CASE NO. 25327

APPLICATION OF MEWBOURNE OIL COMPANY TO POOL ADDITIONAL INTEREST OWNERS, EDDY COUNTY, NEW MEXICO

EXHIBIT LIST

- 1. Landman's Affidavit
 - 1-A: Order No. R-23300
 - 1-B: Land Plats
 - 1-C: Tract Ownership
 - 1-D: Summary of Contacts, Proposal Letter, and AFEs
- 2. Affidavit of Certified Mailing
 - 2-A: Notice Letter and Receipts
 - 2-B: Certified Notice Spreadsheet
- 3. Affidavit of Publication
- 4. Application and Proposed Notice

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF MEWBOURNE OIL COMPANY TO COMPULSORY POOL ADDITIONAL INTEREST OWNERS UNDER ORDER NO. R-23300, EDDY COUNTY, NEW MEXICO.

Case No. 25327

VERIFIED STATEMENT OF CARSON CULLEN

Carson Cullen 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. The purpose of this application is to force pool working interest owners into the Wolfcamp horizontal spacing unit described below, and in wells to be drilled in the unit.

3. Order No. R-23300, attached as Exhibit 1-A, approved a 640-acre horizontal spacing unit in the Wolfcamp formation comprised of the S/2 of Section 9 and the S/2 of Section 8, Township 22 South, Range 27 East, NMPM. A land plat outlining the unit being pooled is attached hereto as Exhibit 1-B. The order pooled numerous mineral interest owners in the Wolfcamp formation underlying the unit. The unit is dedicated to the Sandlot 9/8 Fee Well No. 716H and Sandlot 9/8 Fee Well No. 718H.

4. There are no depth severances in the Wolfcamp formation.

5. The parties being pooled and their interests are set forth in Exhibit 1-C. Their current and correct addresses are also set forth. To locate the parties, we examined county and government records, and also conducted internet searches including Google and Drillinginfo.

6. Exhibit 1-D contains a summary of contacts with the interest owners, together with a sample copy of the proposal letter sent to them. In addition, I have had multiple phone calls and e-mails with the interest owners.

7. The interest owners being pooled agreed to commit their interests to the proposed wells before the original hearing, but documentation of their joinder has not yet been signed by them.

EXHIBIT

8. Mewbourne has made a good faith effort to locate and obtain the voluntary joinder of the working interest and mineral owners in the proposed wells.

9. Exhibit **1**-D also contains the Authorization for Expenditure for each proposed well. The estimated cost of the wells set forth therein are fair and reasonable, and are comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.

10. Order No. R-23300 approved Mewbourne's requested overhead and administrative rates of \$10000/month for a drilling well and \$1000/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.

11. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

12. Order No. R-23300 designated Mewbourne as operator of the subject wells.

13. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.

14. The granting of this application is in the interests of conservation and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 14 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.

-1-2025

Date

entil

Carson Cullen

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

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

CASE NO. 23709 ORDER NO. R-23300

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on November 2, 2023, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, 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. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

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

EXHIBIT /-

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

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

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 20. 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.
- 21. This Order shall terminate automatically if the Operator fails to comply with the preceding paragraph unless the Operator requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and the Operator must set the case for a hearing.
- 22. Operator may propose reasonable deviations from the development plan via notice to the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and the Operator must set the case for a hearing.

CASE NO. 23709 ORDER NO. R-23300

Page 2 of 9

- 23. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 24. 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").
- 25. 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 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."
- 26. 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.
- 27. 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 that exceed the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 28. 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."
- 29. 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

CASE NO. 23709 ORDER NO. R-23300

Page 3 of 9

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.

- 30. 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.
- 31. 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.
- 32. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to the preceding paragraph to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 33. 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.
- 34. 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.
- 35. 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.*
- 36. 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.
- 37. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

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CASE NO. 23709 ORDER NO. R-23300

Page 4 of 9

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Date: 8/28/2024

GERASIMOS RAZATOS DIRECTOR (Acting) GR/jag

CASE NO. 23709 ORDER NO. R-23300

Page 5 of 9

Exhibit A

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Page 7 of 11

COMPULSORY POOLING APPLICATION CHECKLIST				
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS				
Case: 23709	APPLICANT'S RESPONSE			
Date: November 2, 2023				
Applicant	Mewbourne Oil Company			
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID 14744			
Applicant's Counsel:	James Bruce			
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico			
Entries of Appearance/Intervenors:	Magnum Hunter Production, Inc./Darin Savage American Energy Research, LLC/Jonathan Samaniego			
Well Family	Sandlot Wolfcamp wells			
Formation/Pool				
Formation Name(s) or Vertical	Wolfcamp			
Extent:				
Primary Product (Oil or Gas):	Gas			
Pooling this vertical extent:	Entire Wolfcamp formation			
Pool Name and Pool Code:	Purple Sage; Wolfcamp/Pool Code 98220			
Well Location Setback Rules:	Statewide Rules and Purple Sage Special Rules			
Spacing Unit				
Type (Horizontal/Vertical)	Horizontal			
Size (Acres)	640 acres			
Building Blocks:	320 acres			
Orientation:	East-West			
Description: TRS/County	S/2 §9 and S/2 §8, Township 22 South, Range 27 East, NMPM, Eddy County			
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-</u> <u>standard unit requested in this</u> <u>application?</u>	Yes EXHIBIT 1 EXHIBIT 1			
Other Situations				
Depth Severance: Y/N. If yes, description	Ν			
Proximity Tracts: If yes, description	N			

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CASE NO. 23709 ORDER NO. R-23300

Page 6 of 9

Page 8 of 11

Page	e 10 of 32

description Applicant's Ownership in Each	Exhibit 2-B
Tract	
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	Sandlot 9/8 Fee Well No. 716H f/k/a Sandlot 9/8 WOIL Fee Well No. 1H
	API No. 30-015-48078
	SHL: 1165 FSL & 365 FWL §10-225-27E
	BHL: 1980 FSL & 330 FWL §8
	FTP: 1980 FSL & 330 FEL §9
	LTP: 1980 FSL & 330 FWL §8
	Wolfcamp/TVD 8774 feet/MD 19306 feet
Well #2	Sandlot 9/8 Fee Well No. 718H f/k/a Sandlot 9/8 W0PM Fee Well No. 1
	API No. 30-015-48077
	SHL: 1135 FSL & 365 FWL §10-22S-27E
	BHL: 660 FSL & 330 FWL §8
	FTP: 660 FSL & 330 FEL §9
	LTP: 660 FSL & 330 FWL §8
	Wolfcamp/TVD 8774 feet/MD 19306 feet
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10000
Production Supervision/Month \$	\$1000
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost plus 200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 8
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 5
Proof of Published Notice of Hearing (10 days before hearing)	N/A

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CASE NO. 23709 ORDER NO. R-23300

Page 7 of 9

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Page 9 of 11

Land Ownership Schematic of	
the Spacing Unit	Exhibit 2-B
Tract List (including lease	
numbers and owners)	Exhibit 2-B
If approval of Non-Standard	
Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	
Pooled Parties (including	
ownership type)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance (including percentage above & below)	No Depth Severance
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-A and 3-A
Gunbarrel/Lateral Trajectory	
Schematic	Exhibits 3-B and 3-C
Well Orientation (with	
rationale)	East-West; Exhibits 3, 3-A, and 3-C
Target Formation	Wolfcamp
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2-A

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CASE NO. 23709 ORDER NO. R-23300

Page 10 of 11

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Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits 2-B
General Location Map (including	
basin)	Exhibits 3-A and 3-C
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibits 3-A and 3-B
Cross Section Location Map (including wells)	Exhibits 3-A and 3-B
Cross Section (including Landing Zone)	Exhibit 3-B
Additional Information	
Special Provisions/Stipulations	See Exhibit A-1 attached hereto
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	Janus Byrece
Date:	October 26, 2023 Hertive

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CASE NO. 23709 ORDER NO. R-23300

Page 9 of 9

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Sandlot 9/8 FEE #716H Sections 8 (S/2) & 9 (S/2), T22S, R27E EDDY COUNTY, NM



EXHIBIT 1.B

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Sandlot 9/8 FEE #718H Sections 8 (S/2) & 9 (S/2), T22S, R27E EDDY COUNTY, NM



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CASE NOS. 25326 & 25327

TRACT OWNERSHIP (Wolfcamp formation)

Sandlot 9/8 Fee Well No. 711H Sandlot 9/8 Fee Well No. 731H Sandlot 9/8 Fee Well No. 716H

Sandlot 9/8 Fee Well No. 718H

All of Sections 8 and 9-T22S-R27E

Frits-Oil, LP	0.173766%
G-Oil, LP	0.173766%
Matzliach, LP	0.217297%
Robert M. Beren LP	0.217297%

EXHIBIT $/ \cdot C$

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CASE NOS. 25326 & 25327

Summary of Contacts (Wolfcamp formation)

Sandlot 9/8 Fee Well No. 711H Sandlot 9/8 Fee Well No. 731H Sandlot 9/8 Fee Well No. 716H Sandlot 9/8 Fee Well No. 718H

All of Sections 8 and 9-T22S-R27E

Frits-Oil, LP, G-Oil, LP, Matzliach, LP, and Robert M. Beren LP:

Proposal letters and AFEs were mailed via certified mail on April 27, 2023. Since then I have had extensive telephone and e-mail contacts with these parties. They agreed to convey their interests to Mewbourne, but final documents have never been executed.

EXHIBIT J.D

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020 Midland, Texas 79701 Phone (432) 682-3715 Fax (432) 685-4170

April 27, 2023

Via: Certified Mail

Bennett Oil and Gas PO Box 264 Midland, Texas 79702

Re: Proposed Unit for Horizontal Wolfcamp Wells Sandlot 9/8 W0PM Fee #1H Sandlot 9/8 W0IL Fee #1H Sandlot 9/8 W0HE Fee #1H Sandlot 9/8 W0AD Fee #1H Section 9, T22S-R27E Section 8, T22S-R27E Eddy County, New Mexico

Dear Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 1280.00 acre Working Interest Unit ("WIU") covering the above captioned acreage for oil and gas production. The targeted interval for the proposed unit is the Wolfcamp formation. Mewbourne hereby proposes to drill and operate the following horizontal Wolfcamp wells:

- 1. Sandlot 9/8 W0PM Fee #1H located at a surface location 1135' FSL & 365' FWL of Section 10, with a bottom hole location 660' FSL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 8,774' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 19,291'.
- 2. Sandlot 9/8 W0IL Fee #1H located at a surface location 1,165' FSL & 365' FWL of Section 10, with a bottom hole location 1,980' FSL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 8,774' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 19,306'.
- 3. Sandlot 9/8 W0HE Fee #1H located at a surface location 1,930' FNL & 205' FWL of Section 10, with a bottom hole location 1,980' FNL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 8,770' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 19,057'.
- 4. Sandlot 9/8 W0AD Fee #1H located at a surface location 1,900' FNL & 205' FWL of Section 10, with a bottom hole location 660' FNL & 330' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 8,760' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 19,115'.

EXHIBIT (.D

Regarding the above, enclosed for your further handling and information are copies of our Authorization For Expenditure ("AFEs") for the above wells.

Please indicate your participation election by having each AFE executed and returned to my attention at the above address within thirty (30) days of receipt hereof. Our proposed Operating Agreement to follow.

Feel free to contact me at (432) 682-3715 or via email at <u>ccullen@mewbourne.com</u> if you have any questions or concerns. I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY

Carson J. Cerllen

Carson Cullen Landman

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: SANDLOT 9/8 FEE #716H Prospect: SANDLOT Location: SL: 1165 FSL & 365 FWL (10); BHL: 1980 FSL & 330 FWL (8) County: EDDY ST: NM RNG: 27E Prop. TVD: 8774 TMD: 19306 Sec. 10 Blk: Survey: TWP: 225 CODE **INTANGIBLE COSTS 0180** CODE TCP CC Regulatory Permits & Surveys 0180-0100 \$10,000 0180-0200 \$50.000 Location / Road / Site / Preparation 0180-0105 \$75,000 0180-0205 Location / Restoration 0180-0106 \$200,000 0180-0206 \$20,000 Daywork / Turnkey / Footage Drilling 20 days drlg / 3 days comp @ \$30,000/d 0180-0110 \$640,800 0180-0210 \$96,100 Fuel 1700 gal/day @ \$3.90/gal 0180-0114 \$141,600 0180-0214 \$353,400 0180-0115 0180-0215 \$120,000 Alternate Fuels \$40,000 0180-0220 Mud, Chemical & Additives 0180-0120 Mud - Specialized 0180-0121 \$220,000 0180-0221 Horizontal Drillout Services 0180-0222 \$240,000 Stimulation Toe Preparation 0180-0223 \$40,000 \$145,000 0180-0225 \$55,000 0180-0125 Cementing \$2,500 \$444,600 0180-0230 Logging & Wireline Services 0180-0130 \$15,000 Casing / Tubing / Snubbing Service 0180-0134 \$30,000 0180-0234 0180-0137 \$35,000 Mud Logging \$3,450,000 Stimulation 61 Stg 25.3 MMgal & 25.3 MMlbs 0180-0241 \$320,000 Stimulation Rentals & Other 0180-0242 Water & Other 0180-0145 \$35.000 0180-0245 \$514,700 0180-0148 \$86,000 0180-0248 \$5,000 Bits \$5,000 Inspection & Repair Services 0180-0150 \$50,000 0180-0250 \$10,000 Misc. Air & Pumping Services 0180-0154 0180-0254 Testing & Flowback Services 0180-0158 \$12,000 0180-0258 \$24 000 Completion / Workover Rig 0180-0260 \$10,500 0180-0164 \$150,000 **Rig Mobilization** 0180-0265 \$20,000 \$30,000 0180-0165 Transportation \$15.000 0180-0268 Welding, Construction, & Maint. Services 0180-0168 \$4,000 \$70,500 Contract Services & Supervision 0180-0170 \$147,400 0180-0270 **Directional Services** Includes vertical control 0180-0175 \$308,700 Equipment Rental 0180-0180 \$151,400 0180-0280 \$21,600 0180-0184 \$5,000 0180-0284 Well / Lease Legal \$5,000 Well / Lease Insurance 0180-0185 0180-0285 \$1,000 \$8,000 0180-0288 Intangible Supplies 0180-0188 \$10.000 Damages 0180-0190 \$80.000 0180-0290 Pipeline Interconnect & ROW Easements 0180-0292 \$5,000 0180-0192 **Company Supervision** 0180-0195 \$90,000 0180-0295 \$39,600 \$20,000 **Overhead Fixed Rate** 0180-0196 \$10,000 0180-0296 \$298,800 Contingencies 5% (TCP) 5% (CC) 0180-0199 \$135,600 0180-0299 TOTAL \$6.274.800 \$2,848,000 **TANGIBLE COSTS 0181** Casing (19.1" - 30") 0181-0793 Casing (10.1" - 19.0") 410' - 13 3/8" 54.5# J-55 ST&C @ \$76.30/ft \$33,400 0181-0794 Casing (8.1" - 10.0") Casing (6.1" - 8.0") 1890' - 9 5/8" 40# HCL80 LT&C @ \$60.83/ft 0181-0795 \$122,800 9045' - 7" 29# HPP110 BT&C @ \$59.83/ft 0181-0796 \$578.000 Casing (4.1" - 6.0") 10400' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft 0181-0797 \$371,800 \$151,100 Tubing 8320' - 2 7/8" 6.5# L-80 IPC Tbg @ \$17.00/f 0181-0798 Drilling Head 0181-0860 \$35.000 Tubing Head & Upper Section \$30,000 0181-0870 Horizontal Completion Tools 0181-0871 \$50,000 \$25,000 Subsurface Equip. & Artificial Lift 0181-0880 Pumping Unit Systems 0181-0885 (1/4) TP/CP/circ. pump Service Pumps 0181-0886 \$8.000 Storage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB 0181-0890 \$130,000 **Emissions Control Equipment** (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR 0181-0892 \$92,400 Separation / Treating Equipment \$82,700 (1/4) 2 - Hz, Sep./Vt. Sep/Hz, HT/Vt, HT 0181-0895 Automation / Metering Equipment Automation/fiber/meters 0181-0898 Line Pipe & Valves - Gathering \$24,000 (1/4) Facility Work + GL Injection Fittings / Valves & Accessories 0181-0906 \$176,200 Flowline/parts Cathodic Protection 0181-0908 \$91,400 Electrical Installation 0181-0909 Equipment Installation 0181-0910 \$56,600 \$16,600 Pipeline Construction Facility gas work & GL injection 0181-0920 TOTAL \$769.200 \$1,358,300 SUBTOTAL \$3,617,200 \$7,633,100 TOTAL WELL COST \$11,250,300 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 Prepared by: H. Buckley Date: 04/13/2023 Company Approval: Date Joint Owner Interest: Amount:

Signature:

EXHIBIT / ·]

3

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Joint Owner Name:

MEWBOURNE OIL COMPANY

ocation: SL: 1165 FSL & 365 FWL (10); BHL: 1980 FSL & 330 FWL (8)	spect: SAND	201		ST: NM
	county: EDDY			
ec. 10 Bik: Survey: TWP: 22S	RNG: 271	Prop. TVD:	8774	TMD: 19306
INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
egulatory Permits & Surveys	0180-0100		0180-0200	\$50.00
ocation / Road / Site / Preparation	0180-0105		0180-0205	\$20,00
ocation / Restoration	0180-0106	\$200,000		\$96,10
aywork / Turnkey / Footage Drilling 20 days drlg / 3 days comp @ \$30,000/d	0180-0110	\$640,800		\$353,40
uel 1700 gal/day @ \$3.90/gal	0180-0114	\$141,600	0180-0214	\$353,40
Iternate Fuels	0180-0115	C 40 000		\$120,00
Iud, Chemical & Additives	0180-0120		0180-0220	
lud - Specialized	0180-0121	\$220,000	0180-0221	\$240,00
orizontal Drillout Services	_		0180-0222	\$240,00
timulation Toe Preparation	0100 0105	£145.000	0180-0223	\$55,00
Cementing	0180-0125	\$145,000	0180-0225	Contraction of the local division of the loc
ogging & Wireline Services	0180-0130	\$2,500	0180-0230	\$15,00
Casing / Tubing / Snubbing Service	0180-0134	\$35,000	0100-0234	\$15,00
Aud Logging	0180-0137	\$35,000	0180-0241	\$3,450,00
timulation 61 Stg 25.3 MMgal & 25.3 MMlbs	-		0180-0241	
timulation Rentals & Other	0400 0445	\$35.000		and the second se
/ater & Other	0180-0145	\$86,000	0180-0243	
its	0180-0148	\$50,000	0180-0248	
spection & Repair Services	0180-0150	\$50,000	0180-0250	and the second se
lisc. Air & Pumping Services	0180-0154	£40.000		and a subscription of the
esting & Flowback Services	0180-0158	\$12,000	0180-0258	
Completion / Workover Rig	-	6400 DO	0180-0260	\$10,50
Rig Mobilization	0180-0164	\$150,000		
ransportation	0180-0165		0180-0265	
Velding, Construction, & Maint. Services	0180-0168	Contraction of the local division of the loc	0180-0268	
Contract Services & Supervision	0180-0170		0180-0270	\$70,50
Directional Services Includes vertical control	0180-0175	\$308,700		
Equipment Rental	0180-0180		0180-0280	\$21,60
Vell / Lease Legal	0180-0184	\$5,000	0180-0284	
Vell / Lease Insurance	0180-0185	\$5,000	0180-0285	
ntangible Supplies	0180-0188	\$8,000	0180-0288	\$1,00
Damages	0180-0190	\$80,000	0180-0290	\$10,00
Pipeline Interconnect & ROW Easements	0180-0192		0180-0292	\$5,00
Company Supervision	0180-0195	\$90,000	State Stat	and the second se
Dverhead Fixed Rate	0180-0196	\$10,000		and shares the sub-state of the sub-stat
Contingencies 5% (TCP) 5% (CC)	0180-0199	\$135,600	0180-0299	
TOTA		\$2,848,000		\$6,274,80
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793		,	
Casing (10.1" - 19.0") 410' - 13 3/8" 54,5# J-55 ST&C @ \$76.30/ft	0181-0794	\$33,400		
Casing (8.1" - 10.0") 1890' - 9 5/8" 40# HCL80 LT&C @ \$60.83/ft	0181-0795	\$122,800		
Casing (6.1" - 8.0") 9045' - 7" 29# HPP110 BT&C @ \$59.83/ft	0181-0796	\$578,000		
Casing (4.1" - 6.0") 10400' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33,47/ft			0181-0797	\$371,80
ubing 8320' - 2 7/8" 6.5# L-80 IPC Tbg @ \$17.00/ft			0181-0798	\$151.10
Drilling Head	0181-0860	\$35,000		
			0181-0870	\$30.00
Jubing Head & Upper Section	-		0181-0871	A DE TRANSPORTE DE LE PROPERTA DE LE REAL PORTE DE LE REA
ubing Head & Upper Section		and the local data with the second second		the process of the second s
Iorizontal Completion Tools			0181-0880	
lorizontal Completion Tools Subsurface Equip. & Artificial Lift			0181-0880	
Horizontal Completion Tools Subsurface Equip. & Artificial Lift Pumping Unit Systems			0181-0885	
Horizontal Completion Tools Subsurface Equip. & Artificial Lift Pumping Unit Systems Service Pumps (1/4) TP/CP/circ. pump			0181-0885 0181-0886	\$8,00
Horizontal Completion Tools Subsurface Equip. & Artificial Lift Pumping Unit Systems Service Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB			0181-0885 0181-0886 0181-0890	\$8,00 \$130,00
Iorizontal Completion Tools Jubsurface Equip. & Artificial Lift Pumping Unit Systems Jervice Pumps (1/4) TP/CP/circ, pump Storage Tanks (1/4) 6 - 750 bb/5 - 750 bb/ coated/1 - GB Emissions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR			0181-0885 0181-0886 0181-0890 0181-0892	\$8,00 \$130,00 \$92,40
Iorizontal Completion Tools Subsurface Equip. & Artificial Lift 'umping Unit Systems Service Pumps (1/4) TP/CP/circ, pump Storage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB missions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR Separation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895	\$8,00 \$130,00 \$92,40 \$82,70
Iderizantal Completion Tools Subsurface Equip. & Artificial Lift ?umping Unit Systems Service Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB missions Control Equipment (1/4) 2 - VRT/VRU/Flare/3 - KO/AIR Separation / Treating Equipment (1/4) 2 - Hz. Sep./Hz. HT/Vt. HT Automation / Metering Equipment Automation/fiber/meters			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0898	\$8,00 \$130,00 \$92,40 \$82,70 \$52,50
Iorizontal Completion Tools Subsurface Equip. & Artificial Lift 'umping Unit Systems Service Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB :missions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR :eparation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT uutomation / Metering Equipment Automation/fiber/inteters ine Pipe & Valves - Gathering (1/4) Facility Work + GL Injection			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900	\$8,00 \$130,00 \$92,40 \$82,70 \$52,50 \$52,50
Iorizontal Completion Tools Jubsurface Equip. & Artificial Lift Pumping Unit Systems service Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB Emissions Control Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT Submation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT Nutomation // Metering Equipment (1/4) Facility Work + GL Injection Filtings / Valves & Accessories Flowline/parts			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906	\$8,00 \$130,00 \$92,40 \$82,70 \$52,50 \$52,50 \$24,00 \$176,20
Iorizontal Completion Tools Jubsurface Equip. & Artificial Lift Pumping Unit Systems Service Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bb/5 - 750 bb/ coated/1 - GB Emissions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR Separation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL. HT Automation//Berring Equipment (1/4) Facility Work + GL Injection Fittings / Valves & Accessories Flowline/parts Cathodic Protection Flowline/parts			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908	\$8,00 \$130,00 \$92,40 \$82,70 \$52,55 \$24,00 \$176,20
Iorizontal Completion Tools Jubsurface Equip. & Artificial Lift Pumping Unit Systems Service Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bb/5 - 750 bb/ coated/1 - GB Emissions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR Separation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT Automation//Iber/inteers (1/4) Facility Work + GL Injection Tittings / Valves & Accessories Flowline/parts Cathodic Protection Electrical Installation			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909	\$8,00 \$130,00 \$92,44 \$82,70 \$52,55 \$24,00 \$176,20 \$91,40
lorizontal Completion Tools ubsurface Equip. & Artificial Lift umping Unit Systems ervice Pumps (1/4) TP/CP/circ. pump torage Tanks (1/4) 6 - 750 bbl coated/1 - GB missions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR eparation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT utomation / Metering Equipment (1/4) Facility Work + GL Injection ittings / Valves & Accessories Flowline/parts athodic Protection lectrical Installation			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910	\$8,00 \$130,00 \$92,44 \$82,70 \$52,50 \$24,00 \$176,20 \$176,20 \$91,40 \$56,60
orizontal Completion Tools ubsurface Equip. & Artificial Lift umping Unit Systems ervice Pumps (1/4) TP/CP/circ. pump torage Tanks (1/4) 6 - 750 bbl coated/1 - GB missions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR eparation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT utomation / Metering Equipment (1/4) Facility Work + GL Injection ittings / Valves & Accessories Flowline/parts athodic Protection lectrical Installation			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909	\$8,00 \$130,00 \$92,44 \$82,70 \$52,50 \$24,00 \$176,20 \$176,20 \$91,40 \$56,60
orizontal Completion Tools ubsurface Equip. & Artificial Lift umping Unit Systems ervice Pumps (1/4) TP/CP/circ. pump torage Tanks (1/4) 6 - 750 bbl coated/1 - GB missions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR eparation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT utomation / Metering Equipment (1/4) Facility Work + GL Injection ittings / Valves & Accessories Flowline/parts athodic Protection lectrical Installation			0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910	\$8,00 \$130,00 \$92,44 \$82,70 \$52,50 \$24,00 \$176,20 \$176,20 \$91,40 \$56,60
Iorizontal Completion Tools ubsurface Equip. & Artificial Lift umping Unit Systems ervice Pumps (1/4) TP/CP/circ. pump torage Tanks (1/4) 6 - 750 bbl 5 - 750 bbl coated/1 - GB missions Control Equipment (1/4) 3 - VRT//RU/Flare/3 - KO/AIR reparation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT utomation / Metering Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT utomation / Metering Equipment (1/4) Pacifity Work + GL Injection interpies & Valves - Gathering (1/4) Facility Work + GL Injection ittings / Valves & Accessories Flowline/parts athodic Protection Flowline/parts lectrical Installation iquipment Installation ipeline Construction Facility gas work & GL injection		\$760.200	0181-0885 0181-0896 0181-0890 0181-0895 0181-0895 0181-0895 0181-0990 0181-0900 0181-0908 0181-0908 0181-0910 0181-0910	\$8,00 \$130,00 \$92,40 \$52,50 \$24,00 \$176,20 \$91,40 \$55,66 \$16,60
Iorizontal Completion Tools Jubsurface Equip. & Artificial Lift Pumping Unit Systems Jervice Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bbl coated/1 - GB Imissions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR Jeparation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT sutomation / Metering Equipment Automation/fiber/meters Ine Pipe & Valves - Gathering (1/4) Facility Work + GL Injection Flowline/parts Jathodic Protection Electrical Installation Equipment Installation Facility gas work & GL injection TOTA		\$769,200	0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0895 0181-0906 0181-0906 0181-0900 0181-0909 0181-0909 0181-0920	\$8,00 \$130,00 \$92,40 \$82,70 \$52,50 \$24,00 \$176,20 \$91,40 \$556,60 \$16,60 \$11,358,3
Iorizontal Completion Tools ubsurface Equip. & Artificial Lift umping Unit Systems ervice Pumps (1/4) TP/CP/circ. pump torage Tanks (1/4) 6 - 750 bbl 5 - 750 bbl coated/1 - GB missions Control Equipment (1/4) 3 - VRT//RU/Flare/3 - KO/AIR reparation / Treating Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT utomation / Metering Equipment (1/4) 2 - Hz. Sep./VL Sep/Hz. HT/VL HT utomation / Metering Equipment (1/4) Pacifity Work + GL Injection interpies & Valves - Gathering (1/4) Facility Work + GL Injection ittings / Valves & Accessories Flowline/parts athodic Protection Flowline/parts lectrical Installation iquipment Installation ipeline Construction Facility gas work & GL injection		\$769,200 \$3,617,200	0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0895 0181-0906 0181-0906 0181-0900 0181-0909 0181-0909 0181-0920	\$8,00 \$130,00 \$92,40 \$52,50 \$24,00 \$176,20 \$91,40 \$55,66 \$16,60
Storage Tanks (1/4) 6 - 750 bbl/ coated/1 - GB Emissions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR Separation / Treating Equipment (1/4) 2 - Hz, Sep./VL Sep/Hz, HT/VL, HT Automation / Metering Equipment (1/4) 2 - Hz, Sep./VL Sep/Hz, HT/VL, HT Automation / Metering Equipment (1/4) Facility Work + GL Injection Fittings / Valves & Gathering (1/4) Facility Work + GL Injection Fittings / Valves & Accessories Flowline/parts Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction Facility gas work & GL injection TOTA		\$3,617,200	0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0895 0181-0906 0181-0906 0181-0900 0181-0909 0181-0909 0181-0920	\$8,00 \$130,00 \$92,40 \$82,70 \$52,50 \$24,00 \$176,20 \$91,40 \$556,60 \$16,60 \$11,358,3
Iorizontal Completion Tools Jubsurface Equip. & Artificial Lift Pumping Unit Systems Forkice Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB missions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR Separation / Treating Equipment (1/4) 2 - Hz. Sep./N. Sep/Hz. HT/Vt. HT Jubomation / Metering Equipment (1/4) Facility Work + GL Injection Tittings / Valves & Accessories Flowline/parts Jathodic Protection Electrical Installation Pipeline Construction Facility gas work & GL injection TOTA SUBTOTA	tionate share of up and redrilling a	\$3,617,200 \$11,; the premium.	0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0895 0181-0906 0181-0906 0181-0906 0181-0909 0181-0909 0181-0920 0181-0920 0181-0920	\$8,00 \$130,00 \$92,44 \$82,70 \$52,55 \$24,00 \$176,20 \$91,44 \$56,66 \$16,60 \$11,358,33 \$7,633,11
Iorizontal Completion Tools Jubsurface Equip. & Artificial Lift Pumping Unit Systems Forvice Pumps (1/4) TP/CP/circ. pump Storage Tanks (1/4) 6 - 750 bbl coated/1 - GB Imissions Control Equipment (1/4) 2 - Hz. Sep./NL Sep/Hz. HT/Nt. HT Ustomation / Metering Equipment (1/4) 2 - Hz. Sep./NL Sep/Hz. HT/Nt. HT Ustomation / Metering Equipment (1/4) Facility Work + GL Injection Total Installation Subsurface TotA SUBTOTA TotA USUBTOTA TotAL WELLL COST I elect to be covered by Operator's Extra Expense Insurance and pay my propor Operator has secured Extra Expense Insurance policy. Insther box is checked above, non-operating working interest owner elects to be covered by Operator's well control Installer is to be covered by Operator's extra to be covered by Operator's well control I elect to purchase my own well control insurance policy.	tionate share of up and redrilling a	\$3,617,200 \$11,; the premium. is estimated in Li	0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0895 0181-0906 0181-0906 0181-0906 0181-0909 0181-0909 0181-0920 0181-0920 0181-0920	\$8,00 \$130,00 \$92,44 \$82,70 \$52,55 \$24,00 \$176,20 \$91,44 \$56,66 \$16,60 \$11,358,33 \$7,633,11
Iorizontal Completion Tools Ubsurface Equip. & Artificial Lift Umping Unit Systems iervice Pumps (1/4) TP/CP/circ. pump itorage Tanks (1/4) 6 - 750 bbl/5 - 750 bbl coated/1 - GB imissions Control Equipment (1/4) 3 - VRT/VRU/Flare/3 - KO/AIR ieparation / Treating Equipment (1/4) 2 - Hz. Sep./NL Sep/Hz. HT/Vt. HT utomation / Metering Equipment (1/4) 7 - KL. Sep./NL Sep/Hz. HT/Vt. HT itorage Valves - Gathering (1/4) Facility Work + GL Injection ittings / Valves & Accessories Flowline/parts itectrical Installation iquipment Installation ipleline Construction Facility gas work & GL injection TOTA SUBTOTA TOTA	tionate share of up and redrilling a ol insurance.	\$3,617,200 \$11,; the premium. is estimated in Li	0181-0885 0181-0886 0181-0890 0181-0892 0181-0895 0181-0895 0181-0906 0181-0906 0181-0906 0181-0909 0181-0909 0181-0920 0181-0920 0181-0920	\$8,00 \$130,00 \$92,44 \$82,70 \$52,55 \$24,00 \$176,20 \$91,44 \$56,66 \$16,60 \$11,358,33 \$7,633,11

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Joint Owner Name:

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

APPLICATIONS OF MEWBOURNE OIL COMPANY TO COMPULSORY POOL ADDITIONAL INTERESTS, EDDY COUNTY, NEW MEXICO.

)

CASE NOS. 25326 & 25327

SELF-AFFIRMED STATEMENT OF NOTICE

COUNTY OF SANTA FE

) ss. STATE OF NEW MEXICO)

James Bruce deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.

2. I am an attorney for Mewbourne Oil Company ("Mewbourne").

3. Mewbourne has conducted a good faith, diligent effort to determine the names and current addresses of the interest owners entitled to receive notice of the applications filed herein.

4. Notice of the applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letter and certified receipts are attached hereto as Exhibit **A**-A.

5. Mewbourne has complied with the notice provisions of Division Rules.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in Paragraphs 1 through 5 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 next to my signature below.

ly (2025

James Bruce

EXHIBIT

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JAMES BRUCE Attorney at Law

Post Office Box 1056 Santa Fe, New Mexico 87504

369 Montezuma Avenue, No. 213 Santa Fe, New Mexico 87501

Phone: (505-982-2043 Cell: (505) 660-6612

jamesbruc@aol.com

April 17, 2025

To Person Listed on Exhibit A

EXHIBIT 2.A

Ladies and Gentlemen:

Mewbourne Oil Company has filed the enclosed two applications with the New Mexico Oil Conservation Division requesting compulsory pooling, as follows:

- Case No. 25326: Mewbourne Oil Company requests the Division to enter an order pooling additional uncommitted mineral interest owners under Order No. R-23299. The order pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the N/2 of Section 9 and the N/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit). The following wells are in the Unit: (a) The Sandlot 9/8 Fee Well No. 711H, with a first take point in the NE/4NE/4 of Section 9 and a final take point in the NW/4NW/4 of Section 8; and (b) The Sandlot 9/8 Fee Well No. 713H, with a first take point in the SE/4NE/4 of Section 9 and a final take point in the SW/4NW/4 of Section 8 (collectively, the "Wells").
- 2. Case No. 25327: Mewbourne Oil Company requests the Division to enter an order pooling additional uncommitted mineral interest owners under Order No. R-23300. The order pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the S/2 of Section 9 and the S/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit). The following wells are in the Unit: (a) The Sandlot 9/8 Fee Well No. 716H, with a first take point in the NE/4SE/4 of Section 9 and a final take point in the NW/4SW/4 of Section 8; and (b) The Sandlot 9/8 Fee Well No. 718H, with a first take point in the SE/4SE/4 of Section 9 and a final take point in the SW/4SW/4 of Section 8. (collectively, the "Wells").

Also to be considered will be the cost of drilling, completing, testing, and equipping the Wells, and the allocation of the cost thereof among the Wells' working interest owners, approval actual operating charges and costs charged for supervision, together with a provision adjusting the rates

pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Wells in the event a working interest owner elects not to participate in the Wells. The Unit is located approximately 4 miles northwest of Otis, New Mexico.

These matters are scheduled for hearing at 9:00 a.m. on Thursday, May 8, 2025. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, First Floor, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or (b) via the Division's virtual meeting platform. To view the hearing docket and determine how to participate in an electronic hearing, go to Tschantz https://www.emnrd.nm.gov/ocd/hearing-info/ or contact Freya at Freya.Tschantz@emnrd.nm.gov. You are not required to attend the hearing, but an owner of an interest affected by the applications may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date. A party appearing in a Division case is required to file a Pre-Hearing Statement with the Division no later than five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@emnrd.state.nm.gov and should include: The name of the party and the party's attorney; a concise statement of the case; the names of witnesses the party will call to testify at the hearing; the approximate time it will take the party to present its case; and any procedural matters that need to be resolved before the hearing. The Pre-Hearing Statement must also be provided to applicant's attorney, James Bruce, at the above address in Santa Fe, New Mexico 87504.

Very truly yours,

Mes Blue

Attorney for Mewbourne Oil Company

EXHIBIT A

Frits-Oil, LP 100 N. Broadway St., Ste. 970 Wichita, KS 67202 ATTN: Marc Aaronson

Frits Oil, LP 2020 North Bramblewood Wichita, KS 67026 ATTN: Marc Aaronson

G-Oil, LP 100 N. Broadway St., Ste. 970 Wichita, KS 67202 ATTN: Marc Aaronson

G-Oil, LP C\O Berenergy Corporation 2020 North Bramblewood Wichita, KS 67026 ATTN: Marc Aaronson

G-Oil, LP C\O First Manhattan Brokerage Corp. 339 Park Avenue New York, NY 10022 Attn: Marc Aaronson

Frits-Oil, LP C\O First Manhattan Brokerage Corp. 339 Park Avenue New York, NY 10022 Attn: Marc Aaronson

Matzliach, LP C\O Berenergy Corporation 2020 North Bramblewood Wichita, KS 67026 ATTN: Robert M. Goodyear

Matzliach, LP C\O Berenergy Corporation P.O. Box 5850 Denver, Colorado 80217 ATTN: Robert M. Goodyear Matzliach, LP C\O Berenergy Corporation 100 N. Broadway St., Ste. 970 Wichita, KS 67202 ATTN: Robert M. Goodyear

Robert M. Beren LP 2020 North Bramblewood Wichita, Kansas 67206 Attn: Adam E. Beren

Robert M. Beren LP 100 N. Broadway St., Ste. 970 Wichita, Kansas 67202 Attn: Adam E. Beren

Robert M. Beren LP 970 Fourth Financial Center Wichita, Kansas 67202 Attn: Adam E. Beren

Robert M. Beren LP C\O Berenco Properties, Inc. P.O. Box 20380 Wichita, Kansas 67202 Attn: Adam E. Beren







Received by OCD: 5/1/2025 6:11:57 PM

Page 27 of 32

Domestic Return Receipt

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PS Form 3811, July 2020 PSN 7530-02-000-9053

(over \$500)

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See Reverse for Instructions

PS Form 3800, April 2015 PSN 7530-02-000-9047

Released to Imaging: 5/5/2025 9:50:06 AM

Received by OCD: 5/1/2025 6:11:57 PM

CASE NOS. 25326 & 28427

STATUS OF CERTIFIED NOTICE

INTEREST OWNER	MAIING DATE	RECEIPT DATE	CARD RETURNED
Frits-Oil, LP	April 17, 2025	Unknown	Yes
G-Oil, LP	April 17, 2025	Unknown	Yes
Matzliach, LP	April 17, 2025	April 22, 2025	Yes
Robert M. Beren LP	April 17, 2025	April 22, 2025	Yes

EXHIBIT 2.B

Released to Imaging: 5/5/2025 9:50:06 AM

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS PO BOX 507 HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS COUNTY OF EDDY }

Account Number: 82

Ad Number:	44650
Description:	MOC Sandlot
Ad Cost:	\$170.33

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

April 24, 2025

That said newspaper was regularly issued and circulated on those dates. SIGNED:

Sherry Dance

Agent

Subscribed to and sworn to me this 24th day of April 2025.

ine Kaudennen

Leanne Kaulenberg, Notary Public, Redwood County Minnesota



James Bruce Attorney At Law JAMES BRUCE ATTORNEY AT LAW PO BOX 1056 Santa Fe, NM 87504

NOTICE

To: Frits-Oil, LP, Frits-Oil, LP c/o First Manhattan Brokerage Corp., G-Oil, LP, G-Oil, LP c/o Berenergy Corporation, G-Oil, LP c/o First Manhattan Brokerage Corp., Matzliach, LP, Matzliach, LP c/o Berenergy Corporation, Robert M. Beren LP, and Robert M. Beren LP c/o Berenco Properties, Inc., or your heirs, devisees, successors, or assigns: Mewbourne Oil Company ("Mewbourne") has filed two applications with the New Mexico Oil Conservation Division requesting compulsory pooling, as follows:

<u>Case No. 25326</u>: Mewbourne requests the Division to enter an order pooling additional ancommitted mineral interest owners under Order No. R-23299. The order pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the N/2 of Section 9 and the N/2 of Section 8. Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit). The following wells are in the Unit: (a) The Sandlot 9/8 Fee Well No. 711H, with a first take point in the NE/4NE/4 of Section 9 and a final take point in the SW/4NW/4 of Section 9 and a final take point in the SW/4NW/4 of Section 9 and a final take point in the SW/4NW/4 of Section 9 and a final take point in the SW/4NW/4 of Section 9 and a final take point in the SW/4NW/4 of Section 9 and a final take point in the SW/4NW/4 of Section 9.

2. <u>Case No. 25327</u>; Mewbourne requests the Division to enter an order pooling additional uncommitted mineral interest owners under Order No. R-23300. The order pooled uncommitted mineral interest owners interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the S/2 of Section 9 and the S/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit). The following wells are in the Unit (a) The Sandlot 9/8 Fee Well No. 716H, with a first take point in the NE/4SE/4 of Section 9 and a final take point in the SW/4SW/4 of Section 9; and (b) The Sandlot 9/8 Fee Well No. 718H, with a first take point in the SW/4SW/4 of Section 9 and a final take point in the SW/4SW/4 of Section 9. (collectively, the "Wells").

Also to be considered will be the cost of drilling, completing, testing, and equipping the Wells, and the allocation of the cost thereof among the Wells' working interest owners, approval actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Wells in the event a working interest owner elects not to participate in the Wells.

These matters are scheduled for hearing at 9:00 a.m. on Thursday, May 8, 2025. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, First Floor, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or (b) via the Division's virtual meeting platform. To view the hearing docket and determine how to participate in an electronic hearing, go to https://www.emard.am.gov/ocd/hearing-info/ or contact Freya Tschantz at Freya.Tschantz@emind.m.gov. You are not required to attend the hearing, but an owner of an interest affected by the applications may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date. A party appearing in a Division no later than five business days before the hearing date. This statement may be filed online with the Division at nocd hearings@emind.state.ma.gov and should include: The name of the party and the party's attorney: a concise statement of the case; the names of witnesses the party will call to testify at the hearing; the approximate time it will take the party to present its ease; and any procedural matters that need to be resolved before the hearing. The Pre-Hearing Statement must also be provided to applicant's attorney. James Bruce, at the above address in Santa Fe. New Mexico 87504. The Unit is located approximately 4 niles northwest of Otis, New Mexico.

Published in the Carlshad Current-Argus April 24, 2025, #44650

EXHIBIT

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

APPLICATION OF MEWBOURNE OIL COMPANY TO COMPULSORY POOL ADDITIONAL INTEREST OWNERS UNDER ORDER NO. R-23300, EDDY COUNTY, NEW MEXICO.

CASE NO. 25327

APPLICATION

Mewbourne Oil Company ("Applicant") files this application with the Oil Conservation Division (the "Division") for an order pooling additional uncommitted mineral interest owners under Division Order No. R-23300. In support of this application, Applicant states:

1. Order No. R-23300 pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the S/2 of Section 9 and the S/2 of Section 8, Township 22 South, Range 27 East, Eddy County, New Mexico (the "Unit).

2. The following wells are in the Unit:

(a) The Sandlot 9/8 Fee Well No. 716H, with a first take point in the NE/4SE/4 of Section 9 and a final take point in the NW/4SW/4 of Section 8; and

(b) The Sandlot 9/8 Fee Well No. 718H, with a first take point in the SE/4SE/4 of Section 9 and a final take point in the SW/4SW/4 of Section 8.

Collectively the "Wells."

3. Order No. R-23300 appoints Applicant as the operator of the Unit and the Wells.

4. Applicant has determined that there are additional uncommitted mineral interest owners in the Unit who were not pooled by Order No. R-23300.

5. Although Applicant has in good faith sought to obtain voluntary joinder of all uncommitted mineral interest owners in the Unit to participate in the drilling of the Wells or to

EXHIBIT \mathcal{A}

otherwise commit their interests to the Wells, certain interest owners have failed or refused to commit their interests. Therefore, Applicant seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying the Unit, pursuant to NMSA 1978 Sec. 70-2-17.

6. The pooling of all uncommitted mineral interest owners in the Wolfcamp formation underlying the Unit will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division, and, after notice and hearing, the Division issue its order:

A. Pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying the Unit under Order No. R-23300;

B. Considering the cost of drilling, completing, testing, and equipping the Wells, and allocating the cost thereof among the Wells' working interest owners;

C. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

D. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Wells in the event a working interest owner elects not to participate in the Wells.

Respectfully submitted,

James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 Phone: (505) 982-2043 Cell: (505) 660-6612 *jamesbruc@aol.com*

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company to compulsory pool additional interest owners under Order No. R-23300, Eddy County, New Mexico: Mewbourne Oil Company requests the Division to enter an order pooling additional uncommitted mineral interest owners under Order No. R-23300. The order pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the S/2 of Section 9 and the S/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit). The following wells are in the Unit: (a) The Sandlot 9/8 Fee Well No. 716H, with a first take point in the NE/4SE/4 of Section 9 and a final take point in the NW/4SW/4 of Section 8; and (b) The Sandlot 9/8 Fee Well No. 718H, with a first take point in the SE/4SE/4 of Section 9 and a final take point in the SW/4SW/4 of Section 8. (collectively, the "Wells"). Also to be considered will be the cost of drilling, completing, testing, and equipping the Wells, and the allocation of the cost thereof among the Wells' working interest owners, approval actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Wells in the event a working interest owner elects not to participate in the Wells. The Unit is located approximately 4 miles northwest of Otis, New Mexico