CASE NO. 25429

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, <u>LEA COUNTY, NEW MEXICO</u>

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EXHIBIT LIST

- 1. Pooling Checklist
- 2. Landman's Affidavit
 - 2-A: C-102s
 - 2-B: Ownership Plat and Lists
 - 2-C: Summary of Contacts
 - 2-D: AFEs
- 3. Geologist's Affidavit
 - 3-A: Activity/Structure Map
 - 3-B: Cross-Section
 - 3-C: Cross-Section
- 4. Affidavit of Certified Mailing4-A: Notice Letter and Receipts
 - 4-A: Notice Letter and Receipts 4-B: Certified Notice Spreadsheet
- 5. Affidavit of Publication
- 6. 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 FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 25429

VERIFIED STATEMENT OF CHARLES CROSBY

Charles Crosby, being duly sworn upon his oath, deposes and states:

1. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have previously been qualified by the Division as an expert geologist.

2. In this case Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard spacing unit comprised of all of Sections 23 and 26, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico (the "Unit). Applicant proposes to drill the following wells in the Unit:

(a) The Querecho 23/26 Fed. Com. Well No. 521H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26;

(b) The Querecho 23/26 Fed. Com. Well No. 524H, with a first take point in the NE/4NW/4 of Section 23 and a last take point in the SE/4SW/4 of Section 26;

(c) The Querecho 23/26 Fed. Com. Well No. 523H, with a first take point in the NW/4NE/4 of Section 23 and a last take point in the SW/4SE/4 of Section 26;

(d) The Querecho 23/26 Fed. Com. Well No. 612H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26; and

(e) The Querecho 23/26 Fed. Com. Well No. 616H, with a first take point in the NE/4NW/4 of Section 23 and a last take point in the SE/4SW/4 of Section 26.

4. Attached as Exhibit 3-A is a Horizontal Activity Map showing Bone Spring development in this immediate area. It also shows the top of the Wolfcamp structure, which dips to the south-southeast.

5. Attached as Exhibit 3-B is a cross-section of the Second Bone Spring sand. The logs on the cross-section give a representative sample of the Second Bone Spring. The target zone is continuous and uniformly thick in the well unit.



Attached as Exhibit 3-C is a cross-section of the Third Bone Spring. The logs on 6. the cross-section give a representative sample of the Third Bone Spring. The target zone is continuous and uniformly thick in the well unit.

From the maps I conclude that: 7.

The horizontal spacing unit is justified from a geologic standpoint; (a)

The target zones in the two cases are continuous and uniformly thick in the well (b) unit.

Each quarter-quarter section in the well unit will contribute more or less equally to (c)each particular well.

There is no faulting or other Impediment affecting the drilling of the wells. (d)

The limited number of Bone Spring wells drilled in the area do not show a 8. preference for standup or laydown well units. Based on production data from existing wells. Mewbourne believes standup units will properly develop the reservoir.

The attachments to this affidavit were prepared by me or under my supervision, or 9 compiled from company business records.

The granting of this application is in the interests of conservation and the prevention 10. 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 10 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.

7/2/25 Date

Charles Crosby

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

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

CASE NO. 25429

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 application filed herein.

4. Notice of the application 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 4-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.

1/2/25

Date

Hames Bruce

EXHIBIT

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

June 17, 2025

Certified Mail - Return Receipt Requested

To Person Listed on Exhibit A

Ladies and Gentlemen:

Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division requesting compulsory pooling:

Case No. 25429: Mewbourne Oil Company ("Applicant") has filed an application with the Oil Conservation Division for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard spacing unit comprised of all of Sections 23 and 26, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico (the "Unit). Applicant proposes to drill the following wells in the Unit:

(a) The Querecho 23/26 Fed. Com. Well No. 521H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26;

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(c) The Querecho 23/26 Fed. Com. Well No. 523H, with a first take point in the NW/4NE/4 of Section 23 and a last take point in the SW/4SE/4 of Section 26;

(d) The Querecho 23/26 Fed. Com. Well No. 612H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26; and

(e) The Querecho 23/26 Fed. Com. Well No. 616H, with a first take point in the NE/4NW/4 of Section 23 and a last take point in the SE/4SW/4 of Section 26.

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, designation of Applicant as operator of the wells and the Unit, 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,

EXHIBIT 4.A

testing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Thos matter is scheduled for hearing at 9:00 a.m. on Thursday, July 10, 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 Freva Tschantz at https://www.emnrd.nm.gov/ocd/hearing-info/ contact or Freya.Tschantz@emnrd.nm.gov. You are not required to attend the hearing, but an owner of an interest affected by the application may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter 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 address given above.

Very truly yours,

Mest filee

Attorney for Mewbourne Oil Company

EXHIBIT A

Working Interest Owners

Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, OK 73102

StumhofferFamilyPartnership,LP40TielWayHouston, TX 77019

RoyL.CrowandAnnL.Crow4905WedgefieldRd.Granbury, TX 76049

Jack Huff Energy, Ltd. PO BOX 50190 Midland, TX 79710

Record Title Owners

Jack Huff P O BOX 50190 Midland, TX 79710

MARSHALL & WINSTON INC PO ROX 50880 MIDLAND, 1X 79710

STEVEN L. BURLESON PO ROX 2479 MIDLAND, TX 79702

NANCY E. HAYES PO BOX 2479 MIDLAND, TX 79702 LEWIS B BURLESON PO BOX 2479 MIDLAND, TX 79702

JAMES J COLE PO BOX K MESILLA, NM 88046

JIMMIE COLE PO BOX K MESILLA, NM 88046

KATHERINE D. CREWS PO BOX 352 PECOS, TX 79772

SUSIE CREWS 6604 SHADOW VALLEY DR AUSTIN, TX 79731

JACK HUFF PO BOX 50190 MIDLAND, TX 79710

COURTNEY C. JOHNSON RR 3 BOX 1340 GEORGETOWN, TX 78626

OHB INC PO BOX 1432 SAN ANGELO, TX 76902

MURJO OIL & ROYALTY PO BOX 121818 FORT WORTH, TX 76121

CHEVRON USA INC 6301 DEAUVILLE MIDLAND, TX 79706

XTO HOLDINGS, LLC 22777 SPRINGWOODS VILLAGE PKWY SPRING, TX 77389



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 Restricted Delivery Domestic Return Receipt Agent Addressee C. Date of Delivery Sex P Is delivery address different from item 1? COMPLETE THIS SECTION ON DELIVERY If YES, enter delivery address below: very Restricted Delivery 3. Service Type adult Signature adult restricted Delivery Ø 3 q NMO U IIISUTEU INEII A. Signature E 1920 ò × PS Form 3811, July 2020 PSN 7530-02-000-9053 TELZ Attach this card to the back of the malipiece. Print your name and address on the reverse 9590 9402 9124 4225 7731 14 so that we can return the card to you. SENDER: COMPLETE THIS SECTION 5270 or on the front if space permits. NANCY E. HAVES 00 BOX 2479 MIGLAND, TX 79702 Complete items 1, 2, and 3. DT2D

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	PS Form 3800, January 2023 PSN 7530-02-000-9047	See Reverse for Instructions

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STATUS OF CERTIFIED NOTICE

INTEREST OWNER	MAIING DATE	RECEIPT DATE	CARD RETURNED
Devon Energy Production Company, L.P.	June 17, 2025	June 25, 2025	Yes
Stumhoffer Family Partnership, LP	June 17, 2025	June 24, 2025	Yes
Roy L. Crow and wife Ann L. Crow	June 17, 2025	Not returned	No
Jack Huff Energy Ltd.	June 17, 2025	June 25, 2025	Yes
Jack Huff	June 17, 2025	Not returned	No
Marshall & Winston, Inc.	June 17, 2025	June 24, 2025	Yes
Steven L. Burleson	June 17, 2025	Unknown	Yes
Nancy E. Hayes	June 17, 2025	Unknown	Yes
Lewis B. Burleson	June 17, 2025	Unknown	Yes
James J. Cole	June 17, 2025	Not returned	No
Jimmie Cole	June 17, 2025	Not returned	No
Katherine D. Crews	June 17, 2025	Not returned	No
Susie Crews	June 17, 2025	Not returned	No
Courtney C. Johnson	June 17, 2025	Not returned	No
OHB Inc.	June 17, 2025	Not returned	No
Murio Oil & Royalty	June 17, 2025	Not returned	No
Chevron U.S.A. Inc.	June 17, 2025	Unknown	Yes
XTO Holdings, LLC,	June 17, 2025	Not returned	No

EXHIBIT 4,B

LEGAL LEGAL LEGAL LEGAL NOTICE June 19, 2025 * NOTICE To: 1. Working Interest Owners: Devon Energy Production Company, L.P., Stumhoffer Family Partnership, LP, Roy L. Crow and wife Ann L. Crow, and Jack Huff Energy Ltd.; and 2. Record Title Owners: Jack Huff, Marshall & Winston, Inc., Steven L. Burleson, Nancy E. Hayes, Lewis B. Burleson, James J. Cole, Jimmie Cole, Katherine D. Crews, Susie Crews, Courtney C. Johnson, OHB Inc., Murio Oil & Royalty, Chevron U.S.A. Inc., and XTO Holdings, LLC, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed the following application with the New Mexico Oil Conservation Division requesting compulsory nooling: compulsory pooling: Case No. 25429: Mewbourne Oil Company ("Applicant") has filed an application with the Oil Conservation Division for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard spacing unit comprised of all of Sections 23 and 26, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico (the "Unit). Applicant proposes to drill the following wells in the Unit: (a) The Querecho 23/26 Fed. Com. Well No. 521H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26; (b) The Querecho 23/26 Fed. Com. Well No. 524H, with a first take point in the NE/4NW/4 of Section 23 and a last take point in the SE/4SW/4 of Section 26; (c) The Querecho 23/26 Fed. Com. Well No. 523H, with a first take point in the NW/4NE/4 of Section 23 and a last take point in the SW/4SE/4 of Section 26; (d) The Querecho 23/26 Fed. Com. Well No. 612H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SE/4 of Section 26; and a last take point in the SW/4SE/4 of Section 26; d) The Querecho 23/26 Fed. Com. Well No. 612H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26; and and (e) The Querecho 23/26 Fed. Corn. Well No. 616H, with a first take point in the NE/4NW/4 of Section 23 and a last take point in the SE/4SW/4 of Section 26. 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, designation of Applicant as operator of the wells and the Unit, 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 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. to participate in the Wells. This matter is scheduled for hearing at 9:00 a.m. on Thursday, July 10, 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.emrrd.nm.gov/ocd/hearing-info/ or contact Freya Tschantz at Freya.Tschantz@emnrd.nm.gov. You are not required to attend the hearing, buil an owner of an interest affected by the application may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter 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 to present its case; and any procedurall matters that need to be resolved before the hearing. The Pre-Hearing Statement must also be provided to applicant's attorney. James Bruce, Post Office Box 1056, Santa Fe, NM 87504, *jamesbruc@aol.com*. The Unit is located approximately 9 miles south-southeast of Maljamar, New Mexico. #00301905 #00301905 01101711 00301905 JAMES BRUCE JAMES BRUCE, ATTORNEY AT LAW P.O. BOX 1056 SANTA FE, NM 87504 EXHIBIT

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated June 19, 2025 and ending with the issue dated June 19, 2025.

Editor

Sworn and subscribed to before me this 19th day of June 2025.

Business Manager

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

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

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

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

CASE NO. 25429

APPLICATION

Mewbourne Oil Company ("Applicant") files this application with the Oil Conservation Division (the "Division") for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard spacing unit comprised of all of Sections 23 and 26, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico (the "Unit). In support of this application, Applicant states:

1. Applicant is an interest owner and operator in the Unit, and has the right to drill a well or wells thereon.

2. Applicant proposes to drill the following wells in the Unit to depths sufficient to test the Bone Spring formation:

(a) The Querecho 23/26 Fed. Com. Well No. 521H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26;

(b) The Querecho 23/26 Fed. Com. Well No. 524H, with a first take point in the NE/4NW/4 of Section 23 and a last take point in the SE/4SW/4 of Section 26;

(c) The Querecho 23/26 Fed. Com. Well No. 523H, with a first take point in the NW/4NE/4 of Section 23 and a last take point in the SW/4SE/4 of Section 26;

(d) The Querecho 23/26 Fed. Com. Well No. 612H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26; and

EXHIBIT

(e) The Querecho 23/26 Fed. Com. Well No. 616H, with a first take point in the NE/4NW/4 of Section 23 and a last take point in the SE/4SW/4 of Section 26.

3. Although Applicant has in good faith sought to obtain voluntary joinder of all other mineral interest owners in the Unit to participate in the drilling of the wells or to 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 Bone Spring formation underlying the Unit, pursuant to NMSA 1978 Sec. 70-2-17.

4. The pooling of all uncommitted mineral interest owners in the Bone Spring 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 Bone Spring formation (Querecho Plains; Lower Bone Spring Pool/Pool Code 50510) underlying the Unit;

B. Designating Applicant as operator of the wells and the Unit;

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

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

E. 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 for compulsory pooling, Lea County, New Mexico: Mewbourne Oil Company ("Applicant") has filed an application with the Oil Conservation Division for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard spacing unit comprised of all of Sections 23 and 26, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico (the "Unit). Applicant proposes to drill the following wells in the Unit:

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(c) The Querecho 23/26 Fed. Com. Well No. 523H, with a first take point in the NW/4NE/4 of Section 23 and a last take point in the SW/4SE/4 of Section 26;

(d) The Querecho 23/26 Fed. Com. Well No. 612H, with a first take point in the NW/4NW/4 of Section 23 and a last take point in the SW/4SW/4 of Section 26; and

(e) The Querecho 23/26 Fed. Com. Well No. 616H, with a first take point in the NE/4NW/4 of Section 23 and a last take point in the SE/4SW/4 of Section 26.

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, designation of Applicant as operator of the wells and the Unit, approval of 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 9 miles south-southeast of Maljamar, New Mexico.