owners Mewbourne searched the federal and county records, performed internet searches, checked telephone records, and searched Accurint and Whitepages.
- 9. Attachment 2-D contains a sample copy of the proposal letters sent to the interest owners being pooled. It also contains a summary of communications with the parties. Mewbourne has made a good faith effort to locate and obtain the voluntary joinder of the working interest owners in the proposed wells.
- 10. Attachment 2-E contains the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Eddy County.
- 11. 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.
- 12. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against a non-consenting working interest owner.
 - 13. Mewbourne requests that it be designated operator of the well.
- 14. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- 15. Granting this application is in the interests of conservation and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 15 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: <u>December 8, 2023</u>

/s/ Braxton Blandford
Braxton Blandford





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District I (625 N. French Dr., Hobbs, NM 88240 Hobore (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 Rosd, 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) 476-3460 Pax: (505) 476-3

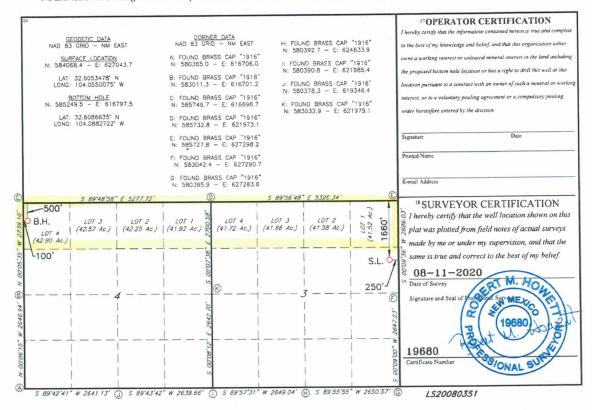
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

		W	ELL LO	OCATIO	N AND A	CREAGE DEDIC			
	API Number			2 Pool Code 49622 Parkway Bone Spring					
⁴ Property Co	de				5 Prope	rty Name B3AD FED COM	1	7	6 Well Number 1 H
COGRIDA	44			**SOperator Name Selevation MEWBOURNE OIL COMPANY 3316*					
					10 Surfa	ce Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from t	he North/South line	Feet From the	East/West line	County
H	3	20S	29E		1660	NORTH	250	EAST	EDDY
·			11]	Bottom F	Tole Locat	ion If Different Fro	om Surface		
UL or lot no.	Section	Township	Range	Lot ldn	Feet from t	he North/South line	Feet from the	East/West line	County
4	4	208	29E		500 NORTH 100 WEST			EDDY	
336.1	2 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.



lat de Com #1H ed Com #1H ed Com #1H 108, R29 E w Mexico	Section 3	Tract 3	Tract 2		Tract I	
Section Plat Judge 3/4 B3AD Fed Com #1H Judge 3/4 B3HE Fed Com #1H Judge 3/4 B3HE Fed Com #1H Judge 3/4 B3HE Fed Com #1H Sections 3/8 & 4,7208, R29E Eddy County, New Mexico	Section 4	Tract 4	Tract 5	-	Tract 7	

Tract 2: S/2N/2 of Section 3-Fed Lease(s) NMNM-027801
Mewboumer Oil Company
COG Operating, L1AC
Great Westen Drilling, Ltd.
WPX Energy Permian, LLC
RKC, Inc.
TXLA Oil and Gas, LLC

Tract 4: N/2N/2 of Section 4-Fed Lease(s) NMNM-0209083
Mewbourne Oil Company
Magman Hunter Production, Inc.
Galar Beergy Company
Mark L. Shidler, Inc.
Camtera Resources Patners, Ltd.
WPX Energy Permian, LtC.
Axis Ehergy Corporation
Vrooman Energy, L.L.C.
Rick and Due Awn Carlisle

ATTACHMENT 2.B

Tract 1: SZ of Section 3- Fed Lease(s) NMNM-011962, NMNM 0209083, and NMNM-027801
Mewbourne Oil Company
Gord Operating, LLC
Gord Operating, LLC
Were Merey Permian, LLC
Were, Inc.
TXLA oil and Gas, LLC
Veronica Olson Continuation Trast
Davon Banegy Production, LP
Ann. E. Creamer, Traste of the Dean Family Trust established under the
will of Fall Stone Dan, decensed
Dallon H. Cobb, Jr.

Tract 3: NZNIZ of Section 3-Fed Lease(s)NMNM-059381 and NMNM-027801
Colgate Production, LLC
ConcoolPhilips Company
Col Operating, LLC
WPX Energy Permian, LLC
Stanto Danian, LLC
Stanto Danian, LLC
Stanto Danian Danian, LLC
Stanto Danian Danian, LLC
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Stanto Stanto Stanto Danian, LLC
Stanto Stanto Danian, LLC
Stanto Stanto Danian

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Heritage Trust Company of New Mexico, Trustee of the Sarah Arme Baker Irrevocable Trust Sara Elizabeth Baker and Anthony M. Baker Trust Northern Oil & Gas, Inc.

TXLA Oil and Gas, LLC Mill Neck Associates Viola Elaine Barnes Christine B. Motycka

TTCZ Properties, LLC C-W Flow, LLC

Julie Ellen Barnes

RECAPITUALTION FOR JUDGE 34 BAD FED COM #111, JUDGE 34 B311, FED COM #111, JUDGE 34 B311E FED COM #111, and JUDGE 34

Christine B. Motycka Julie Ellen Barnes TTCZ Properties, LLC C-W Flow, LLC

Steven Clement Barnes

Viola Elaine Barnes

Heritage Trust Company of New Mexico, Trastee of the Michael A. Baker Irrevocable Trust. By and tructor his Agent, Douglas Buchannan
Heritage Trust Company of New Mexico, Trastee of the Sarah Atme Baker Irrevocable Trust
Sara Elizabeth Baker and Anthony M. Baker Trust
Northern Oil & Gas. Inc.
TXLA Oil and Gas. LLC.
Mill Neck Associates

Eric Chancy Croft and Elizabeth Ann Williamson, Co-Trustees of the Charla Geraldine Williamson

Giles Energy, Inc. Finley Production Co., LP Grasslands Energy I.P

RKC, Inc.

	Number of Acres Committeed	Percentage of Interst in Communitized Area
-	320	24.68907%
2	160	12.34454%
3	166.48	12.844490%
4	169.64	13.088294%
5	160	12.344536%
9	160	12.344536%
7	091	12.344536%
OTAL	1296.12	100.00000%

TRACT OWNERSHIP Judge 34 B3AD Fed Com #1H

Lots 1-4 of Section 3 and Lots 1-4 of Section 4, 7205, R29E, Eddy County, New Mexico

Bone Spring Formation:

Mewbourne Oil Company, et al. Colgate Production LLC

62.206242% 25.755669%

% of Leasehold Interest

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Camterra Resources Partners, Ltd. Durango Production Corporation

Mark L. Shidler, Inc.

deceased WPX Energy Permian, LLC

Rick and Dee Ann Carlisle Axis Energy Corporation Vrooman Energy, L.L.C.

Ann E. Creamer, Trustee of the Dean Family Trust estabilished under the will of Hal Stone Dean,

0.501000% 0.036117% 0.012019% 0.012019% 10.209464% 0.246396% 0.296189% 0.19087%	0.048555% 0.091109% 0.034986%	0.194224% 0.006130% 100.000000% 37.793788%	1H % of Leasehold Interest 87 92755% 10.114375% 0.5293430% 0.190298% 0.048103%	0.048103% 0.096205% 0.010395% 0.010100%
WPX Energy Permian, LLC Diane Denish Sarah Schreiber Sarah Schreiber Suzame Schreiber Magmun Hunter Production, Inc. Veronical Olson Continuetion Trust Eric Chancy Croß and Elizabeth Ann Willianson, Co- Trustees of the Charle Scendine Willianson, Trust Frinkey Production Co. 1.P	Heriage Trust Company of New Mexico, Tastee of the Michael A. Baker Irrevocable Trust. By and through its Agent, Douglas Bucharman Heriage Trust Company of New Mexico, Tastee of the Sarah Anne Baker Irrevocable Trust Sara Elizabeth Baker and Anthony M. Baker Trust Mill Neck Associates	Heritage Trust Company of New Mexico, Instee of the Josephine Laughlin Living Trust. By and though its Agent, Douglas Buchannan C-W, Flow, LLC TOTAL TOTAL Total Interest Being Pooled:	TRACT-CHYNERSHTP Judge 34 B3HE Fedy Com II H S2N2 of Section 3 and S2N2 of Setion 4, 120S, R29E, Eddy County, New Mexico Bone Spring Formation: Owner Mewboune Oil Company, et al. WPX Energy Permian, Lt.C Trustees of the Charls Geralding-Williamson, Co- Trustees of the Charls Geralding-Williamson Trust Finley Production Co., LP Michael A. Baker Traycocable Trust, By and incough its 0.048103%	Heritage Trusy Company of New Mexico, Iratee of the Sarah Anne Baker Iravocable Trust Sara Elizabeth Baker and Authony M. Baker Trust Viola Egline Barnes Christiffe B. Motycka Julie Ellen Barnes

PERSONS POOLED IN CASE NO. 23688

WORKING INTEREST OWNERS

Devon Energy Production Co., LP WPX Energy Permian, LLC 333 West Sheridan Ave. Oklahoma City, OK 73102

Sara Elizabeth Baker and Anthony M. Baker Trust 630 Paseo Del PuebloSur #170 Taos, NM97571

C-W Flow, LLC 738 H St Anchorage, AK 99501-3401 Attn: Land Department

Christine B. Motycka 1004 N. Big SpringSuite 500 Midland, TX 79701

Julie Ellen Barnes P.O. Box 505 Midland, TX 79702

Steven Clement Barnes P.O. Box 505 Midland, TX 79702

Sarah Schreiber 505 13th St SE Apt 4 Washington D.C. 20003-2248

Suzanne Schreiber 3111 E 58th Pl. Tulsa, OK 74105-7414

TTCZ Properties, LLC 201 Main Street Suite 400 Fort Worth, TX 76102 ехнівіт 2. С

Diane Denish 2604 Morrow Rd NE Albuquerque, NM 87106

Viola Elaine Barnes 1004 N. Big Spring Suite 500 Midland, TX79701

Mill Neck Associates 3867 Plaza Tower Dr. Baton Rouge, LA70816

Heritage Trust Company of New Mexico, Trustee of the Michael A. Baker Irrevocable Trust, by and through its Agent, Douglas Buchannan 630 Paseo Del Pueblo Sur #170 Taos, NM 97571

Heritage Trust Company of New Mexico, Trustee of the Josephine Laughlin Living Trust, by and through its Agent, Douglas Buchannan P.O. Box 80190 Midland, TX 79708 Attn: Douglas Buchannan

Heritage Trust Company of New Mexico, Trustee of the Sarah Anne Baker Irrevocable Trust 630 Paseo Del Pueblo Sur #170 Taos, NM 97571

Finley Production Co., LP P.O. Box 2200 Fort Worth, TX 76113

Veronica Olson Continuation Trust 42011 SD Highway 27 Langford, SD57454-5930

Eric Chancy Croft and Elizabeth Ann Williamson, Co-Trustees of the Charla Geraldine Williamson Trust 738 H St Anchorage, AK 99501-3401

RECORD TITLE OWNERS

Barnes Adelante Trust P.O. Box 505 Midland, Texas 79702-0505

Barnes J C Trust P.O. Box 505 Midland, Texas 79702-0505

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

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

Burlington Resources Oil & Gas Co., LP P.O. Box 7500 Bartlesville, Oklahoma 74005-7500

Alexander Resources, Inc. 3804 Shady Valley Dr. Arlington, Texas 76013

Petroleum Corporation 207 S. 4th Street Artesia, New Mexico 88210 Summary of Communications
Judge 3/4 B3AD Fed Com #1H
Judge 3/4 B3HE Fed Com #1H
Judge 3/4 B3IL Fed Com #1H
Judge 3/4 B3PM Fed Com #1H
Sections 3 and 4, T20S, R29E
Eddy County, New Mexico

3/29/2021 & 9/29/2022: Mailed a Working Interest Unit and Well Proposal to the below listed parties. Utilized Accurint, Enverus/Drilling Info, in house files, and Google searches in an effort to locate the below mentioned parties. Delivery receipts are attached in the pooling exhibits.

Magnum Hunter Production, Inc

10/25/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

3/15/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Colgate Production, LLC

10/9/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

3/15/2023: Email and Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

5/5/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

6/26/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Devon Energy Production Co., LP

WPX Energy Permian, LLC

12/5/2022: Email and Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

1/4/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

3/15/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

5/16/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

5/24/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Eric Chancy Croft and Elizabeth Ann Williamson, co-Trustees of the Charla Geraldine Williamson Trust

C-W Flow, LLC

8/2/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

1

ATTACHMENT 2.0

12/7/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

12/20/2022: Emailed new proposal packet per parties' request.

1/3/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

6/8/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Veronica Olson Continuation Trust

6/8/2023: Phone correspondence left a Voicemail.

Finley Production Co, LP

9/8/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

9/13/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

10/14/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

5/18/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

6/8/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

- Heritage Trust Company of New Mexico, Trustee of the Josephine Laughlin Living Trust,
 By and through its Agent, Douglas Buchannan
- Sara Elizabeth Baker and Anthony M. Baker Trust
- Heritage Trust Company of New Mexico, Trustee of the Michael A. Baker Irrevocable Trust,
 By and through its Agent, Douglas Buchannan
- Heritage Trust Company of New Mexico, Trustee of the Sarah Anne Baker Irrevocable Trust 10/18/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

4/24/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

5/18/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

5/24/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Mill Neck Associates

10/6/2022: Sent new proposal package via certified mail.

- Viola Elaine Barnes
- · Christine B. Motycka
- Julie Ellen Barnes
- Steven Clement Barnes
- TTCZ Properties, LLC

10/26/2022: Email and Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

12/7/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

2/13/2023: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

- Sarah Schreiber
- Suzanne Schreiber

6/8/2023: Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit, left a voicemail.

Diane Denish

11/18/2022: Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

September 28, 2022

Via Certified Mail

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

Re: Judge 3/4 B3AD Fed Com #1H 1660' FNL & 250' FEL (Section 3) 500' FNL & 100' FWL (Section 4)

> Judge 3/4 B3HE Fed Com #1H 1690' FNL & 250' FEL (Section 3) 1850' FNL & 100' FWL (Section 4)

Judge 3/4 B3IL Fed Com #1H 1125' FSL & 250' FEL (Section 3) 1850' FSL & 100' FWL (Section 4)

Judge 3/4 B3PM Fed Com #1H 1095' FSL & 250' FEL (Section 3) 500' FSL & 100' FWL (Section 4)

Sections 3 & 4, T20S, R29E Eddy County, New Mexico

Ladies and Gentlemen,

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 1296.12 acre Working Interest Unit ("WIU") covering the All of the captioned Sections 3 & 4 for oil and gas production. The targeted interval for the proposed unit is the Bone Spring formation.

Mewbourne as Operator hereby proposes to drill the captioned Judge 3/4 B3AD Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,110 feet subsurface to evaluate the Third Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 19,268 feet. The N/2N/2 of the captioned Sections 3 & 4 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned Judge 3/4 B3HE Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,126 feet subsurface to evaluate the Third Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 19,224 feet. The S/2N/2 of the captioned Sections 3 & 4 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned Judge 3/4 B3IL Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,152 feet subsurface to evaluate the Third Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 19,291 feet. The N/2S/2 of the captioned Sections 3 & 4 will be dedicated to the well as the proration unit.

Finally, Mewbourne as Operator hereby proposes to drill the captioned Judge 3/4 B3PM Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,171 feet subsurface to evaluate the Third Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 19,300 feet. The S/2S/2 of the captioned Sections 3 & 4 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our Operating Agreement dated September 1, 2022, along with an extra set of signature pages and our AFEs dated September 23 & 26, 2022, for the captioned proposed wells. Please sign and return said AFEs and extra set of signature pages at your earliest convenience if you elect to participate in the captioned wells and WIU and return to me within thirty (30) days.

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

Sincerely,

MEWBOURNE OIL COMPANY

Brailton Blandford Braxton Blandford

Released to Imaging: 12/11/2023 8:43:17 AM

TTACHMENT 7.E

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

	pect: JU			
Location: SL: 1660 FNL & 250 FEL (3); BHL: 500 FNL & 100 FWL (4)	ounty: ED	DY		ST: NM
Sec. 3 Bik: Survey: TWP: 20S	RNG:	29E Prop. TVE	9110	TMD: 19268
INTANGIBLE COSTS 0180	CODE	TCP	CODE	СС
Regulatory Permits & Surveys	0180-0100		0180-0200	
Location / Road / Site / Preparation	0180-0105		0180-0205	\$35,000
Location / Restoration	0180-0106		0180-0206 0180-0210	\$12,500 \$83,300
Daywork / Turnkey / Footage Drilling 24 days drlg / 3 days comp @ \$26,000/d Fuel 1700 gal/day @ \$4.30/gal	0180-0110		0180-0210	\$344,400
Alternate Fuels	0180-0115		0180-0215	\$100,000
Mud, Chemical & Additives	0180-0120		0180-0220	
Mud - Specialized	0180-0121	\$200,000	0180-0221	
Horizontal Drillout Services		-	0180-0222	\$200,000
Stimulation Toe Preparation Cementing	0180-0125	\$100,000	0180-0223 0180-0225	\$40,000 \$60,000
Logging & Wireline Services	0180-0130			\$371,70
Casing / Tubing / Snubbing Service	0180-0134		-	\$15,00
Mud Logging	0180-0137	\$15,000		
Stimulation 51 Stg 20.2 MMgal & 20.2 MMlbs			0180-0241	\$2,820,00
Stimulation Rentals & Other	0400 044	£35.000	0180-0242 0180-0245	\$280,00 \$410,90
Water & Other Bits	0180-0148		0180-0248	
Inspection & Repair Services	0180-0150			\$5.00
Misc. Air & Pumping Services	0180-0154		0180-0254	
Testing & Flowback Services	0180-0158		0180-0258	\$24,00
Completion / Workover Rig			0180-0260	\$10,50
Rig Mobilization	0180-0164			640.50
Transportation	0180-016		0180-0265 0180-0268	
Welding, Construction, & Maint. Services Contract Services & Supervision	0180-016		0180-0266	
Directional Services Includes vertical control	0180-017			404,10
Equipment Rental	0180-0180	-	0180-0280	\$20,00
Well / Lease Legal	0180-0184		0180-0284	
Well / Lease Insurance	0180-018		0180-0285	
Intangible Supplies	0180-018			
Damages Pipeline Interconnect & ROW Easements	0180-019		0180-0290 0180-0292	
Company Supervision	0180-019		0180-0292	
Overhead Fixed Rate	0180-019		0180-0296	
Contingencies 5% (TCP) 5% (CC)	0180-019		0180-0299	
TOTAL		\$2,976,900		\$5,261,40
TANGIBLE COSTS 0181				
Casing (19.1" - 30") 385' - 20" 94# J-55 BTC @ \$135.08/ft	0181-079			
Casing (10.1" - 19.0") 1550' - 13 3/8" 54.5# J-55 ST&C @ \$76.30/ft	0181-079			
Casing (8.1" - 10.0") 3550' - 9 5/8" 36# HCL80 LT&C @ \$50.16/ft Casing (6.1" - 8.0") 9390' - 7" 29# HPP110 BT&C @ \$51.98/ft	0181-079		-	
Casing (4.1" - 6.0") 10050' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$29.38/ft	0101-079	5 \$521,300	0181-0797	\$315,30
Tubing 8665' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13.00/ft	1		0181-0798	
Drilling Head	0181-086	0 \$35,000		
Tubing Head & Upper Section			0181-0870	
Horizontal Completion Tools Subsurface Equip. & Artificial Lift	-	-	0181-0871	
Pumping Unit Systems		-	0181-0880	
Service Pumps (1/4) TP/CP/circ. pump			0181-0885	
Storage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB			0181-0890	
Emissions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR			0181-0892	
Separation / Treating Equipment (1/4) 2 - Hz. Sep./Vt. Sep/Hz. HT/Vt. HT			0181-0895	
Automation / Metering Equipment Automation/fiber/meters Line Pipe & Valves - Gathering (1/4) Facility Work + GL Injection	-	1	0181-0898	
Fittings / Valves & Accessories Flowline/parts			0181-0900	
Cathodic Protection	1		0181-0908	
Electrical Installation			0181-0909	
Equipment Installation			0181-0910	
Pipeline Construction Facility gas work & GL injection			0181-0920	\$16,60
	-	-		
TOTAL	1	\$928,300	1	\$1,236,00
			1	
SUBTOTAL		\$3,905,200		\$6,497,40
TOTAL WELL COST		\$10,	402,600	
Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportion Operator has secured Extra Expense Insurance covering costs of well control, clean up I elect to purchase my own well control insurance policy.			ine Item 018	0-0185.
If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control				
Prepared by: H. Buckley Date		022		
Company Approval: Date				
Joint Owner Interest: Amount: Joint Owner Name: Signature:				
	Service Control of the last			

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

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

Case Nos. 23688

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND)
) ss
STATE OF TEXAS)

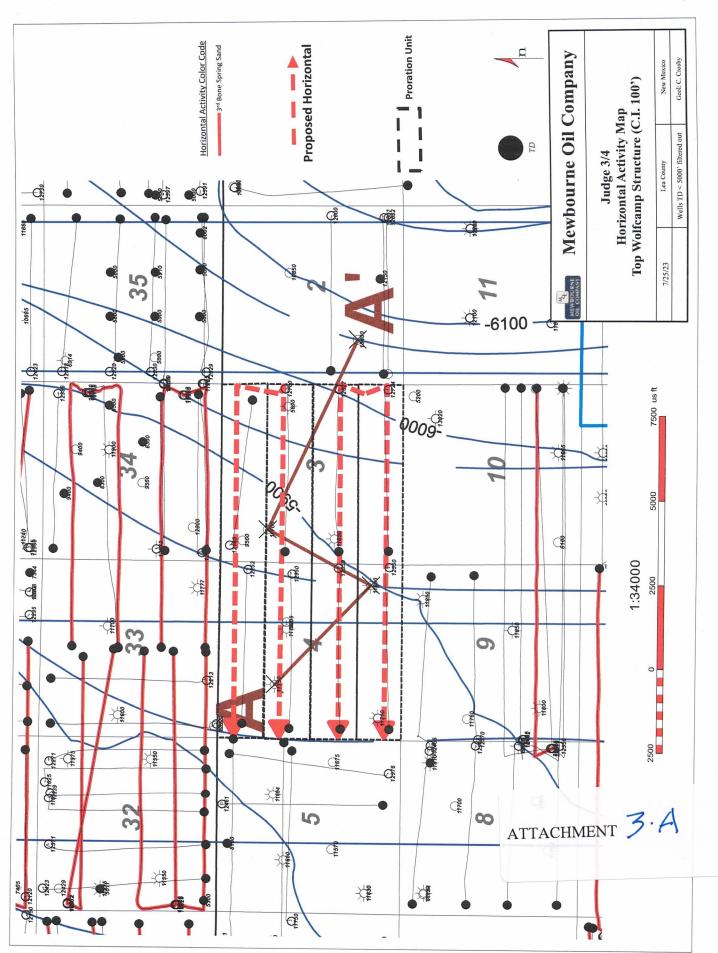
Charles Crosby deposes and states:

- 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. In Case No. 23688 Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of Lots 1-4 (the N/2N/2) of Section 3 and Lots 1-4 (the N/2N/2) of Section 4, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Judge 3/4 B3AD Fed. Com. Well No. 1H, with a first take point in Lot 1 of Section 3 and a last take point in the Lot 4 of Section 4.
 - 4. The following geological plats are attached hereto:
 - (a) Attachment 3-A is a structure map on the top of the Wolfcamp formation. It shows that structure dips gently to the east-southeast. It also shows a line of cross-section.
 - (b) Attachment 3-B is a cross section showing the Third Bone Spring Sand, the target zone for the proposed 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.
 - 5. I conclude from the maps that:
 - (a) The horizontal spacing unit is justified from a geologic standpoint.
 - (b) The target zone is continuous and of relatively uniform thickness across the well unit.

- (c) Each quarter-quarter section in the well unit will contribute more or less equally to production.
- (d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject well.
- 6. Attachment 3-A shows that all Third Bone Spring Sand wells adjacent or close to the proposed well units are laydown wells. Based on our geological examination and information from offsetting wells, Mewbourne believes laydown well units are reasonable.
- 7. Attachment 3-C is the horizontal drilling plan for the proposed well. 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 7 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.

<u>December 8, 2023</u>	Charles Crosby
Date	Charles Crosby



ATTACHMENT 3.8

