

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

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

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

NOV 22 2017
RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-44579		2 Pool Code 56405		3 Pool Name SHUGART NORTH BONE SPRING	
4 Property Code 320081		5 Property Name VIRGO 24/23 B2AD FED COM			6 Well Number 1H
7 OGRID NO. 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3632'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	24	18S	30E		450	NORTH	185	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	23	18S	30E		450	NORTH	330	WEST	EDDY

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

16 GEODETIC DATA NAD 27 GRID - NM EAST SURFACE LOCATION N: 632739.3 - E: 628021.0 LAT: 32.73880381° N LONG: 103.91698403° W BOTTOM HOLE N: 632705.8 - E: 617981.9 LAT: 32.73881577° N LONG: 103.94963280° W GEODETIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N: 632802.6 - E: 669200.0 LAT: 32.73892244° N LONG: 103.91748977° W BOTTOM HOLE N: 632769.0 - E: 659160.9 LAT: 32.73893415° N LONG: 103.95013939° W		CORNER DATA NAD 27 GRID - NM EAST A: FOUND BRASS CAP "1916" N: 627876.9 - E: 617667.5 B: FOUND BRASS CAP "1916" N: 633154.6 - E: 617650.5 C: FOUND BRASS CAP "1916" N: 633171.6 - E: 622927.3 D: FOUND BRASS CAP "1916" N: 633180.5 - E: 625565.8 E: FOUND BRASS CAP "1916" N: 633189.8 - E: 628204.6		F: FOUND BRASS CAP "1916" N: 630550.9 - E: 628213.1 G: FOUND BRASS CAP "1916" N: 627911.6 - E: 628222.0 H: FOUND BRASS CAP "1916" N: 627894.3 - E: 625578.5 I: FOUND BRASS CAP "1916" N: 627892.9 - E: 622944.3 J: FOUND BRASS CAP "1916" N: 627885.3 - E: 620305.6 K: FOUND BRASS CAP "1916" N: 630533.0 - E: 622935.8		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date 11-16-2016 BRADLEY BISHOP Printed Name BBISHOP@MEWBOURNE.COM E-mail Address	
18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 3-04-2016 Date of Survey Signature and Seal of _____ 19680 Certificate Number							

CASE NO. 16020
Virgo 24/23 B2AD Fed Com #1H
N/2 N/2 Section 24, N/2 N/2 Section 23,
T18S, R30E Eddy County, New Mexico

TRACT OWNERSHIP:

TRACT #1: NE/4 NE/4 of Section 23 and NW/4 NW/4 of Section 24, containing 80 acres, more or less.

Mewbourne Oil Company	69.75309%
✓ EOG Y Resources, Inc.	19.13580%
✓ EOG Resources, Inc.	2.77778%
Cannon Exploration Co.	2.31482%
Devon Energy Production Company, LP	1.85185%
TARA – JON Corporation	1.85185%
Rio Pecos Corporation	1.85185%
The Roger T. & Holly L. Elliott	
Family Limited Partnership, L.P.	<u>0.46296%</u>
	100.00000%

TRACT #2: NW/4 NE/4 and NE/4 NW/4 of Section 23, containing 80 acres, more or less.

Mewbourne Oil Company	100.00%
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TRACT #3: NE/4 NW/4 of Section 24, containing 40 acres, more or less.

Mewbourne Oil Company	77.50%
Van Stephen Lanning	11.25%
V & B Minerals, LLC	<u>11.25%</u>
	100.00%

TRACT #4: N/2 NE/4 of Section 24, containing 80 acres, more or less.

Mewbourne Oil Company	100.00%
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TRACT #5: NW/4 NW/4 of Section 23, containing 40 acres, more or less.

EOG Resources, Inc.	100.00%
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PROJECT AREA OWNERSHIP:

Mewbourne Oil Company	77.12580%
* EOG Resources, Inc.	13.19443%
* EOG Y Resources, Inc.	4.78395%
Van Stephen Lanning	1.40625%
V & B Minerals, LLC	1.40625%
Cannon Exploration, Co.	0.57870%
Devon Energy Production Company, LP	0.46296%
TARA-JON Corporation	0.46296%
Rio Pecos Corporation	0.46296%
* Roger T. & Holly L. Elliott	
Family Limited Partnership, LP	<u>0.11574%</u>
	100.00000%



* THOSE INTERESTS ARE BEING POOLED.

SUMMARY OF COMMUNICATIONS

Case No. 16020

Virgo 24/23 B2AD Federal Com #1H Well
N/2 N/2 of Section 24 and N/2 N/2 of Section 23,
T18S, R30E, Eddy County, New Mexico

EOG Resources, Inc. – 13.19443% WI; 42.222 net acres

EOG Y Resources Inc. – 4.78395% WI; 15.308 net acres

Contact:

1. Chuck Moran (432) 686-3684
Email: Charles_Moran@eogresources.com
2. Clay Haggard (432) 686-3722
Email: Clay_Haggard@eogresources.com

11-28-2017: Phone conversation with chuck regarding our proposed well and their suspended lease in the NW/4 NW/4 of Section 23. Advised Chuck we were meeting with BLM December 12, 2017 at 1:00 to discuss their suspended lease and timeline to get our well drilled.

12-12-2017: Met with BLM in Carlsbad and obtained deadline in August, 2018 to commence our well. Chuck attended this meeting with us.

01-05-2018: Hand delivered well proposal letter dated 1-5-2018 with AFEs and JOA for EOG's consideration and execution.

01-25-2018: Follow up phone conversation with Chuck and Clay.

02-12-2018: Follow up phone conversation with Chuck.

02-13-2018: Mailed EOG our proposed Communitization Agreement for execution.

03-06-2018: Follow up call to Chuck, discussed status of EOG's participation in our well. They want us to operate the N/2 of this unit and EOG to operate S/2. We are agreeable for them to operate the South 320 acres and for MOC to operate the balance.

03-13-2018: Received EOG's letters dated March 9, 2018, AFEs and JOA regarding their proposed wells in the South 640 acres of Sections 23 and 24.

Roger T. & Holly L. Elliott

Family Limited Partnership – 0.11574% WI; 0.3737 net acres

Contact: Holly Elliott Smith

01-25-2018: Mailed well proposal letter dated 1-25-2018 via certified mail with AFE and proposed Operating Agreement for execution.

02-13-2018: Mailed our Communitization Agreement for execution regarding proposed well.

EXHIBIT 3

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

February 13, 2018

EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706
Attn: Mr. Clay Haggard

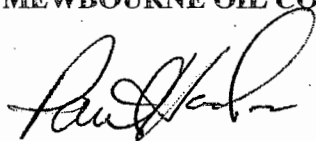
Re: Virgo 24/23 B2AD Fed Com #1H
N/2N/2 Sections 24 and 23,
T18S, R30E
Eddy County, NM

Dear Clay:

Enclosed for your further handling is our Communitization Agreement dated December 1, 2017 for the captioned land and well. This agreement communitizes the Federal leases under the captioned land for production from the Bone Spring formation. Please have this agreement and extra signature and acknowledgment pages executed and return only the extra signature and acknowledgements pages to me at your earliest convenience. Retain the agreement for your file. Once the agreement has been BLM approved and recorded, I'll send you a recorded copy for your file.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman
DPH/cb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

January 5, 2018

Hand Delivered

EOG Resources, Inc., EOG
Resources Assets, LLC and
EOG Y Resources, Inc.
5509 Champions Dr.
Midland, TX 79706
Attn: Mr. Clay Haggard

Re: Virgo 23/24 WIU
Virgo 24/23 B2AD Fed. Com #1H Well
N/2N/2 Section 24 and N/2N/2
Section 23, T18S, R30E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator proposes to form a Working Interest Unit (WIU) comprising all of the captioned Sections 23 and 24 containing 1280 acres, more or less.

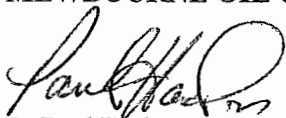
In reference to the above, Mewbourne proposes to drill the Virgo 24/23 B2AD Federal Co #1H Well as the initial well at a proposed surface location 450' FNL & 185' FEL of the captioned Section 24. The proposed well will be drilled at such location and drilled to a true vertical depth of approximately 8,701 feet beneath the surface in the Bone Spring formation and drilled to a terminus point 450' FNL & 330' FWL of the captioned Section 23 being the bottom hole location in the Second Bone Spring Sand interval in the Bone Spring formation. The true measured depth for this well will be approximately 18,550 feet with the well being dedicated to the N/2N/2 of Section 24 and N/2N/2 of Section 23 comprising 320 acres, more or less as its nonstandard oil proration unit and project area.

In reference to the above, enclosed for your further handling is our proposed Operating Agreement, Memorandum of Operating Agreement, AFE for the proposed initial well and signature and acknowledgment pages for the Operating Agreement, Gas Balancing Agreement and Recording Supplement.

In the event your firm elects to participate in the proposed WIU and initial well, please have the AFE signed and returned to me with the executed signature and acknowledgment pages of the Operating Agreement, Gas Balancing Agreement and Recording Supplement.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman
DPH/ak

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

February 9, 2018

Roger T. & Holly L. Elliott
Family Limited Partnership
3910 Tanforan Ave.
Midland, TX 79707
Attn: Holly Smith

Re: Virgo 24/23 B2AD Fed Com #1H
N/2N/2 Sections 24 and 23,
T18S, R30E
Eddy County, NM

Dear Holly:

Enclosed for your further handling is our Communitization Agreement dated December 1, 2017 for the captioned land and well. This agreement communitizes the Federal leases under the captioned land for production from the Bone Spring formation. Please have this agreement and extra signature and acknowledgment pages executed and return only the extra signature and acknowledgements pages to me at your earliest convenience. Retain the agreement for your file. Once the agreement has been BLM approved and recorded, I'll send you a recorded copy for your file.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman
DPH/cb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

January 25, 2018

Via Certified Mail

Roger T. & Holly L Elliott
Family Limited Partnership
3910 Tanforan Ave
Midland, TX 79707
Attn: Holly Smith

Re: Virgo 23/24 WIU
Virgo 24/23 B2AD Fed. Com #1H Well
N/2N/2 Section 24 and N/2N/2
Section 23, T18S, R30E
Eddy County, New Mexico

Dear Holly:

Mewbourne Oil Company ("Mewbourne") as Operator proposes to form a Working Interest Unit (WIU) comprising all of the captioned Sections 23 and 24 containing 1280 acres, more or less.

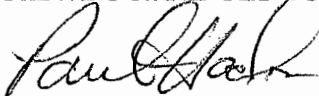
In reference to the above, Mewbourne proposes to drill the Virgo 24/23 B2AD Federal Co #1H Well as the initial well at a proposed surface location 450' FNL & 185' FEL of the captioned Section 24. The proposed well will be drilled at such location and drilled to a true vertical depth of approximately 8,701 feet beneath the surface in the Bone Spring formation and drilled to a terminus point 450' FNL & 330' FWL of the captioned Section 23 being the bottom hole location in the Second Bone Spring Sand interval in the Bone Spring formation. The true measured depth for this well will be approximately 18,550 feet with the well being dedicated to the N/2N/2 of Section 24 and N/2N/2 of Section 23 comprising 320 acres, more or less as its nonstandard oil proration unit and project area.

In reference to the above, enclosed for your further handling is our proposed Operating Agreement, Memorandum of Operating Agreement, AFE for the proposed initial well and signature and acknowledgment pages for the Operating Agreement, Gas Balancing Agreement and Recording Supplement. Also enclosed for your information is a copy of our original Drilling Title Opinion dated December 17, 2017 covering the captioned land.

In the event you elect to participate in the proposed WIU and initial well, please have the AFE signed and returned to me with the executed signature and acknowledgment pages of the Operating Agreement, Gas Balancing Agreement and Recording Supplement.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman
DPH/cb

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: Virgo 24/23 B2AD Fed Com #1H		Prospect: Bone Spring	
Location: SL: 450' FNL & 185' FEL (24); BHL: 450' FNL & 330' FWL (23)		County: Eddy	ST: NM
Sec. 24	BLK:	Survey:	TWP: 18S RNG: 30E Prop. TVD: 8701' TMD: 18550'

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$15,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$95,000	0180-0205	\$300,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$30,000
Daywork / Turnkey / Footage Drilling	25 days drlg / 4 days comp @ \$20000/d	0180-0110	\$531,500	0180-0210	\$85,000
Fuel	1500 gal/day @ 2.40/gal	0180-0114	\$104,500	0180-0214	\$330,000
Mud, Chemical & Additives		0180-0120	\$200,000	0180-0220	
Horizontal Drillout Services	Coil Tbg Drillout			0180-0222	\$200,000
Cementing		0180-0125	\$70,000	0180-0225	\$30,000
Logging & Wireline Services		0180-0130	\$2,000	0180-0230	\$360,000
Casing / Tubing / Snubbing Service		0180-0134	\$20,000	0180-0234	\$60,000
Mud Logging		0180-0137	\$25,000		
Stimulation	49 stage 19 MM gal x 19 MM#			0180-0241	\$3,500,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$40,000	0180-0245	\$620,000
Bits		0180-0148	\$63,000	0180-0248	\$4,000
Inspection & Repair Services		0180-0150	\$40,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$15,000	0180-0258	\$30,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$210,000		
Transportation		0180-0165	\$20,000	0180-0265	\$20,000
Welding Services		0180-0168	\$5,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$40,500	0180-0270	\$48,000
Directional Services	Includes Vertical Control	0180-0175	\$180,000		
Equipment Rental		0180-0180	\$190,000	0180-0280	\$40,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,700	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$5,000	0180-0290	
ROW & Easements		0180-0192		0180-0292	\$1,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$130,000	0180-0295	\$110,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies	10% (TCP) 10% (CC)	0180-0199	\$223,000	0180-0299	\$603,000
TOTAL			\$2,453,200		\$6,632,500
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	500' - 13 3/8" 54.5# J-55 ST&C @ \$35.71/ft	0181-0794	\$19,000		
Casing (8.1" - 10.0")	1600' - 9 5/8" 36# J-55 LT&C @ \$24.85/ft	0181-0795	\$42,300		
Casing (6.1" - 8.0")	8975' - 7" 26# P-110 LT&C @ \$19.69/ft	0181-0796	\$188,000		
Casing (4.1" - 6.0")	10325' - 4 1/2" 13.5# P-110 LTC @ \$14.19/ft			0181-0797	\$156,000
Tubing (2" - 4")	8200' - 2 7/8" 6.5# L-80 EUE 8rd @ \$4.90/ft			0181-0798	\$43,000
Drilling Head		0181-0860	\$40,000		
Tubing Head & Upper Section				0181-0870	\$20,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$70,000
Sucker Rods				0181-0875	
Subsurface Equipment				0181-0880	
Artificial Lift Systems	Gas Lift Valves			0181-0884	\$15,000
Pumping Unit				0181-0885	
Surface Pumps & Prime Movers	VRU/SWD Pump/Circ Pump			0181-0886	\$60,000
Tanks - Oil	3 - 750 bbl Steel			0181-0890	\$43,000
Tanks - Water	3 - 750 bbl Steel Coated			0181-0891	\$58,000
Separation / Treating Equipment	30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl			0181-0895	\$45,000
Heater Treaters, Line Heaters	6"x20"x75# HT			0181-0897	\$16,000
Metering Equipment				0181-0898	\$14,000
Line Pipe & Valves - Gathering	3 miles 4" poly SWD/.5 mile 4" poly gas			0181-0900	\$90,000
Fittings / Valves & Accessories				0181-0906	\$60,000
Cathodic Protection				0181-0908	\$5,000
Electrical Installation				0181-0909	\$75,000
Equipment Installation				0181-0910	\$40,000
Pipeline Construction	3 miles 4" poly SWD/.5 mile 4" poly gas			0181-0920	\$15,000
TOTAL			\$289,300		\$825,000
SUBTOTAL			\$2,742,500		\$7,457,500
TOTAL WELL COST			\$10,200,000		

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: R. Terrell	Date: 12/1/2017
Company Approval: <i>m. white</i>	Date: 12/1/2017
Joint Owner Interest: _____ Amount: _____	Signature: _____
Joint Owner Name: _____	

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

**APPLICATION OF MEWBOURNE OIL COMPANY
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

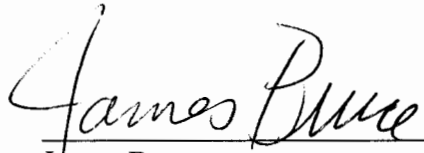
Case No. 16020

AFFIDAVIT OF NOTICE

COUNTY OF SANTA FE)
) ss.
STATE OF NEW MEXICO)

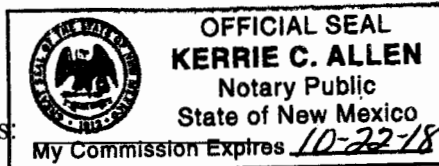
James Bruce, being duly sworn upon his oath, deposes and states:

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.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct 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 return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.


James Bruce

SUBSCRIBED AND SWORN TO before me this 21st day of March, 2018 by James Bruce.

My Commission Expires:



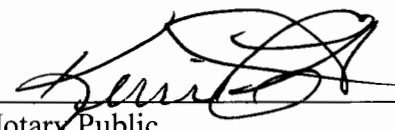

Notary Public

EXHIBIT 5

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

February 26, 2018

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

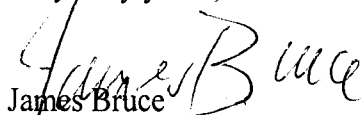
Ladies and gentlemen:

Enclosed is a copy of an application for a non-standard unit and compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding a Bone Spring well in the N/2N/2 of Section 24 and the N/2N/2 of Section 23, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, March 22, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you 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 by Division Rules to file a Pre-Hearing Statement no later than Thursday, March 15, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT /

EXHIBIT A

1. EOG Resources, Inc., EOG Resources
Assets, LLC and EOGY Resources, Inc.
5509 Champions Drive
Midland, TX 79706
Attn: Mr. Chuck Moran
2. MRC Delaware Resources, Inc.
5400 LBJ Freeway, Suite 1500
Dallas, TX 75246
Attn: Mr. Nick Weeks
3. Jalapeno Corporation
P.O. Box 1608
Albuquerque, NM 87106-1608
Attn: Kathryn Reese
4. Roger T. & Holly L. Elliott Family
Limited Partnership
3910 Tanforan Ave.
Midland, TX 79707
Attn: Holly Smith
5. V & B Minerals, LLC
611 West Mahone Ave., Suite D
Artesia, NM 88210
6. Marathon Oil Permian, LLC
5555 San Felipe
Houston, TX 77056-2701
Attn: Matthew D. Brown
7. Cannon Exploration Company
3508 SCR 1184
Midland, TX 79706
Attn: Mr. Todd Wilson
8. Santo Legado, LLLP
P.O. Box 1020
Artesia, NM 88211-1020
Attn: Karen Leishman

7010 0780 0002 3935 7048

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Postmark Here	
Sent To Roger T. & Holly L. Elliott Family Limited Partnership 3910 Tanforan Ave. Midland, TX 79707	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

7010 0780 0002 3935 7079

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Restricted Delivery Fee (Endorsement Required)	
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Postmark Here	
Sent To EOG Resources, Inc., EOG Resources Assets, LLC and EOGY Resources, Inc. 5509 Champions Drive Midland, TX 79706	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

Offset Operators and Working Interest Owners

S/2S/2 of Section 15

Mewbourne Oil Company

S/2SW/4 of Section 14

Jack D. Knox

EOG Resources, Inc.

SW/4SE/4 of Section 14

EOG Resources, Inc.

S/4SE/4 of Section 14

Mewbourne Oil Company

S/2S/2 of Section 13

EOG Resources, Inc.

Devon Energy Production Company, L.P.

S/2S/2 of Section 18-18S-31E

Mewbourne Oil Company

N/2N/2 of Section 19-18S-31E

Marathon Oil Permian, LLC

SW/4NW/4 of Section 19-18S-31E

Devon Energy Production Company, L.P.

S/2N/2 of Section 24 and S/2N/2 of Section 23

Mewbourne Oil Company

E/2NE/4 of Section 22

EOG Resources, Inc.

EXHIBIT

6

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

**APPLICATION OF MEWBOURNE OIL COMPANY
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

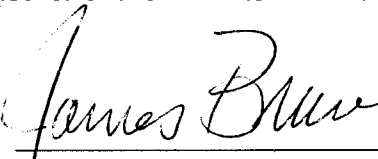
Case No. 16020

AFFIDAVIT OF NOTICE

COUNTY OF SANTA FE)
) ss.
STATE OF NEW MEXICO)

James Bruce, being duly sworn upon his oath, deposes and states:

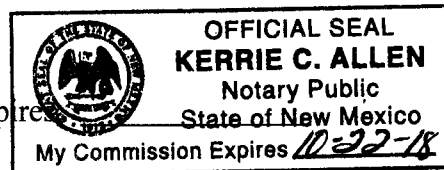
1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Mewbourne Oil Company.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the offset operators or interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the offsets by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.

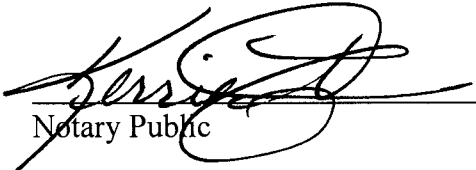


James Bruce

SUBSCRIBED AND SWORN TO before me this 21st day of March, 2018 by James Bruce.

My Commission Expires





Notary Public

EXHIBIT

7

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

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

jamesbruc@aol.com

February 26, 2018

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for a non-standard unit, *etc.*, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding a Bone Spring well in the N/2N/2 of Section 24 and the N/2N/2 of Section 23, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico.

The matter is scheduled for hearing at 8:15 a.m. on Thursday, March 22, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend the hearing, but **as an offset operator or interest owner** who may be affected by the application, you 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 by Division Rules to file a Pre-Hearing Statement no later than Thursday, March 15, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing.

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT 1

EXHIBIT A

Jack D. Knox
Two Turtle Creek
Suite P150
3838 Oak Lawn
Dallas, Texas 75219

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

Attention: Cari Allen

Marathon Oil Permian, LLC
5555 San Felipe
Houston, Texas 77056-2701

Attention: Matthew D. Brown

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
 ■ Print your name and address on the reverse so that we can return the card to you.
 ■ Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

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



9590 9402 2589 6336 9766 48

2. Article Number (Transfer from service label)

7010 0780 0002 3935 6980

PS Form 3811, July 2015 PSN 7530-02-000-9053

MOC-V-0

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent
 X ☒ Addressee
 B. Received by (Printed Name) David G. Smith

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No



3. Service Type
☐ Adult Signature
☐ Registered MailTM
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature ConfirmationTM
☐ Restricted Delivery

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Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Sent to: Devon Energy Production Company, L.P.

333 West Sheridan Avenue
 Oklahoma City, Oklahoma 73102

Street, Apt. No., or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006

See Reverse for Instructions

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OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	

Sent to: Jack D. Knox

Two Turtle Creek

Suite P150

3838 Oak Lawn

Dallas, Texas 75219

Street, Apt. No., or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006

See Reverse for Instructions

COMPLETE THIS SECTION ON DELIVERY

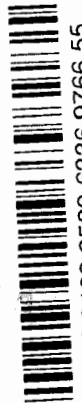
- A. Signature ☒ Agent
 X ☒ Addressee
 B. Received by (Printed Name) Priscilla Bing
 C. Date of Delivery 3-02-2018
 D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
 ■ Print your name and address on the reverse so that we can return the card to you.
 ■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Jack D. Knox
 Two Turtle Creek
 Suite P150
 3838 Oak Lawn
 Dallas, Texas 75219



9590 9402 2589 6336 9766 55

2. Article Number (Transfer from service label)

7010 0780 0002 3935 6997

PS Form 3811, July 2015 PSN 7530-02-000-9053

MOC-V-0

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**U.S. Postal Service™
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Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To **Marathon Oil Permian, LLC**
5555 Sam Felipe
 Street, Apt. No. **Houston, TX 77056-2701**
 or PO Box No. _____
 City, State, ZIP+4 _____

PS Form 3800, August 2006 See Reverse for Instructions

7010 0700 0800 2000 3935 7204



Wells shallower than 7000' filtered out

BSPG Horizontal Color Code

Cum BCF

Cum MBO

Cum MBW

2nd BSPG Sd

2nd BSPG Sd Permit

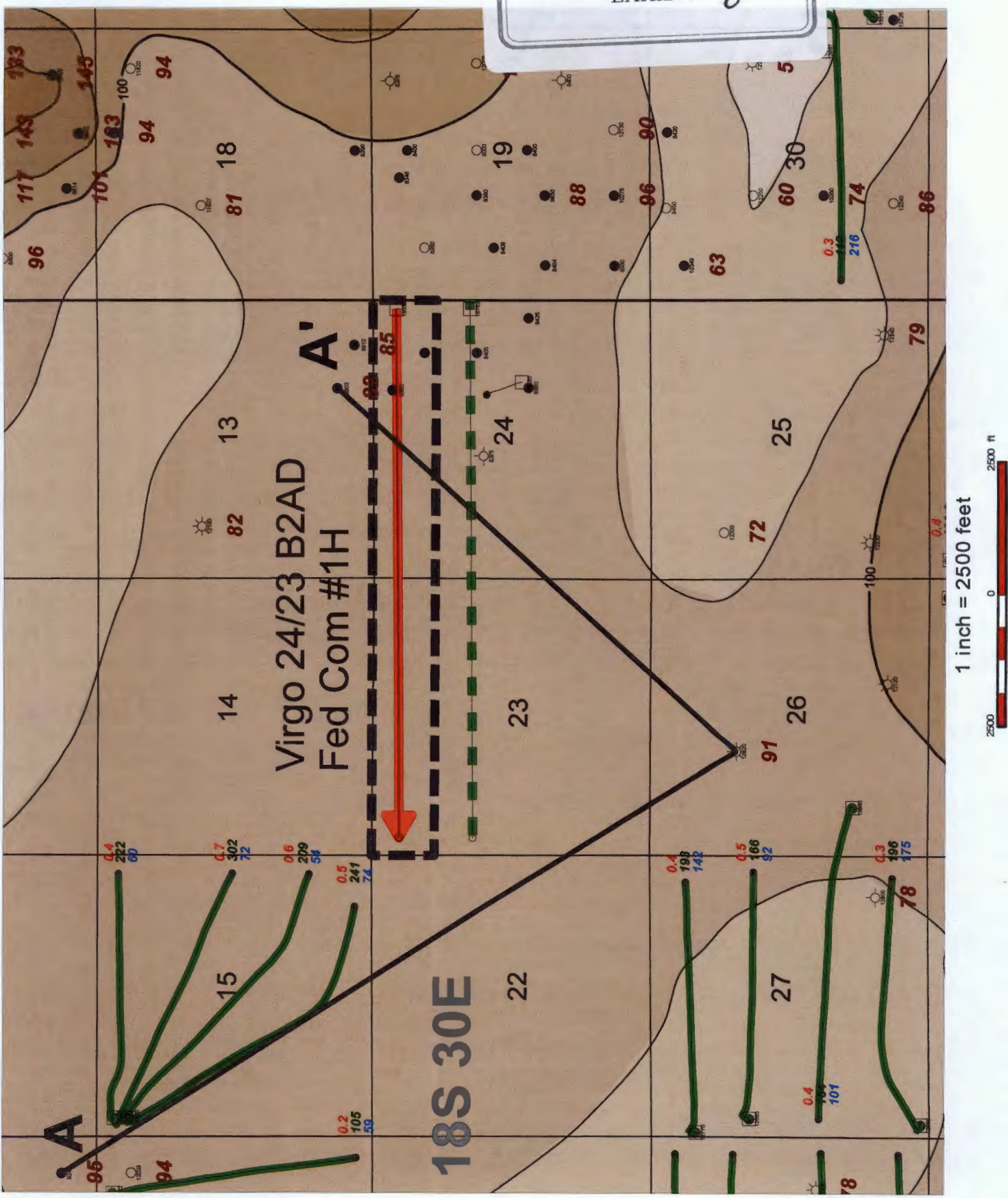
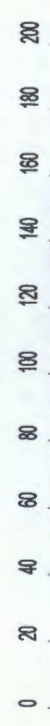
Vertical wells deeper than 7000'



TD

thickness (ft)

Lower 2nd BSPG Gross Isopach (ft)



EXHIBIT

8

1 inch = 2500 feet



MOC

Mewbourne Oil Company

Virgo 24/23 B2AD Fed Com #1H

Base of 2nd BSPG Sand

Structure Contour Map (C.I. = 100')

3/16/2018

Eddy County

1 inch = 2500 feet

New Mexico

J. Carrell



Wells shallower than 7000' filtered out

BSPG Horizontal Color Code

Cum BCF
Cum MBO
Cum MBW

2nd BSPG Sd

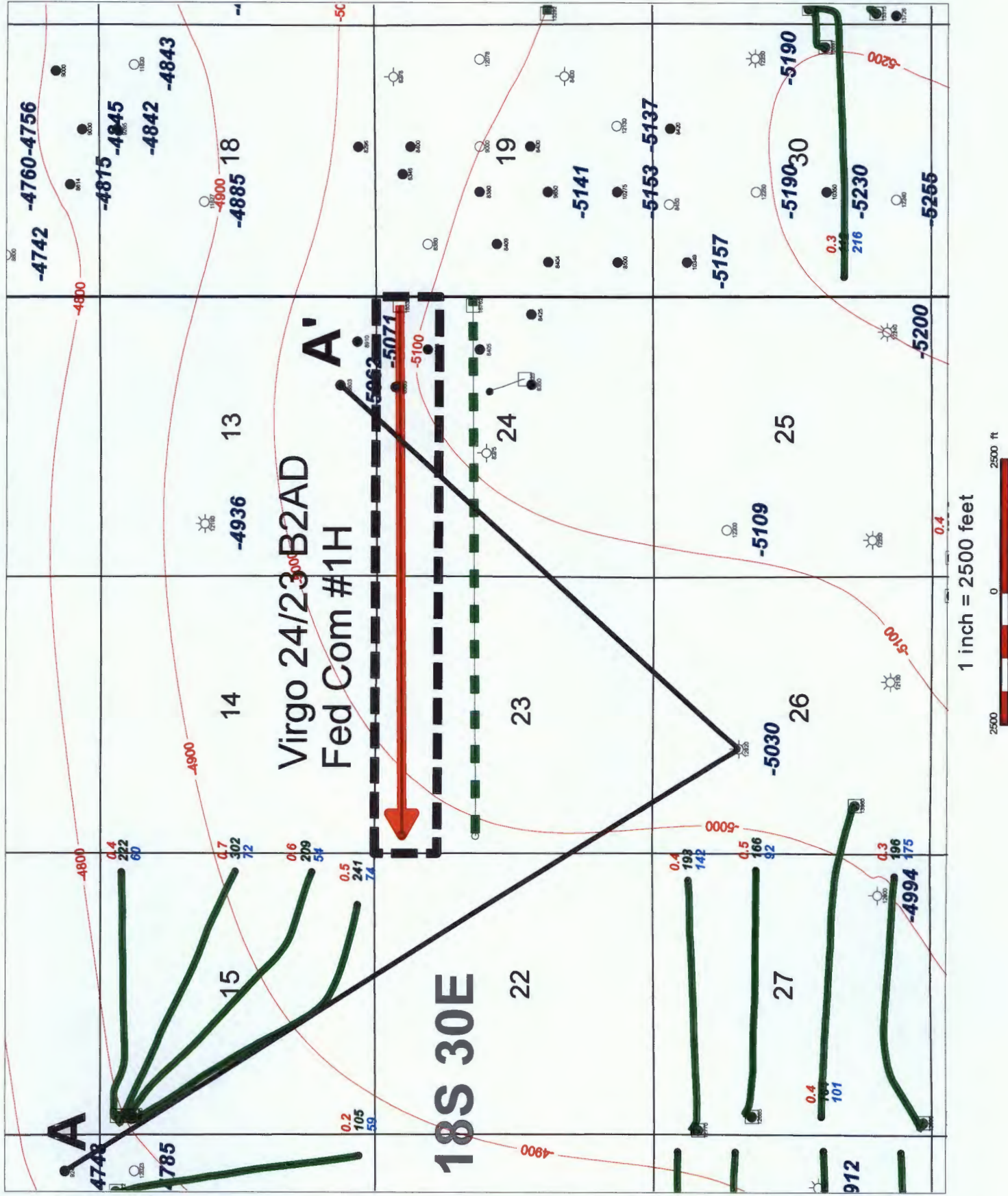
2nd BSPG Sd Permit

Vertical wells deeper than 7000'



subsea depth (ft)

EXHIBIT 9



A

300152549800 → 15090 ft → 300153234700 → 10249 ft → 300153357700

MAJADOR PRODUCTION COMPANY
 LOCO SAND HILLS 9 FEDERAL 1
 SE SE
 Reference=KB
 Datum=3508.00

COG OPERATING LIMITED LIABILITY CORP
 OXY FREDIE FEDERAL 1
 N2 SE NW
 TWP: 18 S - Range: 30 E - Sec. 26
 Reference=KB
 Datum=3415.00

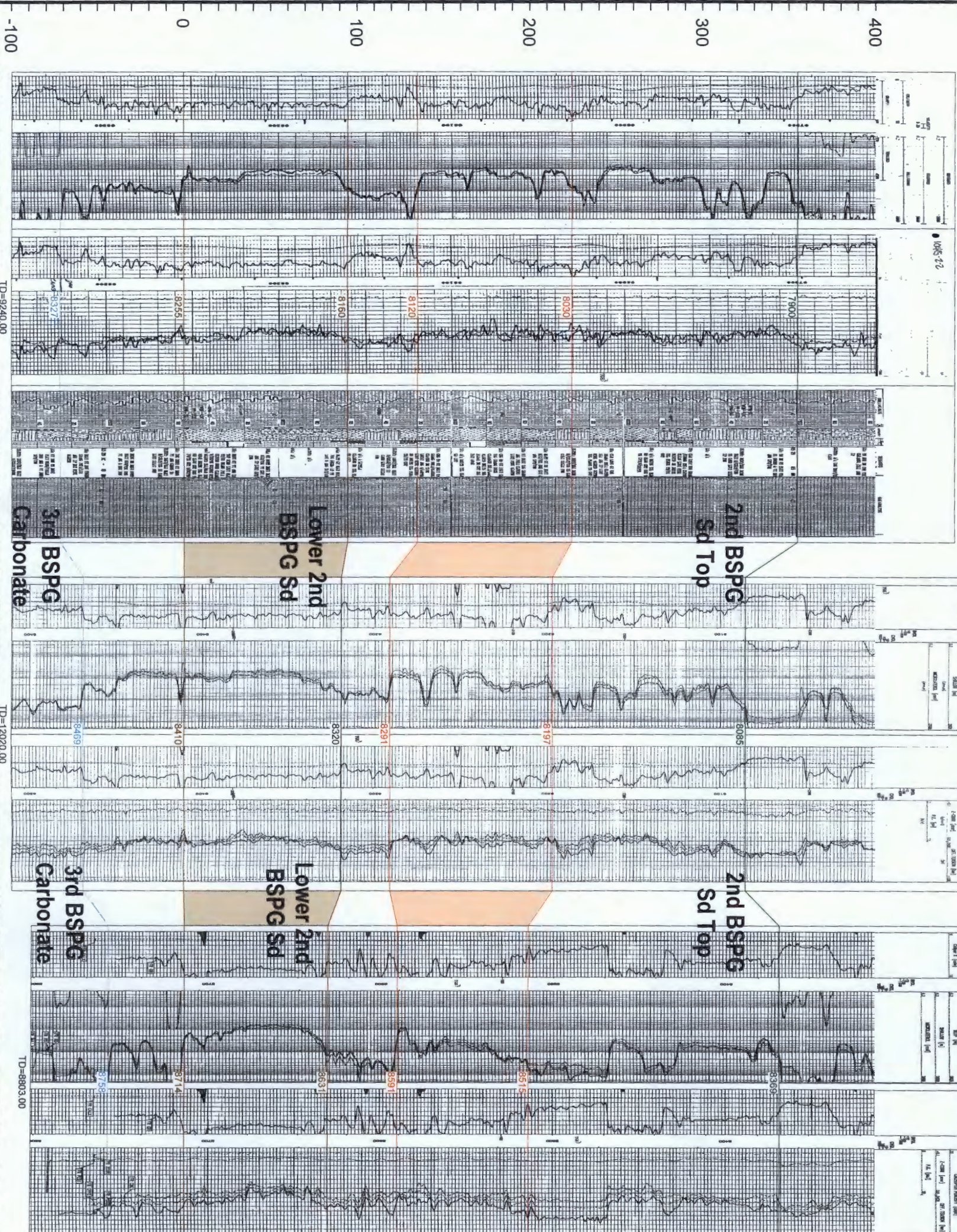
CHI OPERATING INCORPORATED
 SHUGART WEST 13 FEDERAL 1
 NE SW SE
 TWP: 18 S - Range: 30 E - Sec. 13
 Reference=KB
 Datum=3639.00

A'

9P

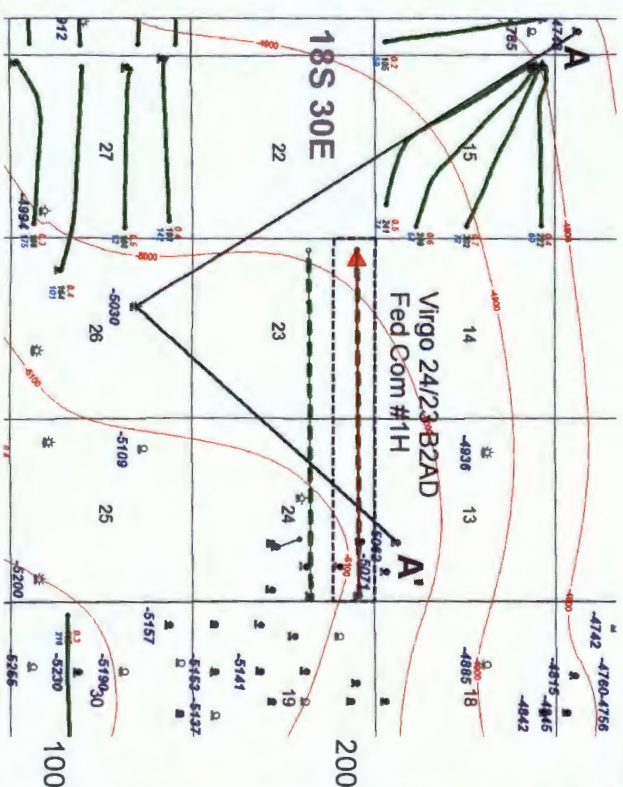
26F

130



Virgo 24/23 B2AD Fed Com #1H Cross-Section Exhibit

Base of 2nd BSPG Sd
 Structure Contour Map
 (C.I. = 100')



**Target
 Zone**

EXHIBIT 10

Virgo 24/23 2nd Bone Spring Sand Production Data Table										
Well Name	Operator	API	Location	Vertical/Horizontal	2nd BSPG Comp Date	Cum Oil (MBO)	Cum Gas (BCF)	Cum Water (MBW)	NS/EW	HZ Target
COOKIE TOSSER STATE COM 1H	COG OPERATING LLC	3001542439	16AP/18S/30E	Horizontal	4/17/2016	105	0.2	59	NS	Lower 2nd BSPG Sand
LEO 15 B2DH FEDERAL COM 1H	MEWBOURNE OIL CO	3001542898	15DH/18S/30E	Horizontal	3/27/2015	302	0.7	72	NW-SE	Lower 2nd BSPG Sand
LEO 15 B2DN FEDERAL COM 1H	MEWBOURNE OIL CO	3001543312	15DP/18S/30E	Horizontal	1/1/2016	241	0.5	74	NW-SE	Lower 2nd BSPG Sand
LEO 15 B2DP FEDERAL COM 1H	MEWBOURNE OIL CO	3001543241	15DI/18S/30E	Horizontal	12/14/2015	209	0.6	54	NW-SE	Lower 2nd BSPG Sand
LEO 15 DA FEDERAL COM 1H	MEWBOURNE OIL CO	3001542185	15DA/18S/30E	Horizontal	9/1/2014	222	0.4	60	EW	Lower 2nd BSPG Sand
SHAULA 30 FEDERAL COM 3H	DEVON ENERGY	3001541553	30IL/18S/31E	Horizontal	3/18/2014	112	0.3	216	EW	Lower 2nd BSPG Sand
URSA 27 B2EH FEDERAL COM 1H	MEWBOURNE OIL CO	3001542596	27EH/18S/30E	Horizontal	10/26/2014	166	0.5	92	EW	Lower 2nd BSPG Sand
URSA 27 B2IL FEDERAL COM 1H	MEWBOURNE OIL CO	3001542526	27IL/18S/30E	Horizontal	10/29/2014	164	0.4	101	EW	Lower 2nd BSPG Sand
URSA 27 FEDERAL COM 1H	MEWBOURNE OIL CO	3001539581	27MP/18S/30E	Horizontal	3/28/2014	196	0.3	175	EW	Lower 2nd BSPG Sand
URSA 27 FEDERAL COM 4H	MEWBOURNE OIL CO	3001539582	27DA/18S/30E	Horizontal	12/14/2013	193	0.4	142	EW	Lower 2nd BSPG Sand
VIRGO 24 23 B2AD FED COM 1H	MEWBOURNE OIL CO	3001544579	24A23D/18S/30E	Horizontal	Permit Approved 10/20/2017				EW	Lower 2nd BSPG Sand
VIRGO 24-23 B2HE FED COM 1H	MEWBOURNE OIL CO	3001544655	24H23E/18S/30E	Horizontal	Permit Approved 1/24/2018				EW	Lower 2nd BSPG Sand

EXHIBIT 11

Mewbourne Oil Company

Eddy County, New Mexico

Virgo 24/23 B2AD Fed Com #1H

Sec 24, T18S, R30E

SL: 450' FNL & 185' FEL, Sec 24

BHL: 450' FNL & 330' FWL, Sec 23

Plan: Design #1

Standard Planning Report

17 November, 2016

EXHIBIT

12

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Virgo 24/23 B2AD Fed Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3659.0usft (Original Well Elev)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3659.0usft (Original Well Elev)
Site:	Virgo 24/23 B2AD Fed Com #1H	North Reference:	Grid
Well:	Sec 24, T18S, R30E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 450' FNL & 330' FWL, Sec 23		
Design:	Design #1		

Project	Eddy County, New Mexico		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site		Virgo 24/23 B2AD Fed Com #1H				
Site Position:		Northing:	632,739.00 usft	Latitude:	32° 44' 19.691 N	
From:	Map	Easting:	628,021.00 usft	Longitude:	103° 55' 1.142 W	
Position Uncertainty:		0.0 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.23 °

Well	Sec 24, T18S, R30E					
Well Position	+N/-S	0.0 usft	Northing:	632,739.00 usft	Latitude:	32° 44' 19.691 N
	+E/-W	0.0 usft	Easting:	628,021.00 usft	Longitude:	103° 55' 1.142 W
Position Uncertainty		0.0 usft	Wellhead Elevation:	3,659.0 usft	Ground Level:	3,632.0 usft

Wellbore	BHL: 450' FNL & 330' FWL, Sec 23				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/31/2009	7.95	60.66	49,063

Design	Design #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	269.81

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
8,223.5	0.00	0.00	8,223.5	0.0	0.0	0.00	0.00	0.00	0.00	KOP @ 8224'
8,981.4	90.93	269.81	8,701.0	-1.6	-485.3	12.00	12.00	0.00	-90.19	
18,536.4	90.93	269.81	8,546.0	-33.0	-10,039.0	0.00	0.00	0.00	0.00	BHL: 450' FNL & 330'

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Virgo 24/23 B2AD Fed Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3659.0usft (Original Well Elev)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3659.0usft (Original Well Elev)
Site:	Virgo 24/23 B2AD Fed Com #1H	North Reference:	Grid
Well:	Sec 24, T18S, R30E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 450' FNL & 330' FWL, Sec 23		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
SL: 450' FNL & 185' FEL, Sec 24									
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
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2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
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2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
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3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
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4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
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4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Virgo 24/23 B2AD Fed Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3659.0usft (Original Well Elev)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3659.0usft (Original Well Elev)
Site:	Virgo 24/23 B2AD Fed Com #1H	North Reference:	Grid
Well:	Sec 24, T18S, R30E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 450' FNL & 330' FWL, Sec 23		
Design:	Design #1		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,223.5	0.00	0.00	8,223.5	0.0	0.0	0.0	0.00	0.00	0.00	
KOP @ 8224'										
8,300.0	9.17	269.81	8,299.7	0.0	-6.1	6.1	12.00	12.00	0.00	
8,400.0	21.17	269.81	8,396.0	-0.1	-32.2	32.2	12.00	12.00	0.00	
8,500.0	33.17	269.81	8,484.8	-0.3	-77.8	77.8	12.00	12.00	0.00	
8,600.0	45.17	269.81	8,562.2	-0.5	-140.9	140.9	12.00	12.00	0.00	
8,605.8	45.86	269.81	8,566.2	-0.5	-145.0	145.0	12.00	12.00	0.00	
FTP: 450' FNL & 330' FEL, Sec 24										
8,700.0	57.17	269.81	8,624.8	-0.7	-218.6	218.6	12.00	12.00	0.00	
8,800.0	69.17	269.81	8,669.8	-1.0	-307.7	307.7	12.00	12.00	0.00	
8,900.0	81.17	269.81	8,695.4	-1.3	-404.2	404.2	12.00	12.00	0.00	
8,981.4	90.93	269.81	8,701.0	-1.6	-485.3	485.3	11.99	11.99	0.00	
LP: 450' FNL & 670' FEL, Sec 24										
9,000.0	90.93	269.81	8,700.7	-1.7	-503.9	503.9	0.00	0.00	0.00	
9,100.0	90.93	269.81	8,699.1	-2.0	-603.9	603.9	0.00	0.00	0.00	
9,200.0	90.93	269.81	8,697.5	-2.3	-703.9	703.9	0.00	0.00	0.00	
9,300.0	90.93	269.81	8,695.8	-2.6	-803.8	803.8	0.00	0.00	0.00	
9,400.0	90.93	269.81	8,694.2	-3.0	-903.8	903.8	0.00	0.00	0.00	
9,500.0	90.93	269.81	8,692.6	-3.3	-1,003.8	1,003.8	0.00	0.00	0.00	
9,600.0	90.93	269.81	8,691.0	-3.6	-1,103.8	1,103.8	0.00	0.00	0.00	
9,700.0	90.93	269.81	8,689.3	-4.0	-1,203.8	1,203.8	0.00	0.00	0.00	
9,800.0	90.93	269.81	8,687.7	-4.3	-1,303.8	1,303.8	0.00	0.00	0.00	
9,900.0	90.93	269.81	8,686.1	-4.6	-1,403.8	1,403.8	0.00	0.00	0.00	

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Virgo 24/23 B2AD Fed Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3659.0usft (Original Well Elev)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3659.0usft (Original Well Elev)
Site:	Virgo 24/23 B2AD Fed Com #1H	North Reference:	Grid
Well:	Sec 24, T18S, R30E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 450' FNL & 330' FWL, Sec 23		
Design:	Design #1		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
10,000.0	90.93	269.81	8,684.5	-4.9	-1,503.7	1,503.8	0.00	0.00	0.00	
10,100.0	90.93	269.81	8,682.9	-5.3	-1,603.7	1,603.7	0.00	0.00	0.00	
10,200.0	90.93	269.81	8,681.2	-5.6	-1,703.7	1,703.7	0.00	0.00	0.00	
10,300.0	90.93	269.81	8,679.6	-5.9	-1,803.7	1,803.7	0.00	0.00	0.00	
10,400.0	90.93	269.81	8,678.0	-6.3	-1,903.7	1,903.7	0.00	0.00	0.00	
10,500.0	90.93	269.81	8,676.4	-6.6	-2,003.7	2,003.7	0.00	0.00	0.00	
10,600.0	90.93	269.81	8,674.7	-6.9	-2,103.7	2,103.7	0.00	0.00	0.00	
10,700.0	90.93	269.81	8,673.1	-7.2	-2,203.7	2,203.7	0.00	0.00	0.00	
10,800.0	90.93	269.81	8,671.5	-7.6	-2,303.6	2,303.7	0.00	0.00	0.00	
10,900.0	90.93	269.81	8,669.9	-7.9	-2,403.6	2,403.6	0.00	0.00	0.00	
11,000.0	90.93	269.81	8,668.3	-8.2	-2,503.6	2,503.6	0.00	0.00	0.00	
11,100.0	90.93	269.81	8,666.6	-8.6	-2,603.6	2,603.6	0.00	0.00	0.00	
11,200.0	90.93	269.81	8,665.0	-8.9	-2,703.6	2,703.6	0.00	0.00	0.00	
11,300.0	90.93	269.81	8,663.4	-9.2	-2,803.6	2,803.6	0.00	0.00	0.00	
11,400.0	90.93	269.81	8,661.8	-9.5	-2,903.6	2,903.6	0.00	0.00	0.00	
11,500.0	90.93	269.81	8,660.1	-9.9	-3,003.5	3,003.6	0.00	0.00	0.00	
11,600.0	90.93	269.81	8,658.5	-10.2	-3,103.5	3,103.5	0.00	0.00	0.00	
11,700.0	90.93	269.81	8,656.9	-10.5	-3,203.5	3,203.5	0.00	0.00	0.00	
11,800.0	90.93	269.81	8,655.3	-10.9	-3,303.5	3,303.5	0.00	0.00	0.00	
11,900.0	90.93	269.81	8,653.7	-11.2	-3,403.5	3,403.5	0.00	0.00	0.00	
12,000.0	90.93	269.81	8,652.0	-11.5	-3,503.5	3,503.5	0.00	0.00	0.00	
12,100.0	90.93	269.81	8,650.4	-11.8	-3,603.5	3,603.5	0.00	0.00	0.00	
12,200.0	90.93	269.81	8,648.8	-12.2	-3,703.4	3,703.5	0.00	0.00	0.00	
12,300.0	90.93	269.81	8,647.2	-12.5	-3,803.4	3,803.5	0.00	0.00	0.00	
12,400.0	90.93	269.81	8,645.5	-12.8	-3,903.4	3,903.4	0.00	0.00	0.00	
12,500.0	90.93	269.81	8,643.9	-13.2	-4,003.4	4,003.4	0.00	0.00	0.00	
12,600.0	90.93	269.81	8,642.3	-13.5	-4,103.4	4,103.4	0.00	0.00	0.00	
12,700.0	90.93	269.81	8,640.7	-13.8	-4,203.4	4,203.4	0.00	0.00	0.00	
12,800.0	90.93	269.81	8,639.1	-14.1	-4,303.4	4,303.4	0.00	0.00	0.00	
12,900.0	90.93	269.81	8,637.4	-14.5	-4,403.4	4,403.4	0.00	0.00	0.00	
13,000.0	90.93	269.81	8,635.8	-14.8	-4,503.3	4,503.4	0.00	0.00	0.00	
13,100.0	90.93	269.81	8,634.2	-15.1	-4,603.3	4,603.3	0.00	0.00	0.00	
13,200.0	90.93	269.81	8,632.6	-15.5	-4,703.3	4,703.3	0.00	0.00	0.00	
13,300.0	90.93	269.81	8,630.9	-15.8	-4,803.3	4,803.3	0.00	0.00	0.00	
13,400.0	90.93	269.81	8,629.3	-16.1	-4,903.3	4,903.3	0.00	0.00	0.00	
13,500.0	90.93	269.81	8,627.7	-16.4	-5,003.3	5,003.3	0.00	0.00	0.00	
13,600.0	90.93	269.81	8,626.1	-16.8	-5,103.3	5,103.3	0.00	0.00	0.00	
13,700.0	90.93	269.81	8,624.5	-17.1	-5,203.2	5,203.3	0.00	0.00	0.00	
13,800.0	90.93	269.81	8,622.8	-17.4	-5,303.2	5,303.3	0.00	0.00	0.00	
13,900.0	90.93	269.81	8,621.2	-17.8	-5,403.2	5,403.2	0.00	0.00	0.00	
14,000.0	90.93	269.81	8,619.6	-18.1	-5,503.2	5,503.2	0.00	0.00	0.00	
14,100.0	90.93	269.81	8,618.0	-18.4	-5,603.2	5,603.2	0.00	0.00	0.00	
14,200.0	90.93	269.81	8,616.3	-18.7	-5,703.2	5,703.2	0.00	0.00	0.00	
14,300.0	90.93	269.81	8,614.7	-19.1	-5,803.2	5,803.2	0.00	0.00	0.00	
14,400.0	90.93	269.81	8,613.1	-19.4	-5,903.1	5,903.2	0.00	0.00	0.00	
14,500.0	90.93	269.81	8,611.5	-19.7	-6,003.1	6,003.2	0.00	0.00	0.00	
14,600.0	90.93	269.81	8,609.9	-20.1	-6,103.1	6,103.2	0.00	0.00	0.00	
14,700.0	90.93	269.81	8,608.2	-20.4	-6,203.1	6,203.1	0.00	0.00	0.00	
14,800.0	90.93	269.81	8,606.6	-20.7	-6,303.1	6,303.1	0.00	0.00	0.00	
14,900.0	90.93	269.81	8,605.0	-21.0	-6,403.1	6,403.1	0.00	0.00	0.00	
15,000.0	90.93	269.81	8,603.4	-21.4	-6,503.1	6,503.1	0.00	0.00	0.00	
15,100.0	90.93	269.81	8,601.7	-21.7	-6,603.1	6,603.1	0.00	0.00	0.00	
15,200.0	90.93	269.81	8,600.1	-22.0	-6,703.0	6,703.1	0.00	0.00	0.00	
15,300.0	90.93	269.81	8,598.5	-22.4	-6,803.0	6,803.1	0.00	0.00	0.00	

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Virgo 24/23 B2AD Fed Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3659.0usft (Original Well Elev)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3659.0usft (Original Well Elev)
Site:	Virgo 24/23 B2AD Fed Com #1H	North Reference:	Grid
Well:	Sec 24, T18S, R30E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 450' FNL & 330' FWL, Sec 23		
Design:	Design #1		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
15,400.0	90.93	269.81	8,596.9	-22.7	-6,903.0	6,903.0	0.00	0.00	0.00	
15,500.0	90.93	269.81	8,595.3	-23.0	-7,003.0	7,003.0	0.00	0.00	0.00	
15,600.0	90.93	269.81	8,593.6	-23.3	-7,103.0	7,103.0	0.00	0.00	0.00	
15,700.0	90.93	269.81	8,592.0	-23.7	-7,203.0	7,203.0	0.00	0.00	0.00	
15,800.0	90.93	269.81	8,590.4	-24.0	-7,303.0	7,303.0	0.00	0.00	0.00	
15,900.0	90.93	269.81	8,588.8	-24.3	-7,402.9	7,403.0	0.00	0.00	0.00	
16,000.0	90.93	269.81	8,587.1	-24.7	-7,502.9	7,503.0	0.00	0.00	0.00	
16,100.0	90.93	269.81	8,585.5	-25.0	-7,602.9	7,603.0	0.00	0.00	0.00	
16,200.0	90.93	269.81	8,583.9	-25.3	-7,702.9	7,702.9	0.00	0.00	0.00	
16,300.0	90.93	269.81	8,582.3	-25.6	-7,802.9	7,802.9	0.00	0.00	0.00	
16,400.0	90.93	269.81	8,580.7	-26.0	-7,902.9	7,902.9	0.00	0.00	0.00	
16,500.0	90.93	269.81	8,579.0	-26.3	-8,002.9	8,002.9	0.00	0.00	0.00	
16,600.0	90.93	269.81	8,577.4	-26.6	-8,102.8	8,102.9	0.00	0.00	0.00	
16,700.0	90.93	269.81	8,575.8	-27.0	-8,202.8	8,202.9	0.00	0.00	0.00	
16,800.0	90.93	269.81	8,574.2	-27.3	-8,302.8	8,302.9	0.00	0.00	0.00	
16,900.0	90.93	269.81	8,572.5	-27.6	-8,402.8	8,402.8	0.00	0.00	0.00	
17,000.0	90.93	269.81	8,570.9	-28.0	-8,502.8	8,502.8	0.00	0.00	0.00	
17,100.0	90.93	269.81	8,569.3	-28.3	-8,602.8	8,602.8	0.00	0.00	0.00	
17,200.0	90.93	269.81	8,567.7	-28.6	-8,702.8	8,702.8	0.00	0.00	0.00	
17,300.0	90.93	269.81	8,566.1	-28.9	-8,802.7	8,802.8	0.00	0.00	0.00	
17,400.0	90.93	269.81	8,564.4	-29.3	-8,902.7	8,902.8	0.00	0.00	0.00	
17,500.0	90.93	269.81	8,562.8	-29.6	-9,002.7	9,002.8	0.00	0.00	0.00	
17,600.0	90.93	269.81	8,561.2	-29.9	-9,102.7	9,102.8	0.00	0.00	0.00	
17,700.0	90.93	269.81	8,559.6	-30.3	-9,202.7	9,202.7	0.00	0.00	0.00	
17,800.0	90.93	269.81	8,557.9	-30.6	-9,302.7	9,302.7	0.00	0.00	0.00	
17,900.0	90.93	269.81	8,556.3	-30.9	-9,402.7	9,402.7	0.00	0.00	0.00	
18,000.0	90.93	269.81	8,554.7	-31.2	-9,502.7	9,502.7	0.00	0.00	0.00	
18,100.0	90.93	269.81	8,553.1	-31.6	-9,602.6	9,602.7	0.00	0.00	0.00	
18,200.0	90.93	269.81	8,551.5	-31.9	-9,702.6	9,702.7	0.00	0.00	0.00	
18,300.0	90.93	269.81	8,549.8	-32.2	-9,802.6	9,802.7	0.00	0.00	0.00	
18,400.0	90.93	269.81	8,548.2	-32.6	-9,902.6	9,902.7	0.00	0.00	0.00	
18,500.0	90.93	269.81	8,546.6	-32.9	-10,002.6	10,002.6	0.00	0.00	0.00	
18,536.4	90.93	269.81	8,546.0	-33.0	-10,039.0	10,039.1	0.00	0.00	0.00	
BHL: 450' FNL & 330' FWL, Sec 23										

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Virgo 24/23 B2AD Fed Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3659.0usft (Original Well Elev)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3659.0usft (Original Well Elev)
Site:	Virgo 24/23 B2AD Fed Com #1H	North Reference:	Grid
Well:	Sec 24, T18S, R30E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 450' FNL & 330' FWL, Sec 23		
Design:	Design #1		

Design Targets									
Target Name	hit/miss target	Dip Angle	Dip Dir.	TVD	+N-S	+E-W	Northing	Easting	
Shape		(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)	
SL: 450' FNL & 185' FEL		0.00	0.00	0.0	0.0	0.0	632,739.00	628,021.00	32° 44' 19.691 N
- plan hits target center									103° 55' 1.142 W
- Point									
KOP @ 8224'		0.00	0.00	8,223.5	0.0	0.0	632,739.00	628,021.00	32° 44' 19.691 N
- plan hits target center									103° 55' 1.142 W
- Point									
BHL: 450' FNL & 330' FV		0.00	0.00	8,546.0	-33.0	-10,039.0	632,706.00	617,982.00	32° 44' 19.739 N
- plan hits target center									103° 56' 58.677 W
- Point									
FTP: 450' FNL & 330' FE		0.00	0.00	8,566.3	-0.5	-145.0	632,738.53	627,876.00	32° 44' 19.691 N
- plan hits target center									103° 55' 2.840 W
- Point									
LP: 450' FNL & 670' FEL		0.00	0.00	8,701.0	-1.6	-485.3	632,737.40	627,535.70	32° 44' 19.694 N
- plan hits target center									103° 55' 6.824 W
- Point									

