

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

**APPLICATION OF MEWBOURNE OIL  
COMPANY TO POOL ADDITIONAL  
INTERESTS UNDER ORDER NO. R-22819,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25261  
ORDER NO. R-22819**

**EXHIBIT INDEX**

|           |  |
|-----------|--|
| Exhibit A | Self-Affirmed Statement of Brad Dunn                       |
| A-1       | Application & Proposed Notice of Hearing                   |
| A-2       | Order No. R-22819  |
| A-3       | Order No. R-22819-A  |
| A-4       | Plat of Tracts, Tract Ownership, Additional Pooled Parties |
| A-5       | Sample Well Proposal Letter & AFEs                         |
| A-6       | Chronology of Contact                                      |
| Exhibit B | Self-Affirmed Statement of Dana S. Hardy                   |
| B-1       | Sample Notice Letter Sent March 19, 2025                   |
| B-2       | Postal Delivery Report                                     |
| B-3       | Electronic Return Receipts                                 |
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**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**APPLICATION OF MEWBOURNE OIL  
COMPANY TO POOL ADDITIONAL  
INTERESTS UNDER ORDER NO. R-22819,  
LEA COUNTY, NEW MEXICO**

**CASE NO. 25261  
ORDER NO. R-22819**

**SELF-AFFIRMED STATEMENT  
OF BRAD DUNN**

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

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

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

4. On August 4, 2023, the Division entered Order No. R-22819 (“Order”) in Case No. 23638, which pooled uncommitted interests in the Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County, New Mexico (“Unit”). The Order further dedicated the Unit to the Beefalo 7/6 State Com #716H well (“Well”) and designated Applicant as operator of the Unit and Well.

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

6. Following entry of the Order, Mewbourne determined there were additional interests in the Unit that had not been pooled under the terms of the Order and filed Case No. 23950 to pool those additional interests.

**Mewbourne Oil Company  
Case No. 25261  
Exhibit A**

7. On January 24, 2024, the Division entered Order No. R-22819-A, which pooled additional interests under the terms of the Order.

8. A copy of Order No. R-22819-A is attached as **Exhibit A-3**.

9. Since Order No. R-22819-A was entered, Mewbourne has identified additional uncommitted interests in the Unit that have not been pooled under the terms of the Order.

10. **Exhibit A-4** provides a plat of the tracts included in the Unit, identifies the interests in each tract, and identifies the additional uncommitted interest to be pooled under the terms of the Order, which is highlighted in yellow. The additional interest owner to be pooled is locatable.

11. **Exhibit A-5** is a sample well proposal letter and AFEs that I sent to the additional party to be pooled under the terms of the Order.

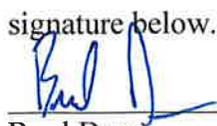
12. In my opinion, Mewbourne made a good-faith effort to reach voluntary joinder as indicated by the chronology of contact described in **Exhibit A-6**.

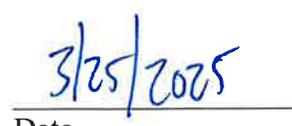
13. Mewbourne requests the additional uncommitted interest be pooled under the terms of the Order.

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

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

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

  
\_\_\_\_\_  
Brad Dunn

  
\_\_\_\_\_  
Date

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

**APPLICATION OF MEWBOURNE OIL  
COMPANY TO POOL ADDITIONAL  
INTERESTS UNDER ORDER NO. R-22819,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25261  
ORDER NO. R-22819**

**APPLICATION**

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company (“Applicant”) (OGRID No. 14744) files this application with the Oil Conservation Division (“Division”) seeking to pool additional uncommitted interests under the terms of Division Order No. R-22819. Applicant states the following in support of its application.

1. On August 4, 2023, the Division entered Order No. R-22819 (“Order”) in Case No. 23638, which pooled uncommitted interests in the Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County, New Mexico (“Unit”). The Order further dedicated the Unit to the Beefalo 7/6 State Com #716H well (“Well”) and designated Applicant as operator of the Unit and Well.

2. Following entry of the Order, Mewbourne determined there were additional interests in the Unit that had not been pooled under the terms of the Order and filed Case No. 23950 to pool the additional interests.

3. On January 24, 2024, the Division entered Order No. R-22819-A, which pooled additional interests under the terms of the Order.

4. Since Order No. R-22819-A was entered, Applicant has identified additional uncommitted interests that have not been pooled under the terms of the Order.

**Mewbourne Oil Company  
Case No. 25261  
Exhibit A-1**

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

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

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on April 10, 20225, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-22819.

Respectfully submitted,

/s/ Dana S. Hardy  
Hardy McLean LLC  
Dana S. Hardy  
Jaclyn M. McLean  
125 Lincoln Ave., Suite 223  
Santa Fe, NM 87501  
505-230-4410  
[dhardy@hardymclean.com](mailto:dhardy@hardymclean.com)  
[jmclean@hardymclean.com](mailto:jmclean@hardymclean.com)

ATTORNEYS FOR MEWBOURNE OIL  
COMPANY

**Application of Mewbourne Oil Company to Pool Additional Interests Under Order No. R-22819, Lea County, New Mexico.** Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-22819. Order No R-22819 (“Order”) pooled uncommitted interests in the Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County, New Mexico (“Unit”). The Order further dedicated the Unit to the Beefalo 7/6 State Com #716H well (“Well”) and designated Applicant as operator of the Unit and Well. The Division subsequently issued Order No. R-22819-A, which pooled additional interests under the terms of the Order. Since the entry of Order No. R-22819-A, Applicant has identified additional interests that should be pooled under the terms of the Order. The Well is located approximately 18 miles west of Hobbs, New Mexico.

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

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

**CASE NO. 23638  
ORDER NO. R-22819**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on July 6, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Mewbourne Oil Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A.
2. The Application also seeks approval of a Non-Standard horizontal spacing unit for production from all Division-designated pools underlying the Unit.
3. Operator seeks to be designated the operator of the Unit.
4. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
5. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
6. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
7. Operator identified the owners of interest in the offset oil and gas minerals from the Unit and provided evidence that notice was given.
8. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

9. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
10. Operator is the owner of an oil and gas working interest within the Unit.

**Mewbourne Oil Company  
Case No. 25261  
Exhibit A-2**

11. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
12. Operator has met the notice requirements for approval of non-standard horizontal spacing units in accordance with 19.15.16.15(B)(5) NMAC.
13. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
14. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
15. OCD's rules allow the approval of a non-standard horizontal spacing unit, after notice and opportunity for hearing, "if necessary to prevent waste or protect correlative rights" 19.15.16.15(B)(5)(a) NMAC.
16. While the OCD is authorized to approve a non-standard spacing unit, Rutter & Wilbanks Corp. v. Oil Conservation Comm'n, 1975-NMSC-006, OCD lacks the authority to approve unitization and will disapprove an application if it determines that it is actually unitization. Order R-13554 (May 18, 2012) (disapproving application for a non-standard spacing unit consisting of 16 standard spacing units).
17. Approval of the Non-Standard Spacing Unit promotes effective well spacing and allows the Operator to therefore prevent waste and protect correlative rights.
18. The Unit contains separately owned uncommitted interests in oil and gas minerals.
19. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
20. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
21. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

**ORDER**

22. The Unit is approved as a non-standard horizontal spacing unit.
23. Operator shall file Forms C-102 reflecting the correct acreage dedicated for each of the Wells.
24. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
25. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.

CASE NO. 23638  
ORDER NO. R-22819

Page 2 of 8

26. Operator is designated as operator of the Unit and the Well(s).
27. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
28. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
29. This Order shall terminate automatically if Operator fails to comply with Paragraph 28 unless Operator obtains an extension by amending this Order for good cause shown.
30. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
31. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
32. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
33. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
34. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the

Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.

35. The reasonable charges for supervision to drill and produce a well (“Supervision Charges”) shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled “Accounting Procedure-Joint Operations.”
36. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well (“Operating Charges”), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
37. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
38. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
39. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 38 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
40. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
41. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.

42. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
43. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
44. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**DYLAN M. FUGE**  
**DIRECTOR**  
DMF/hat

**Date:** 8/4/2023

CASE NO. 23638  
ORDER NO. R-22819

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Exhibit A

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| <b>COMPULSORY POOLING APPLICATION CHECKLIST</b>  |   |
|--|---|
| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS  |   |
| Case: 23638  | APPLICANT'S RESPONSE  |
| Date   | July 6, 2023  |
| Applicant  | Mewbourne Oil Company   |
| Designated Operator & OGRID (affiliation if applicable)  | OGRID No. 14744   |
| Applicant's Counsel:   | Hinkle Shanor LLP   |
| Case Title:  | Application of Mewbourne Oil Company for Compulsory Pooling and Approval of Non-Standard Spacing Unit, Lea County, New Mexico.  |
| Entries of Appearance/Intervenors:   | None  |
| Well Family  | Beefalo 7/6 State Com   |
| <b>Formation/Pool</b>  |   |
| Formation Name(s) or Vertical Extent:  | Wolfcamp  |
| Primary Product (Oil or Gas):  | Oil   |
| Pooling this vertical extent:  | Wolfcamp  |
| Pool Name and Pool Code:   | Scharb; Wolfcamp (Code 55640)   |
| Well Location Setback Rules:   | Statewide   |
| <b>Spacing Unit</b>  |   |
| Type (Horizontal/Vertical)   | Horizontal  |
| Size (Acres)   | 639.4-acres   |
| Building Blocks:   | quarter-quarter   |
| Orientation:   | South/North   |
| Description: TRS/County  | E/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County   |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>            | No. Approval of non-standard unit is being requested in this application. See Exhibit A.  |
| <b>Other Situations</b>  |   |
| Depth Severance: Y/N. If yes, description  | No  |
| Proximity Tracts: If yes, description  | No  |
| Proximity Defining Well: if yes, description   | N/A   |
| Applicant's Ownership in Each Tract  | Exhibit A-4   |
| <b>Well(s)</b>   |   |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed   |
| Well #1  | Beefalo 7/6 State Com #716H (W10B) (API # ---)<br>SHL: 420' FNL & 2330' FEL (Unit B), Section 18, T19S, R35E<br>BHL: 100' FNL & 1980' FEL (Lot 2), Section 6, T19S, R35E<br>Completion Target: Wolfcamp (Approx. 10,871' TVD) |
| Horizontal Well First and Last Take Points   | Exhibit A-2   |
| Completion Target (Formation, TVD and MD)  | Exhibit A-5   |
| <b>AFE Capex and Operating Costs</b>   |   |
| Drilling Supervision/Month \$  | \$10,000.00   |
| Production Supervision/Month \$  | \$1,000.00  |
| Justification for Supervision Costs  | Exhibit A   |

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CASE NO. 23638  
ORDER NO. R-22819

|  |                                       |
|--|---------------------------------------|
| Requested Risk Charge  | 200%                                  |
| <b>Notice of Hearing</b>   |                                       |
| Proposed Notice of Hearing   | Exhibit A-1                           |
| Proof of Mailed Notice of Hearing (20 days before hearing)   | Exhibit C-1, Exhibit C-2, Exhibit C-3 |
| Proof of Published Notice of Hearing (10 days before hearing)  | Exhibit C-4                           |
| <b>Ownership Determination</b>   |                                       |
| Land Ownership Schematic of the Spacing Unit   | Exhibit A-4                           |
| Tract List (including lease numbers and owners)  | Exhibit A-4                           |
| If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | Exhibit A-3                           |
| Pooled Parties (including ownership type)  | Exhibit A-4                           |
| Unlocatable Parties to be Pooled   | N/A                                   |
| Ownership Depth Severance (including percentage above & below)   | N/A                                   |
| <b>Joinder</b>   |                                       |
| Sample Copy of Proposal Letter   | Exhibit A-5                           |
| List of Interest Owners (ie Exhibit A of JOA)  | Exhibit A-4                           |
| Chronology of Contact with Non-Joined Working Interests  | Exhibit A-6                           |
| Overhead Rates In Proposal Letter  | Exhibit A-5                           |
| Cost Estimate to Drill and Complete  | Exhibit A-5                           |
| Cost Estimate to Equip Well  | Exhibit A-5                           |
| Cost Estimate for Production Facilities  | Exhibit A-5                           |
| <b>Geology</b>   |                                       |
| Summary (including special considerations)   | Exhibit B                             |
| Spacing Unit Schematic   | Exhibit B-1                           |
| Gunbarrel/Lateral Trajectory Schematic   | N/A                                   |
| Well Orientation (with rationale)  | Exhibit B                             |
| Target Formation   | Exhibit B                             |
| HSU Cross Section  | Exhibit B-3                           |
| Depth Severance Discussion   | N/A                                   |
| <b>Forms, Figures and Tables</b>   |                                       |
| C-102  | Exhibit A-2                           |
| Tracts   | Exhibit A-4                           |
| Summary of Interests, Unit Recapitulation (Tracts)   | Exhibit A-4                           |
| General Location Map (including basin)   | Exhibit B-1                           |
| Well Bore Location Map   | Exhibit B-2                           |
| Structure Contour Map - Subsea Depth   | Exhibit B-2                           |
| Cross Section Location Map (including wells)   | Exhibit B-3                           |
| Cross Section (including Landing Zone)   | Exhibit B-3                           |
| <b>Additional Information</b>  |                                       |
| Special Provisions/Stipulations  | N/A                                   |
| <b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>                                 |                                       |
| Printed Name (Attorney or Party Representative):   | Dana S. Hardy                         |
| Signed Name (Attorney or Party Representative):  | /s/ Dana S. Hardy                     |

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Date:

6/30/2023

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ORDER NO. R-22819

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

**APPLICATION OF MEWBOURNE OIL COMPANY,  
TO POOL AN ADDITIONAL WORKING INTEREST  
OWNER UNDER THE TERMS OF ORDER NO. R-22819,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23950  
ORDER NO. R-22819-A**

**ORDER**

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

**FINDINGS OF FACT**

1. On October 4, 2023, OCD issued Order R-22819 to Mewbourne Oil Company (“Operator”) to pool the uncommitted oil and gas interests within the specified spacing unit (“Unit”).
2. Subsequent to the issuance of Order R-22819, Operator discovered previously unidentified interest owner(s) in the Unit.
3. Operator provided evidence that it gave notice of the Application and the hearing to the previously unidentified interest owner(s).
4. Operator presented evidence through affidavits in support of the Application.
5. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. The previously unidentified interest owner(s) has not agreed to commit its interest to the Unit.
11. The pooling of the previously unidentified uncommitted interest in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.

**Mewbourne Oil Company  
Case No. 25261  
Exhibit A-3**

12. This Order affords the previously unidentified interest owner(s) the opportunity to produce its just and equitable share of the oil or gas in the pool.

**ORDER**

13. The previously unidentified uncommitted interest in the Unit is hereby pooled in the Unit.

14. Order R-22819 shall remain in full force and effect.

15. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



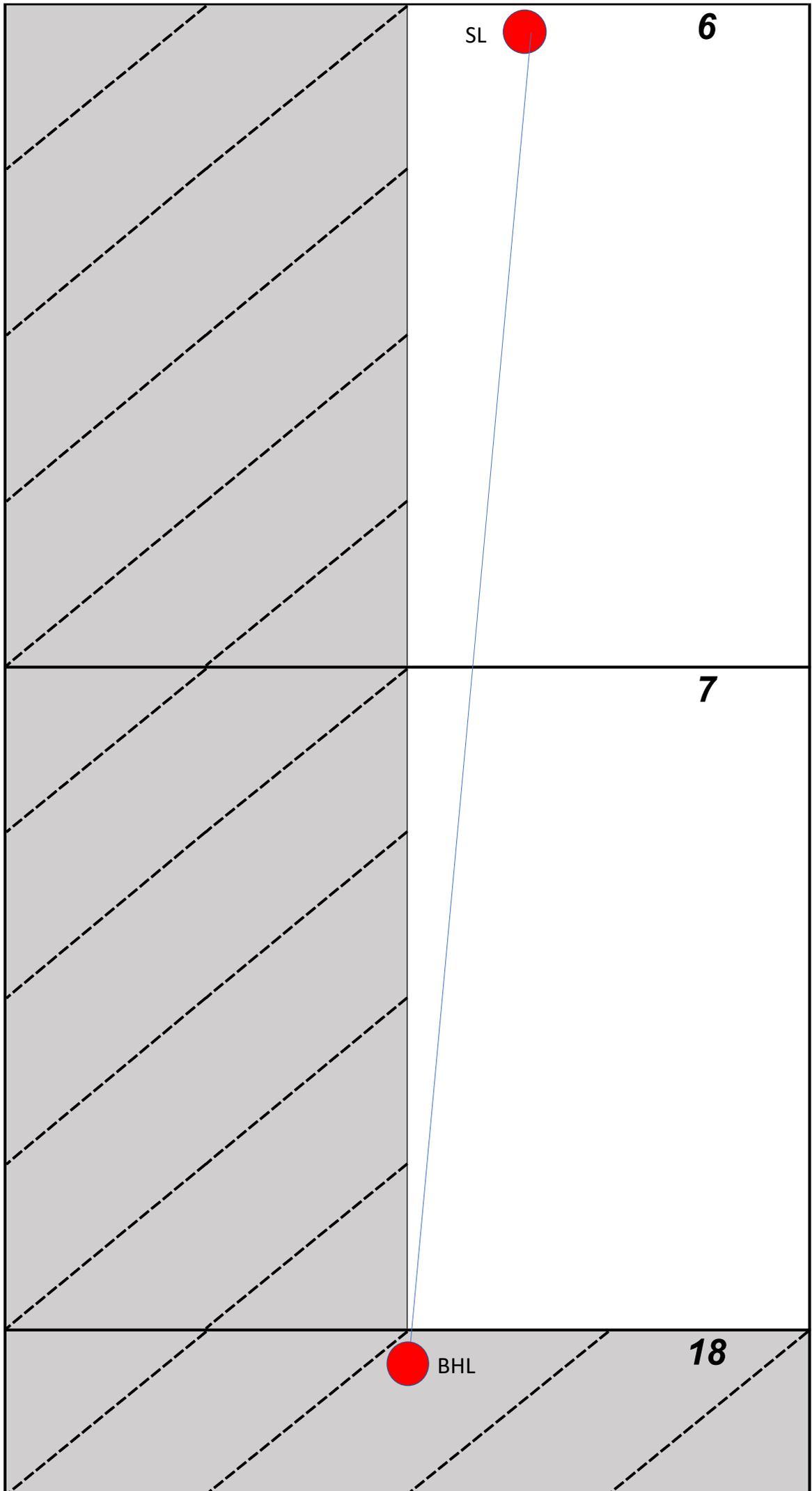
**DYLAN M FUGE**  
**DIRECTOR (ACTING)**  
DMF/hat

**Date:** 1/24/2024

CASE NO. 23950  
ORDER NO. R-22819-A

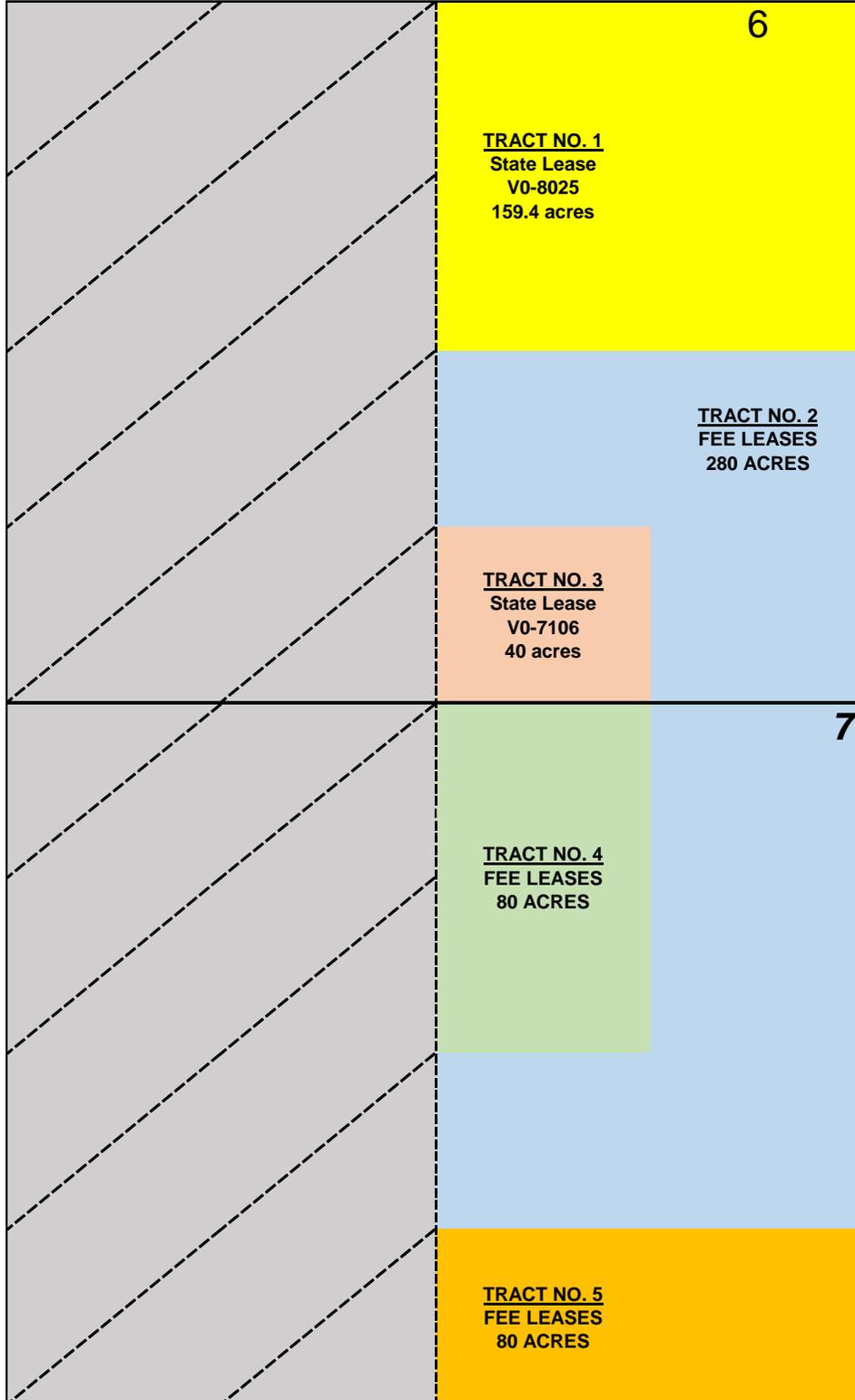
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**BEEFALO 7/6 STATE COM #716H (W1OB)  
E/2 of Sections 6 & 7, T19S, R35E  
Lea COUNTY, NM**



**Mewbourne Oil Company  
Case No. 25261  
Exhibit A-4**

**Section Plat**  
**BEEFALO 7/6 STATE COM #716H (W10B)**  
**SECTIONS 6 (E/2) & 7 (E/2), T19S, R35E**  
**LEA COUNTY, NEW MEXICO**



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

Mewbourne Oil Company, et al

**Tract No. 2:** N/2SE/4 & SE/4SE/4 Section 6 & E/2NE/4 & N/2SE/4 Section 7—MULTIPLE  
FEE LEASES

Mewbourne Oil Company, et al

Chevron USA Inc.

K-Tex Energy, LLC

Midway Minerals, LLC

Heirs or devisees of Molly Ann Brennan Smith

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

Mewbourne Oil Company, et al

**Tract No. 4:** W/2NE/4 Section 7— MULTIPLE FEE LEASES

Mewbourne Oil Company, et al

**Tract No. 5:** S/2SE/4 Section 7— MULTIPLE FEE LEASES

Mewbourne Oil Company, et al

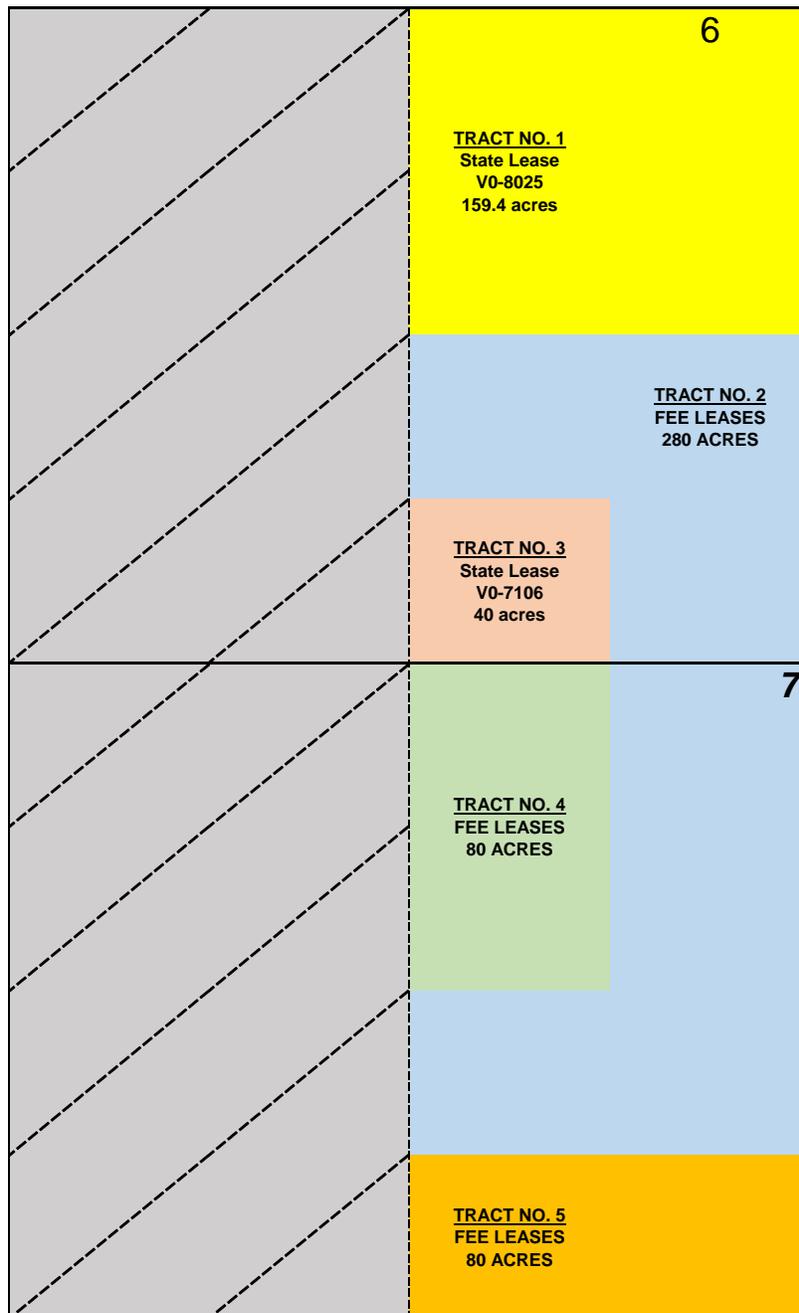
Chevron USA Inc.

K-Tex Energy, LLC

Midway Minerals, LLC

**RECAPITULATION**  
**BEEFALO 7/6 STATE COM #716H (W10B)**

| <b>Tract Number</b> | <b>Number of Acres Committed</b> | <b>Percentage of Interest In Communitized Area</b> |
|---------------------|----------------------------------|--|
| 1                   | 159.40                           | 24.929622%   |
| 2                   | 280.00                           | 43.791054%   |
| 3                   | 40.00                            | 6.255865%  |
| 4                   | 80.00                            | 12.511730%   |
| 5                   | 80.00                            | 12.511730%   |
| <b>TOTAL</b>        | <b>639.40</b>                    | <b>100.000000%</b>                                 |



**TRACT OWNERSHIP (Additional parties)**  
**BEEFALO 7/6 STATE COM #716H (W1OB)**  
**Sections 6 (E/2) & 7 (E/2), T19S, R35E**  
**Lea County, New Mexico**

**Sections 6 (E/2) & 7 (E/2)**

**Wolfcamp formation:**

|   | <u>% Leasehold Interest</u> |
|---|-----------------------------|
| Mewbourne Oil Company, et al<br>500 West Texas, Ste. 1020<br>Midland, Texas 79701 | 98.129852%                  |
| <b>CHEVRON U.S.A. INC. *</b>  | 1.636314%                   |
| <b>K-Tex Energy, LLC *</b>  | 0.016454%                   |
| <b>Midway Minerals, LLC *</b>   | 0.016454%                   |
| <b><u>Heirs or devisees of Molly Ann Brennan Smith *</u></b>                      | <u>0.200926%</u>            |
| TOTAL   | 100.000000%                 |

**\* Total interest being pooled: 1.870148%**

**OWNERSHIP BY TRACT**

**NE/4 Section 6 (159.4 acres)**

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

**N/2SE/4 & SE/4SE/4 Section 6 & E/2NE/4 & N/2SE/4 Section 7 (280 acres)**

|  | <u>% Leasehold Interest</u> |
|--|-----------------------------|
| Mewbourne Oil Company, et al                   | 95.867912%                  |
| * Chevron USA Inc.                             | 3.647715%                   |
| * Heirs or devisees of Molly Ann Brennan Smith | 0.446429%                   |
| * K-Tex Energy, LLC                            | 0.018972%                   |
| * Midway Minerals, LLC                         | 0.018972%                   |
|  | <hr/>                       |
|  | 100.000000%                 |

\*Parties to be pooled highlighted in yellow.

**SW/4SE/4 Section 6 (40 acres)**

Mewbourne Oil Company, et al

% Leasehold Interest

100.000000%

---

100.000000%

**W/2NE/4 Section 7 (80 acres)**

Mewbourne Oil Company, et al

% Leasehold Interest

100.000000%

---

100.000000%

**S/2SE/4 Section 7 (80 acres)**

Mewbourne Oil Company, et al

% Leasehold Interest

99.558553%

\* Chevron USA Inc.

0.311239%

\* K-Tex Energy, LLC

0.065104%

\* Midway Minerals, LLC

0.065104%

---

100.000000%

## MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

August 24, 2023

Via Certified Mail

CHEVRON U.S.A. INC.  
1400 Smith Street  
Houston, TX 77002  
Attn: Permian Land Manager

Re:

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

Ladies and Gentlemen:

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

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

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

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

**Mewbourne Oil Company**  
**Case No. 25261**  
**Exhibit A-5**

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

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

Sincerely,

**MEWBOURNE OIL COMPANY**

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

Brad Dunn  
Petroleum Landman

### MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

|            |  |           |   |
|------------|--|-----------|---|
| Well Name: | BEEFALO 7/6 STATE COM #716H (W1OB)                       | Prospect: | SANTA VACA 19/18                              |
| Location:  | SL: 420 FNL & 2330 FEL (18); BHL: 100 FNL & 1980 FEL (6) | County:   | Lea ST: NM                                    |
| Sec. 7     | Blk:   | Survey:   | TWP: 19S RNG: 35E Prop. TVD: 10871 TMD: 21000 |

| INTANGIBLE COSTS 0180   | CODE      | TCP                | CODE      | CC                 |
|---|-----------|--------------------|-----------|--------------------|
| Regulatory Permits & Surveys  | 0180-0100 | \$20,000           | 0180-0200 |                    |
| Location / Road / Site / Preparation  | 0180-0105 | \$40,000           | 0180-0205 | \$35,000           |
| Location / Restoration  | 0180-0106 | \$200,000          | 0180-0206 | \$45,000           |
| Daywork / Turnkey / Footage Drilling 24 days drlg / 3 days comp @ \$30000/d | 0180-0110 | \$769,000          | 0180-0210 | \$96,100           |
| Fuel 1700 gal/day @ \$3.9/gal   | 0180-0114 | \$169,900          | 0180-0214 | \$398,000          |
| Alternate Fuels   | 0180-0115 |                    | 0180-0215 | \$121,000          |
| Mud, Chemical & Additives   | 0180-0120 | \$45,000           | 0180-0220 |                    |
| Mud - Specialized   | 0180-0121 | \$250,000          | 0180-0221 |                    |
| Horizontal Drillout Services  |           |                    | 0180-0222 | \$200,000          |
| Stimulation Toe Preparation   |           |                    | 0180-0223 | \$40,000           |
| Cementing   | 0180-0125 | \$130,000          | 0180-0225 | \$55,000           |
| Logging & Wireline Services   | 0180-0130 | \$34,000           | 0180-0230 | \$591,000          |
| Casing / Tubing / Snubbing Services   | 0180-0134 | \$35,000           | 0180-0234 | \$15,000           |
| Mud Logging   | 0180-0137 | \$15,000           |           |                    |
| Stimulation 81 Stg 25.3 MM gal / 25.3 MM lb                                 |           |                    | 0180-0241 | \$3,587,000        |
| Stimulation Rentals & Other   |           |                    | 0180-0242 | \$343,000          |
| Water & Other 100% FW @ \$1.00/bbl  | 0180-0145 | \$35,000           | 0180-0245 | \$639,000          |
| Bits  | 0180-0148 | \$94,000           | 0180-0248 |                    |
| Inspection & Repair Services  | 0180-0150 | \$50,000           | 0180-0250 | \$5,000            |
| Misc. Air & Pumping Services  | 0180-0154 |                    | 0180-0254 | \$10,000           |
| Testing & Flowback Services   | 0180-0158 | \$12,000           | 0180-0258 | \$24,000           |
| Completion / Workover Rig   |           |                    | 0180-0260 | \$10,500           |
| Rig Mobilization  | 0180-0164 | \$154,000          |           |                    |
| Transportation  | 0180-0165 | \$30,000           | 0180-0265 | \$25,000           |
| Welding, Construction & Maint. Services                                     | 0180-0168 | \$4,000            | 0180-0268 | \$16,500           |
| Contract Services & Supervision   | 0180-0170 | \$170,100          | 0180-0270 | \$78,000           |
| Directional Services Includes Vertical Control                              | 0180-0175 | \$357,000          |           |                    |
| Equipment Rental  | 0180-0180 | \$168,200          | 0180-0280 | \$20,000           |
| Well / Lease Legal  | 0180-0184 | \$5,000            | 0180-0284 |                    |
| Well / Lease Insurance  | 0180-0185 | \$5,400            | 0180-0285 |                    |
| Intangible Supplies   | 0180-0188 | \$7,000            | 0180-0288 | \$1,000            |
| Damages   | 0180-0190 | \$20,000           | 0180-0290 | \$10,000           |
| Pipeline Interconnect, ROW Easements  | 0180-0192 |                    | 0180-0292 | \$5,000            |
| Company Supervision   | 0180-0195 | \$97,200           | 0180-0295 | \$43,200           |
| Overhead Fixed Rate   | 0180-0196 | \$10,000           | 0180-0296 | \$20,000           |
| Contingencies 5% (TCP) 5% (CC)  | 0180-0199 | \$146,300          | 0180-0299 | \$321,700          |
| <b>TOTAL</b>  |           | <b>\$3,073,100</b> |           | <b>\$6,755,000</b> |

| TANGIBLE COSTS 0181   | CODE      | TCP                | CODE      | CC                  |
|---|-----------|--------------------|-----------|---------------------|
| Casing (19.1" - 30")  | 0181-0793 |                    |           |                     |
| Casing (10.1" - 19.0") 1850' - 13 3/8" 54.5# J-55 ST&C @ \$76.3/ft                  | 0181-0794 | \$150,800          |           |                     |
| Casing (8.1" - 10.0") 3600' - 9 5/8" 40# HCL80 LT&C @ \$60.83/ft                    | 0181-0795 | \$233,900          |           |                     |
| Casing (6.1" - 8.0") 10375' - 7" 29# HPP110 BT&C @ \$59.83/ft                       | 0181-0796 | \$662,900          |           |                     |
| Casing (4.1" - 6.0") 10825' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft             |           |                    | 0181-0797 | \$387,000           |
| Tubing 10150' - 3 1/2" 9.2# L-80 IPC Tbg @ \$23.11/ft                               |           |                    | 0181-0798 | \$250,500           |
| Drilling Head   | 0181-0860 | \$50,000           |           |                     |
| Tubing Head & Upper Section   |           |                    | 0181-0870 | \$30,000            |
| Horizontal Completion Tools Completion Liner Hanger                                 |           |                    | 0181-0871 | \$75,000            |
| Subsurface Equip. & Artificial Lift   |           |                    | 0181-0880 | \$25,000            |
| Service Pumps (1/5) TP/CP/Circ pump   |           |                    | 0181-0886 | \$7,000             |
| Storage Tanks (1/5) 6 OT/5 WT/GB  |           |                    | 0181-0890 | \$82,000            |
| Emissions Control Equipment (1/5) 3 VRT/1 VRU/1 Flare/3 KO/1 AIR                    |           |                    | 0181-0892 | \$81,000            |
| Separation / Treating Equipment (1/5) 1 Bulk H Sep/2 Test H Sep/1 V Sep/2 VHT/1 HHT |           |                    | 0181-0895 | \$52,000            |
| Automation Metering Equipment   |           |                    | 0181-0898 | \$44,000            |
| Oil/Gas Pipeline-Pipe/Valves&Misc (1/5) Gas Line & GL Injection                     |           |                    | 0181-0900 | \$16,000            |
| Water Pipeline-Pipe/Valves & Misc   |           |                    | 0181-0901 |                     |
| On-site Valves/Fittings/Lines&Misc  |           |                    | 0181-0906 | \$125,000           |
| Wellhead Flowlines - Construction   |           |                    | 0181-0907 | \$54,000            |
| Cathodic Protection   |           |                    | 0181-0908 |                     |
| Electrical Installation   |           |                    | 0181-0909 | \$114,000           |
| Equipment Installation  |           |                    | 0181-0910 | \$70,000            |
| Oil/Gas Pipeline - Construction   |           |                    | 0181-0920 | \$15,000            |
| Water Pipeline - Construction   |           |                    | 0181-0921 | \$9,000             |
| <b>TOTAL</b>  |           | <b>\$1,097,600</b> |           | <b>\$1,436,500</b>  |
| <b>SUBTOTAL</b>   |           | <b>\$4,170,700</b> |           | <b>\$8,191,500</b>  |
| <b>TOTAL WELL COST</b>  |           |                    |           | <b>\$12,362,200</b> |

Extra Expense Insurance

I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.  
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.

I elect to purchase my own well control insurance policy.  
If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.

Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.

Prepared by: Andy Taylor Date: 3/31/2023

Company Approval:  Date: 4/3/2023

Joint Owner Interest: \_\_\_\_\_ Amount: \_\_\_\_\_

Joint Owner Name: \_\_\_\_\_ Signature: \_\_\_\_\_

**Summary of Communications**  
**BEEFALO 7/6 STATE COM #716H**

**CHEVRON USA INC.**

- 1) 8/24/2023: Well proposal letter with AFEs are sent via certified mail.
- 2) 9/6/2023: Well proposal letter with AFEs delivered to owner.
- 3) 9/6/2023: Phone correspondence with owner answering questions about their interest. Made an offer to owner purchase their interest. Owner evaluating offer.
- 4) 12/4/2023: Phone correspondence with owner answering questions about their interest. Owner still evaluating offer.
- 5) 1/29/2024: Email correspondence with owner discussing drafting a term assignment to assign interest to Mewbourne.
- 6) 6/28/2024: Email correspondence with owner discussing the term assignment and various red-lined versions.
- 7) 8/29/2024: Email correspondence with owner discussing title.
- 8) 1/27/2025: Email correspondence with owner discussing term assignment.
- 9) 3/25/2025: Owner hasn't participated yet or signed the JOA. Nothing has yet to actually be agreed upon on the term assignment.

**Midway Minerals, LLC**

- 10) 4/6/2023: Well proposal letter with AFEs are sent via certified mail.
- 11) 4/12/2023: Well proposal letter with AFEs delivered to owner.
- 12) 11/21/2023: Phone and Email correspondence with owner answering questions about their interest. Owner disagrees with what they own.
- 13) 4/29/2024: Email correspondence with owner discussing title.
- 14) 11/7/2024: Email correspondence with owner discussing title.
- 15) 2/14/2025: Email correspondence with owner discussing title.
- 16) 3/21/2025: Owner still disagrees with their interest as it has been described in the title opinion. Owner has not provided sufficient evidence leading to supporting his conclusion on the matter.

**K-Tex Energy, LLC**

- 1) 4/6/2023: Well proposal letter with AFEs are sent via certified mail.
- 2) 4/12/2023: Well proposal letter with AFEs delivered to owner.
- 3) 11/21/2023: Phone and Email correspondence with owner answering questions about their interest. Owner disagrees with what they own.
- 4) 4/29/2024: Email correspondence with owner discussing title.
- 5) 11/7/2024: Email correspondence with owner discussing title.
- 6) 2/14/2025: Email correspondence with owner discussing title.

**Mewbourne Oil Company**  
**Case No. 25261**  
**Exhibit A-6**

- 7) 3/21/2025: Owner still disagrees with their interest as it has been described in the title opinion. Owner has not provided sufficient evidence leading to supporting his conclusion on the matter.

Heirs or devisees of Molly Ann Brennan Smith

- 1) 1/14/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/22/2025: Well proposal letter with AFEs returned to sender due to being sent to an invalid address.
- 3) 1/22/2025: Detailed search on internet for another address.
- 4) 1/23/2025: Well proposal letter with AFEs are sent via certified mail to another address found.
- 5) 1/28/2025: Well proposal letter with AFEs delivered to owner.
- 6) 3/25/2025: Never heard back from owner. Nothing has been signed.

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

**APPLICATION OF MEWBOURNE OIL  
COMPANY TO POOL ADDITIONAL  
INTERESTS UNDER ORDER NO. R-22819,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25261  
ORDER NO. R-22819**

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

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

2. I am familiar with the Notice Letter attached as **Exhibit B-1**, and caused the Notice Letter, along with the Application in this case, to be sent to the parties listed in the Postal Delivery Report attached as **Exhibit B-2**.

3. Exhibit B-2 also provides the date the Notice Letter was sent, along with the delivery status of each.

4. An electronic return receipt is attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.

5. On March 23, 2025, I caused a notice to be published in the Hobbs News - Sun. An Affidavit of Publication from the legal clerk of the Hobbs News - Sun along with a copy of the Notice Publication, is attached as **Exhibit B-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony 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.

/s/Dana S. Hardy  
Dana S. Hardy

March 27, 2025  
Date

**Mewbourne Oil Company  
Case No. 25261  
Exhibit B**



March 19, 2025

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: ALL PERSONS ENTITLED TO NOTICE**

**Re: Case No. 25261 - Application of Mewbourne Oil Company to Pool Additional Interests Under Order No. R-22819, Lea County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division ("OCD"). The hearing will be conducted on **April 10, 2025**, beginning at 9:00 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1<sup>st</sup> Floor, Santa Fe, NM 87505. The hearing may be held only virtually at the discretion of the Division. To confirm the manner in which the hearing will be held, and to participate virtually, please visit the OCD Hearings website at the following link:

<https://www.emnrd.nm.gov/ocd/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days prior to the scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. If you are not registered with OCD's E-Permitting system, you must submit the statement via e-mail to [ocd.hearings@emnrd.nm.gov](mailto:ocd.hearings@emnrd.nm.gov) and should include: the names of the parties; whether or not the parties are represented by counsel; a concise statement of the case; the names of witnesses anticipated to be called to testify at the hearing; the approximate amount of time needed to present the case; and an identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Brad Dunn, Landman at Mewbourne Oil Company at [bdunn@mewbourne.com](mailto:bdunn@mewbourne.com).

---

125 Lincoln Avenue, Suite 223  
Santa Fe, NM 87501  
505-230-4410

HardyMcClean.com

**Writer:**  
Jaclyn M. McLean  
Managing Partner  
[jmclean@hardymcClean.com](mailto:jmclean@hardymcClean.com)

**Mewbourne Oil Company**  
**Case No. 25261**  
**Exhibit B-1**

Hardy McLean LLC  
March 19, 2025

Page 2

Sincerely,  
/s/ Jaclyn M. McLean  
Jaclyn M. McLean

Postal Delivery Report  
MEWBOURNE OIL COMPANY CASE NO. 25261

| <b>Recipient</b>   | <b>Date Mailed</b> | <b>USPS Tracking Number</b> | <b>Date Received</b> | <b>Delivery Status</b> |
|--|--------------------|-----------------------------|----------------------|------------------------|
| Heirs or devisees of Molly Ann Brennan Smith Attn: Terry Smith | 3/19/2025          | 9414836208551280003634      | 3/25/2025            | Delivered              |
| Chevron U.S.A. Inc. Attn: Permian Land Manager                 | 3/19/2025          | 9414836208551280003658      | 3/25/2025            | Delivered              |
| Midway Minerals, LLC   | 3/19/2025          | 9414836208551280003689      | 3/27/2025            | In Transit             |
| K-Tex Energy, LLC Attn: Permian Land Manager                   | 3/19/2025          | 9414836208551280003641      | 3/24/2025            | Delivered              |

**Mewbourne Oil Company**  
**Case No. 25261**  
**Exhibit B-2**



March 24, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1280 0036 41**.

**Item Details**

**Status:** Delivered, Front Desk/Reception/Mail Room  
**Status Date / Time:** March 24, 2025, 11:29 am  
**Location:** DALLAS, TX 75204  
**Postal Product:** First-Class Mail®  
**Extra Services:** Certified Mail™  
 Return Receipt Electronic  
**Recipient Name:** K Tex Energy LLC

**Recipient Signature**

|                         |  |
|-------------------------|--|
| Signature of Recipient: |   |
| Address of Recipient:   |  |

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

K-Tex Energy, LLC  
 Attn: Permian Land Manager  
 4131 N. Central Expressway  
 Ste 900  
 Dallas, TX 75204

**Mewbourne Oil Company**  
**Case No. 25261**  
**Exhibit B-3**



March 25, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1280 0036 34.**

**Item Details**

|                            |  |
|----------------------------|--|
| <b>Status:</b>             | Delivered, Left with Individual              |
| <b>Status Date / Time:</b> | March 25, 2025, 11:20 am                     |
| <b>Location:</b>           | HOUSTON, TX 77027                            |
| <b>Postal Product:</b>     | First-Class Mail®                            |
| <b>Extra Services:</b>     | Certified Mail™<br>Return Receipt Electronic |
| <b>Recipient Name:</b>     | Heirs or devisees of Molly Ann Brennan Smith |

**Recipient Signature**

|                         |  |
|-------------------------|--|
| Signature of Recipient: |   |
| Address of Recipient:   |  |

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

|  |
|--|
| Heirs or devisees of Molly Ann Brennan Smith<br>Attn: Terry Smith<br>3431 Overbrook Ln.<br>Houston, TX 77027 |
|--|



March 25, 2025

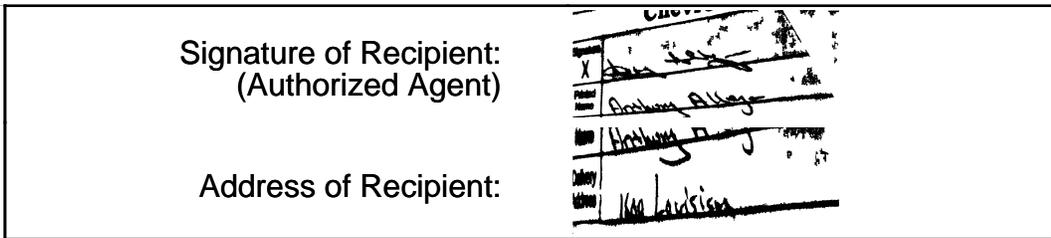
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1280 0036 58.**

**Item Details**

|                            |  |
|----------------------------|--|
| <b>Status:</b>             | Delivered to Agent, Picked up at USPS        |
| <b>Status Date / Time:</b> | March 25, 2025, 1:00 pm                      |
| <b>Location:</b>           | HOUSTON, TX 77002                            |
| <b>Postal Product:</b>     | First-Class Mail®                            |
| <b>Extra Services:</b>     | Certified Mail™<br>Return Receipt Electronic |
| <b>Recipient Name:</b>     | Chevron U S A Inc                            |

**Recipient Signature**



Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

|   |
|---|
| <p>Chevron U.S.A. Inc.<br/>Attn: Permian Land Manager<br/>1400 Smith Street<br/>Houston, TX 77002</p> |
|---|

# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
March 23, 2025  
and ending with the issue dated  
March 23, 2025.



Publisher

Sworn and subscribed to before me this  
23rd day of March 2025.



Business Manager

My commission expires  
January 29, 2027

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

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

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| LEGAL  | LEGAL |
| <b>LEGAL NOTICE</b><br>March 23, 2025  |       |
| <p>This is to notify all interested parties, including; K-Tex Energy, LLC; Midway Minerals, LLC; Heirs or devisees of Molly Ann Brennan Smith; Chevron U.S.A. Inc.; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted by Mewbourne Oil Company ("Applicant") (Case No. 25261). The hearing will be conducted on April 10, 2025, in a hybrid fashion, both virtually and in person at the Energy, Minerals, Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD website: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. In Case No. 25261, Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-22819. Order No R-22819 ("Order") pooled uncommitted interests in the Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 South, Range 35 East, Lea County, New Mexico ("Unit"). The Order further dedicated the Unit to the Beefalo 7/6 State Com #716H well ("Well") and designated Applicant as operator of the Unit and Well. The Division subsequently issued Order No. R-22819-A, which pooled additional interests under the terms of the Order. Since the entry of Order No. R-22819-A, Applicant has identified additional interests that should be pooled under the terms of the Order. The Well is located approximately 18 miles west of Hobbs, New Mexico.<br/>#00299368</p> |       |

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00299368

HARDY MCLEAN LLC  
125 LINCOLN AVE, STE. 223  
SANTA FE, NM 87501

**Mewbourne Oil Company**  
**Case No. 25261**  
**Exhibit B-4**