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

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

Case No. 21250

MEWBOURNE OIL COMPANY'S HEARING EXHIBITS

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Mitch Robb
A-1	Application
A-2	Midland Map
A-3	C-102
A-4	Plat of Tracts
A-5	Unit Recapitulation
A-6	List of Tract Ownership and Pooled Parties
A-7	Well Proposal Letter
A-8	Summary of Communications
A-9	Exhibit A to Joint Operating Agreement
A-10	Proposed Notice of Hearing
A-11	Hearing Notice Letter and Return Receipts
A-12	Affidavit of Publication
A-13	Authorization for Expenditures

- Exhibit B Self-Affirmed Statement of Charles Crosby
 - B-1 General Location Map
 - B-2 Structure Map
 - B-3 Gross Isopach Map
 - B-4 Cross Section
 - B-5 Production Table
 - B-6 Well Planning Report

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: #21250	APPLICANT'S RESPONSE		
Date: May 12, 2020			
Applicant	Mewbourne Oil Company		
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company, OGRID 14744		
Applicant's Counsel:	Hinkle Shanor LLP, Dana S. Hardy		
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO		
Entries of Appearance/Intervenors:	XTO Energy, Inc.		
Well Family	Winterfell		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Bone Spring Formation		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	Bone Spring Formation		
Pool Name and Pool Code:	Young Bone Spring North Pool, Code 65350		
Well Location Setback Rules:	Standard Oil, 100' setback		
Spacing Unit Size:	40 acres		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	240 acres		
Building Blocks:	40 acres		
Orientation:	East to West		
Description: TRS/County	N/2SE/4 of Section 6-T18S-R32, Lea County N/2S/2 of Section 5-T18S-R32E, Lea County		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes		
Other Situations			
Depth Severance: Y/N. If yes, description	No		
Proximity Tracts: If yes, description	No		
Proximity Defining Well: if yes, description	No		
Applicant's Ownership in Each Tract	Exhibit 6		
Vell(s)			
Name & API (if assigned), surface and bottom hole location, ootages, completion target, orientation, completion status standard or non-standard)			

Well #1	Winterfell 5/6 B2IJ Fed Com #1H (API # unassigned); SHL: 1270' FSL & 455' FEL (Sec. 5); BHL: 1980' FSL & 2540' FEL (Sec. 6); laydown; standard
Well #2	
Horizontal Well First and Last Take Points	FTP: 1980' FSL & 100' FEL (Sec. 5); LTP: 1980' FSL & 2540' FEL (Sec. 6)
Completion Target (Formation, TVD and MD)	Bone Spring Formation; TVD: 8,630'; MD: 16,300'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-10
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-11
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-12
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-4
Tract List (including lease numbers and owners)	Exhibit A-4
Pooled Parties (including ownership type)	Exhibit A-6
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & belo	ov N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-9
Chronology of Contact with Non-Joined Working Interests	Exhibit A-8
Overhead Rates In Proposal Letter	Exhibits A, A-7

Cost Estimate to Drill and Complete	Exhibit A-13
Cost Estimate to Equip Well	Exhibit A-13
Cost Estimate for Production Facilities	Exhibit A-13
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibits B-1, B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Exhibit A-3
Tracts	Exhibit A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-4, A-5, A-6
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits B-1, B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	

CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.

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Daṃa S. Hardy , ,
yona s. Houdy
12-May-20

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

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

Case No. 21250

SELF-AFFIRMED STATEMENT OF MITCH ROBB

- 1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.
- 2. I am a landman for Mewbourne Oil Company ("Mewbourne"). I have had direct involvement with Mewbourne's development of the 240-acre, more or less, standard horizontal spacing unit ("HSU") that is the subject of Mewbourne's application in this case. A copy of the application is attached as Exhibit A-1.
- 3. I have previously testified before the Division, and my qualifications as an expert in petroleum land matters were accepted.

A. Proposed Horizontal Spacing Unit

- 4. The proposed HSU is comprised of the N/2 SE/4 of Section 6 and the N/2 S/2 of Section 5, Township 18 South, Range 32 East in Lea County, New Mexico. A Midland Map depicting the proposed HSU is attached as Exhibit A-2.
- 5. Mewbourne seeks to pool all uncommitted interests in the Bone Spring formation underlying the HSU.
- 6. The HSU will be dedicated to the Winterfell 5/6 B2IJ Fed Com #1H well, which will be horizontally drilled from a surface location in Unit P in Section 5 to a bottom hole location in Unit J in Section 6.

Case No. 21250

MEWBOURNE OIL

- 7. The first take point for the Winterfell 5/6 B2IJ Fed Com #1H well is 1980' FSL and 100' FEL in Section 5, and the last take point is 1980' FSL and 2540' FEL in Section 6. The target interval is the Second Bone Spring Sand at approximately 8,630' TVD and 16,300' TMD.
- 8. The proposed well will be completed from East to West, and the completed interval of the well will be orthodox.
- 9. The proposed well is located in the Young Bone Spring North Pool, Code 65350. The primary product in the pool is oil. With respect to well setback requirements, this pool is subject to the statewide horizontal well rules set out in NMAC 19.15.16.15. Spacing in this pool is based on quarter-quarter sections, and the HSU is constructed based on quarter-quarter sections.
 - 10. The C-102 for the proposed well is attached as Exhibit A-3.

B. Ownership Determination

- 11. A plat of the tracts included in the HSU and the associated ownership interests is attached as Exhibit A-4, and a recapitulation is attached as Exhibit A-5.
 - 12. A list of the tract ownership is attached as Exhibit A-6.
 - 13. A list of the pooled parties is included in Exhibit A-6.
 - 14. There is no depth severance in the Bone Spring formation in the proposed HSU.
 - 15. Mewbourne has the right to pool any overriding royalty owners in the HSU.

C. Joinder

16. I sent well proposal letters to the uncommitted interests on January 10, 2020. I subsequently had follow-up communications with them. My well proposal letter is attached as Exhibit A-7. A summary of my follow-up contacts with the uncommitted interests is attached as Exhibit A-8.

- 17. A list of interest owners (Exhibit A to Joint Operating Agreement) is attached as Exhibit A-9.
 - 18. 70.58245% of the working interests are committed to the proposed well.
- 19. In my opinion, Mewbourne has made a good faith effort to obtain the voluntary joinder of uncommitted interests in the proposed wells.

D. Notice of Hearing

- 20. Mewbourne's proposed notice of hearing is attached as Exhibit A-10.
- 21. At my direction, notice of Mewbourne's application and the Division hearing was provided to the uncommitted interests at least 20 days prior to the hearing date. The notice letter and associated receipts are attached as Exhibit A-11.
- 22. Notice of Mewbourne's application and the Division hearing was published at least ten business days prior to the hearing date. The affidavit of publication is attached as Exhibit A-12.
- 23. Mewbourne conducted a diligent, good-faith effort to identify the correct addresses of persons entitled to notice and has complied with the Division's notice requirements.

E. Drilling and Operating Costs

- 24. The AFEs for the proposed well are attached as Exhibit A-13. The estimated cost of the well is fair and reasonable and is comparable to the cost of other wells of similar depth and length drilled in Lea County.
- 25. Mewbourne requests overhead and administrative rates of \$8,000 per month while the well is being drilled and \$800 per month while the well is producing. These rates are fair and are comparable to the rates charged by Mewbourne and by other operators in the vicinity. They are also the rates set forth in the Joint Operating Agreement for the HSU. Mewbourne further

requests that the rates be adjusted periodically in accordance with the COPAS Accounting Procedure.

- 26. Mewbourne requests that it be designated the operator of the well.
- 27. Mewbourne also requests that a 200% risk charge be assessed against the uncommitted interests if they are non-consenting working interest owners.
- 28. The attached exhibits attached were either prepared by me or under my supervision, or were compiled from company business records.
- 29. In my opinion, the granting of Mewbourne's application would serve the interests of conservation, the prevention of waste, and the protection of correlative rights.
- 30. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 29 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

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

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

Case No. 21250

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company ("Mewbourne") applies for an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 SE/4 of Section 6 and the N/2 S/2 of Section 5, Township 18 South, Range 32 East in Lea County, New Mexico. In support of its application, Mewbourne states the following.

- 1. Mewbourne (OGRID No. 14744) is a working interest owner in the proposed horizontal spacing unit and has the right to drill a well thereon.
- 2. The horizontal spacing unit will be dedicated to the Winterfell 5/6 B2IJ Fed Com #1H well, which will be horizontally drilled from a surface location in Unit P in Section 5 to a bottom hole location in Unit J in Section 6.
 - 3. The completed interval for the well will be orthodox.
- 4. Mewbourne has undertaken diligent, good-faith efforts to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well, but has been unable to obtain voluntary agreements from all of the mineral interest owners.
- 5. The pooling of all uncommitted mineral interests in the Bone Spring formation underlying the N/2 SE/4 of Section 6 and the N/2 S/2 of Section 5 will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

Case No. 21250

MEWBOURNE OIL

Exhibit A-1

6. In order to allow Mewbourne to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the horizontal spacing unit should be pooled.

WHEREFORE, Mewbourne requests that this application be set for hearing on May 14, 2020 and that, after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the N/2 SE/4 of Section 6 and the N/2 S/2 of Section 5, Township 18 South, Range 32 East in Lea County;
- B. Designating Mewbourne as the operator of the Winterfell 5/6 B2IJ Fed Com #1H well;
- C. Authorizing Mewbourne to recover its costs of drilling, equipping, and completing the Winterfell 5/6 B2IJ Fed Com #1H well and allocating the costs among the well's working interest owners;
- D. Approving the actual operating charges and costs of supervision during drilling and after completion, together with a provision for adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Imposing a 200% penalty for the risk assumed by Mewbourne in drilling and completing the Winterfell 5/6 B2IJ Fed Com #1H well against any mineral interest owner who does not voluntarily participate in the drilling of the well.

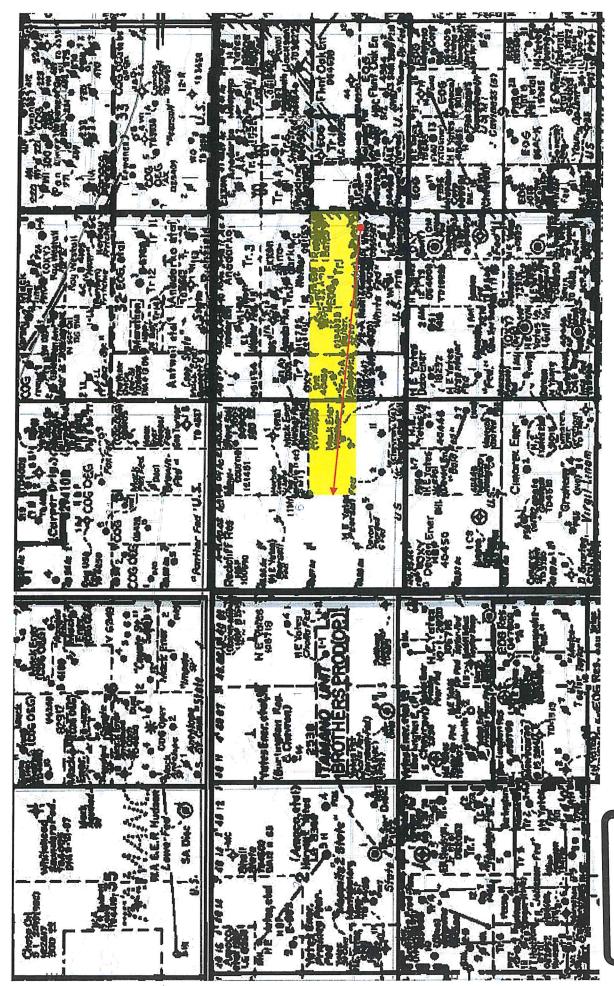
Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy
Dioscoro "Andy" Blanco
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
dblanco@hinklelawfirm.com

Counsel for Mewbourne Oil Company



Case No. 21250
MEWBOURNE OIL
Exhibit A-2

Case No. 21250

MEWBOURNE OIL

Exhibit A-3

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Phone: (3/2) 393-0101 Fast. (8-2)
District III
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

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

		W	ELL L	OCATIO	N AND A	CREAGE DEDIC	CATION PLA	T		
1	API Number	r		² Pool Code	•		3 Pool Na	me		
⁴ Property Co	de	5 Toperty Hame						Well Number		
7 OGRID I	NO.			MEW	8 Operato	or Name OIL COMPANY			9	Elevation 3833'
****					10 Surfac	e Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/W	est line	County
P	5	18S	32E		1270	SOUTH	455	EAST LEA		
			11]	Bottom F	Hole Location	on If Different Fro	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County
J	6	18S	32E		1980	SOUTH	2540	EAS	ST	LEA
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.

,	N: 645 LON N: 646 N: 646	GEODETIC DATA 83 GRID - NM EAST URFACE LOCATION 5326.9 - E: 710977.5 NT: 32.7728216' N IG: 103.7814106' W BOTTOM HOLE 1011.4 - E: 703592.6 NT: 32.7748066' N IG: 103.8054251' W	CORNER DATA NAD 83 GRID — NM EAST A: FOUND BRASS CAP "1913 N: 644024.0 — E: 700B32.1 B: FOUND BRASS CAP "1913" N: 646666.0 — E: 700B16.4 C: FOUND BRASS CAP "1913" N: 649306.3 — E: 700B01.5 D: FOUND BRASS CAP "1913" N: 649315.1 — E: 703470.5	G: FOUND BRASS C N: 649342.9 - E: H: FOUND BRASS C N: 646696.6 - E: I: FOUND BRASS C/ N: 644058.8 - E: J: FOUND BRASS C N: 644040.6 - E: K: FOUND BRASS C N: 644031.5 - E:	711390.3 CAP "1913" 711421.4 AP "1913" 711442.6 CAP "1913" 706142.9 CAP "1913"	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and helief, 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.
		W C 0000 74' N 0040	E: FOUND BRASS CAP "1913" N: 649324.0 — E: 706111.0 F: FOUND BRASS CAP "1913" N: 649334.9 — E: 708748.0	L: FOUND 1" IRO N: 646678.2 - E: 7" E 2637.64' N 89'49'33		Signature Date Printed Name E-mail Address
W 2640.89°	N 89'48 37 © LOT 4	"F 2669.71' N 89°48'	E 1.49 LOT 4	© LOT 3 LOT 2	E 2647.12' ©	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the
N 00'19'27"	ιοτ 5 		S 0025,28	 	 - S 00'40'21"	same is true and correct to the best of my belief. 05-29-2019 Date of Survey Signature and Seal of Processing Survey
00'20'26" W 2642.63'	LOT 6	B.H. 10	2540' 		455' S.L.	19680
N 00.50	L07 7		08" F 2638 41'	S 89'48'15" W 5300.94'	1270'	Certificate Number

Section Plat

Winterfell 5/6 B2IJ Fed Com #1H N/2SE/4 of Section 6 & N/2S/2 of Section 5

T18S-R32E, Lea County, NM

Sect	Section 5					
		T				
	Tract 1	Tract 2	Tract 3	Tract 4	Tract 5	Tract 6

Tract 1: NW/4SE/4 of Section 6 - Federal Lease NM 111242

Mewbourne Oil Company

Redcliff Resources, L.C.

Patricia Ann Brunson XTO Holdings LLC

MRC Explorers Resources LLC

MRC Delaware Resources LLC

Marathon Oil Permian LLC

Occidental Permian Limited Partnership

MRC Spiral Resources LLC

Tract 2: NE/4SE/4 of Section 6 - Federal Lease NM 111242

Mewbourne Oil Company

Redcliff Resources, L.C.

Patricia Ann Brunson

XTO Holdings LLC

MRC Explorers Resources LLC

MRC Delaware Resources LLC

Marathon Oil Permian LLC

MRC Spiral Resources LLC

XTO Holdings LLC

Tract 3: NW/4SW/4 of Section 5 - Federal Lease NM 40450

Mewbourne Oil Company

Occidental Permian Limited Partnership

Tract 4: NE/4SW/4 of Section 5 - Federal Lease LC 029403-B

Mewbourne Oil Company

Tract 5: NW/4SE/4 of Section 5 - Federal Lease LC 064098

Marathon Oil Permian LLC

Tract 6: NE/4SE/4 of Section 5 - Federal Lease LC 061153

XTO Holdings LLC

Case No. 21250

MEWBOURNE OIL

Exhibit A-4

RECAPITUALTION FOR WINTERFELL 5/6 B2IJ FED COM #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area		
1	40	16.666666%		
2	40	16.666666%		
3	40	16.666667%		
4	40	16.666667%		
5	40	16.666667%		
6	40	16.666667%		
TOTAL	240	100.000000%		

T18S-R32E, Lea County, NM

Sect	Section 6				Section 5			
克格尔克斯克里斯克斯克斯								
	m		m		T	T		
	Tract 1	Tract 2	Tract 3	Tract 4	Tract 5	Tract 6		
						20 10 10 10		
Processor and the second of th								

Case No. 21250

MEWBOURNE OIL Exhibit A-5

TRACT OWNERSHIP

Winterfell 5/6 B2IJ Fed Com #1H N/2SE/4 of Section 6 & N/2S/2 of Section 5

N/2SE/4 of Section 6 & N/2S/2 of Section 5 Bone Spring Formation:

Owner % of Leasehold Interest

Mewbourne Oil Company, et al. 70.580245%

*Marathon Oil Permian LLC 19.594630%

5555 San Felipe St.
Houston, TX 77056

*Occidental Permian Limited Partnership 9.825125%

5 Greenway Plaza, Suite 110
Houston, Texas 77046

TOTAL 100.000000%

Total Interest Being Pooled:

29.419755%

OWNERSHIP BY TRACT

NW/4SE/4 of Section 6

Owner% of Leasehold InterestMewbourne Oil Company, et al.86.580815%Marathon Oil Permian LLC4.468435%Occidental Permian Limited Partnership8.950750%TOTAL100.000000%

NE/4SE/4 of Section 6

Owner% of Leasehold InterestMewbourne Oil Company, et al.86.900652%Marathon Oil Permian LLC13.099348%TOTAL100.000000%

NW/4SW/4 of Section 5

Owner% of Leasehold InterestMewbourne Oil Company, et al.50.000000%Occidental Permian Limited Partnership50.000000%TOTAL100.000000%

NE/4SW/4 of Section 5

Owner% of Leasehold InterestMewbourne Oil Company, et al.100.000000%TOTAL100.000000%

NW/4SE/4 of Section 5

Owner% of Leasehold InterestMarathon Oil Permian LLC100.000000%TOTAL100.000000%

NE/4SE/4 of Section 5

Owner% of Leasehold InterestMewbourne Oil Company, et al.100.000000%TOTAL100.000000%

Case No. 21250
MEWBOURNE OIL
Exhibit A-6

MEWBOURNE OIL COMPANY

FASKEN CENTER 500 WEST TEXAS, SUITE 1020 MIDLAND, TX 79701

TELEPHONE (432) 682-3715

January 10, 2020

Via Certified Mail

Occidental Permian Limited Partnership 5 Greenway Plaza, Suite 110 Houston, Texas 77046 Attn: Clay Carroll

Re: Castle Black 6/1 B2FE Fed Com #1H 1700' FNL & 2500' FEL (Section 6) 2050' FNL & 100' FWL (Section 1)

> Winterfell 6/5 B2GH Fed Com #1H 1730' FNL & 2500' FEL (Section 6) 2050' FNL & 100' FEL (Section 5)

> Winterfell 5/6 B2IJ Fed Com #1H 1270' FSL & 455' FEL (Section 5) 1980' FNL & 2540' FEL (Section 6)

Winterfell 5/6 B2PO Fed Com #1H 1240' FSL & 455' FEL (Section 5) 500' FSL & 2540' FEL (Section 6)

Section 1, T18S, R31E, Eddy County, New Mexico Sections 5 & 6, T18S, R32E, Lea County, New Mexico Case No. 21250

MEWBOURNE OIL
Exhibit A-7

Ladies and Gentlemen,

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 1924.56 acre Working Interest Unit ("WIU") covering the All of the captioned Sections 1, 5, and 6 for oil and gas production, by amending Operating Agreement dated June 1, 2019, covering the N/2 of the captioned Sections 1 and the NW/4 and W/2NE/4 of the captioned Section 6. The targeted interval for the proposed unit is the Bone Spring formation.

Mewbourne as Operator hereby proposes to drill the captioned Castle Black 6/1 B2FE Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,568 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 14,906 feet. The S/2NW/4 of the captioned Section 6 and the S/2N/2 of the captioned Section 1 will be dedicated to the well as the proration unit.

Mewbourne as Operator hereby proposes to drill the captioned Winterfell 6/5 B2GH Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,568 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 14,906 feet. The S/2NE/4 of the captioned Section 6 and the S/2N/2 of the captioned Section 5 will be dedicated to the well as the proration unit.

Mewbourne as Operator hereby proposes to drill the captioned Winterfell 6/5 B2IJ Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,630 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 16,300 feet. The N/2N/2 of the captioned Section 5 and the N/2SE/4 of the captioned Section 6 will be dedicated to the well as the proration unit.

Mewbourne as Operator hereby proposes to drill the captioned Winterfell 6/5 B2PO Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,750 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 16,429 feet. The S/2N/2 of the captioned Section 5 and the S/2SE/4 of the captioned Section 6 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling are our AFEs dated November 26, 2019 for the captioned proposed wells and replacement pages to Operating Agreement dated June 1, 2019, amending the Contract Area. Please sign and return said AFEs and revised Exhibit "A" at your earliest convenience if you elect to participate in the captioned well and WIU and return to me within thirty (30) days.

Should you have any questions regarding the above, please email me at mrobb@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Mitch Robb

Landman

Summary of Communications Winterfell 5/6 B2IJ Fed Com #1H

N/2SE/4 of Section 6 & N/2S/2 of Section 5-T18S-R32E, Lea County, NM

Marathon Oil Permian LLC:

05/28/2019: Mailed Working Interest Unit, Well Proposal and Joint Operating Agreement to the above listed party.

06/05/2019: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

01/10/2020: Mailed Well Proposal and JOA replacement pages to the above listed party. Ongoing: Mewbourne is currently negotiating with Marathon to acquire their interest.

Occidental Permian Limited:

01/04/2019: Left message with above listed party regarding Working Interest Unit.

01/11/2019: Mailed a Working Interest Unit and Well Proposal to the above listed party.

04/22/2019: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

05/28/2019: Mailed Joint Operating Agreement to the above listed party.

05/30/2019: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

06/04/2019: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

06/24/2019: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

07/02/2019: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

09/03/2019: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

01/10/2020: Mailed Well Proposal and JOA replacement pages to the above listed party.

01/15/2020: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

01/22/2020: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

Case No. 21250

MEWBOURNE OIL Exhibit A-8

EXHIBIT "A"

Attached to and made a part of that certain Operating Agreement dated June 1, 2019, by and between Mewbourne Oil Company, as Operator, and MRC Delaware Resources LLC, et al, as Non-Operators.

1. LANDS SUBJECT TO THIS AGREEMENT

Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico Section 1: All

Township 18 South, Range 32 East, NMPM, Lea County, New Mexico Section 5: All Section 6: All

Containing 1924.56 gross acres, more or less

2. <u>DEPTH RESTRICTIONS AND EXCLUSIONS</u>

5,500' to 9,150'

3. ADDRESSES OF THE PARTIES

Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, Texas 79701 Attn: Land Department Phone: (432) 682-3715

Yates Energy Corporation P.O. Box 2323 Roswell, NM 88202

XTO Energy Inc. 810 Houston Street Fort Worth, TX 76102

Redcliff Resources, LC P.O. Box 4848 Wichita Falls, TX 76308-0848

Patricia Ann Brunson 4205 Lankford Ave Springdale, AR 72762

Chase Oil Corporation PO Box 1767 Artesia, NM 88211

Platform Energy III, LLC PO Box 2078 Abilene, TX 79604 MRC Delaware Resources LLC, MRC Explorers Resources LLC, & MRC Spiral Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

Marathon Oil Permian LLC 5555 San Felipe St. Houston, TX 77056

Occidental Permian Limited Partnership & Anadarko E&P Onshore LLC 5 Greenway Plaza, Suite 110 Houston, Texas 77046 Phone: (713) 215-7383 Attn: Land Manager

Jalapeno Corporation PO BOX 484 Albuquereque, NM 87103

Nadel and Gussman Capitan, LLC 15 East 5th Street, Ste. 3300 Tulsa, OK 74103-4340

RKI Exploration & Production LLC 3500 One Williams Center, Suite 3500 Tulsa, OK 74172 Attn: Aaron Young Phone: 539-573-3531

Nadel and Gussman Capitan, LLC 15 East 5th Street, Ste. 3300 Tulsa, OK 74103-4340

Case No. 21250

MEWBOURNE OIL
Exhibit A-9

Case No. ______: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 SE/4 of Section 6 and the N/2 S/2 of Section 5, Township 18 South, Range 32 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the Winterfell 5/6 B2IJ Fed Com #1H well, which will be horizontally drilled from a surface location in Unit P in Section 5 to a bottom hole location in Unit J in Section 6. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Mewbourne Oil Company as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well

is located approximately six (6) miles southwest of Maljamar, New Mexico.

Case No. 21250

MEWBOURNE OIL

Exhibit A-10



HINKLE SHANOR LLP

ATTORNEYS AT LAW
PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

WRITER: .

Dana S. Hardy, Partner dhardy@hinklelawfirm.com

April 20, 2020

VIA CERTIFIED MAIL

MRC Delaware Resources LLC One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 Attn: Nick Weeks

Re: Mewbourne Oil Company NMOCD Application

Dear Mr. Weeks:

Enclosed is a copy of an application for compulsory pooling that Mewbourne Oil Company ("Mewbourne") has filed with the New Mexico Oil Conservation Division ("the Division"). Mewbourne's application (Case No. 21250) seeks an order pooling all uncommitted mineral interests in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 SE/4 of Section 6 and the N/2 S/2 of Section 5, Township 18 South, Range 32 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the Winterfell 5/6 B2IJ Fed Com #1H well.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on May 14, 2020 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html. MRC Delaware Resources LLC ("MRC Delaware") is not required to attend the hearing, but as an owner of an interest that may be affected by Mewbourne's application, it may appear at the hearing and present testimony. If MRC Delaware does not appear at that time and become a party of record, it will be precluded from contesting the matter at a later date.

A party appearing in a Division case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, May 7, 2020. The Pre-Hearing Statement must be filed with the Division and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

Ilana Lh

Dana S. Hardy

Case No. 21250

MEWBOURNE OIL

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 575-622-6510 (FAX) 575-623-9332

PO BOX 1720 ARTESIA, NEW MEXICO 88211 575-622-6510 (FAX) 575-746-6316 PO BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623 7601 JEFFERSON ST NE • SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321

1	1
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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: MRC Delaware Resources LLC 5490 LBJ Freeway, Suite 1500 Dallas, TX 75240 Attn: Nick Weeks	A. Signature Agent Addressee B. Received by (Printed Name) C. Defte of Delivery
	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery Restricted Delivery □ Signature Confirmation Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt
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.	A Signature X
1. Article Addressed to: Marathon On Permian LLC 5555 San Felipe St. Houston, TX 77056 Attn: Travis Prewett	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 4714 8344 6449 51 2. Article Number (Transfer from service label) 701.9 2970 0000 7593 71.8	3. Service Type
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt
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: MRC Explorers Resources LLC 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 Attn: Nick Weeks	A. Signature A. Signature Agent Addressee B. Received by (Printed Name) C. Date of Delivery C. Date of Delivery C. Date of Delivery C. Date of Delivery Addressee D. Is delivery address different from item 1
9590 9402 4714 8344 6448 76 2. Article Number (Transfer from service label) 7019 2970 0000 7593 76	3. Service Type

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 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 Spiral Resources LLC 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 Attn: Nick Weeks 	A. Signature X B. Received by (Printed Name)	
9590 9402 4714 8344 6448 83 2 Article Number (Transfer from service label) 7019 2970 0000 7593 72	□ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery	☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise
	57 Il Restricted Delivery	Restricted Delivery
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so that we can return the card to you. Attach this card to the back of the mailpiece,	B. Received by (Printed Name)	C. Date of Delivery
or on the front if space permits.	Col courses	4/23/2
1. Article Addressed to: Occidental Permian LP	 D. Is delivery address different from If YES, enter delivery address 	
5 Greenway Plaza, Suite 110		
Houston, TX 77046		
Attn: Clay Carroll		
Atm. Clay Carron		
9590 9402 4714 8344 6449 68 2. Article Number (Transfer from-service label) 7019 2970 0000 7593 71	3. Service Type Adult Signature Adult Signature Restricted Delivery Pertified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Restricted Delivery	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Return Receipt for Merchandise □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery
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Article Addressed to: XIU Holdings LLC	D. Is delivery address different from If YES, enter delivery address b	item 1? ☐ Yes elow: ☐ No
810 Houston Street	, since delivery address b	
Fort Worth, TX 76102	1981	
Attn: Brett Woody	-22.	
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7019 2970 0000 7593 722		Signature Confirmation Restricted Delivery

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated April 22, 2020 and ending with the issue dated April 22, 2020.

Publisher

Sworn and subscribed to before me this 22nd day of April 2020.

Business Manager

My commission expires

January 29, 2023

OFFICIAL SEAL **GUSSIE BLACK** Notary Public State of New Mexico My Commission Expires 4

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

LEGAL

LEGAL

LEGAL NOTICE April 22, 2020

This is to notify all interested parties, including MRC Delaware Resources LLC, MRC Explorers Resources LLC, MRC Spiral Resources LLC, Marathon Oil Permian LLC, Occidental Permian Limited Partnership, XTO Holdings LLC, and their successors and assigns, that the New Mexico Oil successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an Conservation Division will conduct a hearing on an application submitted by Mewbourne Oil Company (Case No. 21250). During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on May 14, 2020 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website http://www.emnrd.state.nm.us/OCD/announcements.html. Applicant seeks an order pooling all .html. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 SE/4 of Section 6 and the N/2 S/2 of Section 5, Township 18 South, Range 32 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the Winterfell 5/6 B2IJ Fed Com #1H well, which will be horizontally drilled from a surface location in Unit P in Section 5 to a bottom hole location in Unit P in Section 6. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Mewbourne Oil Company as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well is located approximately six (6) miles southwest of Maljamar, New Mexico.

02107475

00241772

HINKLE, HENSLEY, SHANOR & MARTIN, LLP PO BOX 2068 SANTA FE, NM 87504

Case No. 21250

MEWBOURNE OIL Exhibit A-12

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

	Well Name: WINTERFELL 5/6 B2IJ FED COM #1H	Pro	spect:	2ND BSS		
Note	Location: SHL: 1270 FSL & 455 FEL (5); BHL: 1980 FSL & 2540 FEL (6)		County:	Lea		ST: NM
Regulatory Permits & Surveys	Sec. 5 Blk: Survey:	WP: 18S	RNO	32E Prop. T	/D: 8630	TMD: 16300
Regulatory Permits & Surveys	INTANGIBLE COSTS 0480		COL	E TCB	CODE	CC
	The state of the s					
Daywork / Turnbery Footage Deling 2-8 sys et al. 2 days et al. 2	Location / Road / Site / Preparation		0180-0	105 \$100,00	0 0180-0205	\$25,000
Fael						
Mod. Chemical & Addilives						
Camenting						\$240,000
Logging Wireline Services 0180-0193 \$3,000 0180-2023 \$30,000 0180-2024 \$						\$250,000
Cashing / Tubling / Servicibing Service 0180-0194 \$20,000 0180-0294 \$30,000						
Most Logging						\$90,000
Simulation Rentals & Other			0180-0	137 \$30,000		
Water & Olher			ļ			
Bits			0180-0	145 \$60.000		
Masc. Ak P. Pumping Services			0180-0	148 \$138,800	0180-0248	\$8,000
Testing & Flowback Services						\$5,000
Completion / Workover Rig Rig Mobilization 0180-0186 \$150,000 0180-0285 \$30,000 0180-0285 \$30,000 0180-0285 \$30,000 0180-0285 \$30,000 0180-0285 \$30,000 0180-0285 \$30,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$37,000 0180-0275 \$30,000 0180-0275 \$3						
Rig Mobilization			0100-0	138 \$15,000		
Wedding Services Supervision	Rig Mobilization					
Continued Services & Supervision 0180-0170 \$39,000 0180-0270 \$79,500 \$79,500 \$20,000 \$20,000 \$20,000 \$30						\$20,000
Directional Services Includes Verifical Centrol 0160-0175 \$273,000 0160-0226 \$30,000 Well / Lease Legal 0160-0184 \$50,000 1060-0226 \$30,000 Well / Lease Legal 0160-0184 \$50,000 1060-0226 \$30,000 Well / Lease Legal 0160-0185 \$50,000 1060-0226 \$3						
Equipment Rental	Directional Services Includes Vertical Control					Ψ10 ₁ 000
Well / Lease Insurance			0180-0	\$201,400		\$30,000
Inlangible Supplies						
Damages						\$10,000
Pipeline Interconnect	Damages					\$10,000
Company Supervision			0180-01	92		\$5,000
Overhead Fixed Rate			0180.01	95 \$124.800		
Well Abandomment						\$20,000
TOTAL \$2,514,000 \$3,441,2			0180-01	98	0180-0298	
TANGIBLE COSTS 0181	Contingencies 2% (TCP) 2% (CC)		0180-01			\$67,500
Casing (19.1" - 30")		TOTAL		\$2,514,000		\$3,441,200
Casing (10.1" - 19.0") 1050" - 13 38" 54.5# J-55 ST&C @ \$34.83/II	TANGIBLE COSTS 0181		0101 07	02		
Casing (6.1" - 10.0") 2600" - 9 88" 36# HCL80 LT&C @ \$22.72ft 1816-0795 \$53,100	Casing (10.1" - 19.0") 1050' - 13 3/8" 54.5# J-55 ST&C @ \$34.83/ft					
Casing (4.1" - 6.0") 8150' - 4 1/2" 13.5# P-110 BPN @ \$12.16/ft 0181-0787 \$105,900 0181-0788 \$39,600 0181-0880 \$40,000	Casing (8.1" - 10.0") 2600' - 9 5/8" 36# HCL80 LT&C @ \$22.72/ft		0181-07	95 \$63,100		
Tubing 8050' - 2 7/8" 6.5# L-80 EUE 8rd			0181-07	96 \$226,900		2105.000
Drilling Head & Upper Section						
Horizontal Completion Tools	Drilling Head		0181-08	60 \$40,000	0101-0700	400,000
Sucker Rods						\$50,000
Subsurface Equipment			-			\$70,000
Artificial Lift Systems Gas Lift Valves & Packer 0181-0884 \$15,000			ļ			\$10,000
Surface Pumps & Prime Movers VRU/SWD Pump/Circ Pump 0181-0886 \$30,000 Tanks - Oil 3 - 750 bbl 0181-0890 \$75,000 0181-0891 \$57,000 Separation / Treating Equipment 1/2 68/30*x10*x18/3 ph/36*x16*x18/# Hor 3ph/1/2VRT/Flare 0181-0895 \$95,000 Healer Treaters, Line Heaters 81×20*x75# HT 0181-0897 \$27,000 Metering Equipment 0181-0898 \$15,000 Separation / Se	Artificial Lift Systems Gas Lift Valves & Packer					\$15,000
Tanks - Oii	Pumping Unit					****
Tanks - Water				+		
Separation / Treating Equipment						
Metering Equipment	Separation / Treating Equipment 1/2 GB/30"x10"x1k# 3 ph/36"x15'x1k# Hor 3ph/1/	/2VRT/Flare			0181-0895	\$95,000
Line Pipe & Valves - Gathering						
Filtings / Valves & Accessories Cathodic Protection Cathodic Prote				-		
Cathodic Protection 0181-0908 \$125,000 Electrical Installation 0181-0909 \$50,000 Equipment Installation 0181-0910 \$70,000 Pipeline Construction 0181-0920 \$100,000 TOTAL \$389,100 \$1,084,500 SUBTOTAL \$2,883,100 \$4,525,700 TOTAL WELL COST \$7,408,800 Extra Expense Insurance 1 elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control Insurance policy. I neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control Insurance. Prepared by: T. Cude Date: 11/26/2019 Company Approval: M. J. W. J. W. J. W. J. W. J. W. J. J. W. J.	Fillings / Valves & Accessories					
Equipment Installation 0181-0910 \$70,000 0181-0920 \$100,000	Calhodic Protection				0181-0908	\$125,000
Pipeline Construction TOTAL \$369,100 \$1,084,500 \$						
TOTAL \$389,100 \$1,084,500 SUBTOTAL \$2,883,100 \$4,525,700 TOTAL WELL COST \$7,408,800 Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control Insurance policy. I neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control Insurance. Prepared by: T. Cude Date: 11/26/2019 Company Approval: Amount: Date: 11/26/2019	Equipment installation Pipeline Construction					
SUBTOTAL \$2,883,100 \$4,525,700 TOTAL WELL COST \$7,408,800 Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control Insurance policy. I neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control Insurance. Prepared by: T. Cude Date: 11/26/2019 Company Approval: Amount: Operator is a support of the premium. Operator's well control insurance.		TOTAL		\$369.100		
TOTAL WELL COST \$7,408,800 Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control Insurance policy. I nellther box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by: T. Cude Date: 11/26/2019	9					
Extra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. I elect to purchase my own well control Insurance policy. relither box is checked above, non-operating working interest owner elects to be covered by Operator's well control Insurance. Prepared by:					00.000	\$ 1,020,100
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I elect to purchase my own well control insurance policy. I nellther box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Prepared by: T. Cude Date: 11/26/2019 Company Approval: Date: 11/26/2019 Joint Owner Interest: Amount:	I elect to be covered by Operator's Extra Expense Insurance and pay)-0185
Prepared by: T, Cude Date: 11/26/2019 Company Approval: Date: 11/26/2019 Joint Owner Interest: Amount: Company Approval:	I elect to purchase my own well control insurance policy.					
Company Approval: P7 - LUNCHEC Date: 11/26/2019 Joint Owner Interest: Amount: C1 - LUNCHEC Date: 11/26/2019	The state of the s					
Joint Owner Interest: Amount:						
		ACTION TO	Crisis and			
	CI.	nature:				

Case No. 21250

MEWBOURNE OIL Exhibit A-13

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

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

Case No. 21250

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

- I am over 18 years of age and am competent to provide this Self-Affirmed
 Statement. I have personal knowledge of the matters addressed herein.
- 2. I am a geologist at Mewbourne Oil Company ("Mewbourne"). I am familiar with the geological matters that pertain to Mewbourne's application.
- 3. I have previously testified before the New Mexico Oil Conservation Division as an expert in geology, and my qualifications were accepted.
- 4. A general location map of the proposed horizontal spacing unit ("HSU") is attached as Exhibit B-1.
- 5. A structure map of the Base of the 2nd Bone Spring sand formation is attached as Exhibit B-2. The map shows that the structure dips to the south. It also shows a line of cross section and the HSU for the proposed Winterfell 5/6 B2IJ Fed Com #1H well.
- 6. Attached as Exhibit B-3 is a gross sand isopach map of the Lower 2nd Bone Spring Sand formation, which is the target zone for the proposed well. It shows that the sand across the HSU has an approximate thickness of 200-225'.
- 7. Attached as Exhibit B-4 is a west to east cross section. The well logs on the cross section provide a representative sample of the 2nd Bone Spring Sand formation in the area. The target zone for the proposed well is continuous across the HSU.

Case No. 21250

MEWBOURNE OF Exhibit B

8. Attached as Exhibit B-5 is a table containing production data from other 2nd Bone Spring Sand wells drilled in the vicinity. The preference is for laydown wells (west to east or east to west).

9. Exhibit B-6 is a Well Planning Report for the proposed well. The report contains survey calculation data of the well bore. The well's producing interval will be orthodox.

10. There are no depth severances in the Bone Spring formation in the proposed HSU.

11. Based on the information discussed above, I am able to conclude that:

a) The HSU is justified from a geologic standpoint;

b) There is no faulting or other geologic impediment that could adversely affect the drilling of the proposed well; and

c) Each quarter-quarter section in the HSU will contribute more or less equally to production.

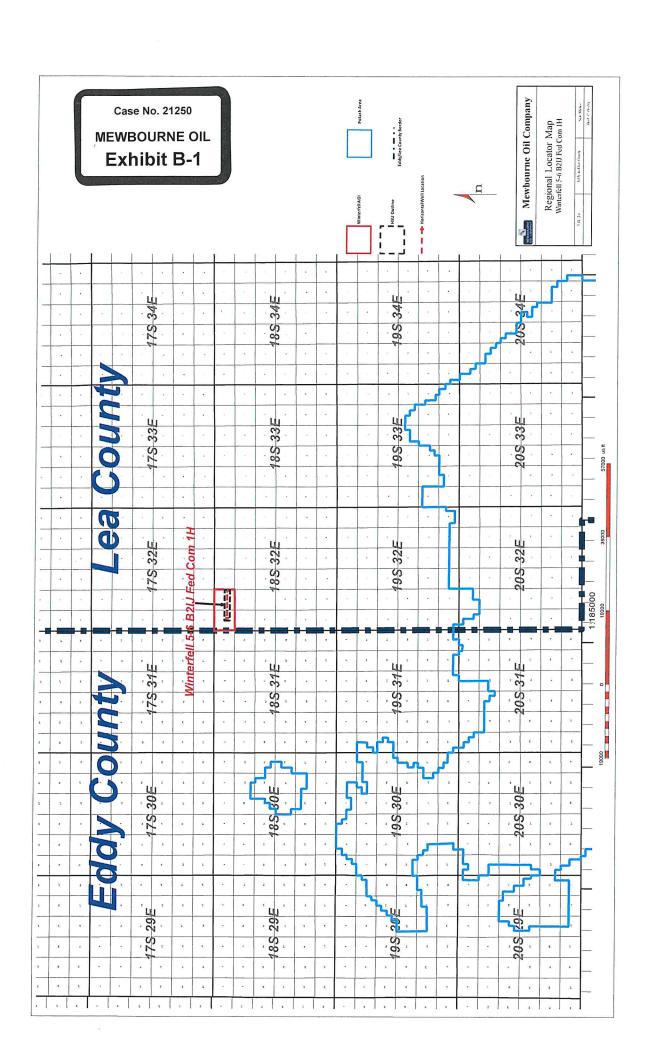
12. In my opinion, the granting of Mewbourne's application will serve the interests of conservation and the prevention of waste.

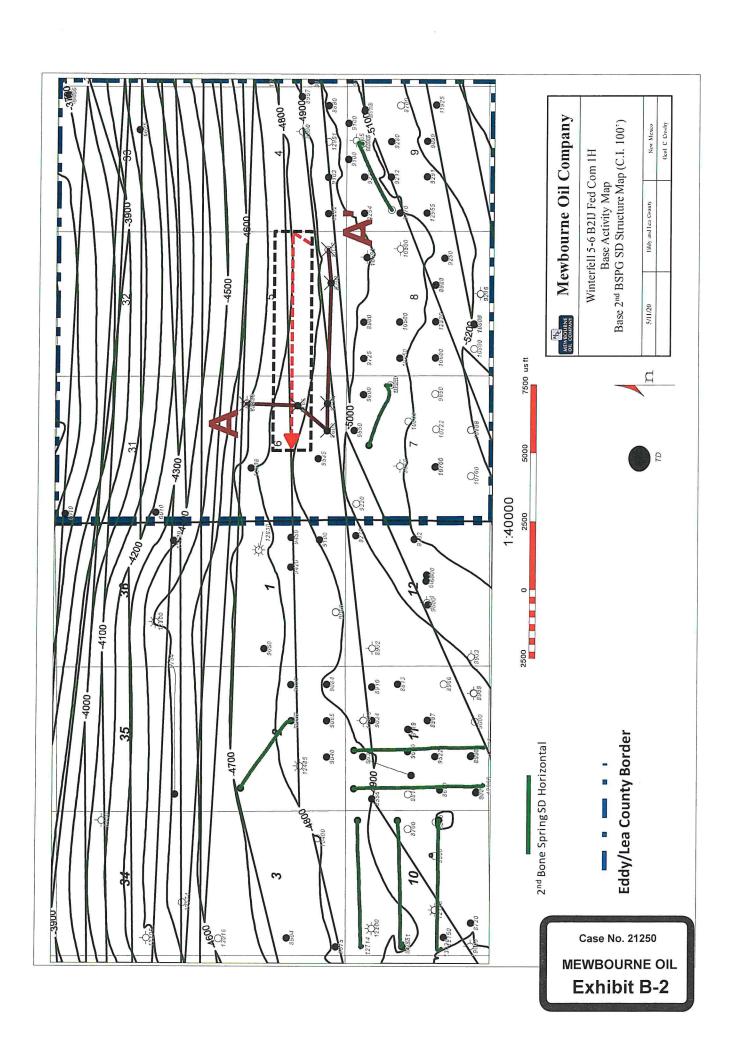
13. Exhibits B-1 through B-6 were either prepared by me or compiled from company records.

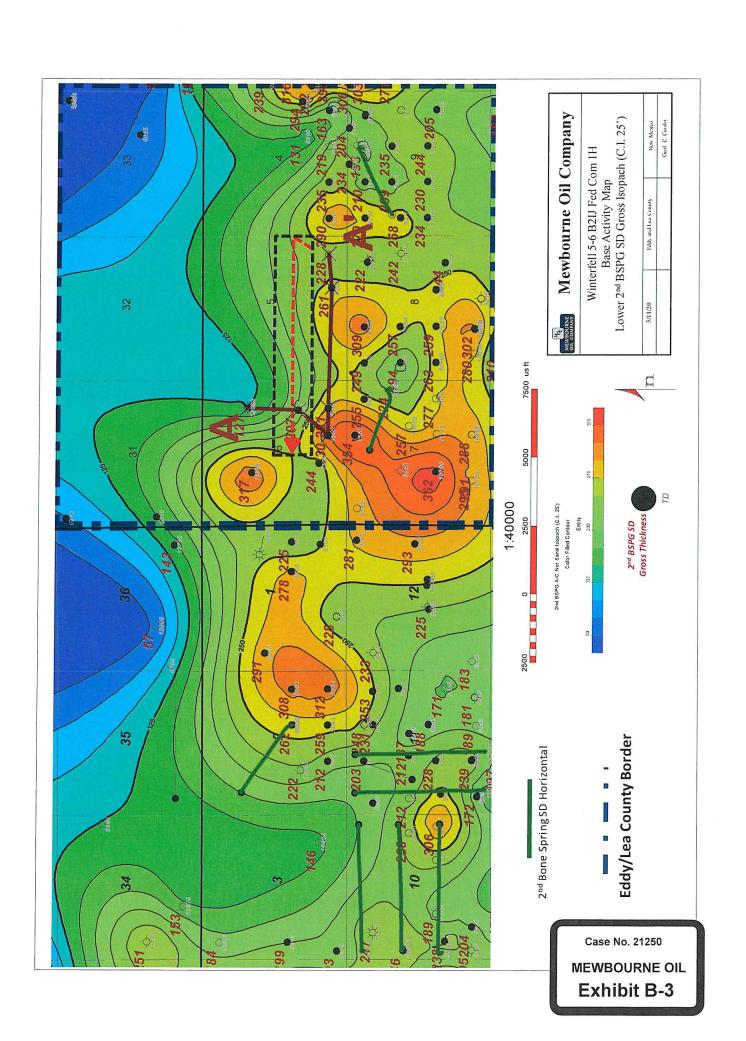
14. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 13 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

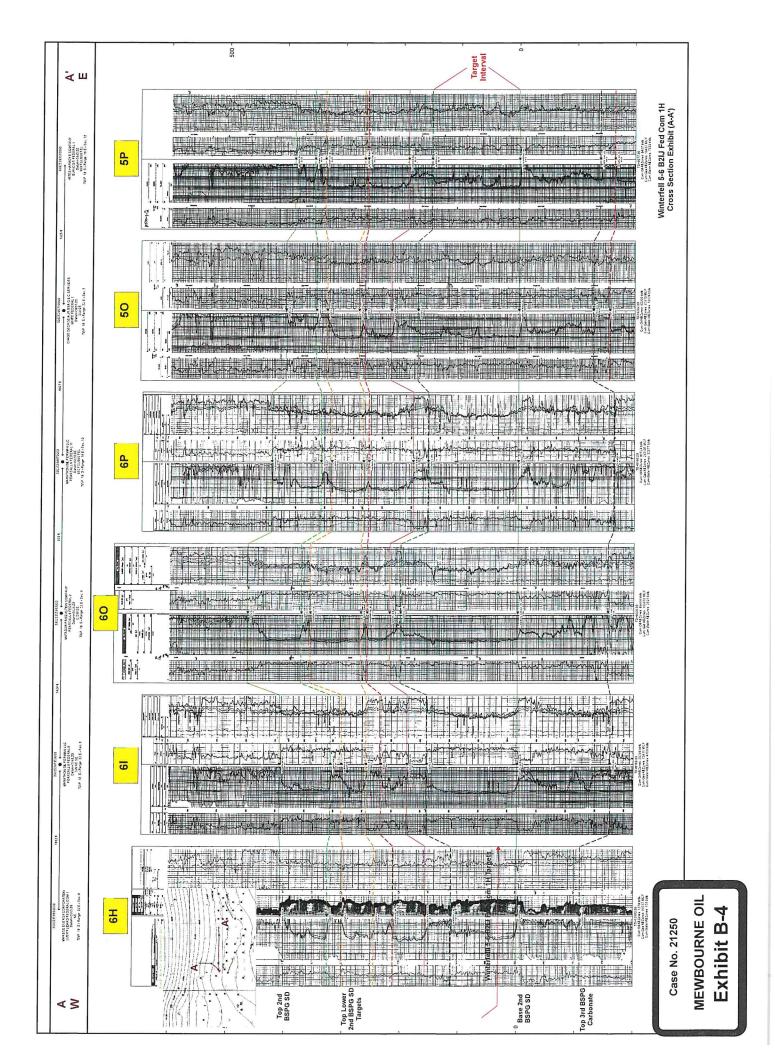
Charles Crosby

5/12/20 Date









		Winterfe	Winterfell Area 2nd BSI	BSPG SD Horizontal Production Table	Production Tab	<u>a</u>				
Well Name	Operator	API	Location	Completion Date	Cum Oil (Mbg) Cum Gas (Bcf)	um Gas (Bcf)	Cum Water (Mbw)	NS/EW	Production Zone	
Mesquite 2 State Com 3H	Matador	30015254520100	21/18S/31E	3/5/2006	116.7	0.14	64.7		NW/SF Lower 2nd RSPG SD	*Sidetrack Recompletion
Tamano 11 MD Federal Com 1H	Mewbourne	30015413490000	11M/18S/31E	8/10/2014	116.4	0,16	108.7	NS	lower 2nd BSPG SD	מתביומבע עברסווולוופווסוו
Tamano 11 NC Federal 1H	Mewbourne	30015413500000	11N/18S/31E	2/9/2014	85.7	0.14	126.9	T	ower 2nd BSPG SD	
Bola 7 Federal Com 3H	Matador	30025355350100	7H/18S/32E	9/12/2006	8 86	0.11	16.0	NIW/CE	NIM/SE Lower 2nd BSBG SD	* * * * * * * * * * * * * * * * * * *
Tamano 10 Federal Com 6H	Mewbourne	30015382860000	10D/18S/31E	11/2/2011	158.9	0.2	123.9	FW/	lower 2nd BSPG SD	Side tides hecoliipie tioli
Tamano 10 Federal Com 7H	Mewbourne	30015396850000	10E/18S/31E	1/14/2012	179.3	0.3	189.5	FW.	lower 2nd BSPG SD	
Tamano 10 Federal Com 8H	Mewbourne	30015401090000	10L/18S/31E	7/16/2012	63.6	0.06	176.8		Lower 2nd BSPG SD	

Case No. 21250

MEWBOURNE OIL
Exhibit B-5

Mewbourne Oil Company

SURVEY CALCULATION REPORT Minimum Curvature Calculations

Operator: Mewbourne Oil Company
Lease Name: Winterfell 5/6 B2LFed Com 111
KOP 8147.54

SL: Sec 5/18S/32E; 1270 FSL & 455 FEL PBHL: Sec 6/18S/32E; 1980 FSL & 2540 FEL Target KBTVD: Target Angle: 8,625 Feet

8625.00 89.44

Section Plane:

89.44 Degrees

275.58 Degrees

Declination Corrected to True North: Bit to Survey Offset: 6.63 Degrees 44 Feet

Survey No.	Measured Depth-ft	Drift (Deg.)	Azimuth (Deg.)	Course Length	TVD (Feet)	Vertical Section	+N/-S (Feet)	+E/-W (Feet)	Closure Distance	Closure Direction	BUR	DLS	KBTVD	+Above -Below Target	DRIFT (RADIANS)	AZIMUTH (RADIANS)	
T/I	8147.54	0.00	275 58		8147.5	0.0	0.0	0.0	0.0	0.0	N/A	N/A	8147.5	477.5	IE-12	4.81	######
1	8222.07	8.94		74.53734	8221.8	5.8	0.6	-5.8	5.8	275.6	12.0	12.0	8221.7	403.3		4.81	0.1561
2	8296.61	17.89	275.58	74.53734	8294.2	23.1	2.2	-23.0	23.1	275.6	12.0	12.0	8294.0	331.0	0.312221299	4.81	0.1561
3	8371.15	26.83	275.58	74.53734	8363.1	51.4	5.0	-51.2	51.4	275.6	12.0	12.0	8362.6	262.4	0.468331949	4.81	0.1561
4	8445.68	35.78		74.53734	8426.7	90.1	8.8	-89.7	90.1	275.6	12.0	12.0	8425.8		0.624442599	4.81	0.1561
5	8520.22	44.72		74.53734	8483.5	138.2	13.4	-137.6	138.2	275.6	12.0	12.0	8482.2		0.780553249	4.81	0.1561
6	8594.76	53.67		74.53734	8532.2	194.6	18.9	-193.7	194.6	275.6	12.0	12.0	8530.3		0.936663898	4.81	0.1561
7 8	8669.30	62.61	275.58		8571.5	257.8	25.1	-256.6	257.8	275.6	12.0	12.0	8569.0		1.092774548	4.81	0.1561
9	8743.83 8818.37	71.56 80.50		74.53734 74.53734	8600.5 8618.5	326.4 398.7	31.7 38.7	-324.9 -396.8	326.4 398.7	275.6 275.6	12.0 12.0	12.0 12.0	8597.3 8614.6		1.248885198 1.404995848	4.81	0.1561 0.1561
10	8892.91	89.44		74.53734	8625.0	472.8	45.9	-470.6	472.8	275.6	12.0	12.0	8620.4		1.561106497	4.81	0.1561
11	8900.00	89.44	275.58		8625.0	479.9	46.6	-477.7	479.9	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
12	9000.00	89.44	275.58	100	8626.0	579.9	56.3	-577.2	579.9	275.6	0.0	0.0	8620.4	4.6		4.81	1E-10
13	9100.00	89.44	275.58	100	8627.0	679.9	66.1	-676.7	679.9	275.6	0.0	0.0	8620.4	4.6		4.81	1E-10
14	9200.00	89.44	275.58	100	8628.0	779.9	75.8	-776.2	779.9	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
15	9300.00	89.44	275.58	100	8628.9	879.9	85.5	-875.7	879.9	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
16	9400.00	89.44	275.58	100	8629.9	979.9	95.2	-975.3	979.9	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
17	9500.00	89.44	275.58	100	8630.9	1079.9	104.9	-1074.8	1079.9	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
18	9600.00 9700.00	89.44 89.44	275.58	100 100	8631.8	1179.9	114.6	-1174.3	1179.9	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
20	9800.00	89.44	275 58 275 58	100	8632.8 8633.8	1279.9 1379.9	124.4 134.1	-1273.8 -1373.4	1279.9 1379.9	275.6 275.6	0.0	0.0	8620.4 8620.4	4.6	1.561106497 1.561106497	4.81 4.81	1E-10 1E-10
21	9900.00	89.44	275.58	100	8634.7	1479.9	143.8	-1373.4	1479.9	275.6	0.0	0.0	8620.4			4.81	1E-10
22	10000.00	89.44	275.58	100	8635.7	1579.9	153.5	-1572.4	1579.9	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
23	10100.00	89.44	275.58	100	8636.7	1679.9	163.2	-1671.9	1679.9	275.6	0.0	0.0	8620.4			4.81	1E-10
. 24	10200.00	89.44	275.58	100	8637.6	1779.9	172.9	-1771.4	1779.9	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
25	10300.00	89.44	275.58	100	8638.6	1879.9	182.7	-1871.0	1879.9	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
26	10400.00	89.44	275.58	100	8639.6	1979.9	192.4	-1970.5	1979.9	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	IE-10
27	10500.00	89.44	275.58	100	8640.5	2079.9	202.1	-2070.0	2079.9	275.6	0.0	0.0	8620.4		1.561106497	4.81	IE-10
28	10600.00	89.44	275.58	100	8641.5	2179.8	211.8	-2169.5	2179.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
29 30	10700.00	89.44	275.58	100 100	8642.5 8643.5	2279.8 2379.8	221.5	-2269.1	2279.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
31	10800.00 10900.00	89.44 89.44	275.58 275.58	100	8644.4	2479.8	231.2 241.0	-2368.6 -2468.1	2379.8 2479.8	275.6 275.6	0.0	0.0	8620.4 8620.4		1.561106497 1.561106497	4.81 4.81	1E-10 1E-10
32	11000.00	89.44	275.58	100	8645.4	2579.8	250.7	-2468.1	2579.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
33	11100.00	89.44	275.58	100	8646.4	2679.8	260.4	-2667.1	2679.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
34	11200.00	89.44	275.58	100	8647.3	2779.8	270.1	-2766.7	2779.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
35	11300.00	89.44	275.58	100	8648.3	2879.8	279.8	-2866.2	2879.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
36	11400.00	89.44	275.58	100	8649.3	2979.8	289.5	-2965.7	2979.8	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
37	11500.00	89.44	275.58	100	8650.2	3079.8	299.2	-3065.2	3079.8	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
38	11600.00	89.44	275.58	100	8651.2	3179.8	309.0	-3164.8	3179.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
39	11700.00	89.44	275.58	100	8652.2	3279.8	318.7	-3264.3	3279.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
40	11800.00	89.44	275.58	100	8653.1	3379.8	328.4	-3363.8	3379.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
41	11900.00 12000.00	89.44 89.44	275.58 275.58	100 100	8654.1 8655.1	3479.8 3579.8	338.1	-3463.3	3479.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
43	12100.00	89.44	275.58	100	8656.1	3679.8	347.8 357.5	-3562.8 -3662.4	3579.8 3679.8	275.6 275.6	0.0	0.0	8620.4 8620.4		1.561106497 1.561106497	4.81 4.81	1E-10 1E-10
44	12200.00	89.44	275.58	100	8657.0	3779.8	367.3	-3761.9	3779.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
45	12300.00	89.44	275.58	100	8658.0	3879.8	377.0	-3861.4	3879.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
46	12400.00	89.44	275 58	100	8659.0	3979.8	386.7	-3960.9	3979.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
47	12500.00	89.44	275.58	100	8659.9	4079.8	396.4	-4060.5	4079.8	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
48	12600.00	89.44	275.58	100	8660.9	4179.8	406.1	-4160.0	4179.8	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
49	12700.00	89.44	275.58	100	8661.9	4279.8	415.8	-4259.5	4279.8	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
50	12800.00	89.44	275.58	100	8662.8	4379.7	425.6	-4359.0	4379.7	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
51	12900.00	89.44	275.58	100	8663.8	4479.7	435.3	-4458.5	4479.7	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
52	13000.00	89.44	275.58	100	8664.8	4579.7	445.0	-4558.1	4579.7	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
53	13100.00	89.44	275.58	100	8665.7	4679.7	454.7	-4657.6	4679.7	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
54 55	13200.00 13300.00	89.44 89.44	275.58	100	8666.7	4779.7	464.4	-4757.1	4779.7	275.6	0.0	0.0	8620.4		1.561106497	4.81	1E-10
56	13300.00	89.44 89.44	275.58 275.58	100 100	8667.7 8668.6	4879.7 4979.7	474.1 483.9	-4856.6 -4956.2	4879.7 4979.7	275.6	0.0	0.0	8620.4 8620.4		1.561106497	4.81 4.81	1E-10
30	13400.00	89.44	2/5.58	100	0.8008	49/9./	483.9	-4930.2	4979.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10

Case No. 21250

MEWBOURNE OIL Exhibit B-6

57	13500.00	89.44	275.58	100	8669.6	5079.7	493.6	-5055.7	5079.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
58	13600.00	89.44	275.58	100	8670.6	5179.7	503.3	-5155.2	5179.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
59	13700.00	89.44	275.58	100	8671.6	5279.7	513.0	-5254.7	5279.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
60	13800.00	89.44	275.58	100	8672.5	5379.7	522.7	-5354.2	5379.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
61	13900.00	89.44	275.58	100	8673.5	5479.7	532.4	-5453.8	5479.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
62	14000.00	89.44	275.58	100	8674.5	5579.7	542.1	-5553.3	5579.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
63	14100.00	89.44	275.58	100	8675.4	5679.7	551.9	-5652.8	5679.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	IE-10
64	14200.00	89.44	275.58	100	8676.4	5779.7	561.6	-5752.3	5779.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
65	14300.00	89.44	275.58	100	8677.4	5879.7	571.3	-5851.9	5879.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	IE-10
66	14400.00	89.44	275.58	100	8678.3	5979.7	581.0	-5951.4	5979.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
67	14500.00	89.44	275.58	100	8679.3	6079.7	590.7	-6050.9	6079.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
68	14600.00	89.44	275.58	100	8680.3	6179.7	600.4	-6150.4	6179.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
69	14700.00	89.44	275.58	100	8681.2	6279.7	610.2	-6249.9	6279.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
70	14800.00	89.44	275.58	100	8682.2	6379.7	619.9	-6349.5	6379.7	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	IE-10
71	14900.00	89.44	275.58	100	8683.2	6479.6	629.6	-6449.0	6479.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
72	15000.00	89.44	275.58	100	8684.2	6579.6	639.3	-6548.5	6579.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
73	15100.00	89.44	275.58	100	8685.1	6679.6	649.0	-6648.0	6679.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
74	15200.00	89.44	275.58	100	8686.1	6779.6	658.7	-6747.6	6779.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
75	15300.00	89.44	275.58	100	8687.1	6879.6	668.5	-6847.1	6879.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
76	15400.00	89.44	275.58	100	8688.0	6979.6	678.2	-6946.6	6979.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
77	15500.00	89.44	275.58	100	8689.0	7079.6	687.9	-7046.1	7079.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
78	15600.00	89.44	275.58	100	8690.0	7179.6	697.6	-7145.6	7179.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	IE-10
79	15700.00	89.44	275.58	100	8690.9	7279.6	707.3	-7245.2	7279.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10
80	15800.00	89.44	275.58	100	8691.9	7379.6	717.0	-7344.7	7379.6	275.6	0.0	0.0	8620.4	4.6	1.561106497	4.81	1E-10