

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

**APPLICATION OF MEWBOURNE OIL
COMPANY TO POOL ADDITIONAL
INTERESTS UNDER ORDER NO. R-22195-A,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24066
ORDER NO. R-22195-A**

EXHIBIT INDEX

Exhibit A	Self-Affirmed Statement of Brad Dunn
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-22195-A
A-3	Plat of Tracts, Tract Ownership, Additional Pooled Parties
A-4	Sample Well Proposal Letter & AFEs
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Dana S. Hardy
B-1	Sample Notice Letter to All Interested Parties
B-2	Chart of Notice to All Interested Parties
B-3	Copies of Certified Mail Receipts and Returns
B-4	Affidavit of Publication for December 12, 2023

**STATE OF NEW MEXICO
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**SELF-AFFIRMED STATEMENT
OF BRAD DUNN**

1. I am a Petroleum Landman with Mewbourne Oil Company (“Mewbourne”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in this case. Copies of the application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

4. On August 4, 2023, the Division entered Order No. R-22195-A (“Order”) in Case No. 23639, which pooled uncommitted interests in the Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of the W/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County, New Mexico (“Unit”). The Order further dedicated the Unit to the Beefalo 7/6 State Com #713H (W1NC) well (“Well”) and designated Mewbourne as operator of the Unit and Well.

5. A copy of the Order is attached as **Exhibit A-2**.

6. Since the Order was entered, Mewbourne has identified additional uncommitted interests in the Unit that have not been pooled under the terms of the Order.

**Mewbourne Oil Company
Case No. 24066
Exhibit A**

7. **Exhibit A-3** provides a plat of the tracts included in the Unit, identifies the interests in each tract, and identifies the additional uncommitted interest to be pooled under the terms of the Order, which is highlighted in yellow. The additional interest owner to be pooled is locatable.

8. **Exhibit A-4** is a sample well proposal letter and AFEs that I sent to the additional party to be pooled under the terms of the Order.

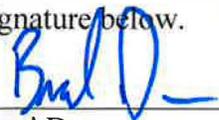
9. In my opinion, Mewbourne made a good-faith effort to reach voluntary joinder as indicated by the chronology of contact described in **Exhibit A-5**.

10. Mewbourne requests the additional uncommitted interest be pooled under the terms of the Order.

11. In my opinion, the granting of Mewbourne's application would serve the interests of conservation and prevention of waste.

12. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

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



Brad Dunn

12/15/2023
Date

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

**APPLICATION OF MEWBOURNE OIL
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LEA COUNTY, NEW MEXICO.**

**CASE NO. _____
ORDER NO. R-22195-A**

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company (“Applicant”) (OGRID No. 14744) files this application with the Oil Conservation Division (“Division”) for the limited purpose of pooling additional uncommitted interests under the terms of Division Order No. R-22195-A. Applicant states the following in support of its application.

1. On August 25, 2023, the Division entered Order No. R-22195-A (“Order”) in Case No. 23639, which pooled uncommitted interests in the Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of the W/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County, New Mexico (“Unit”). The Order further dedicated the Unit to the Beefalo 7/6 State Com #713H (W1NC) well (“Well”) and designated Applicant as operator of the Unit and Well.

2. Since the Order was entered, Applicant has identified additional interests in the Unit that have not been pooled under the terms of the Order.

3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.

**Mewbourne Oil Company
Case No. 24066
Exhibit A-1**

4. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled into the Unit pursuant to the terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on January 4, 2024, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-22195-A.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

Counsel for Mewbourne Oil Company

Application of Mewbourne Oil Company to Pool Additional Interests Under Order No. R-22195-A, Lea County, New Mexico. Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-22195-A. Order No R-22195-A (“Order”) pooled uncommitted interests in the Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of the W/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County, New Mexico (“Unit”). The Order further dedicated the Unit to the Beefalo 7/6 State Com #713H (W1NC) well (“Well”) and designated Applicant as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Well is located approximately 18 miles west of Hobbs, New Mexico.

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING AND NON-STANDARD
SPACING UNIT SUBMITTED BY MEWBOURNE
OIL COMPANY**

**CASE NO. 23639
ORDER NO. R-22195-A**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on July 7, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company (“Operator”) submitted an application (“Application”) requesting an extension to Drill the well(s) as required by Order R-22195 as amended (“Order”).
2. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
3. Operator has demonstrated good cause to extend the deadlines in the Order.
4. Operator submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) which was approved under order R-22195
5. The Application also seeks approval of a Non-Standard horizontal spacing unit (“NSP”) for production from all Division-designated pools underlying the Unit.
6. Operator provides evidence in support of an NSP application.
7. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
8. Operator identified the owners of interest in the offset oil and gas minerals from the Unit and provided evidence that notice was given.
9. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

10. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.

**Mewbourne Oil Company
Case No. 24066
Exhibit A-2**

11. Operator is the owner of an oil and gas working interest within the Unit.
12. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
13. Operator has met the notice requirements for approval of non-standard horizontal spacing units in accordance with 19.15.16.15(B)(5) NMAC.
14. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
15. OCD's rules allow the approval of a non-standard horizontal spacing unit, after notice and opportunity for hearing, "if necessary to prevent waste or protect correlative rights" 19.15.16.15(B)(5)(a) NMAC.
16. While the OCD is authorized to approve a non-standard spacing unit, Rutter & Wilbanks Corp. v. Oil Conservation Comm'n, 1975-NMSC-006, OCD lacks the authority to approve unitization and will disapprove an application if it determines that it is actually unitization. Order R-13554 (May 18, 2012) (disapproving application for a non-standard spacing unit consisting of 16 standard spacing units).
17. Approval of the Non-Standard Spacing Unit promotes effective well spacing and allows the Operator to therefore prevent waste and protect correlative rights.
18. The Unit contains separately owned uncommitted interests in oil and gas minerals.

ORDER

19. The period to drill the well(s) is extended until July 25, 2024.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 of this order unless prior to termination Operator applies, and OCD grants, to amend the Order for good cause shown.
21. The Unit is approved as a non-standard horizontal spacing unit.
22. Operator shall file Forms C-102 reflecting the correct acreage dedicated for each of the Wells.
23. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
24. Operator is designated as operator of the Unit and the Well(s).

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ORDER NO. R-22195-A

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25. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
26. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.
27. The remaining provisions of the Order remain in force or effect.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**


DYLAN M FUGE
DIRECTOR
DMF/hat

Date: 8/25/2023

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ORDER NO. R-22195-A

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Exhibit A

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COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23639	APPLICANT'S RESPONSE
Date	July 6, 2023
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 14744
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Mewbourne Oil Company to Amend Order No. R-22195 and Extend Deadline to Commence Drilling, for Compulsory Pooling and Approval of Non-Standard Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenor:	None
Well Family	Beefalo 7/6 State Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code:	Scharb; Wolfcamp (Code 55640)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	632.08-acres
Building Blocks:	quarter-quarter
Orientation:	South;/North
Description: TRS/County	W/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	No. Yes, approval of a non-standard spacing unit is requested in this Application. See Exhibit A.
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No.
Proximity Defining Well: If yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-5
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	Beefalo 7/6 State Com #713H (W1NC) (API # ---) SHL: 420' FNL & 2370' FEL (Unit B), Section 18, T19S, R35E BHL: 100' FNL & 1980' FWL (Lot 3), Section 6, T19S, R35E Completion Target: Wolfcamp (Approx. 10,871' TVD)
Horizontal Well First and Last Take Points	Exhibit A-3
Completion Target (Formation, TVD and MD)	Exhibit A-6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000.00
Production Supervision/Month \$	\$1,000.00

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Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-5
Tract List (including lease numbers and owners)	Exhibit A-5
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit A-4
Pooled Parties (including ownership type)	Exhibit A-5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-5
Chronology of Contact with Non-Joined Working Interests	Exhibit A-7
Overhead Rates In Proposal Letter	Exhibit A-6
Cost Estimate to Drill and Complete	Exhibit A-6
Cost Estimate to Equip Well	Exhibit A-6
Cost Estimate for Production Facilities	Exhibit A-6
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
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-3
Tracts	Exhibit A-5
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-5
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-3
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):	Dana S. Hardy

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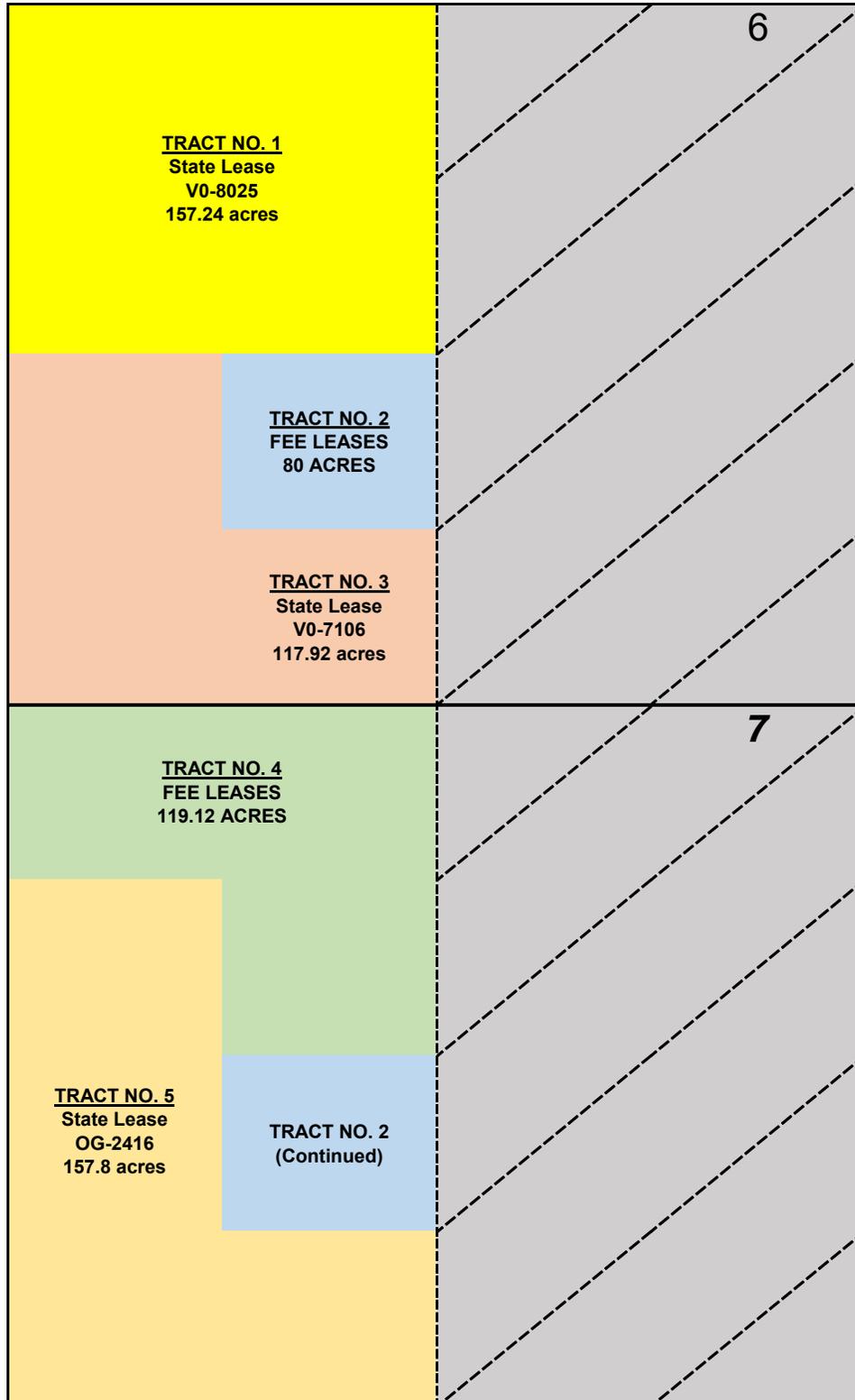
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	6/30/2023

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Section Plat
BEEFALO 7/6 STATE COM #713H (W1NC)
SECTIONS 6 (W/2) & 7 (W/2), T19S, R35E
LEA COUNTY, NEW MEXICO



Mewbourne Oil Company
Case No. 24066
Exhibit A-3

Tract No. 1: NW/4 Section 6—STATE LEASE V0-8025

Mewbourne Oil Company, et al

Tract No. 2: NE/4SW4 Section 6 & NE4SW4 Section 7—MULTIPLE FEE LEASES

Mewbourne Oil Company, et al

Tract No. 3: W/2SW/4 & SE/4SW/4 Section 6—STATE LEASE V0-7106

Mewbourne Oil Company, et al

Occidental Permian Limited Partnership

Tract No. 4: N/2NW/4 & SE/4NW/4 Section 7— MULTIPLE FEE LEASES

Mewbourne Oil Company, et al

Tract No. 5: Lot 2, 3, 4, & SE/4SW/4 Section 7—STATE LEASE OG-2416

Mewbourne Oil Company, et al

Party to be pooled highlighted in yellow

TRACT OWNERSHIP (Additional parties)
BEEFALO 7/6 STATE COM #713H (W1NC)
Sections 6 (W/2) & 7 (W/2), T19S, R35E
Lea County, New Mexico

Sections 6 (W/2) & 7 (W/2)

Wolfcamp formation:

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	98.979140%
* Occidental Permian Limited Partnership	1.020860%
	<hr/> 100.000000%

* Total interest being pooled: 1.020860%

OWNERSHIP BY TRACT

NW/4 Section 6 (157.24 Acres):

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	100.000000%
	<hr/> 100.000000%

NE/4SW4 Section 6 & NE4SW4 Section 7 (80 Acres):

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	100.000000%
	<hr/> 100.000000%

W/2SW/4 & SE/4SW/4 Section 6 (117.92 Acres):

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	88.992512%
* Occidental Permian Limited Partnership	11.007488%
	<hr/> 100.000000%

N/2NW/4 & SE/4NW/4 Section 7 (119.12 Acres):

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	100.000000%
	<hr/> 100.000000%

Lot 2, 3, 4, & SE/4SW/4 Section 7 (157.8 Acres):

Mewbourne Oil Company, et al

% Leasehold Interest

100.000000%

100.000000%

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

August 24, 2023

Via Certified Mail

Occidental Permian Limited Partnership
5 Greenway Plaza, STE 110
Houston, TX 77046
Attn: Permian Land Manager

Re:

1. BEEFALO 7/6 STATE COM #713H AFE
2. BEEFALO 7/6 STATE COM #716H AFE
3. Beefalo 7/6 Joint Operating Agreement dated April 6, 2023
All of Sections 6 & 7, T19S, R35E
Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (“Mewbourne”) as Operator hereby proposes to form a 1271.48 acre Working Interest Unit (“WIU”) covering the All of the above captioned Sections 6 and 7 for oil and gas production. The targeted interval for the proposed unit is the Wolfcamp Formation. Mewbourne as Operator hereby proposes to drill the following horizontal Wolfcamp wells:

1. BEEFALO 7/6 STATE COM #713H will have a surface location 420’ FNL & 2370’ FEL of Section 18 (T19S-R35E) and a bottom hole location approximately 100’ FNL & 1980’ FWL of the above captioned Section 6. We anticipate drilling to an approximate total vertical depth of 10,871’ and an approximate total measured depth of 21,000’. The W2 of Sections 6 & 7 will be dedicated to the well as the proration unit.
2. BEEFALO 7/6 STATE COM #716H will have a surface location 420’ FNL & 2330’ FEL of Section 18 (T19S-R35E) and a bottom hole location approximately 100’ FNL & 1980’ FEL of the above captioned Section 6. We anticipate drilling to an approximate total vertical depth of 10,871’ and an approximate total measured depth of 21,000’. The E2 of Sections 6 & 7 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling are our AFEs dated April 3, 2023, for the captioned proposed wells. In the event your firm elects to participate in the proposed wells, please execute the enclosed AFEs and return them to me within thirty (30) days.

Our proposed Operating Agreement will have COPAS rates of \$10,000/month while drilling, \$1000/month for a producing well and a non-consent penalty of 100%/300%. Should you wish to

Mewbourne Oil Company
Case No. 24066
Exhibit A-4

participate, please email me at bdunn@mewbourne.com and I will promptly email you a copy of the Beefalo 7/6 Operating Agreement dated April 6, 2023, for your review.

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

Sincerely,

MEWBOURNE OIL COMPANY

A handwritten signature in blue ink, appearing to read "Brad Dunn".

Brad Dunn
Petroleum Landman

MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Well Name:	BEEFALO 7/6 STATE COM #713H (W1NC)	Prospect:	SANTA VACA 19/18
Location:	SL: 420 FNL & 2370 FEL (18); BHL: 100 FNL & 1980 FWL (6)	County:	Lea ST: NM
Sec. 7	Blk:	Survey:	TWP: 19S RNG: 35E Prop. TVD: 10871 TMD: 21000

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$40,000	0180-0205	\$35,000
Location / Restoration	0180-0106	\$200,000	0180-0206	\$45,000
Daywork / Turnkey / Footage Drilling 24 days drlg / 3 days comp @ \$30000/d	0180-0110	\$769,000	0180-0210	\$96,100
Fuel 1700 gal/day @ \$3.9/gal	0180-0114	\$169,900	0180-0214	\$398,000
Alternate Fuels	0180-0115		0180-0215	\$121,000
Mud, Chemical & Additives	0180-0120	\$45,000	0180-0220	
Mud - Specialized	0180-0121	\$250,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$200,000
Stimulation Toe Preparation			0180-0223	\$40,000
Cementing	0180-0125	\$130,000	0180-0225	\$55,000
Logging & Wireline Services	0180-0130	\$34,000	0180-0230	\$591,000
Casing / Tubing / Snubbing Services	0180-0134	\$35,000	0180-0234	\$15,000
Mud Logging	0180-0137	\$15,000		
Stimulation 81 Stg 25.3 MM gal / 25.3 MM lb			0180-0241	\$3,587,000
Stimulation Rentals & Other			0180-0242	\$343,000
Water & Other 100% FW @ \$1.00/bbl	0180-0145	\$35,000	0180-0245	\$639,000
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	\$154,000		
Transportation	0180-0165	\$30,000	0180-0265	\$25,000
Welding, Construction & Maint. Services	0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision	0180-0170	\$170,100	0180-0270	\$78,000
Directional Services Includes Vertical Control	0180-0175	\$357,000		
Equipment Rental	0180-0180	\$168,200	0180-0280	\$20,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$5,400	0180-0285	
Intangible Supplies	0180-0188	\$7,000	0180-0288	\$1,000
Damages	0180-0190	\$20,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements	0180-0192		0180-0292	\$5,000
Company Supervision	0180-0195	\$97,200	0180-0295	\$43,200
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 5% (TCP) 5% (CC)	0180-0199	\$146,300	0180-0299	\$321,700
TOTAL		\$3,073,100		\$6,755,000

TANGIBLE COSTS 0181	CODE	TCP	CODE	CC
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 1850' - 13 3/8" 54.5# J-55 ST&C @ \$76.3/ft	0181-0794	\$150,800		
Casing (8.1" - 10.0") 3600' - 9 5/8" 40# HCL80 LT&C @ \$60.83/ft	0181-0795	\$233,900		
Casing (6.1" - 8.0") 10375' - 7" 29# HPP110 BT&C @ \$59.83/ft	0181-0796	\$662,900		
Casing (4.1" - 6.0") 10825' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft			0181-0797	\$387,000
Tubing 10150' - 3 1/2" 9.2# L-80 IPC Tbg @ \$23.11/ft			0181-0798	\$250,500
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 (1/5) TP/CP/Circ pump			0181-0886	\$7,000
Storage Tanks (1/5) 6 OT/5 WT/GB			0181-0890	\$82,000
Emissions Control Equipment (1/5) 3 VRT/1 VRU/1 Flare/3 KO/1 AIR			0181-0892	\$81,000
Separation / Treating Equipment (1/5) 1 Bulk H Sep/2 Test H Sep/1 V Sep/2 VHT/1 HHT			0181-0895	\$52,000
Automation Metering Equipment			0181-0898	\$44,000
Oil/Gas Pipeline-Pipe/Valves&Misc (1/5) Gas Line & GL Injection			0181-0900	\$16,000
Water Pipeline-Pipe/Valves & Misc			0181-0901	
On-site Valves/Fittings/Lines&Misc			0181-0906	\$125,000
Wellhead Flowlines - Construction			0181-0907	\$54,000
Cathodic Protection			0181-0908	
Electrical Installation			0181-0909	\$114,000
Equipment Installation			0181-0910	\$70,000
Oil/Gas Pipeline - Construction			0181-0920	\$15,000
Water Pipeline - Construction			0181-0921	\$9,000
TOTAL		\$1,097,600		\$1,436,500
SUBTOTAL		\$4,170,700		\$8,191,500
TOTAL WELL COST				\$12,362,200

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: Andy Taylor Date: 3/31/2023

Company Approval:  Date: 4/3/2023

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____ Signature: _____

Summary of Communications
BEEFALO 7/6 STATE COM #713H (W1NC)

Occidental Permian Limited Partnership

- 1) 8/25/2023: Well proposal letter with AFEs are sent via Federal Express.
- 2) 8/28/2023: Confirmed certified mail delivery of well proposal packet to recipient.
- 3) 9/5/2023: Email correspondence with owner. Answered all of owner's questions.
- 4) 10/18/2023: Owner has title questions. Still working with owner. Owner says they plan to participate but nothing has been signed yet.

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

**APPLICATION OF MEWBOURNE OIL
COMPANY TO POOL ADDITIONAL
INTERESTS UNDER ORDER NO. R-22195-A,
LEA COUNTY, NEW MEXICO**

**CASE NO. 24066
ORDER NO. R-22195-A**

**SELF-AFFIRMED STATEMENT
OF DANA S. HARDY**

1. I am attorney in fact and authorized representative of Mewbourne Oil Company, the Applicant herein.

2. I am familiar with the Notice Letters attached as **Exhibit B-1** and caused the Notice Letters, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit B-2**.

3. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.

5. On December 12, 2023, I caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, along with a copy of the notice publication, is attached as **Exhibit B-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it 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.

/s/ Dana S. Hardy
Dana S. Hardy

December 28, 2023
Date

**Mewbourne Oil Company
Case No. 24066
Exhibit B**



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:
Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

December 11, 2023

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 24066 – Application of Mewbourne Oil Company to Pool Additional Interests Under Order No. R-22195-A, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **January 4, 2024** beginning at 8:15 a.m.

Hearings are currently conducted remotely. 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.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.nm.gov/OCD/OCDPermitting>) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

Please contact Brad Dunn, Landman for Mewbourne Oil Company, by phone at (432) 682-3715 if you have questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

Mewbourne Oil Company
Case No. 24066
Exhibit B-1

PO BOX 10
ROSWELL, NEW MEXICO 88202
(575) 622-6510
FAX (575) 623-9332

7601 JEFFERSON ST NE · SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

PO BOX 2068
SANTA FE, NEW MEXICO 87504
(505) 982-4554
FAX (505) 982-8623

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

**APPLICATION OF MEWBOURNE OIL
COMPANY TO POOL ADDITIONAL
INTERESTS UNDER ORDER NO. R-22195-A,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24066
ORDER NO. R-22195-A**

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Occidental Permian Limited Partnership Attn: Jonathan Gonzales 5 Greenway Plaza, STE 110 Houston, TX 77046	12/11/23	12/27/23

**Mewbourne Oil Company
Case No. 24066
Exhibit B-2**

7022 1670 0002 1189 2600

CERTIFIED MAIL® RECEIPT
Domestic Mail Only

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

OFFICIAL USE

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 \$ _____

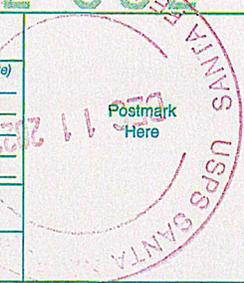
Adult Signature Restricted Delivery \$ _____

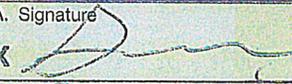
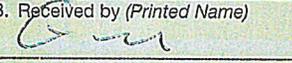
Postage
\$ _____

Total Postage and Fees
\$ _____

Sent To
Occidental Permian Limited Partnership
Attn: Jonathan Gonzales
5 Greenway Plaza, STE 110
Houston, TX 77046
24066 - Mewbourne Beefalo Re-Open

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



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> 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. 	<p>A. Signature X  <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name)  C. Date of Delivery <u>12/15/23</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>RECEIVED DEC 27 2023</p>
<p>1. Article Addressed to:</p> <p>Occidental Permian Limited Partnership Attn: Jonathan Gonzales 5 Greenway Plaza, STE 110 Houston, TX 77046 24066 - Mewbourne Beefalo Re-Open</p>  <p>9590 9402 8530 3186 0591 21</p>	<p>3. Service Type <u>Hinkle Shanor LLP</u> <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature <u>Santa Fe NM 8750</u> <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>7022 1670 0002 1189 2600</p>	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

Mewbourne Oil Company
Case No. 24066
Exhibit B-3

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
December 12, 2023
and ending with the issue dated
December 12, 2023.



Publisher

Sworn and subscribed to before me this
12th day of December 2023.



Business Manager

My commission expires
January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

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

LEGAL NOTICE
December 12, 2023

This is to notify all interested parties, including Occidental Permian Limited Partnership, Attn: Jonathan Gonzales; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Mewbourne Oil Company (Case No. 24066). The hearing will be conducted remotely on January 4, 2024, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Mewbourne Oil Company ("Applicant") seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-22195-A, Order No R-22195-A ("Order") pooled uncommitted interests in the Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of the W/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County, New Mexico ("Unit"). The Order further dedicated the Unit to the **Beefalo 7/6 State Com #713H (W1NC) well** ("Well") and designated Applicant as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Well is located approximately 18 miles west of Hobbs, New Mexico.
#00285726

02107475

00285726

GILBERT
HINKLE, SHANOR LLP
PO BOX 2068
SANTA FE, NM 87504

Mewbourne Oil Company
Case No. 24066
Exhibit B-4