

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

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

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

Case No. 16020 (re-opened)

VERIFIED STATEMENT OF PAUL HADEN

Paul Haden, being duly sworn upon his oath, deposes and states:

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

2. 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 (i) revise Order No. R-14687 to cover only depths below the top of the Second Bone Spring, and (ii) force pool Record Title 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 are unlocatable.

(c) A land plat outlining the unit being pooled is attached as Attachment A. Mewbourne Oil Company seeks an order pooling all interests in a 320-acre horizontal spacing unit in the Bone Spring formation below the top of the Second Bone Spring Sand (as defined in the application filed herein) comprised of the N/2N/2 of Section 24 and the N/2N/2 of Section 23, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Virgo 24/23 B2AD Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4NE/4 of Section 24 and a final take point in the NW/4NW/4 of Section 23. The Form C-102 for the well is attached as Attachment B.

(d) The parties being pooled and their interests are set forth in Attachment C.

(e) The interest owners being pooled are unlocatable. In order to locate the interest owners Mewbourne examined the county records, performed internet searches, checked

EXHIBIT

1

telephone records, and searched Accurint and Whitepages. A letter sent to the last known address of the Record Title owners was returned undelivered. It is attached as Attachment D.

(f) Mewbourne has made a good faith effort to locate the interest owners in the proposed well.

(g) There are no overriding royalty owners who need to be pooled.

(h) An Authorization for Expenditure for the proposed well is not being submitted because the interest owners being pooled are non-cost bearing interests.

(i) Mewbourne requests overhead and administrative rates of \$7500/month for a drilling well and \$750/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

(j) Mewbourne requests that it be designated operator of the well.

(k) The only offsets to the well unit are Mewbourne Oil Company and Jack D. Knox.

(l) The attachments to this affidavit were prepared by me, 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)


Paul Haden, 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.



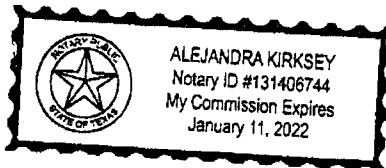
Paul Haden

SUBSCRIBED AND SWORN TO before me this 28th day of November, 2018 by Paul Haden.

My Commission Expires January 11, 2022



Notary Public



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 Breros 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
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

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

DISTRICT II-ARTESIA O.C.D. AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-44579 Pool Code 56465 Pool Name Shugart; Bone Spring North

Property Code 32-0081 Property Name VIRGO 24/23 B2AD FED COM Well Number 1H

GRID NO. 14744 Operator Name MEWBOURNE OIL COMPANY Elevation 3632'

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

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		482	NORTH	101	WEST	EDDY

Dedicated Acres 320 Joint or Infill Consolidation Code Order No.

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.

GEOMETRIC DATA
NAD 27 GRID - NM EAST
SURFACE LOCATION
N: 632738.3 - E: 628021.0
LAT: 32.73860361° N
LONG: 103.91696403° W
BOTTOM HOLE
N: 632705.8 - E: 617981.9
LAT: 32.73881577° N
LONG: 103.94963260° 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

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 unless 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: Jackie Lythan Date: 10/17/18
Printed Name: Jackie Lythan
E-mail Address:

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 Robert M. Howett
19680
Certificate Number

DETAIL "A"

3642.1' 600' 3637.1' 3637.9' 3632.6'

89°48'57" E 5278.07' 89°48'24" E 2639.10' 89°47'51" E 2639.44'

89°48'31" W (GRID) 10,041.53' (HORIZ.) 89°48'11" W 2639.32' 89°59'10" W 2634.83' 89°37'29" W 2644.23'

89°48'00" W 2638.83' 89°30'11" W 2639.32' 89°59'10" W 2634.83' 89°37'29" W 2644.23'

RRC - Firm No.: TX 10193838 NM 4655451 - Job No.: LS1602070

ATTACHMENT

B

Licensed in Texas
and New Mexico

ROD J. MACDONALD
Attorney at Law

203 W. Wall, Suite 401W
Midland, Texas 79701

(432) 688-3939
Fax (432) 685-3700

December 14, 2017

ORIGINAL DRILLING TITLE OPINION

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, Texas 79701

Attention: Mr. Allen Harvey

THIS INFORMATION OR OPINION IS
FURNISHED AT YOUR REQUEST AS
A MATTER OF ACCOMMODATION AND
YOU AGREE BY YOUR ACCEPTANCE
HEREOF THAT ANY USE OF OR
RELIANCE THEREON SHALL BE
WITHOUT RECOURSE TO MEWBOURNE
OIL COMPANY.

RE: Virgo 23/24 Prospect - The ownership in the mineral estate in the following-
described lands situated in Eddy County, New Mexico:

Tract No. 1: Township 18 South, Range 30 East, N.M.P.M.
Section 23: E/2 NE/4
Section 24: W/2 NW/4 and SE/4 NW/4

containing 200 acres, more or less, limited to depths
below the top of the Bone Springs Formation.

Tract No. 2: Township 18 South, Range 30 East, N.M.P.M.
Section 24: SW/4 NE/4

containing 40 acres, more or less, limited to depths
below the top of the Bone Springs Formation.

Tract No. 3: Township 18 South, Range 30 East, N.M.P.M.
Section 23: W/2 NE/4 and E/2 NW/4

containing 160 acres, more or less, limited to depths
below the top of the Bone Springs Formation.

Tract No. 4: Township 18 South, Range 30 East, N.M.P.M.
Section 24: NE/4 NW/4

containing 40 acres, more or less, limited to depths
below the top of the Bone Springs Formation.

Tract No. 5: Township 18 South, Range 30 East, N.M.P.M.
Section 23: E/2 SE/4
Section 24: SE/4 NE/4, S/2 S/2 and NW/4 SW/4

containing 320 acres, more or less, limited to depths
below the top of the Bone Springs Formation.

Tract No. 6: Township 18 South, Range 30 East, N.M.P.M.
Section 24: N/2 NE/4, N/2 SE/4 and NE/4 SW/4

containing 200 acres, more or less, limited to the
following depths:

NE/4 NE/4: Depths below 8,464' beneath the surface.
NW/4 NE/4: Depths below 8,483' beneath the surface.
NW/4 SE/4: Depths below 8,450' beneath the surface.
NE/4 SE/4: Depths below 8,525' beneath the surface.
NE/4 SW/4: Depths below the top of the Bone Springs
Formation.

Tract No. 7: Township 18 South, Range 30 East, N.M.P.M.
Section 23: SW/4, W/2 NW/4 and W/2 SE/4

containing 320 acres, more or less, limited to depths
below the top of the Bone Springs Formation.

ATTACHMENT

C

30. Limited Abstract of Title No. 16,273, prepared in five parts, as prepared by Currier Abstract Company, covering the SE/4 NE/4, NW/4 SW/4 and S/2 S/2 of Section 24, covering the period from September 4, 2001 at 8:00 a.m. to February 6, 2017 at 8:00 a.m., containing 675 pages.

31. Abstract of Title No. 16,274, prepared in two parts, as prepared by Currier Abstract Company, covering the W/2 NW/4, SW/4 and W/2 SE/4 of Section 23, covering the period from inception of the records to February 7, 2017 at 8:00 a.m., containing 322 pages.

32. Limited Abstract of Title No. 16,277, prepared in four parts, as prepared by Currier Abstract Company, covering the E/2 SE/4 of Section 23, covering the period from September 4, 2001 at 8:00 a.m. to February 15, 2017 at 8:00 a.m., containing 518 pages.

33. Limited Abstract of Title No. 16,276, prepared in five parts, as prepared by Currier Abstract Company, covering the E/2 NE/4 of Section 23, covering the period from March 27, 1985 at 8:00 a.m. to February 21, 2017 at 8:00 a.m., containing 922 pages.

34. Supplemental Abstract of Title No. 17,081, as prepared by Currier Abstract Company, covering all of Section 23 from February 7, 2017 at 8:00 a.m. to June 12, 2017 at 8:00 a.m., containing 154 pages.

Note: Abstract Nos. 1 through 4, 18, 19, 22 and 23 were submitted but were not examined since they were covered by certain of the prior title opinions above. We have listed these abstracts for information purposes only.

FEE TITLE

Based upon examination of the foregoing and subject to the title requirements hereinafter made, we find title to the mineral estate only in captioned land to be vested as follows:

Minerals:

United States of America All

→ Record Title:

Tract Nos. 1 through 4 (Lease No. 1):

→ Ray E. Hubbard, Jr., Harold G. Hubbard and
and Morgan R. Hubbard, as Testamentary
Trustees under the Will of Ray E. Hubbard
and as Trustees for John M. Creek and the
unknown heirs of S. Dorothy Gray 100%

Tract No. 5 (Lease No. 2):

Sharbro Energy, LLC	18.75000%
EOG Resources Assets LLC	18.75000%
MRC Delaware Resources, LLC	14.27127%
John A. Yates	12.50000%
Santo Legado, LLC	8.33334%
Marigold LLLP	8.33333%
Tulipan LLC	8.33333%
Yates Energy Company	4.73020%
Jalapeno Corporation	5.99853%

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

July 11, 2018

Via Certified Mail

H. Hubbard Trust,
M. Hubbard Trust and
R. Hubbard, Jr. Trust
P.O. Box 239
Artesia, NM 88210

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

Ladies and Gentlemen:

Mewbourne Oil Company as Operator is currently drilling the captioned well under the captioned land for oil production in the Second Bone Spring Sand interval in the Bone Spring formation. The captioned land will be dedicated to the captioned land as its nonstandard oil proration unit comprising 320 acres.

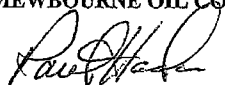
In reference to the above, Mewbourne proposes to communitize the three Federal Oil and Gas Leases which comprise the referenced nonstandard oil proration unit for Bone Spring oil production. Regarding same, enclosed for your further handling is our proposed Communitization Agreement and four sets of signature and acknowledgment pages prepared for execution.

In reference to the above, apparently Ray E. Hubbard, Jr., Harold G. Hubbard and Morgan R. Hubbard, as Testamentary Trustees under the Will of Ray E. Hubbard and as Trustees of John M. Creek and the unknown heirs of S. Dorothy Gray are the Record Title Owners of Federal Lease LC 0289990 – A. For your information and reference for same, is a copy of the pertinent pages of our Original Drilling Title Opinion dated December 14, 2017.

Regarding the above, please have the respective authorities for the above named Record Title owners execute, and return the referenced signature and acknowledgment pages to me at your earliest convenience. Should you have any concerns or questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY


D. Paul Haden
Senior Landman

DPH/ak

ATTACHMENT 

First Class Mail

CERTIFIED MAIL

P

US POSTAGE AND FEES PAID

PRIORITY MAIL

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1 to PM Zone 2

CID: 86133

Commercial/Eligible Price

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Newbourne Oil Company
Paul Haden
500 W TEXAS AVE STE 1020
MIDLAND TX 79701-4279

E004 0006

Vingo 24 23 B2HE 1H

SHIP TO:
H. Hubbard Trust
PO BOX 239
ARTESIA NM 88211

07/15/18

882112031-1N

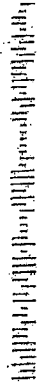
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NIXIE



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

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

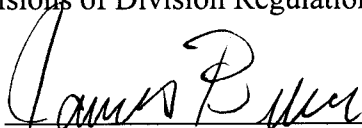
Case No. 16020 (Re-opened)

AFFIDAVIT OF NOTICE

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

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

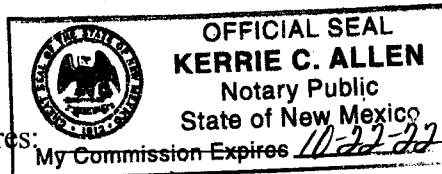
1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Mewbourne Oil Company.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application 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 Regulations.




James Bruce

SUBSCRIBED AND SWORN TO before me this 28th day of November, 2018 by
James Bruce.

My Commission Expires:





Notary Public

EXHIBIT

2

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 30, 2018

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

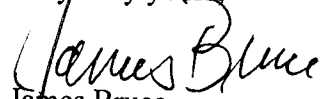
Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling (Case No. 16020 re-opened), 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, September 20, 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 Regulations to file a Pre-Hearing Statement no later than Thursday, September 13, 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

A

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

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Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To \$

Street and Apt. No., or PO Box 611 West Malone Ave., Suite D

City, State, ZIP+4® Artesia, NM 88210

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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:

EOG Resources, Inc., EOG Resources Assets, LLC and EOGY Resources, Inc.
5509 Champions Drive
Midland, TX 79706

2. Article Number: 9590 9402 4079 8092 0201 86

3. Service Type

☐ Priority Mail Express®

☐ Registered Mail™

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Return Receipt for Merchandise

☐ Signature Restricted Delivery

☐ Signature Restricted Delivery

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) Tamara Blaylock Date of Delivery

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

3. Service Type

☐ Priority Mail Express®

☐ Registered Mail™

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

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

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OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To \$

Street and Apt. No., or PO Box No. 5509 Champions Drive

City, State, ZIP+4® Midland, TX 79706

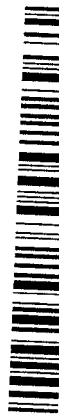
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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:

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



9590 9402 4079 8092 0201 79

2. Article Number (Transfer from service label)

7018 1130 0001 5002 5224

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

Domestic Return Receipt

M-V-AD

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only

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Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
 Postage \$

Postmark
Here

Total Postage and Fees

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

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

See Reverse for Instructions

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Marques Carey ☐ Agent ☐ Addressee
- B. Received by (Printed Name) Marques Carey C. Date of Delivery 9-7-18
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

(over \$500)

Domestic Return Receipt

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U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
 Postage \$

Total Postage and Fees

Sent To
MRC Delaware Resources, Inc.
5400 LBJ Freeway, Suite 1500
Dallas, TX 75246
Street and Apt. No., or PO Box
City, State, ZIP+4®

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

See Reverse for Instructions

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:

MRC Delaware Resources, Inc.
5400 LBJ Freeway, Suite 1500
Dallas, TX 75246



9590 9402 4079 8092 0202 16

2. Article Number (Transfer from service label)

7018 1130 0001 5002 5262

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

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Marque Burns ☐ Agent ☐ Addressee
- B. Received by (Printed Name) Marque Burns C. Date of Delivery 9/8/18
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

restricted Delivery

M-V-AD

Domestic Return Receipt

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
Postage \$
Total Postage and Fees \$

Postmark
Here

Sent To Cannon Exploration Company
3508 SCR 1184
Street and Apt. No., or PO Midland, TX 79706
City, State, ZIP+4[®]

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

2125 2005 1000 0001 5002 5217

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:

Santo Legado, LLLP
P.O. Box 1020
Artesia, NM 88211-1020



9590 9402 4079 8092 0201 55

2. Article Number (Transfer from service label)

7018 1130 0001 5002 5200

(over \$500)

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

Domestic Return Receipt

M-V-AD

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
Postage \$
Total Postage and Fees \$

Postmark
Here

Sent To Santo Legado, LLLP
P.O. Box 1020
Street and Apt. No., or PO Artesia, NM 88211-1020
City, State, ZIP+4[®]

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

0025 2005 1000 0001 5002 8102

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:

Cannon Exploration Company
3508 SCR 1184
Midland, TX 79706



9590 9402 4079 8092 0201 62

2. Article

7018 1130 0001 5002 5217

(over \$500)

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

Domestic Return Receipt

M-V-AD

COMPLETE THIS SECTION ON DELIVERY

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

3. Service Type
☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Certified Mail[®]
☐ Return Receipt for Merchandise
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
ed Delivery

5217

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:

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



9590 9402 4079 8092 0202 09

2. Article Number 7018 1130 0001 5002 5255

☐ Insured Mail Restricted Delivery (over \$500)

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

MV-AD

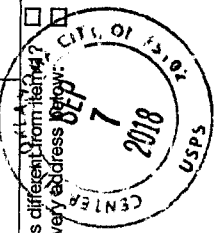
Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature *David Carullo* Agent Addressee

B. Received by (Printed Name) C. Date of Delivery

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



3. Service Type
- ☐ Adult Signature
 - ☐ Adult Signature Restricted Delivery
 - ☒ Certified Mail®
 - ☐ Certified Mail Restricted Delivery
 - ☐ Certified Mail Restricted Delivery any Restricted Delivery
 - ☐ Insured Mail Restricted Delivery (over \$500)
 - ☐ Priority Mail Express®
 - ☐ Registered Mail™
 - ☐ Registered Mail Restricted Delivery
 - ☐ Return Receipt for Merchandise
 - ☐ Signature Confirmation™
 - ☐ Signature Confirmation Restricted Delivery

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only**

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
- ☐ Return Receipt (electronic) \$
- ☐ Certified Mail Restricted Delivery \$
- ☐ Adult Signature Required \$
- ☐ Adult Signature Restricted Delivery \$

Postage

Total Postage and Fees

Postmark Here

Sent To Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Street and Apt. No., or Oklahoma City, Oklahoma 73102
City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

5225 2005 7000 0011 8102

James Bruce
P.O. Box 1056
Santa Fe, New Mexico

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®



7016 1130 0001 5002 5248

\$6.910
US POSTAGE
FIRST-CLASS

071V00607931
87501
000709129

Roger T. & Holly L. Elliott Family
Limited Partnership

NIXIE 799 CE 1 2210/16/18

RETURN TO SENDER
UNCLAIMED
UNABLE TO FORWARD

75707931427 P0001
87504>1056

BC: 87504103656 *0268-03197-04-48

U.S. Postal Service™

CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com™

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To

Roger T. & Holly L. Elliott Family
Limited Partnership

Street and Apt. No., or P.O. Box 3910 Tanforan Ave.

City, State, ZIP+4® Midland, TX 79707

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

See Reverse for Instructions

Postmark
Here

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

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

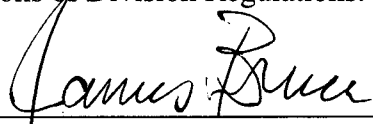
Case No. 16020 (Re-opened)

AFFIDAVIT OF NOTICE

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

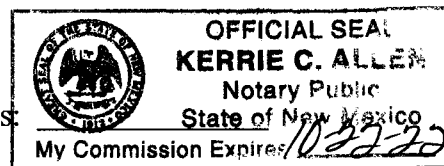
James Bruce, being duly sworn upon his oath, deposes and states:


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 working 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 Regulations.


James Bruce

SUBSCRIBED AND SWORN TO before me this 28th day of November, 2018 by
James Bruce.

My Commission Expires:




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)

jamesbruc@aol.com

August 31, 2018

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

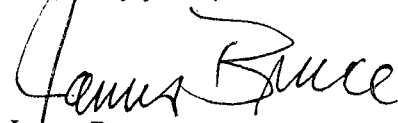
Ladies and gentlemen:

Enclosed is a copy of a re-opened application for a compulsory pooling (Case No. 16020), filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding the Virgo 24/23 B2AD Fed. Com. Well No. 1H, a Bone Spring well in the N/2N/2 of Section 24 and 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, September 20, 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, September 13, 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

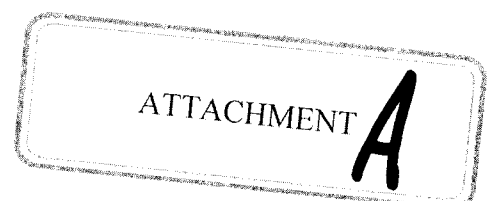


EXHIBIT A

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

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

\$

Total Postage and Fees Jack D. Knox
Two Turtle Creek

Sent To Suite P150
3838 Oak Lawn

Street and Apt. No., or PO Box Dallas, Texas 75219

City, State, ZIP+4®

Postmark
Here

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

See Reverse for Instructions

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 4079 8092 0202 30

2. Ar 7018 1130 0001 5002 5286

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Susan Padilla

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Susan Padilla

C. Date of Delivery

9-10-18

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

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

(over \$500)

Restricted Delivery

Domestic Return Receipt

CARLSBAD CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001260497

JAMES BRUCE ATTORNEY AT LAW
PO BOX 1056

SANTA FE NM 87504

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

09/05/18


Legal Clerk

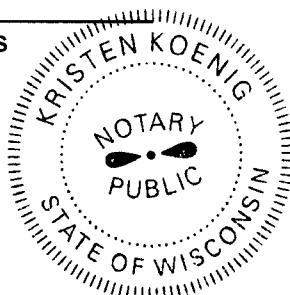
Subscribed and sworn before me this
5th of September 2018.


State of WI, County of Brown
NOTARY PUBLIC

3/20/2022

My Commission Expires

Ad#: 0001260497
P O : 0001260497
of Affidavits : 0.00



NOTICE

To: EOG Resources, Inc., EOG Resources Assets, LLC, EOG Y Resources, Inc., MRC Delaware Resources, Inc., Devon Energy Production Company, L.P., Roger T. and Holly L. Elliott Family Limited Partnership, V & B Minerals, LLC, Marathon Oil Permian LLC, Cannon Exploration Company, Santo Legado, LLLP, and Jack D. Knox, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an amended application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests from the top of the Second Bone Spring Sand to the base of the Bone Spring formation in a horizontal spacing unit comprised of the N/2N/2 of Section 24 and the N/2N/2 of Section 23, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Virgo 24/23 B2AD Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4NE/4 of Section 24, and a last take point in the NW/4NW/4 of Section 23. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The application is scheduled to be heard at 8:15 a.m. on Thursday, September 20, 2018 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an interest owner in the well unit or as an offset operator, you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The unit is located approximately 6 miles south-southeast of Loco Hills, New Mexico.
Run Date: September 5, 2018
Legal #1260497



CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001260646

JAMES BRUCE ATTORNEY AT LAW
PO BOX 1056

SANTA FE NM 87504

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

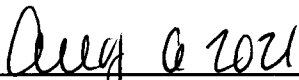
09/06/18


Legal Clerk

Subscribed and sworn before me this
6th of September 2018.



State of WI, County of Brown
NOTARY PUBLIC



My Commission Expires

NOTICE

To: Ray E. Hubbard, Jr., Harold G. Hubbard, and Morgan R. Hubbard as Testamentary Trustees U/W/O Ray E. Hubbard, and also as Trustees for John M. Creek and Dorothy Gray, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an amended application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests from the top of the Second Bone Spring Sand to the base of the Bone Spring formation in a horizontal spacing unit comprised of the N/2N/2 of Section 24 and the N/2N/2 of Section 23, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Virgo 24/23 B2AD Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4NE/4 of Section 24, and a last take point in the NW/4NW/4 of Section 23. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The application is scheduled to be heard at 8:15 a.m. on Thursday, September 20, 2018 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an interest owner in the well unit or as an offset operator, you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The unit is located approximately 6 miles south-southeast of Loco Hills, New Mexico.

Run Date: September 6, 2018 #1260646

TARA MONDLOCH
Notary Public
State of Wisconsin