

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. 20300

VERIFIED STATEMENT OF RAYMOND WINKELJOHN

Raymond Winkeljohn, 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 force pool working interest and mineral owners into the Wolfcamp 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 wells but have simply refused to voluntarily commit their interests to the wells. Some interest owners are or may be unlocatable.

(c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order approving a 635.28-acre horizontal spacing unit in the Wolfcamp formation comprised of Lots 1-2, E/2NW/4 and NE/4 (N/2) of Section 31, and the N/2 of Section 32, Township 22 South, Range 27 East, NMPM. Mewbourne further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the unit. The unit will be dedicated to the Sundown 31/32 W0DA Fee #1H, Sundown 31/32 W0EH Fee #2H and Sundown 31/32 W0EH Fee #3H wells. The referenced wells are horizontal wells. The Sundown 31/32 W0DA Fee #1H has a first take point in Unit D of Section 31 and a final take point in Unit A of Section 32, while the Sundown 31/32 W0EH Fee #2H and Sundown 31/32 W0EH Fee #3H have first take points in Unit E of Section 31 and final take points in Unit H of Section 32.

(d) There are no depth severances in the Wolfcamp formation.

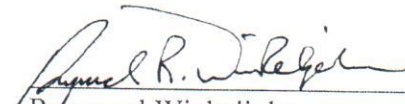
EXHIBIT

- (c) The parties being pooled and their interests are set forth in Attachment B. Their current and correct addresses are also set forth. To find the unlocatable parties we examined county and government records, and also conducted internet searches including google and drillinginfo.
- (f) Attachment C contains a summary of contacts with the interest owners, together with copies of the proposal letters sent to them.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest and mineral owners in the proposed wells.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D is the Authorization for Expenditure for each proposed well. The estimated cost of the wells set forth therein are fair and reasonable, and are comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (j) 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 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.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Applicant requests that it be designated operator of the wells.
- (m) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

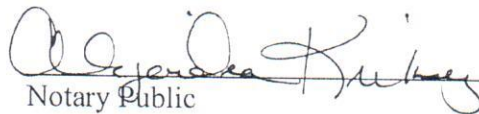
STATE OF TEXAS                   )  
  ) ss.  
COUNTY OF MIDLAND         )

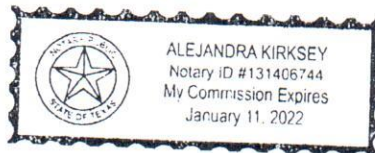
Raymond Winkeljohn, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge,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

  
Raymond Winkeljohn

SUBSCRIBED AND SWORN TO before me this 15<sup>th</sup> day of April, 2019 by Raymond Winkeljohn.

My Commission Expires: January 11, 2022

  
Notary Public





Sundown Wells  
Sections 31 (N2) + 32 (N2), T22S, R27E  
Eddy County, New Mexico

- Sundown 31/32 WODA Fee #1H
- Sundown 31/32 WOEH Fee #2H
- Sundown 31/32 WOEH Fee #3H

<p>37.62 N (Mobil) Chaparral Little Jewel</p> <p>37.66 S Merrill 13.4 Mil. Str. 17.7 Mil. Merland, Inc. M. W.H. Merchant</p>	<p>Marathon Oil Merit Ener. Marathon Oil</p> <p>"Allen Com." Lois Spencer</p>	<p>RKI Expl. MO Oil 4-1-23, NW/62 Ac. N.H. Jurva</p> <p>Chase Oil 6-28-2019 5/2 NW 1/4 Hilda P Davis</p>	<p>Feather- Stone Dev. 12-17-2019 D.C. Lynn</p> <p>MRC Permian 4-1-23 W. Antweil V.M. F. Brimstead D. Smith et al</p>
<p>37.70 S M.R. Antweil HBU et al</p> <p>37.74 S J.N. Nevenger Gibson Bros.</p>	<p>Marathon Oil Black Mtn. 2-16-20(22) U. Sid Allen, M.I. Gibson Bros.</p>	<p>Scratch Prop. 1/2 et al, 10-6-20 HBP Sue Gentry, et al Myrtle E. Bacon</p>	<p>Streamed Holdings 5-13-22 Cotton PET Anabel Panhandle 4-8-2019 Mary Anabel Edith I. Browning</p>

ATTACHMENT



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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

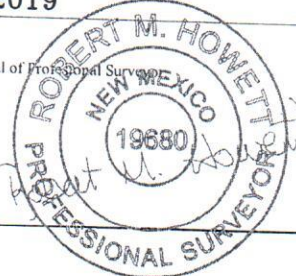
1 API Number		2 Pool Code		3 Pool Name			
4 Property Code		5 Property Name <b>SUNDOWN 31/32 WOEH FEE COM</b>				6 Well Number <b>2H</b>	
7 GRID NO.		8 Operator Name <b>MEWBOURNE OIL COMPANY</b>				9 Elevation <b>3201'</b>	

10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>1</b>	<b>31</b>	<b>22S</b>	<b>27E</b>		<b>1060</b>	<b>NORTH</b>	<b>250</b>	<b>WEST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>32</b>	<b>22S</b>	<b>27E</b>		<b>1340</b>	<b>NORTH</b>	<b>330</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 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.

<b>16</b> <b>GEODETIC DATA</b> NAD 83 GRID - NM EAST <b>SURFACE LOCATION</b> N: 492089.2 - E: 571134.6 LAT: 32.3527871° N LONG: 104.2368388° W <b>BOTTOM HOLE</b> N: 492016.0 - E: 581193.6 LAT: 32.3525568° N LONG: 104.2042640° W		<b>CORNER DATA</b> NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1943" N: 487843.5 - E: 570881.6 B: FOUND BRASS CAP "1943" N: 490491.4 - E: 570884.6 C: FOUND COTTON SPINDLE N: 493139.7 - E: 570884.7 D: FOUND "REDDY PS 5412" N: 493238.6 - E: 573549.2 E: FOUND 1/2" REBAR N: 493342.8 - E: 576281.6 F: FOUND COTTON SPINDLE N: 493355.7 - E: 581571.1		G: FOUND 1/2" REBAR N: 490633.4 - E: 581474.4 H: FOUND 1/2" REBAR N: 487939.5 - E: 581374.9 I: FOUND 1/2" REBAR N: 487907.1 - E: 578715.7 J: FOUND COTTON SPINDLE N: 487890.7 - E: 576053.1 K: FOUND 1/2" REBAR N: 487872.6 - E: 573405.8 L: FOUND 1/2" REBAR N: 490555.8 - E: 573477.3 M: FOUND 1/2" REBAR N: 490624.2 - E: 576162.9		<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____	
<b>18 SURVEYOR CERTIFICATION</b> 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. <b>3-22-2019</b> Date of Survey Signature and Seal of Professional Surveyor <b>19680</b> Certificate Number							

LS19030390



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

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

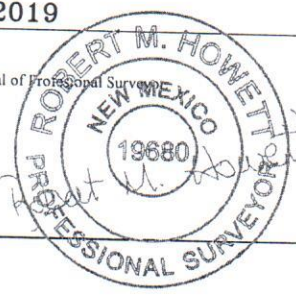
Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name <b>SUNDOWN 31/32 WODA FEE COM</b>						6 Well Number <b>1H</b>	
7 OGRID NO.		8 Operator Name <b>MEWBOURNE OIL COMPANY</b>						9 Elevation <b>3201'</b>	
10 Surface Location									
UL or lot no. <b>1</b>	Section <b>31</b>	Township <b>22S</b>	Range <b>27E</b>	Lot Idn	Feet from the <b>1030</b>	North/South line <b>NORTH</b>	Feet From the <b>250</b>	East/West line <b>WEST</b>	County <b>EDDY</b>
11 Bottom Hole Location If Different From Surface									
UL or lot no. <b>A</b>	Section <b>32</b>	Township <b>22S</b>	Range <b>27E</b>	Lot Idn	Feet from the <b>440</b>	North/South line <b>NORTH</b>	Feet from the <b>330</b>	East/West line <b>EAST</b>	County <b>EDDY</b>
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 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.

<b>16</b> <b>GEODETIC DATA</b> NAD 83 GRID - NM EAST <b>SURFACE LOCATION</b> N: 492119.2 - E: 571134.5 LAT: 32.3528696° N LONG: 104.2368388° W <b>BOTTOM HOLE</b> N: 492915.3 - E: 581225.6 LAT: 32.3550285° N LONG: 104.2041570° W			<b>CORNER DATA</b> NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1943" N: 487843.5 - E: 570881.6 B: FOUND BRASS CAP "1943" N: 490491.4 - E: 570884.6 C: FOUND COTTON SPINDLE N: 493139.7 - E: 570884.7 D: FOUND "REDDY PS 5412" N: 493238.6 - E: 573549.2 E: FOUND 1/2" REBAR N: 493342.8 - E: 576281.6 F: FOUND COTTON SPINDLE N: 493355.7 - E: 581571.1			G: FOUND 1/2" REBAR N: 490633.4 - E: 581474.4 H: FOUND 1/2" REBAR N: 487939.5 - E: 581374.9 I: FOUND 1/2" REBAR N: 487907.1 - E: 578715.7 J: FOUND COTTON SPINDLE N: 487890.7 - E: 576053.1 K: FOUND 1/2" REBAR N: 487872.6 - E: 573405.8 L: FOUND 1/2" REBAR N: 490555.8 - E: 573477.3 M: FOUND 1/2" REBAR N: 490624.2 - E: 576162.9			<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____		
<b>18 SURVEYOR CERTIFICATION</b> 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. <b>3-22-2019</b> Date of Survey Signature and Seal of Professional Surveyor _____ <b>19680</b> Certificate Number											

N 87°52'26" E 2666.99' D N 87°48'57" E 2735.01' E S 89°51'40" W 5290.81' F  
 N 00°03'52" E 2648.55' A N 00°00'05" E 2648.95' C  
 N 02°18'04" E 2736.41' M N 02°02'06" E 2724.59' G  
 N 89°20'17" E 2524.94' K N 89°36'33" E 2647.98' J N 89°38'47" W 2663.32' I S 89°18'06" W 2659.99' H  
 LOT 1 LOT 2 LOT 3 LOT 4  
 1030' S.L. 250' 440' B.H. 330'

LS19030389



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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name			
4 Property Code		5 Property Name <b>SUNDOWN 31/32 WOEH FEE COM</b>				6 Well Number <b>3H</b>	
7 OGRID NO.		8 Operator Name <b>MEWBOURNE OIL COMPANY</b>				9 Elevation <b>3201'</b>	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>1</b>	<b>31</b>	<b>22S</b>	<b>27E</b>		<b>1090</b>	<b>NORTH</b>	<b>250</b>	<b>WEST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>H</b>	<b>32</b>	<b>22S</b>	<b>27E</b>		<b>2200</b>	<b>NORTH</b>	<b>330</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 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.

<p>16</p> <p><b>GEODETIC DATA</b> NAD 83 GRID - NM EAST</p> <p><b>SURFACE LOCATION</b> N: 492059.2 - E: 571134.6</p> <p>LAT: 32.3527047° N LONG: 104.2368369° W</p> <p><b>BOTTOM HOLE</b> N: 491156.8 - E: 581163.1</p> <p>LAT: 32.3501949° N LONG: 104.2043662° W</p>			<p><b>CORNER DATA</b> NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1943" N: 487843.5 - E: 570881.6</p> <p>B: FOUND BRASS CAP "1943" N: 490491.4 - E: 570884.6</p> <p>C: FOUND COTTON SPINDLE N: 493139.7 - E: 570884.7</p> <p>D: FOUND "REDDY PS 5412" N: 493238.6 - E: 573549.2</p> <p>E: FOUND 1/2" REBAR N: 493342.8 - E: 576281.6</p> <p>F: FOUND COTTON SPINDLE N: 493355.7 - E: 581571.1</p>			<p>G: FOUND 1/2" REBAR N: 490633.4 - E: 581474.4</p> <p>H: FOUND 1/2" REBAR N: 487939.5 - E: 581374.9</p> <p>I: FOUND 1/2" REBAR N: 487907.1 - E: 578715.7</p> <p>J: FOUND COTTON SPINDLE N: 487890.7 - E: 576053.1</p> <p>K: FOUND 1/2" REBAR N: 487872.6 - E: 573405.8</p> <p>L: FOUND 1/2" REBAR N: 490555.8 - E: 573477.3</p> <p>M: FOUND 1/2" REBAR N: 490624.2 - E: 576162.9</p>			<p><b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>		
<p><b>18 SURVEYOR CERTIFICATION</b> 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.</p> <p><b>3-22-2019</b> Date of Survey</p> <p>Signature and Seal of Professional Surveyor _____</p> <p><b>19680</b> Certificate Number</p>			<p><b>PROF. ROBERT M. HOWETT</b> NEW MEXICO 19680 PROFESSIONAL SURVEYOR</p>								

LS19030391

**TRACT OWNERSHIP**  
**Sundown 31/32 W0DA Fee #1H**  
**Sundown 31/32 W0EH Fee #2H**  
**Sundown 31/32 W0EH Fee #3H**  
**Sections 31 (N/2) & 32 (N/2), T22S, R27E**  
**Eddy County, New Mexico**

**Sections 31 (N/2) & 32 (N/2):**  
**Wolfcamp formation:**

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	77.626834%
*Marathon Oil Permian LLC 5555 San Felipe Street Houston, TX 77056	18.102254%
*Tumbler Energy Partners, LLC P.O. Box 50938 Midland, Texas 79710	1.574109%
*Desert Production VI, LP P.O. Box 3579 Midland, Texas 79702	1.003495%
*Otis L. and Mary Francis Price, and their heirs and devisees 812 Hopi Road Carlsbad, New Mexico 88220	0.787055%
*Elizabeth R. Neal, and her heirs and devisees 207 West Clarendon, Apt 3-E Phoenix, Arizona 85013	0.262352%
*Mary Gene Neal Bloomquist, and her heirs and devisees 14050 East Linvale Place, Apt. 202 Aurora, Colorado 80014	0.262352%
*Caswell F. Neal, and his heirs and devisees 2011 Brazos Roswell, New Mexico 88201	0.262351%
*First American Bank, Trustee of the Annalisa Brininstool Trust P.O. Box 1857	0.079846%



Roswell, New Mexico 88202

\*Fort Worth Mineral Company LLC  
500 Main Street, Suite 1200  
Fort Worth, Texas 76102

0.019676%

\*Llano Natural Resources, LLC  
4920 S. Loop 289, Ste. 206  
Lubbock, Texas 79414

0.019676%  
100.000000%

**\* Total interest being pooled: 22.373166%**

**Summary of Communications**  
**Sundown 31/32 W0DA Fee #1H**  
**Sundown 31/32 W0EH Fee #2H**  
**Sundown 31/32 W0EH Fee #3H**

**Marathon Oil Permian LLC**

- 1.) 1/20/2019: Mailed well proposal letter with AFEs via certified mail.
- 2.) Working on a deal with Marathon.

**Desert Production VI, LP**

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail to Desert's predecessor Fort Worth Mineral Company. Receipt attached.
- 2) 11/12/2018: Mailed proposed Operating Agreement.
- 3) 2/25/2019: Spoke with Justin Kitchens with Desert regarding their participation. He let me know that they want to lease their minerals.
- 4) 3/12/2019: Sent Justin an offer to lease Desert's minerals. No response.
- 5) Was notified that Desert was leasing to Tumbler. Working with Tumbler on JOA execution.

**Otis L. and Mary Francis Price, and their heirs and devisees.**

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail. Letter was returned. Receipt attached.
- 2) 3/25/2019: Saw obituary for Mary Francis Price filed.
- 3) 3/25/2019: Mailed well proposal letter with AFEs via certified mail to heirs on obituary.

**Tumbler Energy Partners, LLC**

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail to Tumbler's predecessors Fort Worth Mineral Company/Llano Natural Resources, LLC. Receipt attached.
- 2) 11/12/2018: Mailed proposed Operating Agreement.
- 3) 1/24/2019: Received email from Tumbler notifying us that they had purchased Fort Worth Mineral Company/Llano Natural Resources.
- 4) 1/25/2019: Sent email to Tumbler discussing their interest and participation.
- 5) 2/19/2019: Sent email asking for election update.
- 6) 2/22/2019: Received email discussing Tumbler's interest/JOA.
- 7) 2/26/2019: Sent updated AFEs.

ATTACHMENT **C**



- 8) 3/12-3/15/2019: Email chain discussing Tumblers election. They leased their minerals internally and are purchasing a lease from Desert Production.
- 9) 3/15/2019: Phone conversation discussing lease term issues in the Desert lease.
- 10) 3/20-3/21/2019: Email chain discussing lease provisions.
- 11) 3/28-3/29/2019: Email chain discussing lease provisions/elections.
- 12) Waiting on lease amendments.

Elizabeth R. Neal, and her heirs and devisees.

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail. Letter Returned. Receipt attached.
- 2) Elizabeth Neal appears deceased. Looking for heirs.

Mary Gene Bloomquist, and her heirs and devisees.

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail. Letter Returned. Receipt attached.
- 2) Elizabeth Bloomquist appears deceased. A recent document was recorded conveying her interest by way of a personal representative.
- 3) 1/22/2019: Sent well proposal letter/lease offer with AFEs to her possible heir. Receipt attached.
- 4) Received letter dated February 4<sup>th</sup>, 2019 accepting our lease offer from her apparent heir.
- 5) 2/20/2019: Sent email pursuant to the above letter discussing Mary Bloomquist's heirship. Did not receive email back.
- 6) 3/25/2019: Sent follow up email. Have not received correspondence back.
- 7) Working to lease this interest.

Caswell F. Neal, and his heirs and devisees.

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail. Letter Returned. Receipt attached.
- 2) Caswell Neal appears deceased. Looking for heirs.
- 3) 3/4/2019: Received email from a partner familiar with Caswell Neal. He notified the heirs to contact me.
- 4) 3/14/2019: Placed call to heirs to discuss a potential lease. Left Message.
- 5) 3/25/2019: Spoke with heirs. They are mailing paperwork regarding Caswell's interest.
- 6) Working on leasing this interest.

First American Bank, Trustee of the Annalisa Brininstool Trust.

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail. Receipt attached.
- 2) Have not received any communication back.

Fort Worth Mineral Company LLC

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail. Receipt attached.
- 2) 12/12/2018: Mailed Operating Agreement.
- 3) Have not received communication back.

Llano Natural Resources, LLC

- 1) 11/4/2018: Mailed well proposal letter with AFEs via certified mail. Receipt attached.
- 2) 12/12/2018: Mailed Operating Agreement.
- 3) Have not received communication back.



## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

January 20, 2019

Via: Certified Mail

Marathon Oil Permian LLC  
5555 San Felipe Street  
Houston, TX 77056  
Attn: Matt Brown

Re: Proposed Horizontal Wolfcamp Wells  
Sundown 31/32 W0DA Fee #1H  
Sundown 31/32 W0EH Fee #2H  
Sundown 31/32 W0EH Fee #3H  
N/2 of Section 31, T22S-R27E  
N/2 of Section 32, T22S-R27E  
Eddy County, New Mexico

Dear Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 635.28 acre Working Interest Unit ("WIU") covering the N/2 of the above captioned Section 31 and the N/2 of the above captioned Section 32 for oil and gas production. The targeted interval for the proposed unit is the Wolfcamp formation. Mewbourne hereby proposes to drill and operate the following horizontal Wolfcamp wells:

1. Sundown 31/32 W0DA Fee #1H located at a surface location 1310' FNL & 250' FWL of Section 31, with a bottom hole location 440' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
2. Sundown 31/32 W0EH Fee #2H located at a surface location 1340' FNL & 250' FWL of Section 31, with a bottom hole location 1340' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
3. Sundown 31/32 W0EH Fee #3H located at a surface location 1370' FNL & 250' FWL of Section 31, with a bottom hole location 2200' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.

Regarding the above, enclosed for your further handling and information are copies of our Authorization For Expenditures ("AFE's") for the Sundown 31/32 W0DA Fee #1H, Sundown 31/32 W0EH Fee #2H and Sundown 31/32 W0EH Fee #3H wells.

Please indicate your participation election by having each AFE executed and returned to my attention at the above address within thirty (30) days of receipt hereof. Our proposed Operating Agreement will have COPAS rates of \$8,000/month while drilling, \$800/month for a producing well and a non-consent penalty of

100%/300%. If you wish to participate, in the above wells, please let me know and I will provide a complete copy of the Operating Agreement for your review.

Feel free to contact me at (432) 682-3715 or via email at [rwinkeljohn@mewbourne.com](mailto:rwinkeljohn@mewbourne.com) if you have any questions or concerns. I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY

A handwritten signature in dark ink, appearing to read "Ray Winkeljohn", with a long, sweeping horizontal line extending to the right.

Ray Winkeljohn  
Landman



## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland, Texas 79701  
Phone (432) 682-3715  
Fax (432) 685-4170

November 4, 2018

Via: Certified Mail

Fort Worth Mineral Company LLC  
500 Main Street, Suite 1200  
Fort Worth, Texas 76102  
Attn: Land Manager

Re: Proposed Horizontal Wolfcamp Wells  
Sundown 31/32 W0DA Fee #1H  
Sundown 31/32 W0EH Fee #2H  
Sundown 31/32 W0EH Fee #3H  
N/2 of Section 31, T22S-R27E  
N/2 of Section 32, T22S-R27E  
Eddy County, New Mexico

Dear Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 635.28 acre Working Interest Unit ("WIU") covering the N/2 of the above captioned Section 31 and the N/2 of the above captioned Section 32 for oil and gas production. The targeted interval for the proposed unit is the Wolfcamp formation. Mewbourne hereby proposes to drill and operate the following horizontal Wolfcamp wells:

1. Sundown 31/32 W0DA Fee #1H located at a surface location 1310' FNL & 250' FWL of Section 31, with a bottom hole location 440' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
2. Sundown 31/32 W0EH Fee #2H located at a surface location 1340' FNL & 250' FWL of Section 31, with a bottom hole location 1340' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
3. Sundown 31/32 W0EH Fee #3H located at a surface location 1370' FNL & 250' FWL of Section 31, with a bottom hole location 2200' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.

Regarding the above, enclosed for your further handling and information are copies of our Authorization For Expenditures ("AFE") for the Sundown 31/32 W0DA Fee #1H, Sundown 31/32 W0EH Fee #2H and Sundown 31/32 W0EH Fee #3H wells.

Please indicate your participation election by having each AFE executed and returned to my attention at the above address within thirty (30) days of receipt hereof. Our proposed Operating Agreement will have COPAS

rates of \$8,000/month while drilling, \$800/month for a producing well, and will follow the well proposal shortly.

Feel free to contact me at (432) 682-3715 or via email at [rwinkeljohn@mewbourne.com](mailto:rwinkeljohn@mewbourne.com) if you have any questions or concerns. I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY

A handwritten signature in cursive script, appearing to read "Raymond R. Winkeljohn".

Ray Winkeljohn  
Landman





November 7, 2018

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8106 9994 5036 1733 19.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	November 7, 2018, 1:43 pm
<b>Location:</b>	FORT WORTH, TX 76102
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	Fort Worth Mineral Company LLC

#### Shipment Details

<b>Weight:</b>	2.0oz
----------------	-------

#### Recipient Signature

Signature of Recipient:

Address of Recipient:

500 MAIN  
FWTX 76102

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Fort Worth Mineral Company, LLC  
500 MAIN ST STE 1200  
FORT WORTH, TX 76102  
Reference #: Sundown Horizontal Wells Prop RW  
Item ID: Sundown Horizontal Wells Prop

## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

November 4, 2018

Via: Certified Mail

Otis L. and Mary Frances Price  
812 Hopi Road  
Carlsbad, New Mexico 88220

Re: Proposed Horizontal Wolfcamp Wells  
Sundown 31/32 W0DA Fee #1H  
Sundown 31/32 W0EH Fee #2H  
Sundown 31/32 W0EH Fee #3H  
N/2 of Section 31, T22S-R27E  
N/2 of Section 32, T22S-R27E  
Eddy County, New Mexico

Dear Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 635.28 acre Working Interest Unit ("WIU") covering the N/2 of the above captioned Section 31 and the N/2 of the above captioned Section 32 for oil and gas production. The targeted interval for the proposed unit is the Wolfcamp formation. Mewbourne hereby proposes to drill and operate the following horizontal Wolfcamp wells:

1. Sundown 31/32 W0DA Fee #1H located at a surface location 1310' FNL & 250' FWL of Section 31, with a bottom hole location 440' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
2. Sundown 31/32 W0EH Fee #2H located at a surface location 1340' FNL & 250' FWL of Section 31, with a bottom hole location 1340' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
3. Sundown 31/32 W0EH Fee #3H located at a surface location 1370' FNL & 250' FWL of Section 31, with a bottom hole location 2200' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.

Regarding the above, enclosed for your further handling and information are copies of our Authorization For Expenditures ("AFE") for the Sundown 31/32 W0DA Fee #1H, Sundown 31/32 W0EH Fee #2H and Sundown 31/32 W0EH Fee #3H wells.

Please indicate your participation election by having each AFE executed and returned to my attention at the above address within thirty (30) days of receipt hereof. Our proposed Operating Agreement will have COPAS rates of \$8,000/month while drilling, \$800/month for a producing well, and will follow the well proposal shortly.



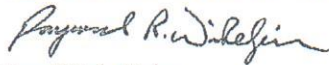
In lieu of participation, Mewbourne hereby offers \_\_\_\_\_, for a three year Paid Up Oil and Gas Lease ("Lease") covering all of Otis L. and Mary Frances Price's interest. The Lease will provide for a \_\_\_\_\_ royalty. Should you decide to lease your interest, please execute the below signature block and return to my attention at the above address for further handling.

The above Lease offer is made subject to title review, assignment form, and final management approval.

Feel free to contact me at (432) 682-3715 or via email at [rwinkeljohn@mewbourne.com](mailto:rwinkeljohn@mewbourne.com) if you have any questions or concerns. I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY



Ray Winkeljohn  
Landman

The undersigned agrees to the above referenced terms this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

**Otis L. Price**

By: \_\_\_\_\_

**Mary Frances Price**

By: \_\_\_\_\_



November 29, 2018

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8106 9994 5036 1939 42.**

#### Item Details

<b>Status:</b>	Delivered, To Original Sender
<b>Status Date / Time:</b>	November 29, 2018, 2:17 pm
<b>Location:</b>	MIDLAND, TX 79701
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	Otis L. and Mary Frances Price

#### Shipment Details

**Weight:** 2.0oz

#### Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Otis L. and Mary Frances Price  
812 HOPI RD  
CARLSBAD, NM 88220  
Reference #: Sundown Proposed Horizontal RW  
Item ID: Sundown Proposed Horizontal

## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

March 25, 2019

Via: Certified Mail

Mary Sue Price McDonald  
C/O The Heirs and Devisees of Otis & Mary Frances Price  
507 Who Who Dr.  
Carlsbad, New Mexico 88220

Re: Proposed Horizontal Wolfcamp Wells  
Sundown 31/32 W0DA Fee #1H  
Sundown 31/32 W0EH Fee #2H  
Sundown 31/32 W0EH Fee #3H  
N/2 of Section 31, T22S-R27E  
N/2 of Section 32, T22S-R27E  
Eddy County, New Mexico

Dear Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 635.28 acre Working Interest Unit ("WIU") covering the N/2 of the above captioned Section 31 and the N/2 of the above captioned Section 32 for oil and gas production. The targeted interval for the proposed unit is the Wolfcamp formation. Mewbourne hereby proposes to drill and operate the following horizontal Wolfcamp wells:

1. Sundown 31/32 W0DA Fee #1H located at a surface location 1310' FNL & 250' FWL of Section 31, with a bottom hole location 440' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
2. Sundown 31/32 W0EH Fee #2H located at a surface location 1340' FNL & 250' FWL of Section 31, with a bottom hole location 1340' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
3. Sundown 31/32 W0EH Fee #3H located at a surface location 1370' FNL & 250' FWL of Section 31, with a bottom hole location 2200' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.

Regarding the above, enclosed for your further handling and information are copies of our Authorization For Expenditures ("AFE's") for the Sundown 31/32 W0DA Fee #1H, Sundown 31/32 W0EH Fee #2H and Sundown 31/32 W0EH Fee #3H wells.

Please indicate your participation election by having each AFE executed and returned to my attention at the above address within thirty (30) days of receipt hereof. Our proposed Operating Agreement will have COPAS rates of \$8,000/month while drilling, \$800/month for a producing well and a non-consent penalty of



100%/300%. If you wish to participate, in the above wells, please let me know and I will provide a complete copy of the Operating Agreement for your review.

In lieu of participation, Mewbourne hereby offers \_\_\_\_\_ for a three year Paid Up Oil and Gas Lease ("Lease") covering all of Otis L. and Mary Frances Price's interest. The Lease will provide for a \_\_\_\_\_ royalty. Should you decide to lease your interest, please execute the below signature block and return to my attention at the above address for further handling.

The above Lease offer is made subject to title review, assignment form, and final management approval.

Feel free to contact me at (432) 682-3715 or via email at [rwinkeljohn@mewbourne.com](mailto:rwinkeljohn@mewbourne.com) if you have any questions or concerns. I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY



Ray Winkeljohn  
Landman

The undersigned agrees to the above referenced terms this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**Otis L. Price**

By: \_\_\_\_\_

**Mary Frances Price**

By: \_\_\_\_\_

## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

November 4, 2018

Via: Certified Mail

Fort Worth Mineral Company LLC  
500 Main Street, Suite 1200  
Fort Worth, Texas 76102  
Attn: Land Manager

Re: Proposed Horizontal Wolfcamp Wells  
Sundown 31/32 WODA Fee #1H  
Sundown 31/32 W0EH Fee #2H  
Sundown 31/32 W0EH Fee #3H  
N/2 of Section 31, T22S-R27E  
N/2 of Section 32, T22S-R27E  
Eddy County, New Mexico

Dear Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 635.28 acre Working Interest Unit ("WIU") covering the N/2 of the above captioned Section 31 and the N/2 of the above captioned Section 32 for oil and gas production. The targeted interval for the proposed unit is the Wolfcamp formation. Mewbourne hereby proposes to drill and operate the following horizontal Wolfcamp wells:

1. Sundown 31/32 WODA Fee #1H located at a surface location 1310' FNL & 250' FWL of Section 31, with a bottom hole location 440' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
2. Sundown 31/32 W0EH Fee #2H located at a surface location 1340' FNL & 250' FWL of Section 31, with a bottom hole location 1340' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.
3. Sundown 31/32 W0EH Fee #3H located at a surface location 1370' FNL & 250' FWL of Section 31, with a bottom hole location 2200' FNL & 330' FEL of Section 32, of the above captioned lands. We anticipate drilling to an approximate total vertical depth of 8,855' and plan to continue drilling horizontally to the east to the proposed bottom hole location at an approximate total measured depth of 19,470'.

Regarding the above, enclosed for your further handling and information are copies of our Authorization For Expenditures ("AFE's") for the Sundown 31/32 WODA Fee #1H, Sundown 31/32 W0EH Fee #2H and Sundown 31/32 W0EH Fee #3H wells.

Please indicate your participation election by having each AFE executed and returned to my attention at the above address within thirty (30) days of receipt hereof. Our proposed Operating Agreement will have COPAS

rates of \$8,000/month while drilling, \$800/month for a producing well, and will follow the well proposal shortly.

Feel free to contact me at (432) 682-3715 or via email at [rwinkeljohn@mewbourne.com](mailto:rwinkeljohn@mewbourne.com) if you have any questions or concerns. I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY

A handwritten signature in cursive script, appearing to read "Raymond R. Winkeljohn".

Ray Winkeljohn  
Landman





November 7, 2018

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8106 9994 5036 1733 19.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	November 7, 2018, 1:43 pm
<b>Location:</b>	FORT WORTH, TX 76102
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	Fort Worth Mineral Company LLC

#### Shipment Details

**Weight:** 2.0oz

#### Recipient Signature

Signature of Recipient:

Address of Recipient:

500 Main  
FWTX 76102

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Fort Worth Mineral Company, LLC  
500 MAIN ST STE 1200  
FORT WORTH, TX 76102  
Reference #: Sundown Horizontal Wells Prop RW  
Item ID: Sundown Horizontal Wells Prop