# 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 COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 16391

#### **VERIFIED STATEMENT OF CY SHOOK**

Cy Shook, being duly sworn upon his oath, deposes and states:

- 1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have worked as a petroleum landman for 12.5 years.
- 2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the compulsory pooling application filed herein:
  - (a) The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
  - (b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have simply refused to voluntarily commit their interests to the well.
  - (c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order approving a 240-acre horizontal spacing unit in the Bone Spring formation comprised of Lots W/2E/2 of Section 4 and the W/2NE/4 Section 9, Township 20 South, Range 35 East, NMPM. The unit will be dedicated to the Sand Chute 9/4 B2GB Fed Com #1H, a horizontal well with a surface location in Unit G in Section 9 and a final take point in Unit B of Section 4.
  - (d) The parties being pooled and their interests are set forth in Attachment B. Their current and correct addresses are also set forth.
  - (e) Attachment C contains a summary of contacts with the interest owners, together with copies of the proposal letters sent to them.

EXHIBIT

- (f) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.
- (g) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (h) Attachment D is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depth and length drilled in this area Lea County.
- (i) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Lea County. Mewbourne requests that these rates be adjusted periodically as provided in the standard COPAS. Accounting Procedure.
- (j) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (k) Applicant requests that it be designated operator of the well.
- (l) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (m) The granting of this application is in the interests of conservation and the prevention of waste.

#### **VERIFICATION**

STATE OF TEXAS	)
	) ss
COUNTY OF MIDLAND	)

Cy Shook, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

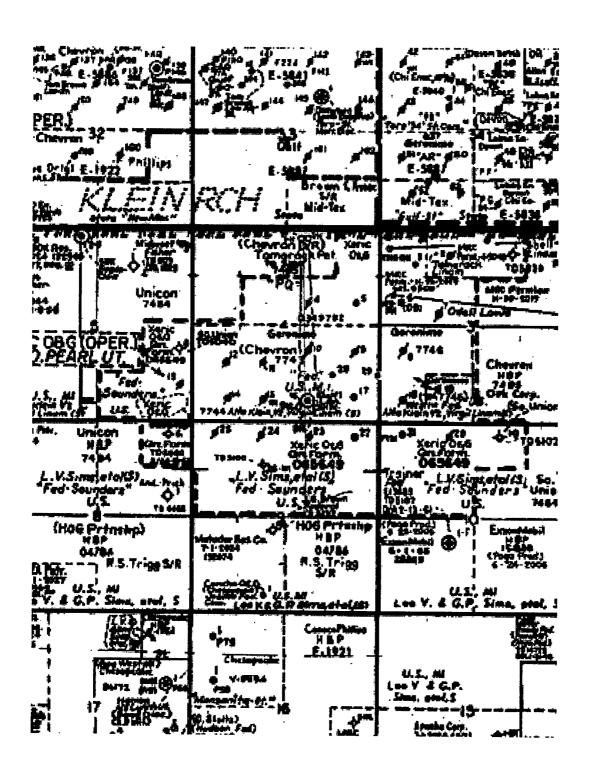
Cy Shook

SUBSCRIBED AND SWORN TO before me this 31st day of August, 2018 by Cy Shook.

My Commission Expires:

ALEJANDRA KIRKSEY Notary ID #131406744 My Commission Expires January 11, 2022

Notary Public



ATTACHMENT

# TRACT OWNERHSIP Sand Chute 9/4 B2GB Fed Com #1H W/2E/2 of Section 4, W/2NE/4 of Section 9, Township 20 South, Range 35 East Lea County, New Mexico

W/2E/2 of Section 4, W/2NE/4 of Section 9, Bone Spring Formation:

% Leasehold Interest 66.66667%

Mewbourne Oil Company 500 West Texas, Ste. 1020 Midland. Texas 79701

Midland, Texas 79701
\*EOG Resources, Inc.

33.33333%

5509 Champions Dr. Midland, TX 79706

Attn: Permian Land Manager

Total 100.00000%



<sup>\*</sup> Total interest being pooled: 33.33333%

#### Summary of Communication with EOG Resources, Inc.

Case # 16391 Compulsory Pooling Application MOC's Sand Chute 9/4 B2GB Fed Com #1H API #Pending 2435' FNL & 2000' FEL (SL) (Sec. 9) 330' FNL & 1980' FEL (BHL) (Sec. 4) Sections 4 and 9, T20S, R35E Lea County, New Mexico

3/28/2018: Emailed Charles Bassett at EOG with Well Proposal and Farmout Offer 3/29/2018: Called Charles Bassett to let him know the well proposal was on its way and FO offer was emailed; left message. 4/6/2018: Well Proposal for Sand Chute 9/4 B2GB Fed Com #1H received by EOG Resources, Inc. 5/15/2018: Emailed Charles Bassett asked for an update on the Well Proposal and/or Farmout Offer (Approximate date) Call Charles Bassett; no answer or return phone call; 5/15/2018: left message 7/19/2018: Emailed Charless Bassett for update on Well Proposal and/or Farmout Offer.

ATTACHMENT C

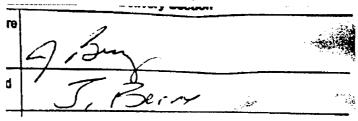


Date: April 6, 2018

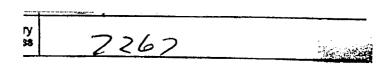
Simple Certified:

The following is in response to your April 6, 2018 request for delivery information on your Certified Mail™/RRE item number 9414810699945030359399. The delivery record shows that this item was delivered on April 6, 2018 at 7:36 am in MIDLAND, TX 79702. The scanned image of the recipient information is provided below.

Signature of Recipient:



Address of Recipient:



Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

EOG Resources, Inc.
5509 CHAMPIONS DR
MIDLAND, TX 79706

Reference #: Sand Chute 9/16 B2JO #1H Well Proposal — Evror
Item ID Sand Chute 9 16-B2JO No1H

#### MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

April 4, 2018

Via Certified Mail

EOG Resources, Inc. 5509 Champions Dr. Midland, Texas 79706 Attn: Permian Land Manager

Re:

Well Proposal

Sand Chute 9/4 B2GB Fed Com #1H

Section 9: W2NE4 Section 4: W2E2

T-20-S, R-35-E, Lea County, New Mexico

#### Dear Owner:

Mewbourne Oil Company ("Mewbourne") hereby proposes to drill the referenced horizontal Bone Spring well. The Sand Chute 9/4 B2GB Fed Com #1H will be at a surface location 2435' FNL & 2000' FEL in Section 9 and a bottom hole location approximately 330' FNL & 1980' FEL in Section 4, T-20-S, R-35-E, Lea County, New Mexico. We anticipate drilling to an approximate vertical depth of 10,600' and an approximate measured depth of 17,823'. The estimated cost to casing point for this well is \$3,438,000 and the estimated cost of a producing well is \$9,376,200. These costs are more fully detailed in the AFE enclosed herewith. If successful, the project area for this well will be comprised of the W2NE4 of Section 9 and the W2E2 of Section 4.

To facilitate the drilling of this well and the development of the N2 of Section 9 and Section 4, Mewbourne proposes forming a working interest unit by signing an Operating Agreement with a Contract Area comprised of the N2 of Section 9 and Section 4. If EOG elects to execute an Operating Agreement under the terms, EOG would have an approximately 33.3333% interest within the Contract Area. If you wishes to form this working interest unit, please advise and I will send an Operating Agreement for your review and execution.

If you does not wish to participate in the well Mewbourne is interested in discussing a Farmout of your interest.

Enclosed are duplicate originals of Mewbourne's AFE for the well. To make your election to participate in the proposed well, properly execute and return the AFE. You

will also need to provide your "Well Information" requirements. As a reminder, Mewbourne's AFEs provide all participants the opportunity to opt out of the "Extra Expense Well Control Insurance" that Mewbourne purchases for each well it drills. If you do opt out, you must provide evidence that you have adequate "Well Control Insurance".

Feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at <a href="mailto:cshook@mewbourne.com">cshook@mewbourne.com</a>.

Sincerely,

**MEWBOURNE OIL COMPANY** 

Cy Shook Landman

#### MEWBOURNE OIL COMPANY

Well Name: Sand Chute 9/4 B2GB Fed Com #1H Pros	pect: Bon	o Spring		
The state of the s	ounty: Lea	Park transport and the second		
Market 19 April 19 Ap		different Visualist		ST: NM
Sec. 9 Blk: Survey: TWP: 20S	RNG:[ 3	5E Prop. TVI	D: 10600	TMD: 17823
INTANGIBLE COSTS 0180	CODE	ТСР	CODE	сс
Regulatory Permits & Surveys Location / Road / Site / Preparation	0180-0100		0180-0200	£300 000
Location / Restoration	0180-0105 0180-0106		0180-0205 0180-0206	\$300,000 \$30,000
Daywork / Turnkey / Footage Drilling 30 days drlg / 4 days comp @ \$20,000/d	0180-0110	\$641,000	0180-0210	\$85,400
Fuel 1500 gal/day @ 2.63/gal Mud, Chemical & Additives	0180-0114 0180-0120		0180-0214	\$300,000
Horizontal Drillout Services	0780-0120	\$225,000	0180-0220	\$160,000
Cementing	0180-0125		0180-0225	\$30,000
Logging & Wireline Services Casing / Tubing / Snubbing Service	0180-0130		0180-0230	\$300,000
Mud Logging	0180-0134 0180-0137	\$20,000 \$20,000	0180-0234	\$80,000
Stimulation 37 Stg 14.5 MM gal / 14.5 MM lb	0,000	<b>420,000</b>	0180-0241	\$2,230,000
Stimulation Rentals & Other Water & Other			0180-0242	\$150,000
Bits	0180-0145 0180-0148		0180-0245 0180-0248	\$600,000 \$4,000
Inspection & Repair Services	0180-0150		0180-0250	\$5,000
Misc. Air & Pumping Services	0180-0154		0180-0254	\$10,000
Testing & Flowback Services Completion / Workover Rig	0180-0158	\$15,000	0180-0258	\$30,000
Rig Mobilization	0180-0164	\$120,000	0180-0260	\$10,500
Transportation	0180-0165		0180-0265	\$20,000
Welding Services Contract Services & Supervision	0180-0168		0180-0268	\$15,000
Directional Services Includes Vertical Control	0180-0170 0180-0175	\$49,500 \$273,000	0180-0270	\$30,000
Equipment Rental	0180-0180		0180-0280	\$30,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance Intangible Supplies	0180-0185		0180-0285	
Damages Osppines	0180-0188 0180-0190		0180-0288 0180-0290	\$10,000
ROW & Easements	0180-0192	<u> </u>	0180-0292	\$1,000
Pipeline Interconnect Company Supervision			0180-0293	
Overhead Fixed Rate	0180-0195 0180-0196		0180-0295 0180-0296	\$96,000
Well Abandonment	0180-0198	\$10,000	0180-0298	\$20,000
Contingencies 10% (TCP) 10% (CC)	0180-0199	\$255,100	0180-0299	\$454,700
TOTAL		\$2,806,200		\$5,001,600
TANGIBLE COSTS 0181				
Casing (19.1" - 30") Casing (10.1" - 19.0") 2080' - 13 3/8" 54.5# J-55 ST&C @ \$35.90/ft	0181-0793 0181-0794	¢70 900		
Casing (8.1" - 10.0") 6400' - 9 5/8" 40# N-80 LT&C @ \$27.61/ft	0181-0795	\$79,800 \$188,800		
Casing (6.1" - 8.0") 10900' - 7" 27# P-110 LT&C @ \$27.76/ft	0181-0796	\$323,200		
Casing (4.1" - 6.0") 7900' - 4 1/2" 13.5# P-110 BPN @ \$13.66/ft Tubing 10130' - 2 7/8" 6.5# L-80 EUE 8rd @ \$4.74/ft			0181-0797	\$115,300
Drilling Head	0181-0860	\$40,000	0181-0798	\$51,300
Tubing Head & Upper Section	0.01.0000	φ-10,000	0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger Sucker Rods			0181-0871	\$70,000
CONTROL TOOLS	1 1		0181-0875	
Subsurface Equipment				
Subsurface Equipment Artificial Lift Systems Gas Lift Valves			0181-0880	\$15,000
Artificial Lift Systems Gas Lift Valves Pumping Unit				\$15,000
Artificial Lift Systems Gas Lift Valves Pumping Unit Surface Pumps & Prime Movers 1/2 VRU/SWD Pump/Circ Pump			0181-0880 0181-0884 0181-0885 0181-0886	\$35,000
Artificial Lift Systems         Gas Lift Valves           Pumping Unit         Surface Pumps & Prime Movers         1/2 VRU/SWD Pump/Circ Pump           Tanks - Oil         3 - 750 bbl           Tanks - Water         3 - 750 bbl			0181-0880 0181-0884 0181-0885 0181-0886 0181-0890	\$35,000 \$55,000
Artificial Lift Systems   Gas Lift Valves			0181-0880 0181-0884 0181-0885 0181-0886	\$35,000 \$55,000 \$60,000
Artificial Lift Systems         Gas Lift Valves           Pumping Unit         1/2 VRU/SWD Pump/Circ Pump           Surface Pumps & Prime Movers         1/2 VRU/SWD Pump/Circ Pump           Tanks - Oil         3 - 750 bbl           Tanks - Water         3 - 750 bbl           Separation / Treating Equipment         30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl           Heater Treaters, Line Heaters         8"x20"x75# HT			0181-0880 0181-0885 0181-0886 0181-0890 0181-0891 0181-0895 0181-0897	\$35,000 \$55,000 \$60,000 \$45,000 \$23,000
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil Tanks - Water Separation / Treating Equipment Heater Treaters, Line Heaters  As a Lift Valves  1/2 VRU/SWD Pump/Circ Pump  1/2 VRU/SWD Pump/Circ Pump  3 - 750 bbl 8 \ 20'\times 75\times 15'\times 14\times 45'\times 15'\times 14\times 45'\times 15'\times 15'\ti			0181-0880 0181-0884 0181-0885 0181-0890 0181-0890 0181-0891 0181-0895 0181-0897 0181-0898	\$15,000 \$35,000 \$55,000 \$60,000 \$45,000 \$14,000
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil Tanks - Water 3 - 750 bbl Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories  Gas Lift Valves 1/2 VRU/SWD Pump/Circ Pump 3 - 750 bbl 3 - 750 bbl 3 - 750 bbl 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl 8'x20"x75# HT  0 .3 Mile Gas & 6.3 Mile 4" Wtr			0181-0880 0181-0884 0181-0885 0181-0886 0181-0890 0181-0891 0181-0897 0181-0898 0181-0900	\$35,000 \$55,000 \$60,000 \$45,000 \$23,000 \$14,000 \$185,000
Artificial Lift Systems   Gas Lift Valves			0181-0880 0181-0884 0181-0885 0181-0896 0181-0890 0181-0897 0181-0897 0181-0898 0181-0900 0181-0906	\$35,000 \$55,000 \$60,000 \$45,000 \$14,000 \$185,000 \$186,000
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil Tanks - Water 3 - 750 bbl Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories  Gas Lift Valves 1/2 VRU/SWD Pump/Circ Pump 3 - 750 bbl 3 - 750 bbl 3 - 750 bbl 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl 8'x20"x75# HT  0 .3 Mile Gas & 6.3 Mile 4" Wtr			0181-0880 0181-0884 0181-0885 0181-0896 0181-0890 0181-0897 0181-0897 0181-0898 0181-0900 0181-0908 0181-0908	\$35,000 \$55,000 \$60,000 \$45,000 \$14,000 \$185,000 \$186,000 \$8,000 \$50,000
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil Tanks - Water Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation  1/2 VRU/SWD Pump/Circ Pump T/2 VRU/SWD Pump/Circ Pump 3 - 750 bbl 3 - 750			0181-0880 0181-0884 0181-0885 0181-0896 0181-0890 0181-0897 0181-0897 0181-0908 0181-0900 0181-0900 0181-0900 0181-0909 0181-0909	\$35,000 \$55,000 \$60,000 \$45,000 \$14,000 \$185,000 \$60,000 \$8,000 \$50,000
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil Tanks - Water 3 - 750 bbl  Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Equipment Construction  Gas Lift Valves 1/2 VRU/SWD Pump/Circ Pump 3 - 750 bbl 3 - 750 bbl 3 - 750 bbl 3 0'x10'x1k# 3 ph/36"x15'x1k# Hor 3ph/Gun bbl 4 8'x20'x75# HT  Metering Equipment Unit Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction  0.5 Mile Steel & 6.3 Mile Poly		\$631.800	0181-0880 0181-0884 0181-0885 0181-0896 0181-0890 0181-0897 0181-0897 0181-0898 0181-0900 0181-0908 0181-0908	\$35,000 \$55,000 \$60,000 \$45,000 \$14,000 \$185,000 \$185,000 \$8,000 \$50,000 \$35,000
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil Tanks - Water 3 - 750 bbl Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction  Gas Lift Valves 1/2 VRU/SWD Pump/Circ Pump 3 - 750 bbl 3 - 750 bbl 3 - 750 bbl 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl 4 * 20"x75# HT  0 - 3 Mile Gas & 6.3 Mile 4" Wtr  Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction  0 - 5 Mile Steel & 6.3 Mile Poly		\$631,800	0181-0880 0181-0884 0181-0885 0181-0896 0181-0890 0181-0897 0181-0897 0181-0908 0181-0900 0181-0900 0181-0900 0181-0909 0181-0909	\$35,000 \$55,000 \$60,000 \$45,000 \$14,000 \$185,000 \$60,000 \$50,000 \$35,000 \$85,000
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil Tanks - Water 3 - 750 bbl Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction  O.5 Mile Steel & 6.3 Mile Poly  TOTAL SUBTOTAL		\$3,438,000	0181-0880 0181-0884 0181-0885 0181-0885 0181-0890 0181-0897 0181-0897 0181-0898 0181-0906 0181-0908 0181-0908 0181-0909	\$35,000 \$55,000 \$60,000 \$45,000 \$14,000 \$185,000 \$186,000
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil Tanks - Water 3 - 750 bbl Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction  Gas Lift Valves 1/2 VRU/SWD Pump/Circ Pump Total Solvation 3 - 750 bbl 3 - 750 bbl 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl 4" wtr 4" wtr 5" Surface Pump Total Solvation Total SUBTOTAL TOTAL WELL COST	e a Marciaes se	\$3,438,000 \$9.3	0181-0880 0181-0884 0181-0885 0181-0890 0181-0890 0181-0897 0181-0995 0181-0990 0181-0909 0181-0909 0181-0909	\$35,000 \$55,000 \$45,000 \$145,000 \$145,000 \$185,000 \$8,000 \$50,000 \$35,000 \$85,000 \$936,600
Artificial Lift Systems	ionate share p and redrilli	\$3,438,000 \$9,3	0181-0880 0181-0884 0181-0885 0181-0890 0181-0890 0181-0897 0181-0995 0181-0909 0181-0909 0181-0909 0181-0909 0181-0909 0181-0920	\$35,000 \$55,000 \$45,000 \$14,000 \$185,000 \$8,000 \$50,000 \$85,000 \$85,000 \$55,000 \$55,000 \$55,000 \$55,938,200
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 750 bbl Tanks - Water 3 - 750 bbl Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering Unit Sylva - Gathering Cathodic Protection Electrical Installation Electrical Installation Pipeline Construction O.5 Mile Steel & 6.3 Mile Poly  TOTAL SUBTOTAL  TOTAL WELL COST  Extra Expense Insurance and pay my proport Operator has secured Extra Expense Insurance and pay my proport Operator has secured Extra Expense Insurance policy.  If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control	ionate share p and redrilli	\$3,438,000 \$9,3	0181-0880 0181-0884 0181-0885 0181-0890 0181-0890 0181-0897 0181-0995 0181-0909 0181-0909 0181-0909 0181-0909 0181-0909 0181-0920	\$35,000 \$55,000 \$45,000 \$14,000 \$185,000 \$8,000 \$50,000 \$85,000 \$85,000 \$55,000 \$55,000 \$55,000 \$55,938,200
Artificial Lift Systems Gas Lift Valves Pumping Unit Surface Pumps & Prime Movers 1/2 VRU/SWD Pump/Circ Pump Tanks - Oil 3 - 750 bbl Tanks - Water 3 - 750 bbl Separation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl Heater Treaters, Line Heaters 8"x20"x75# HT Metering Equipment Line Pipe & Valves - Gathering 0.3 Mile Gas & 6.3 Mile 4" Wtr Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction 0.5 Mile Steel & 6.3 Mile Poly  TOTAL  SUBTOTAL  TOTAL WELL COST  Extra Expense Insurance and pay my proport Operator has secured Extra Expense Insurance covering costs of well control, clean u	ionate share p and redrilli	\$3,438,000 \$9,3 to of the premium ng as estimated i	0181-0880 0181-0884 0181-0885 0181-0890 0181-0890 0181-0897 0181-0995 0181-0909 0181-0909 0181-0909 0181-0909 0181-0909 0181-0920	\$35,000 \$55,000 \$45,000 \$145,000 \$185,000 \$185,000 \$8,000 \$50,000 \$35,000 \$85,000 \$55,938,200
Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers 1/2 VRU/SWD Pump/Circ Pump Tanks - Oil 3 - 750 bbl Tanks - Water 3 - 750 bbl Separation / Treating Equipment Heater Treaters, Line Heaters Metering Equipment Line Pipe & Valves - Gathering O.3 Mile Gas & 6.3 Mile 4" Wtr Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction O.5 Mile Steel & 6.3 Mile Poly  TOTAL SUBTOTAL  TOTAL WELL COST  Extra Expense Insurance and pay my propert Operator has secured Extra Expense Insurance covering costs of well control, clean u 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 Prepared by: B. Talley Date:	p and redrilling insurance. 3/14/2018	\$3,438,000 \$9,3 e of the premium ng as estimated i	0181-0880 0181-0884 0181-0885 0181-0890 0181-0890 0181-0897 0181-0995 0181-0909 0181-0909 0181-0909 0181-0909 0181-0909 0181-0920	\$35,000 \$60,000 \$45,000 \$145,000 \$145,000 \$185,000 \$8,000 \$35,000 \$35,000 \$35,000 \$55,938,200



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

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

Case No. 16391

#### **AFFIDAVIT OF NOTICE**

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 correct 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 Regulations.  James Bruce	COUNTY O	F SANTA FE )
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 correct 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 Regulations.  SUBSCRIBED AND SWORN TO before me this day of September, 2018 by James Bruce.  OFFICIAL SEAL KERRIE C. ALLEN Notary Public Control of New Mexicon State of New Mexicon Stat	STATE OF N	) ss. NEW MEXICO )
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 correct 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 Regulations.  SUBSCRIBED AND SWORN TO before me this	James	Bruce, being duly sworn upon his oath, deposes and states:
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 correct 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 Regulations.  SUBSCRIBED AND SWORN TO before me this day of September, 2018 beginning to the provision of New Mexico State of New Mexico St	1.	I am over the age of 18, and have personal knowledge of the matters stated herein
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SUBSCRIBED AND SWORN TO before me this  SUBSCRIBED AND SWORN TO before me this  OFFICIAL SEAL  KERRIE C. ALLEN Notary Public State of New Mexico S	names and co	Mewbourne Oil Company has conducted a good faith, diligent effort to find the orrect addresses of the interest owners entitled to receive notice of the application
SUBSCRIBED AND SWORN TO before me this	addresses, by	Notice of the application was provided to the interest owners, at their correct certified mail. Copies of the notice letter and certified return receipts are attached achment A.
My Commission Expires: OFFICIAL SEAL Notary Public State of New Mexico Official SEAL Notary Public	5.	Janus Buen
Notary Public	James Bruce.	OFFICIAL SEAL KERRIE C. ALLEN Notary Public
		Notary Public

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

August 13, 2018

#### CERTIFIED MAIL

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding a Bone Spring well in the W/2E/2 of Section 4 and the W/2NE/4 of Section 9, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

This matter is set for hearing at 8:15 a.m. on Thursday, September 6, 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 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 contesting the matter at a later date.

A party appearing in a Division case is required by Division Regulations to file a Pre-Hearing Statement no later than Thursday, August 30, 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 its 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. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT

### Exhibit A

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706

For delivery into	ormation, visit our website	at www.usps.com®.
1304	Figh	
Certified Mail Fee		- 55% M254 S004M8
\$		
	(check box, add fee as appropriate)	
Return Receipt (hardr		Pa I
Cartified Mail Restrict		Postmark Here
Adult Signature Requ	V	riote
Adult Signature Restr	icted Delivery \$	
Postage		
\$		
Total Postage and Fe	es	
\$		
Sent To	EOG Resources, Inc.	
Street and Apt. No., o	5509 Champions Drive	
Orrest and ripe. 1955, e	Midland, Texas 79706	

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:  EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706	B. Received by Printed Name  D. Is delivery address different from If YES, enter delivery address	Agent Addressee C. Date of Delivery
2. Article Number (Transfer from a	3. Service Type  Adult Signature  Guits Signature Restricted Delivery  Certified Mail®  Certified Mail Restricted Delivery  Collect on Delivery  Collect on Delivery Restricted Delivery  Mail  Mail Restricted Delivery  Tover w300)	☐ Priority Mail Express® ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery

#### 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, LEA COUNTY, NEW MEXICO.

Case No. 16391

#### **VERIFIED STATEMENT OF JORDAN CARRELL**

COUNTY OF MIDLAND	)
	) ss
STATE OF TEXAS	)

Jordan Carrell, 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 a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in this case. I have been qualified by the Division as an expert petroleum geologist.
- 3. The following geological plats are attached hereto:
- (a) Attachment A is a structure map of the Bone Spring formation, on the base of the Second Bone Spring Sand. It shows that structure dips gently to the southeast. It also shows a line of cross-section.
- (b) Attachment B is a gross sand isopach of the Lower Second Bone Spring Sand, the test zone for the proposed Sand Chute 9/4 B2GB Fcd. Com. Well No. 1H. It shows that the sand across the well unit has a uniform thickness of approximately 100 feet.
- (c) Attachment C is a north-south cross section. The well logs on the cross-section give a representative sample of the Bone Spring formation in this area. The target zone for the well is the Lower Second Bone Spring Sand, and that zone is continuous across the well unit.
- 4. I conclude from the maps that:
- (a) The horizontal spacing unit is justified from a geologic standpoint.
- (b) Each quarter-quarter section in the unit will contribute more or less equally to production.

ехнівіт З

- (c) There is no faulting or other geologic impediment on the area which will affect the drilling of the subject well.
- 5. Attachment D contains information from other wells drilled in this area. There are few horizontal Bone Spring wells in this area. However, the preference is for standup units, and the few completed wells in the area (recent completions) are apparently commercial.
- 6. Attachment E is the Survey Calculation Report. The producing interval of the proposed well will be orthodox.

Jardin Cernell

Jordan Carrell

#### **VERIFICATION**

STATE OF TEXAS	)
COUNTY OF MIDLAND	) ss. )

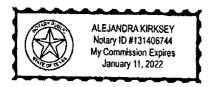
Jordan Carrell, being duly sworn upon his oath, deposes and states that: He is a geologist for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

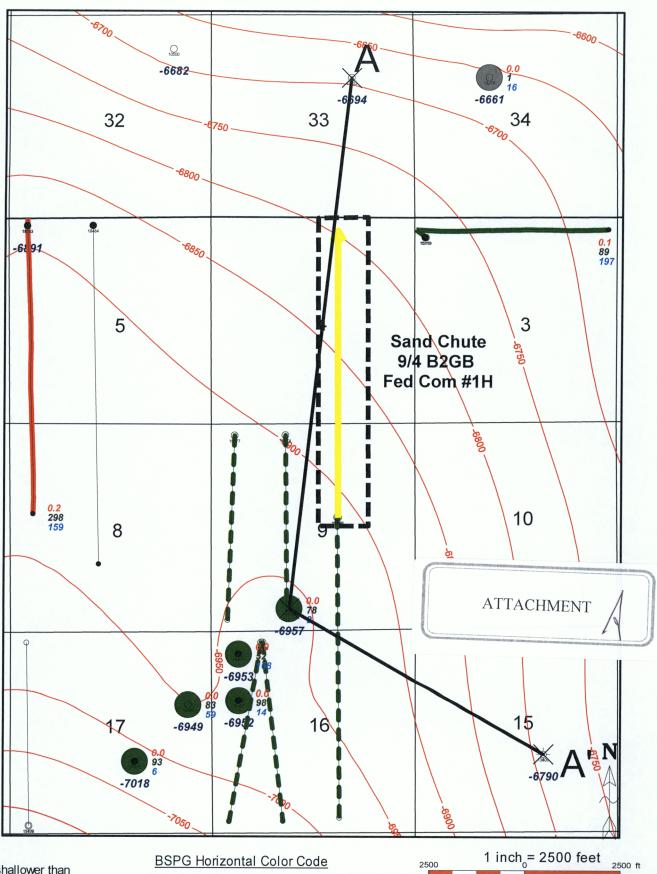
Jordan Carrell

SUBSCRIBED AND SWORN TO before me this \_\_\_3 <- day of August, 2018 by Jordan Carrell.

My Commission Expires: 201.4022

Olegandra Kirksey Notary Public





Wells shallower than 7000' are filtered out

**BSPG** Production **Cum BCF** 

**Cum MBO Cum MBW** 

Depth of 2nd BSPG Sd Base (subsea)

2nd BSPG Sd Well 2nd BSPG Sd Permit 3rd BSPG SD Well

**BSPG Vertical Color Code** 



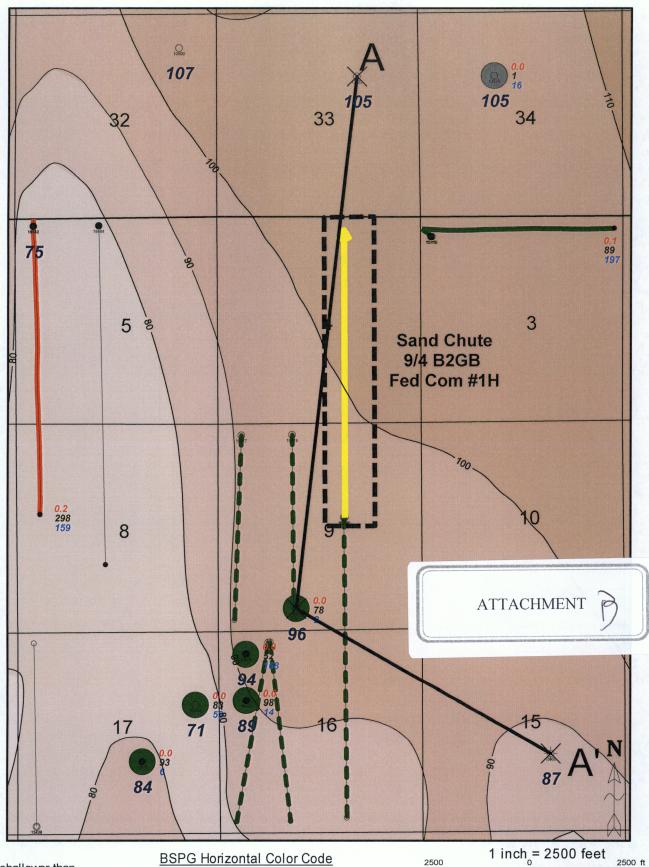
2nd BSPG Well

#### M<sub>OC</sub> **Mewbourne Oil Company**

Sand Chute 9/4 B2GB Fed Com #1H Base of 2nd BSPG Sand Structure Contour Map C.I. = 50

Sections 9 & 4, 20S/35E, Lea County, New Mexico

**Date:** 31 August, 2018 Author: Scale: 1" = 2500' J. Carrell



Wells shallower than 7000' are filtered out

**BSPG Production** 

Cum BCF
Cum MBO
Cum MBW

Gross Lower 2nd BSPG Sand (ft)

2nd BSPG Sd Well
2nd BSPG Sd Permit
3rd BSPG SD Well

**BSPG Vertical Color Code** 



Avalon Well

2nd BSPG Well

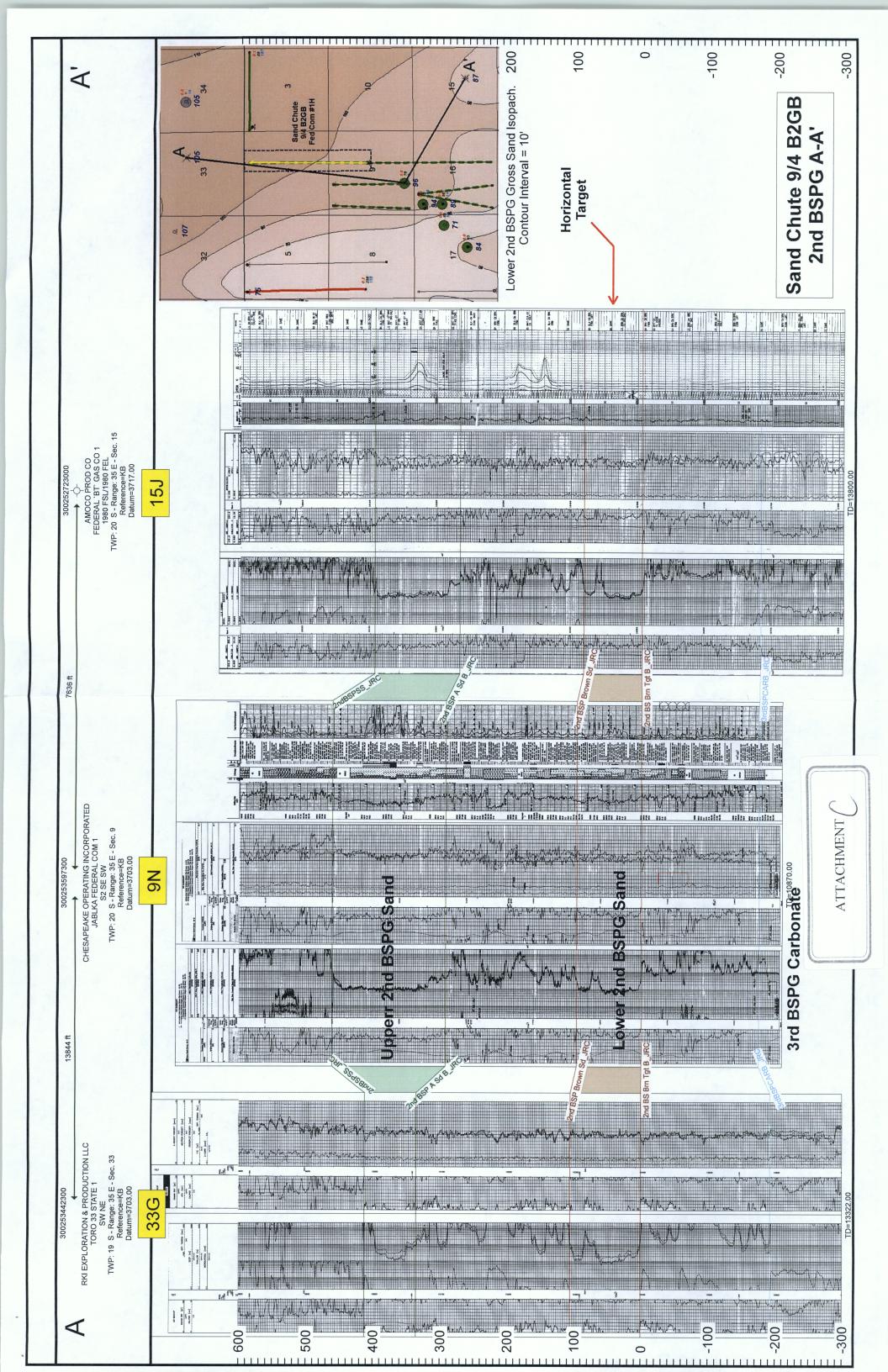
## Mewbourne Oil Company

Sand Chute 9/4 B2GB Fed Com #1H Lower 2nd BSPG Gross Sand Isopach Map Exhibit C.I. = 10'

Sections 9 & 4, 20S/35E, Lea County, New Mexico

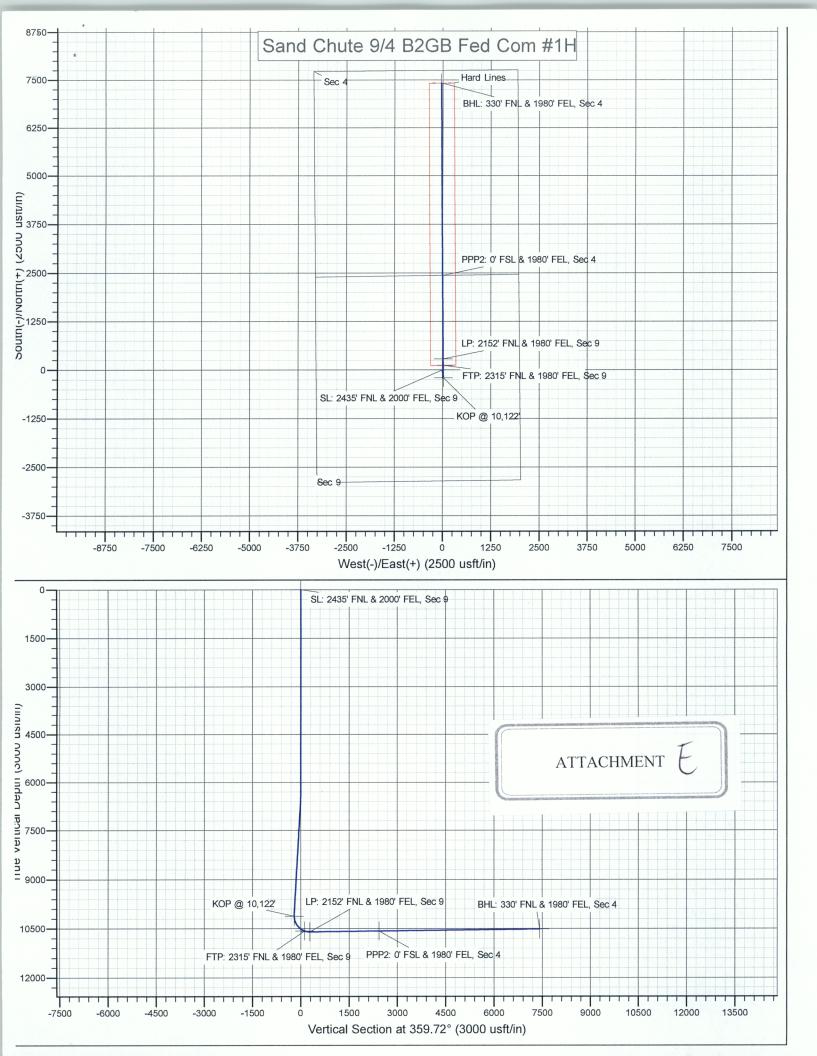
 Author:
 Scale:
 Date:

 J. Carrell
 1" = 2500"
 29 August, 2018



	Sand Chute A	rea 2nd B	one Spring	Sand Horizo	Sand Chute Area 2nd Bone Spring Sand Horizontal Production Data Table	ata Tabl	<b>a</b>		
Well Name	Operator	API	Location	Comp Date	Cum Oil (MBO) Cum Gas (BCF) Cum Water (MBW)	Gas (BCF)	Cum Water (MBW)	NS/EW	HZ Target
CONINE 3 20 35 RN #121H	MATADOR PRODUCTION CO	3002542719	3DA/20S/35E	1/19/2016	88	0.1	197	EW	Lower 2nd BSPG Sd
TAYBERRIES 13 STATE #501H	EOG RESOURCES INC	3002542731	13BO/20S/35E	7/9/2016	114	0.1	103	SN	Lower 2nd BSPG Sd
MANGO BRM STATE #1H	EOG Y RESOURCES INC	3002540517	27CN/20S/35E	10/23/2014	182	0.2	95	NS	Lower 2nd BSPG Sd
TANGERINE BRT STATE #1H	EOG Y RESOURCES INC	3002540518	27AP/20S/35E	6/14/2015	75	0.1	61	NS	Lower 2nd BSPG Sd
IGLOO 19 STATE #4H	CAZA OPERATING LLC	3002542358	190B/20S/35E	11/7/2016	125	0.1	100	NS	Lower 2nd BSPG Sd
IGLOO 19 STATE #1H	CAZA OPERATING LLC	3002542356	19PA/20S/35E	3/15/2017	92	0	78	NS	Lower 2nd BSPG Sd
LEA UNIT #40H	LEGACY RESERVES	3002543093	24H13A/20S/34E	7/1/2017	80	0.1	184	NS	Lower 2nd BSPG Sd
LEA UNIT #49H	LEGACY RESERVES	3002544410	12BO/20S/34E	4/20/2018	61	0.0	50	NS	Lower 2nd BSPG Sd
PERLA NEGRA FED COM #7H	XTO ENERGY INC	3002543812	240B/19S/34E	2/1/2018	89	0.1	44	NS	Lower 2nd BSPG Sd





# **Mewbourne Oil Company**

Lea County, New Mexico NAD 83 Sand Chute 9/4 B2GB Fed Com #1H

Sec 9, T20S, R35E

SL: 2435' FNL & 2000' FEL, Sec 9 BHL: 330' FNL & 1980' FEL, Sec 4

Plan: Design #1

# **Standard Planning Report**

03 May, 2018

Database:

Hobbs

Company:

Mewbourne Oil Company

Project:

Lea County, New Mexico NAD 83

Site:

Sand Chute 9/4 B2GB Fed Com #1H

Well:

Sec 9, T20S, R35E

Wellbore:

BHL: 330' FNL & 1980' FEL, Sec 4

Design:

Design #1

Lea County, New Mexico NAD 83

Map System:

US State Plane 1983 North American Datum 1983 New Mexico Eastern Zone

Local Co-ordinate Reference:

**Survey Calculation Method:** 

TVD Reference:

MD Reference:

North Reference:

Site Sand Chute 9/4 B2GB Fed Com #1H

WELL @ 3719.0usft (Original Well Elev) WELL @ 3719.0usft (Original Well Elev)

Grid

Minimum Curvature

Project

Geo Datum:

Map Zone:

System Datum:

Mean Sea Level

Sand Chute 9/4 B2GB Fed Com #1H Site

Site Position: From:

Мар

Northing: Easting:

578,860.00 usft 810,252.00 usft

Latitude: Longitude:

32.5883059 -103.4602271

Slot Radius: 13-3/16 **Position Uncertainty:** 0.0 usft

**Grid Convergence:** 

0.47

Well Sec 9, T20S, R35E

**Well Position** 

+N/-S +E/-W 0.0 usft 0.0 usft

Northing: Easting:

578,860.00 usft 810,252.00 usft

Latitude: Longitude:

32 5883059 -103.4602271

0.0 usft Wellhead Elevation: 3,719.0 usft Ground Level: 3,692.0 usft **Position Uncertainty** 

BHL: 330' FNL & 1980' FEL, Sec 4 Wellbore

Magnetics

**Model Name** 

Sample Date

Declination (\*)

**Dip Angle** (°)

Field Strength

(nT)IGRF2010 5/3/2018 6.70 60.36 48,154

Design

Design #1

**Audit Notes:** 

Version:

Phase:

**PROTOTYPE** 

Tie On Depth:

n n

Depth From (TVD) +N/-S (usft)

0.0

(usft) 0.0

+E/-W (usft) 0.0

Direction (") 359.72

Plan Sections Dogleg Vertical Bulld Turn Depth +N/-S +EJ-W Rate Rate Rate TFO (\*) (usft) (usft) (usft) (°/100usft) (°/100usft) (°/100usft) (\*) Target 0.0 0.00 0.00 0.0 0.0 0.0 0.00 0.00 0.00 0.00 6,450,0 0.00 0.00 6,450.0 0.0 0.0 0.00 0.00 0.00 0.00 6,672.6 3.34 173.72 6.672.5 -6.4 0.7 1.50 1.50 0.00 173.72 9,904.7 3.34 173.72 9,899.1 -193 6 21.3 0.00 0.00 0.00 0.00 10,127.3 0.00 0.00 10,121.5 -200.0 22.0 1,50 -1.500.00 180,00 KOP @ 10,122' 90.68 283.2 18.3 12,00 12,00 0.00 -0.44 10,883.0 359.56 10,599.0 10,514.0 7,418.0 -36.0 0.00 0.00 0.00 0.00 BHL: 330' FNL & 1980 18.018.6 90.68 359.56

Detabene: Company: Project: Site: Hobbs Mewbourne Oil Company Lea County, New Mexico NAD 83

Sand Chute 9/4 B2GB Fed Com #1H

Sec 9, T20S, R35E

BHL: 330' FNL & 1980' FEL, Sec 4

Design #1

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Site Sand Chute 9/4 B2GB Fed Com #1H WELL @ 3719.0usft (Original Well Elev) WELL @ 3719.0usft (Original Well Elev) Grid

Planned Survey	***			Market A State (1937)					
		1.1		la de la composición	4				
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SL: 2435' FNL & 2									
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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	800.0 900.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 0.00	0.00 0.00
900.0	0.00	0.00							
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1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00 0.00	0.00 0.00	0.00 0.00
1,200.0 1,300.0	0.00 0.00	0.00 0.00	1,200.0 1,300.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
			•				0.00	0.00	0.00
1,500.0	0.00 0.00	0.00 0.00	1,500.0 1,600.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00	0.00	0.00
1,600.0 1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
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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2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00 0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00		0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0 3,300.0	0.00 0.00	0.00 0.00	3,200.0 3,300.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 0.00	0.00 0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0 3,600.0	0.00 0.00	0.00 0.00	3,500.0 3,600.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 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
4.000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
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
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
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

Database:

Hobbs

Company: Project: Site:

Well:

Mewbourne Oil Company Lea County, New Mexico NAD 83 Sand Chute 9/4 B2GB Fed Com #1H

Sec 9, T20S, R35E

Wellbore: Design: BHL: 330' FNL & 1980' FEL, Sec 4

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Sand Chute 9/4 B2GB Fed Com #1H WELL @ 3719.0usft (Original Well Elev) WELL @ 3719.0usft (Original Well Elev)

Grid

Planned Survey				ender frankrijske fan it f	n kraljanski, i til kraljadiška st	on Street - One State of		un en hair Gallo Annolothadain	
			to the second			Washing	Mantan	Build	Turn
Messured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Rate	Rate
(usft)	(°)	77	(usiti)	(usft)	(usft)	(usft)	(*/100usft)	(°/100usft)	(7/100usft)
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 5,800.0	0.00 0.00	0.00 0.00	5,700.0 5,800.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 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
6,450.0	0.00	0.00	6,450.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.75	173.72	6,500.0	-0.3	0.0	-0.3	1.50	1.50	0.00
6,600.0	2.25	173.72	6,600.0	-2.9	0.3	-2.9	1.50	1.50	0.00
6,672.6	3.34	173.72	6,672.5	-6.4	0.7	-6.4	1.50	1.50	0.00
6,700.0	3.34	173.72	6,699.8	-8.0	0.9	-8.0	0.00	0.00	0.00
6,800.0	3.34	173.72	6,799.7	-13.8	1.5	-13.8	0.00	0.00	0.00
6,900.0	3.34	173.72	6,899.5	-19.6	2.2	-19.6	0.00	0.00	0.00
7,000.0	3.34	173.72	6,999.3	-25,4	2.8	-25.4	0.00	0.00	0.00 0.00
7,100.0 7,200.0	3.34 3.34	173.72 173.72	7,099.1 7,199.0	-31.2 -37.0	3.4 4.1	-31.2 -37.0	0.00 0.00	0.00 0.00	0.00
			·						
7,300.0	3.34	173.72	7,298.8	-42.8	4.7	-42.8	0.00	0.00	0.00
7,400.0	3.34	173.72 173.72	7,398.6 7,498.5	-48.6 -54.3	5.3 6.0	-48.6 -54.4	0.00 0.00	0.00 0.00	0.00 0.00
7,500.0 7,600.0	3.34 3.34	173.72	7,496.5 7,598.3	-54.5 -60.1	6.6	-60.2	0.00	0.00	0.00
7,700.0	3.34	173.72	7,698.1	-65.9	7.3	-66.0	0.00	0.00	0.00
7,800.0	3.34	173.72	7,798.0	-71.7	7.9	-71.7	0.00	0.00	0.00
7,900.0	3.34	173.72	7,897.8	-77.5	8.5	-77.5	0.00	0.00	0.00
8,000.0	3.34	173.72	7,997.6	-83.3	9.2	-83.3	0.00	0.00	0.00
8,100.0	3.34	173.72	8,097.5	-89.1	9.8	-89.1	0.00	0.00	0.00
8,200.0	3.34	173.72	8,197.3	-94.9	10.4	-94.9	0.00	0.00	0.00
8,300.0	3.34	173.72	8,297.1	-100.7	11.1	-100.7	0.00	0.00	0.00
8,400.0	3.34	173.72	8,396.9	-106.4	11.7	-106.5	0.00	0.00	0.00
8,500.0	3.34	173.72	8,496.8	-112.2	12.3	-112.3	0.00	0.00	0.00
8,600.0	3.34	173.72	8,596.6	-118.0	13.0	-118.1	0.00	0.00	0.00
8,700.0	3.34	173.72	8,696.4	-123.8	13.6	-123.9	0.00	0.00	0.00
8,800.0	3.34	173.72	8,796.3	-129.6	14.3	-129.7	0.00	0.00	0.00
8,900.0	3.34	173.72	8,896.1	-135,4	14.9	-135.5	0.00	0.00	0.00
9,000.0	3.34	173.72 173.72	8,995.9	-141.2 147.0	15.5	-141.3 -147.0	0.00 0.00	0.00 0.00	0.00 0.00
9,100.0 9,200.0	3.34 3.34	173.72	9,095.8 9,195.6	-147.0 -152.8	16.2 16.8	-147.0 -152.8	0.00	0.00	0.00
9,300.0 9,400.0	3.34 3.34	173.72 173.72	9,295.4 9,395.2	-158.5 -164.3	17.4 18.1	-158.6 -164.4	0.00 0.00	0.00 0.00	0.00 0.00
9,500.0	3.34	173.72	9,495.1	-104.3 -170.1	18.7	-170.2	0.00	0.00	0.00
9,600.0	3.34	173.72	9,594.9	-175.9	19.4	-176.0	0.00	0.00	0.00
9,700.0	3.34	173.72	9,694.7	-181.7	20.0	-181.8	0.00	0.00	0.00
9,800.0	3.34	173.72	9,794.6	<b>-</b> 187.5	20.6	-187.6	0.00	0.00	0.00
9,900.0	3,34	173.72	9,894.4	-193.3	21.3	-193.4	0.00	0.00	0.00
9,904.7	3.34	173.72	9,899.1	-193.6	21.3	-193.7	0.00	0.00	0.00
10,000.0	1.91	173.72	9,994.3	-197.9	21.8	-198.0	1.50	-1.50	0.00
10,100.0	0.41	173.72	10,094.3	-199.9	22.0	-200.0	1.50	-1.50	0.00
10,127.3	0.00	0.00	10,121.5	-200.0	22.0	-200.1	1.50	-1.50	0.00

Database: Company: Project: Site: Well: Wellbore: Design: Hobbs Mewbourne Oil Company Lea County, New Mexico NAD 83 Sand Chute 9/4 B2GB Fed Com #1H

Sec 9, T20S, R35E

BHL: 330' FNL & 1980' FEL, Sec 4

Design #1

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Site Sand Chute 9/4 B2GB Fed Com #1H WELL @ 3719.0usft (Original Well Elev) WELL @ 3719.0usft (Original Well Elev) Grid

Planned Survey		SELECTIVE SELECTION OF THE PROPERTY OF THE PRO	en in de la company de la comp			And the second of the second	NATION OF STATE OF STATES		
								1.0	7166 HT
Measurad			Vertical			Verticel Section	Dogleg Rate	Bullii Pere	Turn Rate
Depth (usR)	Inclination (P)	Azimuth (1)	Depth (usft)	+N/-S (usft)	+EAM (usft)	fusiti	(VHORUSTO		(7/100ue/II)
4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5		1.0	<b>1777</b>	Weity	(Very				
KOP @ 10,122		050.50	40.404.0	404.5	00.0	104.6	12.00	12.00	0.00
10,200.0 10,300.0	8.73 20.73	359.56 359.56	10,194.0 10,290.5	-194.5 -169.1	22.0 21.8	-194.6 -169.2	12.00 12.00	12.00 12.00	0.00
10,400.0	32.72	359.56	10,379.7	-124.2	21.4	-124.3	12.00	12.00	0.00
10,500.0	44.72	359.56	10,457.5	-61.8	20.9	-61.9	12.00	12.00	0.00
10,600.0	56.72	359.56	10,520.7	15.5	20.4	15.4	12.00	12,00	0.00
10,700.0	68.72	359.56	10,526.7	104.2	19.7	104.1	12.00	12.00	0.00
10,716.8	70.74	359.56	10,572.3	120.0	19.6	119.9	12.00	12.00	0.00
1	IL & 1980' FEL, S		, ,						
10,800.0	80.72	359.56	10,592.8	200.5	19.0	200.4	12.00	12.00	0.00
10,883.0	90.68	359.56	10,599.0	283.2	18.3	283.1	11.99	11.99	0.00
LP; 2152' FNL	. & 1980' FEL, Se	ec 9							
10,900.0	90.68	359,56	10,598.8	300.2	18.2	300.1	0.00	0.00	0.00
11,000.0	90.68	359.56	10,597.6	400.1	17.4	400.1	0.00	0.00	0.00
11,100.0	90.68	359.56	10,596.4	500.1	16.7	500.0	0.00	0.00	0.00
11,200.0	90.68	359.56	10,595.2	600.1	15.9	600.0	0.00	0.00	0.00
11,300.0	90.68	359.56	10,594.0	700.1	15.1	700.0	0.00	0.00	0.00
11,400.0	90.68	359.56	10,592.8	800.1	14.4	800.0	0.00	0.00	0.00
11,500.0	90.68	359.56	10,591.7	900.1	13.6	900.0	0.00	0.00	0.00
11,600.0	90.68	359.56	10,590.5	1,000.1	12.9	1,000.0	0.00	0.00	0.00 0.00
11,700.0	90.68 90.68	359.56 359.56	10,589.3 10,588.1	1,100.1 1,200.1	12.1 11.3	1,100.0 1,200.0	0.00 0.00	0.00 0.00	0.00
11,800.0			·						
11,900.0	90.68	359.56	10,586.9	1,300.1	10.6	1,300.0	0.00	0.00	0.00
12,000.0	90.68	359.56	10,585.7	1,400.0	9.8 9.1	1,400.0 1,500.0	0.00 0.00	0.00 0.00	0.00 0.00
12,100.0 12,200.0	90.68 90.68	359.56 359.56	10,584.5 10,583.3	1,500.0 1,600.0	8.3	1,600.0	0.00	0.00	0.00
12,300.0	90.68	359.56	10,582.1	1,700.0	7.5	1,700.0	0.00	0.00	0.00
		359.56	10,580.9	1,800.0	6.8	1,800.0	0.00	0.00	0.00
12,400.0 12,500.0	90.68 90.68	359.56 359.56	10,560.9	1,900.0	6.0	1,800.0	0.00	0.00	0.00
12,600.0	90.68	359.56	10,578.5	2,000.0	5.3	1,999.9	0.00	0.00	0.00
12,700.0	90.68	359.56	10,577.4	2,100.0	4.5	2,099.9	0.00	0.00	0.00
12,800.0	90.68	359.56	10,576.2	2,200.0	3.7	2,199.9	0.00	0.00	0.00
12,900.0	90.68	359.56	10.575.0	2,300,0	3.0	2,299,9	0.00	0.00	0.00
13,000.0	90,68	359.56	10,573.8	2,399.9	2.2	2,399.9	0.00	0.00	0.00
13,035.1	90.68	359.56	10,573.4	2,435.0	1.9	2,435.0	0.00	0.00	0.00
PPP2: 0' FSL	& 1980' FEL, Sec	c 4							
13,100.0	90.68	359.56	10,572.6	2,499.9	1.4	2,499.9	0.00	0.00	0.00
13,200.0	90.68	359.56	10,571.4	2,599.9	0.7	2,599.9	0.00	0.00	0.00
13,300.0	90.68	359.56	10,570.2	2,699.9	-0.1	2,699.9	0.00	0.00	0.00
13,400.0	90.68	359.56	10,569.0	2,799.9	-0.8	2,799.9	0.00	0.00	0.00
13,500.0	90.68	359.56	10,567.8	2,899.9	-1.6	2,899.9	0.00	0.00	0.00
13,600.0	90.68	359.56	10,566.6	2,999.9	-2.4	2,999.9	0.00	0.00	0.00 0.00
13,700.0	90.68	359.56	10,565.4	3,099.9	-3.1	3,099.9	0.00	0.00	
13,800.0	90.68	359.56	10,564.3	3,199.9	-3.9	3,199.8	0.00	0.00	0.00
13,900.0	90.68	359.56	10,563.1 10,561.9	3,299.9 3,399.8	-4.6 -5.4	3,299.8 3,399.8	0.00 0.00	0.00 0.00	0.00 0.00
14,000.0 14,100.0	90,68 90,68	359.56 359.56	10,561.9	3,399.8 3,499.8	-5.4 -6,2	3,399.8 3,499.8	0.00	0.00	0.00
14,100.0	90.68	359.56	10,559.5	3,599.8	-6.9	3,599.8	0.00	0.00	0.00
						3,699.8	0.00	0.00	0.00
14,300.0 14,400.0	90.68 90.68	359.56 359.56	10,558.3 10,557.1	3,699.8 3,799.8	-7.7 -8.5	3,699.8 3,799.8	0.00	0.00	0.00
14,400.0	90.68	359.56 359.56	10,557.1	3,799.8	-9.2	3,899.8	0.00	0.00	0.00
14,600.0	90.68	359.56	10,554.7	3,999.8	-10.0	3,999.8	0.00	0.00	0.00
14,700.0	90.68	359.56	10,553.5	4,099.8	-10.7	4,099.8	0.00	0.00	0.00
L	<u> </u>								

Database: Company: Hobbs

Project:

Mewbourne Oil Company Lea County, New Mexico NAD 83 Sand Chute 9/4 B2GB Fed Com #1H

Site: Well:

Sec 9, T20S, R35E

Wellbore:

BHL: 330' FNL & 1980' FEL, Sec 4

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Site Sand Chute 9/4 B2GB Fed Com #1H WELL @ 3719.0usft (Original Well Elev) WELL @ 3719.0usft (Original Well Elev)

Grid

Measured			Vertical	La Grazza	1, 460,50	Vartical	Dogleg	Build	Turn
Copts (usft)	Inclination (°)	Azimuth (°)	Depth (usft)	+NV-S (usti)	+EAW	Section (usft)	Rate (*/100usft)	Rate (*/100usft)	Rate (*/100µsR)
		san Siderber							
14,800.0	90.68	359.56	10,552.3	4,199.8	-11.5	4,199.8	0.00	0.00	0.00
14,900.0	90.68	359.56	10,551.1	4,299.8	-12.3	4,299.8	0.00	0.00	0.00
15,000.0	90.68	359.56	10,550.0	4,399.7	-13.0	4,399.8	0.00	0.00	0.00
15,100.0	90.68	359.56	10,548.8	4,499.7	-13.8	4,499.7	0.00	0.00	0.00
15,200.0	90.68	359.56	10,547.6	4,599.7	-14.5	4,599.7	0.00	0.00	0.00
15,300.0	90.68	359.56	10,546.4	4,699.7	-15.3	4,699.7	0.00	0.00	0.00
15,400.0	90.68	359.56	10,545.2	4,799.7	-16.1	4,799.7	0.00	0.00	0.00
15,500.0	90.68	359.56	10,544.0	4,899.7	-16.8	4,899.7	0.00	0.00	0.00
15,600.0	90.68	359.56	10,542.8	4,999.7	-17.6	4,999.7	0.00	0.00	0.00
15,700.0	90.68	359.56	10,541.6	5,099.7	-18.3	5,099.7	0.00	0.00	0.00
15,800.0	90.68	359.56	10,540.4	5,199.7	-19.1	5,199.7	0.00	0.00	0.00
15,900.0	90.68	359.56	10,539.2	5,299.7	<b>-</b> 19.9	5,299.7	0.00	0.00	0.00
16,000.0	90.68	359.56	10,538.0	5,399.6	-20,6	5,399.7	0.00	0.00	0.00
16,100.0	90.68	359,56	10,536.9	5,499.6	-21.4	5,499.7	0.00	0.00	0.00
16,200.0	90.68	359,56	10,535.7	5,599.6	-22.2	5,599.7	0.00	0.00	. 0.00
16,300.0	90.68	359.56	10,534.5	5,699.6	-22.9	5,699.7	0.00	0.00	0.00
16,400.0	90.68	359.56	10,533.3	5,799.6	<b>-23</b> .7	5,799.7	0.00	0.00	0.00
16,500.0	90.68	359.56	10,532.1	5,899.6	-24.4	5,899.6	0.00	0.00	0.00
16,600.0	90.68	359.56	10,530.9	5,999.6	-25.2	5,999.6	0.00	0.00	0.00
16,700.0	90.68	359.56	10,529.7	6,099.6	-26.0	6,099.6	0.00	0.00	0.00
16,800.0	90.68	359.56	10,528.5	6,199.6	-26.7	6,199.6	0.00	0.00	0.00
16,900.0	90.68	359,56	10,527.3	6,299.6	-27.5	6,299.6	0.00	0.00	0.00
17,000.0	90.68	359.56	10,526.1	6,399.5	-28.2	6,399.6	0.00	0.00	0.00
17,100.0	90.68	359.56	10,524.9	6,499.5	-29.0	6,499.6	0.00	0.00	0.00
17,200.0	90.68	359.56	10,523.8	6,599.5	-29.8	6,599.6	0.00	0.00	0.00
17,300.0	90.68	359.56	10,522.6	6,699.5	-30.5	6,699.6	0.00	0.00	0.00
17,400.0	90.68	359.56	10,521.4	6,799.5	-31.3	6,799.6	0.00	0.00	0.00
17,500.0	90.68	359.56	10,520.2	6,899.5	-32.1	6,899.6	0.00	0.00	0.00
17,600.0	90.68	359.56	10,519.0	6,999.5	-32.8	6,999.6	0.00	0.00	0.00
17,700.0	90.68	359.56	10,517.8	7,099.5	-33.6	7,099.6	0.00	0.00	0.00
17,800.0	90,68	359.56	10,516.6	7,199.5	-34.3	7,199.5	0.00	0.00	0.00
17,900.0	90.68	359.56	10,515.4	7,299.5	-35.1	7,299.5	0.00	0.00	0.00
18,000.0	90.68	359,56	10,514.2	7,399.4	-35.9	7,399.5	0.00	0.00	0.00
18,018.6	90.68	359.56	10,514.0	7,418.0	-36.0	7,418.1	0.00	0.00	0.00

Database: Company: Hobbs

Project:

Mewbourne Oil Company Lea County, New Mexico NAD 83 Sand Chute 9/4 B2GB Fed Com #1H

Site: Well:

Sec 9, T20S, R35E

Wellbore: Dealgn: BHL: 330' FNL & 1980' FEL, Sec 4

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

**Survey Calculation Method:** 

Site Sand Chute 9/4 B2GB Fed Com #1H WELL @ 3719.0usft (Original Well Elev) WELL @ 3719.0usft (Original Well Elev)

Grid

Design Targets Target Name - hit/miss target Di	p Angle	Dip Dir:	TVD		*E/W	Northing	Easting	property of the control of the contr	
-Shape	ריי	n	(usft)	(usft)	(usft)	(usft)	(usft)	Latitude	Longitude
SL: 2435' FNL & 2000' F - plan hits target center - Point	0.00	0.00	0.0	0,0	0.0	578,860.00	810,252.00	32.5883059	-103.4602271
KOP @ 10,122' - plan hits target center - Point	0.00	0.00	10,121.5	-200.0	22.0	578,660.00	810,274.00	32.5877557	-103.4601611
BHL: 330' FNL & 1980' F - plan hits target center - Point	0.00	0.00	10,514.0	7,418.0	-36.0	586,278.00	810,216.00	32.6086945	-103.4601463
FTP: 2315' FNL & 1980' - plan hits target center - Point	0.00	0.00	10,572.3	120.0	19.6	578,980.00	810,271.56	32.5886353	-103.4601604
PPP2: 0' FSL & 1980' FE - plan hits target center - Point	0.00	0.00	10,573.4	2,435.0	1.9	581,295.00	810,253.94	32.5949983	-103.4601560
LP: 2152' FNL & 1980' F - plan hits target center - Point	0.00	0.00	10,599.0	283.2	18.3	579,143.20	810,270.30	32.5890838	-103.4601602