CASE NO. 24337

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

EXHIBITS - Part I

- 1. Pooling Checklist
- 2. Landman's Affidavit
 - 2-A: C-102s
 - 2-B: Tract Map and Ownership Lists
 - 2-C: Summary of Communications and Proposal Letter
 - 2-D: AFEs

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 24337	APPLICANT'S RESPONSE
Date: April 4, 2024	
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:	
Well Family	Red Hills West Bone Spring wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation, limited to depths from the top of the First Bone Spring Sand to the base of the Bone Spring formation
Pool Name and Pool Code:	Wildcat; Lower Bone Spring/Pool Code 97903
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres
Building Blocks:	320 acres
Orientation:	South-North
Description: TRS/County	W/2 §15 and W/2 §22, Township 26 South, Range 32 East, NMPM, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	EXHIBIT
Other Situations	
Depth Severance: Y/N. If yes, description	Yes. The depths from the top of the Bone Spring to the top of the First Bone Spring Sand have different ownership than the depths below the top of the First Bone Spring Sand.

Proximity Tracts: If yes, description	Yes. The Red Hills West 22/15 Fed. Com. Well No. 502H and Red Hills West 22/15 Fed. Com. Well No. 573H described below are proximity tract wells.
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-	Add wells as needed
standard)	D. LUCIL W. 100/47 T. 100
Well #1	Red Hills West 22/15 Fed. Com. Well No. 521H API No. 30-025-51120 SHL: 250 FSL & 1430 FWL §22 BHL: 100 FNL & 420 FWL §15 FTP: 100 FSL & 420 FWL §22 LTP: 100 FNL & 420 FWL §15 Second Bone Spring/TVD 10521 feet/MD 20920 feet
Well #2, etc.	Red Hills West 22/15 Fed. Com. Well No. 571H
	API No. 30-025-Pending SHL: 250 FSL & 1450 FWL §22 BHL: 100 FNL & 460 FWL §15 FTP: 100 FSL & 460 FWL §22 LTP: 100 FNL & 460 FWL §15 Third Bone Spring Shale/TVD 11013 feet/MD 21390 feet
	Red Hills West 22/15 Fed. Com. Well No. 502H API No. 30-025-Pending SHL: 250 FSL & 1470 FWL §22 BHL: 100 FNL & 1280 FWL §15 FTP: 100 FSL & 1280 FWL §22 LTP: 100 FNL & 1280 FWL §15 Second Bone Spring/TVD 10251 feet/MD 20370 feet
	Red Hills West 22/15 Fed. Com. Well No. 524H API No. 30-025-50993 SHL: 250 FSL & 1510 FWL §22 BHL: 100 FNL & 2220 FWL §15 FTP: 100 FSL & 2220 FWL §22 LTP: 100 FNL & 2220 FWL §15 Second Bone Spring/TVD 10555 feet/MD 20920 feet

	Red Hills West 22/15 Fed. Com. Well No. 574H
	API No. 30-025-51121
	SHL: 250 FSL & 1530 FWL §22
	BHL: 100 FNL & 2260 FWL §15
	FTP: 100 FSL & 2260 FWL §22
	LTP: 100 FNL & 2260 FWL §15
	Third Bone Spring Shale/TVD 11018 feet/MD 21390 feet
	The spining smalley it is 12020 feet, with 22030 feet
	Red Hills West 22/15 Fed. Com. Well No. 573H
	API No. 30-025-Pending
	SHL: 250 FSL & 1490 FWL §22
	BHL: 100 FNL & 1360 FWL §15
	FTP: 100 FSL & 1360 FWL §22
	LTP: 100 FNL & 1360 FWL §15
	Third Bone Spring Shale/TVD 11018 feet/MD 21390 feet
	The solid spring share, I vo 11010 feet, IVID 21330 feet
Horizontal Well First and Last	See above
Take Points	
Completion Target (Formation,	See above
TVD and MD)	
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 5
Proof of Mailed Notice of	
Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of	
Hearing (10 days before hearing)	N/A
Ownership Determination	
Land Ownership Schematic of	
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	
ownership type)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	No

Ownership Depth Severance (including percentage above &	
below)	
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e.	
Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with	
Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal	
Letter	
Cost Estimate to Drill and	
Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production	
Facilities	Exhibit 2-D
Carle	
Geology	
Summary (including special	
considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-A, 3-B, and 3-C
Gunbarrel/Lateral Trajectory	
Schematic	Exhibits 3-B and 3-C
Well Orientation (with	
rationale)	South-North; Exhibits 3, 3-A, and 3-C
Target Formation	Bone Spring
HSU Cross Section	Exhibits 3-D and 3-E
Depth Severance Discussion	
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	
	Exhibit 2-B
Summary of Interests, Unit	Full-libra 2 D
Recapitulation (Tracts)	Exhibits 2-B
General Location Map (including basin)	Eubibit 2 A
Well Bore Location Map	Exhibit 3-A
Structure Contour Map - Subsea	Exhibit 2-A
Depth	Exhibits 3-B and 3-C
Cross Section Location Map	EXHIBITS 2-D dilu 2-C
(including wells)	Exhibits 3-B and 3-C
Cross Section (including Landing	LXIIIDIUS S-D dilu S-C
Zone)	Exhibits 3-D and 3-E
Additional Information	FYIIIDIT2 2-D GIIG 2-E

Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party	
Representative):	James Bruce
Signed Name (Attorney or Party	
Representative):	+ aures Melice
Date:	April 2, 2024

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

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

Case No. 24337

SELF-AFFIRMED STATEMENT OF HUDSON BRUNSON

Hudson Brunson 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. The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below.
- 3. The interest owners being pooled have been contacted regarding the proposed wells but have simply refused to voluntarily commit their interests to the wells.
- 4. In this case Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring Sand to the base of the Bone Spring formation, underlying a proximity tract spacing unit comprised of the W/2 of Section 15 and the W/2 of Section 22, Township 26 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Applicant proposes to drill the following wells to depths sufficient to test the Bone Spring formation:
 - (a) the Red Hills West 22/15 Fed Com. Well Nos. 521H, 571H, and 502H, with first take points in the SW/4SW/4 of Section 22 and last take points in the NW/4NW/4 of Section 15; and
 - (b) the Red Hills West 22/15 Fed Com. Well Nos. 524H, 574H and 573H, with first take points in the SE/4SW/4 of Section 22 and last take points in the NE/4NW/4 of Section 15.
- 5. C-102s for the wells are marked as Exhibit 2-A. Land plats and information on the parties being pooled, and their interests, are set forth in Exhibit 2-B.
- 6. Exhibit 2-C contains a summary of communications with the uncommitted party, and a copy of the proposal letter sent to the interest owner.

AFEs for the wells are marked Exhibit 2-D. The costs in the AFEs are fair and reasonable for wells of this depth and length in this area of Lea County.

EXHIBIT 2

- 7. Mewbourne has made a good faith effort to locate or obtain the voluntary joinder of the working interest and mineral owners in the proposed wells.
- 8. 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 Lea 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.
- 9. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
 - 10. Applicant requests that it be designated operator of the wells.
- 11. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- 12. The granting of 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 these cases. I affirm that my testimony in paragraphs 1 through 12 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>April 2, 2024</u>	/s/ Hudson Brunson/
Date	Hudson Brunson

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

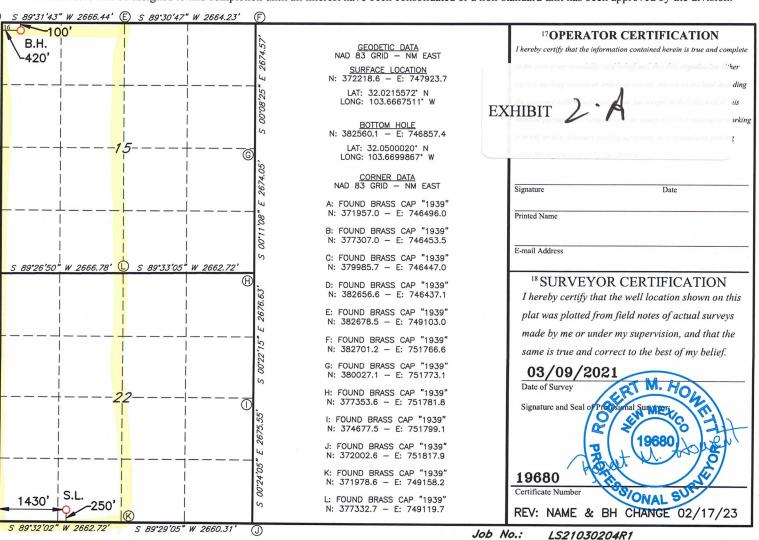
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Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

30.02	API Numbe	51120		9 790 Code	3 (1)	ildeat; bar	ver Dine	Sprin	y Pos	al
⁴ Property Co	de		1	orn uii	5 Property					6 Well Number 521H
/ JOGRID	NO.			VED III	8 Operator		COM		9	Elevation
1474	4			MEW]		IL COMPANY				3137'
	E-				10 Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/We	est line	County
N	22	26S	32E	5	250	SOUTH	1430	WES	ST	LEA
			11]	Bottom F	Hole Location	n If Different Fr	om Surface			× .
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
D	15	26S	32E		100	NORTH	420	WES	ST	LEA
12 Dedicated Acres	3 Joint	or Infill	Consolidation	Code 15	Order No.					



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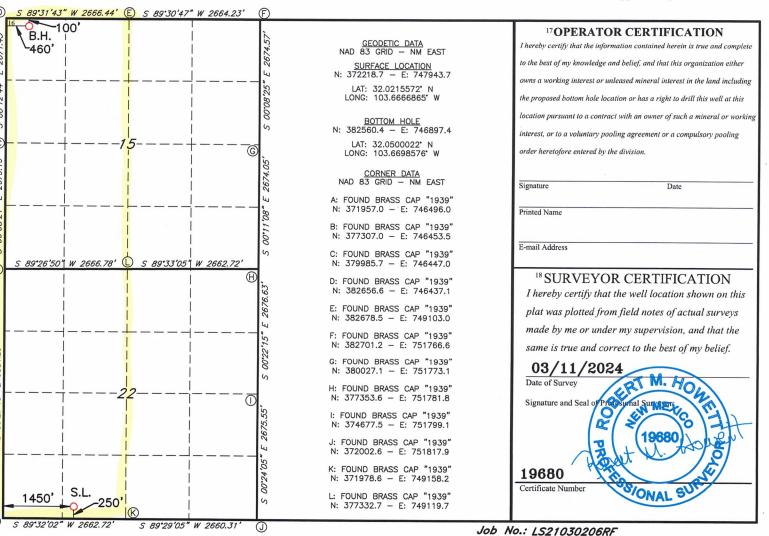
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number	r	9	190 Cod	\mathcal{S} \mathcal{W}	ildcut; L	Mer Bra	e Spr	ing	
⁴ Property Co	de			RED HI	5 Property N	Z2/15 FED ('OM		٥	Well Number 571H
				VED III	TO MEDI A	CE/10 FED (OM			
149878		⁹ Elevation 3136								
					10 Surface	Location				
UL or lot no.	Section	Townshi	ip Range	Lot Idn	Feet from the	North/South line	Feet From the	East/W	est line	County
N	22	26S	32E		250	SOUTH	1450	WE	ST	LEA
			11]	Bottom I	Hole Location	If Different Fr	om Surface			
UL or lot no.	Section	Townshi	ip Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
D	15	26S	32E		100	NORTH	460	WE	ST	LEA
12 Dedicated Acres	13 Joint	or Infill	14 Consolidation	Code 15	Order No.					



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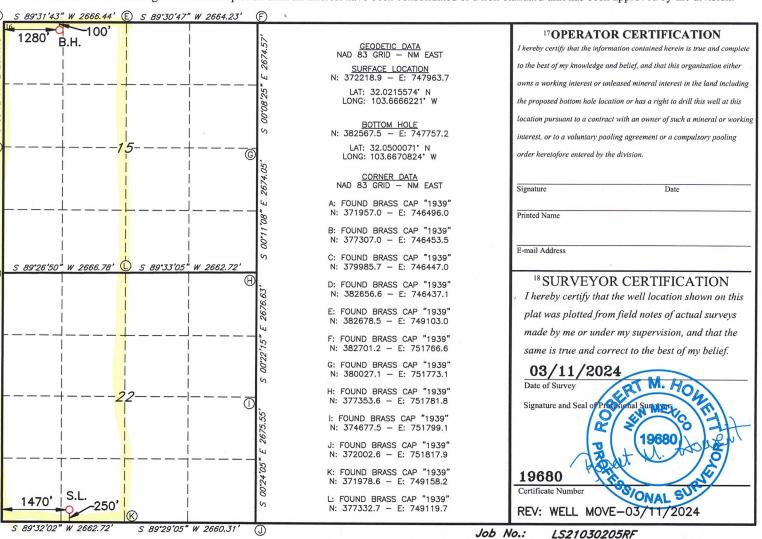
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1	API Number		9	190 Code	\mathcal{U}	ildent h	Me 3 Pool Na	ne Sps	ring
⁴ Property Co	de	8	I	RED HIL	LS WEST 2	22/15 FED C	СОМ	/	Well Number 502H
147	9Elevation 3136								
					10 Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/Wes	t line County
N	22	26S	32E		250	SOUTH	1470	WES	T LEA
			11]	Bottom H	Iole Location	If Different Fr	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	st line County
D	15	26S	32E		100	NORTH	1280	WES	T LEA
640	s 13 Joint	or Infill 14 (Consolidation	Code 15 (Order No.	1			



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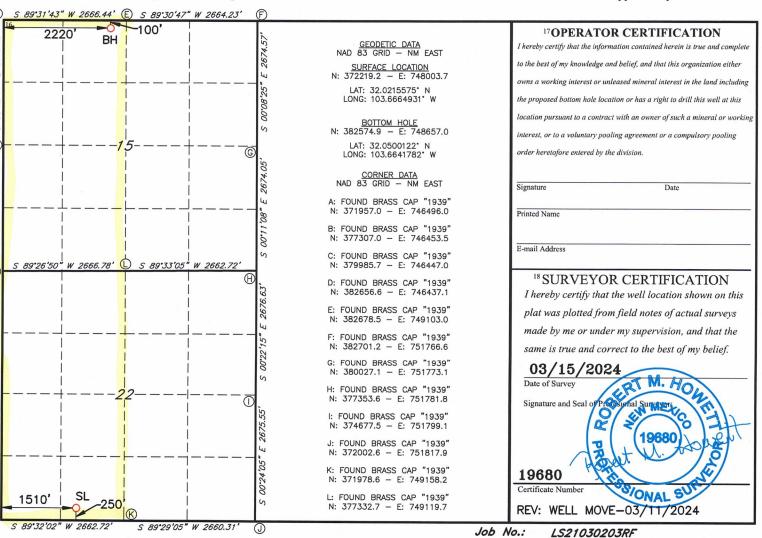
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		V	ELL L	OCATIO	N AND ACE	REAGE DEDIC	CATION PLA	T		*				
30.0	30.025.50993 91903 Wildut have Bore Sprit													
4Property Code RED HILLS WEST 22/15 FED COM														
MEWBOURNE OIL COMPANY 8 Operator Name 9E														
					10 Surface	Location								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/We	st line	County				
N	22	26S	32E		250	SOUTH	1510	WES	ST	LEA				
			¹¹]	Bottom E	Iole Location	If Different Fr	om Surface							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County				
C	15	26S	32E		100	NORTH	2220	WES	ST	LEA				
Dedicated Acre	s 13 Joint	or Infill 14 (Consolidation	Code 15 (Order No.									



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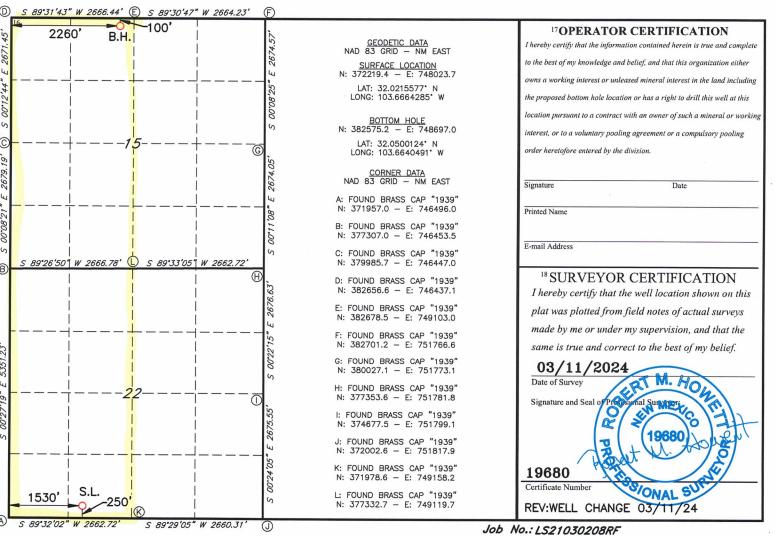
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			ELL LOCATION	N AND ACE	REAGE DEDIC	CATION PLA	T	
30.01	API Number	1/2/	9790	3 U	Pilocot:	Pool Nam	BoneSp	ring
⁴ Property Co	de			5 Property N				6 Well Number
			RED HILI	LS WEST 2	22/15 FED C	OM		574H
1 79 GRAP 1	44		MEWB	8 Operator N	ame L COMPANY			9Elevation 3136'
				10 Surface	Location			
III or let no	Section	Township	Panga Lat Ida	East from the	Month/Couth line	Fact From the	E+/W+ 1:	Comment

LEA	TWT-C/TD				Lot Idn	Range	Township	Section	UL or lot no.
	WEST	1530	SOUTH	250		32E	26S	22	N
		om Surface	If Different Fr	Iole Location	Bottom H	11]			
County	East/West line	Feet from the North/South line Feet from the East/West line			Lot Idn	Range	Township	Section	UL or lot no.
LEA	WEST	2260	NORTH	100		32E	26S	15	C
				Order No.	Code 15	4 Consolidation	or Infill 14	13 Joint	12 Dedicated Acres
									640
				100		32E	26S	15	С



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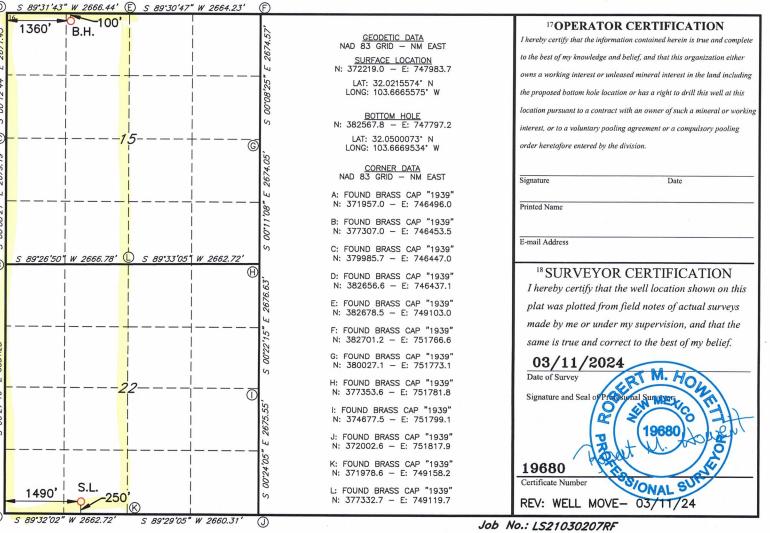
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		V	VELL L	OCATIO	N AND ACE	REAGE DEDIC	CATION PLA	T		
	API Numbe	r	9	790 Code	3 W	ildcat:	aver 5	me Ne	Sar	ina
⁴ Property Co	ode		I	RED HII	⁵ Property N	22/15 FED 0			6	Well Number 5 7 3 H
1 4 GBID	44		1	MEW	8 Operator N BOURNE OI	L COMPANY				Elevation 3136'
					¹⁰ Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/W	est line	County
N	22	26S	32E		250	SOUTH	1490	WE	ST	LEA
			11]	Bottom F	Hole Location	If Different Fr	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County
С	15	26S	32E		100	NORTH	1360	WE	ST	LEA
12 Dedicated Acres	s 13 Joint	or Infill 14	Consolidation	Code 15	Order No.					

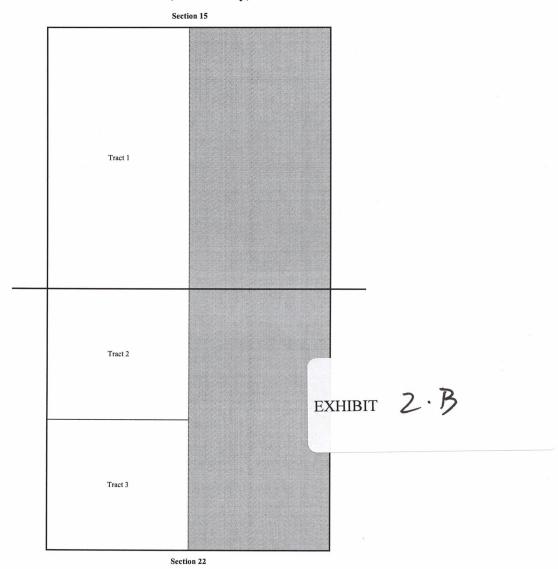


Section Plat

Red Hills West 22/15 Fed Com #502H Red Hills West 22/15 Fed Com #521H Red Hills West 22/15 Fed Com #524H Red Hills West 22/15 Fed Com #571H Red Hills West 22/15 Fed Com #573H Red Hills West 22/15 Fed Com #574H

W/2 of Section 15 and W/2 of Section 22

T26S-R32E, Lea County, NM



Tract 1: W/2 of Section 15 - Federal Lease NMNM 118722
Mewbourne Oil Company, et al.
Chevron U.S.A. Inc.

<u>Tract 2: NW/4 of Section 22 - Federal Lease NMNM 105562</u> Mewbourne Oil Company, et al.

<u>Tract 3: SW/4 of Section 22 - Federal Lease NMNM 027507</u> Mewbourne Oil Company, et al.

RECAPITUALTION FOR:

Red Hills West 22/15 Fed Com #502H Red Hills West 22/15 Fed Com #521H Red Hills West 22/15 Fed Com #524H Red Hills West 22/15 Fed Com #571H Red Hills West 22/15 Fed Com #573H Red Hills West 22/15 Fed Com #574H

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
1	160	50.000000%
2	80	25.000000%
3	80	25.000000%
TOTAL	320	100.000000%

TRACT OWNERSHIP

Red Hills West 22/15 Fed Com #502H Red Hills West 22/15 Fed Com #521H Red Hills West 22/15 Fed Com #524H Red Hills West 22/15 Fed Com #571H Red Hills West 22/15 Fed Com #573H Red Hills West 22/15 Fed Com #574H W/2 of Section 15 & W/2 of Section 22

W/2 of Section 15 & W/2 of Section 22

O	W	n	e	r

% of Leasehold Interest

Mewbourne Oil Company, et al.

77.482143%

*Chevron U.S.A. Inc.

22.517857%

TOTAL

100.000000%

*Total Interest Being Pooled:

22.517857%

OWNERSHIP BY TRACT

W/2 of Section 15 Owner

% of Leasehold Interest

Mewbourne Oil Company, et al.

Mewbourne Oil Company, et al.

54.964286% 45.035714%

Chevron U.S.A. Inc. **TOTAL**

100.000000%

NW/4 of Section 22

Owner **TOTAL** % of Leasehold Interest

100.000000%

100.000000%

SW/4 of Section 22

% of Leasehold Interest

Mewbourne Oil Company, et al. **TOTAL**

100.000000% 100.000000%

Summary of Communications

Red Hills West 22/15 Fed Com #502H

Red Hills West 22/15 Fed Com #521H

Red Hills West 22/15 Fed Com #524H

Red Hills West 22/15 Fed Com #571H

Red Hills West 22/15 Fed Com #573H

Red Hills West 22/15 Fed Com #574H

W/2 of Section 15-T26S-R32E, Lea County, NM & W/2 of Section 22-T26S-R32E, Lea County, NM

Chevron U.S.A. Inc.:

01/22/2024: Mailed Working Interest Unit, Well Proposal and Joint Operating Agreement to above listed party.

01/22/2024: Emailed a scan of the proposal package to employee of above listed company.

01/30/2024: Emailed employee of above listed company.

02/02/2024: Emailed employee of above listed company.

02/20/2024: Emailed employee of above listed company.

02/26/2024: Called and left message for employee of above listed company.

03/18/2024: Phone conversation with employee of above listed company.

03/19/2024: In person discussion with employee of above listed company.

03/20/2024: Emailed employee of above listed company.

03/27/2024: Emailed employee of above listed company.

EXHIBIT 2.C

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

TELEPHONE (432) 682-3715

January 22, 2024

Via Certified Mail

Working Interest Owner

Re: RED HILLS WEST 22/15 FED COM #502H SL: 250' FSL & 1490' FWL (Section 22); BHL: 100' FNL & 1320' FWL (Section 15)

RED HILLS WEST 22/15 FED COM #521H SL: 250' FSL & 1430' FWL (Section 22); BHL: 100' FNL & 420' FWL (Section 15)

RED HILLS WEST 22/15 FED COM #524H SL: 250' FSL & 1550' FWL (Section 22); BHL: 100' FNL & 2220' FWL (Section 15)

RED HILLS WEST 22/15 FED COM #571H SL: 250' FSL & 1460' FWL (Section 22); BHL: 100' FNL & 460' FWL (Section 15)

RED HILLS WEST 22/15 FED COM #573H SL: 250' FSL & 1520' FWL (Section 22); BHL: 100' FNL & 1360' FWL (Section 15)

RED HILLS WEST 22/15 FED COM #574H SL: 250' FSL & 1580' FWL (Section 22); BHL: 100' FNL & 2260' FWL (Section 15)

W/2 of Section 22 & W/2 of Section 15, T26S, R32E Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") proposes to drill the referenced wells under the attached Operating Agreement dated January 1, 2024. In addition to the AFEs, detailed below, enclosed is the referenced Operating Agreement. If you elect to participate in the proposed wells, please sign and return the AFEs and the executed JOA within the time provided by the Operating Agreement. If you do not wish to participate, Mewbourne is interested in discussing a farmout of your interest.

Mewbourne as Operator hereby proposes to drill the captioned RED HILLS WEST 22/15 FED COM #502H 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 10,251 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 20,370 feet. The W/2W/2 of Section 22 and the W/2W/2 of Section 15 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned RED HILLS WEST 22/15 FED COM #521H 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 10,521 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 20,920 feet. The W/2W/2 of Section 22 and the W/2W/2 of Section 15 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned RED HILLS WEST 22/15 FED COM #524H 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 10,555 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 20,920 feet. The E/2W/2 of Section 22 and the E/2W/2 of Section 15 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned RED HILLS WEST 22/15 FED COM #571H 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 11,018 feet subsurface to evaluate the Harkey Formation. The proposed well will have a measured depth (MD) of

approximately 21,390 feet. The W/2W/2 of Section 22 and the W/2W/2 of Section 15 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned RED HILLS WEST 22/15 FED COM #573H 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 11,018 feet subsurface to evaluate the Harkey Formation. The proposed well will have a measured depth (MD) of approximately 21,390 feet. The E/2W/2 of Section 22 and the E/2W/2 of Section 15 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned RED HILLS WEST 22/15 FED COM #574H 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 11,018 feet subsurface to evaluate the Harkey Formation. The proposed well will have a measured depth (MD) of approximately 21,390 feet. The E/2W/2 of Section 22 and the E/2W/2 of Section 15 will be dedicated to the well as the proration unit.

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

Sincerely,

MEWBOURNE OIL COMPANY

Hudson Brunson Landman

Sec. 22 Blk: Survey: TWP: 26S	ounty: Lea			3523333 E
INTANGIBLE COSTS 0180 Regulatory Permits & Surveys	DNG. 20			ST: NM
INTANGIBLE COSTS 0180 Regulatory Permits & Surveys	KNG: 32	E Prop. TVI	10521	TMD: 20920
Regulatory Permits & Surveys			0005	
	0180-0100	*20,000	0180-0200	CC
Location / Road / Site / Freparation	0180-0105		0180-0205	\$35,0
_ocation / Restoration	0180-0106		0180-0206	\$40,0
Daywork / Turnkey / Footage Drilling 23 days drlg / 3 days comp @ \$28000/d	0180-0110		0180-0210	\$89,7
Fuel 1700 gal/day @ \$3.9/gal	0180-0114		0180-0214	\$169,00
Alternate Fuels	0180-0115	4.0=,000	0180-0215	\$89,00
Mud, Chemical & Additives	0180-0120	\$30,000	0180-0220	
Mud - Specialized	0180-0121	\$210,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$200,00
Stimulation Toe Preparation			0180-0223	\$25,00
Cementing	0180-0125		0180-0225	\$55,00
Logging & Wireline Services	0180-0130		0180-0230	\$299,00
Casing / Tubing / Snubbing Services	0180-0134		0180-0234	\$20,00
Mud Logging	0180-0137	\$15,000		
Stimulation 51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$2,222,00
Stimulation Rentals & Other		405.000	0180-0242	\$218,00
Water & Other 100% PW f/ SLWMS @ \$0.25/bbl	0180-0145		0180-0245	\$129,00
Bits	0180-0148		0180-0248	#5.0
Inspection & Repair Services	0180-0150	\$50,000	0180-0250	\$5,00
Misc. Air & Pumping Services	0180-0154	\$40.000	0180-0254	\$10,00 \$20.00
Testing & Flowback Services Completion / Workover Rig	0180-0158	⊅1∠,000	0180-0258	
Completion / Workover Rig Rig Mobilization	0180 0464	\$154,000	0180-0260	\$10,50
Transportation	0180-0164 0180-0165	\$154,000	0180-0265	\$25,00
Welding, Construction & Maint. Services	0180-0165		0180-0265	\$25,00
Contract Services & Supervision	0180-0170		0180-0288	\$75,00
Directional Services Includes Vertical Control	0180-0170	\$380,000		φιυ,00
Equipment Rental	0180-0180		0180-0280	\$25,00
Well / Lease Legal	0180-0184		0180-0284	Ψ20,00
Well / Lease Insurance	0180-0185		0180-0285	
Intangible Supplies	0180-0188		0180-0288	\$1,00
Damages	0180-0190	\$10,000	0180-0290	\$10,00
Pipeline Interconnect, ROW Easements	0180-0192		0180-0292	\$5,00
Company Supervision	0180-0195	\$93,600	0180-0295	\$43,20
Overhead Fixed Rate	0180-0196		0180-0296	\$20,00
Contingencies 5% (TCP) 5% (CC)	0180-0199	\$139,600	0180-0299	\$192,80
TOTAL		\$2,931,900		\$4,049,70
TANGIBLE COSTS 0181				
Casing (19.1" – 30")	0181-0793			
Casing (10.1" – 19.0") 650' - 13 3/8" 54.5# J-55 ST&C @ \$47.92/ft	0181-0794	\$33,300		
Casing (8.1" – 10.0") 4350' - 9 5/8" 40# J-55 LT&C @ \$32.69/ft	0181-0795	\$151,900		
Casing (6.1" – 8.0") 10900' - 7" 29# HPP110 BT&C @ \$38.93/ft	0181-0796	\$453,200		
Casing (4.1" – 6.0") 10950' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$21.65/ft			0181-0797	\$253,20
Tubing 10000' - 3 1/2" 9.2# L-80 IPC Tbg @ \$17.4/ft			0181-0798	\$185,80
Drilling Head Tubing Head & Upper Section	0181-0860	\$50,000		
			0181-0870	\$30,00
Horizontal Completion Tools Completion Liner Hanger Subsurface Equip. & Artificial Lift			0181-0871	\$75,00
Service Pumps (1/15) TP/CP/Circ Pump			0181-0880 0181-0886	\$25,00
Storage Tanks (1/15) 8 OT/6 OT/2 GB	-			\$5,00
Emissions Control Equipment (1/15) 3 VRT/VRU/Flare/3 KO/AIR	-		0181-0890 0181-0892	\$35,00 \$49,00
Separation / Treating Equipment (1/15) 2 Bulk 1 3 0/2 Tast 4 San// San// VHT/HHT	-		0181-0892	\$49,00
Automation Metering Equipment			0181-0898	\$32,00
Oil/Gas Pipeline-Pipe/Valves&Misc		-	0181-0900	\$32,00
Water Pipeline-Pipe/Valves & Misc			0181-0901	Ψ31,00
On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction Cathodic Protection EXHIBIT 2.7			0181-0906	\$67,00
Wellhead Flowlines - Construction			0181-0907	\$137,00
Cathodic Protection			0181-0908	
Electrical Installation			0181-0909	\$60,00
Equipment Installation			0181-0910	\$41,00
Oil/Gas Pipeline - Construction			0181-0920	\$36,00
Nater Pipeline - Construction			0181-0921	
		\$688,400		\$1,114,00
TOTAL				
		\$3,620,300		\$5,163,70
SUBTOTAL		\$8,7	84,000	
SUBTOTAL TOTAL WELL COST			<mark>m.</mark> 180-0185	
SUBTOTAL TOTAL WELL COST Intra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proport Operator has secured Extra Expense Insurance covering costs of well control, clean up and reduced I elect to purchase my own well control insurance policy. If the institute policy is checked above, non-operating working interest owner elects to be covered by C Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate, Operator				nange in market
SUBTOTAL TOTAL WELL COST Extra Expense Insurance lelect to be covered by Operator's Extra Expense Insurance and pay my propor Operator has secured Extra Expense Insurance covering costs of well control, clean up and red lelect to purchase my own well control insurance policy. If ineither box is checked above, non-operating working interest owner elects to be covered by C Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operato conditions.				nange in market
SUBTOTAL TOTAL WELL COST Extra Expense Insurance lelect to be covered by Operator's Extra Expense Insurance and pay my propor Operator has secured Extra Expense Insurance covering costs of well control, clean up and red lelect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by C Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate, Operator	Operator's well co or reserves the ri			nange in market
SUBTOTAL TOTAL WELL COST Extra Expense Insurance lelect to be covered by Operator's Extra Expense Insurance and pay my propor Operator has secured Extra Expense Insurance covering costs of well control, clean up and red lelect to purchase my own well control insurance policy. fineither box is checked above, non-operating working interest owner elects to be covered by O Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operato conditions. Prepared by: Andy Taylor Date:				nange in market
SUBTOTAL TOTAL WELL COST ixtra Expense Insurance lelect to be covered by Operator's Extra Expense Insurance and pay my propor Operator has secured Extra Expense Insurance covering costs of well control, clean up and red lelect to purchase my own well control insurance policy. finelither box is checked above, non-operating working interest owner elects to be covered by O Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operato conditions.	Operator's well co or reserves the ri			nange in market
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SUBTOTAL TOTAL WELL COST I elect to be covered by Operator's Extra Expense Insurance and pay my propor Operator has secured Extra Expense Insurance covering costs of well control, clean up and red 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 C Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator conditions. Prepared by: Andy Taylor Date:	Operator's well cor or reserves the ri			nange in market

Lication Restoration Depart Turniv Factor Section Se	Well Name:	RED HILLS	WEST 22/15 FED COM #571H (H3M	AD)	Pros	pect:	Red	Hills West 22		
NTANGIBLE COSTS 0180	Location: SL: 2	250 FSL & 1460 F	WL; BHL: 100 FNL & 460 FWL(15)		C	ounty:	Lea			ST: NM
Regulatory Permits & Surveys	Sec. 22 B	lk: Survey:		TWP:	26S	RNG	: 3	Prop. TVI	11018	TMD: 21390
Regulatory Permits & Surveys		INIT	ANCIRI E COSTS 0480			COD	_	TCD	CODE	CC
Location / Read rise / Properties 1060-0105 \$55,000 1060-2055 \$35,000 1060-2055 \$35,000 2000-2005 \$35,000 2000-2005 \$35,000 2000-2005 \$35,000 2000-2005 \$35,000 2000-2005 \$36,000 2000-2	Regulatory Permit		ANGIBLE COSTS 0180							CC
Depart Turnbery Footage Dmiling 23 days ctry 3 days comp \$2800001 0180-0110 \$887,800 0180-0211 \$112,000 Alternate Fuels 0180-0115 0180-0215 \$112,000 Alternate Fuels 0180-0115 0180-0215 \$112,000 Alternate Fuels 0180-0115 0180-0215 \$112,000 Alternate Fuels 0180-0115 \$10000 0180-0215 \$112,000 Alternate Fuels 0180-0115 \$10000 0180-0215 \$112,000 Alternate Fuels 0180-0115 \$10000 0180-0215 \$10000 0180-0215 \$10000 Alternate Fuels 0180-0115 \$10000 0180-0215 \$10000 0180-0215 \$10000 Cementing 0180-0115 \$10000 0180-0215 \$100000 0180-0215 \$100000 0180-0215										\$35,000
Alemant Fuels										\$40,000
Alternate Fuels		y / Footage Drillin		② \$28000/d						
Mid. Specialized			1700 gal/day @ \$3.9/gal					\$162,900		
Mind - Specialized More of Perspectation Mo		A alalish						\$40,000		\$112,000
0180-0222 \$200,000 \$25,000					_		_			
Simulation Toe Preparation						0180-0	121	φ230,000		\$200,000
Logging Simulation Simulation Simulation Simulation Site S							1			\$25,000
Casing / Tubing / Sirubbing Services	Cementing					0180-0	125	\$175,000	0180-0225	\$60,000
Most Logging							$\overline{}$			\$362,000
Simulation		Snubbing Service	s		×					\$20,000
Simulation Rontals & Other						0180-0	137	\$15,000		40,000,000
Water & Other 100% PW I SLWMS @ \$0.25/bbl 0180-0148 \$35,000 0180-0246 \$110,000		I= 0 O#L-=	61 Stg 25.3 MM gal / 25.3 M	IM lb		_	-			
Disposition		is a Other	100% PW f/ SI WMS @ \$0.3	5/hhl		0180-0	145	\$35,000		
Imagestical A Repair Services			100% FVV 1/ 3EVVIVI3 @ \$0.2	.5/001	_					Ψ101,000
Misc. Ar. & Pumping Services		air Services								\$5,000
Completion / Workover Rig 0180-0786 5154,000 510-0286 525,000										\$10,000
Right Mobilization						0180-0	158	\$12,000		\$20,000
Transportation		kover Rig								\$10,500
Welding										405.000
Contract Services Includes Vertical Control 0180-0170 \$148,200 0180-0270 \$81,000		-ti 0 Maint O								
Directional Services			vices		_		_			
Equipment Rental			Includes Vertical Control							\$61,000
Well / Lease Legal			molados vertical control							\$25,000
Well / Lease Insurance							-			\$20,000
Damages 0180-0190	Well / Lease Insur	rance						\$5,500	0180-0285	
Pipeline Interconnect, ROW Easements		es				0180-0	188	\$7,000	0180-0288	\$1,000
Campany Supervision								\$10,000		\$10,000
Overhead Fixed Rate			nents				_	400.000		
Contingencies S% (TCP) 5% (CC) 0180-0198 \$142,900 0180-0298 \$232,600										
TANGIBLE COSTS 0181			% (TCP) 5% (CC)							
TANGIBLE COSTS 0181			7.0 (1.0.1)	TO	TAI	0100-0	100}			
Casing (19.1" – 30")		TA	NGIRI E COSTS 0494	10	TAL		1	\$3,001,000		φ4,004,100
Casing (10.1" – 19.0") 650" - 13 30" 5 4.58" J-55 ST&C @ \$47.92/h 181-0794 \$33,300	Casing (19.1" - 30		INGIBLE COSTS 0181			0101 0	702			
Casing (6.1" - 10.0")			650' - 13 3/8" 54 5# J-55 ST&C @ \$47	92/ft				\$33 300		
Casing (6.1" = 8.0")										
Casing (4.1" - 6.0")	Casing (6.1" - 8.0)")								
Drilling Head & Upper Section)")								\$256,900
Tubing Head & Upper Section			10280' - 3 1/2" 9.2# L-80 IPC Tbg @ \$1	7.4/ft					0181-0798	\$191,000
Horizontal Completion Tools	Drilling Head	O				0181-0	360	\$50,000		
Subsurface Equip. & Artificial Lift			0				_			
Service Pumps			Completion Liner Hanger				+			
Storage Tanks		. a Artificial Eff	(1/15) TP/CP/Circ Pump				+			
Emissions Control Equipment							\dashv			
Separation / Treating Equipment							\dashv			
Automation Metering Equipment		9	(1/15) 2 Bulk H Sep/2 Test H Sep/V Sep	o/2 VHT/HHT						\$52,000
Water Pipeline-Pipe/Valves & Misc On-site Valves/Fittings/Lines&Misc On-site Valves/Fi										\$32,000
On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction Cathodic Protection Cathodic Protecti										\$31,000
Wellhead Flowlines - Construction										007.00
Cathodic Protection 0181-0908 S107,908 Electrical Installation 0181-0909 \$60,000 Equipment Installation 0181-0910 \$41,000 Oil/Gas Pipeline - Construction 0181-0921 \$36,000 Water Pipeline - Construction 0181-0921 TOTAL \$670,900 \$1,122,900 SUBTOTAL \$3,671,900 \$6,007,000 TOTAL WELL COST \$9,678,900 Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval: Amount: Date: 11/3/2023 Joint Owner Interest: Amount:							-			
Electrical Installation 0181-0909 \$60,000 Equipment Installation 0181-0910 \$41,000 Oil/Gas Pipeline - Construction 0181-0920 \$36,000 Water Pipeline - Construction 0181-0921 TOTAL \$670,900 \$1,122,900 SUBTOTAL \$3,671,900 \$6,007,000 TOTAL WELL COST \$9,678,900 Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval:										φ137,000
Equipment Installation 0181-0910 \$41,000 \$1,1000 \$36,000							-			\$60,000
Oil/Gas Pipeline - Construction Water Pipeline - Construction TOTAL \$670,900 \$1,122,900 SUBTOTAL \$3,671,900 \$6,007,000 TOTAL WELL COST Syp,678,900 Extra Expense Insurance Ielect 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. Ielect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval: Date: 11/3/2023 Joint Owner Interest: Amount:										\$41,000
TOTAL \$670,900 \$1,122,900 SUBTOTAL \$3,671,900 \$6,007,000 TOTAL WELL COST \$9,678,900 Extra Expense Insurance lelect 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. lelect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval: Date: 11/3/2023 Joint Owner Interest: Amount:									0181-0920	\$36,000
SUBTOTAL \$3,671,900 \$6,007,000 TOTAL WELL COST \$9,678,900 Extra Expense Insurance lelect 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. lelect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Joint owner agrees that Item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval: The conditions Date: 11/3/2023 Joint Owner Interest: Amount:	Water Pipeline - C	Construction							0181-0921	
SUBTOTAL \$3,671,900 \$6,007,000 TOTAL WELL COST \$9,678,900 Extra Expense Insurance lelect 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. lelect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Joint owner agrees that Item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval: Manual Company Approval: Amount: Date: 11/3/2023				то	TAL			\$670,900		\$1,122,900
Extra Expense Insurance lelect 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. lelect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Joint owner agrees that Item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023				SUBTO	TAI			\$3 671 900		\$6,007,000
Extra Expense Insurance			TOTAL						•	\$0,007,000
I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval: Date: 11/3/2023 Joint Owner Interest: Amount:	Evtra Evnanca Incur	rance	IOIAL	WELL COS	51		VIANGE NAME OF	\$9,6	78,900	
Company Approval: Amount: Amount: Surface Amount: Amou										
Company Approval: Amount: Amou	Oper	ect to be covered by rator has secured Extra	y Operator's Extra Expense Insurance ra Expense Insurance covering costs of well of	e and pay my p	ropol	rtionate	shar	e of the premiu	m. 180-0185	
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 serves the right to adjust the rate due to a change in market conditions. Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval: Date: 11/3/2023 Joint Owner Interest: Amount:	I ele	ect to purchase my	own well control insurance policy.						. 20 3 100.	
Prepared by: Ryan McDaniel Date: 11/2/2023 Company Approval: Date: 11/3/2023 Joint Owner Interest: Amount: Amount:	loint owner agrees	that item 0180 0345	bove, non-operating working interest owner e	lects to be covere	ed by C	Operator's	well	control insurance.		
Company Approval: The company Approval: Date: 11/3/2023 Joint Owner Interest: Amount: Image: Company Approval: Image: Company Approval:	conditions.			o aposilieu rate. C	perato	, reserve	s une	ngni io adjust the	ate due to a d	market
Company Approval: The company Approval: Date: 11/3/2023 Joint Owner Interest: Amount: Image: Company Approval: Image: Company Approval:	Prepared b	by:	Ryan McDaniel		Date:	11/2/	2023			
Joint Owner Interest: Amount:	277	-				. 1121		-		
	Company Approva	al:	white		Date:	11/3/	2023			
	Joint Owner Inter	rest:	Amount:							
JUIN OWNER INAME.				Signature						
	John Owner Nan	ne.		- Oignature		2002				

Well Name: RED HILLS WEST 22/15 FED COM #502H (B2MD) Prospect: Red Hills West 22					
Location: SL: 250 FSL & 1490 FWL; BHL: 100 FNL & 1320 FWL(15) County: Lea					
Sec. 22 Blk: Survey: TWP: 26S	RNG:	32E Prop. TVI	D: 10251	TMD: 20370	
INTANGIBLE COSTS 0180	CODE	ТСР	CODE	СС	
Regulatory Permits & Surveys	0180-010	\$20,000	0180-0200		
Location / Road / Site / Preparation	0180-010		0180-0205		
Location / Restoration	0180-010		0180-0206		
Daywork / Turnkey / Footage Drilling 23 days drlg / 3 days comp @ \$28000/d	0180-01		0180-0210		
Fuel 1700 gal/day @ \$3.9/gal Alternate Fuels	0180-01 ⁻		0180-0214 0180-0215		
Mud, Chemical & Additives	0180-01		0180-0213		
Mud - Specialized	0180-01		0180-0221		
Horizontal Drillout Services			0180-0222	\$200,000	
Stimulation Toe Preparation			0180-0223		
Cementing	0180-01		0180-0225		
Logging & Wireline Services	0180-01		0180-0230	\$299,000	
Casing / Tubing / Snubbing Services Mud Logging	0180-01: 0180-01:		0180-0234	\$20,000	
Stimulation 51 Stg 20.2 MM gal / 20.2 MM lb	0180-01	φ10,000	0180-0241	\$2,222,000	
Stimulation Rentals & Other			0180-0242		
Water & Other 100% PW f/ SLWMS @ \$0.25/bbl	0180-014	\$35,000	0180-0245		
Bits	0180-014		0180-0248		
Inspection & Repair Services	0180-01		0180-0250		
Misc. Air & Pumping Services	0180-01		0180-0254		
Testing & Flowback Services	0180-01	\$12,000	0180-0258		
Completion / Workover Rig Rig Mobilization	0180-01	\$154,000	0180-0260	\$10,500	
Transportation	0180-01		0180-0265	\$25,000	
Welding, Construction & Maint. Services	0180-01		0180-0268		
Contract Services & Supervision	0180-01		0180-0270		
Directional Services Includes Vertical Control	0180-01				
Equipment Rental	0180-01		0180-0280	\$25,000	
Well / Lease Legal	0180-01		0180-0284		
Well / Lease Insurance	0180-01		0180-0285		
Intangible Supplies Damages	0180-01		0180-0288 0180-0290		
Pipeline Interconnect, ROW Easements	0180-019		0180-0290		
Company Supervision	0180-01		0180-0295		
Overhead Fixed Rate	0180-019		0180-0296		
Contingencies 5% (TCP) 5% (CC)	0180-019	99 \$139,600	0180-0299	\$192,800	
TOTAL		\$2,931,800		\$4,049,700	
TANGIBLE COSTS 0181					
Casing (19.1" – 30")	0181-079	93			
Casing (10.1" – 19.0") 650' - 13 3/8" 54.5# J-55 ST&C @ \$47.92/ft	0181-079				
Casing (8.1" – 10.0") 4350' - 9 5/8" 40# J-55 LT&C @ \$32.69/ft Casing (6.1" – 8.0") 10200' - 7" 29# HPP110 BT&C @ \$38.93/ft	0181-079				
	0181-079	96 \$424,100		00.17.10	
Casing (4.1" – 6.0") 10700' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$21.65/ft Tubing 9700' - 3 1/2" 9.2# L-80 IPC Tbg @ \$17.4/ft			0181-0797	\$247,400	
Drilling Head	0181-086	\$50,000	0181-0798	\$180,300	
Tubing Head & Upper Section	0101-000	ψου,ουσ	0181-0870	\$30,000	
Horizontal Completion Tools Completion Liner Hanger			0181-0871	\$75,000	
Subsurface Equip. & Artificial Lift		-	0181-0880	\$25,000	
Service Pumps (1/15) TP/CP/Circ Pump			0181-0886	\$5,000	
Storage Tanks (1/15) 8 OT/6 OT/2 GB Emissions Control Equipment (1/15) 3 VRT/VRU/Flare/3 KO/AIR			0181-0890	\$35,000	
Separation / Treating Equipment (1/15) 2 Bulk H Sep/2 Test H Sep/2 VHT/HHT		1	0181-0892	\$49,000	
Automation Metering Equipment (1/13) 2 Bulk H Sep/2 Test H Sep/V Sep/2 VHT/HHT			0181-0895 0181-0898	\$52,000 \$32,000	
Oil/Gas Pipeline-Pipe/Valves&Misc			0181-0900	\$31,000	
Water Pipeline-Pipe/Valves & Misc			0181-0901	+5.,500	
On-site Valves/Fittings/Lines&Misc			0181-0906	\$67,000	
Wellhead Flowlines - Construction		19	0181-0907	\$137,000	
Cathodic Protection Electrical Installation		1 1 1	0181-0908		
Equipment Installation			0181-0909	\$60,000	
Oil/Gas Pipeline - Construction			0181-0910 0181-0920	\$41,000 \$36,000	
Water Pipeline - Construction	-		0181-0920	φ30,000	
TOTAL		\$659,300	2.31 3021	#4 400 T	
				\$1,102,700	
SUBTOTAL		\$3,591,100		\$5,152,400	
TOTAL WELL COST		\$8,7	43,500		
Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my propor Operator has secured Extra Expense Insurance covering costs of well control, clean up and red 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 O Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator) norotoro u	roll control incurance		change in market	
conditions.					
Prepared by: Andy Taylor Date:	11/1/20				
Prepared by: Andy Taylor Date: Company Approval: Date:					
Prepared by: Andy Taylor Date:	11/1/20				

Well Name:	Well Name: RED HILLS WEST 22/15 FED COM #524H (B2NC) Prospect: Red Hills West 22							
Location:	SL: 250 FSL & 1550 F	FWL; BHL: 100 FNL & 2220 FWL(15	5)	Co	unty: Le	inty: Lea ST:		
Sec. 22	Blk: Survey:		TWP: 26	s	RNG:	32E Prop. TVI	D: 10555	TMD: 20920
	INT	FANGIBLE COSTS 0180			CODE	ТСР	CODE	СС
Regulatory Pe	ermits & Surveys	ANGIBLE COSTS 0180		ŀ	0180-010		0180-0200	CC
	ad / Site / Preparation	1			0180-010		0180-0205	\$35,000
Location / Res	storation				0180-010	6 \$200,000	0180-0206	\$40,000
	rnkey / Footage Drillir		@ \$28000/d		0180-011		0180-0210	\$89,700
Fuel		1700 gal/day @ \$3.9/gal		_	0180-011		0180-0214	\$169,000
Alternate Fue	al & Additives				0180-011		0180-0215	\$89,000
Mud - Special				_	0180-012 0180-012		0180-0220 0180-0221	
	illout Services			┪	0100-012	\$210,000	0180-0221	\$200,000
Stimulation To	oe Preparation						0180-0223	\$25,000
Cementing				_	0180-012		0180-0225	\$55,000
	reline Services				0180-013		0180-0230	\$299,000
Mud Logging	ng / Snubbing Service	98			0180-013		0180-0234	\$20,000
Stimulation		51 Stg 20.2 MM gal / 20.2 M	M Ib	⇥	0180-013	7 \$15,000	0180-0241	\$2,222,000
	entals & Other	01 Otg 20.2 WWW gar / 20.2 W	IIVI ID	┪			0180-0241	\$218,000
Water & Othe		100% PW f/ SLWMS @ \$0.2	25/bbl		0180-014	5 \$35,000	0180-0245	\$129,000
Bits				-30	0180-014	8 \$85,400	0180-0248	
	Repair Services				0180-015		0180-0250	\$5,000
	umping Services				0180-015		0180-0254	\$10,000
	wback Services Workover Rig			\dashv	0180-015	\$12,000	0180-0258 0180-0260	\$20,000 \$10,500
Rig Mobilization				\dashv	0180-016	4 \$154,000		φ10,300
Transportation					0180-016		0180-0265	\$25,000
Welding, Con	struction & Maint. Ser	rvices			0180-016		0180-0268	\$16,500
	rices & Supervision			_	0180-017		0180-0270	\$75,000
Directional Se		Includes Vertical Control		_	0180-017			******
Equipment Re Well / Lease I					0180-018		0180-0280	\$25,000
Well / Lease I					0180-018 0180-018		0180-0284 0180-0285	
Intangible Sur					0180-018		0180-0288	\$1,000
Damages					0180-019		0180-0290	\$10,000
	connect, ROW Easen	nents			0180-019		0180-0292	\$5,000
Company Sur					0180-019		0180-0295	\$43,200
Overhead Fix		E9/ (TCP) 59/ (CC)			0180-019		0180-0296	\$20,000
Contingencies	5	5% (TCP) 5% (CC)	TOTA	_	0180-019		0180-0299	\$192,800
		Wally E access are	TOTA	박		\$2,931,900		\$4,049,700
Casing (19.1"		ANGIBLE COSTS 0181			0404.070			
Casing (19.1"		650' - 13 3/8" 54.5# J-55 ST&C @ \$47.	Q2/ft		0181-079 0181-079			
Casing (8.1" -		4350' - 9 5/8" 40# J-55 LT&C @ \$32.69			0181-079			
Casing (6.1" -	- 8.0")	10900' - 7" 29# HPP110 BT&C @ \$38.9		—	0181-079			
Casing (4.1" -	- 6.0")	10950' - 4 1/2" 13.5# HCP-110 CDC-H					0181-0797	\$253,200
Tubing		10000' - 3 1/2" 9.2# L-80 IPC Tbg @ \$1	7.4/ft				0181-0798	\$185,800
Drilling Head	& Upper Section			4	0181-086	0 \$50,000		#00.000
	mpletion Tools	Completion Liner Hanger		⇥			0181-0870 0181-0871	\$30,000 \$75,000
	quip. & Artificial Lift	Completion Liner Hanger		┰			0181-0871	\$25,000
Service Pump		(1/15) TP/CP/Circ Pump		┰			0181-0886	\$5,000
Storage Tank		(1/15) 8 OT/6 OT/2 GB					0181-0890	\$35,000
	ntrol Equipment	(1/15) 3 VRT/VRU/Flare/3 KO/AIR					0181-0892	\$49,000
	reating Equipment	(1/15) 2 Bulk H Sep/2 Test H Sep/V Se	p/2 VHT/HHT	4			0181-0895	\$52,000
	etering Equipment ne-Pipe/Valves&Misc			\dashv	-		0181-0898	\$32,000
	e-Pipe/Valves & Misc			-			0181-0900 0181-0901	\$31,000
On-site Valves	s/Fittings/Lines&Misc			+			0181-0901	\$67,000
Wellhead Flov	wlines - Construction						0181-0907	\$137,000
Cathodic Prote		1					0181-0908	
Electrical Insta				_			0181-0909	\$60,000
Equipment Ins	ne - Construction			╬			0181-0910	\$41,000
	e - Construction			\dashv			0181-0920 0181-0921	\$36,000
			TOTA	7		denn 4c-		
			TOTA	۳Þ		\$688,400		\$1,114,000
			SUBTOTA	니		\$3,620,300	L	\$5,163,700
		TOTAL	WELL COST			\$8,7	84,000	
Extra Expense	***************************************							
	I elect to be covered b	by Operator's Extra Expense Insurance tra Expense Insurance covering costs of well of the Expense Insurance covering costs of the Expense Insurance covering costs of the Expense Insurance covering costs of well of the Expense Insurance covering costs of the Expense Insurance covering coverin	e and pay my pro	ort	ionate sh	are of the premiu	m.	
	Lelect to purchase my	ra Expense insurance covering costs of well of well of the control insurance policy.	control, clean up and	redri	illing as est	imated in Line Item 0	180-0185.	
	If neither box is checked a	hove non-operating working interest owner	elects to be covered b	y Or	perator's w	ell control insurance.		
Joint owner ag conditions.	grees that item 0180-0245	will be provided by operator, if available, at th	e specified rate. Ope	rator	reserves t	he right to adjust the	rate due to a	hange in market
	red by:	Andu Taulas	-	to:	44101-	22		
гера	red by:	Andy Taylor	Da	ie:	11/1/20	23		
Company Ap	proval:	white	Da	te:	11/3/20	23		
loint O								
Joint Owner	term .	Amount:						
Joint Owner	Name:		Signature: _					
				BARRIOTE ST			THE RESIDENCE OF THE PARTY OF T	

Well Name:	RED HILLS	S WEST 22/15 FED COM #574H (H	BNC)	Pros	pect: F	Red Hills West 22		
Location: SL: 250 FSL & 1580 FWL; BHL: 100 FNL & 2260 FWL(15) County: Lea					ST: NM			
Sec. 22	Blk: Survey	:	TWP:	26S	RNG:	32E Prop. TV	D: 11018	TMD: 21390
	INI:	TANGIBLE COSTS 0180			CODE	ТСР	CODE	СС
Regulatory Pe	ermits & Surveys	TANGIBLE COSTS 0180			0180-01		0180-0200	CC
Location / Ro	ad / Site / Preparation	n			0180-01	05 \$55,000	0180-0205	\$35,00
Location / Re					0180-01		0180-0206	\$40,000
	rnkey / Footage Drilli		@ \$28000/d		0180-01		0180-0210	\$89,700
Fuel Alternate Fue	de	1700 gal/day @ \$3.9/gal		_	0180-01 0180-01		0180-0214 0180-0215	\$211,000 \$112,000
	al & Additives			_	0180-01		0180-0213	\$112,000
Mud - Specia				_	0180-01		0180-0220	
Horizontal Dri	illout Services						0180-0222	\$200,000
	oe Preparation						0180-0223	\$25,000
Cementing					0180-01		0180-0225	\$60,000
	ireline Services ng / Snubbing Servic	00			0180-01 0180-01		0180-0230 0180-0234	\$362,000 \$20,000
Mud Logging	rig / Shubbling Servic	65			0180-01			\$20,000
Stimulation		61 Stg 25.3 MM gal / 25.3	MM Ib		0100 01	\$10,000	0180-0241	\$2,802,000
	entals & Other						0180-0242	\$258,000
Water & Othe	er	100% PW f/ SLWMS @ \$0	.25/bbl		0180-01		0180-0245	\$161,000
Bits	Panair Sandasa				0180-01		0180-0248	#F CO
	Repair Services umping Services				0180-01 0180-01		0180-0250 0180-0254	\$5,000 \$10,000
	wback Services				0180-01		0180-0254	\$20,000
Completion / 1	Workover Rig					4.2,300	0180-0260	\$10,500
Rig Mobilizati	on				0180-01			
Transportatio					0180-01		0180-0265	\$25,000
	struction & Maint. Se	rvices			0180-01		0180-0268	\$16,500
Directional Se	vices & Supervision	Includes Vertical Control			0180-01		0180-0270	\$81,000
Equipment Re		includes Vertical Control		_	0180-01		0180-0280	\$25,000
Well / Lease I					0180-01		0180-0280	φ23,000
Well / Lease I	Insurance				0180-01		0180-0285	
Intangible Sup	pplies				0180-01		0180-0288	\$1,000
Damages	annest DOW Facer				0180-01		0180-0290	\$10,000
Company Sur	connect, ROW Easer	nents			0180-01		0180-0292 0180-0295	\$5,000 \$46,800
Overhead Fix					0180-01		0180-0295	\$20,000
Contingencies		5% (TCP) 5% (CC)			0180-01		0180-0299	\$232,600
_			TC	TAL		\$3,001,000		\$4,884,100
	T	ANGIBLE COSTS 0181						
Casing (19.1"					0181-07	93		
Casing (10.1"		650' - 13 3/8" 54.5# J-55 ST&C @ \$47			0181-07			
Casing (8.1" - Casing (6.1" -		4350' - 9 5/8" 40# J-55 LT&C @ \$32.6			0181-07			
Casing (6.1" -	- 6.0) - 6.0")	10480' - 7" 29# HPP110 BT&C @ \$38 11110' - 4 1/2" 13.5# HCP-110 CDC-F			0181-07	96 \$435,700		\$256.000
Tubing	0.0 /	10280' - 3 1/2" 9.2# L-80 IPC Tbg @ \$			-		0181-0797 0181-0798	\$256,900 \$191,000
Drilling Head					0181-086	\$50,000		Ψ101,000
	& Upper Section						0181-0870	\$30,000
	mpletion Tools	Completion Liner Hanger					0181-0871	\$75,000
Service Pump	quip. & Artificial Lift	(1/15) TP/CP/Circ Pump			-		0181-0880	\$25,000
Storage Tank		(1/15) 8 OT/6 OT/2 GB			-		0181-0886 0181-0890	\$5,000 \$35,000
	ntrol Equipment	(1/15) 3 VRT/VRU/Flare/3 KO/AIR					0181-0890	\$49,000
Separation / T	reating Equipment	(1/15) 2 Bulk H Sep/2 Test H Sep/V S	ep/2 VHT/HHT				0181-0895	\$52,000
	etering Equipment				1		0181-0898	\$32,000
	ne-Pipe/Valves&Misc e-Pipe/Valves & Misc						0181-0900	\$31,000
	e-Pipe/Valves & Misc s/Fittings/Lines&Misc						0181-0901	007.0
	wlines - Construction				-		0181-0906 0181-0907	\$67,000 \$137,000
Cathodic Prote	ection					1	0181-0907	φ137,000
Electrical Insta							0181-0909	\$60,000
Equipment Ins							0181-0910	\$41,000
	ne - Construction e - Construction						0181-0920	\$36,000
vvater ripeline	s - Construction						0181-0921	
			ТО	TAL		\$670,900		\$1,122,900
			SUBTO	TAL		\$3,671,900		\$6,007,000
4		TOTAL	WELL COS	Т		\$9,6	78,900	
	Insurance							
		by Operator's Eutra Evannes Income	ce and pay my p	ropor	rtionate s	hare of the premiu	m.	
	Delect to be covered I	tra Evnence Incurence cours	control clean up a	ind red	irilling as es	sumated in Line Item 0	180-0185.	
	I elect to purchase my	by Operator's Extra Expense Insurance tra Expense Insurance covering costs of well your well control insurance policy.						
	I elect to purchase my	y own well control insurance policy.	elects to be cover	ed by C	Operator's v	vell control insurance.		
	I elect to purchase my	v own well control insurance policy	elects to be cover	ed by Coperato	Operator's v or reserves	vell control insurance. the right to adjust the	rate due to a c	hange in market
Joint owner acconditions.	I elect to purchase my froither box is checked a grees that item 0180-0245	y own well control insurance policy. above, non-operating working interest owner will be provided by operator, if available, at t	elects to be covere he specified rate. C	perato	or reserves	the right to adjust the	rate due to a c	hange in market
Joint owner acconditions.	I elect to purchase must reither box is checked a grees that item 0180-0245	y own well control insurance policy, above, non-operating working interest owner will be provided by operator, if available, at t Ryan McDaniel	elects to be covere he specified rate. C	Date:	11/2/20	the right to adjust the	rate due to a c	hange in market
Joint owner acconditions.	I elect to purchase my froither box is checked a grees that item 0180-0245	y own well control insurance policy, above, non-operating working interest owner will be provided by operator, if available, at t Ryan McDaniel	elects to be covere he specified rate. C	perato	or reserves	the right to adjust the	rate due to a c	hange in market
Joint owner acconditions.	I elect to purchase my If neither box is checked a grees that item 0180-0245 red by: proval:	y own well control insurance policy, above, non-operating working interest owner will be provided by operator, if available, at t Ryan McDaniel	elects to be covere he specified rate. C	Date:	11/2/20	the right to adjust the	rate due to a c	hange in market
Joint owner ag conditions. Prepa Company Ap	lelect to purchase my ff neither box is checked a grees that item 0180-0245 red by: proval: Interest:	y own well control insurance policy. above, non-operating working interest owner will be provided by operator, if available, at t Ryan McDaniel	elects to be covere he specified rate. C	Date:	11/2/20	the right to adjust the	rate due to a c	hange in market

Well Name: RED HILLS	WEST 22/15 FED COM #573H (H3NC	Prosp	pect: Red	Hills West 22		
Location: SL: 250 FSL & 1520 I	FWL; BHL: 100 FNL & 1360 FWL(15)	Co	unty: Lea			ST: NM
Sec. 22 Blk: Survey		TWP: 26S	RNG: 3	2E Prop. TVD	: 11018	TMD: 21390
		-				
Regulatory Permits & Surveys	TANGIBLE COSTS 0180	4.	0180-0100	*20.000	0180-0200	CC
Location / Road / Site / Preparation	1		0180-0105		0180-0205	\$35,000
Location / Restoration			0180-0106	\$200,000	0180-0206	\$40,000
Daywork / Turnkey / Footage Drilling	ng 23 days drlg / 3 days comp @	\$28000/d	0180-0110	\$687,800	0180-0210	\$89,700
Fuel	1700 gal/day @ \$3.9/gal		0180-0114	\$162,900	0180-0214	\$211,000
Alternate Fuels			0180-0115		0180-0215	\$112,000
Mud, Chemical & Additives			0180-0120		0180-0220	
Mud - Specialized			0180-0121	\$230,000	0180-0221	
Horizontal Drillout Services					0180-0222	\$200,000
Stimulation Toe Preparation			2100 0105	\$47F.000	0180-0223	\$25,000
Cementing			0180-0125		0180-0225 0180-0230	\$60,000 \$362,000
Logging & Wireline Services			0180-0130 0180-0134		0180-0230	\$20,000
Casing / Tubing / Snubbing Servic Mud Logging	85		0180-0137	\$15,000	0100-0204	Ψ20,000
Stimulation	61 Stg 25.3 MM gal / 25.3 MM	/ lb	0100-0107	ψ10,000	0180-0241	\$2,802,000
Stimulation Rentals & Other	01 Otg 20.0 WW gar / 20.0 WW	110			0180-0242	\$258,000
Water & Other	100% PW f/ SLWMS @ \$0.25	/bbl	0180-0145	\$35,000	0180-0245	\$161,000
Bits			0180-0148		0180-0248	
Inspection & Repair Services			0180-0150		0180-0250	\$5,000
Misc. Air & Pumping Services			0180-0154		0180-0254	\$10,000
Testing & Flowback Services			0180-0158	\$12,000	0180-0258	\$20,000
Completion / Workover Rig					0180-0260	\$10,500
Rig Mobilization			0180-0164	\$154,000		
Transportation			0180-0165		0180-0265	\$25,000
Welding, Construction & Maint. Se	rvices		0180-0168		0180-0268	
Contract Services & Supervision			0180-0170		0180-0270	\$81,000
Directional Services	Includes Vertical Control		0180-0175	\$380,000		405.000
Equipment Rental			0180-0180		0180-0280	
Well / Lease Legal			0180-0184		0180-0284	
Well / Lease Insurance			0180-0185		0180-0285 0180-0288	\$1,000
Intangible Supplies Damages			0180-0188 0180-0190		0180-0288	
Pipeline Interconnect, ROW Easer	mente		0180-0190	\$10,000	0180-0290	\$5,000
Company Supervision	Helita		0180-0195	\$93,600	0180-0292	\$46,800
Overhead Fixed Rate			0180-0196		0180-0296	
	5% (TCP) 5% (CC)		0180-0199		0180-0299	
		TOTAL		\$3,001,000		\$4,884,100
Т	ANGIBLE COSTS 0181			45,551,555		1
Casing (19.1" – 30")	ANGIBLE COSTS 0101		0181-0793			
Casing (10.1" – 19.0")	650' - 13 3/8" 54.5# J-55 ST&C @ \$47.92	D/ft	0181-0794	\$33,300		
Casing (8.1" – 10.0")	4350' - 9 5/8" 40# J-55 LT&C @ \$32.69/f		0181-0795	\$151,900		
Casing (6.1" - 8.0")	10480' - 7" 29# HPP110 BT&C @ \$38.93		0181-0796	\$435,700		
Casing (4.1" – 6.0")	11110' - 4 1/2" 13.5# HCP-110 CDC-HTC			7	0181-0797	\$256,900
Tubing	10280' - 3 1/2" 9.2# L-80 IPC Tbg @ \$17	.4/ft			0181-0798	\$191,000
Drilling Head			0181-0860	\$50,000		
Tubing Head & Upper Section					0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger				0181-0871	\$75,000
Subsurface Equip. & Artificial Lift					0181-0880	\$25,000
Service Pumps	(1/15) TP/CP/Circ Pump				0181-0886	40,000
Storage Tanks	(1/15) 8 OT/6 OT/2 GB				0181-0890	
Emissions Control Equipment Separation / Treating Equipment	(1/15) 3 VRT/VRU/Flare/3 KO/AIR	2 V/UT/LUIT			0181-0892	\$49,000
Automation Metering Equipment	(1/15) 2 Bulk H Sep/2 Test H Sep/V Sep/	∠ V⊓ I/HH I			0181-0895	\$52,000 \$32,000
Oil/Gas Pipeline-Pipe/Valves&Misc					0181-0898 0181-0900	\$32,000
Water Pipeline-Pipe/Valves & Misc					0181-0900	\$31,000
On-site Valves/Fittings/Lines&Misc					0181-0906	\$67,000
Wellhead Flowlines - Construction					0181-0907	\$137,000
Cathodic Protection					0181-0908	\$101,000
Electrical Installation					0181-0909	\$60,000
Equipment Installation					0181-0910	\$41,000
Oil/Gas Pipeline - Construction					0181-0920	\$36,000
Water Pipeline - Construction					0181-0921	
		TOTAL		\$670,900		\$1,122,900
		SUBTOTAL		\$3,671,900		\$6,007,000
	TOTAL V	VELL COST		\$9,6	78,900	
l elect to purchase m If neither box is checked Joint owner agrees that item 0180-0245	by Operator's Extra Expense Insurance dra Expense Insurance covering costs of well cc yo won well control insurance policy. above, non-operating working interest owner ele 5 will be provided by operator, if available, at the					change in market
conditions.						
Prepared by:	Ryan McDaniel	Date:	11/2/2023			
Company Approval:	white	Date:	11/3/2023			
Joint Owner Interest:	Amount:					
The second secon		Signature:				
Joint Owner Name:		Jigila.u.e				