CASE NO. 24557

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

EXHIBIT LIST

PART I

- 1. Pooling Checklist
- 2. Landman's Affidavit
 - 2-A: Plat and C-102
 - 2-B: Tract Maps and Ownership List
 - 2-C: Summary of Communications and Proposal Letters
 - 2-D: AFE

COMPULSORY POOLING APPLICATION	Page 2 of 2		
CHECKLIST			
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS			
Case: 24557	APPLICANT'S RESPONSE		
Date: June 27, 2024			
Applicant	Mewbourne Oil Company		
Designated Operator & OGRID (affiliation if applicable)	14744		
Applicant's Counsel:	James Bruce		
Case Title:	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico		
	EXHIBIT		
Entries of Appearance/Intervenors:			
Well Family	Jericho Bone Spring Wells		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Bone Spring formation		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	Entire Bone Spring formation		
Pool Name and Pool Code (Only if NSP is requested):			
Well Location Setback Rules (Only if NSP is Requested):			
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	320 acres		
Building Blocks:	40 acres		
Orientation:	East-West		
	1		

Received by OCD: 6/20/2024 11:55:00 AM	S/2N/2 §8 and S/2N/2 §7, Township 20 Sees, 3 of 26 Range 29 East, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit 2-B
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Jericho 8/7 Fed. Com. Well No. 614H
	API No. 30-015-Pending

Regeived by OCD: 6/20/2024 11:55:00 AM	Page 4 of 26
Well #2	
	•
Horizontal Well First and Last Take Points	FTP: 2200 feet FNL and 100 feet FEL §8
	LTP: 2200 feet FNL and 100 feet FWL §7
~	
Completion Target (Formation, TVD and MD)	Third Bone Spring Sand
	TVD 9149 feet, MVD 19257 feet
	1
AFE Capex and Operating Costs	
Drilling Supervision /Month C	\$8000
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 6
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
. ,	
Description of Dublish and Northwest Control of Control	5.11115
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5

Received by OCD: 6/20/2024 11:55:00 AM Ownership Determination	Page 5 of 26
Land Ownership Schematic of the Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and owners)	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	Yes
Ownership Depth Severance (including percentage above & below)	
Joinder	No severance
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Fubibit A. of IOA)	Fuhihita 2 D
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
	EXIMAL 2 B
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities Geology	Exhibit 2-D
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibit 2-A
-10	EATHAIL E / 1

Received by OCD: 6/20/2024 11:55:00 AM	Page 6 of 26
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-B
Well Orientation (with rationale)	Exhibit 3
Target Formation	Third Bone Spring Sand
HSU Cross Section	Exhibit 3-B
	21/2
Depth Severance Discussion Forms, Figures and Tables	N/A
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-B
	Fullillia 2 A
General Location Map (including basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 2-A
, and the same of	
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 3-B
Cross Section (including Landing Zene)	Exhibit 3-B
Cross Section (including Landing Zone) Additional Information	EXHIDIT 3-D
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	James Zuce
Date:	
	June 20, 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 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 24557

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 this compulsory pooling application.
- 3. The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
- 4. In this case Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 8 and the S/2N/2 of Section 7, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico (containing 320 acres). The unit will be dedicated to the Jericho 8/7 Fed. Com. Well No. 614H, with a first take point in the SE/4NE/4 of Section 8 and a last take point in the SW/4NW/4 of Section 7.
 - 5. There is no depth severance in the Bone Spring formation.
 - 6. A plat and C-102 outlining the unit being pooled are submitted as Exhibit 2-A.
- 7. The tracts in the unit, the leases, and the parties being pooled and their interests are set forth in Exhibit 2-B. The persons noted with an asterisk are being pooled.
- 8. The interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well.

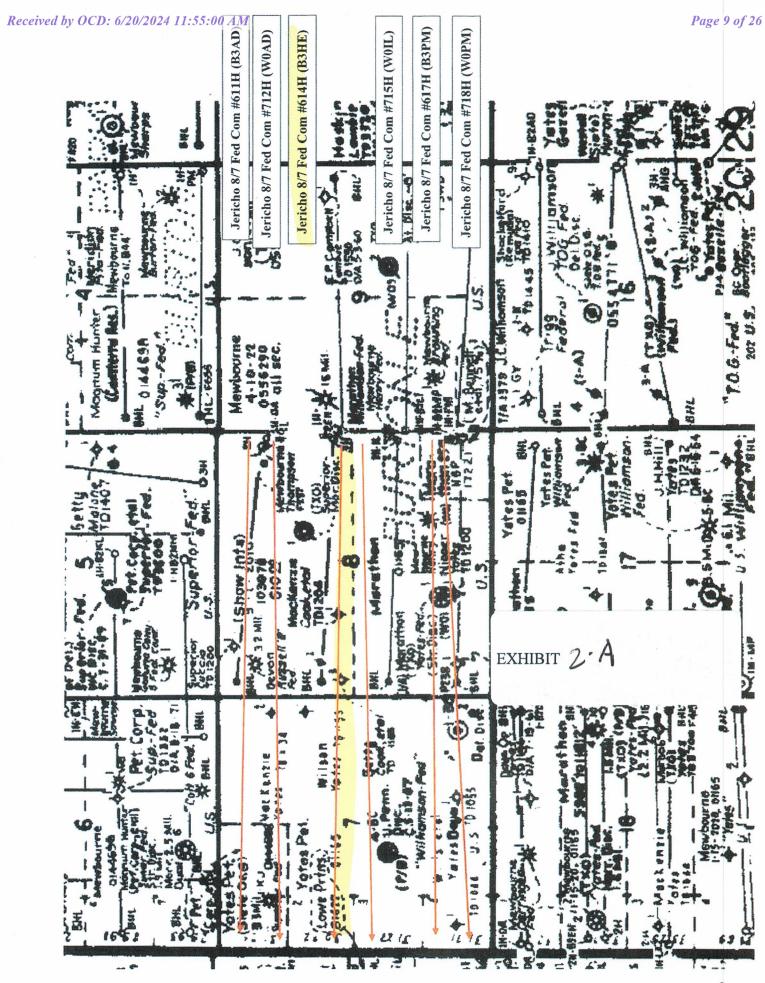
2

- 9. In order to locate the interest owners, Mewbourne examined the county and federal records, performed internet searches, checked telephone records, and searched Accurint and Whitepages. Mewbourne has made a good faith effort to locate all interest owners.
- 10. Exhibit 2-C contains sample copies of the proposal letters sent to the interest owners. Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.
- 11. Exhibit 2-D is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Eddy County.
- 12. Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 13. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against a non-consenting working interest owner.
 - 14. Mewbourne requests that it be designated operator of the well.
- 15. The attachments to this affidavit were prepared by me or compiled from company business records.
- 16. Granting this application is in the interests of conservation and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 16 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: 6/20/24

Josh Anderson



District 1
1625 N French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

		V	VELL L	OCATIO	ON AND ACE	REAGE DEDIC	CATION PLA	T		<u> </u>
	API Number	Г		6 50/10	de O	Winchest	er; Bare		ring	
⁴ Property Co		JERICHO 8/7 FED COM				Well Number				
1 47	74			MEW	8 Operator N BOURNE OI	L COMPANY				llevation 3284'
					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
A	8	20S	29E		1160	NORTH	210	EAS	ST	EDDY
Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
2	7	20S	29E		2200	NORTH	100	WES	ST	EDDY
12 Dedicated Acre.	s 13 Joint	or Infill 14	Consolidation	Code 15	Order No.					

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

16	CORNER DATA NAD 83 GRID - NM EAST	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete
	A: FOUND BRASS CAP "1916" H: FOUND BRASS CAP "1916" N: 575081.0 - E: 606409.4 N: 577725.0 - E: 616710.4	to the best of my knowledge and belief, and that this organization either
<u>GEODETIC DATA</u> NAD 83 GRID — NM EAST	B: FOUND BRASS CAP "1942" I: FOUND BRASS CAP "1916"	owns a working interest or unleased mineral interest in the land including
<u>SURFACE_LOCATION</u> N: 579205.6 - E: 616497.9	N: 577723.1 - E: 606436.7 N: 575085.0 - E: 616714.9 C: FOUND BRASS CAP "1916" J: FOUND BRASS CAP "1916"	the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or workin
LAT: 32.5920524° N	C: FOUND BRASS CAP "1916" J: FOUND BRASS CAP "1916" N: 580365.5 – E: 606463.1 N: 575086.5 – E: 614071.1	interest, or to a voluntary pooling agreement or a compulsory pooling
LONG: 104,0892902' W BOTTOM HOLE LOCATION	D: FOUND BRASS CAP "1916" K: FOUND BRASS CAP "1916" N: 580368.4 - E: 608772.1 N: 575088.6 - E: 611425.3	order heretofore entered by the division
N: 578166.2 - E: 606541.1 LAT: 32.5892540* N	E: FOUND BRASS CAP "1916" L: FOUND BRASS CAP "1916" N: 580372.5 - E: 611413.2 N: 575085.1 - E: 608784.7	Signature Date
LONG: 104.1216262* W	F: FOUND BRASS CAP "1916" M: FOUND BRASS CAP "1916" N: 580369.0 - E: 614058.1 N: 577730.5 - E: 611419.2	Printed Name
	G: FOUND BRASS CAP "1916" N: 580365.0 - E: 616706.0	E-mail Address
S 89'55'36" W 2309.57' D S 89'54'4.	" W 2641.74" EN 89'55'29" W 2645.56" EN 89'54'45" W 2648.46" ©	
	EFTP: 2.200' FNI + 100' FEL &	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this
LOT 1	25	plat was plotted from field notes of actual surveys
22000	SL	made by me or under my supervision, and that the
LOT 2	210'-	same is true and correct to the best of my belief.
ВН	N 00'05'45" w 2640 20	06/10/2024 Date of Survey
100'		Signature and Seal of Profession Survey
LOT 3	2642.5	19680
LOT 4	W. 25.7 W. 15.5	19680
LOT 4	0.00 N	Certificate Number
S 89'54'02" W 2375.87" () S 89'35'20	" W 2641.24' (K) N 89'57'17" W 2646.38' (J) N 89'58'05" W 2644.52' (1) Job No: LS24060511

Section Plat

Jericho 8/7 Fed Com #614H (B3HE)
S/2N/2 of Section 8 & S/2N/2 of Section 7

T20S-R29E, Eddy County, NM

Section 7	Section 8		
Tract 1	Tract 2		

Tract 1: Lot 2, SE/4NW/4, S/2NE/4 of Section 7 - Federal

Lease NMNM 01165

EOG Resources, Inc. Magnum Hunter Resources, Inc. WPX Energy Permian, LLC Estate of Howard E. Warren Estate of E.J. Rousuck

Tract 2: S/2N/2 of Section 8 - Federal Lease NMNM 103878

Mewbourne Oil Company Devon Energy Production Co., LP

EXHIBIT 2.B

RECAPITUALTION FOR JERICHO 8/7 FED COM #614H (B3HE)

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	150.72	48.506694%
2	160	51.493306%
TOTAL	310.72	100.000000%

T20S-R29E, Eddy County, NM			
Section 7	Section 8		
Troot 1	Troot 2		
Tract 1	Tract 2		

TRACT OWNERSHIP S/2N/2 of Section 8 & S/2N/2 of Section 7

Bone Spring Formation:

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	25.755949%
*EOG Resources, Inc.	48.115345%
Midland Division - Land Dept.	
P.O. Box 2267	
Midland, TX 79702	
*WPX Energy Permian, LLC	0.098733%
333 W. Sheridan Ave.	
Oklahoma City, OK 73102	
*Devon Energy Production Co., LP	25.746653%
333 W. Sheridan Ave.	
Oklahoma City, OK 73102	
*Magnum Hunter Resources, Inc.	0.276154%
6001 Deauville Blvd., Suite 300N	
Midland, TX 79706	
*Estate of Howard C. Warren, Deceased	0.003583%
161 North Clark Street, Suite 3100	
Chicago, IL 60601	
*Estate of E. J. Rousuck	0.003583%
Address Unknown	
TOTAL	74.244051%

Total Interest Being Pooled: 74.244051%

OWNERSHIP BY TRACT

Lots 2,	SE/4NW/4,	S/2NE/4	of Section 7	
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Owner	% of Leasehold Interest				
Mewbourne Oil Company, et al	0.019164%				
EOG Resources, Inc.	99.193205%				
WPX Energy Permian, LLC	0.203545%				
Magnum Hunter Resources, Inc.	0,569312%				
Estate of Howard C. Warren, Deceased	0.007387%				
Estate of E. J. Rousuck	0.007387%				

TOTAL 100.000000%

S/2N/2 of Section 8

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	50.000000%
Devon Energy Production Co., LP	50.000000%

TOTAL 100.000000%

Summary of Communications Jericho 8/7 Fed Com #611H (B3AD) N/2N/2 of Section 8-T20S-R29E,

Eddy County, NM &

N/2N/2 of Section 7-T20S-R29E, Eddy County, NM,

Jericho 8/7 Fed Com #614H (B3HE) S/2N/2 of Section 8-T20S-R29E,

Eddy County, NM &

S/2N/2 of Section 7-T20S-R29E, Eddy County, NM,

Jericho 8/7 Fed Com #617H (B3PM) S/2 of Section 8-T20S-R29E, Eddy

County, NM &

S/2 of Section 7-T20S-R29E, Eddy County, NM,

Jericho 8/7 Fed Com #712H (W0AD) N/2 of Section 8-T20S-R29E, Eddy

County, NM &

N/2 of Section 7-T20S-R29E, Eddy County, NM,

Jericho 8/7 Fed Com #715 (W0IL) N/2S/2 of Section 8-T20S-R29E, Eddy

County, NM &

N/2S/2 of Section 7-T20S-R29E, Eddy County, NM,

& Jericho 8/7 Fed Com #718H (W0PM)

S/2S/2 of Section 8-T20S-R29E, Eddy County, NM &

S/2S/2 of Section 7-T20S-R29E, Eddy County, NM

EOG Resources, Inc.:

12/19/2022: Mailed a Working Interest Unit Jericho 8/7 Joint Operating Agreement, as well as, Jericho 8/7 Fed Com #611H (B3AD), Jericho 8/7 Fed Com #614H (B3HE), Jericho 8/7 Fed Com #617H (B3PM), Jericho 8/7 Fed Com #712H (W0AD), Jericho 8/7 Fed Com #715H (W0IL), & Jericho 8/7 Fed Com #718H (W0PM) Well Proposals to the above listed party.

12/28/2022: The above listed party received and signed for the certified mailing of the above captioned

Joint Operating Agreement and Well Proposals.

8/2/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

8/8/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals. 8/16/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

9/14/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

1/4/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

1/11/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

1/31/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

2/1/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

3/8/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

4/4/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

4/8/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

4/10/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

4/15/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals

4/30/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

EXHIBIT 2.C

6/4/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals. 6/4/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

Ongoing: Mewbourne is currently negotiating with EOG Resources, Inc. to acquire all or a portion of their interest or execute the Joint Operating Agreement.

Devon Energy Production Company, L.P.:

2/23/2023: Mailed a Working Interest Unit Jericho 8/7 Joint Operating Agreement, as well as, Jericho 8/7 Fed Com #611H (B3AD), Jericho 8/7 Fed Com #614H (B3HE), Jericho 8/7 Fed Com #617H (B3PM), Jericho 8/7 Fed Com #712H (W0AD), Jericho 8/7 Fed Com #715H (W0IL), & Jericho 8/7 Fed Com #718H (W0PM) Well Proposals to the above listed party.

2/27/2023: The above listed party received and signed for the certified mailing of the above captioned Joint Operating Agreement and Well Proposals.

3/8/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

6/27/2023: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

2/8/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

6/6/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

6/10/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

Ongoing: Mewbourne is currently negotiating with Devon Energy Production Company, L.P. to acquire all or a portion of their interest or execute the Joint Operating Agreement.

WPX Energy Permian, LLC:

2/23/2023: Mailed a Working Interest Unit Jericho 8/7 Joint Operating Agreement, as well as, Jericho 8/7 Fed Com #611H (B3AD), Jericho 8/7 Fed Com #614H (B3HE), Jericho 8/7 Fed Com #617H (B3PM), Jericho 8/7 Fed Com #712H (W0AD), Jericho 8/7 Fed Com #715H (W0IL), & Jericho 8/7 Fed Com #718H (W0PM) Well Proposals to the above listed party.

2/27/2023: The above listed party received and signed for the certified mailing of the above captioned Joint Operating Agreement and Well Proposals.

3/8/2023: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

6/27/2023: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

2/8/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

6/6/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

6/10/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposals.

Ongoing: Mewbourne is currently negotiating with WPX Energy Permian, LLC to acquire all or a portion of their interest or execute the Joint Operating Agreement.

Davoil, Inc.:

2/23/2023: Mailed a Working Interest Unit Jericho 8/7 Joint Operating Agreement, as well as, Jericho 8/7 Fed Com #611H (B3AD), Jericho 8/7 Fed Com #614H (B3HE), Jericho 8/7 Fed Com #617H (B3PM), Jericho 8/7 Fed Com #712H (W0AD), Jericho 8/7 Fed Com #715H (W0IL), & Jericho 8/7 Fed Com #718H (W0PM) Well Proposals to the above listed party.

2/27/2023: The above listed party received and signed for the certified mailing of the above captioned Joint Operating Agreement and Well Proposals.

3/9/2023: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

Ongoing: Mewbourne is currently negotiating with Davoil, Inc. to acquire all or a portion of their interest or execute the Joint Operating Agreement.

Magnum Hunter Resources, Inc.:

2/23/2023: Mailed a Working Interest Unit Jericho 8/7 Joint Operating Agreement, as well as, Jericho 8/7 Fed Com #611H (B3AD), Jericho 8/7 Fed Com #614H (B3HE), Jericho 8/7 Fed Com #617H (B3PM), Jericho 8/7 Fed Com #712H (W0AD), Jericho 8/7 Fed Com #715H (W0IL), & Jericho 8/7 Fed Com #718H (W0PM) Well Proposals to the above listed party's predecessor in title.

3/3/2023: The above listed party's predecessor in title's certified mailing of the above captioned Joint

Operating Agreement and Well Proposals were returned.

4/11/2023: Mailed a Working Interest Unit Jericho 8/7 Joint Operating Agreement, as well as, Jericho 8/7 Fed Com #611H (B3AD), Jericho 8/7 Fed Com #614H (B3HE), Jericho 8/7 Fed Com #617H (B3PM), Jericho 8/7 Fed Com #712H (W0AD), Jericho 8/7 Fed Com #715H (W0IL), & Jericho 8/7 Fed Com #718H (W0PM) Well Proposals to the above listed party.

4/13/2023: The above listed party received and signed for the certified mailing of the above captioned Joint

Operating Agreement and Well Proposals.

3/27/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

3/28/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well

Proposals.

5/14/2024: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposals.

Ongoing: Mewbourne is currently negotiating with Magnum Hunter Resources, Inc. to acquire all or a portion of their interest or execute the Joint Operating Agreement.

Estate of Howard C. Warren, Deceased:

2/23/2023: Mailed a Working Interest Unit Jericho 8/7 Joint Operating Agreement, as well as, Jericho 8/7 Fed Com #611H (B3AD), Jericho 8/7 Fed Com #614H (B3HE), Jericho 8/7 Fed Com #617H (B3PM), Jericho 8/7 Fed Com #712H (W0AD), Jericho 8/7 Fed Com #715H (W0IL), & Jericho 8/7 Fed Com #718H (W0PM) Well Proposals to the above listed party.

2/27/2023: The above listed party received and signed for the certified mailing of the above captioned Joint

Operating Agreement and Well Proposals.

3/8/2023: Phone correspondence with above listed party regarding Working Interest Unit and Well Proposal and they indicated that they did not want to participate and would be forced pooled.

Ongoing: Mewbourne is force pooling the Estate of Howard C. Warren's interest.

Estate of E. J. Rousuck:

2/23/2023: Was never able to find an address to mail a Working Interest Unit Jericho 8/7 Joint Operating Agreement, as well as, Jericho 8/7 Fed Com #611H (B3AD), Jericho 8/7 Fed Com #614H (B3HE), Jericho 8/7 Fed Com #617H (B3PM), Jericho 8/7 Fed Com #712H (W0AD), Jericho 8/7 Fed Com #715H (W0IL), & Jericho 8/7 Fed Com #718H (W0PM) Well Proposals to the above listed party.

Ongoing: Mewbourne is currently trying to locate the Estate of E. J. Rousuck to acquire all or a portion of their interest or execute the Joint Operating Agreement.

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

December 19, 2022

Via Certified Mail

EOG Resources, Inc.
Midland Division - Land Dept.
P.O. Box 2267
Midland, Texas 79702
Attn: Land Manager

Re: Jericho "8/7" B3AD Fed Com No. 1H

1120' FNL & 210' FEL (SL) (Sec. 8) 440' FNL & 100' FWL (BHL) (Sec. 7)

Section 8/7, T20S, R29E Eddy County, New Mexico

To Whom It May Concern:

Mewbourne Oil Company ("Mewbourne") as Operator, proposes to form a 1243.88 acres Working Interest Unit ("WIU") covering all of the captioned Section 8 and the captioned Section 7 for oil and gas production. Mewbourne hereby proposes to drill the captioned well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,135 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 19,170 feet. The N/2N/2 of the captioned Section 8 and the N/2N/2 of the captioned Section 7 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our AFE dated December 8, 2022 for the captioned proposed well. Also, enclosed is a copy of our proposed Operating Agreement dated December 15, 2022 and an extra set of signature pages. In the event your firm elects to participate in the proposed WIU and well, please execute the enclosed AFE and extra set of signature pages and return to me within thirty (30) days.

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

Sincerely,

MEWBOURNE OIL COMPANY

Josh Anderson, RPL

Jul anh

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

December 19, 2022

Via Certified Mail

EOG Resources, Inc.
Midland Division - Land Dept.
P.O. Box 2267
Midland, Texas 79702
Attn: Land Manager

Re: Jericho "8/7" B3HE Fed Com No. 1H

1160' FNL & 210' FEL (SL) (Sec. 8) 2200' FNL & 100' FWL (BHL) (Sec. 7)

Section 8/7, T20S, R29E Eddy County, New Mexico

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EOG Resources, Inc.
Midland Division - Land Dept.
P.O. Box 2267
Midland, Texas 79702
Attn: Land Manager

Re: Jericho "8/7" B3PM Fed Com No. 1H

1030' FSL & 210' FEL (SL) (Sec. 8) 1310' FSL & 100' FWL (BHL) (Sec. 7)

Section 8/7, T20S, R29E Eddy County, New Mexico

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MEWBOURNE OIL COMPANY

Josh Anderson, RPL

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500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

February 23, 2023

Via Certified Mail

Devon Energy Production Company, L.P. 333 W. Sheridan Ave. Oklahoma City, Oklahoma 73102

Re:

Jericho "8/7" B3AD Fed Com No. 1H 1120' FNL & 210' FEL (SL) (Sec. 8) 440' FNL & 100' FWL (BHL) (Sec. 7) Section 8/7, T20S, R29E Eddy County, New Mexico

To Whom It May Concern:

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MEWBOURNE OIL COMPANY

Josh Anderson, RPL

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500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

February 23, 2023

Via Certified Mail

Devon Energy Production Company, L.P. 333 W. Sheridan Ave. Oklahoma City, Oklahoma 73102

Re:

Jericho "8/7" B3HE Fed Com No. 1H 1160' FNL & 210' FEL (SL) (Sec. 8) 2200' FNL & 100' FWL (BHL) (Sec. 7) Section 8/7, T20S, R29E Eddy County, New Mexico

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500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

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500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

April 11, 2023

Via Certified Mail

Magnum Hunter Resources, Inc. 600 N Marienfeld St #600 Midland, TX 79701 Attn: John Coffman

Re:

Jericho "8/7" B3AD Fed Com No. 1H 1120' FNL & 210' FEL (SL) (Sec. 8) 440' FNL & 100' FWL (BHL) (Sec. 7) Section 8/7, T20S, R29E Eddy County, New Mexico

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	AUTHORIZATIO	N FOR EXPEND	UTIC	RE				
Well Name: Ji	ERICHO 8/7 83HE FED COM #1H		Pros	pect:	HENRY/THOMPSON			
Location: SL: 1160 FNL & 210	FEL (8); BHL: 2200 FNL & 100 FWL	(7)	Co	unty:	Eddy			ST: NM
Sec. 8 Bik: Surve	у:	TWP: 2	os	RNC	3: 29	E Prop. TVD	: 9149	TMD: 19257
1	NTANGIBLE COSTS 0180			COL	E	ТСР	CODE	СС
Regulatory Permits & Surveys	TIANOBEL GOOTO TIO			0180-0			0180-0200	
Location / Road / Site / Preparation	on			0180-0	-		0180-0205	\$35,00
Location / Restoration	20.1 11.10.1	C #20000014	-	0180-0		\$200,000 \$681,400		\$100,000 \$92,90
Daywork / Turnkey / Footage Drill Fuel	ling 22 days drlg / 3 days comp 1700 gal/day @ \$3.9/gal	@ \$29000/d	-	0180-0	-	\$155,800		\$214,50
Alternate Fuels	1700 garday @ \$5.57gar		\neg	0180-0	_	\$100,000	0180-0215	\$97,00
Mud, Chemical & Additives				0180-0	120		0180-0220	
Mud - Specialized			_	0180-0	121	\$140,000	0180-0221	6200.00
Horizontal Drillout Services Stimulation Toe Preparation			_		-		0180-0222	\$200,00 \$50,00
Cementing				0180-0	125	\$145,000	0180-0225	\$50,00
Logging & Wireline Services		-		0180-0	***	\$35,000	0180-0230	\$370,00
Casing / Tubing / Snubbing Servi	ces			0180-0	-	THE RESERVE AND ADDRESS OF THE PERSON	0180-0234	\$18,00
Mud Logging	51 Ctr. 20 2 MM and / 25 2 1	MANATh		0180-0	137	\$15,000	0180-0241	\$2,912,00
Stimulation Stimulation Rentals & Other	51 Stg 20.2 MM gal / 25.3 I	IVIIVI ID	-				0180-0242	\$275,00
Water & Other				0180-0	145	\$40,000	0180-0245	\$400,00
Bits				0180-0			0180-0248	
Inspection & Repair Services			_	0180-0	-	\$50,000	0180-0250	\$5,00 \$10,00
Misc. Air & Pumping Services Testing & Flowback Services				0180-0	ALCOHOL: UNITED BOTH	\$12,000	0180-0254	\$24.00
Completion / Workover Rig				0100-0	700	\$12,000	0180-0260	\$10.50
Rig Mobilization				0180-0	164	\$150,000		
Transportation				0180-0	-		0180-0265	\$65,00
Welding, Construction & Maint. S	ervices			0180-0	-		0180-0268 0180-0270	\$15,00 \$75,00
Contract Services & Supervision Directional Services	Includes Vertical Control		_	0180-0		\$388,500	0180-0270	\$75,00
Equipment Rental	modes vertical control			0180-0	_		0180-0280	\$25,00
Well / Lease Legal				0180-0	-		0180-0284	
Well / Lease Insurance				0180-0	OCCUPANT DE		0180-0285	
Intangible Supplies				0180-0	****	\$10,000	0180-0288	
Damages Pipeline Interconnect, ROW Ease	ements			0180-0	-	\$10,000	0180-0292	\$5,00
Company Supervision	arrio (C			0180-0	_	\$94,500	0180-0295	\$36,00
Overhead Fixed Rate				0180-0			0180-0296	
Contingencies	5% (TCP) 5% (CC)			0180-0	199		0180-0299	
		TO	TAL	_	-	\$2,889,705		\$5,371,69
I am an	TANGIBLE COSTS 0181			0181-0	1703	\$68,700		
Casing (19.1" – 30") Casing (10.1" – 19.0")	400' - 20" 94# X-56 BTC @ \$135.08/ft 1300' - 13 3/8" 54.5# J-55 ST&C @ \$7			0181-0		\$126,000		
Casing (8.1" – 10.0")	3150' - 9 5/8" 40# HCL80 LT&C @ \$55	The second secon		0181-0		\$222,300		
Casing (6.1" - 8.0")	8795' - 7" 29# HPP110 BT&C @ \$59.8	33/ft		0181-0	796	\$562,100		
Casing (4.1" - 6.0")	11460' - 4 1/2" 13.5# P-110 CDC-HTQ				_		0181-0797	\$409,60 \$126,00
Tubing Drilling Head	8620' - 2 7/8" 6.5# L-80 IPC Tbg @ \$1:	3.60/ft		0181-0	1860	\$50,000	0181-0798	\$120,00
Tubing Head & Upper Section				0101-	-	\$00,000	0181-0870	\$30,00
Horizontal Completion Tools	Completion Liner Hanger						0181-0871	
Subsurface Equip. & Artificial Lift	ESP						0181-0880	
Pumping Unit Systems					-		0181-0885 0181-0886	-
Service Pumps Storage Tanks	(1/6) TP/CP/Circ pump (1/6) 6 OT/5 WT/GB		_		-		0181-0890	
Emissions Control Equipment	(1/6) VRT's/VRU/Flare/KO's						0181-0892	
Separation / Treating Equipment	(1/6) H sep/V sep/HT						0181-0895	***************************************
Automation Metering Equipment	Automation/fiber/meters						0181-0898	
Line Pipe & Valves - Gathering	(1/6) 1 mile gas & water				-		0181-0900	
Fittings / Valves & Accessories Cathodic Protection					-+		0181-0908	-
Electrical Installation							0181-0909	
Equipment Installation							0181-0910	
Pipeline Construction	(1/6) 1 mile gas & water						0181-0920	\$30,00
					-			-
		TO	TAL		-	\$1,029,100		\$1,625,10
			-					
SUBTOTAL			IAL					\$6,996,79
TOTAL WELL COST				\$10,915,600				
Operator has secure	d by Operator's Extra Expense Insurance d Extra Expense Insurance covering costs my own well control insurance policy.	ce and pay my pro s of well control, cle	oport ean u	ionate s p and rea	hare o	f the premium. as estimated in L	ine Item 018	80-0185.
housed	aling working interest owner elects to be covere	ed by Operator's well	contro	ol insuran	co.			
Prepared by:	Gavin Edington		Date:	12/	8/2022	-		
Company Approval:			Date:	_				
	Amount:	Signature	:					
Joint Owner Name:			-					