

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

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

CASE NO. 25414

EXHIBIT INDEX

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Brad Dunn
A-1	Application & Proposed Notice of Hearing
A-2	C-102s
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Tyler Hill
B-1	Location Map
B-2	Subsea Structure Map
B-3	Stratigraphic Cross-Section
Exhibit C	Self-Affirmed Statement of Jaclyn M. McLean
C-1	Notice Letter to All Interested Parties Sent June 2, 2025
C-2	Postal Delivery Report
C-3	Affidavit of Publication for June 19, 2025

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 25414	APPLICANT'S RESPONSE
Date: July 10, 2025	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Hardy McLean LLC
Case Title:	Application of Mewbourne Oil Company, for Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	City Slickers
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Cass Draw; Bone Spring Pool (Code 10380)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640.24-acres
Building Blocks:	quarter-quarter
Orientation:	East to West
Description: TRS/County	N/2 of Sections 28 and 29, Township 22 South, Range 27 East, Eddy County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	Yes. The completed interval of the City Slickers 28/29 523H well will be located within 330' of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 28 and 29 to allow for the creation of a standard, 640.24-acre, more or less, horizontal spacing unit.
Proximity Defining Well: if yes, description	City Slickers 28/29 523H
Applicant's Ownership in Each Tract	Exhibit A-3
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	City Slickers 28/29 Fee 523H (API No. 30-015-56617) SHL: 470' FNL & 330' FWL (Unit D), Section 27, T22S, R27E BHL: 1330' FNL & 100' FWL (Unit E), Section 29, T22s, R27E Completion Target: Bone Spring (Approx. 7,259' TVD)
Well #2	City Slickers 28/29 Fee 551H (API No. 30-015-56616) SHL: 470' FNL & 310' FWL (Unit D), Section 27, T22S, R27E BHL: 330' FNL & 100' FWL (Unit D), Section 29, T22S, R27E Completion Target: Bone Spring (Approx. 7,957' TVD)
Well #3	City Slickers 28/29 Fee 554H (API No. 30-015-56615) SHL: 470' FNL & 350' FWL (Unit D), Section 27, T22S, R27E BHL: 2310' FNL & 100' FWL (Unit E), Section 29, T22S, R27E Completion Target: Bone Spring (Approx. 7,937' TVD)

AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit A-5
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
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-2
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	7/1/2025

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

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

CASE NO. 25414

**SELF-AFFIRMED STATEMENT
OF BRAD DUNN**

1. I am a 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 the above-referenced case. Copies of Mewbourne's Application and proposed hearing notice are attached as **Exhibit A-I**.

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. Mewbourne applies for an order pooling all uncommitted interests within the Bone Spring formation underlying 640.24-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 28 and 29, Township 22 South, Range 27 East, Eddy County, New Mexico ("Unit").

5. The Unit will be dedicated to the following wells ("Wells"): **City Slickers 28/29 Fee #523H** and **City Slickers 28/29 #554H**, which will be drilled from surface hole locations in the NW/4 NW/4 (Unit D) of Section 27 to bottom hole locations in the SW/4 NW/4 (Unit E) of Section 29; and **City Slickers 28/29 #551H**, which will be drilled from a surface hole location in

**Mewbourne Oil Company
Case No. 25414
Exhibit A**

the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 29.

6. The completed intervals of the Wells will be orthodox.

7. The completed interval of the City Slickers 28/29 #523H well will be located within 330' of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 28 and 29 to allow for the creation of a standard, 640.24-acre, more or less, standard horizontal spacing unit.

8. **Exhibit A-2** contains the C-102s for the Wells.

9. **Exhibit A-3** contains a plat that identifies ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Mewbourne seeks to pool highlighted in yellow.

10. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to the working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

11. Mewbourne has conducted a diligent search of all county public records, including phone directories, internet searches, and computer databases, to identify all potential addresses and contact information for each interest owner it seeks to pool.

12. In my opinion, Mewbourne made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit A-5**.


13. Mewbourne requests overhead and administrative rates of \$8,000.00 per month while the Wells are being drilled and \$800.00 per month while the Wells are producing. These

rates are fair and are comparable to the rates charged by Mewbourne and other operators in the vicinity.

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

15. In my opinion, the granting of Mewbourne's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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 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.



Brad Dunn



Date

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

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

CASE NO. 25414

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company, (OGRID No. 14744) (“Applicant”) applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 640.24-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 28 and 29, Township 22 South, Range 27 East, Eddy County, New Mexico (“Unit”). In support of its application, Mewbourne states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the following wells (“Wells”):
 - a. **City Slickers 28/29 Fee #523H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 29;
 - b. **City Slickers 28/29 #551H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 29; and
 - c. **City Slickers 28/29 #554H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 29.
3. The completed intervals of the Wells will be orthodox.
4. The completed interval of the **City Slickers 28/29 #523H** well will be located within 330’ of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 28 and 29 to allow for the creation of a standard, 640.24-acre, more or less, standard horizontal spacing unit.

**Mewbourne Oil Company
Case No. 25414
Exhibit A-1**

5. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.

6. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 10, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Daniel Goldberg

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Santa Fe, New Mexico 87501

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COUNSEL FOR MEWBOURNE OIL COMPANY

Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 640.24-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 28 and 29, Township 22 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): **City Slickers 28/29 Fee #523H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 29; **City Slickers 28/29 #551H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 29; and **City Slickers 28/29 #554H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 29. The completed intervals of the Wells will be orthodox. The completed interval of the **City Slickers 28/29 #523H** well will be located within 330' of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 28 and 29 to allow for the creation of a standard, 640.24-acre, more or less, standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as operator of the Unit and Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately one mile northwest of Carlsbad, New Mexico.

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	<input type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
			<input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-015-56617	Pool Code 10380	Pool Name CASS DRAW; BONE SPRING
Property Code	Property Name CITY SLICKERS 28/29 FEE	Well Number 523H
OGRID No.	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 3114'
Surface Owner: DState DFee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL D	Section 27	Township 22S	Range 27E	Lot	Ft. from N/S 470 FNL	Ft. from E/W 330 FWL	Latitude 32.3695294BN	Longitude 104.1849392BW	County EDDY
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Bottom Hole Location

UL E	Section 29	Township 22S	Range 27E	Lot	Ft. from N/S 1330 FNL	Ft. from E/W 100 FWL	Latitude 32.3671551"N	Longitude 104.2198667BW	County EDDY
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Dedicated Acres 640.24	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL E	Section 27	Township 22S	Range 27E	Lot	Ft. from N/S 1330 FNL	Ft. from E/W 473 FWL	Latitude 32.3671702°N	Longitude 104.1844389°W	County EDDY
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First Take Point (FTP)

UL H	Section 28	Township 22S	Range 27E	Lot	Ft. from N/S 1330 FNL	Ft. from E/W 100 FEL	Latitude 32.3671559°N	Longitude 104.1862943°W	County EDDY
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Last Take Point (LTP)

UL E	Section 29	Township 22S	Range 27E	Lot	Ft. from N/S 1330 FNL	Ft. from E/W 100 FWL	Latitude 32.3671551BN	Longitude 104.2198667BW	County EDDY
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS / hereby certify that the information contained herein is true and complete to the best of my knowledge and belief and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		SURVEYOR CERTIFICATIONS I hereby certify that the well location ^{skirtynot} is plot was plotted from field notes of actual surveys made by me under my ^{supa} and that the same is true and correct to the best of my belief. 	
Signature	Date	Signature and Seal of Professional Surveyor 	
Printed Name	Certificate Number 19680	Date of Survey 04/28/2025	
Email Address			

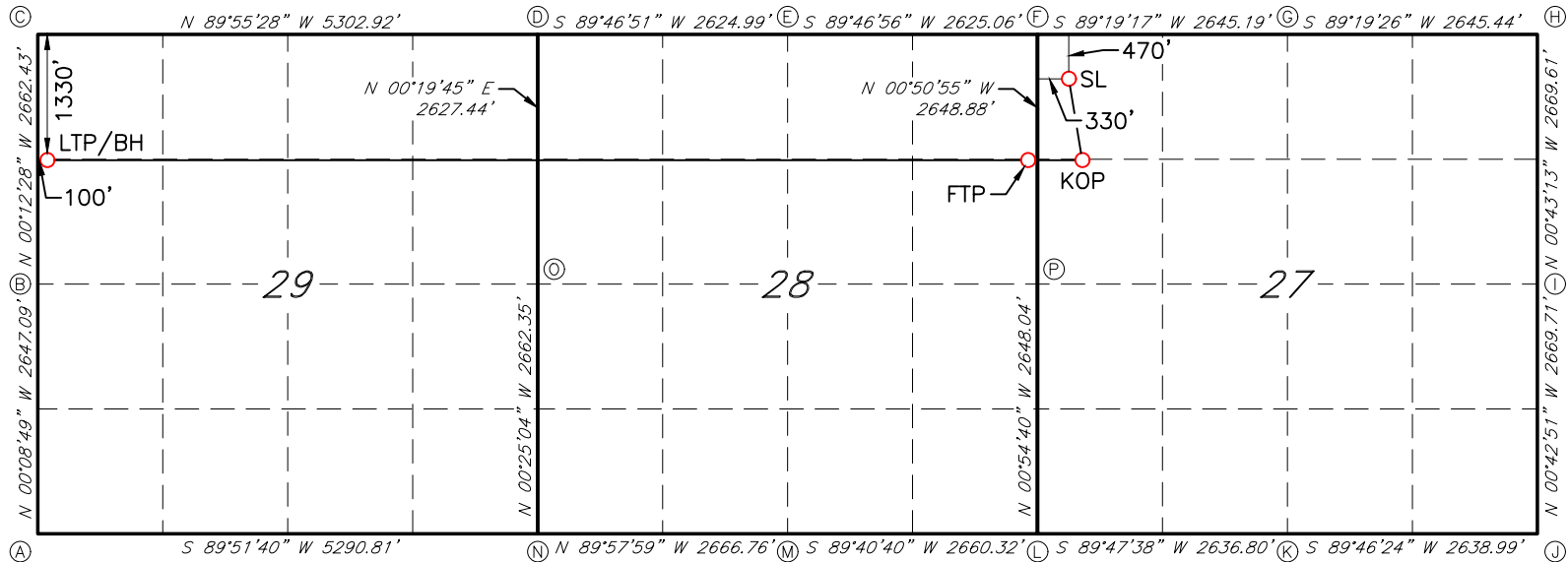
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

CITY SLICKERS 28/29 FEE #523H



GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
470' FNL - 330' FWL SEC.27
N: 498198.2 - E: 587152.5

LAT: 32.3695294° N
LONG: 104.1849392° W

KICK OFF POINT (KOP)
1330' FNL - 473' FWL SEC.27
N: 497340.2 - E: 587308.1

LAT: 32.3671702° N
LONG: 104.1844389° W

FIRST TAKE POINT (FTP)
1330' FNL - 100' FWL SEC.28
N: 497334.2 - E: 586735.3

LAT: 32.3671559° N
LONG: 104.1862943° W

LAST TAKE POINT/BOTTOM HOLE (LTP/BH)
1330' FNL - 100' FWL SEC.29
N: 497321.3 - E: 576369.9

LAT: 32.3671551° N
LONG: 104.2198667° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND 1/2" REBAR
N: 493342.8 - E: 576281.6

B: FOUND COTTON SPINDLE
N: 495989.3 - E: 576274.8

C: FOUND COTTON SPINDLE
N: 498651.1 - E: 576265.1

D: FOUND 1/2" REBAR
W/YELLOW PLASTIC CAP "ILLEGIBLE"
N: 498644.1 - E: 581566.8

E: FOUND 1/2" REBAR
N: 498654.2 - E: 584191.2

F: FOUND COTTON SPINDLE
N: 498664.1 - E: 586815.6

G: FOUND 3/4" REBAR
N: 498695.4 - E: 589460.0

H: FOUND 1/2" REBAR
N: 498726.7 - E: 592104.6

I: FOUND 1/2" REBAR
N: 496057.9 - E: 592138.2

J: FOUND 1/2" REBAR
N: 493389.0 - E: 592171.4

K: FOUND COTTON SPINDLE
N: 493378.6 - E: 589533.1

L: FOUND BRASS CAP "1969"
N: 493369.1 - E: 586896.9

M: FOUND BRASS CAP "1969"
N: 493354.1 - E: 584237.3

N: FOUND COTTON SPINDLE
N: 493355.7 - E: 581571.1

O: FOUND COTTON SPINDLE
N: 496017.3 - E: 581551.7

P: FOUND 1/2" REBAR
W/YELLOW PLASTIC CAP "ILLEGIBLE"
N: 496016.2 - E: 586854.8

JOB #: LS25040404

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
			Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
				<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled		

WELL LOCATION INFORMATION

API Number 30-015-56616	Pool Code 10380	Pool Name CASS DRAW; BONE SPRING
Property Code 337291	Property Name CITY SLICKERS 28/29 FEE	Well Number 551H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 3114'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL D	Section 27	Township 22S	Range 27E	Lot	Ft. from N/S 470 FNL	Ft. from E/W 310 FWL	Latitude 32.3695286°N	Longitude 104.1850041°W	County EDDY
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Bottom Hole Location

UL D	Section 29	Township 22S	Range 27E	Lot	Ft. from N/S 330 FNL	Ft. from E/W 100 FWL	Latitude 32.3699033°N	Longitude 104.2198750°W	County EDDY
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Dedicated Acres	Infill or Defining Well INFILL	Defining Well API CITY SLICKERS 28/29 FEE 523H	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. N/A			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL D	Section 27	Township 22S	Range 27E	Lot	Ft. from N/S 330 FNL	Ft. from E/W 473 FWL	Latitude 32.3699181°N	Longitude 104.1844824°W	County EDDY
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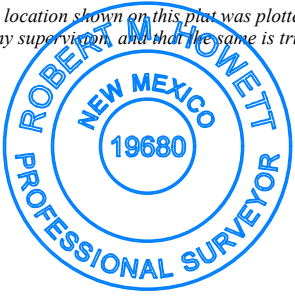
First Take Point (FTP)

UL A	Section 28	Township 22S	Range 27E	Lot	Ft. from N/S 330 FNL	Ft. from E/W 100 FEL	Latitude 32.3699039°N	Longitude 104.1863378°W	County EDDY
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Last Take Point (LTP)

UL D	Section 29	Township 22S	Range 27E	Lot	Ft. from N/S 330 FNL	Ft. from E/W 100 FWL	Latitude 32.3699033°N	Longitude 104.2198750°W	County EDDY
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Unitized Area or Area of Uniform Interest N/A	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 3114'
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i> <u>Brett Miller</u> 05/05/2025 Signature Date		SURVEYOR CERTIFICATIONS <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i>  Signature and Seal of Professional Surveyor <u>Robert M. Howett</u>	
Printed Name <u>brett.miller@mewbourne.com</u> Email Address		Certificate Number 19680	Date of Survey 04/28/2025

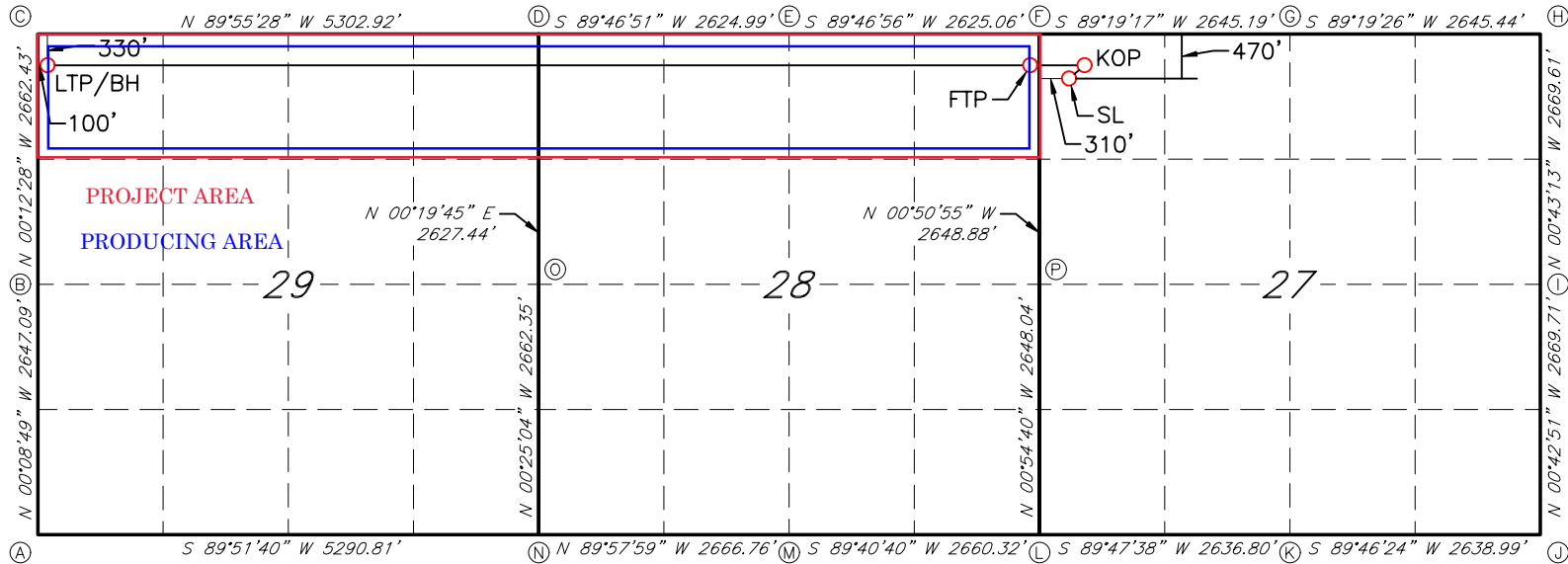
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

CITY SLICKERS 28/29 FEE #551H



GEODETTIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
470' FNL - 310' FWL SEC.27
N: 498197.9 - E: 587132.4

LAT: 32.3695286° N
LONG: 104.1850041° W

KICK OFF POINT (KOP)
330' FNL - 473' FWL SEC.27
N: 498339.8 - E: 587293.3

LAT: 32.3699181° N
LONG: 104.1844824° W

FIRST TAKE POINT (FTP)
330' FNL - 100' FWL SEC.28
N: 498333.9 - E: 586720.5

LAT: 32.3699039° N
LONG: 104.1863378° W

LAST TAKE POINT/BOTTOM HOLE (LTP/BH)
330' FNL - 100' FWL SEC.29
N: 498321.1 - E: 576366.3

LAT: 32.3699033° N
LONG: 104.2198750° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND 1/2" REBAR
N: 493342.8 - E: 576281.6

B: FOUND COTTON SPINDLE
N: 495989.3 - E: 576274.8

C: FOUND COTTON SPINDLE
N: 498651.1 - E: 576265.1

D: FOUND 1/2" REBAR
W/YELLOW PLASTIC CAP "ILLEGIBLE"
N: 498644.1 - E: 581566.8

E: FOUND 1/2" REBAR
N: 498654.2 - E: 584191.2

F: FOUND COTTON SPINDLE
N: 498664.1 - E: 586815.6

G: FOUND 3/4" REBAR
N: 498695.4 - E: 589460.0

H: FOUND 1/2" REBAR
N: 498726.7 - E: 592104.6

I: FOUND 1/2" REBAR
N: 496057.9 - E: 592138.2

J: FOUND 1/2" REBAR
N: 493389.0 - E: 592171.4

K: FOUND COTTON SPINDLE
N: 493378.6 - E: 589533.1

L: FOUND BRASS CAP "1969"
N: 493369.1 - E: 586896.9

M: FOUND BRASS CAP "1969"
N: 493354.1 - E: 584237.3

N: FOUND COTTON SPINDLE
N: 493355.7 - E: 581571.1

O: FOUND COTTON SPINDLE
N: 496017.3 - E: 581551.7

P: FOUND 1/2" REBAR
W/YELLOW PLASTIC CAP "ILLEGIBLE"
N: 496016.2 - E: 586854.8

JOB #: LS25040403

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
			Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-015-56615	Pool Code 10380	Pool Name CASS DRAW; BONE SPRING
Property Code 337291	Property Name CITY SLICKERS 28/29 FEE	Well Number 554H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 3114'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL D	Section 27	Township 22S	Range 27E	Lot	Ft. from N/S 470 FNL	Ft. from E/W 350 FWL	Latitude 32.3695298°N	Longitude 104.1848747°W	County EDDY
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Bottom Hole Location

UL E	Section 29	Township 22S	Range 27E	Lot	Ft. from N/S 2310 FNL	Ft. from E/W 100 FWL	Latitude 32.3644619°N	Longitude 104.2198586°W	County EDDY
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Dedicated Acres	Infill or Defining Well INFILL	Defining Well API CITY SLICKERS 28/29 FEE 523H	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. N/A			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL E	Section 27	Township 22S	Range 27E	Lot	Ft. from N/S 2310 FNL	Ft. from E/W 473 FWL	Latitude 32.3644772°N	Longitude 104.1843963°W	County EDDY
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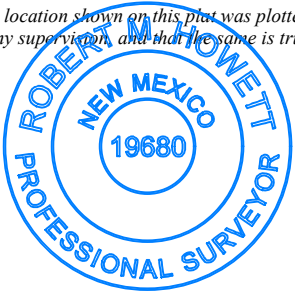
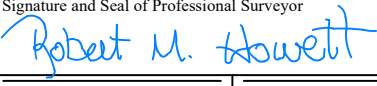
First Take Point (FTP)

UL H	Section 28	Township 22S	Range 27E	Lot	Ft. from N/S 2310 FNL	Ft. from E/W 100 FEL	Latitude 32.3644629°N	Longitude 104.1862517°W	County EDDY
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Last Take Point (LTP)

UL E	Section 29	Township 22S	Range 27E	Lot	Ft. from N/S 2310 FNL	Ft. from E/W 100 FWL	Latitude 32.3644619°N	Longitude 104.2198586°W	County EDDY
----------------	----------------------	------------------------	---------------------	-----	---------------------------------	--------------------------------	---------------------------------	-----------------------------------	-----------------------

Unitized Area or Area of Uniform Interest N/A	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 3114'
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i> Brett Miller 05/05/2025		SURVEYOR CERTIFICATIONS <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i> 	
Signature Date Brett Miller		Signature and Seal of Professional Surveyor 	
Printed Name brett.miller@mewbourne.com		Certificate Number 19680	Date of Survey 04/28/2025
Email Address			

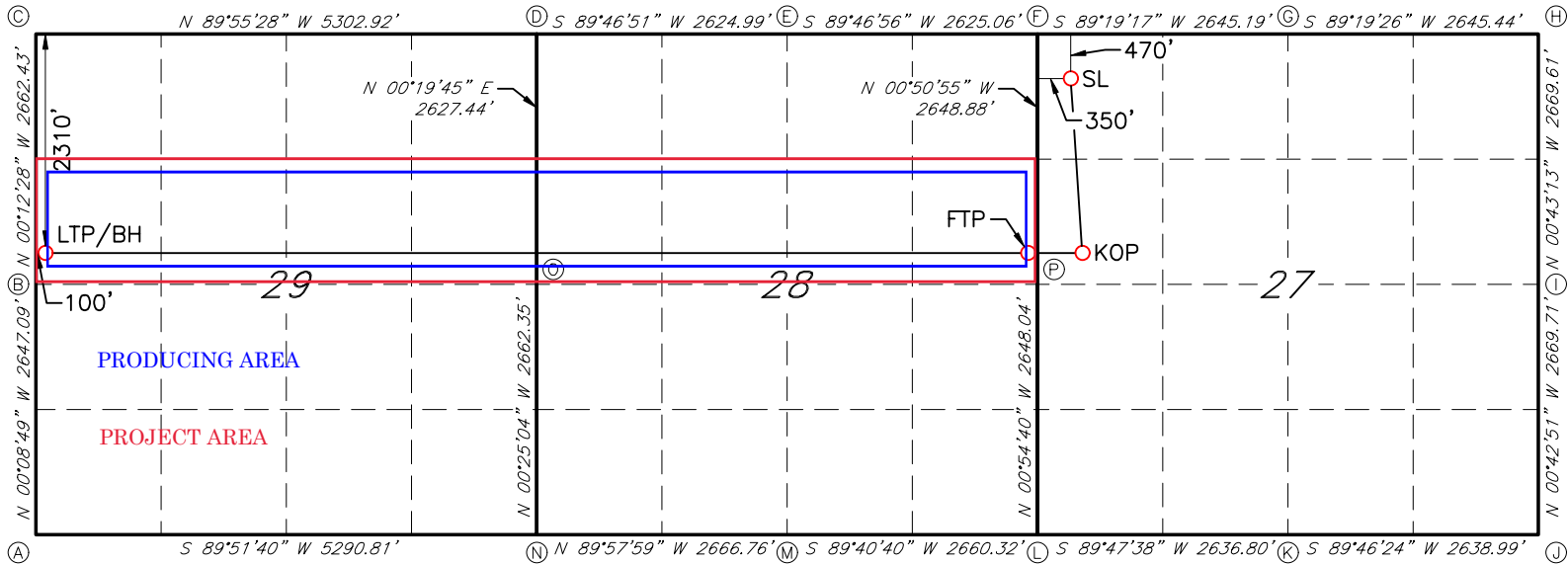
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

CITY SLICKERS 28/29 FEE #554H



GEODETTIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
470' FNL - 350' FWL SEC.27
N: 498198.4 - E: 587172.4

LAT: 32.3695298° N
LONG: 104.1848747° W

KICK OFF POINT (KOP)
2310' FNL - 473' FWL SEC.27
N: 496360.5 - E: 587322.6

LAT: 32.3644772° N
LONG: 104.1843963° W

FIRST TAKE POINT (FTP)
2310' FNL - 100' FWL SEC.28
N: 496354.5 - E: 586749.8

LAT: 32.3644629° N
LONG: 104.1862517° W

LAST TAKE POINT/BOTTOM HOLE (LTP/BH)
2310' FNL - 100' FWL SEC.29
N: 496341.5 - E: 576373.5

LAT: 32.3644619° N
LONG: 104.2198586° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND 1/2" REBAR
N: 493342.8 - E: 576281.6

B: FOUND COTTON SPINDLE
N: 495989.3 - E: 576274.8

C: FOUND COTTON SPINDLE
N: 498651.1 - E: 576265.1

D: FOUND 1/2" REBAR
W/YELLOW PLASTIC CAP "ILLEGIBLE"
N: 498644.1 - E: 581566.8

E: FOUND 1/2" REBAR
N: 498654.2 - E: 584191.2

F: FOUND COTTON SPINDLE
N: 498664.1 - E: 586815.6

G: FOUND 3/4" REBAR
N: 498695.4 - E: 589460.0

H: FOUND 1/2" REBAR
N: 498726.7 - E: 592104.6

I: FOUND 1/2" REBAR
N: 496057.9 - E: 592138.2

J: FOUND 1/2" REBAR
N: 493389.0 - E: 592171.4

K: FOUND COTTON SPINDLE
N: 493378.6 - E: 589533.1

L: FOUND BRASS CAP "1969"
N: 493369.1 - E: 586896.9

M: FOUND BRASS CAP "1969"
N: 493354.1 - E: 584237.3

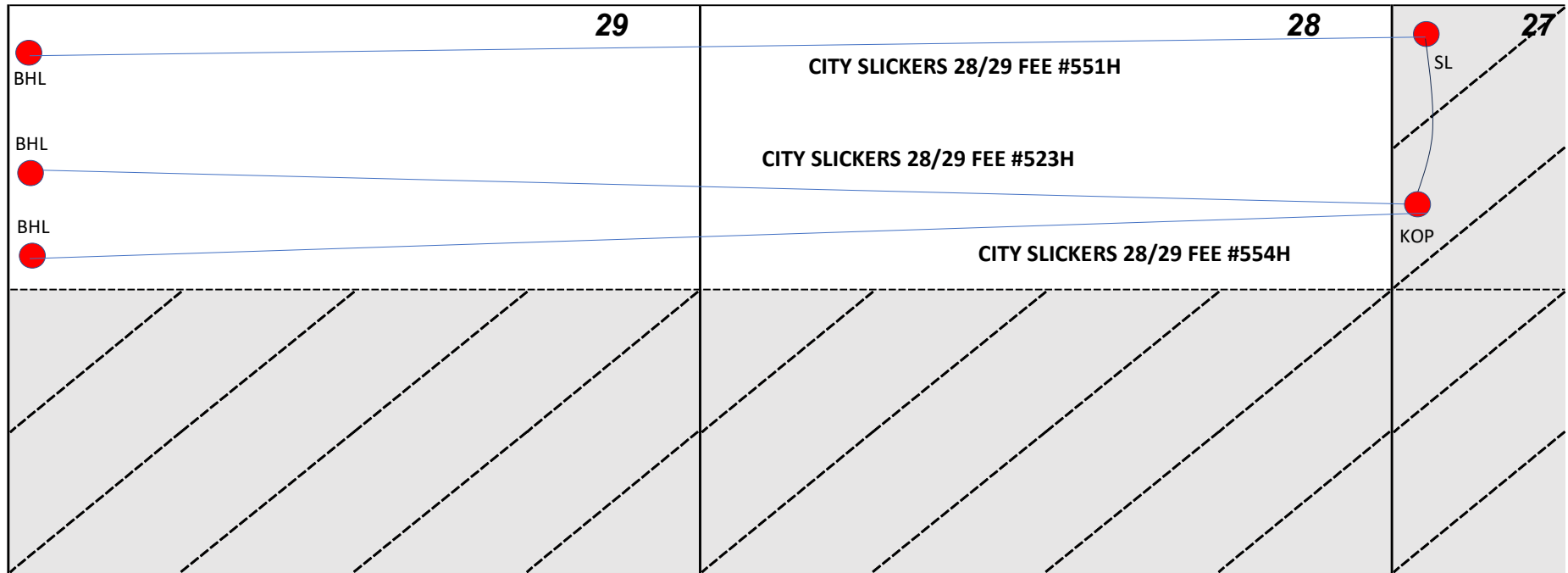
N: FOUND COTTON SPINDLE
N: 493355.7 - E: 581571.1

O: FOUND COTTON SPINDLE
N: 496017.3 - E: 581551.7

P: FOUND 1/2" REBAR
W/YELLOW PLASTIC CAP "ILLEGIBLE"
N: 496016.2 - E: 586854.8

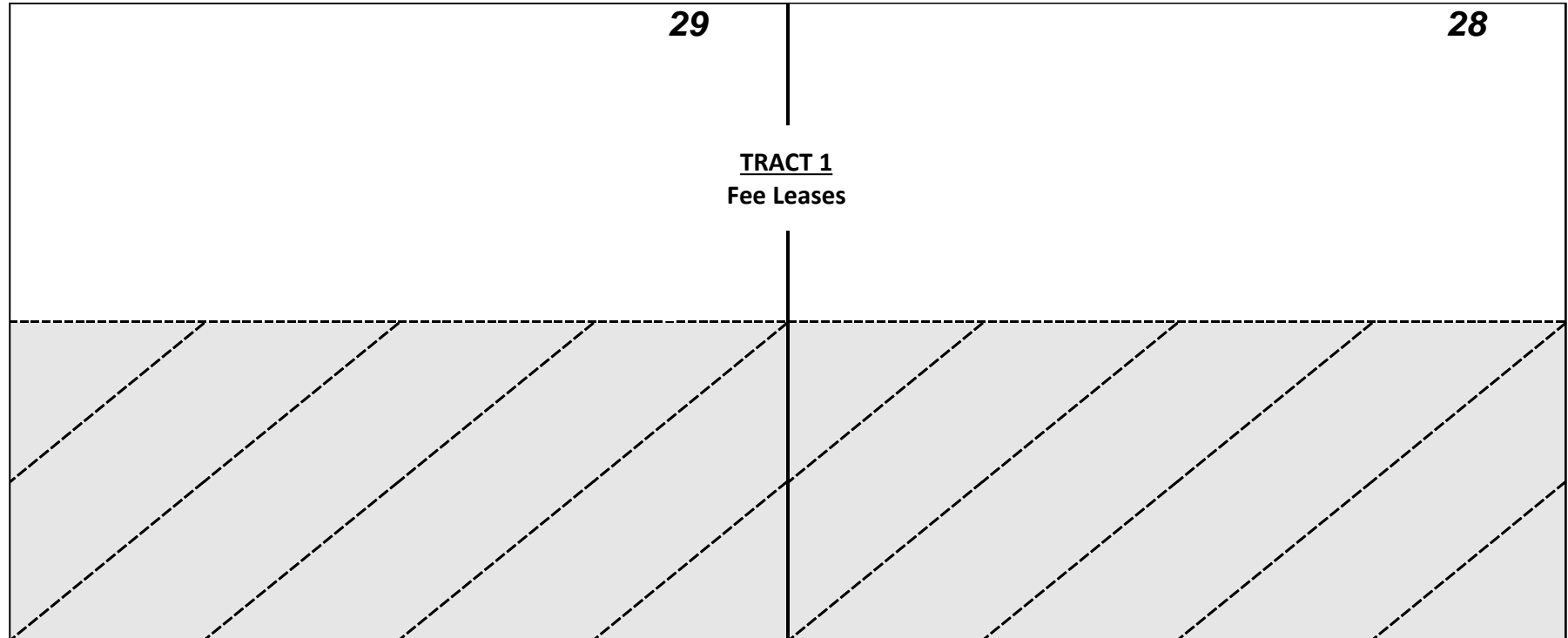
JOB #: LS25040405

CITY SLICKERS 28/29 FEE #523H, CITY SLICKERS 28/29 FEE #551H, & CITY SLICKERS 28/29 FEE #554H
N/2 Section 28 & N/2 of Section 29, T22S, R27E
Eddy County, New Mexico



Mewbourne Oil Company
Case No. 25414
Exhibit A-3

Section Plat
CITY SLICKERS 28/29 FEE #523H
CITY SLICKERS 28/29 FEE #551H
CITY SLICKERS 28/29 FEE #554H
N/2 Section 28 & N/2 of Section 29, T22S, R27E
Eddy County, New Mexico



Tract No. 1: N/2 of Section 28 & N/2 of Section 29, T22S, R27E (640.24 acres) – FEE Leases

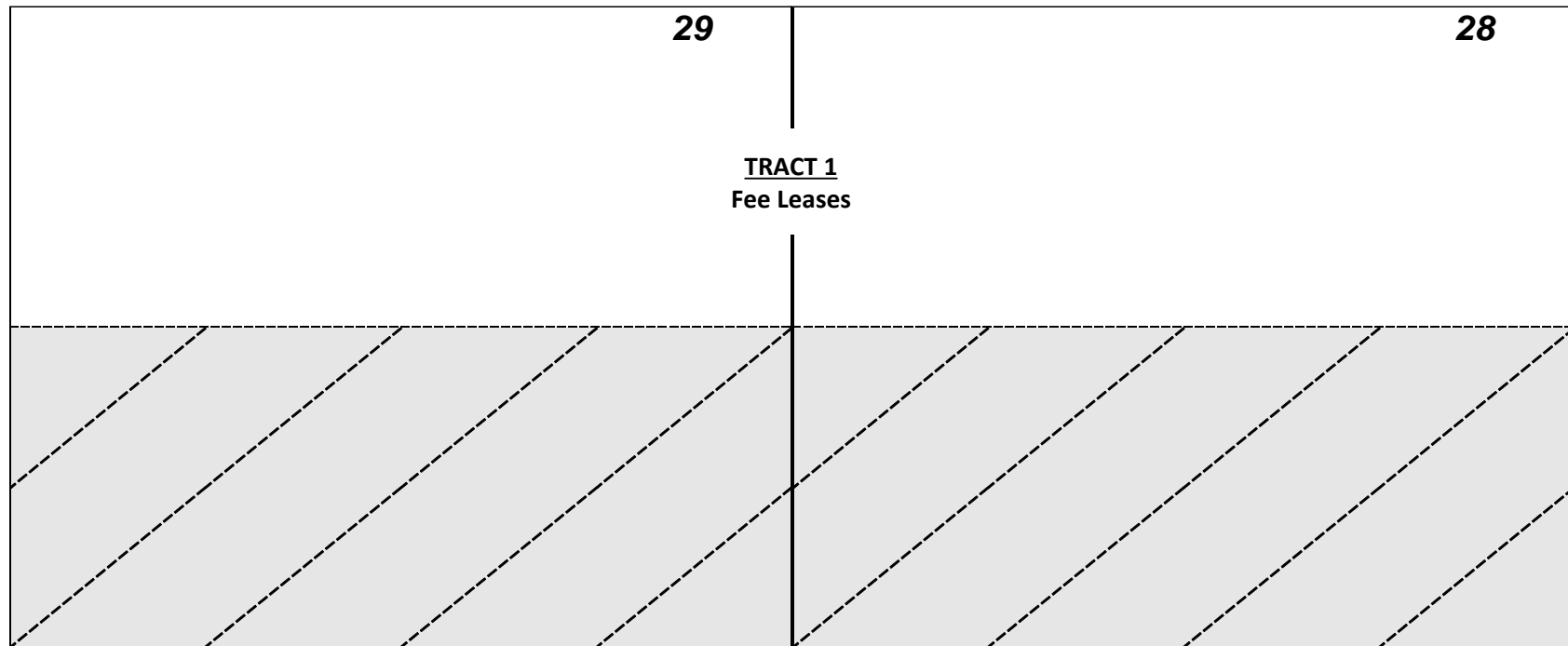
Mewbourne Oil Company

Enserch Exploration Inc.

Spectrum 7, 1983-B Drilling Program

RECAPITULATION
CITY SLICKERS 28/29 FEE #523H
CITY SLICKERS 28/29 FEE #551H
CITY SLICKERS 28/29 FEE #554H.
N/2 Section 28 & N/2 of Section 29, T22S, R27E
Eddy County, New Mexico

Tract Number	Number of Acres Committed	Percentage of Interest In Communitized Area
1	640.24	100.000000%
TOTAL	640.24	100.000000%



TRACT OWNERSHIP
CITY SLICKERS 28/29 FEE #523H
CITY SLICKERS 28/29 FEE #551H
CITY SLICKERS 28/29 FEE #554H
N/2 Section 28 & N/2 of Section 29, T22S, R27E
Eddy County, New Mexico

N/2 of Section 28 & N/2 of Section 29, T22S, R27E:
Bone Spring formation:

	<u>% Leasehold Interest</u>
Mewbourne Oil Company	94.586757%
Enserch Exploration Inc. *	5.216794%
<u>Spectrum 7, 1983-B Drilling Program *</u>	<u>0.196450%</u>
TOTAL	100.000000%

*** Total interest being pooled: 5.413243%**

OWNERSHIP BY TRACT

Tract 1 - N/2 of Section 28 & N/2 of Section 29, T22S, R27E (640.24 acres):

	<u>% Leasehold Interest</u>
Mewbourne Oil Company	94.586757%
Enserch Exploration Inc. *	5.216794%
<u>Spectrum 7, 1983-B Drilling Program *</u>	<u>0.196450%</u>
TOTAL	100.000000%

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

May 6, 2025

Via Certified Mail

Enserch Exploration Inc.
550 W. 475 17th St., STE 1300
Dallas, Texas 75201
Attn: Permian Land Manager

Re: Proposed Horizontal Bone Spring Wells
1. CITY SLICKERS 28/29 FEE #523H (B2HE) AFE
2. CITY SLICKERS 28/29 FEE #551H (H3AD) AFE
3. CITY SLICKERS 28/29 FEE #554H (H3HE) AFE
N/2 of Sections 28 & 29, T22S, R27E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640.00 acre Working Interest Unit ("WIU") covering the N/2 of the above captioned Sections 28 and 29 for oil and gas production. The targeted interval for the proposed unit is the Bone Spring Formation. Mewbourne as Operator hereby proposes to drill the following horizontal Bone Spring wells:

1. CITY SLICKERS 28/29 FEE #523H (B2HE) will have a surface location 470' FNL & 330' FWL of Section 27 and a bottom hole location approximately 1330' FNL & 100' FWL of the above captioned Section 29. We anticipate drilling to an approximate true vertical depth of 7,259' and an approximate total measured depth of 17,850'. The N2 of Section 28 and the N2 of Section 29 will be dedicated to the well as the proration unit.
2. CITY SLICKERS 28/29 FEE #551H (H3AD) will have a surface location 470' FNL & 310' FWL of Section 27 and a bottom hole location approximately 330' FNL & 100' FWL of the above captioned Section 29. We anticipate drilling to an approximate true vertical depth of 7,957' and an approximate total measured depth of 18,500'. The N2 of Section 28 and the N2 of Section 29 will be dedicated to the well as the proration unit.

Mewbourne Oil Company
Case No. 25414
Exhibit A-4

3. CITY SLICKERS 28/29 FEE #554H (H3HE) will have a surface location 470' FNL & 350' FWL of Section 27 and a bottom hole location approximately 2310' FNL & 100' FWL of the above captioned Section 29. We anticipate drilling to an approximate true vertical depth of 7,937' and an approximate total measured depth of 18,700'. The N2 of Section 28 and the N2 of Section 29 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling are our AFEs dated May 5, 2025, 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 \$8,000/month while drilling, \$800/month for a producing well and a non-consent penalty of 100%/300%. Should you wish to participate, please email me at bdunn@mewbourne.com and I will promptly email you a copy of the City Slickers 28/29 Operating Agreement dated July 15, 2020, for your review.

Should you have any questions regarding the above, please email me at 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", is positioned below the company name.

Brad Dunn
Landman

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name:		CITY SLICKERS 28/29 FEE #523H (B2HE)		Prospect:		CITY SLICKERS																					
Location:		SL: 470 FNL & 330 FWL (27); BHL: 1330 FNL & 100 FWL (29)		County:		Eddy		ST: NM																			
Sec.		27		Blk:				Survey:				TWP:		22S		RNG:		27E		Prop. TVD:		7259		TMD:		17850	

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$60,000
Daywork / Turnkey / Footage Drilling14 days drlg @ \$26000/d		0180-0110	\$388,800	0180-0210	
Fuel1700 gal/day @ \$3.9/gal		0180-0114	\$99,100	0180-0214	\$55,000
Alternate Fuels		0180-0115		0180-0215	\$122,000
Mud, Chemical & Additives		0180-0120	\$50,000	0180-0220	
Mud - Specialized		0180-0121	\$175,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$322,000
Stimulation Toe Preparation				0180-0223	\$21,000
Cementing		0180-0125	\$200,000	0180-0225	
Logging & Wireline Services		0180-0130	\$29,000	0180-0230	\$305,000
Casing / Tubing / Snubbing Services		0180-0134	\$50,000	0180-0234	
Mud Logging		0180-0137	\$15,000		
Stimulation51 Stg 20.2 MM gal / 20.2 MM lb				0180-0241	\$1,818,000
Stimulation Rentals & Other				0180-0242	\$342,000
Water & Other90% PW @ \$0.25/bbl f/ Waterbridge/San Mateo		0180-0145	\$40,000	0180-0245	\$160,000
Bits		0180-0148	\$64,100	0180-0248	\$5,000
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	\$65,000		
Transportation		0180-0165	\$30,000	0180-0265	\$60,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$114,000	0180-0270	\$40,000
Directional ServicesIncludes Vertical Control		0180-0175	\$300,000		
Equipment Rental		0180-0180	\$108,900	0180-0280	\$45,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,600	0180-0285	
Intangible Supplies		0180-0188	\$25,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$42,000
Company Supervision		0180-0195	\$72,000	0180-0295	\$21,600
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies5% (TCP)5% (CC)		0180-0199	\$108,800	0180-0299	\$177,500
TOTAL		\$2,285,300		\$3,728,100	

TANGIBLE COSTS 0181					
Casing (19.1" – 30")		0181-0793			
Casing (10.1" – 19.0")700' - 13 3/8" 54.5# J-55 ST&C @ \$42.93/ft		0181-0794	\$32,100		
Casing (8.1" – 10.0")2100' - 9 5/8" 40# HCL80 LT&C @ \$35.11/ft		0181-0795	\$78,700		
Casing (6.1" – 8.0")6700' - 7" 29# HCP-110 LT&C @ \$30.17/ft		0181-0796	\$215,900		
Casing (4.1" – 6.0")11350' - 4 1/2" 13.5# P-110 CDC-HTQ @ \$17.99/ft				0181-0797	\$218,100
Tubing6450' - 3 1/2" 9.2# L-80 IPC Tbg @ \$15.5/ft				0181-0798	\$106,800
Drilling Head		0181-0860	\$50,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion ToolsCompletion Liner Hanger				0181-0871	\$75,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Service Pumps(1/11) (2)TP/(2)CP/CIRC PUMP				0181-0886	\$9,000
Storage Tanks(1/11) (8)OT/(6)WT/(2)GB				0181-0890	\$44,000
Emissions Control Equipment(1/11) (5)VRT/(2)VRU/(1)FLARE/(3)KO/(1)AIR				0181-0892	\$66,000
Separation / Treating Equipment(1/11) (1)BULK H SEP/(4)TEST H SEP 500#/(1)V SEP 500#/(4)WATER				0181-0895	\$52,000
Automation Metering Equipment				0181-0898	\$54,000
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$24,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	
On-site Valves/Fittings/Lines&Misc				0181-0906	\$91,000
Wellhead Flowlines - Construction				0181-0907	\$111,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$97,000
Equipment Installation				0181-0910	\$59,000
Oil/Gas Pipeline - Construction				0181-0920	\$39,000
Water Pipeline - Construction				0181-0921	\$4,000
TOTAL		\$376,700		\$1,104,900	
SUBTOTAL		\$2,662,000		\$4,833,000	
TOTAL WELL COST		\$7,495,000			

Insurance procured for the Joint Account by Operator

☐

Opt-in. I elect to be covered by Operator's Extra Expense, Commercial General Liability, Pollution Legal Liability, and Excess/Umbrella Insurance Policies, and will pay my proportionate share of the premiums associated with these insurance coverages through joint account billings.

☐

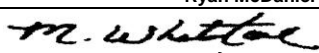
Opt-out. I elect to purchase my own policies for well control and other insurance requirements, or to self-insure (if applicable). By opting-out, I recognize I will be responsible for my own coverage and will not be afforded protection under operator's policies.

If neither box is checked above, non-operating working interest owner elects to be covered by Operator's insurance.

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

Prepared by: Ryan McDaniel

Date: 4/30/2025

Company Approval: 

Date: 5/5/2025

Joint Owner Interest: Amount:

Joint Owner Name: Signature:

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: CITY SLICKERS 28/29 FEE #551H (H3AD)		Prospect: CITY SLICKERS	
Location: SL: 470 FNL & 310 FWL (27); BHL: 330 FNL & 100 FWL (29)		County: Eddy	ST: NM
Sec. 27	Blk:	Survey:	TWP: 22S
RNG: 27E		Prop. TVD: 7957	TMD: 18500

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration	0180-0106	\$200,000	0180-0206	\$60,000
Daywork / Turnkey / Footage Drilling 17 days drlg @ \$26000/d	0180-0110	\$472,100	0180-0210	
Fuel 1700 gal/day @ \$3.9/gal	0180-0114	\$120,400	0180-0214	\$68,000
Alternate Fuels	0180-0115		0180-0215	\$152,000
Mud, Chemical & Additives	0180-0120	\$55,000	0180-0220	
Mud - Specialized	0180-0121	\$185,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$322,000
Stimulation Toe Preparation			0180-0223	\$21,000
Cementing	0180-0125	\$200,000	0180-0225	
Logging & Wireline Services	0180-0130	\$29,000	0180-0230	\$370,000
Casing / Tubing / Snubbing Services	0180-0134	\$50,000	0180-0234	
Mud Logging	0180-0137	\$15,000		
Stimulation 61 Stg 25.3 MM gal / 25.3 MM lb			0180-0241	\$2,294,000
Stimulation Rentals & Other			0180-0242	\$402,000
Water & Other 90% PW @ \$0.25/bbl f/ Waterbridge/San Mateo	0180-0145	\$40,000	0180-0245	\$199,000
Bits	0180-0148	\$74,800	0180-0248	\$5,000
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	\$65,000		
Transportation	0180-0165	\$30,000	0180-0265	\$60,000
Welding, Construction & Maint. Services	0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision	0180-0170	\$131,100	0180-0270	\$50,000
Directional Services Includes Vertical Control	0180-0175	\$350,000		
Equipment Rental	0180-0180	\$125,300	0180-0280	\$45,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$4,800	0180-0285	
Intangible Supplies	0180-0188	\$25,000	0180-0288	\$1,000
Damages	0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements	0180-0192		0180-0292	\$42,000
Company Supervision	0180-0195	\$82,800	0180-0295	\$28,800
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 5% (TCP) 5% (CC)	0180-0199	\$120,100	0180-0299	\$212,500
TOTAL	\$2,521,400		\$4,463,300	

TANGIBLE COSTS 0181				
Casing (19.1" – 30")	0181-0793			
Casing (10.1" – 19.0") 700' - 13 3/8" 54.5# J-55 ST&C @ \$42.93/ft	0181-0794	\$32,100		
Casing (8.1" – 10.0") 2100' - 9 5/8" 40# HCL80 LT&C @ \$35.11/ft	0181-0795	\$78,700		
Casing (6.1" – 8.0") 7400' - 7" 29# HCP-110 LT&C @ \$30.17/ft	0181-0796	\$238,400		
Casing (4.1" – 6.0") 11300' - 4 1/2" 13.5# P-110 CDC-HTQ @ \$17.99/ft			0181-0797	\$217,100
Tubing 7150' - 3 1/2" 9.2# L-80 IPC Tbg @ \$15.5/ft			0181-0798	\$118,400
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 (1/11) (2)TP/(2)CP/CIRC PUMP			0181-0886	\$9,000
Storage Tanks (1/11) (8)OT/(6)WT/(2)GB			0181-0890	\$44,000
Emissions Control Equipment (1/11) (5)VRT/(2)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$66,000
Separation / Treating Equipment (1/11) (1)BULK H SEP/(4)TEST H SEP 500#/(1)V SEP 500#/(4)WATER			0181-0895	\$52,000
Automation Metering Equipment			0181-0898	\$54,000
Oil/Gas Pipeline-Pipe/Valves&Misc			0181-0900	\$24,000
Water Pipeline-Pipe/Valves & Misc			0181-0901	
On-site Valves/Fittings/Lines&Misc			0181-0906	\$91,000
Wellhead Flowlines - Construction			0181-0907	\$111,000
Cathodic Protection			0181-0908	
Electrical Installation			0181-0909	\$97,000
Equipment Installation			0181-0910	\$59,000
Oil/Gas Pipeline - Construction			0181-0920	\$39,000
Water Pipeline - Construction			0181-0921	\$4,000
TOTAL	\$399,200		\$1,115,500	
SUBTOTAL	\$2,920,600		\$5,578,800	
TOTAL WELL COST		\$8,499,400		

Insurance procured for the Joint Account by Operator

☐

Opt-in. I elect to be covered by Operator's Extra Expense, Commercial General Liability, Pollution Legal Liability, and Excess/Umbrella Insurance Policies, and will pay my proportionate share of the premiums associated with these insurance coverages through joint account billings.

☐

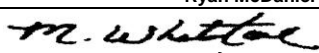
Opt-out. I elect to purchase my own policies for well control and other insurance requirements, or to self-insure (if applicable). By opting-out, I recognize I will be responsible for my own coverage and will not be afforded protection under operator's policies.

If neither box is checked above, non-operating working interest owner elects to be covered by Operator's insurance.

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

Prepared by: Ryan McDaniel

Date: 4/30/2025

Company Approval: 

Date: 5/5/2025

Joint Owner Interest: Amount:

Joint Owner Name: Signature:

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: CITY SLICKERS 28/29 FEE #554H (H3HE)		Prospect: CITY SLICKERS	
Location: SL: 470 FNL & 350 FWL (27); BHL: 2310 FNL & 100 FWL (29)		County: Eddy	ST: NM
Sec. 27	Blk:	Survey:	TWP: 22S
RNG: 27E		Prop. TVD: 7937	TMD: 18700

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration	0180-0106	\$200,000	0180-0206	\$60,000
Daywork / Turnkey / Footage Drilling 17 days drlg @ \$26000/d	0180-0110	\$472,100	0180-0210	
Fuel 1700 gal/day @ \$3.9/gal	0180-0114	\$120,400	0180-0214	\$68,000
Alternate Fuels	0180-0115		0180-0215	\$152,000
Mud, Chemical & Additives	0180-0120	\$55,000	0180-0220	
Mud - Specialized	0180-0121	\$185,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$322,000
Stimulation Toe Preparation			0180-0223	\$21,000
Cementing	0180-0125	\$200,000	0180-0225	
Logging & Wireline Services	0180-0130	\$29,000	0180-0230	\$370,000
Casing / Tubing / Snubbing Services	0180-0134	\$50,000	0180-0234	
Mud Logging	0180-0137	\$15,000		
Stimulation 61 Stg 25.3 MM gal / 25.3 MM lb			0180-0241	\$2,294,000
Stimulation Rentals & Other			0180-0242	\$402,000
Water & Other 90% PW @ \$0.25/bbl f/ Waterbridge/San Mateo	0180-0145	\$40,000	0180-0245	\$199,000
Bits	0180-0148	\$74,800	0180-0248	\$5,000
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	\$65,000		
Transportation	0180-0165	\$30,000	0180-0265	\$60,000
Welding, Construction & Maint. Services	0180-0168	\$4,000	0180-0268	\$16,500
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Separation / Treating Equipment (1/11) (1)BULK H SEP/(4)TEST H SEP 500#/(1)V SEP 500#/(4)WATER			0181-0895 \$52,000
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TOTAL	\$399,200		\$1,119,400
SUBTOTAL	\$2,920,600		\$5,582,700
TOTAL WELL COST		\$8,503,300	

Insurance procured for the Joint Account by Operator

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Opt-in. I elect to be covered by Operator's Extra Expense, Commercial General Liability, Pollution Legal Liability, and Excess/Umbrella Insurance Policies, and will pay my proportionate share of the premiums associated with these insurance coverages through joint account billings.

☐

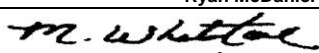
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Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.

Prepared by: Ryan McDaniel

Date: 4/30/2025

Company Approval: 

Date: 5/5/2025

Joint Owner Interest: Amount:

Joint Owner Name: Signature:

Summary of Communications
CITY SLICKERS 28/29 FEE #523H
CITY SLICKERS 28/29 FEE #551H
CITY SLICKERS 28/29 FEE #554H
N/2 Section 28 & N/2 of Section 29, T22S, R27E
Eddy County, New Mexico

Enserch Exploration Inc.

- 1) 5/8/2025: Well proposal letter with AFEs are sent via certified mail to three different most current addresses found.
- 2) 5/17/2025: All three different certified mail packets returned due to unlocatable/undeliverable addresses.
- 3) 6/10/2025: Detailed search on the internet for a new address of this company/current contact information. Company unlocatable.

Spectrum 7, 1983-B Drilling Program

- 1) 5/8/2025: Well proposal letter with AFEs are sent via certified mail to two different most current addresses found.
- 2) 5/21/2025: Both certified mail packets returned due to unlocatable/undeliverable addresses.
- 3) 6/10/2025: Detailed search on the internet for a new address of this company/current contact information. Company unlocatable.

Mewbourne Oil Company
Case No. 25414
Exhibit A-5

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

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

CASE NO. 25414

**SELF-AFFIRMED STATEMENT
OF TYLER HILL**

1. I am employed by Mewbourne Oil Company ("Mewbourne") as a geologist. 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 geology matters were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced case.

3. **Exhibit B-1** is a general location map that depicts the City Slickers spacing unit.

4. **Exhibit B-2** is a subsea structure map for the Harkey Sand formation that is representative of the targeted intervals. The contour intervals are 50 feet. The approximate wellbore paths for City Slickers 28/29 Fee #523H, City Slickers 28/29 #551H, and City Slickers 28/29 #554H wells ("Wells") are depicted by solid green lines. Existing producing wells in the targeted interval are represented by solid green lines. The map demonstrates the formation is gently dipping to the east in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

5. Exhibit B-2 also identifies three wells penetrating the targeted intervals that I used to prepare a structural cross-section from A to A'. I used these well logs because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the area.

**Mewbourne Oil Company
Case No. 25414
Exhibit B**

6. **Exhibit B-3** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown on Exhibit B-2. Each well log on the cross-section contains gamma ray, resistivity and/or porosity. The proposed landing zones for the wells are labeled on the exhibit. This cross-section demonstrates that the target interval is continuous across the Unit.

7. In my opinion, a laydown orientation for the proposed Wells is appropriate to properly develop the subject acreage because of an established directional pattern and the known fracture orientation in this portion of the trend.

8. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.

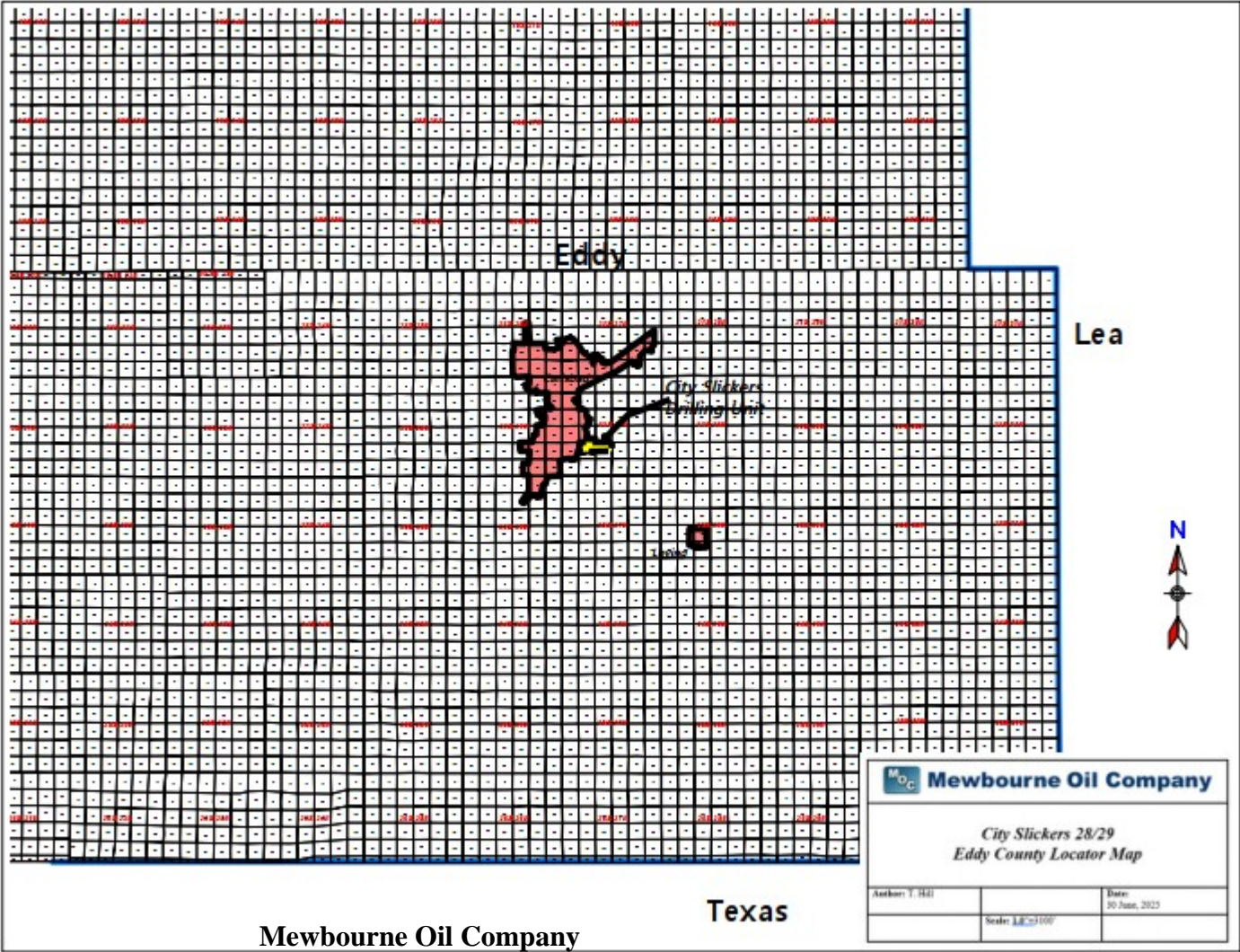
9. In my opinion, the granting of Mewbourne's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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

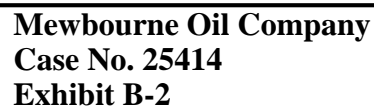
11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.

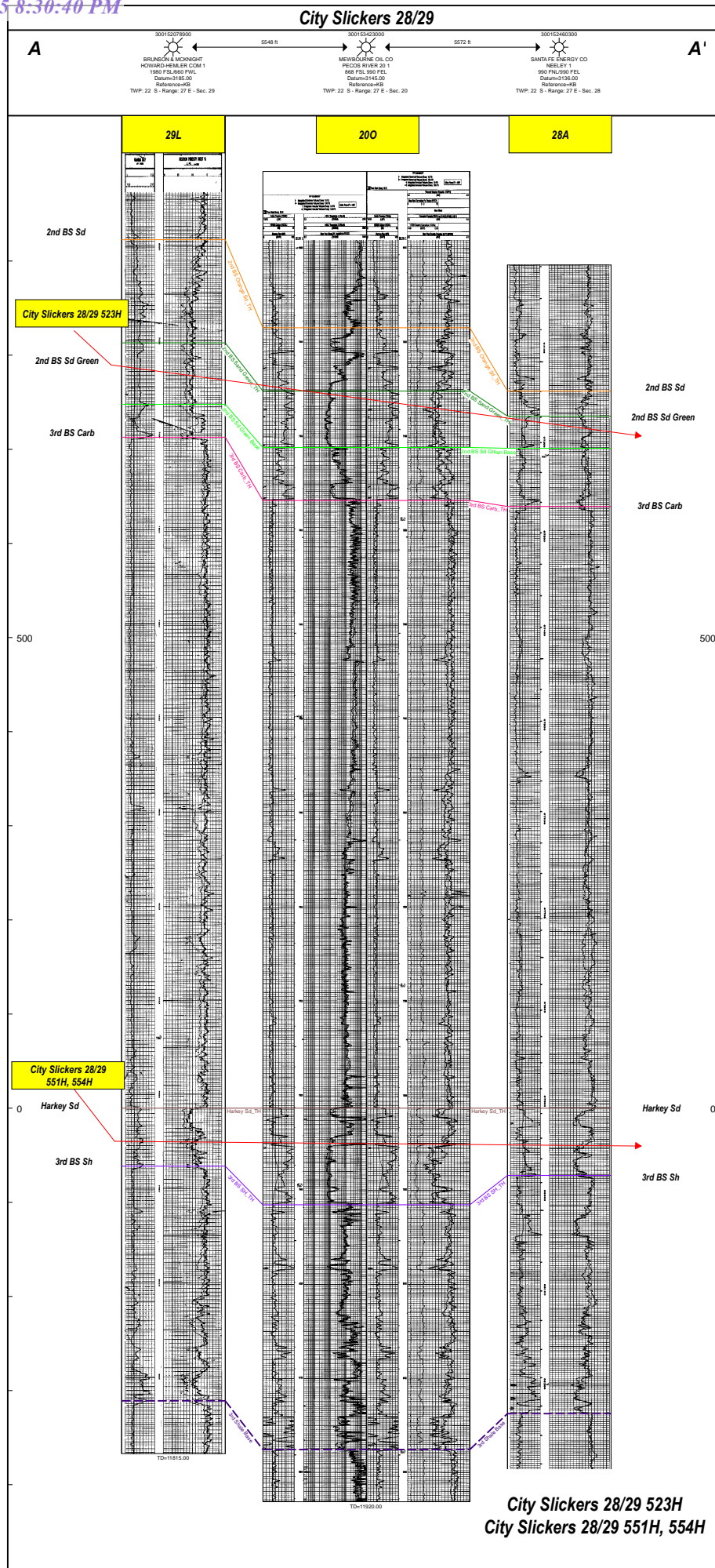

Tyler Hill

6/30/25
Date



Mewbourne Oil Company
Case No. 25414
Exhibit B-1





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

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

CASE NO. 25414

**SELF-AFFIRMED STATEMENT
OF JACLYN M. MCLEAN**

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 C-1**, and caused the Notice Letter, along with the Application in this case, to be sent to the party listed in the Postal Delivery Report attached as **Exhibit C-2**.

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

4. On June 19, 2025, I caused a notice to be published in the Carlsbad Current - Argus. An Affidavit of Publication from the legal clerk of the Carlsbad Current - Argus along with a copy of the Notice Publication, is attached as **Exhibit C-3**.

5. 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/ Jaclyn M. McLean
Jaclyn M. McLean

June 26, 2025
Date

**Mewbourne Oil Company
Case No. 25414
Exhibit C**



June 26, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 25414 - Application of Mewbourne Oil Company for Compulsory Pooling, Eddy 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. The hearing will be conducted on **July 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, 1st 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/oed/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 the OCD's E-Permitting system, you must submit the statement via e-mail to 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 for Mewbourne Oil Company at bdunn@mewbourne.com or 432-682-3715.

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

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymclean.com

Mewbourne Oil Company
Case No. 25414
Exhibit C-1

Hardy McLean LLC
June 26, 2025

Page 2

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

Postal Delivery Report

Mewbourne City Slickers Case No. 25414

Recipient	Date Mailed	USPS Tracking	Date Received	Status
Spectrum 7, 1983-Drilling Program	6/2/2025	9414836208551283167036		Your item was returned to the sender on June 16, 2025 at 10:51 am in SANTA FE, NM 87501 because it could not be delivered as addressed.
Enserch Exploration Inc	6/2/2025	9414836208551283167432		In Transit to Next Facility, Arriving Late

Mewbourne Oil Company
Case No. 25414
Exhibit C-2

affidavit of publication

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

STATE OF NEW MEXICO } SS
COUNTY OF EDDY }

Account Number: 1491
Ad Number: 51870
Description: Mewbourne City Slickers 25414
Ad Cost: \$115.88

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:

June 19, 2025

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

SIGNED:

Sherry Groves

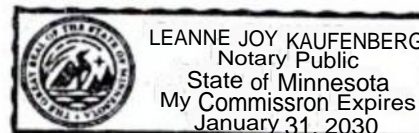
Agent

Subscribed to and sworn to me this 19th day of June 2025.

Leanne Kaufenberg

Leanne Kaufenberg, Notary Public, (Redwood County Minnesota

ADRIANNE KUNKLE
HARDY MCLEAN LLC
125 LINCOLN AVE. SUITE 223
SANTA FE, NM 87501
akunkle@hardymclean.com



Mewbourne Oil Company
Case No. 25414
Exhibit C-3

This is to notify all interested parties, including; Spectrum 7, 1983-B Drilling Program; Enserch Exploration 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 (Case No. 25414). The hearing will be conducted on July 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: <https://www.emnrd.nm.gov/oed/hearing-info/>. In **Case No. 25414**, Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 640.24-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 28 and 29, Township 22 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): **City Slickers 28/29 Fee #523H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 29; **City Slickers 28/29 #551H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 29; and **City Slickers 28/29 #554H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 29. The completed intervals of the Wells will be orthodox. The completed interval of the **City Slickers 28/29 #523H** well will be located within 330' of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 28 and 29 to allow for the creation of a standard, 640.24-acre, more or less, standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as operator of the Unit and Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately one mile northwest of Carlsbad, New Mexico.

Published in the Carlsbad
Current-Argus June 19, 2025.
#51870