

**CASE NO. 24227**

**APPLICATION OF MEWBOURNE OIL COMPANY TO AMEND ORDER NO. R-21610  
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO**

**EXHIBIT LIST**

- A. Pooling Checklist
- B. Landman's Affidavit
  - B-1: Application in Case No. 23300
  - B-2: Order No. R-22610
- C. Affidavit of Mailing
  - C-1: Notice Letter and Return Receipts
- D. Certified Notice Spreadsheet
- E. Affidavit of Publication
- F. Application and Proposed Notice

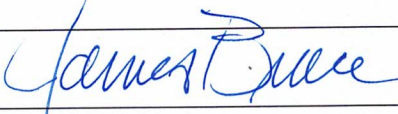
<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 24227</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: March 21, 2024</b>	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID 14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company to Amend Order No. R-22610 for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Bondurant Bone Spring wells
<b>Formation/Pool</b>	
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:	Tonto Bone Spring, West/Pool Code 59477
Well Location Setback Rules:	Standard Rules for horizontal wells – 330' and 100' setbacks
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	W/2E/2 §1 and W/2E/2 §12, Township 19 South, Range 32 East, NMPM, 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>	Yes  <div style="text-align: center;">EXHIBIT <i>A</i></div>
<b>Other Situations</b>	
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
<b>Well(s)</b>	
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	Bondurant 1/12 B2BO Fed. Com. Well No. 1H API No. 30-025-Pending SHL: 100 FNL & 1350 FEL §1 BHL: 100 FSL & 2100 FEL §12 FTP: 100 FNL & 2100 FEL §1 LTP: 100 FSL & 2100 FEL §12 Second Bone Spring/TVD 9860 feet/MD 19849 feet
Well #2	
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10000
Production Supervision/Month \$	\$1000
Justification for Supervision Costs	Exhibit 2, page2
Requested Risk Charge	
<b>Notice of Hearing</b>	
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)	Exhibit 5
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-
Tract List (including lease numbers and owners)	Exhibit 2-
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A

Pooled Parties (including ownership type)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	No Depth Severance
<b>Joinder</b>	
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
<b>Geology</b>	
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)	North-South; Exhibits 3 and 3-C
Target Formation	Second Bone Spring Sand
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-B
General Location Map (including basin)	Exhibit 2-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 3-A



Cross Section (including Landing Zone)	Exhibit 3-B
Additional Information	The referenced Exhibit numbers are from the original case, No. 23300
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	March 19, 2024

**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 AMEND ORDER NO. R-22610 FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

**Case No. 24227**

**SELF-AFFIRMED STATEMENT OF JOSH ANDERSON**

Josh Anderson, 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 the application filed herein:
3. Order No. R-22610 (entered in Case No. 23300) pooled uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 1 and the W/2E/2 of Section 12, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.
4. Mewbourne seeks to drill the Bondurant 1/12 B2BO Fed. Com. Well No. 1H, a horizontal well with a first take point in the NW/4NE/4 of Section 1 and a last take point in the SW/4SE/4 of Section 12. **See Exhibit B-2 attached hereto (the application filed in Case No. 23300).**
5. Case No. 23300 was heard on February 2, 2023, and Order No. R-22610 was entered on March 30, 2023, pooling the well unit. The pooling checklist attached to the order contains incorrect information on the well involved: On page 2 of the checklist, the well information lists the well pooled as the Bondurant 1/12 B2AP Fed. Com. Well No. 1H, which is the name of the well in companion Case No. 23301. **See Order No. R-22610, attached hereto as Exhibit B-2.**
6. The pooling checklist attached to Order No. R-22610 used page 2 of the pooling checklist for Case No. 23301 instead of page 2 of the checklist for Case No. 22330.

EXHIBIT

**B**



6. Applicant requests that an amended order be entered with a corrected pooling checklist. The corrected Checklist is submitted as **Exhibit A** in this exhibit package.

7. Paragraph 19 of Order No. R-22610 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of the order provides that the order will terminate if the well is not timely commenced, unless the operator “obtains an extension by amending this Order for good cause shown.”

8. Applicant has the subject well on its drilling schedule. Although the operator (Mewbourne) submitted an APD to the Bureau of Land Management some time ago, the APD has not yet been approved. Applicant cannot commence the well without an approved APD and the assignment of an API No. by the Division. Thus good cause exists for Applicant’s request for an extension.

9. Applicant also requests an extension of the well commencement deadline to March 30, 2025.

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 2(m) 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: March 19, 2024

/s/ Josh Anderson

Josh Anderson

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION****APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.**Case No. 23300**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 W/2E/2 of Section 1 and the W/2E/2 of Section 12, Township 19 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the W/2E/2 of Section 1 and the W/2E/2 of Section 12, and has the right to drill a well thereon.
2. Applicant proposes to drill the Bondurant 1/12 B2BO Fed, Well No. 1H to a depth sufficient to test the Bone Spring formation, with a first take point in the NW/4NE/4 of Section 1 and a last take point in the SW/4SE/4 of Section 12.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W/2E/2 of Section 1 and the W/2E/2 of Section 12 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 well or to otherwise commit their interests to the well, 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 Spring formation underlying the W/2E/2 of Section 1 and the W/2E/2 of Section 12, pursuant to NMSA 1978 §70-2-17.

EXHIBIT

B-1

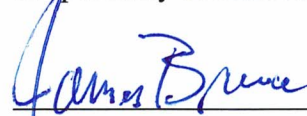


5. The pooling of all mineral interest owners in the Bone Spring formation underlying the W/2E/2 of Section 1 and the W/2E/2 of Section 12 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**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 underlying the W/2E/2 of Section 1 and the W/2E/2 of Section 12;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, testing, and equipping the well, and allocating the cost among the well's 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 well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



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

Attorney for Mewbourne Oil Company

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
MEWBOURNE OIL COMPANY**

**CASE NO. 23300  
ORDER NO. R-22610**

**ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on February 2, 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") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. 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**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

B.2  
EXHIBIT



depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

### **ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. 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.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

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ORDER NO. R-22610

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well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share



of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

  
**DYLAN MFUGE**  
**DIRECTOR (ACTING)**  
DMF/jrh

Date: 3/30/23

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ORDER NO. R-22610

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## Exhibit A

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<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 23300</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: February 2, 2023</b>	
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, Lea County, New Mexico
Entries of Appearance/Intervenors:	COG Operating LLC/Ocean Munds-Dry, Beth Ryan, and Joby Rittenhouse
Well Family	Bondurant Bone Spring wells
<b>Formation/Pool</b>	
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:	Tonto Bone Spring, West/Pool Code 59477
Well Location Setback Rules:	Standard Rules for horizontal wells – 330' and 100' setbacks
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	W/2E/2 §1 and W/2E/2 §12, Township 19 South, Range 32 East, NMPPM, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes,	

EXHIBIT

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description	
Applicant's Ownership in Each Tract	Exhibit 2-B
<b>Well(s)</b>	
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	Bondurant 1/12 B2AP Fed. Com. Well No. 1H API No. 30-025-Pending SHL: 100 FNL & 1320 FEL \$1 BHL: 100 FSL & 400 FEL \$12 FTP: 100 FNL & 400 FEL \$1 LTP: 100 FSL & 400 FEL \$12 Second Bone Spring/TVD 9685 feet/MD 19882 feet
Well #2	
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10000
Production Supervision/Month \$	\$1000
Justification for Supervision Costs	Exhibit 2, page2
Requested Risk Charge	
<b>Notice of Hearing</b>	
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)	Exhibit 5
<b>Ownership Determination</b>	
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.	N/A

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Pooled Parties (including ownership type)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	No Depth Severance
<b>Joinder</b>	
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
<b>Geology</b>	
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)	North-South; Exhibits 3 and 3-C
Target Formation	Second Bone Spring Sand
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-B
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Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 3-A


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Cross Section (including Landing Zone)	Exhibit 3-B
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	January 29, 2023

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

**APPLICATION OF MEWBOURNE OIL COMPANY  
TO AMEND ORDER NO. R-22610 FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

**Case No. 24277**

**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 owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit C-1.
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: \_\_\_\_\_

3/19/24

  
\_\_\_\_\_  
James Bruce

EXHIBIT

C

**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](mailto:jamesbruc@aol.com)

February 29, 2024

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:


In Case No. 23300 before the Oil Conservation Division, Mewbourne Oil Company sought an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 1 and the W/2E/2 of Section 12, Township 19 South, Range 32 East, NMPM. The unit is to be dedicated to the Bondurant 1/12 B2BO Fed. Well No. 1H. You were given certified notice of the hearing.

Order No. R-22610, issued in that case, contains a pooling checklist that lists the incorrect well name. I have filed the attached application (Case No. 24227) to correct the order.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, March 21, 2024. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, 1<sup>st</sup> Floor, 1220 South St. Francis Drive, Santa Fe New Mexico 87505, or (b) via the WebEx virtual meeting platform. 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 Sheila Apodaca at [Sheila.Apodaca@emnrd.nm.gov](mailto:Sheila.Apodaca@emnrd.nm.gov). You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter 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](mailto: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 attorney for applicant, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, [jamesbruc@aol.com](mailto:jamesbruc@aol.com).

EXHIBIT C-1

Very truly yours,

  
James Bruce

Attorney for Mewbourne Oil Company



EXHIBIT A

WPX Energy Permian, LLC 333 W. Sheridan Ave. Oklahoma City, Oklahoma 73102	Michael Lynn Taylor, individually and as independent executor of the Estate of Neal A. Taylor 2868 Red Bluff Circle San Angelo, Texas 76904
Ann H. Taylor, deceased Michael Lynn Taylor, Attorney-In- Fact Under Power of Attorney dated March 20, 1995 2868 Red Bluff Circle San Angelo, Texas 76904	

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 333 W. Sheridan Ave.  
 Oklahoma City, Oklahoma 73102

Street and Apt. No., P.O. Box, or other address \_\_\_\_\_

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<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>WPX Energy Permian, LLC            333 W. Sheridan Ave.            Oklahoma City, Oklahoma 73102</p> </div> <p>2. Article <b>7020 0090 0000 0864 4073</b></p>	<p>A. Signature <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery _____</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>3. Service Type</p> <table border="0" style="width: 100%;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Collect on Delivery Restricted Delivery	
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<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery												
<input type="checkbox"/> Collect on Delivery Restricted Delivery													

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 and as independent executor of  
 the  
 Estate of Neal A. Taylor  
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 San Angelo, Texas 76904

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Ann H. Taylor, deceased  
 Michael Lynn Taylor, Attorney-In-  
 Fact  
 Under Power of Attorney dated  
 March 20, 1995  
 2868 Red Bluff Circle  
 San Angelo, Texas 76904

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

## CASE NO. 24277

STATUS OF CERTIFIED NOTICE

<u>INTEREST OWNER</u>	<u>MAILING DATE</u>	<u>RECEIPT DATE</u>	<u>CARD RETURNED</u>
WPX Energy Permian, LLC	February 29, 2024	Unknown	Yes
Michael Lynn Taylor, Individually and as Executor of the Estate of Neal A. Taylor	February 29, 2024	Unknown	No
Ann H. Taylor, and her Attorney-in-Fact Michael Lynn Taylor	February 29, 2024	Unknown	No

EXHIBIT

D

**Affidavit of Publication**

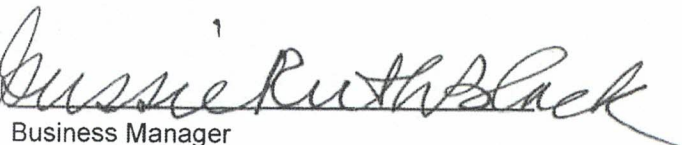
STATE OF NEW MEXICO  
COUNTY OF LEA

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  
March 07, 2024  
and ending with the issue dated  
March 07, 2024.

  
Publisher

Sworn and subscribed to before me this  
7th day of March 2024.

  
Business Manager

My commission expires  
January 29, 2027

(Seal)  
**STATE OF NEW MEXICO  
NOTARY PUBLIC  
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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  
March 7, 2024**

**NOTICE**

To: WPX Energy Permian LLC, Michael Lynn Taylor individually and as Independent Executor of the Estate of Neal A. Taylor, and Michael Lynn Taylor as attorney-in-fact for Ann H. Taylor, deceased, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division, requesting the following relief:

Case No. 24227: In Case No. 23300 before the Oil Conservation Division, Mewbourne Oil Company sought an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 1 and the W/2E/2 of Section 12, Township 19 South, Range 32 East, NMPM. The unit is to be dedicated to the Bondurant 1/12 B2BO Fed. Well No. 1H. Order No. R-22610, issued in Case No. 23300, contains a pooling checklist that lists the incorrect well name. Case No. 24227 was filed to correct the order. This matter is scheduled for hearing at 8:15 a.m. on Thursday, March 21, 2024. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, 1st Floor, 1220 South St. Francis Drive, Santa Fe New Mexico 87505, or (b) via the WebEx virtual meeting platform. 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 Sheila Apodaca at [Sheila.Apodaca@emnrd.nm.gov](mailto:Sheila.Apodaca@emnrd.nm.gov). You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter 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](mailto: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 attorney for applicant, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, [jamesbruce@aol.com](mailto:jamesbruce@aol.com). The unit is located approximately 9 miles north-northeast of Halfway, New Mexico.

#00288181

01101711

00288181

JAMES BRUCE  
JAMES BRUCE, ATTORNEY AT LAW  
P.O. BOX 1056  
SANTA FE, NM 87504

EXHIBIT



**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION****APPLICATION OF MEWBOURNE OIL COMPANY  
TO AMEND ORDER NO. R-22610 FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**Case No. 24227**APPLICATION**

Mewbourne Oil Company applies for an order amending Order No. R-22610 to (a) correct Exhibit A to the order, and (b) extend the well commencement deadline one year, and in support thereof states:

1. Order No. R-22610 (entered in Case No. 23300) pooled all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 1 and the W/2E/2 of Section 12, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.

2. Applicant proposes to drill the Bondurant 1/12 B2BO Fed. Com. Well No. 1H, a horizontal well with a first take point in the NW/4NE/4 of Section 1 and a last take point in the SW/4SE/4 of Section 12. Order No. R-22610 designated applicant as operator of the well unit.

2. Case No. 23300 was heard on February 2, 2023, and Order No. R-22610 was entered on March 30, 2023, pooling the well unit. The pooling checklist attached to the order (Exhibit 6 at the hearing) contains incorrect information on the well involved: On page 2 of the checklist, the well information lists the well pooled as the Bondurant 1/12 B2AP Fed. Com. Well No. 1H, which is the name of the well in companion Case No. 23301.

3. Looking at the exhibits filed in the two cases, it is clear that the undersigned, in preparing exhibit packages, used page 2 of the pooling checklist for Case No. 23301 instead of page 2 of the checklist for Case No. 22330.

EXHIBIT

F

4. Applicant requests that an amended order be entered with a corrected pooling checklist.


3. Paragraph 19 of Order No. R-22610 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of the order provides that the order will terminate if the well is not timely commenced, unless the operator "obtains an extension by amending this Order for good cause shown."

4. Applicant has the subject well on its drilling schedule. Although the operator (applicant) submitted an APD to the Bureau of Land Management some time ago, the APD has not yet been approved. Applicant cannot commence the well without an approved APD and the assignment of an API No. by the Division. Thus good cause exists for Applicant's request for an extension.

5. Applicant requests an extension of the well commencement deadline to March 30, 2025.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-22610 to (a) correct Exhibit A to the order, and (b) extend the well commencement deadline to March 30, 2025.

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 to amend order No. R-22610 for compulsory pooling, Lea County, New Mexico.*** Mewbourne Oil Company seeks an order amending Order No. R-22610 to (a) correct Exhibit A to the order, and (b) extend the well commencement deadline one year, to March 30, 2025. Order No. R-22610 (dated March 30, 2023) pooled uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 1 and the W/2E/2 of Section 12, Township 19 South, Range 32 East, NMPM. The unit was to be dedicated to the Bondurant 1/12 B2BO Fed. Com. Well No. 1H, but the pooling checklist attached to the order contained an incorrect well name. Applicant requests that the error be corrected. The order also requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. Applicant requests a one year extension because an APD for the well has not yet been approved. The unit is located approximately 9 miles north-northeast of Halfway, New Mexico.