

15600
EXHIBIT

1 Hanagan
Gardner
10-12-74
1 Prop.
2017
P78

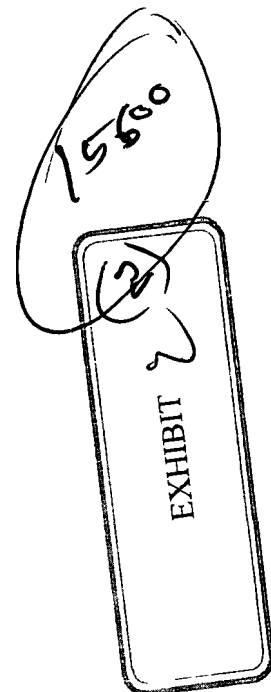
COG Oper. 66.6%
E2, E2W2
Hanagan 7790
Salazar
T201
COG Oper.
7790
NE4

15600
Exx

TRACT OWNERHSIP
Pronghorn 15 B3AP Federal Com No 1H
E/2E/2 of Section 15,
Township 23 South, Range 34 East
Lea County, New Mexico

E/2E/2 of Section 15
Bone Spring formation

Mewbourne Oil Company 500 West Texas Suite 1020 Midland, Texas 79701	31 476095%
*Black Mountain Operating, LLC 500 Main Street Suite 1200 Fort Worth Texas 76102 Attn Mr Luke Mildren	24 781619%
Challenger Crude, Ltd 3525 Andrews Highway Midland Texas 79703 Attn Mr Mike Curry	12 463839%
SFF Production, LLC P O Box 1015 Midland, Texas 79702	7 975589%
*Tom M Ragsdale 12012 Wickchester Lane, Suite 410 Houston, Texas 77079	6 837475%
Seeligson Oil Co Ltd 808 Travis Street Suite 2200 Houston, Texas 77002 Attn Mr Arthur Seeligson	5 357624%
Viersen Oil & Gas Co P O Box 702708 Tulsa, Oklahoma 74170 Attn Mr J J Chisholm	2 500000%
ICA Energy Inc P O Box 233 Odessa, Texas 79760 Attn Mr Curtis Leonard	2 279159%



Wildcat Energy L L C 2 160000%
P O Box 13323
Odessa, Texas 79768
Attn Mr Roger Becker

Landis Drilling Co 1 066667%
P O Box 994
Midland, Texas 79701
Attn Land Department

Bonnie Bowman Korbell 0 868134%
and John Korbell
P O Box 12199
San Antonio, Texas 78212

Mark G Kalpakis Irrevocable Trust 0 468792%
5416 Birchman Avenue
Fort Worth, Texas 76107
Attn Mrs Rachelle Whiteman

R Dean Williams Irrevocable Trust 0 468792%
5416 Birchman Avenue
Fort Worth, Texas 76107
Attn Mrs Rachelle Whiteman

Texas Independent Exploration Inc 0 316407%
6760 Portwest Drive
Houston, Texas 77024
Attn Mr Chad Barbe

Gerald W Green 0 316406%
414 W Texas Avenue Suite 317
Midland Texas 79701

Axis Energy Corporation 0 231482%
P O Box 2107
Roswell, New Mexico 88202
Attn Mr Chad Barbe

Black & Gold Resources, LLC 0 158350%
800 Bering, Suite 201
Houston, Texas 77057
Attn David V De Marco

Charles C Albright, III, Trustee 0 084175%
729 W 16th Street, Suite B8
Costa Mesa, CA 92627

M Kurt Chapman P O Box 344 Post, Texas 79356	0 084175%
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Lillian E Rutherford and Kenneth Rutherford, Trustees of the Rutherford Family 1970 Trust 321 Grove Drive Portola Valley CA 94028	0 042088%
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ABC Oil & Gas Properties c/o Darleen Cockburn 3208 Boyd Midland, Texas 79705	0 021044%
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Constance B Cartwright 435 E 52 nd Street New York New York 10022	0 021044%
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Phoebe Tompkins 5184 Pine Tree Drive Miami Beach, FL 33140	<u>0 021044%</u> 100 000000%
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*** Total interest being pooled 31 619094%**



Summary of Communications
Pronghorn 15 B3AP Federal Com No 1H

Black Mountain Operating, LLC

- 1) Called Carolyn Dick on 1-19-2015 to discuss prospect
- 2) Mailed Term Assignment offer by letter dated 1-27-2015 via certified mail to Merit Energy Company
- 3) Received green card signed by J Graham
- 4) Emailed Carolyn Dick our offer by email dated 1-27-2015
- 5) Talked with Eric Roberts on 7 6-2015 to discuss prospect
- 6) Talked with Eric Roberts on 7 14 2015 to discuss options other than participating
- 7) Received email from Eric Roberts on 7 21-2015 stating they are not interested in participating at this time and to propose a farmout offer
- 8) Talked with Eric Roberts on 7 27 2015 to discuss prospect and options
- 9) Emailed farmout offer to Eric Roberts on 7-28-2015
- 10) Followed up with Eric Roberts regarding our farmout offer by email dated 8-11-2016 Eric sent back a counter to our offer
- 11) Emailed Eric Roberts on 8 17 2015 and told him his counter needed to be more in line with our original proposal
- 12) Emailed Eric Roberts on 8-28-2015 a revised Farmout proposal
- 13) Called Nick Peters on 9-8-2015 to discuss proposal No answer, left message
- 14) Nick Peters called back on 9-10-2015 and discussed counter terms to our offer
- 15) Emailed Nick Peters on 9 11 2015 responses to his counter
- 16) Talked with Nick Peters on 9-14 2015 regarding our Farmout offer
- 17) Emailed Nick Peters on 12-8-2015 wanting to try and finish our negotiations regarding a farmout agreement
- 18) Received email from Nick Peters on 12-17 2015 stating they did not wish to do anything at this time
- 19) Followed up with Nick Peters on 3-28-2016 concerning our farmout offer
- 20) Followed up with Nick Peters on 4-25 2016 concerning our farmout offer
- 21) Received email from Nick Peters on 4 25-2016 stating Merit did not wish to participate or farmout
- 22) Talked with Nick Peters on 5 9 2016 about the prospect He said they are selling this interest as a bigger package
- 23) Merit Energy Company sold its interest to Black Mountain Operating, LLC
- 24) Emailed Kyle Biery with Black Mountain on 6-13-2016 to get correct contact information
- 25) Mailed well proposal letter with AFE via certified mail dated 9 15-2016 to Black Mountain Operating, LLC
- 26) Received green card signed by ???
- 27) Received phone call from Luke Mildren on 9-19-2016 I called back and left message
- 28) Talked with Luke Mildren on 9-26 2016 about needing to get a JOA signed
- 29) Emailed Luke Mildred on 10 21-2016 about the 3 additional well proposals and the need to get a JOA executed so we didn t have to go through force pooling again
- 30) Received email from Luke Mildren on 10 24-2016 stating it was out of his hands

- 31) Emailed Luke Mildren on 10-27-2016 copies of JOAs limited to the proration units as they requested
- 32) Received email from Luke Mildren on 10 31 2016 claiming he received the JOAs and would re present them along with the well proposals to his team
- 33) Received email from Luke Mildren on 11 17 2016 stating he was sending me the JOA covering the W2W2 overnight mail I asked if the other JOAs would be coming as well and said just the W2W2 JOA as of right now
- 34) Received email from Luke Mildren on 12 12 2016 asking if Mewbourne would be interested in trading the E2 for the W2 of Section 15
- 35) Talked with Luke Mildren on 12-12 2016 about a possible trade concerning Section 12 and Section 15
- 36) Emailed Luke Mildren on 12-14-2016 for an update concerning our conversation He said he didn't want to trade Section 12 and 15 and just wanted to trade E2 for W2 in Section 15 I again emailed back additional terms that we would be willing to trade under Luke emailed back and said he would get with his technical team and get back
- 37) I have not heard back from Black Mountain concerning our last offer

Tom M Ragsdale

- 1) Mailed well proposal letter with AFE via certified mail dated 4-27-2016
- 2) Received green card signed by John Lelek
- 3) Received email dated 5-25 2016 from Tom Ragsdale inquiring about our proposal
- 4) Talked with Tom Ragsdale regarding our proposal on 5-28 2016
- 5) Emailed Tom Ragsdale on 6-16-2016 to follow up to our proposal for a trade instead of him participating
- 6) Received phone call from Karen Stanford on 6-24 2016 I was not available and she left a message
- 7) Called Karen Stanford on 6-27-2016 and we discussed the prospect
- 8) Received and email on 6-29-2016 from Mark Crosswell and Tom Ragsdale stating they would like to discuss the AFE
- 9) Talked with Mark Crosswell and Tom Ragsdale 6-30-2016 regarding the AFE
- 10) Talked with Karen Stanford on 7 15-2016 concerning the prospect
- 11) Talked with Karen Stanford on 7-22-2016 concerning an offer
- 12) Emailed Karen Stanford on 8-3-2016 setting out a Term Assignment offer and received a counter proposal from Karen the same day
- 13) Emailed Karen Stanford on 8 5 2016 with another counter proposal for a Term Assignment
- 14) Received feedback on 8-8-2016 regarding our proposal from Karen Stanford
- 15) Emailed Karen Stanford on 8-15-2016 a revised offer
- 16) Received email from Karen Stanford on 8-17-2016 confirming receipt of our revised offer and stating she will look it over
- 17) Emailed Karen Stanford on 8-22-2016 to see if she has any feedback Received email back from Karen Stanford stating the basic structure of our deal is fine
- 18) Emailed Karen Stanford on 8-29-2016 letting her know we will have to move forward with force pooling
- 19) Received email from Karen Stanford on 8-31-2016 requesting additional information
- 20) Emailed Karen Stanford on 9 1 2016 and faxed her a copy of the JOA Confirmed receipt of the JOA on 9-7 2016
- 21) Received comments back on 9 12-2016 regarding our Term Assignment form

Summary of Communications

Pronghorn 15 B3AP Federal Com No 1H

Page 3 of 3

- 22) Emailed Karen Stanford on 9 13 2016 regarding her revision to the Term Assignment and our final offer terms
- 23) Emailed Karen Stanford on 9 14-2016 clarifying our offer
- 24) Mailed well proposal letter with AFE via certified mail dated 9 15-2016
- 25) Received green card signed by ???
- 26) Talked with Karen Stanford about our offer and emailed her on 9 19 2016 with our redlined Term Assignment
- 27) Karen emailed me 9-23 2016 with some questions concerning the Term Assignment
- 28) Talked with Karen on 9 23-2016 and she said Mr Ragsdale is no longer interested in doing the term assignment and instead is going to participate
- 29) Emailed Karen on 9 26 2016 with her respective changes to the Term Assignment
- 30) Received email from Karen dated 9-28 2016 inform me that Mr Ragsdale is no longer interested in doing the term assignment and instead is going to participate
- 31) Talked with Karen on 10-5 2016 regarding the AFE and JOA
- 32) Received email from Karen dated 10 7 2016 stating Mr Ragsdale has some questions with our AFE
- 33) Emailed Karen to let her know I received Mr Ragsdale executed AFEs but had not received the JOA yet
- 34) By email dated 11-8 2016, Karen said she would get with Mr Ragsdale to get the JOA executed
- 35) Talked with Karen in 11 10-2016 regarding the prospect
- 36) By email dated 11-14-2016, Karen sent me a list of changes that Mr Ragsdale wanted to our JOA
- 37) Talked with Karen on 12-12-2016 about just a W2W2 JOA only
- 38) Sent Karen our W2W2 JOA by email dated 12 13 2016 Karen acknowledged receipt and said she would get back with me

Corey Mitchell

From Luke Mildren <luke.mildren@blackmtn.com>
Sent Wednesday, December 14, 2016 3:47 PM
To Corey Mitchell
Subject RE: Pronghorn 15

Corey

Thanks for the heads up here. I don't believe Siana Oil & Gas has executed the JOA here, therefore all the other partners have not signed up thus far.

Black Mountain is committed to the area as well. We hope to develop the acreage as efficiently as possible, which is why we prefer longer laterals when possible.

According to our due diligence files, we have an NRI of 81.33% in Section 15. I am not sure where the title dispute stems from, but we will work to clear this up. I will relay this offer back to our technical guys and see if this gets them over the hump.

Thanks again for working with us here.
Luke

From Corey Mitchell [mailto:cmitchell@Mewbourne.com]
Sent Wednesday, December 14, 2016 2:47 PM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE: Pronghorn 15

Luke

We appreciate BMOG working with us to try and come to an agreement whereby we can get out of each other's way and move forward. However, our President is not willing to trade out of Section 15 due to the fact that we have invested considerable amount of time and money, are drilling a well in the W/2W/2, have APDs covering the section, and have all the other partners' support for MOC being operator in the section by virtue of an executed JOA covering all of Section 15. It is worth noting that we have been working on this prospect since January 2015.

Also, MOC is committed to this area and plans on being out here long term. This is evidenced by our recent drilling activity and investment in infrastructure. As previously mentioned, MOC also has the W2 of Section 14 and interest in 5 other nearby sections that we operate.

Though you are hoping to drill 7,500 laterals out of section 10 into section 15, I don't see this as an option given MOC's position in Section 15.

I'm not sure what title information you have, but we have a title opinion that sets out the NRIs in Section 15. It shows that at best the NRI is around 77%–78%. The leases we have picked up in Section 12 range from 1/5 royalty to 1/4 royalty. We do have some leases with 3-year term, but most are 3+2 or 5 years. That would give you at least until 2019 to develop, which doesn't seem unreasonable if BMOG is wanting to start drilling early next year.

With that said, MOC would be willing to trade out of our position in Section 12 to BMOG for a portion of BMOG's interest in Section 15. What are your thoughts on trading approximately 160 of MOC's acres in Section 12 for 120 of BMOG's acres in Section 15? This would allow for us to get out of your way in Section 12 and also leave you with an

interest to participate with in Section 15 Basically some form of the previous offer is all we are going to be able to get approval for right now as trading out of Section 15 is not going to be an option for us

Please review and let me know if we can work something out Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682-3715
Fax (432) 685-4170

From Luke Mildren [<mailto:luke.mildren@blackmtn.com>]
Sent Wednesday, December 14, 2016 11:19 AM
To Corey Mitchell
Subject RE: Pronghorn 15

Our engineers aren't crazy about the idea of giving up potential 7,500 laterals with good NRI's for non hbp acreage and we don't own any offsetting leasehold. We would still prefer to trade rather than to slow one another down if we can come up with a fair deal for both parties

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Wednesday, December 14, 2016 11:05 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE: Pronghorn 15

Luke

Any update from our conversation concerning Section 12 and 15? Thanks,

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682-3715
Fax (432) 685-4170

From Luke Mildren [<mailto:luke.mildren@blackmtn.com>]
Sent Monday, December 12, 2016 2:30 PM
To Corey Mitchell
Subject RE: Pronghorn 15

Corey

Would Mewbourne be willing to trade interest in the E2 of Section 15 for Black Mountain's W2?

Thanks
Luke

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Thursday, November 17, 2016 9:27 AM

Corey Mitchell

From Luke Mildren <luke.mildren@blackmtn.com>
Sent Wednesday, December 14, 2016 11:19 AM
To Corey Mitchell
Subject RE: Pronghorn 15

Our engineers aren't crazy about the idea of giving up potential 7,500 laterals with good NRI's for non hbp acreage and we don't own any offsetting leasehold. We would still prefer to trade, rather than to slow one another down if we can come up with a fair deal for both parties.

From Corey Mitchell [mailto:cmitchell@mewbourne.com]
Sent Wednesday, December 14, 2016 11:05 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE: Pronghorn 15

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Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

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Sent Monday, December 12, 2016 2:30 PM
To Corey Mitchell
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Thanks,
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From Corey Mitchell [mailto:cmitchell@mewbourne.com]
Sent Thursday, November 17, 2016 9:27 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE: Pronghorn 15

Thanks, Luke. I will keep an eye out for it. See if you can push on the others as well that way we can avoid pooling hearings. Have a great day.

Corey Mitchell
Land Department
Mewbourne Oil Company

Corey Mitchell

From Luke Mildren <luke.mildren@blackmtn.com>
Sent Monday December 12 2016 2 30 PM
To Corey Mitchell
Subject RE Pronghorn 15

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Sent Thursday, November 17 2016 9 27 AM
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Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Luke Mildren [mailto:luke.mildren@blackmtn.com]
Sent Thursday, November 17, 2016 9 13 AM
To Corey Mitchell
Subject RE Pronghorn 15

Just the initial well thus far

From Corey Mitchell [mailto:cmitchell@Mewbourne.com]
Sent Thursday November 17 2016 9 12 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE Pronghorn 15

Luke,

Were you able to get all four JOAs executed or just the initial well? Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701

Corey Mitchell

From Luke Mildren <luke.mildren@blackmtn.com>
Sent Thursday November 17 2016 9 13 AM
To Corey Mitchell
Subject RE Pronghorn 15

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Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Luke Mildren [mailto:luke.mildren@blackmtn.com]
Sent Thursday, November 17, 2016 9 10 AM
To Corey Mitchell
Subject RE Pronghorn 15

Corey,

I am having this overnighted to you Sorry it took so long to get executed

Thanks
Luke

From Corey Mitchell [mailto:cmitchell@Mewbourne.com]
Sent Thursday October 27 2016 10 10 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE Pronghorn 15

Luke

Please see attached I have attached a JOA limited to the proration unit and Bone Spring formation for the Pronghorn 15 B3DM Fed Com No 1H Also, I will send similar JOAs (different Exhibit A) by separate emails for the other 3 active proposals currently in front of Black Mountain We will be moving forward with force pooling on these wells as we do not have an AFE and JOA in place for Black Mountain Let me know if you have any questions Thanks

Corey Mitchell

From Luke Mildren <luke.mildren@blackmtn.com>
Sent Thursday November 17 2016 9 10 AM
To Corey Mitchell
Subject RE Pronghorn 15

Corey

I am having this overnighted to you Sorry it took so long to get executed

Thanks
Luke

From Corey Mitchell [mailto:cmitchell@Mewbourne.com]
Sent Thursday October 27 2016 10 10 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE Pronghorn 15

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Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Luke Mildren [mailto:luke.mildren@blackmtn.com]
Sent Monday, October 24, 2016 11 26 AM
To Corey Mitchell
Subject RE Pronghorn 15

Corey

I appreciate your update below Unfortunately this is out my hands Our CEO stated that if y'all would like to meet to resolve this issue, he would be more than willing to sit down and hash it out

Thanks
Luke

From Corey Mitchell [mailto:cmitchell@Mewbourne.com]
Sent Friday October 21 2016 9 50 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE Pronghorn 15

Corey Mitchell

From Luke Mildren <luke.mildren@blackmtn.com>
Sent Monday October 31 2016 8 26 AM
To Corey Mitchell
Subject RE Pronghorn 15 B3AP Fed Com No 1H JOA

Thanks for passing these along I will re present them along with the well proposals to our team this week

~
From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Thursday October 27 2016 10 14 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject Pronghorn 15 B3AP Fed Com No 1H JOA

Luke

Please see attached JOA for the captioned well This JOA is to coincide with the well proposal sent by letter dated September 15 2016 Let me know if you have any questions Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

Corey Mitchell

From Luke Mildren <luke.mildren@blackmtn.com>
Sent Monday, October 24, 2016 11:26 AM
To Corey Mitchell
Subject RE: Pronghorn 15

Corey,

I appreciate your update below. Unfortunately, this is out of my hands. Our CEO stated that if you all would like to meet to resolve this issue, he would be more than willing to sit down and hash it out.

Thanks
Luke

From Corey Mitchell [mailto:cmitchell@mewbourne.com]
Sent Friday, October 21, 2016 9:50 AM
To Luke Mildren <luke.mildren@blackmtn.com>
Subject RE: Pronghorn 15

Luke,

I appreciate you getting back with me. Execution of the AFE only is not sufficient to be released from the force pooling application as we do not have a vehicle to operate under if we do not have a JOA or pooling order in place.

Also, it does not make sense to limit the JOA to the proration unit only. As previously mentioned, all the other partners have executed a full section JOA with MOC covering from the surface to the base of the Wolfcamp formation. In an effort to be good partners and help move things along, we have agreed to limit Black Mountain's contract area to the Bone Spring formation only.

We have proposed three more wells covering the additional Bone Spring proration units in the section. If Black Mountain refuses to execute a full section JOA, then we will have to move forward with force pooling applications for every well. This is extremely inefficient and wastes everyone's time. There is no point in having 4 separate JOAs covering each respective proration unit as to the Bone Spring formation if 1 JOA will serve the same purpose. I do not see what Black Mountain is trying to gain by going well by well as we have all the other parties signed up with MOC designated as Operator. Not to mention we also already have APDs for these units.

Please take these thoughts into consideration and see if you can get the full section JOA executed. Let me know if you have any questions.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

From Luke Mildren [mailto:luke.mildren@blackmtn.com]
Sent Friday, October 21, 2016 8:53 AM



Date September 19, 2016

Simple Certified

The following is in response to your September 19, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945017848816. The delivery record shows that this item was delivered on September 19, 2016 at 1:59 pm in FORT WORTH, TX 76102. The scanned image of the recipient information is provided below.

Signature of Recipient

A handwritten signature in black ink, appearing to read "Kyle Biery".

Address of Recipient

A handwritten address in black ink, appearing to read "500 Main".

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

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

Sincerely,
United States Postal Service

Mr. Kyle Biery
Black Mountain Operating LLC
500 MAIN ST STE 1200
FORT WORTH TX 76102
Reference # Proposal Pronghorn 15 B3AP B3BO B3CN #1H CM

MEWBOURNE OIL COMPANY

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

September 15 2016

Via Certified Mail

Black Mountain Operating LLC
500 Main Street, Suite 1200
Fort Worth, Texas 76102
Attn Mr Kyle Biery

Re Pronghorn 15 B3AP Fed Com No 1H
185' FNL & 660 FEL (SL)
330' FSL & 450' FEL (BHL)
Section 15, T23S, R34E
Lea County New Mexico

Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640 00 acre Working Interest Unit ("WIU") covering the captioned Section 15 as to depths from the surface to the base of the Wolfcamp formation for oil and gas production

In reference to the above Mewbourne as Operator hereby proposes to drill the captioned 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 11,280 feet subsurface to evaluate the Thrd Bone Spring Sand in the Bone Spring Formation The proposed well will have a measured depth (MD) of approximately 15 825 feet The E/2E/2 of the captioned Section 15 will be dedicated to the well as the oil proration unit

Regarding the above, enclosed for your further handling is our AFE dated August 26 2016 for the captioned proposed well In the event your firm elects to participate in the proposed well, please execute the enclosed AFE and return to me within thirty (30) days Our Operating Agreement dated February 1 2016 as previously been provided to you

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

Sincerely,

MEWBOURNE OIL COMPANY


Corey Mitchell
Landman

From Kyle Biery
Sent Monday June 13 2016 4 34 PM
To Corey Mitchell <cmitchell@Mewbourne.com>
Cc Luke Mildren <luke.mildren@blackmtn.com>
Subject RE Pronghorn 15 Prospect

Corey

Please send me proposed AFE & JOA? We operate under Black Mountain Operating LLC I will see if I can get a copy of that assignment from our land department

Thanks

Kyle

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Monday June 13 2016 9 49 AM
To Kyle Biery <kyle.biery@blackmtn.com>
Subject FW Pronghorn 15 Prospect

Kyle

It is my understanding that Black Mountain Oil and Gas recently acquired the interest of Merit in Section 15 T23S, R34E, Lea County New Mexico We have been going back and forth with Merit for some time now regarding this prospect I would assume Black Mountain's intent would be to participate in our proposed operations

Can you please give me the entity name that succeeded to Merit's interest? I will revise our AFE and JOA and get over to you for review Also can I get a copy of the assignment for my file?

Let me know if you have any questions I look forward to working with you Thanks Have a great day

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Peters, Nick [<mailto:Nick.Peters@meritenergy.com>]
Sent Monday, June 06, 2016 10 54 AM
To Corey Mitchell
Cc Kyle Biery
Subject RE Pronghorn 15 Prospect

Corey

We did indeed close with Black Mountain Oil and Gas You can speak with Kyle Biery, their VP of Business Development His contact information is set forth below and he's cc'd on this email

Best of luck with everything

Kyle M Biery
Vice President of Business Development



BLACK MOUNTAIN OIL & GAS

500 Main Street Suite 1200

Fort Worth TX 76102

817 698-9901 ph

817 698 9902 fax

[Kyle biery@blackmtn.com](mailto:Kyle.biery@blackmtn.com)

www.blackmountainoilandgas.com

Nick Peters
972 628 1507

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Monday, June 06, 2016 9 41 AM
To Peters, Nick
Subject RE Pronghorn 15 Prospect

Nick

Just wanted to check in and see if you closed your transaction involving Section 15 T23S R34E Lea County, NM? If so can you share with me who the buyer is? Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Peters, Nick [<mailto:Nick.Peters@mentenergy.com>]
Sent Thursday, May 26, 2016 6 30 PM
To Corey Mitchell
Subject RE Pronghorn 15 Prospect

Corey

All is well and I hope you're good too The transaction is moving along and the parties are set to close 5/31 As soon as we're closed, I believe our buyer is going to contact you If you haven't heard from us by Wednesday, please ping me and I'll make an introduction

Take care

Nick Peters
972 628 1507

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Wednesday, May 25, 2016 9:45 AM
To Peters, Nick
Subject Pronghorn 15 Prospect

Nick

I hope all is going well! I just wanted to check in and see how the transaction is going regarding certain Merit New Mexico properties. Any closer to being finalized so we can know who the purchaser is? Thanks for the update. Have a great day.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

Corey Mitchell

From Peters Nick <Nick.Peters@meritenergy.com>
Sent Monday, April 25, 2016 4:26 PM
To Corey Mitchell
Subject RE: Pronghorn 15 Prospect

Corey

I apologize for not getting back to you. I've been on the road a fair amount. I circled up internally and we are not presently interested in participating in this well. I also do not believe we are interested in farming out this acreage. Where do you think that leaves things?

Thanks

Nick Peters
972.628.1507

— Original Message —

From: Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent: Monday, April 25, 2016 1:07 PM
To: Peters, Nick
Subject: FW: Pronghorn 15 Prospect

Nick

I just wanted to follow up on this prospect. Have you heard anything back yet on what Merit is wanting to do? Any update will be appreciated. Thanks. Have a great day.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

— Original Message —

From: Corey Mitchell
Sent: Monday, March 28, 2016 5:03 PM
To: 'Peters, Nick'
Subject: Pronghorn 15 Prospect

Nick

Pursuant to our conversation, please see attached well proposal I sent Merit back in February. Please review and let me know what you hear back. As mentioned, I am looking for direction (participate or work a deal) on Merit's thoughts.

concerning this prospect Let me know if you have any questions or need additional information Thanks Nick Have a great evening

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685 4170

Corey Mitchell

From Peters Nick <Nick.Peters@meritenergy.com>
Sent Thursday, December 17, 2015 10:27 AM
To Corey Mitchell
Subject RE: Mewbourne Oil Co. New Well proposal PRONGHORN 15 B3DM FED COM NO. 1H

Corey

I discussed this with management. Unfortunately, we do not want to farmout this acreage at this time. Thank you very much for your interest, and I'll be sure to let you know if our level of interest changes.

Take care and enjoy the holidays.

Nick Peters
972 628 1507

From Corey Mitchell [mailto:cmitchell@Mewbourne.com]
Sent Tuesday, December 08, 2015 5:01 PM
To Peters, Nick
Subject RE: Mewbourne Oil Co. New Well proposal PRONGHORN 15 B3DM FED COM NO. 1H

Nick

Hope all is going well. I would like to start up our conversation again regarding the Farmout covering Merit's interest in Section 15 T23S R34E Lea County, New Mexico. Based on our last conversation, I believe Merit was okay with the terms below but was wanting to get a better feel for its NRI. We had title rendered and it appears Merit has an average NRI of 80.271718% interest throughout the section.

Please look it over and let me know your thoughts. Thanks Nick. I look forward to hearing from you. Have a great evening.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

From Peters, Nick [mailto:Nick.Peters@meritenergy.com]
Sent Friday, September 11, 2015 5:01 PM
To Corey Mitchell
Subject RE: Mewbourne Oil Co. New Well proposal PRONGHORN 15 B3DM FED COM NO. 1H

Thanks Corey. We'll review this and get back to you.

Have a great weekend.

Nick Peters
972 628 1507

Corey Mitchell

From Peters Nick <Nick.Peters@meritenergy.com>
Sent Tuesday, December 08, 2015 5:03 PM
To Corey Mitchell
Subject RE: Mewbourne Oil Co. New Well proposal PRONGHORN 15 B3DM FED COM NO. 1H

Thanks Corey. We'll take a look at this again and get back to you.

Nick Peters
972.628.1507

From Corey Mitchell [mailto:cmitchell@mewbourne.com]
Sent Tuesday, December 08, 2015 5:01 PM
To Peters, Nick
Subject RE: Mewbourne Oil Co. New Well proposal PRONGHORN 15 B3DM FED COM NO. 1H

Nick

Hope all is going well. I would like to start up our conversation again regarding the Farmout covering Merit's interest in Section 15 T23S R34E Lea County, New Mexico. Based on our last conversation, I believe Merit was okay with the terms below but was wanting to get a better feel for its NRI. We had title rendered and it appears Merit has an average NRI of 80.271718% interest throughout the section.

Please look it over and let me know your thoughts. Thanks, Nick. I look forward to hearing from you. Have a great evening.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

From Peters, Nick [mailto:Nick.Peters@meritenergy.com]
Sent Friday, September 11, 2015 5:01 PM
To Corey Mitchell
Subject RE: Mewbourne Oil Co. New Well proposal PRONGHORN 15 B3DM FED COM NO. 1H

Thanks, Corey. We'll review this and get back to you.

Have a great weekend.

Nick Peters
972.628.1507

From Corey Mitchell [mailto:cmitchell@mewbourne.com]
Sent Friday, September 11, 2015 4:08 PM
To Peters, Nick
Subject RE: Mewbourne Oil Co. New Well proposal PRONGHORN 15 B3DM FED COM NO. 1H

Nick

Pursuant to our conversation Mewbourne Oil Company hereby offers to acquire a Farmout from Merit Energy Company (including internal entities) covering its interest in Section 15 T23S R34E Lea County New Mexico under the following revised terms

Mutually acceptable form with a two (2) year term (I know you had requested a term of 1 year but I think we will need longer simply due to the extensive title work that needs to be done on this section)

Merit will reserve an ORI equal to the difference between 25% and existing burdens whereby MOC is delivered a 75% NRI

If MOC drills a well within the primary term will earn 320 acres and will then have 180 day continuous development after expiration of the primary term to drill an additional well earning the other 320 acres Will earn term assignment by drilling the 2 wells earning wells

Merit will have the option to convert its reserved ORI to a 25% working interest (proportionately reduced) on the earning wells

MOC would earn 75% of Merit's interest outside the wellbores of the earning wells

Merit would be heads up on subsequent wells with its retained 25% interest and have the option to either participate or farmout its interest with the option to convert its reserved ORI to a 25% working interest (proportionately reduced)

Exclude existing wellbores and the production therefrom

Limited in depths as to the Bone Spring formation

I believe the above terms cover what we discussed on the phone Let me know if I am missing something or if you have any questions Thanks Nick Have a great weekend

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Peters, Nick [<mailto:Nick.Peters@meritenergy.com>]

Sent Wednesday, September 02, 2015 3:48 PM

To Corey Mitchell

Subject RE: Mewbourne Oil Co New Well proposal PRONGHORN 15 B3DM FED COM NO 1H

Corey

Do you have any time to briefly discuss this today? If so please let me know and we can set something up

Thanks

Nick Peters
972 628 1507

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]

Sent Friday, August 28, 2015 9:43 AM

To Roberts, Eric

Subject RE: Mewbourne Oil Co New Well proposal PRONGHORN 15 B3DM FED COM NO 1H

Eric

Pursuant to our conversation last week and Merit's preference to not be at a heads up basis on subsequent wells Mewbourne Oil Company hereby offers to acquire a Farmout from Merit Energy Company (including internal entities) covering its interest in Section 15 T23S R34E Lea County New Mexico under the following revised terms

Mutually acceptable form with a two (2) year term

- Merit will reserve an ORI equal to the difference between 25% and existing burdens, whereby MOC is delivered a 75% NRI
- MOC would earn 75% of Merit's interest outside the wellbore of the initial well in each proration unit
- Merit will have the option to convert its reserved ORI to a 25% working interest (proportionately reduced) on a well by well basis
- If MOC drills a well within the primary term will earn 320 acres and will then have 180 day continuous development after expiration of the primary term to drill an additional well, earning the other 320 acres Will earn term assignment by drilling the 2 wells
Exclude existing wellbores and the production therefrom
Limited in depths as to the Bone Spring formation

Let me know if you have any questions Thanks Eric Have a great weekend

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682-3715
Fax (432) 685 4170

From Roberts, Eric [<mailto:Eric.Roberts@mentenergy.com>]
Sent Monday, August 17, 2015 5:26 PM
To Corey Mitchell
Subject Re: Mewbourne Oil Co New Well proposal PRONGHORN 15 B3DM FED COM NO 1H

Glad you didn't agree to this as an offer. I would have felt horrible had it come across felt like I was jerking you all around

Eric

On Aug 17 2015 at 4:57 PM Corey Mitchell <cmitchell@Mewbourne.com> wrote

Eric

Thanks for getting back with me. I believe we did a deal similar to your revisions a couple years ago. However, that was a different price environment and we didn't have a foothold in that prospect. Given the current environment and the fact we already have a position in this section, we are not going to be acceptable to working a deal based on your countered terms. Our offer is still valid and any counter would need to be closer to those terms. I hope this helps you out. Let me know if you have any questions. I look forward to hearing back from you. Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701

Bus (432) 682 3715
Fax (432) 685 4170

From Roberts, Eric [<mailto:Eric.Roberts@meritenergy.com>]
Sent Tuesday, August 11, 2015 11 09 AM
To Corey Mitchell
Subject RE Mewbourne Oil Co New Well proposal PRONGHORN 15 B3DM FED COM NO 1H

I followed up and should hear something by EOD or tomorrow

Mutually acceptable form with a two (2) year term **1 year term**
Merit will reserve an ORI equal to the difference between 25% and existing burdens,
whereby MOC is delivered a 75% NRI **SAME**
Merit will have the option to convert its reserved ORI to a ~~25%~~ working interest
(proportionately reduced) on the initial well drilled in each proration unit **33 1/3%**
MOC would earn 75% of Merit's interest outside the wellbore of the initial well in each
proration unit **MOC earns 100% in First Test Well vertically limited to First Bone Spring**
interval and Earn 50% interest of Farmors interest in each of the 2nd Bone Spring & Third
Bone Spring
Merit would be heads up on subsequent wells with its retained 25% interest **N/A**
- 180 day continuous development language **180 days Continuous Dev**
- Exclude existing wellbores and the production therefrom
Limited in depths from the surface to the base of the Wolfcamp formation **Limited**
stratigraphically from first bone Spring 9,354' to 9,880', 2nd Bone Spring 9,880' to 10,493'
etc

Eric Roberts RPL CPLTA | Landman

<image001.jpg> **Ment Energy Company** | 13727 Noel Road Suite 1200 | Dallas TX 75240

Office 972.628 1493 | Fax 972 628 1793

From Corey Mitchell
[<mailto:cmitchell@Mewbourne.com>]

Sent Tuesday, August 11, 2015 9 25 AM
To Roberts, Eric
Subject RE Mewbourne Oil Co New Well proposal PRONGHORN 15 B3DM FED COM NO 1H

Eric,

I just wanted to touch base with you and see if you have heard anything back regarding our offer? Any
update will be appreciated Thanks Have a great day

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Corey Mitchell
Sent Tuesday, July 28, 2015 8 19 AM
To Roberts, Eric
Subject RE Mewbourne Oil Co New Well proposal PRONGHORN 15 B3DM FED COM NO 1H

Eric

Pursuant to our conversation Mewbourne Oil Company hereby offer to acquire a Farmout from Merit Energy Company (including internal entities) covering its interest in Section 15 T23S R34E Lea County, New Mexico under the following terms

- Mutually acceptable form with a two (2) year term
- Merit will reserve an ORI equal to the difference between 25% and existing burdens, whereby MOC is delivered a 75% NRI
- Merit will have the option to convert its reserved ORI to a 25% working interest (proportionately reduced) on the initial well drilled in each proration unit
- MOC would earn 75% of Merit's interest outside the wellbore of the initial well in each proration unit
- Merit would be heads up on subsequent wells with its retained 25% interest
- 180 day continuous development language
- Exclude existing wellbores and the production therefrom
- Limited in depths from the surface to the base of the Wolfcamp formation

Please review and let me know if this is acceptable. If so, I will send over a Farmout Agreement for review. Let me know if you have any questions. Thanks. Have a great day.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682-3715
Fax (432) 685-4170

From Roberts, Eric [<mailto:Eric.Roberts@mentenergy.com>]
Sent Monday, July 27, 2015 8:33 AM
To Corey Mitchell
Subject RE: Mewbourne Oil Co New Well proposal PRONGHORN 15 B3DM FED COM NO 1H

Morning Cory

Unfortunately, this was just bad timing for Merit to have to make a decision on a capital rich horizontal, but I appreciate your interest and hope we can put something together when the timing is right. Please do stay in touch.

Thank you

Eric Roberts RPL CPLTA | Landman

<image001.jpg> Ment Energy Company | 13727 Noel Road Suite 1200 | Dallas TX 75240

Office 972 628 1493 | Fax 972 628 1793

From Roberts, Eric
Sent Tuesday, July 21, 2015 5:53

PM
To Corey Mitchell
Subject Mewbourne Oil Co New Well proposal PRONGHORN 15 B3DM FED COM NO 1H

Cory

We are not interested in participating/developing the acreage at this time. If you want to draft a farm out agreement proposal with favorable terms, we would be willing to consider it.

I apologize for just getting back to you on this.

Eric Roberts RPL CPLTA | Landman

<image001.jpg> **Ment Energy Company** | 13727 Noel Road Suite 1200 | Dallas TX 75240

Office 972 628 1493 | Fax 972 628 1793

Corey Mitchell

From Corey Mitchell
Sent Tuesday January 27 2015 3:06 PM
To Dick Carolyn
Subject Lea County New Mexico Offer
Attachments Merit Offer Letter pdf

Carolyn,

Pursuant to our conversation, please see attached offer regarding Merit Energy Company's (and affiliates) interest in Section 15, T23S R34E, Lea County, New Mexico. Hopefully this will help in moving forward. Please let me know your thoughts once you have had a chance to review. Let me know if you have any questions. Thanks. Have a great day.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682-3715
Fax (432) 685-4170




Date February 1, 2015

Simple Certified

The following is in response to your February 1, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007651099. The delivery record shows that this item was delivered on January 31, 2015 at 12:26 pm in DALLAS, TX 75240. The scanned image of the recipient information is provided below.

Signature of Recipient

Delivery Record	
Signature	
Printed Name	J. T. Graham

Address of Recipient

Delivery Address
13727 Noel Rd #200

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

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

Sincerely,
United States Postal Service

Carolyn Dick
Ment Energy Company
13727 NOEL RD STE 1200
DALLAS TX 75240
Reference # Mad Dog 15 cm

MEWBOURNE OIL COMPANY

500 W TEXAS SUITE 1020
MIDLAND TEXAS 79701

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

January 27, 2015

Via Email and Certified Mail

Merit Energy Company
13727 Noel Road, Suite 1200
Dallas, Texas 75240
Attn Ms Carolyn Dick

Re Mad Dog '15 Prospect
Section 15, T23S R34E
Lea County New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") is interested in acquiring a Term Assignment covering all of Merit Management Partners III, L P Merit Management Partners II, L P , Merit Management Partners I, L P , Merit Energy Partners F III L P Merit Energy Partners E III L P and Merit Energy Partners III, L P ("Merit") right, title and interest in the above captioned Section 15 as to depths from the surface to 11,710' beneath the surface, save and except all interest in and to the existing wellbores and production therefrom from any well currently located on the lands or communitized therewith

According to the records in Lea County, New Mexico, Merit appears to own approximately 33.333333% working interest (53.333333 net acres) in the NW/4 and 39.356050% working interest (62.96968 net acres) in the SE/4 of the captioned Section 15

Regarding the above, Mewbourne hereby offers to purchase a three (3) year Term Assignment covering all of Merit's interest in the above captioned Section 15 for \$750.00 per net acre, based upon delivery of a 77% net revenue interest to Mewbourne (116.303013 net acres x \$750.00 per acre = \$87,227.26)

This offer is subject to Mewbourne's approval of title and execution of a mutually acceptable form of assignment. Please indicate your acceptance by signing and returning page 2 of this letter within 30 days of receipt.

As previously mentioned, there are several documents this interest appears to be subject to that are not filed of record in Lea County New Mexico. Mewbourne's offer is subject to verification/confirmation that Merit owns the above working interest in the captioned Section 15, as we believe they do.

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

Sincerely,

MEWBOURNE OIL COMPANY


Corey Mitchell

Merit Energy Company
Mad Dog 15 Prospect
January 27 2015
Page 2 of 2

The undersigned elects to assign and convey all of their interest, subject to approval of title and a mutually acceptable Term Assignment in and to the lands and depths referenced below delivering no less than 77% net revenue interest to Mewbourne Oil Company

Township 23 South, Range 34 East
Section 15 All
Lea County, New Mexico
Limited to depths from the surface to 11,710'

MERIT ENERGY COMPANY

BY _____

TITLE _____

DATE _____

Corey Mitchell

From Karen Stanford <karenstanford@yahoo.com>
Sent Tuesday, December 13, 2016 7:55 PM
To Corey Mitchell
Subject Re: Tom M. Ragsdale JOA

Thanks so much for sending Corey. I'll look through it and get back with you soon! Karen

From Corey Mitchell <cmitchell@Mewbourne.com>
To Karen Stanford <karenstanford@yahoo.com>; Karen Stanford <kstanford@sianaoil.com>
Sent Tuesday, December 13, 2016 5:01 PM
Subject Tom M. Ragsdale JOA

Karen

Pursuant to our conversation, please see attached JOA and extra set of signature pages. Please have the extra set of signature pages executed and return to me for further handling.

As mentioned, we are moving forward with spudding this well in January. Mr. Ragsdale will receive an invoice for the drilling costs around the first week of January should he still wish to participate. If not, please let me know and we will see if we can work something out.

Let me know if you have any questions. Thanks. Have a great day.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

Corey Mitchell

From Karen Stanford <karenstanford@yahoo.com>
Sent Monday, November 14, 2016, 8:22 AM
To Corey Mitchell
Cc Tom Ragsdale
Subject Pronghorn 15 JOA

Hi Corey

I left a message for you on Thursday concerning the drilling plan for Pronghorn wells. When you get a minute, can you call me so we can discuss that and the comments below concerning the JOA? Please call my cell 713 320 6871. Thanks, Karen

Pronghorn JOA

1. Article IV A Titles: The last sentence is deleted. By doing that, Mewbourne can charge for in-house attorneys; however, that expense should be covered by the Overhead charges. We would like that sentence to remain in the JOA.
2. Article V 7(b) Drilling and Testing Operations: This concerns well information. We would like to add Tom's Well Data requirements as Exhibit G to the JOA.
3. Article VI B 9 Spudder Rigs: Are you planning to use a spudder rig?
4. Article XVI Other Provisions
 - A: This is concerning the expense incurred for governmental hearings, specifically fees paid to attorneys and witnesses. This should be covered by the Overhead. Please delete this paragraph.
 - E: This is concerning prepayment of costs and states that if prepayment is not received timely, that the non-consent penalty goes into effect. Please delete this paragraph.
5. Exhibit C COPAS: Section III 1 A(i) All charges should be covered by the overhead rates. Please check Alternative 2.
Section III 1 A(ii) All charges should be covered by the overhead rates. Please check Alternative 1.

Corey Mitchell

From on behalf of Karen Stanford <karenstanford@yahoo.com>
Sent Tuesday, November 08, 2016 8:01 PM
To Corey Mitchell
Subject Re: AFEs

Hi Corey

I am not working in Tom's office anymore, although I am still helping him out when I can. The move of the office near the airport added more time to my already long drive and it was just getting to be too much for me!

I talked to Tom today and told him the JOA needs to be reviewed and signed. I am hoping tomorrow I can go through it with him. I remember having a couple of issues, but nothing too major.

Do you have a good estimation on the spud date yet?

Thanks for all your help with this. I know Tom is looking forward to the project!

Karen

From Corey Mitchell <cmitchell@Mewbourne.com>
To Karen Stanford <kstanford@sianaoil.com>
Cc karenstanford@yahoo.com <karenstanford@yahoo.com>
Sent Monday, November 7, 2016 4:04 PM
Subject RE: AFEs

Karen

I hope all is well. I received Tom's executed AFEs in the mail. However, I have yet to receive the executed JOA. Do you know what the status is on the JOA? Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

From Karen Stanford [<mailto:kstanford@sianaoil.com>]
Sent Monday, October 17, 2016 12:38 PM
To Corey Mitchell
Subject AFEs

Hi Corey – quick question. You sent AFEs for 3 additional wells – what are the anticipated spud dates of those wells?

Thanks

Corey Mitchell

From Karen Stanford <kstanford@sianaoil.com>
Sent Friday, October 07, 2016, 11:50 AM
To Corey Mitchell
Subject AFE questions

Hi Corey

Tom has looked over the AFEs and is questioning the \$203,000 TCP and \$85,000 CC charges for Company Supervision for each well. Can you tell us how these numbers were derived?

I received the JOA – thanks for sending it

Thanks

Karen

Corey Mitchell

From Karen Stanford <karenstanford@yahoo.com>
Sent Wednesday September 28 2016 2 25 PM
To Corey Mitchell
Subject Re Term Assignment

Great thanks We should be in the new office and working normally on Friday Phone number should be the same 713 568 1082

Thanks

Karen

From Corey Mitchell <cmitchell@Mewbourne.com>
To Karen Stanford <karenstanford@yahoo.com>
Sent Wednesday September 28 2016 2 21 PM
Subject Re Term Assignment

Thanks Karen I will be back in the office on Friday and will give you a call then Have a great day

Sent from my iPhone

On Sep 28 2016 at 1 03 PM Karen Stanford <karenstanford@yahoo.com> wrote

Hi Corey I just left you a message at your office they said you were not in

Just wanted you to know that Tom is going to participate in the Section 15 well after all Just need to talk to you about the AFE when you get a chance

I am working from home today The office is being moved to a new location and I don't have access to the sianaoil email

You can reach me at this email karenstanford@yahoo.com

713 320 6871 cell
281 265 0361 home

Thanks!

Karen Stanford

From Corey Mitchell <cmitchell@Mewbourne.com>
To "karenstanford@yahoo.com" <karenstanford@yahoo.com>
Sent Tuesday September 27 2016 12 12 PM
Subject FW Term Assignment

Karen

See if this one makes it through Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company

Corey Mitchell

From Karen Stanford <karenstanford@yahoo.com>
Sent Tuesday, September 27, 2016 1:08 PM
To Corey Mitchell
Subject Re: Term Assignment

Got it! Thanks Corey

I'll look through it and get back with you!

Karen

From Corey Mitchell <cmitchell@mewbourne.com>
To karenstanford@yahoo.com <karenstanford@yahoo.com>
Sent Tuesday, September 27, 2016 12:12 PM
Subject FW: Term Assignment

Karen

See if this one makes it through. Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

From Corey Mitchell
Sent Monday, September 26, 2016 2:00 PM
To Karen Stanford
Subject RE: Term Assignment

Karen,

Please see attached. I have revised the last part of the first sentence under the Continuous Development Option to read '(2) all depths lying above and below the formation in which the well was completed. I believe this should satisfy your 1 below.

Also, I believe the last sentence under Continuous Development Option should satisfy your 2 below. It reads: 'Thereafter, this Assignment shall be considered as a separate assignment as to lands covered hereby that are included in a pooled, communitized proration unit and/or project area.'

Lastly, I received your well information and will get Mr. Ragsdale set up to receive said information should wrap this deal up.

Please review and let me know if this is acceptable. I hope we can move forward and close this deal fairly quickly.

Corey Mitchell

From Karen Stanford <kstanford@sianaoil.com>
Sent Friday, September 23, 2016, 2:05 PM
To Corey Mitchell
Subject RE: Term Assignment
Attachments WELL REQUIREMENTS SHEET.doc

Hi Corey, Just in case Tom decides not to participate and goes with the Term Assignment, I wanted to give you some comments on the latest version you sent:

1. The Reassignment still isn't clear. As we agreed, Mewbourne will only earn 160 per well unless it's drilled to a zone that has a larger minimum proration unit. Pooling / unitization is also limited to the same size. I don't think the agreement as currently drafted reflects that. Also, the depths to be reassigned is everything but the currently producing (or capable of producing zone). If you drill a Bone Spring, Siana will receive a reassignment of the Wolfcamp and vice versa. Again, I don't think the agreement reflects that.
2. Once the Term Assignment expires, the assignment is considered a separate assignment of the acreage included in the unit (as per the pooling / communitized clause) for each well drilled.
3. Well Information is attached.

Thanks, Corey. Hope you have a great weekend!

Karen

— Original Message

From: Corey Mitchell [mailto:cmitchell@Mewbourne.com]
Sent: Monday, September 19, 2016, 5:00 PM
To: Karen Stanford
Cc: karenstanford@yahoo.com
Subject: RE: Term Assignment

Karen

Pursuant to our conversation, please see attached redlined Term Assignment. I believe I have incorporated all the changes we discussed.

Please send me over the respective paperwork showing Mr. Ragsdale owns this as his separate property.

I talked to my team about purchasing a full assignment as opposed to doing a term assignment. They don't think we would be able to add much more value, but said if you have something to offer, we will look at it.

Because we would look to wrap this up sooner than later, I believe sticking with the Term Assignment will be our best option. However, please have Mr. Ragsdale sign and send in the executed AFE should he wish to participate instead.

Let me know if you have any questions or if I am missing anything. Thanks. Have a great evening.

Corey Mitchell
Land Department

Corey Mitchell

From Karen Stanford <karenstanford@yahoo.com>
Sent Tuesday, September 20, 2016 7:22 AM
To Corey Mitchell
Cc Karen Stanford
Subject Re: Term Assignment

Thanks Corey. I will look at the changes and discuss this again with Tom.

I forgot to give you the well information requirements for the term assignment. Assuming that's the way Tom wants to go, I will get that to you and we can add it as an Exhibit to the Assignment.

Thanks

Karen

From Corey Mitchell <cmitchell@mewbourne.com>
To Karen Stanford <kstanford@sianaol.com>
Cc karenstanford@yahoo.com <karenstanford@yahoo.com>
Sent Monday, September 19, 2016 4:59 PM
Subject RE: Term Assignment

Karen

Pursuant to our conversation, please see attached redlined Term Assignment. I believe I have incorporated all the changes we discussed.

Please send me over the respective paperwork showing Mr. Ragsdale owns this as his separate property.

I talked to my team about purchasing a full assignment as opposed to doing a term assignment. They don't think we would be able to add much more value, but said if you have something to offer, we will look at it.

Because we would look to wrap this up sooner than later, I believe sticking with the Term Assignment will be our best option. However, please have Mr. Ragsdale sign and send in the executed AFE should he wish to participate instead.

Let me know if you have any questions or if I am missing anything. Thanks. Have a great evening.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

-----Original Message-----



Date September 22, 2016

Simple Certified

The following is in response to your September 22, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945017848953. The delivery record shows that this item was delivered on September 22, 2016 at 7:40 am in HOUSTON, TX 77079. The scanned image of the recipient information is provided below.

Signature of Recipient

A handwritten signature in black ink, appearing to read "Tom M. Ragsdale".

Address of Recipient

12012 Wickchester
Lane Ste 410
Houston, TX 77079

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

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

Sincerely,
United States Postal Service

Tom M. Ragsdale
12012 WICKCHESTER LN STE 410
HOUSTON TX 77079
Reference # Proposal Pronghorn 15 B3AP B3BO B3CN #1H CM

MEWBOURNE OIL COMPANY

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

September 15 2016

Via Certified Mail

Tom M Ragsdale
12012 Wickchester Lane, Suite 410
Houston, Texas 77079

Re Pronghorn 15 B3AP Fed Com No 1H
185' FNL & 660' FEL (SL)
330 FSL & 450' FEL (BHL)
Section 15, T23S, R34E
Lea County, New Mexico

Dear Mr Ragsdale

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640 00 acre Working Interest Unit ("WIU") covering the captioned Section 15 as to depths from the surface to the base of the Wolfcamp formation for oil and gas production

In reference to the above Mewbourne as Operator hereby proposes to drill the captioned 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 11,280 feet subsurface to evaluate the Third Bone Spring Sand in the Bone Spring Formation The proposed well will have a measured depth (MD) of approximately 15,825 feet The E/2E/2 of the captioned Section 15 will be dedicated to the well as the oil proration unit

Regarding the above, enclosed for your further handling is our AFE dated August 26, 2016 for the captioned proposed well In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me within thirty (30) days Our Operating Agreement dated February 1, 2016 as previously been provided to you

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

Sincerely

MEWBOURNE OIL COMPANY



Corey Mitchell
Landman

Corey Mitchell

From Karen Stanford <kstanford@sianaoil.com>
Sent Friday September 16 2016 10 54 AM
To Corey Mitchell
Subject RE Term Assignment

Monday sounds good How about 10 00 I ll call you?

Hope you have a good weekend!

Karen

From Corey Mitchell [cmitchell@Mewbourne.com]
Sent Friday September 16 2016 10 35 AM
To Karen Stanford
Subject RE Term Assignment

Karen

Monday would probably be best I have a meeting 2 3 but should be available the rest of the day Any time work better for you than another? Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685 4170

— Original Message

From Karen Stanford [mailto:kstanford@sianaoil.com]
Sent Friday September 16 2016 9 48 AM
To Corey Mitchell
Subject RE Term Assignment

Hi Corey I am at an offsite meeting today but can take your call if you want to talk through the Assignment Might be best to set up a time to talk Just let me know

Thanks

Karen Stanford
713 320 6871

From Karen Stanford
Sent Thursday September 15 2016 9 39 AM

To Corey Mitchell
Subject RE Term Assignment

Corey My apologies if you mentioned the Wolfcamp as an objective I overlooked it My intention has always been for Mewbourne to earn 160 acres per Bone Spring well during the term of the Assignment with Tom having the option to back in on wells drilled on the remaining 480 acres

At this point it probably makes more sense to discuss this by phone so we can timely work through this issue and any others regarding the Assignment Please let me know when you are available to discuss

Thanks

Karen

From Corey Mitchell [cmitchell@mewbourne.com]
Sent Wednesday, September 14, 2016 5:19 PM
To Karen Stanford
Subject RE Term Assignment

Karen

Our initial well is the Pronghorn 15 B3DM Fed Com #1H which will be a Bone Spring test. However, we are looking at the Wolfcamp as a secondary target. We plan on spudding this well in the coming months.

The terms as proposed by you and accepted by MOC were that Mr. Ragsdale would farmout its interest in Section 15 and have no back in option on the first well and have a back in option on all subsequent wells. This is how the deal is set up. Mr. Ragsdale would not have the option to participate upfront on subsequent wells but would instead have the option at payout.

Hope this helps clear up the confusion.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701
Bus (432) 682 3715
Fax (432) 685 4170

-- Original Message

From Karen Stanford [mailto:kstanford@sianaoil.com]
Sent Wednesday, September 14, 2016 5:08 PM
To Corey Mitchell
Subject RE Term Assignment

Hi Corey Thanks for your response

I had been under the assumption that the objective of the Pronghorn 15 #1H was the Bone Spring and not the Wolfcamp. Would you please let me know what the drilling plan is for the well, what the future plan is for Section 15, what your interest is and who your partners are in the well.

My expectation is that Mewbourne would drill to the Bone Spring earn 160 acres per well and Tom will have the opportunity to have a working interest in 3 other potential wells in Section 15. If this is not the case I need to revisit with Tom to make sure he understands and the deal you are proposing.

Thanks

Karen

From: Corey Mitchell [cmitchell@mewbourne.com]
Sent: Tuesday, September 13, 2016 11:25 AM
To: Karen Stanford
Subject: RE: Term Assignment

Karen

Please see attached Term Assignment regarding your suggested revisions.

MOC is not agreeable to the additional back in after payout on the initial well. Therefore, I have limited the term assignment to cover depths from the top of the Bone Spring formation to the base of the Wolfcamp formation.

This is our final modification on terms. For clarification, we are agreeing to the following:

3 year term

Limited from the top of the Bone Spring to the base of the Wolfcamp formation

[REDACTED] bonus

ORRI [REDACTED]

[REDACTED]

180 day continuous development earning through the base of the producing formation in each proration unit

Also, we are ok with adding well requirements as Exhibit 'C'.

As a side note, the term assignment I sent to you is our standard form of assignment approved by our attorney, Allen Harvey. It is unlikely that many material changes will be approved at this point. All of the other term assignments we have acquired in this section are on the same form.

I hope we can close this deal soon. Let me know if you have any questions. Thanks.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

From: Karen Stanford [mailto:kstanford@sianaoil.com]
Sent: Monday, September 12, 2016, 2:22 PM
To: Corey Mitchell
Subject: Term Assignment

Hi Corey

Sorry it took so long to get comments on the Term Assignment to you. I have attached the document with my comments. I left in the earning of rights from the surface to the deepest producing zone; however, Tom will have the option to back in on the first well in addition to subsequent wells.

Call me when you are ready to talk through the changes.

Thanks

Karen Stanford
713 568 1082

Corey Mitchell

From Karen Stanford <kstanford@sianaoil.com>
Sent Tuesday, September 13, 2016 10:06 AM
To Corey Mitchell
Subject RE: Term Assignment

Corey, I just realized that I forgot to include the information requirements. I'd like to add that to the agreement. I'll get those to you by tomorrow.

Thanks,

Karen

From Karen Stanford
Sent Monday, September 12, 2016 2:22 PM
To Corey Mitchell
Subject Term Assignment

Hi Corey,

Sorry it took so long to get comments on the Term Assignment to you. I have attached the document with my comments. I left in the earning of rights from the surface to the deepest producing zone; however, Tom will have the option to back in on the first well in addition to subsequent wells.

Call me when you are ready to talk through the changes.

Thanks

Karen Stanford
713 568 1082

Corey Mitchell

From Karen Stanford <kstanford@sianaoil.com>
Sent Wednesday, September 07, 2016 5:32 PM
To Corey Mitchell
Subject Agreement

Hi Corey – I did not get a chance to look at the agreement today but will try to do tomorrow and get back with you

As for the shallow rights – Tom will give up the shallow rights for a back in on the first well

Talk to you tomorrow

Karen

Corey Mitchell

From Karen Stanford <kstanford@sianaoil.com>
Sent Wednesday, September 07, 2016 9:29 AM
To Corey Mitchell
Subject RE: Pronghorn 15 Prospect

Got it! Thanks Corey. I will get back with you later today.

Karen

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Tuesday, September 06, 2016 5:30 PM
To Karen Stanford
Subject RE: Pronghorn 15 Prospect

Karen

I tried faxing to you. Let me know if it did not go through. Thanks.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

From Karen Stanford [<mailto:kstanford@sianaoil.com>]
Sent Friday, September 02, 2016 9:03 AM
To Corey Mitchell
Subject RE: Pronghorn 15 Prospect

Thanks Corey – Is there a JOA that has been executed already? I would like to review it if it's the JOA that Tom will be subject to at payout. Do you have a fax machine? Maybe you can fax it? Our fax number is 832-767-1403.

I'll talk to Tom about the shallow rights and let you know.

Thanks,

Karen

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Thursday, September 01, 2016 11:23 AM
To Karen Stanford
Subject FW: Pronghorn 15 Prospect

Karen,

My email keeps getting kicked back when I attach the JOA form.

I was thinking it may not be necessary to attach the JOA as an exhibit. A simple reference describing the JOA to be effective at payout may suffice.

Also, we are not acceptable to limiting the term assignment to just the producing formation. We feel we are giving a lot on the terms and would like the opportunity to develop surface to the base of the Wolfcamp. Plus, this will keep things uniformed with the other partners as they are surface to base of Wolfcamp. In addition, we are only earning down to what we produce and the term assignment is already set up that any unproduced depths below our producing formation will revert back to Mr. Ragsdale.

We have this well set to spud late 2016 / early 2017.

Let me know if you need anything else. Thanks.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Karen Stanford [<mailto:kstanford@sianaoil.com>]

Sent Wednesday, August 31, 2016 5:19 PM

To Corey Mitchell

Subject RE: Pronghorn 15 Prospect

Hi Corey – thanks for the heads up. Do you have a lot of interest owners that need to be forced pooled? Who are your partners? Could you send me a copy of the JOA? I would like to review that and attach it to the Assignment. I need to review the Assignment more closely before I can give you comments and changes we may need, but we would like to only assign the producing formation. I should be able to give you my comments by Friday though. Let me know if there is a problem with attaching the JOA and assigning only the producing formation.

When is your expected spud date?

Thanks

Karen

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]

Sent Monday, August 29, 2016 4:39 PM

To Karen Stanford

Subject Pronghorn 15 Prospect

Karen,

I just wanted to give you a heads up that I will be moving forward with force pooling for all parties not under our JOA or an executed deal in place.

We recognize our recent negotiations on a term assignment and still want to move forward with closing said deal. Once executed, Mr. Ragsdale will be released from the pooling application.

I've been instructed to do this in order to prepare the well for drilling so we don't have any interest hanging out. Also, we do not want to go back and reopen the case should our deal fall apart for any reason. Although, I don't expect that it will.

I just wanted to give you a heads up so you didn't think we were not interested in working a deal out anymore

Let me know if you have any questions Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

Corey Mitchell

From Karen Stanford <kstanford@sianaoil.com>
Sent Monday August 22 2016 6 15 PM
To Corey Mitchell
Cc Mark Crosswell
Subject RE Pronghorn 15 Prospect

Hi Corey – Sorry for not getting back to you sooner I just talked Tom about it The basic structure of the deal he is fine with There are some specifics we need to discuss such as

- 1 Receiving well Information
- 2 Pugh clause
- 3 Wellbore only assignment
- 4 Definition of payout

Also Mark Crosswell with Siana has been talking to your production people about the disposal of the saltwater from these wells Siana has a SWD well nearby and would like to contract with Mewbourne for the disposal Could we set up a meeting to discuss this with the appropriate people?

I am out tomorrow but checking email Let me know if you want to set up a time to talk about the assignment and/or the SWD contract

Thanks

Karen

From Corey Mitchell [mailto:cmitchell@mewbourne.com]
Sent Monday August 22 2016 4 55 PM
To Karen Stanford <kstanford@sianaoil.com>
Subject RE Pronghorn 15 Prospect

Karen

Just checking in Any feedback? Thanks

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Karen Stanford [mailto:kstanford@sianaoil.com]
Sent Wednesday, August 17, 2016 10 22 AM
To Corey Mitchell
Subject RE Pronghorn 15 Prospect

Hi Corey - Thanks for your revised offer Sorry I didn't get back to you yesterday I will try to talk to Tom about it this afternoon and hopefully can get back with you then

Thanks,

Karen

From Corey Mitchell [cmitchell@Mewbourne.com]
Sent Monday, August 15, 2016 9:01 AM
To Karen Stanford
Subject RE: Pronghorn 15 Prospect

Karen

Pursuant to our conversation please see revised offer below

- 3 year term
- Limited from the Surface to the base of the Wolfcamp formation
- [REDACTED] bonus
- ORRI - [REDACTED]
[REDACTED]
- 180 day continuous development earning through the base of the producing formation in each proration unit

Please review and let me know if the above is acceptable If so I will forward a copy of our term assignment for review
Thanks Have a great day

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Karen Stanford [mailto:kstanford@sianaoil.com]
Sent Thursday, August 11, 2016 6:25 PM
To Corey Mitchell
Subject RE: Pronghorn 15 Prospect

Hi Corey - Thanks for your note I will be out Monday, but in Tuesday Look forward to talking with you
Enjoy your weekend!

Karen
713 568-1082

From Corey Mitchell [cmitchell@Mewbourne.com]
Sent Thursday, August 11, 2016 5:24 PM
To Karen Stanford
Subject RE: Pronghorn 15 Prospect

Karen

Sorry I am out of the office but will be back on Monday I will get with you then and hopefully get a deal worked out
Thanks for your patience Have a great weekend

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682-3715
Fax (432) 685-4170

From Karen Stanford [<mailto:kstanford@sianaoil.com>]
Sent Monday, August 08, 2016 4 54 PM
To Corey Mitchell
Subject RE Pronghorn 15 Prospect

Hi Corey

We can reduce the ORRI to the [REDACTED] difference between 25% and lease burdens [REDACTED]
[REDACTED]

I am happy to discuss this with you by phone - just let me know when it's a good time for you to talk

Thanks

Karen

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Friday August 05 2016 4 39 PM
To Karen Stanford <kstanford@sianaoil.com>
Subject RE Pronghorn 15 Prospect

Karen

We are not going to be able to do a deal based on the terms set out below MOC is willing to purchase a Term Assignment based on the following

- 3 year term
- Limited from the Surface to the base of the Wolfcamp formation
- [REDACTED] bonus
- 25% existing burdens proportionately reduced as an overriding royalty reservation
- 180 day continuous development

I cannot get approval to pay the big bonus amount, have an ORI reservation that would potentially put our NRI less than 75% and burden the interest even further with a BIAPO

Please review and let me know if the above is acceptable Hopefully we can find some common ground here Thanks
Have a great weekend

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701

From Karen Stanford [<mailto:kstanford@sianaoil.com>]
Sent Wednesday, August 03, 2016 6 00 PM
To Corey Mitchell
Subject RE: Pronghorn 15 Prospect

Corey Mitchell

From Corey Mitchell
Sent Thursday June 30 2016 1 29 PM
To Mark Crosswell
Cc Tom Ragsdale
Subject RE Pronghorn 15

Sounds good

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682 3715
Fax (432) 685-4170

From Mark Crosswell [<mailto:mcrosswell@sianaoil.com>]
Sent Thursday, June 30, 2016 10 13 AM
To Corey Mitchell
Cc Tom Ragsdale
Subject RE Pronghorn 15

Lets do 3pm thanks

From Corey Mitchell [<mailto:cmitchell@Mewbourne.com>]
Sent Thursday June 30 2016 7 59 AM
To Mark Crosswell <mcrosswell@sianaoil.com>
Cc Tom Ragsdale <tmragsdale@sianaoil.com>
Subject RE Pronghorn 15

Mark

I will be in meetings this morning Will 2 or 3 work for you this afternoon?

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
Bus (432) 682-3715
Fax (432) 685-4170

From Mark Crosswell [<mailto:mcrosswell@sianaoil.com>]
Sent Wednesday, June 29, 2016 5 14 PM
To Corey Mitchell
Cc Tom Ragsdale
Subject Pronghorn 15

Corey

I left you a message to discuss the above captioned prospect. We were hoping to set up a call to discuss the AFE. Do you have anytime tomorrow for a call with Tom Ragsdale and myself?

H Mark Crosswell CFA
Siana Oil & Gas Co. LLC
12012 Wickchester Lane ste 410
Houston Texas 77079
713 568 1082
Cell 713 410 1778

Corey Mitchell

From Corey Mitchell
Sent Thursday, June 16, 2016 10:59 AM
To Tom Ragsdale
Subject RE: Pronghorn 15 B3DM Fed Com No. 1

Hey Tom,

I just wanted to follow up on our conversation the other day. I believe you were looking at countering our offer as opposed to participating. I just wanted to check in and see if you had something else in mind. Let me know what you think. Thanks. Have a great day.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, TX 79701
Bus: (432) 682-3715
Fax: (432) 685-4170

From Tom Ragsdale [<mailto:tmragsdale@sianaoil.com>]
Sent Wednesday, May 25, 2016 6:00 PM
To Corey Mitchell
Subject Pronghorn 15 B3DM Fed Com No. 1

Hi Corey,

We recently received your well proposal and AFE. We have a few questions about the proposed well. Let's visit tomorrow if you'll be in the office. I believe we met before with Larry Cunningham and your group at lunch. I will look forward to visiting with you. Thanks.

Tom M. Ragsdale
President
Siana Oil & Gas Co., LLC
12012 Wickchester Lane, Ste 410
Houston, TX 77079
713-568-1082



Date May 17, 2016

Simple Certified

The following is in response to your May 17, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015090651. The delivery record shows that this item was delivered on May 16, 2016 at 2 51 pm in MIDLAND, TX 79701. The scanned image of the recipient information is provided below.

Signature of Recipient

John/Arick John Lelek

Address of Recipient

*P O Box 10303
Midland, TX*

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

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

Sincerely,
United States Postal Service

Tom M. Ragsdale
PO BOX 10303
MIDLAND TX 79702
Reference # Pronghorn 15 B3DM 1H cm
Item ID Pronghorn 15 B3DM 1H cm

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

April 27, 2016

Via Certified Mail

Tom M Ragsdale
P O Box 10303
Midland, Texas 79702

Re Pronghorn 15 B3DM Fed Com No 1H
185' FNL & 450' FWL (SL)
330' FSL & 450' FWL (BHL)
Section 15, T23S, R34E
Lea County, New Mexico

Dear Mr Ragsdale

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640.00 acre Working Interest Unit ("WIU") covering the captioned Section 15 as to depths from the surface to the base of the Wolfcamp formation for oil and gas production. Apparently you own 6.774950% interest in the S/2 and 6.900000% interest in the N/2 of the captioned Section 15. Accordingly, you would own 6.837475% working interest in the proposed WIU (6.774950% interest X 320 gross acres = 21.679840 net acres) (6.900000% interest X 320 gross acres = 22.080000 net acres) (21.679840 net acres + 22.080000 net acres = 43.759840 net acres / 640 gross acres = 6.837475% interest in the WIU).

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned 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 11,380 feet subsurface to evaluate the Third Bone Spring Sand in the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 16,000 feet. The W/2W/2 of the captioned Section 15 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated January 29, 2016 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me within thirty (30) days. Our Joint Operating Agreement to follow should you elect to participate.

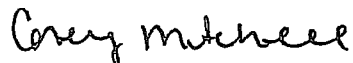
Tom M Ragsdale
Pronghorn 15 Prospect
April 27 2016
Page 2 of 2

In lieu of participating, Mewbourne hereby offers to purchase a three (3) year Term Assignment from you on the basis of \$1,000 00 per net acre whereby Mewbourne would be delivered a 75% net revenue interest, subject to proportionate reduction. The term assignment will be limited in depths from the surface to the base of the Wolfcamp formation (43 759840 net acres X \$1,000 00 = \$43,759 84)

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

Sincerely,

MEWBOURNE OIL COMPANY

A handwritten signature in cursive script that reads "Corey Mitchell".

Corey Mitchell
Landman

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name Pronghorn 15 B3AP Fed Com #1H		Prospect	
Location SL 185 FNL & 660 FEL BHL 330 FSL & 450 FEL		County Lea ST NM	
Sec 15	Blk	Survey	TWP 23S RNG 34E Prop TVD 11280 TMD 15825

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$15 000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$30 000	0180-0205	\$30 000
Location / Restoration	0180-0106	\$125 000	0180-0206	\$20 000
Daywork / Turnkey / Footage Drilling 27 days drlg & 3 days comp @ \$16250/day	0180-0110	\$521 000	0180-0210	\$57 700
Fuel 1500 gal/day @ \$1 70/gal	0180-0114	\$72 100		
Mud Chemical & Additives	0180-0120	\$150 000	0180-0220	\$5 000
Horizontal Drillout Services Coil Tbg Drillout			0180-0222	\$65 000
Cementing 2 Stg 7 w/ ECP	0180-0125	\$85 000	0180-0225	\$20 000
Logging & Wireline Services	0180-0130	\$1 500	0180-0230	\$135 000
Casing / Tubing / Snubbing Service	0180-0134	\$20 000	0180-0234	\$10 000
Mud Logging	0180-0137	\$15 000		
Stimulation 24 Stg 7MM gal/7MM lb			0180-0241	\$780 000
Stimulation Rentals & Other			0180-0242	\$100 000
Water & Other	0180-0145	\$25 000	0180-0245	\$360 000
Bits	0180-0148	\$70 000	0180-0248	\$3 000
Inspection & Repair Services	0180-0150	\$35 000	0180-0250	\$4 000
Misc Air & Pumping Services	0180-0154	\$35 000	0180-0254	\$10 000
Testing & Flowback Services	0180-0158	\$10 000	0180-0258	\$25 000
Completion / Workover Rig			0180-0260	\$15 000
Rig Mobilization	0180-0164	\$125 000		
Transportation	0180-0165	\$16 000	0180-0265	\$12 000
Welding Services	0180-0168	\$5 000	0180-0268	
Contract Services & Supervision	0180-0170		0180-0270	
Directional Services	0180-0175	\$115 000		
Equipment Rental	0180-0180	\$180 000	0180-0280	\$30 000
Well / Lease Legal	0180-0184	\$5 000	0180-0284	
Well / Lease Insurance	0180-0185	\$5 000	0180-0285	
Intangible Supplies	0180-0188	\$8 000	0180-0288	\$1 000
Damages	0180-0190	\$20 000	0180-0290	
ROW & Easements	0180-0192	\$30 000	0180-0292	\$30 000
Pipeline Interconnect			0180-0293	
Company Supervision	0180-0195	\$203 000	0180-0295	\$85 000
Overhead Fixed Rate	0180-0196	\$10 000	0180-0296	\$20 000
Well Abandonment	0180-0198		0180-0298	
Contingencies 10 / (TCP) 5 / (CC)	0180-0199	\$193 200	0180-0299	\$90 900
TOTAL		\$2 124 800		\$1 908 600

TANGIBLE COSTS 0181	CODE	TCP	CODE	CC
Casing (19 1 30)	0181-0793			
Casing (10 1 19 0) 2085 13 3/8 54 5# J55 STC @ \$24 00/ft GRT	0181-0794	\$53 500		
Casing (8 1 10 0) 4875 9 5/8 36#/40# J55/N80 LTC @ \$15 56/ft GRT	0181-0795	\$81 100		
Casing (6 1 8 0)	0181-0796			
Casing (4 1 6 0) 15825 5 1/2 17# P110 LTC/BTC @ \$12 09/ft GRT			0181-0797	\$205 100
Tubing (2 4)			0181-0798	\$37 100
Drilling Head	0181-0860	\$20 000		
Tubing Head & Upper Section			0181-0870	\$15 000
Horizontal Completion Tools			0181-0871	\$27 000
Sucker Rods			0181-0875	\$32 000
Subsurface Equipment			0181-0880	\$15 000
Artificial Lift Systems			0181-0884	
Pumping Unit Sentry 912 Unit			0181-0885	\$85 000
Surface Pumps & Prime Movers VRU / SWD Transfer Pump / Arrow Engine			0181-0886	\$65 000
Tanks Oil 3 500 bbl steel			0181-0890	\$28 500
Tanks Water 1 500 bbl steel coated			0181-0891	\$11 000
Separation / Treating Equipment 2 30 x10x1k# 3ph/FWKO			0181-0895	\$25 000
Heater Treaters Line Heaters 6x20x75# HT			0181-0897	\$13 000
Metering Equipment			0181-0898	\$7 000
Line Pipe & Valves Gathering			0181-0900	\$25 000
Fittings / Valves & Accessories			0181-0906	\$45 000
Cathodic Protection			0181-0908	\$5 000
Electrical Installation			0181-0909	
Equipment Installation			0181-0910	\$30 000
Pipeline Construction			0181-0920	\$40 000
TOTAL		\$154 600		\$710 700
SUBTOTAL		\$2 279 400		\$2 619 300
TOTAL WELL COST		\$4 898 700		

Prepared by **D Robison** Date **8/25/2016**
 Co Appro al **M. White** Date **8/26/2016**

Joint Owner Interest _____ Am nt _____

Joint Owner Name _____ Signature _____

Operator has secured Operator's Extra Expense Insurance covering costs of well control and drilling turn down. In Item 0180 0185 N Operator may elect NOT to be covered by this Operator's Extra Expense Insurance only by signing below. The undersigned elects **NOT to be covered by Operator's Extra Expense Insurance for their well**

Joint Owner Name _____ Signature _____ Form Rev 9/01/2015



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

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

Case No 15,600

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

Case No 15,601

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

Case No 15,602

AFFIDAVIT OF NOTICE

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

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

1 I am over the age of 18 and have personal knowledge of the matters stated herein

2 I am an attorney for Mewbourne Oil Company

3 Mewbourne Oil Company has conducted a good faith diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the applications filed herein

4 Notice of the applications was provided to the interest owners at their correct addresses by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A

5 Applicant has complied with the notice provisions of Division Rules NMAC 19 15 4 9 and 19 15 4 12 C

EXHIBIT

5

James Bruce
James Bruce

SUBSCRIBED AND SWORN TO before me this _____ day of ~~October, 2016~~ by
James Bruce



My Commission Expires _____

29th day of March, 2017

[Signature]
Notary Public

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE NEW MEXICO 87504

369 MONTI ZUMA NO 213
SANTA FE NEW MEXICO 87501

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

jamesbruce@aol.com

November 9 2016

To Persons on Exhibit A

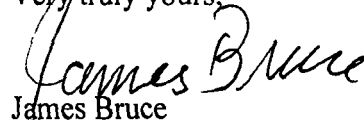
Ladies and gentlemen

Enclosed are copies of three applications for a non standard oil spacing and proration unit and compulsory pooling filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company regarding Bone Spring wells in (i) the E/2E/2 of Section 15 (ii) the W/2E/2 of Section 15 and (iii) the E/2W/2 of Section 15 in Township 23 South Range 34 East NMPM Lea County New Mexico

These matters are scheduled for hearing at 8 15 a m on Thursday December 1 2016 in Porter Hall at the Division's offices at 1220 South St Francis Drive Santa Fe New Mexico 87505 You are not required to attend this hearing but as an owner of an interest that may be affected by these applications, you may appear and present testimony Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date

A party appearing in a Division case is required by Division Rules to file a Pre Hearing Statement no later than Wednesday, November 23 2016 This statement must be filed with the Division's Santa Fe office at the above address and should include The names of the party and its attorney a concise statement of the case the names of the witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case and identification of any procedural matters that need to be resolved prior to the hearing The Pre Hearing Statement must also be provided to the undersigned

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT **A**

Exhibit A

Black Mountain Operating LLC
Suite 1200
500 Main Street
Fort Worth Texas 76102

Attention Luke Mildren

Tom M Ragsdale
Suite 601
400 North Sam Houston Parkway East
Houston Texas 77060

Attention Karen Stanford

SIGNED

SENDER: COMPLETE THIS SECTION

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

1 Article Addressed to

Tom M Ragsdale
Suite 601
400 North Sam Houston Parkway East
Houston Texas 77060

9590 9402 2354 6225 8697 05

Article Number (Transfer from service label)
7012 3050 0000 6866 9164

PS Form 3811 July 2015 PSN 7530 02 000 9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☐ Agent ☐ Addressee

B Received by (Printed Name) C Date of Delivery

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

3 Service Type

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☐ Adult Signature Restricted Delivery ☐ Registered Mail™
☒ Certified Mail® ☐ Registered Mail Restricted Delivery
☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise
☐ Collect on Delivery ☐ Signature Confirmation™
☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

U.S. Postal Service™
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(Domestic Mail Only; No Insurance or Signature Provided)

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

Postage \$

Cited Fee

Ret A c p t F e
(End some t r q ed)

R st cled D l ery Fee
E lo em nt Req ed

To P t rge & Fees \$

See To

See Apt N
o PO B No
City State ZIP 4

Black Mountain Operating LLC
Suite 1200
500 Main Street
Fort Worth Texas 76102

PS Form 3800 August 2006 See Reverse for Instructions

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance or Signature Provided)

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

P l e

C l e d e e

R n p c e p t
(E d t r q ed)

Re cled Del F
(E d o r s e r m e t R e ed)

Total Postage & F \$

See To

Set Apt No
o PO Bo No
City State ZIP 4

Tom M Ragsdale
Suite 601
400 North Sam Houston Parkway East
Houston Texas 77060

PS Form 3800 August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1 2 and 3
- Print your name and address on the reverse so that we can return the card to you
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1 Article Addressed to

Black Mountain Operating, LLC
Suite 1200
500 Main Street
Fort Worth Texas 76102

9590 9402 2354 6225 8697 12

2

7012 3050 0000 6866 9171

PS Form 3811 July 2015 PSN 7530-02 000 9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☐ Agent ☐ Addressee

B Received by (Printed Name) C Date of Delivery

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

3 Service Type

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☒ Certified Mail® ☐ Registered Mail Restricted Delivery
☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise
☐ Collect on Delivery ☐ Signature Confirmation™
☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

Offset Operators

Section 10

Siana Operating LLC
EOG Resources, Inc
CML Exploration, LLC

Section 11

BTA Oil Producers LLC
Chevron U S A Inc
Edward R Hudson Jr
Estate of Josephine T Hudson
Zorro Partners Ltd
Delmar Hudson Lewis Living Trust
Lindy s Living Trust
Ard Oil Ltd
The Salient Zarvona Energy Fund LP
Overton Energy Investments VI, LLC

W/2W/2 Section 14

Mewbourne Oil Company

Section 23

Regeneration Energy Corporation

Section 22

Siana Operating LLC
Black Mountain Operating LLC
CML Exploration, LLC

W/2W/2 Section 15

Mewbourne Oil Company

EXHIBIT

6

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

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

Case No 15,600

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

Case No 15,601

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

Case No 15,602

AFFIDAVIT OF NOTICE

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

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

1 I am over the age of 18 and have personal knowledge of the matters stated herein

2 I am an attorney for Mewbourne Oil Company

3 Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the offset operators or working interest owners entitled to receive notice of the applications filed herein

4 Notice of the applications was provided to the offsets by certified mail. Copies of the notice letters and certified return receipts are attached hereto as Attachment A

5 Applicant has complied with the notice provisions of Division Rules NMAC 19 15 4 9 and 19 15 4 12 C

EXHIBIT

7

James Bruce

James Bruce

SUBSCRIBED AND SWORN TO before me this _____ day of ~~October 2016~~ by
James Bruce

29th of March, 2017

My Commission Expires



Kerrie C Allen
Notary Public

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE NEW MEXICO 87504

369 MONTEZUMA NO 213
SANTA FE NEW MEXICO 87501

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

jamesbruce@aol.com

November 9 2016

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To Persons on Exhibit A

Enclosed are copies of three applications for a non standard oil spacing and proration unit and compulsory pooling filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding Bone Spring wells in (i) the E/2E/2 of Section 15 (ii) the W/2E/2 of Section 15 and (iii) the E/2W/2 of Section 15 in Township 23 South Range 34 East NMPM Lea County New Mexico

These matters are scheduled for hearing at 8 15 a m on Thursday December 1 2016 in Porter Hall at the Division's offices at 1220 South St Francis Drive Santa Fe New Mexico 87505 You are not required to attend this hearing but **as an offset operator or working interest owner to one or more of these wells** who may be affected by these applications you may appear and present testimony Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date

A party appearing in a Division case is required by Division Rules to file a Pre Hearing Statement no later than Wednesday November 23 2016 This statement must be filed with the Division's Santa Fe office at the above address, and should include The names of the party and its attorney, a concise statement of the case, the names of the witnesses the party will call to testify at the hearing the approximate time the party will need to present its case, and identification of any procedural matters that need to be resolved prior to the hearing The Pre Hearing Statement must also be provided to the undersigned

Very truly yours


James Bruce

Attorney for Mewbourne Oil Company

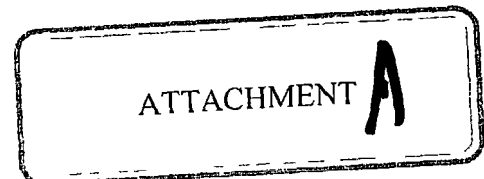


EXHIBIT A

Siana Operating LLC
P O Box 10303
Midland, Texas 79702

EOG Resources Inc
P O Box 2267
Midland, Texas 79702

GMT Exploration Company LLC
Suite 2000
1560 Broadway
Denver Colorado 80202

CML Exploration LLC
P O Box 890
Snyder, Texas 79550

Regeneration Energy Corporation
P O Box 210
Artesia New Mexico 88210

BTA Oil Producers LLC
104 South Pecos Street
Midland, Texas 79701

Chevron U S A Inc
6301 Deauville Boulevard
Midland Texas 79706

Attention Permitting Team

Edward R Hudson Jr
Estate of Josephine T Hudson
Zorio Partners, Ltd
616 Texas Street
Fort Worth Texas 76102

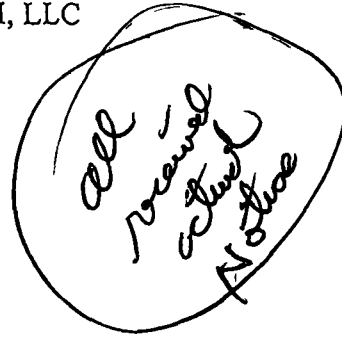
Delmar Hudson Lewis Living Trust
P O Box 2546
Fort Worth Texas 76113

Lindy's Living Trust
6300 Ridglea Place, Suite 1005-A
Fort Worth, Texas 76116

Ard Oil, Ltd
222 West 4th Street PH 5
Fort Worth Texas 76102

The Salient Zarvona Energy Fund LP
1010 Lamar Street, Suite 500
Houston Texas 77002

Overton Energy Investments VI, LLC
4265 San Felipe Suite 1040
Houston Texas 77027



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

CERTIFIED MAIL™

7012 3050 0000 6866 9270

[Handwritten signature]

From

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504

To

NOV 12 2011 12/16

NOT DELIVERABLE AS ADDRESSED
UNDELIVERABLE

BC 87504105656 205011547073-00669

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage)

For delivery information visit our website at usps.com

Postage & Fee	\$
Signature of Addressee	
Signature of Agent	
Signature of Delivery Person	
Signature of Recipient	

Linda's Living Trust
6300 Ridglea Place Suite 1005
Fort Worth TX 76116

PS Form 3811 August 2006

SENDER: COMPLETE THIS SECTION

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

1 Article Addressed to

Linda's Living Trust
6300 Ridglea Place Suite 1005 A
Fort Worth Texas 76116

9590 9402 2354 6225 8697 50

2 Article Addressed to

7012 3050 0000 6866 9270

COMPLETE THIS SECTION ON DELIVERY

A Signature

X

- ☐ Agent
- ☐ Addressee

B Received by (Printed Name)

C Date of Delivery

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

3 Service Type

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

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE NEW MEXICO 87504

369 MONTEZUMA NO 213
SANTA FE NEW MEXICO 87501

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

jamesbruce@aol.com

December 29 2016

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

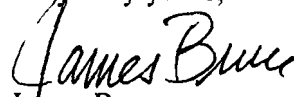
Lindy s Living Trust
Suite 302
4200 South Hulen
Fort Worth Texas 76109

Enclosed are copies of three applications for a non standard oil spacing and proration unit and compulsory pooling filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company regarding Bone Spring wells in (i) the E/2E/2 of Section 15 (ii) the W/2E/2 of Section 15 and (iii) the E/2W/2 of Section 15 in Township 23 South, Range 34 East NMPM, Lea County, New Mexico

These matters are scheduled for hearing at 8 15 a m on Thursday January 19 2017 in Porter Hall at the Division's offices at 1220 South St Francis Drive Santa Fe New Mexico 87505 You are not required to attend this hearing, but **as an offset operator or working interest owner to one or more of these wells** who may be affected by these applications you may appear and present testimony Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date

A party appearing in a Division case is required by Division Rules to file a Pre Hearing Statement no later than Wednesday, January 12 2017 This statement must be filed with the Division's Santa Fe office at the above address and should include The names of the party and its attorney a concise statement of the case the names of the witnesses the party will call to testify at the hearing the approximate time the party will need to present its case and identification of any procedural matters that need to be resolved prior to the hearing The Pre Hearing Statement must also be provided to the undersigned

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

SENDER: COMPLETE THIS SECTION

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

1 Article Addressed to

Lindy's Living Trust
Suite 302
4200 South Hulen
Fort Worth Texas 76109

9590 9402 2349 6225 8210 60

2 A

7014 0510 0000 9535 1401

COMPLETE THIS SECTION ON DELIVERY

A Signature

X *Dana Scott*

☒ Agent

☐ Addressee

B Received by (Printed Name)

TANYA STOUT

C Date of Delivery

1-13-17

D Is delivery address different from item 1? ☐ Yes

If YES enter delivery address below

☐ No

3 Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☒ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation

☐ Signature Confirmation Restricted Delivery

(or \$500)

Restricted Delivery

PS Form 3811 July 2015 PSN 7530 02 000 9053

M-P

Domestic Return Receipt

7012 3050 0000 6866 9256

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1 Article Addressed to

Edward R. Hudson Jr
Estate of Josephine T. Hudson
Zorro Partners Ltd
616 Texas Street
Fort Worth Texas 76102

2 Article Number (Transfer from service label)
7012 3050 0000 6866 9256

PS Form 3811 July 2015 PSN 7530-02 000 9053

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

■ Complete items 1 2 and 3
■ Print your name and address on the reverse so that we can return the card to you
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1 Article Addressed to

EOG Resources Inc
P O Box 2267
Midland Texas 79702

2 Article

7012 3050 0000 6866 9195

PS Form 3811 July 2015 PSN 7530 02 000 9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Robert Force ☐ Agent ☐ Addressee

B. Received by (Printed Name)
R. Force

C. Date of Delivery
11-21-16

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

3 Service Type
☐ Adult Signature ☐ Priority Mail Express®
☐ Adult Signature Restricted Delivery ☐ Registered Mail
☒ Certified Mail® ☐ Registered Mail Restricted Delivery
☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise
☐ Collect on Delivery ☐ Signature Confirmation™
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7012 3050 0000 6866 9195

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1 Article Addressed to

Edward R. Hudson Jr
Estate of Josephine T. Hudson
Zorro Partners Ltd
616 Texas Street
Fort Worth Texas 76102

2 Article Number (Transfer from service label)
7012 3050 0000 6866 9256

PS Form 3811 July 2015 PSN 7530-02 000 9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Myrtle Hudson ☐ Agent ☐ Addressee

B. Received by (Printed Name)
Myrtle Hudson

C. Date of Delivery
11-17-16

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

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

PS Form 3811 July 2015 PSN 7530-02 000 9053

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1 2 and 3</p> <p>■ Print your name and address on the reverse so that we can return the card to you</p> <p>■ Attach this card to the back of the mailpiece or on the front if space permits</p>		<p>A Signature <input checked="" type="checkbox"/> <i>Doris Biddy</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B Received by (Printed Name) <i>DORIS Biddy</i></p> <p>C Date of Delivery <i>11/29/16</i></p> <p>D Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below <input type="checkbox"/> No</p>	
<p>1 Article Addressed to</p> <p>Siana Operating LLC P O Box 10303 Midland Texas 79702</p>		<p>3 Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	
<p>2 Article Number (Transfer from service label)</p> <p>9590 9402 2354 6225 8698 42</p>		<p>ad Delivery</p> <p>7012 3050 0000 6866 9188</p>	

PS Form 3811 July 2015 PSN 7530 02 000 9053 *M-P* Domestic Return Receipt

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For delivery information visit our website at www.usps.com	
<p>Postage \$</p> <p>Certified Fee</p> <p>Return Receipt Fee (For Registered Mail)</p> <p>Restricted Delivery Fee (For Restricted Delivery)</p> <p>Total Postage & Fees \$</p>	<p>Postmark Here</p>
<p>Delivered To GMT Exploration Company LLC Suite 2000 1560 Broadway Denver Colorado 80202</p>	
PS Form 3800 August 2006 See Reverse for Instructions	

7012 3050 0000 6866 9188

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
<p>Postage \$</p> <p>Certified Fee</p> <p>Return Receipt Fee (For Registered Mail)</p> <p>Restricted Delivery Fee (For Restricted Delivery)</p> <p>Total Postage & Fees \$</p>	<p>Postmark Here</p>
<p>Delivered To Siana Operating LLC P O Box 10303 Midland Texas 79702</p>	
PS Form 3800 August 2006 See Reverse for Instructions	

7012 3050 0000 6866 9188

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1 2 and 3</p> <p>■ Print your name and address on the reverse so that we can return the card to you</p> <p>■ Attach this card to the back of the mailpiece or on the front if space permits</p>		<p>A Signature <input checked="" type="checkbox"/> <i>Jim Lyman</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B Received by (Printed Name) <i>Jim Lyman</i></p> <p>C Date of Delivery <i>11-28-16</i></p> <p>D Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below <input type="checkbox"/> No</p>	
<p>1 Article Addressed to</p> <p>GMT Exploration Company LLC Suite 2000 1560 Broadway Denver Colorado 80202</p>		<p>3 Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	
<p>2 Article Number (Transfer from service label)</p> <p>9590 9402 2354 6225 8698 28</p>		<p>ad Delivery</p> <p>7012 3050 0000 6866 9201</p>	

PS Form 3811 July 2015 PSN 7530 02-000 9053 *M-P* 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

1 Article Addressed to

Delmar Hudson Lewis Living Trust
P O Box 2546
Fort Worth Texas 76113

9590 9402 2354 6225 8697 67

2 Article 1

7012 3050 0000 6866 9263

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *EDJ*☐ Agent☐ Addressee

B Received by (Printed Name)

C Date of Delivery

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

3 Service Type

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

(over \$500)

PS Form 3811 July 2015 PSN 7530 02 000 9053

Domestic Return Receipt

U.S. Postal Service™

CERTIFIED MAIL™ RECEIPT

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Postage

Certification Fee

Return Receipt
(If desired)

Restricted Delivery
(If desired)

Postage & Fees \$

Postmaster

S T

BTA Oil Producers LLC

104 South Pecos Street

Midland Texas 79701

Street Apt No

PO Box No

City State ZIP 4

PS Form 3800 August 2006

See Reverse for Instructions

7012 3050 0000 6866 9263

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Certification Fee

Return Receipt
(If desired)

Restricted Delivery
(If desired)

Total Postage & Fees \$

Postmaster

Sent To

Delmar Hudson Lewis Living Trust
P O Box 2546
Fort Worth Texas 76113

Street Apt No

PO Box No

City State ZIP 4

PS Form 3800 August 2006

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1 Article Addressed to

BTA Oil Producers LLC
104 South Pecos Street
Midland Texas 79701

9590 9402 2354 6225 8697 98

2 Article 1

7012 3050 0000 6866 9232

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*☐ Agent☐ Addressee

B Received by (Printed Name)

John Doe

C Date of Delivery

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

3 Service Type

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Domestic Return Receipt

M-P

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<p>1 Article Addressed to</p> <p>CML Exploration LLC P O Box 890 Snyder Texas 79550</p>		<p>B Received by (Printed Name) C Date of Delivery</p>	
<p>9590 9402 2354 6225 8698 11</p>		<p>D Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes If YES enter delivery address below <input type="checkbox"/> No</p>	
<p>2 Article Addressed to (Transfer from on label)</p> <p>7012 3050 0000 6866 9218</p>		<p>3 Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	
<p>PS Form 3811 July 2015 PSN 7530-02 000 9053</p>		<p>Domestic Return Receipt</p>	

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<p>CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)</p>	
<p>For delivery information visit our website at www.usps.com</p>	
<p>Postage & Fee</p> <p>Postmark</p>	<p>Postage & Fee</p> <p>Postmark</p>
<p>Rel n Re-apt Fee (E n d o s e R e c d)</p> <p>Rest d Del y Fee (E n d o s e e R e c d)</p> <p>Tot l Postag & Fee</p>	<p>Postage & Fee</p> <p>Postmark</p>
<p>Sen T</p> <p>St t Apt N PO Box No C / State ZIP 4</p>	<p>The Salient Zarvona Energy Fund LP 1010 Lamar Street Suite 500 Houston Texas 77002</p>
<p>PS Form 3811 August 2010 See Reverse for Instructions</p>	

U.S. Postal Service™	
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<p>Rel n Re-apt Fee (E n d o s e R e c d)</p> <p>Rest ct d D n F (E n d o s e e R e c d)</p> <p>Tot l Postag & Fee</p>	<p>Postage & Fee</p> <p>Postmark</p>
<p>St t To</p> <p>S et Apt No o PO Bo No City State ZIP 4</p>	<p>CML Exploration LLC P O Box 890 Snyder Texas 79550</p>
<p>PS Form 3811 August 2010 See Reverse for Instructions</p>	

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<p>1 Article Addressed to</p> <p>The Salient Zarvona Energy Fund LP 1010 Lamar Street Suite 500 Houston Texas 77002</p>		<p>B Received by (Printed Name) C Date of Delivery</p>	
<p>9590 9402 2354 6225 8697 36</p>		<p>D Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below <input type="checkbox"/> No</p>	
<p>2 Article Addressed to (Transfer from on label)</p> <p>7012 3050 0000 6866 9294</p>		<p>3 Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	
<p>PS Form 3811 July 2015 PSN 7530-02 000 9053</p>		<p>Domestic Return Receipt</p>	

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1 Article Addressed to

Overton Energy Investments VI LLC
4265 S n F l p S t 1040
Houston Texas 77027

9590 9402 2354 6225 8091 20

2 f 7012 3050 0000 6866 9300

PS Form 3811 July 2015 PSN 7530-02 000 9053

COMPLETE THIS SECTION ON DELIVERY

A Signature

X *Kathy Woods*☐ Agent☐ Addressee

B Received by (Printed Name)

Kathy Woods

C Date of Delivery

7/17/16

D Is delivery address different from item 1?

If YES enter delivery address below

☐ Yes☐ No

3 Service Type

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Restricted Delivery

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Postage

\$

Certified Mail Fee

\$

Return Receipt Fee (Endorsement)

Return Receipt Fee (Endorsement)

Signature Confirmation Fee

\$

Street Apt No
PO Box No
City State ZIP

Regeneration Energy Corporation
P O Box 210
Artesia New Mexico 88210

PS Form 3800 August 2005

See Reverse for Instructions

5226 9999 0000 0506 2102

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Postage

\$

Certified Mail Fee

\$

Return Receipt Fee (Endorsement)

Return Receipt Fee (Endorsement)

Signature Confirmation Fee

\$

Sent To

Overton Energy Investments VI LLC
4265 S n F l p S t 1040
Houston Tex 77027

Street Apt No
PO Box No

City State ZIP 4

PS Form 3800 August 2005

See Reverse for Instructions

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1 Article Addressed to

Regeneration Energy Corporation
P O Box 210
Artesia New Mexico 88210

9590 9402 2354 6225 8090 04

2 Article Addressed to (from a business) 7012 3050 0000 6866 9225

PS Form 3811 July 2015 PSN 7530 02 000 9053

COMPLETE THIS SECTION ON DELIVERY

A Signature

X *Raye Miller*☐ Agent☐ Addressee

B Received by (Printed Name)

Raye Miller

C Date of Delivery

11/21/16

D Is delivery address different from item 1?

If YES enter delivery address below

☐ Yes☐ No

3 Service Type

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(to e \$500)

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1 Article Addressed to

Chevron USA Inc
6301 Deauville Boulevard
Midland Texas 79706

9590 9402 2354 6225 8697 81

2 Article Number (Transfer from service label)
7012 3050 0000 6866 9249

PS Form 3811 July 2015 PSN 7530 02 000 9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X *M. P. Horn* ☒ Agent ☐ Addressee

B. Received by (Printed Name)
Maria Horn

C. Date of Delivery
11/17/16

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

3 Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
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restricted Delivery

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Postage \$

Collection Fee

Reimbursement (Endorsement Required)

Registered Delivery (Endorsement Required)

Total Postage & Fees \$

Seal

Arld Oil Ltd
222 West 4th Street PH 5
Fort Worth Texas 76102

Street Apt No
PO Box No
City State ZIP 4

PS Form 3800 August 2005 See Reverse for Instructions

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Postage \$

Collection Fee

Reimbursement (Endorsement Required)

Registered Delivery (Endorsement Required)

Total Postage & Fees \$

Seal

Chevron USA Inc
6301 Deauville Boulevard
Midland Texas 79706

Street Apt No
PO Box No
City State ZIP 4

PS Form 3800 August 2005 See Reverse for Instructions

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- 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

Arld Oil Ltd
222 West 4th Street PH 5
Fort Worth Texas 76102

9590 9402 2354 6225 8697 43

2 Article Number (Transfer from service label)
7012 3050 0000 6866 9287

PS Form 3811 July 2015 PSN 7530 02 000 9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X *Bonnie Stockton* ☐ Agent ☐ Addressee

B. Received by (Printed Name)
Bonnie Stockton

C. Date of Delivery
11/21/16

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

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

restricted Delivery

Domestic Return Receipt

A A P L FORM 610 1989

**MODEL FORM OPERATING AGREEMENT
HORIZONTAL MODIFICATIONS**

OPERATING AGREEMENT

DATED

February 1 2016
Year

OPERATOR Mewbourne Oil Company

CONTRACT AREA _____

Township 23 South Range 34 East, N M P M

Section 15 All

Pronghorn "15" Prospect

COUNTY OR PARISH OF Lea **STATE OF** New Mexico

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AMERICAN ASSOCIATION OF PROFESSIONAL
LANDMEN 4100 FOSSIL CREEK BLVD FORT
WORTH TEXAS, 76137 APPROVED FORM
A A P L NO 610 1989 (Horz.)

Hearing
3-30-17
Case
15600/15601/15602

EXHIBIT 8

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OPERATING AGREEMENT

THIS AGREEMENT entered into by and between Mewbourne Oil Company hereinafter designated and referred to as Operator and the signatory party or parties other than Operator sometimes hereinafter referred to individually as Non-Operator and collectively as Non-Operators

WITNESSETH

WHEREAS the parties to this agreement are owners of Oil and Gas Leases and/or Oil and Gas Interests in the land identified in Exhibit A, and the parties hereto have reached an agreement to explore and develop these Leases and/or Oil and Gas Interests for the production of Oil and Gas to the extent and as hereinafter provided,

NOW THEREFORE it is agreed as follows

ARTICLE I

DEFINITIONS

As used in this agreement, the following words and terms shall have the meanings here ascribed to them

A. The term AFE shall mean an Authority for Expenditure prepared by a party to this agreement for the purpose of estimating the costs to be incurred in conducting an operation hereunder. An AFE is not a contractual commitment. Rather it is only an estimate made in good faith.

B. The term Completion or Complete shall mean a single operation intended to complete a well as a producer of Oil and Gas in one or more Zones including, but not limited to the setting of production casing, perforating, well stimulation and production testing conducted in such operation.

C. The term Contract Area shall mean all of the lands Oil and Gas Leases and/or Oil and Gas Interests intended to be developed and operated for Oil and Gas purposes under this agreement. Such lands, Oil and Gas Leases and Oil and Gas Interests are described in Exhibit A.

D. The term Deepen shall mean a single operation whereby a well is drilled to an objective Zone below the deepest Zone in which the well was previously drilled, or below the Deepest Zone proposed in the associated AFE, whichever is the lesser. When used in connection with a Horizontal Well, the term "Deepen" shall mean an operation whereby a Lateral is drilled to a Displacement greater than (1) the Displacement contained in the proposal for such operation approved by the Consenting Parties or (2) the Displacement to which the Lateral was drilled pursuant to a previous proposal.

E. The term "Displacement" shall have the same meaning as the term defined by the state regulatory agency having jurisdiction over the Contract Area, in the absence of which the term shall otherwise mean the length of a Lateral.

F. The terms "Drilling Party" and "Consenting Party" shall mean a party who agrees to join in and pay its share of the cost of any operation conducted under the provisions of this agreement.

G. The term "Drilling Unit" shall mean the area fixed for the drilling of one well by order or rule of any state or federal body having authority. If "Drilling Unit" is not fixed by any such rule or order, a "Drilling Unit" shall be the drilling unit as established by the pattern of drilling in the Contract Area unless fixed by express agreement of the Drilling Parties.

H. The term Drillsite shall mean the Oil and Gas Lease or Oil and Gas Interest on which a proposed well is to be located. When used in connection with a Horizontal Well, the term "Drillsite" shall mean (i) the surface hole location and (ii) the Oil and Gas Leases or Oil and Gas Interests within the Drilling Unit on or under which the wellbore, including the Lateral, is located.

I. The term Horizontal Rig Move-On Period shall mean the number of days after the date of rig release of Spudder Rig until the date a rig capable of drilling a Horizontal Well to its Total Measured Depth has moved on to location.

J. The term Horizontal Well shall have the same meaning as the term defined by the state regulatory agency having jurisdiction over the Contract Area, in the absence of which the term shall mean a well containing one or more Laterals which are drilled, Completed or Recompleted in a manner in which the horizontal component of the Completion interval (1) extends at least one hundred feet (100') in the objective formation(s) and (2) exceeds the vertical component of the Completion interval in the objective formation(s).

K. The term Initial Well shall mean the well required to be drilled by the parties hereto as provided in Article VI A.

L. The term Lateral shall mean that portion of a wellbore that deviates from approximate vertical orientation to approximate horizontal orientation and all wellbore beyond such deviation to Total Measured Depth.

M. The term "No-Consent Well" shall mean a well in which less than all parties have conducted an operation as provided in Article VI.B.2.

N. The terms "Non-Drilling Party" and "Non-Consenting Party" shall mean a party who elects not to participate in a proposed operation.

O. The term Oil and Gas shall mean oil, gas, casinghead gas, gas condensate, and/or all other liquid or gaseous hydrocarbons and other marketable substances produced therefrom, unless an intent to limit the inclusiveness of this term is specifically stated.

P. The term Oil and Gas Interests or "Interests" shall mean unleased fee and mineral interests in Oil and Gas in tracts of land lying within the Contract Area which are owned by parties to this agreement.

Q. The terms Oil and Gas Lease, Lease and Leasehold shall mean the oil and gas leases or interests therein covering tracts of land lying within the Contract Area which are owned by the parties to this agreement.

R. The term Plug Back shall mean a single operation whereby a deeper Zone is abandoned in order to attempt a Completion in a shallower Zone. When used in connection with a Horizontal Well, the term "Plug Back" shall mean an operation to test or Complete the well at a stratigraphically shallower Zone in which the operation has been or is being Completed and which is not in an existing Lateral.

S. The term Recompletion or "Recomplete" shall mean an operation whereby a Completion in one Zone is abandoned in order to attempt a Completion in a different Zone with the existing wellbore.

T. The term Rework shall mean an operation conducted in the wellbore of a well after it is Completed to secure, restore or improve production in a Zone which is currently open to production in the wellbore. Such operations include but are not limited to, well stimulation operations but exclude any routine repair or maintenance work of drilling, Sidetracking, Deepening, Completing, Recompleting, or Plugging Back of a well.

U. The term Sidetrack shall mean the directional control and intentional deviation of a well from vertical so as to change the bottom hole location unless done to straighten the hole or drill around junk in the hole to overcome other mechanical difficulties. When used in connection with a Horizontal Well, the term "Sidetrack" shall mean the directional control and deviation of a well outside the existing Lateral(s) so as to change the Zone or the direction of a Lateral from the approved proposal unless done to straighten the hole or drill around junk in the hole or to overcome other mechanical difficulties.

V. The term Spudder Rig shall mean a drilling rig utilized only for drilling all or part of the vertical component of a Horizontal Well. A rig used only for setting conductor pipe shall not be considered a Spudder Rig.

W. The term Termus shall have the same meaning as the term defined by the state regulatory agency having jurisdiction

over the Contract Area, in the absence of which the term shall mean the furthest point drilled in the Lateral

X. The term "Total Measured Depth, when used in connection with a Horizontal Well, shall mean the distance from the surface of the ground to the Terminus as measured along and including the vertical component of the well and Lateral(s). When the proposed operation(s) is the drilling of, or operation on, a Horizontal Well the terms depth or total depth wherever used in this agreement shall be deemed to read "Total Measured Depth insofar as it applies to such well

Y. The term "Vertical Well shall mean well drilled Completed or Recompleted other than Horizontal Well

Z. The term Zone shall mean stratum of earth containing or thought to contain a common accumulation of Oil and Gas separately producible from any other common accumulation of Oil and Gas

Unless the context otherwise clearly indicates words used in the singular include the plural the word person includes natural and artificial persons the plural includes the singular and any gender includes the masculine, feminine, and neuter

ARTICLE II

EXHIBITS

The following exhibits as indicated below and attached hereto are incorporated in and made a part hereof

X A. Exhibit A, shall include the following information

- (1) Description of lands subject to this agreement,
- (2) Restrictions if any as to depths, formations, or substances,
- (3) Parties to agreement with addresses and telephone numbers for notice purposes
- (4) Percentages or fractional interests of parties to this agreement,
- (5) Oil and Gas Leases and/or Oil and Gas Interests subject to this agreement.
- (6) Burdens on production

~~B~~ ~~Exhibit B - Form of Lease~~

X C. Exhibit C, Accounting Procedure

X D. Exhibit D Insurance

X E. Exhibit E Gas Balancing Agreement

X F. Exhibit F Non-Discrimination and Certification of Non-Segregated Facilities

~~G~~ ~~Exhibit G - Tax Partnership~~

X H. Other Model Form Recording Supplement

If any provision of any exhibit, except Exhibits E, F and G is inconsistent with any provision contained in the body of this agreement, the provisions in the body of this agreement shall prevail

ARTICLE III

INTERESTS OF PARTIES

A. Oil and Gas Interests

If any party owns an Oil and Gas Interest in the Contract Area, that Interest shall be treated for all purposes of this agreement and during the term hereof as if it were covered by the form of Oil and Gas Lease attached hereto as Exhibit "B" and the owner thereof shall be deemed to own both royalty interest in such lease and the interest of the lessee thereunder

B. Interests of Parties - Costs and Production

Unless changed by other provisions, all costs and liabilities incurred in operations under this agreement shall be borne and paid, and all equipment and materials acquired in operations on the Contract Area shall be owned, by the parties as their interests are set forth in Exhibit A. In the same manner the parties shall also own all production of Oil and Gas from the Contract Area subject, however to the payment of royalties and other burdens on production as described hereafter

Regardless of which party has contributed any Oil and Gas Lease or Oil and Gas Interest on which royalty or other burdens may be payable and except as otherwise expressly provided in this agreement, each party shall pay or deliver or cause to be paid or delivered, all burdens on its share of the production from the Contract Area up to but not in excess of, twenty five percent (25%) and shall indemnify defend and hold the other parties free from any liability therefor. Except as otherwise expressly provided in this agreement, if any party has contributed hereto any Lease or Interest which is burdened with any royalty overriding royalty production payment or other burden on production in excess of the amounts stipulated above, such party so burdened shall assume and alone bear all such excess obligations and shall indemnify defend and hold the other parties hereto harmless from any and all claims attributable to such excess burden. However so long as the Drilling Unit for the productive Zone(s) is identical with the Contract Area, each party shall pay or deliver or cause to be paid or delivered, all burdens on production from the Contract Area due under the terms of the Oil and Gas Lease(s) which such party has contributed to this agreement, and shall indemnify defend and hold the other parties free from any liability therefor

No party shall ever be responsible on a price basis higher than the price received by such party to any other party's lessor or royalty owner and if such other party's lessor or royalty owner should demand and receive settlement on a higher price basis the party contributing the affected Lease shall bear the additional royalty burden attributable to such higher price

Nothing contained in this Article III.B shall be deemed an assignment or cross assignment of interests covered hereby and in the event two or more parties contribute to this agreement jointly owned Leases, the parties' undivided interests in said Leaseholds shall be deemed separate leasehold interests for the purposes of this agreement.

C. Subsequently Created Interests

If any party has contributed hereto a Lease or Interest that is burdened with an assignment of production given as security for the payment of money or if, after the date of this agreement, any party creates an overriding royalty production payment, net profits interest, assignment of production or other burden payable out of production attributable to its working interest hereunder such burden shall be deemed a Subsequently Created Interest. Further if any party has contributed hereto a Lease or Interest burdened with an overriding royalty production payment, net profits interests or other burden payable out of production created prior to the date of this agreement, and such burden is not shown on Exhibit A, such burden also shall be deemed a Subsequently Created Interest to the extent such burden causes the burdens on such party's Lease or Interest to exceed the amount stipulated in Article III.B. above

The party whose interest is burdened with the Subsequently Created Interest (the "Burdened Party") shall assume and alone bear pay and discharge the Subsequently Created Interest and shall indemnify defend and hold harmless the other parties from and against any liability therefor. Further if the Burdened Party fails to pay when due, its share of expenses chargeable hereunder all provisions of Article VII.B shall be enforceable against the Subsequently Created Interest in the same manner as they are enforceable against the working interest of the Burdened Party. If the Burdened Party is required under this agreement to assign or relinquish to any other party or parties, all or a portion of its working interest and/or the production attributable thereto said other party or parties shall receive said assignment and/or production free and clear of said Subsequently Created Interest and the Burdened Party shall indemnify defend and hold harmless said other party or parties, from any and all claims and demands for payment asserted by owners of the Subsequently Created Interest.

A A P L FORM 610 MODEL FORM OPERATING AGREEMENT 1989 (Horz.)

IN WITNESS WHEREOF this agreement shall be effective as of the 1st day of February, 2016,
_____, who has prepared and circulated this form for execution represents and warrants
that the form was printed from and with the exception(s) listed below is identical to the AAPL Form 610-1989 Model Form Operating
Agreement, as published in computerized form by Forms On A Disk Inc. No changes, alterations or modifications other than those made
by strikethrough and/or insertion and that are clearly recognizable as changes Articles _____
have been made to the form

ATTEST OR WITNESS

OPERATOR

MEWBOURNE OIL COMPANY

By _____

James Allen Brunson Kenneth S. Waits
Type or print name cm AK

Title Attorney-in-Fact President

Date 1/25/17

Tax ID or S S No 75-1254872

NON OPERATORS

CHALLENGER CRUDE, LTD

By _____

Richard D. Campbell
Type or print name

Title President

Date 9-13-16

Tax ID or S S No _____

A A P L FORM 610 MODEL FORM OPERATING AGREEMENT 1989 (Horz.)

IN WITNESS WHEREOF this agreement shall be effective as of the 1st day of February, 2016

_____ who has prepared and circulated this form for execution represents and warrants that the form was printed from and, with the exception(s) listed below, is identical to the AAPL Form 610 1989 Model Form Operating Agreement, as published in computerized form by Forms On A Disk, Inc. No changes, alterations, or modifications other than those made by strikethrough and/or insertion and that are clearly recognizable as changes in Articles _____ have been made to the form.

ATTEST OR WITNESS

OPERATOR

MEWBOURNE OIL COMPANY

By _____

James Allen Brinson

Type or print name

Title Attorney in Fact

Date _____

Tax ID or S S No 75-1254872

NON OPERATORS

CHALLENGER CRUDE, LTD

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

SEELIGSON OIL CO., LTD

By _____

Arthur Seeligson
Type or print name

Title _____

Date _____

Tax ID or S S No _____

~~VERSEN OIL & GAS CO.~~

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

GERALD W GREEN

By Gerald W Green

Type or print name

Title

Date

Tax ID or S S No

ICA ENERGY, INC

By

Type or print name

Title

Date

Tax ID or S S No

GERALD W GREEN

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

ICA ENERGY INC

By _____

Curtis N Leonard
Type or print name

Title PRESIDENT / CEO

Date MARCH 14 2016

Tax ID or S S No _____

GERALD W GREEN

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

ICA ENERGY, INC.

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

WILDCAT ENERGY, L.L.C

By RLB

Roger Becker

Type or print name

Title President

Date _____

Tax ID or S S No _____

TEXAS INDEPENDENT EXPLORATION, INC.

By _____

Fredrick W Zimmerman

Type or print name

Title President

Date _____

Tax ID or S S No _____

AXIS ENERGY CORPORATION

By _____

Kenneth Barbe, Jr

Type or print name

Title President

Date _____

Tax ID or S S No _____

GERALD W. GREEN

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

ICA ENERGY, INC

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

WILDCAT ENERGY, L.L.C

By _____

Roger Becker

Type or print name

Title President

Date _____

Tax ID or S S No _____

TEXAS INDEPENDENT EXPLORATION, INC.

By _____

Fredrick W Zimmerman

Type or print name

Title President

Date _____

Tax ID or S S No _____

AXIS ENERGY CORPORATION

By _____


Kenneth Barbe, Jr

Type or print name

Title President

Date _____

Tax ID or S S No _____


Chad J Bothe

GERALD W GREEN

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

ICA ENERGY, INC

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

WILDCAT ENERGY, L.L.C.

By _____

Roger Becker

Type or print name

Title President

Date _____

Tax ID or S S No _____

TEXAS INDEPENDENT EXPLORATION, INC

By _____

Fredrick W Zimmerman

Type or print name

Title President

Date _____

Tax ID or S S No _____

AXIS ENERGY CORPORATION

By _____

Kenneth Barbe, Jr

Type or print name

Title President

Date _____

Tax ID or S S No _____

R Dean Williams Trustee
R. Dean Williams Irrev Trust

Trust Tax ID - 75 6450703

MAILING ADDRESS
5416 Birchman Avenue
Fort Worth TX 76107 5111

Phone Number 817/289 1414
Fax Number 817/289 1419
Email rachelle@jointresources.com

R. DEAN WILLIAMS IRREVOCABLE TRUST

By

R. Dean Williams
Type or print name

Title Trustee

Date

Tax ID or S S No

MARK G KALPAKIS IRREVOCABLE TRUST

By

Mark G Kalpakis
Type or print name

Title Trustee

Date

Tax ID or S S No

Mark G Kalpakis Trustee
Mark G Kalpakis Irrev Trust

MGK Trust Tax ID - 75 6442345

MAILING ADDRESS
5416 Birchman Avenue
Fort Worth TX 76107 5111

Phone Number 817/289 1414
Fax Number 817/289 1419
Email rachelle@jointresources.com

R. DEAN WILLIAMS IRREVOCABLE TRUST

By _____

R. Dean Williams
Type or print name

Title Trustee

Date _____

Tax ID or S S No _____

MARK G. KALPAKIS IRREVOCABLE TRUST

By _____

R. Dean Williams
Type or print name

Title Trustee

Date _____

Tax ID or S S No _____

COG OPERATING LLC

By Mona D. Ables

Mona D. Ables
Type or print name

Title Vice President of Land

Date 12517

Tax ID or S S No _____

R. DEAN WILLIAMS IRREVOCABLE TRUST

By _____

R. Dean Williams
Type or print name

Title Trustee

Date _____

Tax ID or S S No _____

MARK G KALPAKIS IRREVOCABLE TRUST

By _____

R. Dean Williams
Type or print name

Title Trustee

Date _____

Tax ID or S S No _____

TOM M. RAGSDALE

By TOM M. Ragsdale

Tom M. Ragsdale
Type or print name

Title _____

Date _____

Tax ID or S S No _____

~~BLACK MOUNTAIN OPERATING, LLC~~

By _____

Rhett Bennett
Type or print name

Title CEO

Date _____

Tax ID or S S No _____

SFF PRODUCTION, LLC

By _____

Type or print name

Title _____

Date _____

Tax ID or S S No _____

Kenneth Stanford
Carmen McCaskey

R. DEAN WILLIAMS IRREVOCABLE TRUST

By _____

R. Dean Williams
Type or print name

Title Trustee

Date _____

Tax ID or S S No _____

MARK G KALPAKIS IRREVOCABLE TRUST

By _____

R. Dean Williams
Type or print name

Title Trustee

Date _____

Tax ID or S S No _____

COG OPERATING LLC

By _____

Mona D Ables
Type or print name

Title Vice President of Land

Date _____

Tax ID or S S No _____

~~BLACK MOUNTAIN OPERATING, LLC~~

By _____

~~Rhett Bennett~~
~~Type or print name~~

~~Title CEO~~

~~Date _____~~

~~Tax ID or S S No _____~~

SFF PRODUCTION, LLC

By John R. Norwood

John R. Norwood
Type or print name

Title VP

Date 7/8/2016

Tax ID or S S No 26-1508250

ESTATE OF CONSTANCE B. CARTWRIGHT
DECEASED

By

Carroll L. Cartwright

Carroll L. Cartwright

Type or print name

Title Executor

Date

3 10 17

Tax ID or S.S. No.

467 48 7808

EXHIBIT "A"

Attached to and made a part of that certain Operating Agreement
dated October 1 2016 by and between MEWBOURNE OIL COMPANY as Operator
and BLACK MOUNTAIN OPERATING LLC as Non-Operator

1 LANDS SUBJECT TO THIS AGREEMENT

Township 23 South, Range 34 East, N M P.M., Lea County, New Mexico

Section 15 All

containing 640 00 acres more or less

2 DEPTH RESTRICTIONS AND EXCLUSIONS

Surface to the base of the Wolfcamp formation

3 ADDRESSES OF THE PARTIES

Mewbourne Oil Company
500 West Texas Suite 1020
Midland, Texas 79701
Attn Land Department
Phone (432) 682 3715
Fax (432) 685-4170

Tom M Ragsdale
400 N Sam Houston Parkway East, Suite 601
Houston, Texas 77060

Challenger Crude Ltd
3525 Andrews Highway
Midland, TX 79703
Phone (432) 694 3000
Fax (432) 681 7337

Viersen Oil & Gas Company
7130 South Lewis Avenue Suite 200
Tulsa, Oklahoma 74136

Seeligson Oil Company Ltd
808 Travis Street, Suite 2200
Houston, Texas 77002

ICA Energy Inc
P O Box 233
Odessa, Texas 79760

Gerald W Green
414 W Texas Street, Suite 317
Midland, Texas 79701

Wildcat Energy L L C
P O Box 13323
Odessa, Texas 79768

Axis Energy Corporation
P O Box 2107
Roswell, New Mexico 88202

R. Dean Williams Irrevocable Trust
Mark G Kalpakis Irrevocable Trust
5416 Birchman Avenue
Fort Worth Texas 76107 5111

Texas Independent Exploration Inc
6760 Portwest Drive
Houston Texas 77024

Black Mountain Operating, LLC
500 Main Street, Suite 1200
Fort Worth, Texas 76102

SFF Production LLC
P O Box 1015
Midland Texas 79702

Estate of Constance B Cartwright, deceased
435 E 52nd Street
New York, New York 10022
Attn Mr Carroll Cartwright, III

4 PERCENTAGES OF THE PARTIES

Initial, Substitute and Subsequent Wells

Mewbourne Oil Company	33 821772%
Black Mountain Operating, LLC	24 781619 %
Challenger Crude Ltd	12 463839%
SFF Production, LLC	7 975589%
Tom M Ragsdale	6 837475%
Seeligson Oil Co Ltd	5 357624%
Viersen Oil & Gas Co	2 500000%
ICA Energy Inc	2 279159%
Wildcat Energy L L C	2 160000%
R. Dean Williams Irrevocable Trust	0 468792%
Mark G Kalpakis Irrevocable Trust	0 468792%
Texas Independent Exploration Inc	0 316407%
Gerald W Green	0 316406%
Axis Energy Corporation	0 231482%
Estate of Constance B Cartwright, deceased	0 021044%
	100 000000%

5 OIL AND GAS LEASES SUBJECT TO THIS AGREEMENT

Lease No. 1

Lease Serial No NM 13838
Dated June 1 1971
Lessor United States of America
Lessee E M McCarty
Recorded Unrecorded
Lands Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico
 Section 15 NE/4 SW/4
 containing 320 00 acres more or less

Lease No. 2

Lease Serial No NM 13641
Dated May 1 1971
Lessor United States of America
Lessee John L. Hada, Jr
Recorded Book 285 Page 238 Lea County Oil and Gas Records
Lands Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico
 Section 15 NW/4 SE/4
 containing 320 00 acres more or less

6 BURDENS ON PRODUCTION

Burdens of Record

End of Exhibit A

MEWBOURNE OIL COMPANY

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

January 18, 2017

Challenger Crude Ltd
3525 Andrews Highway
Midland Texas 79703
Attn Mr Mike Curry

Re Operating Agreement dated February 1 2016
Section 15 Township 23 South Range 34 East
Lea County New Mexico
Mewbourne s Pronghorn 15 Prospect

Gentlemen

Mewbourne Oil Company ('Mewbourne ') is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s (BMO) applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1 2016 between Mewbourne Oil Company as Operator and Challenger Crude Ltd et al as Non Operators covering the captioned Section 15 (JOA)

Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely,

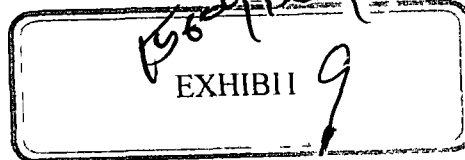
MEWBOURNE OIL COMPANY

Corey Mitchell

Corey Mitchell
Landman

Company
Name
Title

Challenger Crude Ltd
[Signature]
VP Land/Sr Counsel



Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S R34E Lea County, NM

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland Texas 79701

Phone (432) 682-3715

Fax (432) 685 4170

January 18 2017

SFF Production LLC

P O Box 1015

Midland, Texas 79702

Attn Jon Morgan

Re Operating Agreement dated February 1 2016
Section 15 Township 23 South Range 34 East,
Lea County, New Mexico
Mewbourne s Pronghorn 15 Prospect

Gentlemen

Mewbourne Oil Company (Mewbourne) is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC's ("BMO") applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1, 2016 between Mewbourne Oil Company as Operator and Challenger Crude, Ltd et al, as Non Operators covering the captioned Section 15 ('JOA ')

Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely

MEWBOURNE OIL COMPANY

Corey Mitchell

Corey Mitchell
Landman

Company SFF Production LLC

Name Jon Morgan

Title Jon Morgan

Hereby supports Mewbourne Oil Company as Operator of Section 15, T23S, R34E Lea County, NM

MEWBOURNE OIL COMPANY

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

January 18, 2017

COG Operating LLC
600 W Illinois Avenue
One Concho Center
Midland, Texas 79701
Attn Mrs Rita Buress

Re Operating Agreement dated February 1, 2016
Section 15 Township 23 South Range 34 East,
Lea County, New Mexico
Mewbourne s Pronghorn 15 Prospect

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC's ("BMO") applications concerning its proposed Duke Federal 10 #10H, Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1, 2016 between Mewbourne Oil Company as Operator and Challenger Crude, Ltd, et al, as Non Operators covering the captioned Section 15 ("JOA")

Mewbourne is seeking the support of the Non-Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely,

MEWBOURNE OIL COMPANY

Corey Mitchell
Corey Mitchell
Landman

Company

Name

Title

COG Operating LLC
CLAY KATEMAR
VP - New Mexico
3-23-17

Hereby supports Mewbourne Oil Company as Operator of Section 15, T23S R34E, Lea County, NM

MEWBOURNE OIL COMPANY

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

January 24 2017

Tom M Ragsdale
12012 Wickchester Lane Suite 410
Houston Texas 77079
Attn Mrs Karen Stanford

Re Operating Agreement dated February 1, 2016
Section 15 Township 23 South Range 34 East
Lea County New Mexico
Mewbourne s Pronghorn 15 Prospect

Ladies and Gentlemen

Mewbourne Oil Company (Mewbourne) is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s (BMO) applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1, 2016 between Mewbourne Oil Company as Operator and Challenger Crude Ltd et al, as Non Operators covering the captioned Section 15 (JOA)

Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely

MEWBOURNE OIL COMPANY

Corey Mitchell
Corey Mitchell
Landman

Company TOL Co Ragsdale
Name Tom M Ragsdale
Title _____

Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S R34E Lea County NM

MEWBOURNE OIL COMPANY

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

January 18 2017

Seeligson Oil Co Ltd
808 Travis Street, Suite 2200
Houston Texas 77002
Attn Mr Arthur Seeligson

Re Operating Agreement dated February 1 2016
Section 15 Township 23 South Range 34 East
Lea County New Mexico
Mewbourne s Pronghorn 15 Prospect

Gentlemen

Mewbourne Oil Company ('Mewbourne') is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s (' BMO ') applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1 2016 between Mewbourne Oil Company, as Operator and Challenger Crude Ltd et al as Non Operators covering the captioned Section 15 (JOA)

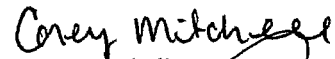
Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely,

MEWBOURNE OIL COMPANY


Corey Mitchell
Landman

Company Seeligson Oil Co Ltd
Name [Signature]
Title President

Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S R34E Lea County NM

MEWBOURNE OIL COMPANY

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

January 18 2017

Viersen Oil & Gas Co
P O Box 702708
Tulsa, Oklahoma 74170
Attn Mr J J Chisholm

Re Operating Agreement dated February 1 2016
Section 15 Township 23 South Range 34 East,
Lea County New Mexico
Mewbourne s Pronghorn 15 Prospect

Gentlemen

Mewbourne Oil Company (Mewbourne) is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s (BMO') applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1 2016 between Mewbourne Oil Company as Operator and Challenger Crude Ltd et al as Non Operators covering the captioned Section 15 (JOA) as well as Compulsory Pooling Order R 14251

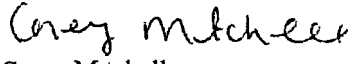
Mewbourne is seeking the support of the Non Operators to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

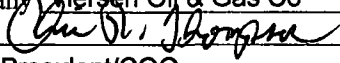
Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely

MEWBOURNE OIL COMPANY


Corey Mitchell
Landman

Company Viersen Oil & Gas Co
Name  Chris R Thompson
Title President/COO

Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S R34E Lea County, NM

MEWBOURNE OIL COMPANY

500 West Texas Suite 1020

Midland, Texas 79701

Phone (432) 682 3715

Fax (432) 685 4170

January 18 2017

ICA Energy Inc

P O Box 233

Odessa Texas 79760

Attn Mr Curtis Leonard

Re Operating Agreement dated February 1, 2016
Section 15 Township 23 South Range 34 East
Lea County, New Mexico
Mewbourne s Pronghorn 15 Prospect

Gentlemen

Mewbourne Oil Company ('Mewbourne') is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s ('BMO') applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1 2016 between Mewbourne Oil Company as Operator and Challenger Crude Ltd et al as Non Operators covering the captioned Section 15 (JOA')

Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely

MEWBOURNE OIL COMPANY

Corey Mitchell

Corey Mitchell

Landman

Company ICA ENERGY INC.

Name CURTIS N. LEONARD

Title PRESIDENT / CEO

Curtis N. Leonard
1-23-17

Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S R34E Lea County NM

MEWBOURNE OIL COMPANY

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

January 18, 2017

Wildcat Energy, L L C
P O Box 13323
Odessa, Texas 79768
Attn Mr Roger Becker

Re Operating Agreement dated February 1 2016
Section 15, Township 23 South, Range 34 East,
Lea County, New Mexico
Mewbourne s Pronghorn 15 Prospect

Gentlemen

Mewbourne Oil Company (Mewbourne") is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s ("BMO") applications concerning its proposed Duke Federal 10 #10H, Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1, 2016 between Mewbourne Oil Company as Operator and Challenger Crude, Ltd et al, as Non-Operators covering the captioned Section 15 (JOA')

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Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely

MEWBOURNE OIL COMPANY

Corey Mitchell
Corey Mitchell
Landman

Company Wildcat Energy, LLC
Name R. L. Sehn
Title President

Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S R34E Lea County, NM

MEWBOURNE OIL COMPANY

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

January 18 2017

Mark G Kalpakis Irrevocable Trust
5416 Birchman Avenue
Fort Worth, Texas 76107
Attn Mrs Rachelle Whiteman

Re Operating Agreement dated February 1 2016
Section 15 Township 23 South, Range 34 East
Lea County New Mexico
Mewbourne s Pronghorn 15 Prospect

Ladies and Gentlemen

Mewbourne Oil Company (Mewbourne) is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s (BMO) applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1 2016 between Mewbourne Oil Company as Operator and Challenger Crude Ltd et al as Non Operators covering the captioned Section 15 (JOA)

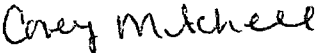
Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

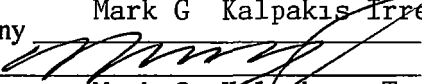
Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely

MEWBOURNE OIL COMPANY


Corey Mitchell
Landman

Company Mark G Kalpakis Irrevocable Trust
Name 
Title Mark G Kalpakis, Trustee

Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S, R34E Lea County NM

MEWBOURNE OIL COMPANY

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

January 18 2017

R Dean Williams Irrevocable Trust
5416 Birchman Avenue
Fort Worth Texas 76107
Attn Mrs Rachelle Whiteman

Re Operating Agreement dated February 1 2016
Section 15 Township 23 South Range 34 East
Lea County New Mexico
Mewbourne s Pronghorn 15 Prospect

Ladies and Gentlemen

Mewbourne Oil Company (Mewbourne) is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s (BMO) applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1, 2016 between Mewbourne Oil Company as Operator and Challenger Crude Ltd et al as Non Operators covering the captioned Section 15 (JOA)

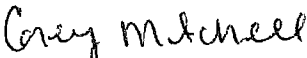
Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

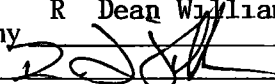
Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely,

MEWBOURNE OIL COMPANY


Corey Mitchell
Landman

Company R Dean Williams Irrevocable Trust
Name 
Title R Dean Williams, Trustee

Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S R34E Lea County NM

MEWBOURNE OIL COMPANY

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

January 18 2017

G W Green
414 W Texas Avenue Suite 317
Midland Texas 79701

Re Operating Agreement dated February 1 2016
Section 15 Township 23 South Range 34 East
Lea County New Mexico
Mewbourne s Pronghorn 15 Prospect

Dear Mr Green

Mewbourne Oil Company ("Mewbourne") is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating, LLC s (BMO) applications concerning its proposed Duke Federal 10 #10H, Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1 2016 between Mewbourne Oil Company as Operator and Challenger Crude Ltd et al as Non Operators covering the captioned Section 15 (JOA)


Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely

MEWBOURNE OIL COMPANY


Corey Mitchell
Landman

Company Gerald W Green
Name _____
Title OWNER

Hereby supports Mewbourne Oil Company as Operator of Section 15, T23S R34E, Lea County NM

MEWBOURNE OIL COMPANY

500 West Texas Suite 1020

Midland Texas 79701

Phone (432) 682 3715

Fax (432) 685 4170

January 18 2017

Axis Energy Corporation
P O Box 2107
Roswell New Mexico 88202
Attn Mr Chad Barbe

Re Operating Agreement dated February 1 2016
Section 15 Township 23 South Range 34 East,
Lea County New Mexico
Mewbourne s Pronghorn 15 Prospect

Gentlemen

Mewbourne Oil Company (Mewbourne) is preparing to file an application with the New Mexico Oil Conservation Division against Black Mountain Operating LLC s (BMO) applications concerning its proposed Duke Federal 10 #10H Duke Federal 10 #18H and the Duke Federal 10 #26H Mewbourne is the current Operator under that certain Joint Operating Agreement dated February 1 2016 between Mewbourne Oil Company as Operator and Challenger Crude Ltd et al as Non Operators covering the captioned Section 15 (JOA)

Mewbourne is seeking the support of the Non Operators under the JOA to continue with the current development plan with Mewbourne as Operator of the captioned Section 15 and develop the property accordingly without interference from BMO

Please indicate your support by signing and returning this letter to Mewbourne in the space provided below

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

Sincerely

MEWBOURNE OIL COMPANY

Corey Mitchell

Corey Mitchell
Landman

Company AXIS ENERGY CORP
Name 7120
Title PRESIDENT

Hereby supports Mewbourne Oil Company as Operator of Section 15 T23S R34E Lea County NM



P O BOX 233 700 N GRANT SUITE 400 ODESSA TEXAS 79760 0233 (432) 580 5722 FAX (432) 368 3490

CERTIFIED MAIL 70151730000136801467

January 24 2017

Re Notice of Intent to Drill
Duke Federal 10 #10H #18H & #26H
Lands in Sections 10 & 15 T 23S R34E
Lea County New Mexico

Mr Luke Mildren Vice President Land
Black Mountain Operating LLC
500 Main Street Suite 1220
Fort Worth Texas 76102

Dear Mr Mildren

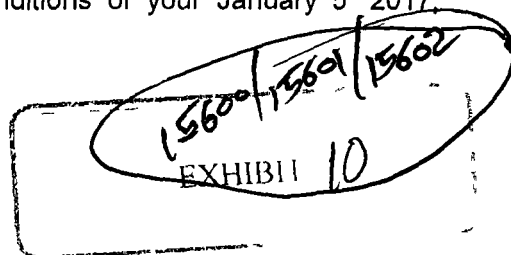
ICA Energy Inc is in receipt of your January 5 2017 correspondence wherein you have advised in general terms the intentions of Black Mountain Operating LLC (BMO) to propose the drilling of the designated Duke Federal 10 #10H #18H & #26H wells on the captioned lands

ICA will postpone any response as to these proposed drill wells by BMO as Mewbourne Oil Company (Mewbourne) is currently the operator under the joint operating agreement dated February 1 2016 covering the captioned Section 15 Our review of your proposed joint operating agreement with your contract area stated covering the SW/4 W/2 SE/4 of referenced Section 10 and the E/2 W/2 and E/2 of the Section 15 appears to be incorrect as these lands do not appear to form a consistent contract unit area

Mewbourne is also currently the operator and proceeding with drilling of the Pronghorn 15 B3DM Federal Com #1H which is the initial well under the referenced JOA and it is ICA's understating that BMO finally has elected to participate as non operating working interest owner

ICA believes that the current drilling of the Pronghorn well the fact that Mewbourne has already established a development pattern for the Section and invested in infrastructure for the area with BMO and ICA as partners negates any proposal from BMO at this time which would potentially lead to acreage being left out or stranded and of course waste being an issue because your plat and contract area does not conform to an established development pattern

ICA has owned its leases in the subject area for over ten years and has been very pleased with the operations and partnership with Mewbourne in the past and at this time does not support any proposal for new drill wells under the terms and conditions of your January 5 2017 correspondence



Black Mountain Operating LLC
January 24 2017
Page 2

ICA has researched the history of BMO and finds that you have never drilled a vertical or horizontal well in the southeast New Mexico area and we believe that should BMO pursue proceedings with the NMOCD for any type of action on the proposed well ICA would of course state these relevant facts before the Commission with respect to your lack of experience and operations in the area

Finally ICA has executed a separate letter supporting Mewbourne Oil Company with the NMOCD against BMO concerning its applications and will of course go on record as totally supporting Mewbourne s current drill prospect as well as the development of the area as to the protection of correlative rights and the prevention of waste in unnecessary drilling by an inexperienced operator in the area

Should you wish to discuss this matter further you may contact me at the letterhead address or telephone number accordingly

Sincerely

ICA ENERGY INC



Curtis N Leonard
President

cc Mr Corey Mitchell
Mewbourne Oil Company
500 West Texas Suite 1020
Midland TX 79701
cmitchell@Mewbourne.com

BLACK MOUNTAIN OPERATING LLC
AUTHORIZATION FOR EXPENDITURE
DRILL & COMPLETE NEW WELL

AFE# 16007

DT 12/8/2016
 L Duke Federal 10
 Surface Location SEC 10 T 23S R 34E
 Proposed Depth 18,567 MD
 Object Drill & Complete Horizontal Well 3 d Bo Sp ng Formation 7500' 30 ft ac tage

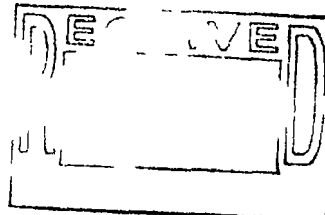
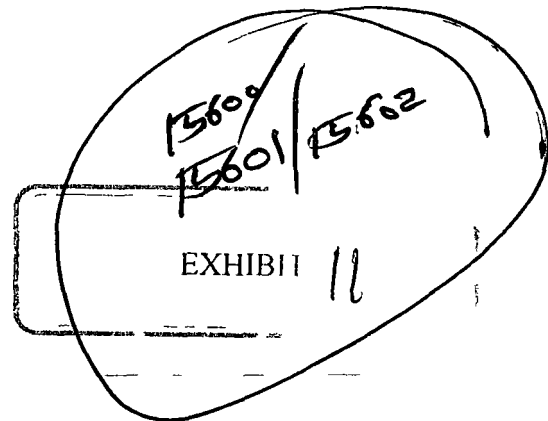
County/State Leas NM
 Well 26H

Duke Federal 10 #26H AFE

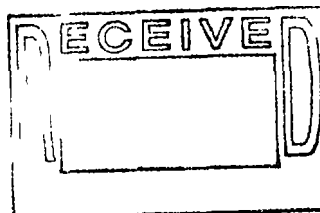
Description	AFE Amt
SURVEY LOCATION PERMITS	\$150,000
LEGAL TITLE SURFACE DAMAGES	\$20,000
CONDUCT WORKER WELL DRILLER	\$25,000
CONTRACT DRILLING FOOTAGE TUBES	\$0
CONTRACT DRILLING DATA WORK (DRILLING LOGGING RUN)	\$26,000
USE	\$3,500
MOB DE MO	\$82,500
RNT OOE EQUIPMENT	\$75,000
DOWNHOLE RETENTION TOOL & EQUIPMENT	\$5,000
BITS	\$20,500
FLUID LOSS & SERVICES	\$0
SECTION & COILING	\$0
BOESG	\$2,500
MDMAEIAS & E CAS	\$225,000
DISPOSAL OWBAC	\$50,000
WELLER	\$5,000
CWQUARIES	\$50,000
SPECIAL SERVICES DIRECT ONAL	\$275,000
LOGGING WIRELINE PERFORMANCE	\$50,000
DRILLSTEM & PRODUCTION TESTS	\$0
COG & ENA SS	\$0
MD OGGG	\$30,000
ENT & CE SERVICES	\$2,500
PLUG BACK ES O E	\$0
RUCKING & HAULING	\$20,000
COMSUVISIO	\$0
UEVISIO CONTRACT	\$0,500
OD	\$0
CASING CREWS CONTRACT LABOR	\$5,000
SCELAEDOUERNGCOS	\$5,000
DRILLING WELL INSURANCE	\$0
CONTINGENCY	\$232,250
Intangible Drilling	\$2,584,750
CE CASING	\$5,000
INTERMEDIATE CASING	\$80,000
CASING LEAD TUBING HEAD CHISTMASTEREE	\$2,500
ONGNTRALZHO	\$0
CONTINGENCY	\$3,000
Tangible Drilling	\$297,000
UVEOCAERMS	\$0
EGAE SRFCE DAMAGES DAMAGES	\$8,000
STMLATO TREAME T FRACTURING CDIZG	\$2,990,000
SAO	\$0
CONTRACT WORK (DRILLING OGGG RUNNING CASING)	\$30,000
E	\$0
DOW OEE LOOL & EQUIPMENT	\$7,500
SC EEOO & EQUIPMENT	\$225,000
BG	\$50,000
BS	\$3,500
SHGTOOS & SECE	\$0
SPEC ON COILING	\$0
BOESG	\$0
MUD MATERIALS & CE CAS	\$60,000
DISPOSAL OWBAC	\$50,000
WELLER	\$200,000
CREW QUARTERS	\$0
OGG G WIRELINE PERFORMANCE	\$56,000
ICEMNGE	\$65,500
UC HANG	\$0
CO SERO	\$5,000
SEVISIO CONTRACT	\$2,600
EA	\$0
CASING CREW CONTRACT LABOR	\$25,000
OWBAC WELL TESTS	\$80,000
MIS E LA E O S O E CO RAC PLUGS	\$500
WE NS RANC	\$0
CO NGE C	\$420
Intangible Completion	\$4,828,085
RODUCO CASING	\$204,23
NG	\$60,000
CAEABNGEADCSMAEE	\$35,500
OENGBLEGENERALIZERS FLOTEQUIPMENT	\$8,500
CONTINGENCY	\$30,82
Tangible Completion	\$8,06
M	\$0
M OVE ASSEMB	\$0
UCKE ODS POS ODS	\$0
SC TTNGS & S	\$500
SUBS RCE EQUIPMENT	\$7,500
ACKERS	\$25,000
TY LABOR COS	\$500
B TTER	\$65,000
SE RAOEAES E AER	\$6,000
CO PRESSO	\$0
MEEGEQUIPMENT LACTUT	\$9,750
TL EOPET	\$0
EL ES & CO ECTONS	\$62,500
COMP S PERSVIO	\$500
CO TINGE C	\$4,225,0
Little	\$453,478
Total Estimated Well Cost	\$8,272,371
Black Mountain Operating LLC	
Authorized On R	From
PLEADICATE OAL D UTHOZA O OPO NA CO MOG MA	
EXPE DI RE BO OW	
OWNERS	COST TO COMLETE
DATE	ART C P NTS EST MATED COS
APPROVED B	LE

3-30-17
 OCP Hearing

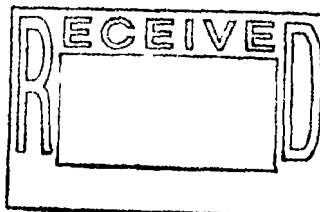
AFES
 For all 3 wells



BLACK MOUNTAIN OPERATING LLC		AFE# 16009	
AUTHORIZATION FOR EXPENDITURE			
DRILL & COMPLETE NEW WELL			
D 12/29/2018		County S	Log NM
L D No Fedo 1.0		W IIN	18H
Surf ce Loca on SEC 0, T 239, R 34E			
P ope D pt 8.667 MD			
Obj ct D & Comp H on W 3rd Bone Spr g Form on 7500 30 0			
Duke Federal 10 #18H AFE			
Modern Development AFE		Description	
		AFE Amou	
SURVEY LOCAT ON PERMITS		\$ 50 000	
LEG L T TLE SURFACE DAMAGES DAMAGES		000	
CONDUCTOR P PE / WATER WELL / DRIVE P PE		000	
CO TRAC DR LING OOTAGE & TURNKE		\$0	
CONTRACT DR LING DAYWORK (DR LL G LOGG G RU		\$708 000	
FUEL		\$77 500	
MOB DE MOB		\$82 500	
RE T OO & EQUIPMENT		\$ 75 00	
DOWN O E E L TOO & EQUI ME T		\$ 5 000	
B TS		\$ 20 5	
F S G TOOLS & SERVICES		\$0	
E S EC ON & CO NG		\$0	
BOP TEST NG		\$2 5	
MUD MA E IA S & C E CALS		\$225 000	
DISPOS L QWBAC		\$50 000	
W E		\$ 00	
CREW QU RTERS		\$50 00	
SPECIAL SERVICES DIRECT ON L		\$275 000	
LOGGING WIRELINE PERFORATING		\$50 000	
DR LL STE & PRODUC ON ESTS		\$	
COR NG & CO E ANA SIS		\$	
MUD LOGGING		\$30 000	
CE E CEME T SER CES		\$ 2 00	
LUO BA DON ES ORE		\$0	
RUCK NG & HA G		\$20 000	
COM N S PERSIVO		0	
SUPERVISIO CONTRAC		\$ 0 500	
OVER EAD		\$0	
CAS NG CREWS CO TRAC LABOR		\$25 000	
CE LA E E DR L NG COST		\$ 500	
WE RA CE		\$	
CON NGE C		\$230 250	
Inta gi la Drilling		\$2,632,750	
SUR CE CAS G		\$ 500	
ER MEDIANE CAS NG		\$ 80 000	
CAS G EAD TUB NG EAD CHR STMAS TREE		\$27 500	
NG ENTRA IZ QA HO		000	
CO T GENC		\$2 000	
T ngible Drilling		\$287,000	
S E OCA O E S		\$0	
LEGA E CE DAMAGES DAMAGES		\$35 000	
STIMULAT ON TREATMENT FRACTURING / AC D Z G		\$2 980 000	
D CO RO		\$0	
CO RAC DA WO (DR L G OGG NG R NI G CAS		\$30 00	
F EL		\$	
DOW O E E L TOOL & EQ E T		\$ 500	
S CE RE L TOOL & EQU PME		\$22 000	
CO H S		\$ 50 000	
B S		\$3 500	
S NG OO SER E		\$0	
PE S ECTIO COA NG		\$0	
BO TES G		\$0	
MUD MA E IA C E CA S		\$80 000	
D SPOSAL FLOWBACK		\$50 000	
W TER		\$200 000	
CREWQUA E S		\$0	
LOGG NG WREL E ER OR TNG		\$ 56 000	
E T E E T G RV CES		\$85 50	
S C L E		\$	
T UCKI G & HA G		\$ 5 000	
O S E ON		\$	
S CO RA		\$ 600	
EAD		\$0	
CAS NG CREWS CONTRACT LABOR		\$ 000	
LOWBACK WELL TESTS		\$80 000	
M SCELLANEOUS OT ER COSTS / FRAC PLUGS		\$ 2 500	
DR NG WE URANCE		\$0	
CONT NGE C		\$4 35	
Inta g ble Completion		\$4 828 083	
R DUC O CAS G		\$204 237	
TUB NG		\$60 000	
CAS NG EAD TUBING HEAD CHR STMAS TREE		\$35 500	
E ANG B ENTRA IZER LOATE ME		\$ 500	
CON GENC		\$30	
T gible Completion		\$ 8 08	
QA		\$0	
M NG E MOVE SSE B		\$	
S C E ODS POL S ODS		\$0	
SC F TT NG S SUPP ES		\$ 500	
SUBSURF CE EQUIPMENT		\$7 500	
PACKERS		\$25 000	
C I LABO CO		\$77 500	
BATTER		\$65 000	
E ARA ORS EATERS T EATERS		\$6 000	
COM SSO		\$	
E E G EQ PME LACTU		\$8 50	
EO PME		\$0	
EL ES & CO ECTONS		\$82 500	
COM SUPERVISIO		\$ 500	
CO NGE C		\$4 225 0	
Facil lte		\$453 475	
E m W C		\$6,260,	
BI h M tel Op ti g LLC			
Appr ved		T Da	
Authon to Req ed F om			
EASE DICA E APPH AL UT ZATIO O PO NA MA			
EXPENDITURE AS DET ED BOVE SIGNNG W NG ONE S G CO O BMOG C			
OWNE SHIP COS OCOM E			
DATE R ES IMA ED COS			
VE T TLE			



BLACK MOUNTAIN OPERATING LLC		AFE#	16008
AUTHORIZATION FOR EXPENDITURE			
DRILL & COMPLETE NEW WELL			
Date 12/9/2016		County/State Loc. NM	
L as Duke Federal 10		W 11 N 10 H	
Surf on Location SEC 10, T 23S, R 34E			
Prop ad D pth 18.567 MD			
Obj ct D J & Compl t H		Sp ng F mat 7500' t 1 30' t g	
Duke Federal 10 #10H AFE			
Madera Development AFE			
Description			AFE Amount
SURVEY/LOCATIO PERMITS			\$150 000
LEGAL TITLE SURVEY DAMAGES DAMAGES			\$20 000
D W ER WE			\$0 000
CONTRACT DRILLING FOOTAGE & TURN KEY			\$0
CO RAC DR G DAYWORK (D NG OG			\$ 000
FUEL			\$ 500
MOB DE MOB			\$ 2 500
E L TOOL & EQUIPMENT			\$ 75 000
DOW HOLE RENT L OOL & EQUIPMENT			\$45 000
B S			\$ 20 600
S NG OOLS & E CES			\$0
E S ECTION & CO T G			\$0
BOP TESTING			\$2 500
M DMATER S & C E CALS			\$275 000
DI SA OWBAC			\$50 000
W TE			\$ 5 000
EWQ E			\$50 000
S E C L BERVES EC NA			\$2 5 000
OGG NG WRE I E PE FORA G			\$50 000
S E UC O ES			\$0
CO G & CO E NA SS			\$0
M D OGG G			\$ 000
CEME T & CEME SE VICES			\$ 2 500
P UG BANDO & RES ORE			\$
T CKING & HA L NG			\$20 000
CO S PE SO			\$0
S PERVS O CONTRACT			\$70 500
O E E D			\$0
CASING CREWS CONTRACT LABOR			\$25 000
M SCELLANEOUS O HER DR NG COSTS			\$5 500
O WE RANCE			\$0
CONT NGENC			\$23 250
Intangible Drilling			\$2,543,750
SURF CE CAS			\$ 500
INTERMED TE CAS NG			\$ 80 000
CAS NG EAD TUB G HEAD C RISTMAS REE			\$2 500
E E NTRA IZE S OA SHOES			\$ 5 000
C NGE			\$2 000
Intangible Drilling			\$297 000
E OCA			\$0
EG TE CED MAGES DAMA ES			\$35 000
S MULA IO TREATME T FRACTURING C DIZ G			\$2 990 000
SA D CONROL			\$0
CO RAC D YWO (DRILL NG LOGG G RUN G CAS			\$30 000
E			\$0
DOW O E RENT OOL & EQUIPMENT			\$7 500
SU CE E TOO & EQUIPMENT			\$225 000
L			\$ 50 000
B S			\$3 500
G OG E			\$0
E S E C ON CO T NG			\$0
BOP ES G			\$0
DMATE IAL C EMICA S			\$60 000
DISPOSA OWBAC			\$0 000
W TE			\$200 000
C EWOU ES			\$
LOGG G WREL E PERFORA G			\$6 000
S C E M			\$65 250
S C E			\$0
RUCKING & HA G			\$ 5 00
C U ERVIS O			\$0
E VIS CO RAC			\$ 2 600
OVE EAD			\$0
CAS G C EWS CO TRACT LABO			\$25 000
FLOWBAC WE TES S			\$80 000
CE LA E C S RA UG			\$0
D L NG WE L S RANCE			\$0
NGENC			\$42 735
Intangible Completion			\$4 828,085
ODUCT CA NG			\$204 23
UB G			\$60 000
CAS G EAD TUB G EAD C STMAS REE			\$
O ERT G B E E TRALZERS FLOA EQUI ME T			\$6 500
CO T GE C			\$30
Y gl le Completio			\$339,06
GAS			\$0
M NG UN IME MOVE ASSEM			\$0
UCKE ODS PO RODS			\$0
SCFTTNG S P ES			\$ 500
S F C EEO E			\$7 500
L			\$25 000
T BATTER			\$7 500
SE RATORS EATE S T EATERS			\$6 000
COM ESSO			\$0
METER NG EQUIPME T LACT T			\$9 50
T L T EQUIPME T			\$
EL ES & CO ECTIONS			\$82 500
COMP S PERVISION			\$ 500
CO GE C			\$4 225
F Ulls			\$453 5
m ed Well Co			\$6,281,37
BI KM t Op tlg LLC			
T D			
Au nz on R q om			
SE DICA O D UTHOIZA O O O O NA E REO EE MA ED			
DI URE S DET LED DOVE BY SIGNING BELOW AND ETU NG O E G ED O BMOG C			
OWNE SHP COST TO COM LE E			
DATE C E MA D COS			
PPRO EDS TITLE			



8 BMO's AFE of \$8.25MM for a 1.5 mile lateral is more than 10% higher than 1.5 x MOC's AFE for a 1 mile lateral implying no cost savings for drilling the extended lateral

a Based on BMO's AFE, MOC and all non-operated working interest owners under the full section JOA will have worse economics under BMO's proposal compared to the 1 mile laterals proposed by MOC

15600
15601
15602
EXHIBIT 12

BLACK MOUNTAIN OPERATING LLC		AFE# 16007
AUTHORIZATION FOR EXPENDITURE		
DRILL & COMPLETE NEW WELL		
D 2/2/20 3 L se Du e Fede al 10 Surf L 1 SEC 10 T 23S R 34E P osed D pth 18.567 MD Obj clv Drll & C mpl L Hor 11W Rl 3rd Bo Spr g F rma 7500 301 ag		
Duke Federal 10 #26H AFE		
Mad rs Development AFE		
Description	AFE Am	
SURVE /LOCATON PERMITS		\$ 50,000
LEGAL TITLE S ACE AMAGES DAMAGES		\$20,000
CO CTO E W E WE DRIVE E		\$25,000
D G OO AGE U KE		
CO RAC DR L G D YWOR (DRL G OGG G R		\$726,000
UE		\$77,500
MOB DE MOB		\$82,500
E O EQ E		\$ 75,000
DOW E O E E E		\$45,000
B S		\$ 20,500
G OO S VICE		\$
E S EC O O G		\$0
BO ES G		\$2,500
D MATERI LS & C EM CALS		\$225,000
DS S FLOWBACK		\$50,000
W E		\$000
C W Q E S		\$50,000
SPE IAL ERV CES D E		\$275,000
LOGG NG WREL E PE ORAT G		\$50,000
D D ES		\$0
AN		
D OG		\$30,000
E E & CE E ER CES		\$ 2,500
ABAND R E		
KI HA G		\$20,000
C S ERVIS O		\$0
SUPERVIS O CO TRACT		\$70,500
O ER EAD		\$0
CAS G CREWS CO AC LABOR		\$25,000
E LA D		\$ 500
D L GWEL URANCE		\$0
Intangible Drilling		\$2,322,600
S R ACE CAS G		\$ 7,500
E AS		\$ 80,000
CAS G EAD C S MAS REE		\$2,500
O E AN B E CE RAL ZE S O S E		\$ 5,000
Tangible Drilling		\$270,000
U VEY OC TO PER S		\$0
LEGAL / TLE S RFACE DAMAGES DAMAGES		\$35,000
ST MULATION TREATMENT / FRACTURING / ACIDIZ NG		\$2,690,000
SAND CO ROL		\$0
ON C DAYWOR (DRL G LOGG NG R GCAS		\$30,000
E		\$0
DOW OLE E AL OO EQ E		\$ 500
S R CE RE TAL TOOL & EQU MENT		\$225,000
COL TUB G/S UBB NG		\$ 50,000
B		\$ 500
F SH OO S SERVICES		\$0
E S OA		\$0
BO TE T G		\$0
MA E AL CAL		\$0,000
OS OWB		\$50,000
W E		\$200,000
C W		\$0
OG G W E E E OR T G		\$ 58,000
CE E E SE VICES		\$85,250
C E		\$0
KI		\$000
CO ANY S ERVIS O		\$0
		\$ 2,600
C S G CR W R C LAB		\$25,000
OWBAC WE LTES S		\$90,000
E LANE O S C		\$ 2,500
W RAN		\$0
Intangible Completion		\$3,90,80
RODUCT ON CASING		\$204,237
CAS G E D TUB G E D C R S S REE		\$0,000
E AL E		\$35,500
Tangible Compl tion		\$308,23
GA		\$0
G PR E OVER ASSE B		\$0
KE		\$0
TT GS S		\$ 500
E EQ E		\$ 500
C E S		\$25,000
TY LAB		\$ 500
AN BAT ER		\$65,000
AR EA EA E S		\$60,000
ESSOR		\$0
E ER G EQUIP E T LAC UNT		\$8,750
TY Q E		\$0
P PEL ES & CON E T O S		\$82,500
CO AN S ERVIS O		\$ 500
Facilities		\$4,80
Total Estimated Well Cost		\$7,20,33
Black M ta Ope ti g LLC		
Approved B		
Authorization Requested From		
EASE D CATE O AP O AND O ZA O R OPOR O E AR O EES MATEDE E D EAS		
DE AI ED ABOVE B SG G BELOW AND E NGO ESG ED COPY TO BLACK O TAI O ER G C		
W E S COS TO CO P E E		
O E AR C ANTSES MA E COS		
APP OVED B TITLE		

NEW AFE'S
From Black Mtn

15600
15601
15602
EXHIBIT 13

BLACK MOUNTAIN OPERATING LLC		AFE# 16009	
AUTHORIZATION FOR EXPENDITURE			
DRILL & COMPLETE NEW WELL			
Date 12/20/06		C S Lf NM	
L se Duke Federal 10		W 9	
S r f ce Loca SEC 10, T 23S, R 3 E			
P osed O pth 18.567 MD			
Objectiv D & C mpt l		W l 3 d B Sp g F m 7500 l .30 g	
Duke Federal 10 #18H AFE			
Master Development AFE		AFE Am t	
Description			
SURVE LOCATIO / PERMITS			\$ 50 000
LEG L T LE SUR CE D MAGES DAM GES			20 000
O D CTO E W ER WELL DRIVE E			\$25 000
O R CTD G OOT GE & UR KE			\$0
O R C D G D YWOR ID G OGG			\$ 06 000
EL			\$ 500
OB DE OB			\$82 500
ENTAL OO ME			\$ 5 000
DOW LE OO E E			\$45 000
			\$ 20 500
S G OOL & SERVICES			\$0
E EC CO G			\$0
BO TE G			\$2 500
UD MATER ALS & C E CALS			\$225 000
D S OSA LOWBACK			\$50 000
WATER			\$ 5 000
C EW QUAR E			\$50 000
S ECIAL SERVICE DIRECTIO AL			\$275 000
OGG G WIREL E PE FOR TI G			\$50 000
DRILLS E RODUCTO TES S			\$0
COR G & CO EAN S			\$0 000
M D G			\$82 500
VI E			\$0
UG, ABAND ESTO E			\$20 000
C G & HAULI G			\$0
O A S ER SON			\$70 500
S PERVIS O CONTRACT			\$0
OVER EAD			\$25 000
CAS G C EWS CONTRAC LAB			\$5 500
MSCELLANEOUS OT E DRLL G COSTS			\$0
DR L G WELL NSURA CE			\$2,302,500
tang ble Dri ling			\$47 500
S RFACE CAS G			\$ 80 000
ER EDIA E CA G			\$2 500
G D S MA EE			\$ 000
E ANG E RA ZE O T OES			\$27 000
ng ble Dri ng			\$0
S RVE DCA O E S			\$35 000
LEGAL T TLE S R CE DAMAGES DAMAGES			\$2 890 000
LA O E T E F C R G C DIZ G			\$0
SAND CONTRO			\$30 000
CO TR C D YWORK(DRLL G LOGG G RU GCAS N			\$0
EL			\$ 500
DOW E E ALTOO EQ E			\$225 000
SU CE RE TOO & EQUIP E T			\$ 50 000
COL TUB G/S B G			\$00
BTS			\$0
S G OO SERVICES			\$0
E SPECTO & COAT G			\$80 000
BO ES G			\$50 000
D ERIA C E S			\$200 000
OSAL L WB			\$0
W TE			\$0
WV AR			\$ 56 000
GOI W E G			\$8 250
E E G E S			\$000
C L E			\$0
TRUCK G & A G			\$0
O AN S VISO			\$ 2 600
SU ERVIS O CO TRACT			\$0
OVE E D			\$ 000
G C EV C LAB			\$90 000
W W ES			\$72 500
SCCELLANEOUS OT ER COSTS RAC PL GS			\$0
DR LLI G WELL S RANCE			\$3,807,360
I tangible Completion			204 23
AS			\$80 000
UB NG			\$35 500
CAS G EAD UB G EAD C R S MAS TREE			\$8 500
AN RA IZ OA			\$308,237
T ngible Completion			\$0
GAS L FT			\$0
G T E OVER ASSE BL			\$0
SUCKER RODS O S RODS			\$0
SC TT G S ES			\$77 500
ACE E			\$ 500
P KE			\$25 000
TY LA O			\$77 500
AN BATTE			\$85 000
E AR S E EA S			\$60 000
CO P ESSOR			\$0
E E GE E LACT			\$0
TY EQ			\$82 500
ELINES & CON ECTO S			\$ 500
CO AN S ERVIS O			\$412
Facilitie			
Total E mated W Cos			\$7,200,33
Black M tai Ope ti g LLC			
Approved B		Date	
Author: ion Requested F om			
LEASE O C E O APP O AND O ZA O O O NA E E E E E E E BO EB			
S G G BE OW AN E E S G ED CO O BLAC O TAI O ERAT C			
OW S O C E E			
DA E AR C AN S ES MA ED COS			
P P ROVED B T LE			

**BLACK MOUNTAIN OPERATING LLC
AUTHORIZATION FOR EXPENDITURE
DRILL & COMPLETE NEW WELL**

AFE # 16008

D 2/9/2016 C S T Lga NM
L as D k Fed 0 W I N 10H
S of Local SEC 10, T 23S, R 34E
P osted Depth 18,567 MD
Object D II & C mpt l H L I W II 3rd B Sp g F m l 7500 t l 30 f t g

Duke Federal 10 #10H AFE

Major Development AFE

Description	AFE Amt	Its
S RVE / OC Q PE TS		\$ 50 000
LEGAL T LE S RFACE D MAGES DAMAGES		\$20 000
CONDUCTOR E W ERWE D IVE PE		\$25 000
CO TRA D G DO GE TU KE		\$0
CO TRACTOR L G DAYWO (DRILL G OGG G RU		000
UE		\$ 300
OB DE MOB		\$82 500
RE TOOL & EQ P E T		000
DOW O E E L OO & EQ E		\$ 5 000
BTS		\$ 20 500
S G TOOS SERVICES		\$0
PPE SPEC O & CO T G		\$0
BOP TEST G		\$ 500
UD MA ERIA S & C E C S		\$225 000
D OSA OWBAC		\$50 000
W TER		\$ 5 000
CREW QUAR ER		\$50 000
S ECIA ERVI E D E NAL		27 000
LOGG W E E PER O		\$50 000
D STE & RODUCTO ES		\$0
COR G CORE ANAL SS		\$0
UD OGG G		\$30 000
CE E CE E SERVICES		\$82 500
UG ABANDON & RESTORE		\$0
T CH G HA L G		\$20 000
CO P S ERVIS O		0
S PERVIS O CO TR CT		70 500
OVE HEAD		\$0
CAS GC EWS CO T C LABO		\$25 000
S LANE THE OR GCOS		\$5 500
DRLL G WE SURANCE		\$0
Intangible Drilling		\$2, 12,500

SUR CE CAS G		\$4 500
E EDIATE CAS G		\$ 80 000
CAS G HEAD TUB G EAD C R STMAS REE		\$27 300
OT ER GB E CE TR ZE / QA S OES		\$ 5 000
Intangible Drilling		\$27, 000

RVE S		\$0
EGA TI E S ACEDAMA E DAMAGE		\$35 000
S LA EATME RA U G CDZ G		\$2 080 000
SAND		\$0
CO TRAC D YWO K(DR LOGG G U G AS		\$30 000
UEL		\$0
DOW E E TOOL EQU E		\$ 500
S ERE AL O & EO E		25 000
CO T B G/S BB G		\$ 50 000
BTS		\$3 500
S G OOS SERVICES		\$0
PPE SEC O CO		\$0
BO EST G		\$0
DMA E IALS C E CA S		\$80 000
D OSA OWBACK		\$50 000
W E		\$200 000
EWQ AR E S		\$0
OGG G W E E ER O G		\$ 56 000
CE E CE E GSER		\$85 250
S C E		\$0
		\$ 5 000
CO AN S E VI O		\$0
S E S CO R C		600
OVE EAD		\$0
AS GC WS CO LAB R		25 000
OWBA WE L E S		\$50 000
SCE LA O O ER OS RAC		\$ 2 500
DRLL G WE L S RANCE		\$0
Intangible Completion		\$, 00 ,350

PRODUCTION CASING		\$204 73
CAS G E D UBING E D C R S M S TREE		80 000
E G E CE ALZ LO EQ E		\$35 500
Intangible Completion		\$8 500
		\$308, 2

GAS		\$0
P R E OVER SSEMBL		\$0
CKE D OD		\$0
TT G S E		\$ 500
BS R ACE EQ P E T		\$7 500
CKE		\$25 000
TY LAB S		\$77 500
AN BATTE		\$65 000
SEPAR TO S E ERS T EA E S		\$60 000
CO ES		\$0
E ER GE UP E T LAC		\$9, 50
TY E E		\$0
E ES CO ECTO S		\$82 500
CO AN RVI O		\$ 500
as Bes		\$4 ,2

ots E trm ted Well os \$, ,

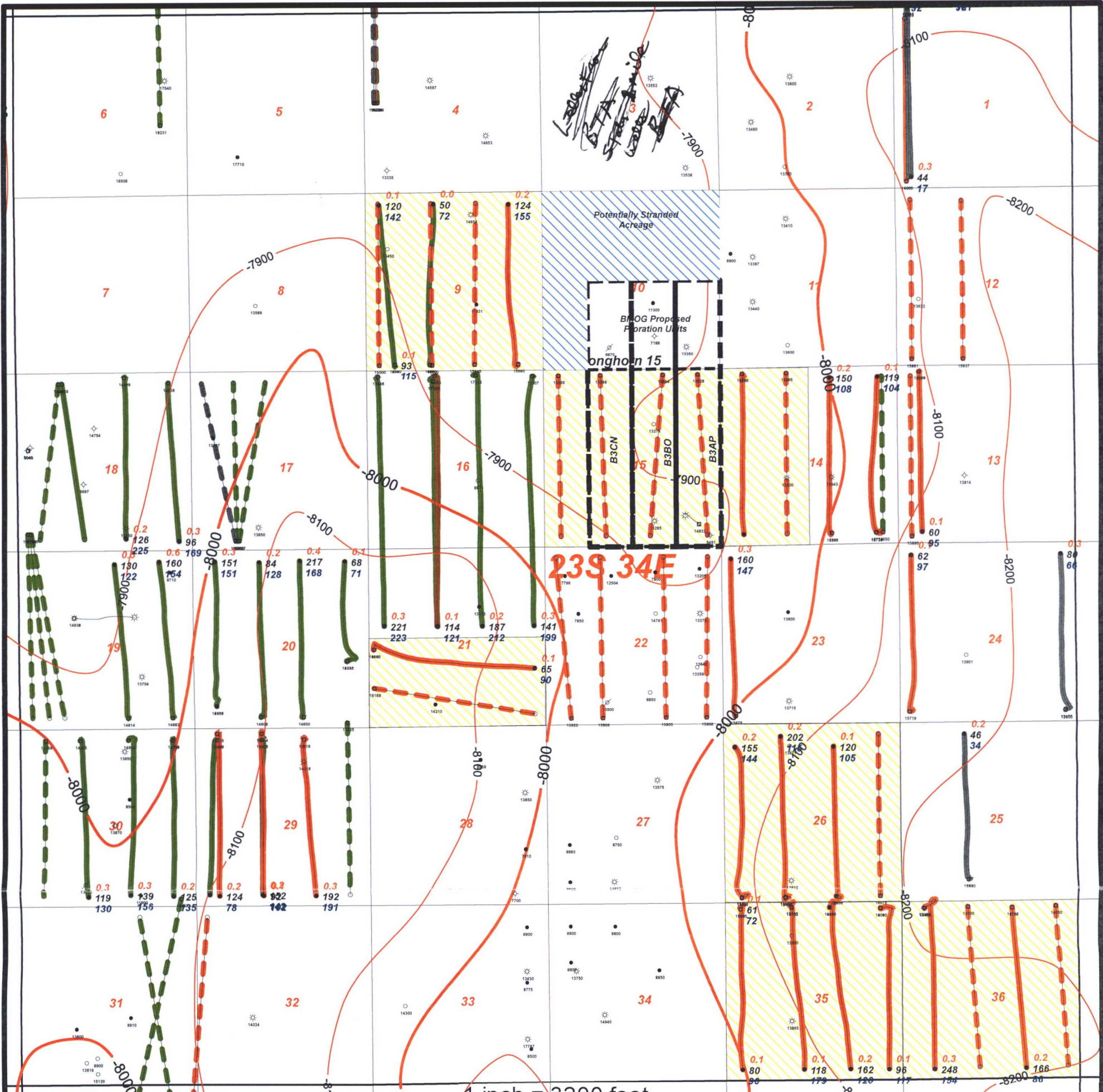
Black M tal Ope ti g LLC

Approved B rle D la

Authoriz hon equested From

PLEASE C TE OU O AL AND ZA OR O RO O O E AR O EES TEDE RE SDE E BO E G
BELOW AND RETURN GONE S G ED COP TO BLAC O AI O ER T G

OW E COST TO COMPLETE
DATE AR C AN SE MA ED COS
AP RO ED B LE



Horizontal Activity

- Delaware
- Avalon Shale
- 2nd BSPG Sand
- 3rd BSPG Sand

Proposed:

Drilled:

Mewbourne Operated Acreage

Legend

- Gross Sd
- TD
- Cum BCF
- Cum MBO
- Cum MBW

MOC Mewbourne Oil Company

Pronghorn 15

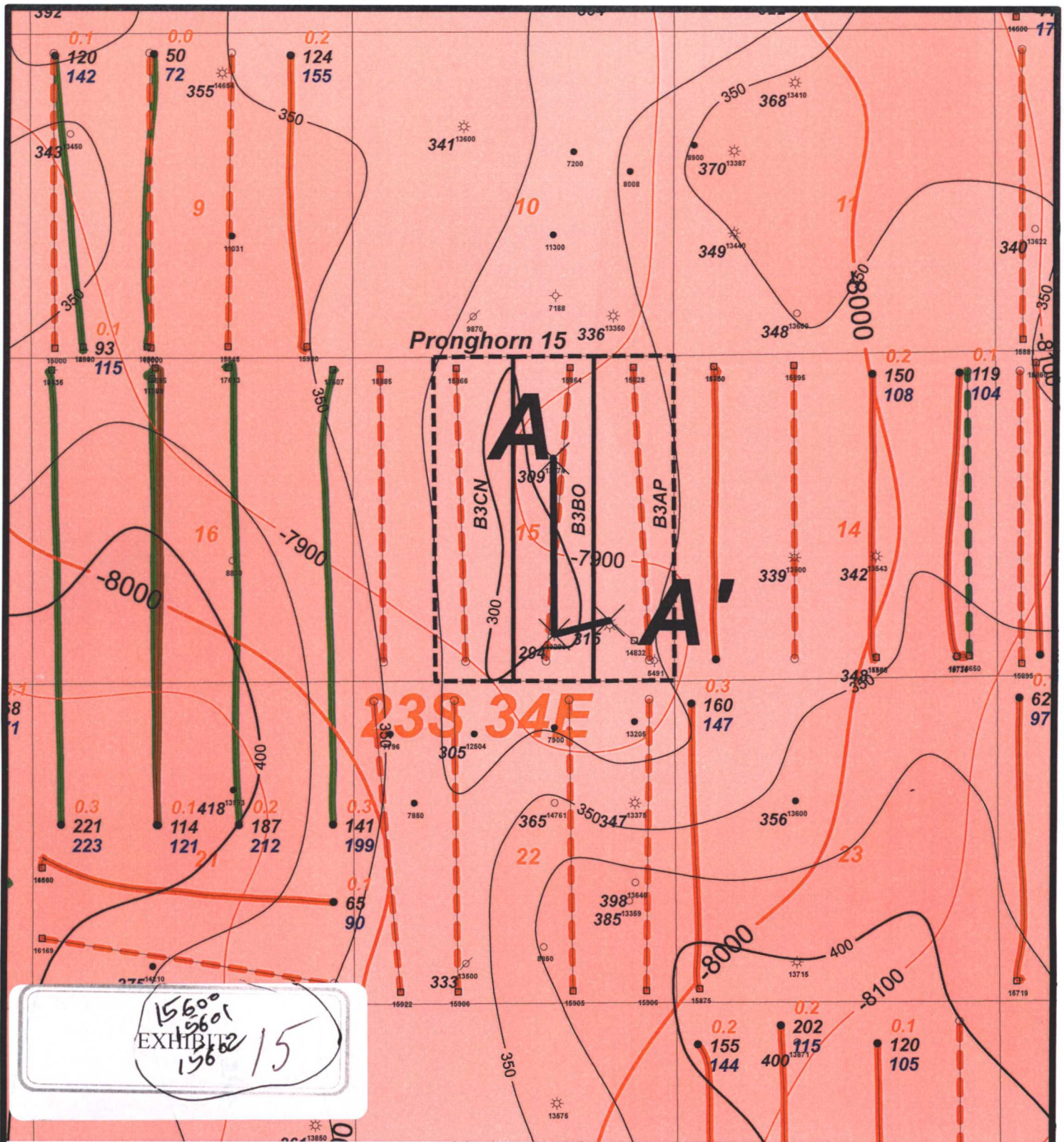
Regional Horizontal Activity Map

Structure Top of WFMP (C.I. 100')

12/22/2016	Lea County	New Mexico
1 Inch = 3200 Feet		N. Cress

EXHIBIT 14

20951
10951
09951



Horizontal Activity

2250 0 2250 4500 ft

- Delaware
- 2nd BSPG Sand
- 3rd BSPG Sand

Gross Sd

● Cum BCF
● Cum MBO
● Cum MBW
TD

Proposed: — — —
Drilled: — — —



Mewbourne Oil Company

Pronghorn 15
Gross Isopach 3rd BSPG Sd (C.I. 25')
Structure Top of WFMP (C.I. 100')

12/20/2016

Lea County

New Mexico

Wells <5000' Filtered Out

1 Inch = 2250 Feet

N.Cless

15600
EXHIBIT 15
15602

A

300252688700

ESTORIL PROD CORP
ADOBE FEDERAL 1
Reference=KB
Datum=3428.00
1650 FNL/1980 FEL
TWP: - Range: - Sec.

0.5 miles

300252688800

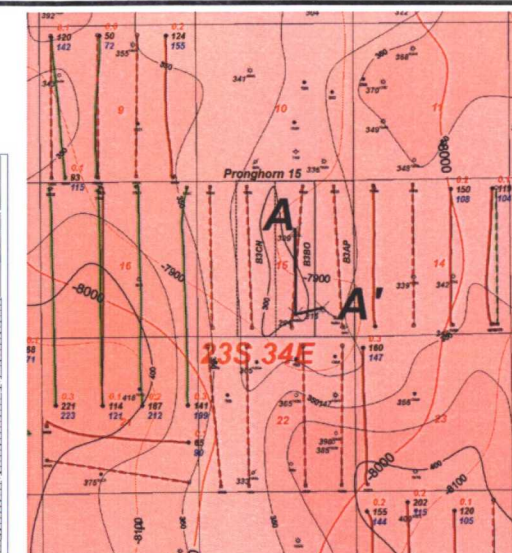
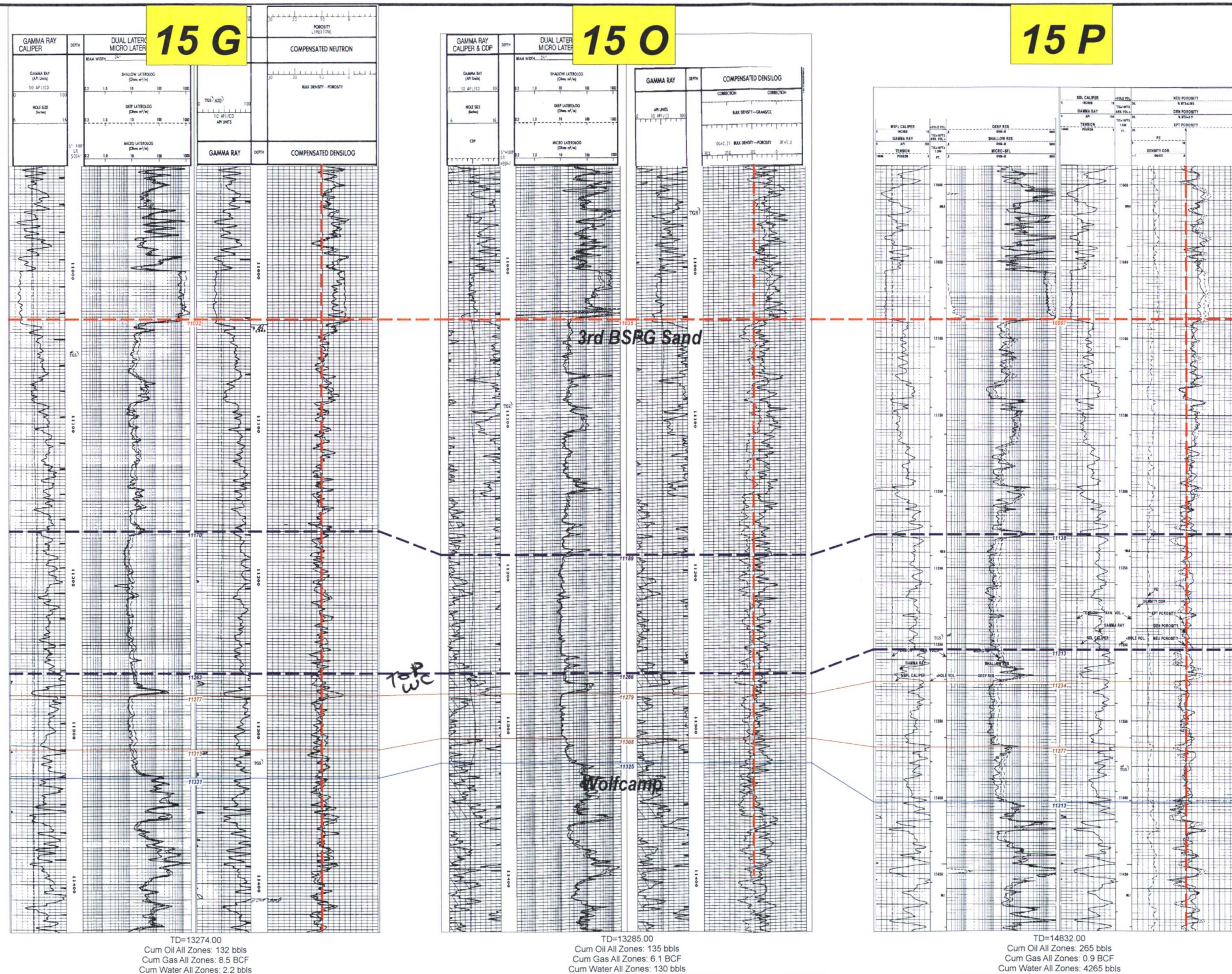
ESTORIL PROD CORP
BELCO FEDERAL 1
Reference=KB
Datum=3447.00
760 FSL/1980 FEL
TWP: - Range: - Sec.

0.2 miles

300253677800

DEVON ENERGY PROD
MAD DOG 15 FEDERAL 1
Reference=KB
Datum=3431.00
660 FSL 660 FEL
TWP: 23 S - Range: 34 E - Sec. 15

A'



Horizontal
Target

Mauhouse

15500

15601

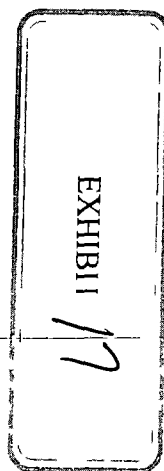
15602

EXHIBIT

16

Pronghorn 15
3rd BSPG A-A'

Pronghorn 15 Horizontal Bone Spring Production Table								
Well Name	Operator	API	Location	BSPG Completion Date	Cum Oil (mbo)	Cum Gas (bcf)	Cum Water (mbw)	BSPG Zone
Antelope 9 B3PA St Com 1H	Mewbourne	3002542651	9PA/23S/34E	9/20/2015	124	2 0	155	3rd BSPG Sd
Antelope 9 B2NC St Com 1H	Mewbourne	3002542650	9NC/23S/34E	8/13/2016	50	0 0	72	2nd BSPG Sd
Antelope 9 B2MD St Com 1H	Mewbourne	3002542366	9MD/23S/34E	6/13/2015	NA	NA	NA	2nd BSPG Sd
Banter State Com 4H	COG	3002542519	13DM/23S/34E	1/31/2016	60	0 1	95	3rd BSPG Sd
Caza Ridge 14 State 4H	Caza	3002540936	14PA/23S/34E	8/6/2013	119	0 2	108	3rd BSPG Sd
Caza Ridge 14 State 3H	Caza	3002540621	14OB/23S/34E	10/31/2012	150	0 2	108	3rd BSPG Sd
Oryx 14 B3DM Fed Com 1H	Mewbourne	3002543424	14DM/23S/34E	12/3/2016	No Public Production			3rd BSPG Sd
Gettysburg St Com 4H	COG	3002541929	16 21AH/23S/34E	12/10/2014	141	0 3	199	2nd BSPG Sd
Gettysburg St Com 3H	COG	3002540916	16 21BG/23S/34E	2/26/2014	187	0 2	212	2nd BSPG Sd
Gettysburg St 2H	COG	3002540874	16 21CF/23S/34E	8/20/2013	114	0 1	121	2nd BSPG Sd
Gettysburg St Com 1H	COG	3002541928	16 21DE/23S/34E	6/23/2015	221	0 3	223	2nd BSPG Sd
Wildcat 21 LI Fed 1H	Mewbourne	3002541261	21LI/23S/34E	10/13/2013	65	0 1	90	3rd BSPG Sd
Try Try Again 1H	Regeneration	3002541841	23MD/23S/34E	10/29/2015	160	0 3	147	3rd BSPG Sd
Landreth Fed Com 1H	Regeneration	3002541522	24MD/23S/34E	4/6/2014	62	0 1	97	3rd BSPG Sd
Mad Dog 26 B3OB State 1H	Mewbourne	3002541982	26OB/23S/34E	7/6/2016	120	0 1	105	3rd BSPG Sd
Mad Dog 26 B3NC State 1H	Mewbourne	3002541124	26NC/23S/34E	8/1/2014	202	0 2	115	3rd BSPG Sd
Mad Dog 26 MD State 1H	Mewbourne	3002541123	26MD/23S/34E	2/10/2014	155	0 2	144	3rd BSPG Sd



Mewbourne
15600
15601
15602

Mewbourne Oil Company

Lea County, New Mexico

Pronghorn 15 B3AP Fed Com 1H

Sec 15, T23S, R34E

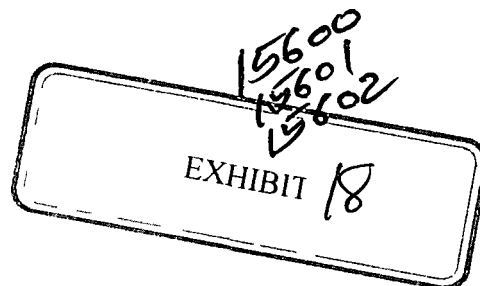
SL 185' FNL & 660 FEL

BHL 330' FSL & 450 FEL

Plan Design #1

Standard Planning Report

30 November, 2016



Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3AP Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3414 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3414 0usft
Site	Pronghorn 15 B3AP Fed Com 1H	North Reference	Gnd
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 450 FEL		
Design	Design #1		

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

Site	Pronghorn 15 B3AP Fed Com 1H		
Site Position	Map	Northing	478 067 00 usft
From	Map	Easting	772 574 00 usft
Position Uncertainty	0 0 usft	Slot Radius	13-3/16
		Latitude	32 18 40 459 N
		Longitude	103 27 3 849 W
		Gnd Convergence	0 47

Well	Sec 15 T23S R34E		
Well Position	+N/-S	0 0 usft	Northing
	+E/ W	0 0 usft	Easting
Position Uncertainty	0 0 usft	Wellhead Elevation	0 0 usft
		Latitude	32 18 40 459 N
		Longitude	103 27 3 849 W
		Ground Level	3 387 0 usft

Wellbore	BHL 330 FSL & 450 FEL		
Magnetics	Model Name	Sample Date	Declination
			()
	IGRF2010	11/7/2016	6 87
			Dip Angle
			()
			Field Strength
			(nT)
			48 141

Design	Design #1		
Audit Notes			
Version	Phase	PROTOTYPE	Tie On Depth
			0 0
Vertical Section	Depth From (TVD)	+N/-S	+E/ W
	(usft)	(usft)	(usft)
	0 0	0 0	0 0
			Direction
			()
			176 96

Plan Sections										
Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/ W	Dogleg Rate	Build Rate	Turn Rate	TFO	Target
(usft)	()	()	(usft)	(usft)	(usft)	(/100usft)	(/100usft)	(/100usft)	()	
0 0	0 00	0 00	0 0	0 0	0 0	0 00	0 00	0 00	0 00	
10 786 5	0 00	0 00	10 786 5	0 0	0 0	0 00	0 00	0 00	0 00	KOP @ 10787
11 538 8	90 27	176 96	11 264 0	-479 0	25 4	12 00	12 00	0 00	176 96	
15 828 8	90 27	176 96	11 244 0	4 763 0	253 0	0 00	0 00	0 00	0 00	BHL 330 FSL & 450

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3AP Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3414 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3414 0usft
Site	Pronghorn 15 B3AP Fed Com 1H	North Reference	Grnd
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 450 FEL		
Design	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
0 0	0 00	0 00	0 0	0 0	0 0	0 0	0 00	0 00	0 00
SL 185 FNL & 660 FEL Sec15									
100 0	0 00	0 00	100 0	0 0	0 0	0 0	0 00	0 00	0 00
200 0	0 00	0 00	200 0	0 0	0 0	0 0	0 00	0 00	0 00
300 0	0 00	0 00	300 0	0 0	0 0	0 0	0 00	0 00	0 00
400 0	0 00	0 00	400 0	0 0	0 0	0 0	0 00	0 00	0 00
500 0	0 00	0 00	500 0	0 0	0 0	0 0	0 00	0 00	0 00
600 0	0 00	0 00	600 0	0 0	0 0	0 0	0 00	0 00	0 00
700 0	0 00	0 00	700 0	0 0	0 0	0 0	0 00	0 00	0 00
800 0	0 00	0 00	800 0	0 0	0 0	0 0	0 00	0 00	0 00
900 0	0 00	0 00	900 0	0 0	0 0	0 0	0 00	0 00	0 00
1 000 0	0 00	0 00	1 000 0	0 0	0 0	0 0	0 00	0 00	0 00
1 100 0	0 00	0 00	1 100 0	0 0	0 0	0 0	0 00	0 00	0 00
1 200 0	0 00	0 00	1 200 0	0 0	0 0	0 0	0 00	0 00	0 00
1 300 0	0 00	0 00	1 300 0	0 0	0 0	0 0	0 00	0 00	0 00
1 400 0	0 00	0 00	1 400 0	0 0	0 0	0 0	0 00	0 00	0 00
1 500 0	0 00	0 00	1 500 0	0 0	0 0	0 0	0 00	0 00	0 00
1 600 0	0 00	0 00	1 600 0	0 0	0 0	0 0	0 00	0 00	0 00
1 700 0	0 00	0 00	1 700 0	0 0	0 0	0 0	0 00	0 00	0 00
1 800 0	0 00	0 00	1 800 0	0 0	0 0	0 0	0 00	0 00	0 00
1 900 0	0 00	0 00	1 900 0	0 0	0 0	0 0	0 00	0 00	0 00
2 000 0	0 00	0 00	2 000 0	0 0	0 0	0 0	0 00	0 00	0 00
2 100 0	0 00	0 00	2 100 0	0 0	0 0	0 0	0 00	0 00	0 00
2 200 0	0 00	0 00	2 200 0	0 0	0 0	0 0	0 00	0 00	0 00
2 300 0	0 00	0 00	2 300 0	0 0	0 0	0 0	0 00	0 00	0 00
2 400 0	0 00	0 00	2 400 0	0 0	0 0	0 0	0 00	0 00	0 00
2 500 0	0 00	0 00	2 500 0	0 0	0 0	0 0	0 00	0 00	0 00
2 600 0	0 00	0 00	2 600 0	0 0	0 0	0 0	0 00	0 00	0 00
2 700 0	0 00	0 00	2 700 0	0 0	0 0	0 0	0 00	0 00	0 00
2 800 0	0 00	0 00	2 800 0	0 0	0 0	0 0	0 00	0 00	0 00
2 900 0	0 00	0 00	2 900 0	0 0	0 0	0 0	0 00	0 00	0 00
3 000 0	0 00	0 00	3 000 0	0 0	0 0	0 0	0 00	0 00	0 00
3 100 0	0 00	0 00	3 100 0	0 0	0 0	0 0	0 00	0 00	0 00
3 200 0	0 00	0 00	3 200 0	0 0	0 0	0 0	0 00	0 00	0 00
3 300 0	0 00	0 00	3 300 0	0 0	0 0	0 0	0 00	0 00	0 00
3 400 0	0 00	0 00	3 400 0	0 0	0 0	0 0	0 00	0 00	0 00
3 500 0	0 00	0 00	3 500 0	0 0	0 0	0 0	0 00	0 00	0 00
3 600 0	0 00	0 00	3 600 0	0 0	0 0	0 0	0 00	0 00	0 00
3 700 0	0 00	0 00	3 700 0	0 0	0 0	0 0	0 00	0 00	0 00
3 800 0	0 00	0 00	3 800 0	0 0	0 0	0 0	0 00	0 00	0 00
3 900 0	0 00	0 00	3 900 0	0 0	0 0	0 0	0 00	0 00	0 00
4 000 0	0 00	0 00	4 000 0	0 0	0 0	0 0	0 00	0 00	0 00
4 100 0	0 00	0 00	4 100 0	0 0	0 0	0 0	0 00	0 00	0 00
4 200 0	0 00	0 00	4 200 0	0 0	0 0	0 0	0 00	0 00	0 00
4 300 0	0 00	0 00	4 300 0	0 0	0 0	0 0	0 00	0 00	0 00
4 400 0	0 00	0 00	4 400 0	0 0	0 0	0 0	0 00	0 00	0 00
4 500 0	0 00	0 00	4 500 0	0 0	0 0	0 0	0 00	0 00	0 00
4 600 0	0 00	0 00	4 600 0	0 0	0 0	0 0	0 00	0 00	0 00
4 700 0	0 00	0 00	4 700 0	0 0	0 0	0 0	0 00	0 00	0 00
4 800 0	0 00	0 00	4 800 0	0 0	0 0	0 0	0 00	0 00	0 00
4 900 0	0 00	0 00	4 900 0	0 0	0 0	0 0	0 00	0 00	0 00
5 000 0	0 00	0 00	5 000 0	0 0	0 0	0 0	0 00	0 00	0 00
5 100 0	0 00	0 00	5 100 0	0 0	0 0	0 0	0 00	0 00	0 00
5 200 0	0 00	0 00	5 200 0	0 0	0 0	0 0	0 00	0 00	0 00

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3AP Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3414 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3414 0usft
Site	Pronghorn 15 B3AP Fed Com 1H	North Reference	Grid
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 450 FEL		
Design	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/ W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
5 300 0	0 00	0 00	5 300 0	0 0	0 0	0 0	0 00	0 00	0 00
5 400 0	0 00	0 00	5 400 0	0 0	0 0	0 0	0 00	0 00	0 00
5 500 0	0 00	0 00	5 500 0	0 0	0 0	0 0	0 00	0 00	0 00
5 600 0	0 00	0 00	5 600 0	0 0	0 0	0 0	0 00	0 00	0 00
5 700 0	0 00	0 00	5 700 0	0 0	0 0	0 0	0 00	0 00	0 00
5 800 0	0 00	0 00	5 800 0	0 0	0 0	0 0	0 00	0 00	0 00
5 900 0	0 00	0 00	5 900 0	0 0	0 0	0 0	0 00	0 00	0 00
6 000 0	0 00	0 00	6 000 0	0 0	0 0	0 0	0 00	0 00	0 00
6 100 0	0 00	0 00	6 100 0	0 0	0 0	0 0	0 00	0 00	0 00
6 200 0	0 00	0 00	6 200 0	0 0	0 0	0 0	0 00	0 00	0 00
6 300 0	0 00	0 00	6 300 0	0 0	0 0	0 0	0 00	0 00	0 00
6 400 0	0 00	0 00	6 400 0	0 0	0 0	0 0	0 00	0 00	0 00
6 500 0	0 00	0 00	6 500 0	0 0	0 0	0 0	0 00	0 00	0 00
6 600 0	0 00	0 00	6 600 0	0 0	0 0	0 0	0 00	0 00	0 00
6 700 0	0 00	0 00	6 700 0	0 0	0 0	0 0	0 00	0 00	0 00
6 800 0	0 00	0 00	6 800 0	0 0	0 0	0 0	0 00	0 00	0 00
6 900 0	0 00	0 00	6 900 0	0 0	0 0	0 0	0 00	0 00	0 00
7 000 0	0 00	0 00	7 000 0	0 0	0 0	0 0	0 00	0 00	0 00
7 100 0	0 00	0 00	7 100 0	0 0	0 0	0 0	0 00	0 00	0 00
7 200 0	0 00	0 00	7 200 0	0 0	0 0	0 0	0 00	0 00	0 00
7 300 0	0 00	0 00	7 300 0	0 0	0 0	0 0	0 00	0 00	0 00
7 400 0	0 00	0 00	7 400 0	0 0	0 0	0 0	0 00	0 00	0 00
7 500 0	0 00	0 00	7 500 0	0 0	0 0	0 0	0 00	0 00	0 00
7 600 0	0 00	0 00	7 600 0	0 0	0 0	0 0	0 00	0 00	0 00
7 700 0	0 00	0 00	7 700 0	0 0	0 0	0 0	0 00	0 00	0 00
7 800 0	0 00	0 00	7 800 0	0 0	0 0	0 0	0 00	0 00	0 00
7 900 0	0 00	0 00	7 900 0	0 0	0 0	0 0	0 00	0 00	0 00
8 000 0	0 00	0 00	8 000 0	0 0	0 0	0 0	0 00	0 00	0 00
8 100 0	0 00	0 00	8 100 0	0 0	0 0	0 0	0 00	0 00	0 00
8 200 0	0 00	0 00	8 200 0	0 0	0 0	0 0	0 00	0 00	0 00
8 300 0	0 00	0 00	8 300 0	0 0	0 0	0 0	0 00	0 00	0 00
8 400 0	0 00	0 00	8 400 0	0 0	0 0	0 0	0 00	0 00	0 00
8 500 0	0 00	0 00	8 500 0	0 0	0 0	0 0	0 00	0 00	0 00
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9 000 0	0 00	0 00	9 000 0	0 0	0 0	0 0	0 00	0 00	0 00
9 100 0	0 00	0 00	9 100 0	0 0	0 0	0 0	0 00	0 00	0 00
9 200 0	0 00	0 00	9 200 0	0 0	0 0	0 0	0 00	0 00	0 00
9 300 0	0 00	0 00	9 300 0	0 0	0 0	0 0	0 00	0 00	0 00
9 400 0	0 00	0 00	9 400 0	0 0	0 0	0 0	0 00	0 00	0 00
9 500 0	0 00	0 00	9 500 0	0 0	0 0	0 0	0 00	0 00	0 00
9 600 0	0 00	0 00	9 600 0	0 0	0 0	0 0	0 00	0 00	0 00
9 700 0	0 00	0 00	9 700 0	0 0	0 0	0 0	0 00	0 00	0 00
9 800 0	0 00	0 00	9 800 0	0 0	0 0	0 0	0 00	0 00	0 00
9 900 0	0 00	0 00	9 900 0	0 0	0 0	0 0	0 00	0 00	0 00
10 000 0	0 00	0 00	10 000 0	0 0	0 0	0 0	0 00	0 00	0 00
10 100 0	0 00	0 00	10 100 0	0 0	0 0	0 0	0 00	0 00	0 00
10 200 0	0 00	0 00	10 200 0	0 0	0 0	0 0	0 00	0 00	0 00
10 300 0	0 00	0 00	10 300 0	0 0	0 0	0 0	0 00	0 00	0 00
10 400 0	0 00	0 00	10 400 0	0 0	0 0	0 0	0 00	0 00	0 00
10 500 0	0 00	0 00	10 500 0	0 0	0 0	0 0	0 00	0 00	0 00
10 600 0	0 00	0 00	10 600 0	0 0	0 0	0 0	0 00	0 00	0 00

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3AP Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3414 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3414 0usft
Site	Pronghorn 15 B3AP Fed Com 1H	North Reference	Grd
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 450 FEL		
Design	Design #1		

Planned Survey

Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/ W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (* /100usft)	Turn Rate (/100usft)
10 700 0	0 00	0 00	10 700 0	0 0	0 0	0 0	0 00	0 00	0 00
10 786 5	0 00	0 00	10 786 5	0 0	0 0	0 0	0 00	0 00	0 00
KOP @ 10787									
10 800 0	1 62	176 96	10 800 0	0 2	0 0	0 2	12 00	12 00	0 00
10 900 0	13 62	176 96	10 898 9	13 4	0 7	13 4	12 00	12 00	0 00
11 000 0	25 62	176 96	10 993 0	-46 9	2 5	46 9	12 00	12 00	0 00
11 100 0	37 62	176 96	11 078 0	99 1	5 3	99 3	12 00	12 00	0 00
11 200 0	49 62	176 96	11 150 2	167 9	8 9	168 1	12 00	12 00	0 00
11 300 0	61 62	176 96	11 206 6	250 1	13 3	250 5	12 00	12 00	0 00
11 400 0	73 62	176 96	11 244 6	342 3	18 2	342 8	12 00	12 00	0 00
11 500 0	85 62	176 96	11 262 6	-440 3	23 4	441 0	12 00	12 00	0 00
11 538 7	90 26	176 96	11 264 0	-479 0	25 4	479 7	12 00	12 00	0 00
LP 664 FNL & 635 FEL									
11 600 0	90 27	176 96	11 263 7	540 2	28 7	540 9	0 00	0 00	0 00
11 700 0	90 27	176 96	11 263 2	640 0	34 0	640 9	0 00	0 00	0 00
11 800 0	90 27	176 96	11 262 8	739 9	39 3	740 9	0 00	0 00	0 00
11 900 0	90 27	176 96	11 262 3	839 7	44 6	840 9	0 00	0 00	0 00
12 000 0	90 27	176 96	11 261 8	939 6	49 9	940 9	0 00	0 00	0 00
12 100 0	90 27	176 96	11 261 4	1 039 5	55 2	1 040 9	0 00	0 00	0 00
12 200 0	90 27	176 96	11 260 9	1 139 3	60 5	1 140 9	0 00	0 00	0 00
12 300 0	90 27	176 96	11 260 5	1 239 2	65 8	1 240 9	0 00	0 00	0 00
12 400 0	90 27	176 96	11 260 0	1 339 0	71 1	1 340 9	0 00	0 00	0 00
12 500 0	90 27	176 96	11 259 5	1 438 9	76 4	1 440 9	0 00	0 00	0 00
12 600 0	90 27	176 96	11 259 1	1 538 7	81 7	1 540 9	0 00	0 00	0 00
12 700 0	90 27	176 96	11 258 6	1 638 6	87 0	1 640 9	0 00	0 00	0 00
12 800 0	90 27	176 96	11 258 1	1 738 5	92 3	1 740 9	0 00	0 00	0 00
12 900 0	90 27	176 96	11 257 7	1 838 3	97 6	1 840 9	0 00	0 00	0 00
13 000 0	90 27	176 96	11 257 2	1 938 2	103 0	1 940 9	0 00	0 00	0 00
13 100 0	90 27	176 96	11 256 7	2 038 0	108 3	2 040 9	0 00	0 00	0 00
13 200 0	90 27	176 96	11 256 3	2 137 9	113 6	2 140 9	0 00	0 00	0 00
13 300 0	90 27	176 96	11 255 8	2 237 8	118 9	2 240 9	0 00	0 00	0 00
13 400 0	90 27	176 96	11 255 3	2 337 6	124 2	2 340 9	0 00	0 00	0 00
13 500 0	90 27	176 96	11 254 9	2 437 5	129 5	2 440 9	0 00	0 00	0 00
13 600 0	90 27	176 96	11 254 4	2 537 3	134 8	2 540 9	0 00	0 00	0 00
13 700 0	90 27	176 96	11 253 9	2 637 2	140 1	2 640 9	0 00	0 00	0 00
13 800 0	90 27	176 96	11 253 5	2 737 0	145 4	2 740 9	0 00	0 00	0 00
13 900 0	90 27	176 96	11 253 0	2 836 9	150 7	2 840 9	0 00	0 00	0 00
14 000 0	90 27	176 96	11 252 5	2 936 8	156 0	2 940 9	0 00	0 00	0 00
14 100 0	90 27	176 96	11 252 1	3 036 6	161 3	3 040 9	0 00	0 00	0 00
14 200 0	90 27	176 96	11 251 6	3 136 5	166 6	3 140 9	0 00	0 00	0 00
14 300 0	90 27	176 96	11 251 1	3 236 3	171 9	3 240 9	0 00	0 00	0 00
14 400 0	90 27	176 96	11 250 7	3 336 2	177 2	3 340 9	0 00	0 00	0 00
14 500 0	90 27	176 96	11 250 2	3 436 0	182 5	3 440 9	0 00	0 00	0 00
14 600 0	90 27	176 96	11 249 7	3 535 9	187 8	3 540 9	0 00	0 00	0 00
14 700 0	90 27	176 96	11 249 3	3 635 8	193 1	3 640 9	0 00	0 00	0 00
14 800 0	90 27	176 96	11 248 8	3 735 6	198 4	3 740 9	0 00	0 00	0 00
14 900 0	90 27	176 96	11 248 3	3 835 5	203 7	3 840 9	0 00	0 00	0 00
15 000 0	90 27	176 96	11 247 9	3 935 3	209 0	3 940 9	0 00	0 00	0 00
15 100 0	90 27	176 96	11 247 4	-4 035 2	214 3	4 040 9	0 00	0 00	0 00
15 200 0	90 27	176 96	11 246 9	-4 135 1	219 6	4 140 9	0 00	0 00	0 00
15 300 0	90 27	176 96	11 246 5	-4 234 9	224 9	4 240 9	0 00	0 00	0 00
15 400 0	90 27	176 96	11 246 0	-4 334 8	230 3	4 340 9	0 00	0 00	0 00
15 500 0	90 27	176 96	11 245 5	-4 434 6	235 6	4 440 9	0 00	0 00	0 00
15,600 0	90 27	176 96	11 245 1	-4 534 5	240 9	4 540 9	0 00	0 00	0 00

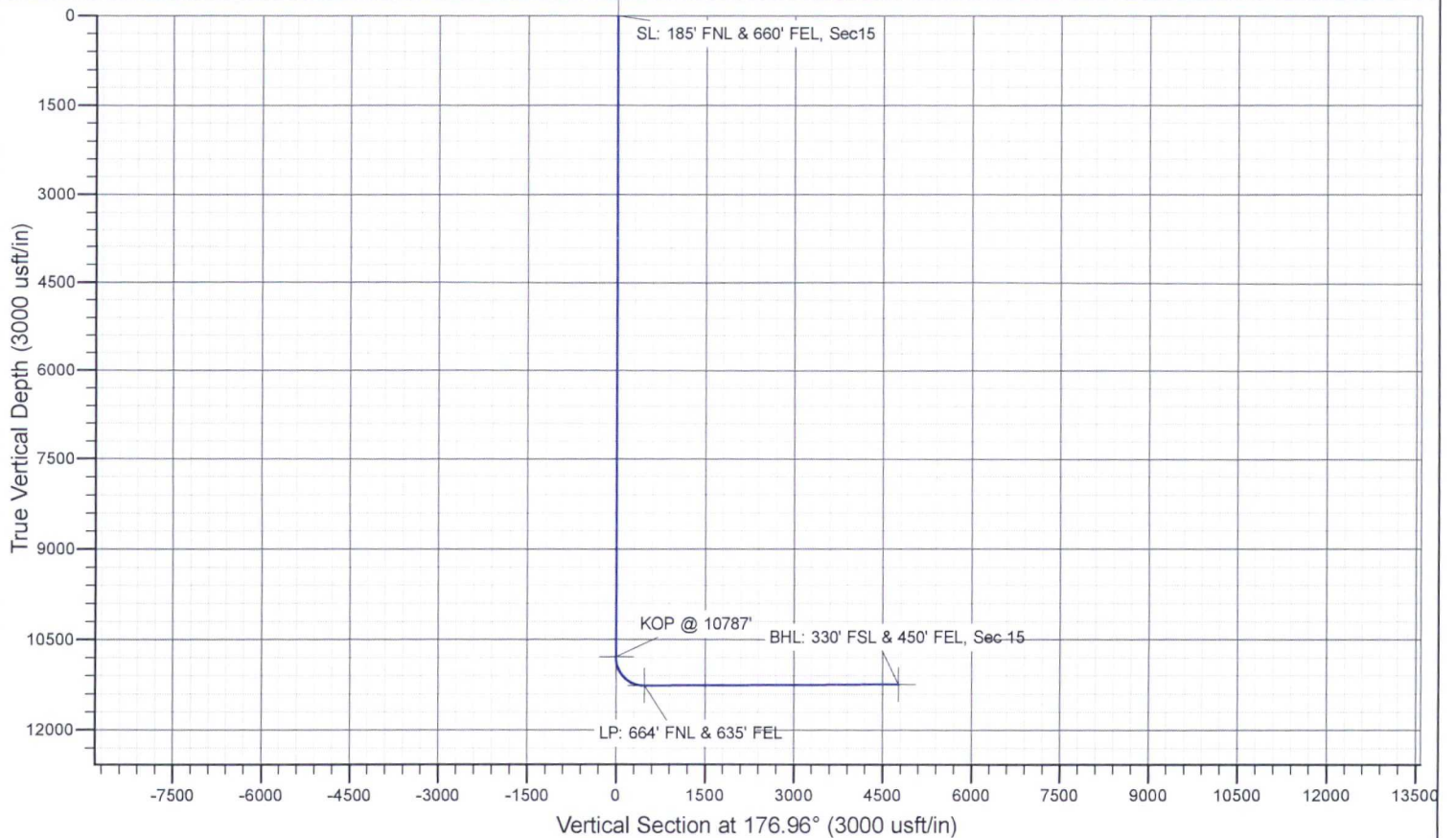
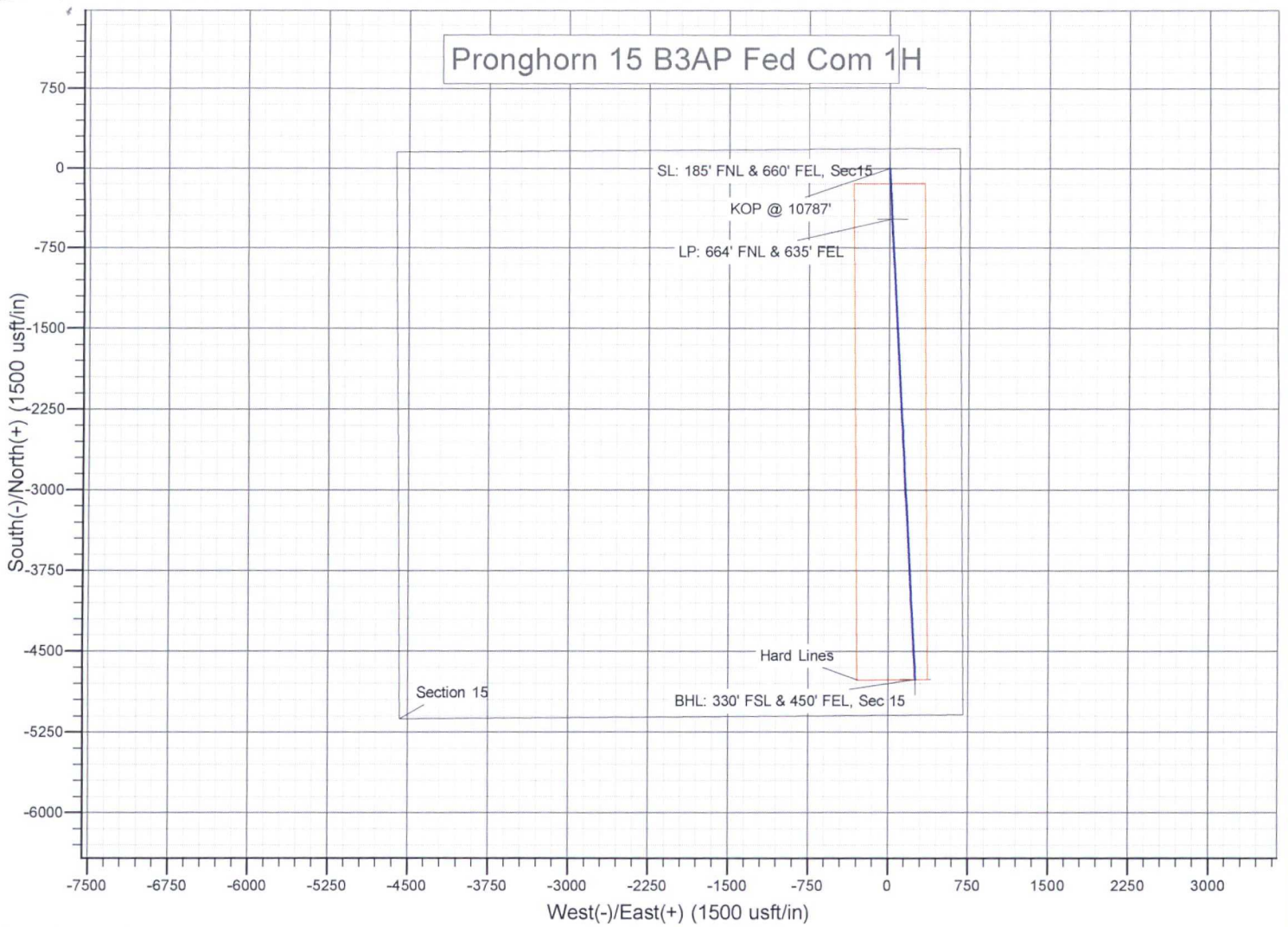
Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3AP Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3414 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3414 0usft
Site	Pronghorn 15 B3AP Fed Com 1H	North Reference	Grid
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 450 FEL		
Design	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/ W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
15 700 0	90 27	176 96	11 244 6	4 634 3	246 2	4 640 9	0 00	0 00	0 00
15 800 0	90 27	176 96	11 244 1	-4 734 2	251 5	4 740 9	0 00	0 00	0 00
15 828 8	90 27	176 96	11 244 0	-4 763 0	253 0	4 769 7	0 00	0 00	0 00
BHL 330 FSL & 450 FEL Sec 15									

Design Targets									
Target Name hit/miss target Shape	Dip Angle ()	Dip Dir ()	TVD (usft)	+N/-S (usft)	+E/ W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SL 185 FNL & 660 FEL plan hits target center Point	0 00	0 00	0 0	0 0	0 0	478 067 00	772 574 00	32 18 40 459 N	103 27 3 849 W
KOP @ 10787 plan hits target center Point	0 00	0 00	10 786 5	0 0	0 0	478 067 00	772 574 00	32 18 40 459 N	103 27 3 849 W
BHL 330 FSL & 450 FE plan hits target center Point	0 00	0 00	11 244 0	-4 763 0	253 0	473 304 00	772 827 00	32 17 53 308 N	103 27 1 358 W
LP 664 FNL & 635 FEL plan hits target center Point	0 00	0 00	11 264 0	-479 0	25 4	477 588 00	772 599 40	32 18 35 718 N	103 27 3 599 W

Pronghorn 15 B3AP Fed Com 1H



Mewbourne Oil Company

Lea County, New Mexico

Pronghorn 15 B3BO Fed Com #1H

Sec 15, T23S, R34E

SL 185' FNL & 1700 FEL

BHL 330' FSL & 2150' FEL

Plan Design #1

Standard Planning Report

17 February, 2016

EXHIBIT

15600 / 15602
15601 / 19

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3BO Fed Com #1H
Company	Mewbourne Oil Company	TVD Reference	WELL @ 3421 0usft (Original Well Elev)
Project	Lea County New Mexico	MD Reference	WELL @ 3421 0usft (Original Well Elev)
Site	Pronghorn 15 B3BO Fed Com #1H	North Reference	Gnd
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 2150 FEL		
Design	Design #1		

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

Site	Pronghorn 15 B3BO Fed Com #1H		
Site Position		Northing	478 060 00 usft
From	Map	Easting	771 534 00 usft
Position Uncertainty	0 0 usft	Slot Radius	13-3/16
		Latitude	32 18 40 475 N
		Longitude	103 27 15 967 W
		Grid Convergence	0 47

Well	Sec 15 T23S R34E		
Well Position	+N/-S	0 0 usft	Northing
	+E/ W	0 0 usft	Easting
Position Uncertainty	0 0 usft	Wellhead Elevation	3 421 0 usft
		Latitude	32 18 40 475 N
		Longitude	103 27 15 967 W
		Ground Level	3 394 0 usft

Wellbore	BHL 330 FSL & 2150 FEL		
Magnetics	Model Name	Sample Date	Declination
			()
	IGRF2010	2/17/2016	6 96
			Dip Angle ()
			60 17
			Field Strength (nT)
			48 213

Design	Design #1		
Audit Notes			
Version	Phase	PROTOTYPE	Tie On Depth
			0 0
Vertical Section	Depth From (TVD)	+N/-S	+E/ W
	(usft)	(usft)	(usft)
	0 0	0 0	0 0
			Direction
			()
			184 89

Plan Sections										
Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/ W	Dogleg Rate	Build Rate	Turn Rate	TFO	Target
(usft)	()	()	(usft)	(usft)	(usft)	(/100usft)	(/100usft)	(/100usft)	()	
0 0	0 00	0 00	0 0	0 0	0 0	0 00	0 00	0 00	0 00	
10 806 5	0 00	0 00	10 806 5	0 0	0 0	0 00	0 00	0 00	0 00	
11 557 3	90 09	184 89	11 284 0	-476 5	-40 8	12 00	12 00	0 00	175 11	
15 864 5	90 09	184 89	11 277 0	-4 768 0	-408 0	0 00	0 00	0 00	0 00	BHL 330 FSL & 2150

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3BO Fed Com #1H
Company	Mewbourne Oil Company	TVD Reference	WELL @ 3421 0usft (Original Well Elev)
Project	Lea County New Mexico	MD Reference	WELL @ 3421 0usft (Original Well Elev)
Site	Pronghorn 15 B3BO Fed Com #1H	North Reference	Grid
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 2150 FEL		
Design	Design #1		

Planned Survey

Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
0 0	0 00	0 00	0 0	0 0	0 0	0 0	0 00	0 00	0 00
SL 185 FNL & 1700 FEL									
100 0	0 00	0 00	100 0	0 0	0 0	0 0	0 00	0 00	0 00
200 0	0 00	0 00	200 0	0 0	0 0	0 0	0 00	0 00	0 00
300 0	0 00	0 00	300 0	0 0	0 0	0 0	0 00	0 00	0 00
400 0	0 00	0 00	400 0	0 0	0 0	0 0	0 00	0 00	0 00
500 0	0 00	0 00	500 0	0 0	0 0	0 0	0 00	0 00	0 00
600 0	0 00	0 00	600 0	0 0	0 0	0 0	0 00	0 00	0 00
700 0	0 00	0 00	700 0	0 0	0 0	0 0	0 00	0 00	0 00
800 0	0 00	0 00	800 0	0 0	0 0	0 0	0 00	0 00	0 00
900 0	0 00	0 00	900 0	0 0	0 0	0 0	0 00	0 00	0 00
1 000 0	0 00	0 00	1 000 0	0 0	0 0	0 0	0 00	0 00	0 00
1 100 0	0 00	0 00	1 100 0	0 0	0 0	0 0	0 00	0 00	0 00
1 200 0	0 00	0 00	1 200 0	0 0	0 0	0 0	0 00	0 00	0 00
1 300 0	0 00	0 00	1 300 0	0 0	0 0	0 0	0 00	0 00	0 00
1 400 0	0 00	0 00	1 400 0	0 0	0 0	0 0	0 00	0 00	0 00
1 500 0	0 00	0 00	1 500 0	0 0	0 0	0 0	0 00	0 00	0 00
1 600 0	0 00	0 00	1 600 0	0 0	0 0	0 0	0 00	0 00	0 00
1 700 0	0 00	0 00	1 700 0	0 0	0 0	0 0	0 00	0 00	0 00
1 800 0	0 00	0 00	1 800 0	0 0	0 0	0 0	0 00	0 00	0 00
1 900 0	0 00	0 00	1 900 0	0 0	0 0	0 0	0 00	0 00	0 00
2 000 0	0 00	0 00	2 000 0	0 0	0 0	0 0	0 00	0 00	0 00
2 100 0	0 00	0 00	2 100 0	0 0	0 0	0 0	0 00	0 00	0 00
2 200 0	0 00	0 00	2 200 0	0 0	0 0	0 0	0 00	0 00	0 00
2 300 0	0 00	0 00	2 300 0	0 0	0 0	0 0	0 00	0 00	0 00
2 400 0	0 00	0 00	2 400 0	0 0	0 0	0 0	0 00	0 00	0 00
2 500 0	0 00	0 00	2 500 0	0 0	0 0	0 0	0 00	0 00	0 00
2 600 0	0 00	0 00	2 600 0	0 0	0 0	0 0	0 00	0 00	0 00
2 700 0	0 00	0 00	2 700 0	0 0	0 0	0 0	0 00	0 00	0 00
2 800 0	0 00	0 00	2 800 0	0 0	0 0	0 0	0 00	0 00	0 00
2 900 0	0 00	0 00	2 900 0	0 0	0 0	0 0	0 00	0 00	0 00
3 000 0	0 00	0 00	3 000 0	0 0	0 0	0 0	0 00	0 00	0 00
3 100 0	0 00	0 00	3 100 0	0 0	0 0	0 0	0 00	0 00	0 00
3 200 0	0 00	0 00	3 200 0	0 0	0 0	0 0	0 00	0 00	0 00
3 300 0	0 00	0 00	3 300 0	0 0	0 0	0 0	0 00	0 00	0 00
3 400 0	0 00	0 00	3 400 0	0 0	0 0	0 0	0 00	0 00	0 00
3 500 0	0 00	0 00	3 500 0	0 0	0 0	0 0	0 00	0 00	0 00
3 600 0	0 00	0 00	3 600 0	0 0	0 0	0 0	0 00	0 00	0 00
3 700 0	0 00	0 00	3 700 0	0 0	0 0	0 0	0 00	0 00	0 00
3 800 0	0 00	0 00	3 800 0	0 0	0 0	0 0	0 00	0 00	0 00
3 900 0	0 00	0 00	3 900 0	0 0	0 0	0 0	0 00	0 00	0 00
4 000 0	0 00	0 00	4 000 0	0 0	0 0	0 0	0 00	0 00	0 00
4 100 0	0 00	0 00	4 100 0	0 0	0 0	0 0	0 00	0 00	0 00
4 200 0	0 00	0 00	4 200 0	0 0	0 0	0 0	0 00	0 00	0 00
4 300 0	0 00	0 00	4 300 0	0 0	0 0	0 0	0 00	0 00	0 00
4 400 0	0 00	0 00	4 400 0	0 0	0 0	0 0	0 00	0 00	0 00
4 500 0	0 00	0 00	4 500 0	0 0	0 0	0 0	0 00	0 00	0 00
4 600 0	0 00	0 00	4 600 0	0 0	0 0	0 0	0 00	0 00	0 00
4 700 0	0 00	0 00	4 700 0	0 0	0 0	0 0	0 00	0 00	0 00
4 800 0	0 00	0 00	4 800 0	0 0	0 0	0 0	0 00	0 00	0 00
4 900 0	0 00	0 00	4 900 0	0 0	0 0	0 0	0 00	0 00	0 00
5 000 0	0 00	0 00	5 000 0	0 0	0 0	0 0	0 00	0 00	0 00
5 100 0	0 00	0 00	5 100 0	0 0	0 0	0 0	0 00	0 00	0 00
5 200 0	0 00	0 00	5 200 0	0 0	0 0	0 0	0 00	0 00	0 00

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3BO Fed Com #1H
Company	Mewbourne Oil Company	TVD Reference	WELL @ 3421 0usft (Original Well Elev)
Project	Lea County New Mexico	MD Reference	WELL @ 3421 0usft (Original Well Elev)
Site	Pronghorn 15 B3BO Fed Com #1H	North Reference	Gnd
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 2150 FEL		
Design	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/ W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
5 300 0	0 00	0 00	5 300 0	0 0	0 0	0 0	0 00	0 00	0 00
5 400 0	0 00	0 00	5 400 0	0 0	0 0	0 0	0 00	0 00	0 00
5 500 0	0 00	0 00	5 500 0	0 0	0 0	0 0	0 00	0 00	0 00
5 600 0	0 00	0 00	5 600 0	0 0	0 0	0 0	0 00	0 00	0 00
5 700 0	0 00	0 00	5 700 0	0 0	0 0	0 0	0 00	0 00	0 00
5 800 0	0 00	0 00	5 800 0	0 0	0 0	0 0	0 00	0 00	0 00
5 900 0	0 00	0 00	5 900 0	0 0	0 0	0 0	0 00	0 00	0 00
6 000 0	0 00	0 00	6 000 0	0 0	0 0	0 0	0 00	0 00	0 00
6 100 0	0 00	0 00	6 100 0	0 0	0 0	0 0	0 00	0 00	0 00
6 200 0	0 00	0 00	6 200 0	0 0	0 0	0 0	0 00	0 00	0 00
6 300 0	0 00	0 00	6 300 0	0 0	0 0	0 0	0 00	0 00	0 00
6 400 0	0 00	0 00	6 400 0	0 0	0 0	0 0	0 00	0 00	0 00
6 500 0	0 00	0 00	6 500 0	0 0	0 0	0 0	0 00	0 00	0 00
6 600 0	0 00	0 00	6 600 0	0 0	0 0	0 0	0 00	0 00	0 00
6 700 0	0 00	0 00	6 700 0	0 0	0 0	0 0	0 00	0 00	0 00
6 800 0	0 00	0 00	6 800 0	0 0	0 0	0 0	0 00	0 00	0 00
6 900 0	0 00	0 00	6 900 0	0 0	0 0	0 0	0 00	0 00	0 00
7 000 0	0 00	0 00	7 000 0	0 0	0 0	0 0	0 00	0 00	0 00
7 100 0	0 00	0 00	7 100 0	0 0	0 0	0 0	0 00	0 00	0 00
7 200 0	0 00	0 00	7 200 0	0 0	0 0	0 0	0 00	0 00	0 00
7 300 0	0 00	0 00	7 300 0	0 0	0 0	0 0	0 00	0 00	0 00
7 400 0	0 00	0 00	7 400 0	0 0	0 0	0 0	0 00	0 00	0 00
7 500 0	0 00	0 00	7 500 0	0 0	0 0	0 0	0 00	0 00	0 00
7 600 0	0 00	0 00	7 600 0	0 0	0 0	0 0	0 00	0 00	0 00
7 700 0	0 00	0 00	7 700 0	0 0	0 0	0 0	0 00	0 00	0 00
7 800 0	0 00	0 00	7 800 0	0 0	0 0	0 0	0 00	0 00	0 00
7 900 0	0 00	0 00	7 900 0	0 0	0 0	0 0	0 00	0 00	0 00
8 000 0	0 00	0 00	8 000 0	0 0	0 0	0 0	0 00	0 00	0 00
8 100 0	0 00	0 00	8 100 0	0 0	0 0	0 0	0 00	0 00	0 00
8 200 0	0 00	0 00	8 200 0	0 0	0 0	0 0	0 00	0 00	0 00
8 300 0	0 00	0 00	8 300 0	0 0	0 0	0 0	0 00	0 00	0 00
8 400 0	0 00	0 00	8 400 0	0 0	0 0	0 0	0 00	0 00	0 00
8 500 0	0 00	0 00	8 500 0	0 0	0 0	0 0	0 00	0 00	0 00
8 600 0	0 00	0 00	8 600 0	0 0	0 0	0 0	0 00	0 00	0 00
8 700 0	0 00	0 00	8 700 0	0 0	0 0	0 0	0 00	0 00	0 00
8 800 0	0 00	0 00	8 800 0	0 0	0 0	0 0	0 00	0 00	0 00
8 900 0	0 00	0 00	8 900 0	0 0	0 0	0 0	0 00	0 00	0 00
9 000 0	0 00	0 00	9 000 0	0 0	0 0	0 0	0 00	0 00	0 00
9 100 0	0 00	0 00	9 100 0	0 0	0 0	0 0	0 00	0 00	0 00
9 200 0	0 00	0 00	9 200 0	0 0	0 0	0 0	0 00	0 00	0 00
9 300 0	0 00	0 00	9 300 0	0 0	0 0	0 0	0 00	0 00	0 00
9 400 0	0 00	0 00	9 400 0	0 0	0 0	0 0	0 00	0 00	0 00
9 500 0	0 00	0 00	9 500 0	0 0	0 0	0 0	0 00	0 00	0 00
9 600 0	0 00	0 00	9 600 0	0 0	0 0	0 0	0 00	0 00	0 00
9 700 0	0 00	0 00	9 700 0	0 0	0 0	0 0	0 00	0 00	0 00
9 800 0	0 00	0 00	9 800 0	0 0	0 0	0 0	0 00	0 00	0 00
9 900 0	0 00	0 00	9 900 0	0 0	0 0	0 0	0 00	0 00	0 00
10 000 0	0 00	0 00	10 000 0	0 0	0 0	0 0	0 00	0 00	0 00
10 100 0	0 00	0 00	10 100 0	0 0	0 0	0 0	0 00	0 00	0 00
10 200 0	0 00	0 00	10 200 0	0 0	0 0	0 0	0 00	0 00	0 00
10 300 0	0 00	0 00	10 300 0	0 0	0 0	0 0	0 00	0 00	0 00
10 400 0	0 00	0 00	10 400 0	0 0	0 0	0 0	0 00	0 00	0 00
10 500 0	0 00	0 00	10 500 0	0 0	0 0	0 0	0 00	0 00	0 00
10 600 0	0 00	0 00	10 600 0	0 0	0 0	0 0	0 00	0 00	0 00

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3BO Fed Com #1H
Company	Mewbourne Oil Company	TVD Reference	WELL @ 3421 0usft (Original Well Elev)
Project	Lea County New Mexico	MD Reference	WELL @ 3421 0usft (Original Well Elev)
Site	Pronghorn 15 B3BO Fed Com #1H	North Reference	Grd
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 2150 FEL		
Design	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
10 700 0	0 00	0 00	10 700 0	0 0	0 0	0 0	0 00	0 00	0 00
10 800 0	0 00	0 00	10 800 0	0 0	0 0	0 0	0 00	0 00	0 00
10 806 5	0 00	0 00	10 806 5	0 0	0 0	0 0	0 00	0 00	0 00
KOP @ 10807									
10 900 0	11 22	184 89	10 899 4	9 1	0 8	9 1	12 00	12 00	0 00
11 000 0	23 22	184 89	10 994 7	38 5	3 3	38 7	12 00	12 00	0 00
11 100 0	35 22	184 89	11 081 9	87 1	7 4	87 4	12 00	12 00	0 00
11 189 5	45 96	184 89	11 149 8	145 0	12 4	145 5	12 00	12 00	0 00
First Take Point 330 FNL & 1712 FEL									
11 200 0	47 22	184 89	11 157 0	152 6	13 1	153 1	12 00	12 00	0 00
11 300 0	59 22	184 89	11 216 7	232 2	19 9	233 1	12 00	12 00	0 00
11 400 0	71 22	184 89	11 258 6	322 5	27 6	323 7	12 00	12 00	0 00
11 500 0	83 22	184 89	11 280 7	-419 5	35 9	421 1	12 00	12 00	0 00
11 557 3	90 09	184 89	11 284 0	-476 5	-40 8	476 2	12 00	12 00	0 00
LP 662 FNL & 1741 FEL									
11 600 0	90 09	184 89	11 283 9	519 0	-44 4	520 9	0 00	0 00	0 00
11 700 0	90 09	184 89	11 283 8	618 7	52 9	620 9	0 00	0 00	0 00
11 800 0	90 09	184 89	11 283 6	718 3	61 5	720 9	0 00	0 00	0 00
11 900 0	90 09	184 89	11 283 4	817 9	70 0	820 9	0 00	0 00	0 00
12 000 0	90 09	184 89	11 283 3	917 6	78 5	920 9	0 00	0 00	0 00
12 100 0	90 09	184 89	11 283 1	1 017 2	87 0	1 020 9	0 00	0 00	0 00
12 200 0	90 09	184 89	11 283 0	1 116 8	95 6	1 120 9	0 00	0 00	0 00
12 300 0	90 09	184 89	11 282 8	1 216 5	104 1	1 220 9	0 00	0 00	0 00
12 400 0	90 09	184 89	11 282 6	1 316 1	112 6	1 320 9	0 00	0 00	0 00
12 500 0	90 09	184 89	11 282 5	1 415 8	121 1	1 420 9	0 00	0 00	0 00
12 600 0	90 09	184 89	11 282 3	1 515 4	129 7	1 520 9	0 00	0 00	0 00
12 700 0	90 09	184 89	11 282 1	1 615 0	138 2	1 620 9	0 00	0 00	0 00
12 800 0	90 09	184 89	11 282 0	1 714 7	146 7	1 720 9	0 00	0 00	0 00
12 900 0	90 09	184 89	11 281 8	1 814 3	155 3	1 820 9	0 00	0 00	0 00
13 000 0	90 09	184 89	11 281 7	1 913 9	163 8	1 920 9	0 00	0 00	0 00
13 100 0	90 09	184 89	11 281 5	2 013 6	172 3	2 020 9	0 00	0 00	0 00
13 200 0	90 09	184 89	11 281 3	2 113 2	180 8	2 120 9	0 00	0 00	0 00
13 300 0	90 09	184 89	11 281 2	2 212 8	189 4	2 220 9	0 00	0 00	0 00
13 400 0	90 09	184 89	11 281 0	2 312 5	197 9	2 320 9	0 00	0 00	0 00
13 500 0	90 09	184 89	11 280 8	2 412 1	206 4	2 420 9	0 00	0 00	0 00
13 600 0	90 09	184 89	11 280 7	2 511 7	214 9	2 520 9	0 00	0 00	0 00
13 700 0	90 09	184 89	11 280 5	2 611 4	223 5	2 620 9	0 00	0 00	0 00
13 800 0	90 09	184 89	11 280 4	2 711 0	232 0	2 720 9	0 00	0 00	0 00
13 900 0	90 09	184 89	11 280 2	2 810 7	240 5	2 820 9	0 00	0 00	0 00
14 000 0	90 09	184 89	11 280 0	2 910 3	249 0	2 920 9	0 00	0 00	0 00
14 100 0	90 09	184 89	11 279 9	3 009 9	257 6	3 020 9	0 00	0 00	0 00
14 200 0	90 09	184 89	11 279 7	3 109 6	266 1	3 120 9	0 00	0 00	0 00
14 300 0	90 09	184 89	11 279 5	3 209 2	274 6	3 220 9	0 00	0 00	0 00
14 400 0	90 09	184 89	11 279 4	3 308 8	283 1	3 320 9	0 00	0 00	0 00
14 500 0	90 09	184 89	11 279 2	3 408 5	291 7	3 420 9	0 00	0 00	0 00
14 600 0	90 09	184 89	11 279 1	3 508 1	300 2	3 520 9	0 00	0 00	0 00
14 700 0	90 09	184 89	11 278 9	3 607 7	308 7	3 620 9	0 00	0 00	0 00
14 800 0	90 09	184 89	11 278 7	3 707 4	317 2	3 720 9	0 00	0 00	0 00
14 900 0	90 09	184 89	11 278 6	3 807 0	325 8	3 820 9	0 00	0 00	0 00
15 000 0	90 09	184 89	11 278 4	3 906 6	334 3	3 920 9	0 00	0 00	0 00
15 100 0	90 09	184 89	11 278 2	-4 006 3	342 8	4 020 9	0 00	0 00	0 00
15 200 0	90 09	184 89	11 278 1	-4 105 9	351 3	4 120 9	0 00	0 00	0 00
15 300 0	90 09	184 89	11 277 9	-4 205 6	359 9	4 220 9	0 00	0 00	0 00

Planning Report

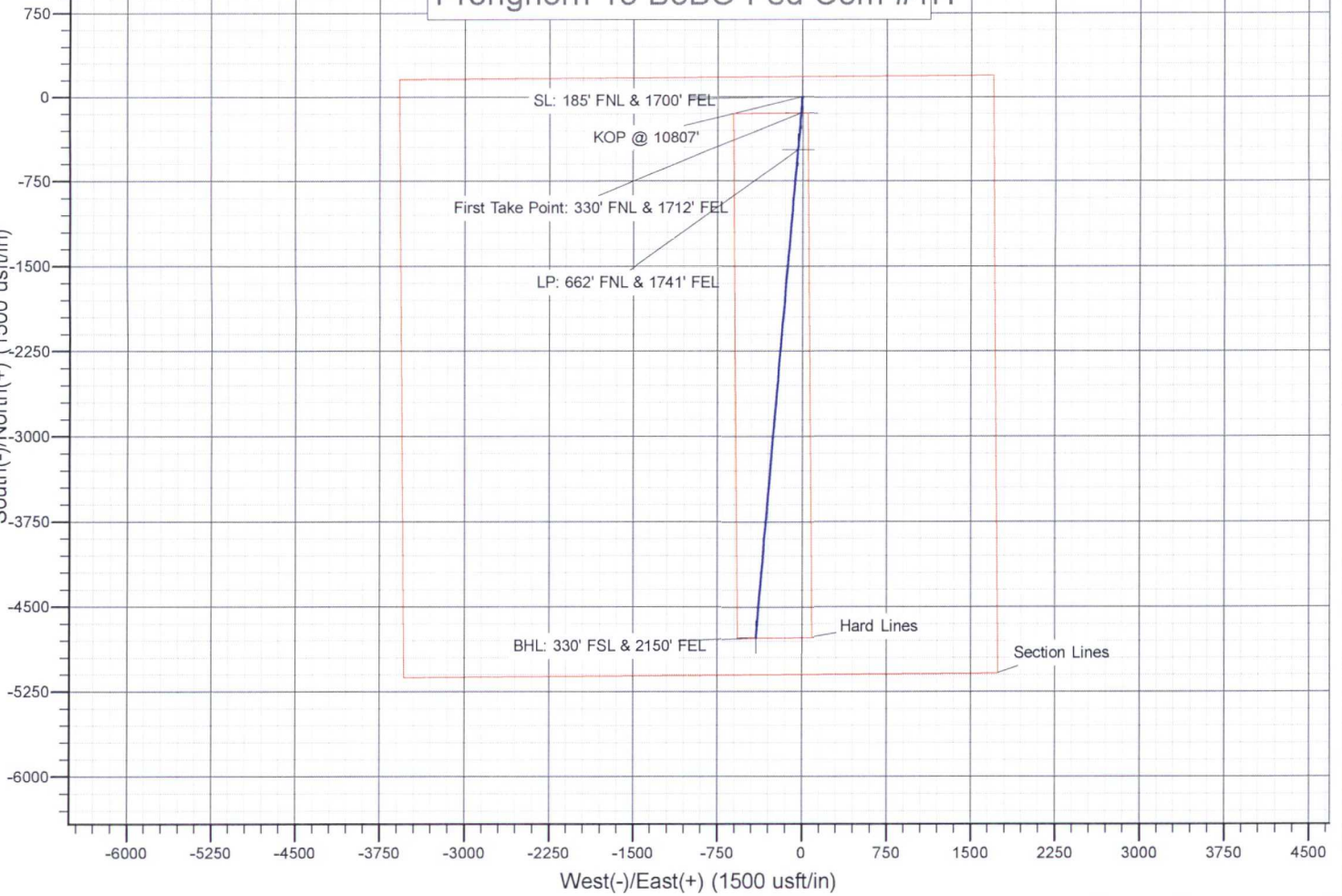
Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3BO Fed Com #1H
Company	Mewbourne Oil Company	TVD Reference	WELL @ 3421 0usft (Original Well Elev)
Project	Lea County New Mexico	MD Reference	WELL @ 3421 0usft (Original Well Elev)
Site	Pronghorn 15 B3BO Fed Com #1H	North Reference	Gnd
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 2150 FEL		
Design	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/ W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
15 400 0	90 09	184 89	11 277 8	-4 305 2	368 4	4 320 9	0 00	0 00	0 00
15 500 0	90 09	184 89	11 277 6	-4 404 8	376 9	4 420 9	0 00	0 00	0 00
15 600 0	90 09	184 89	11 277 4	-4 504 5	385 4	4 520 9	0 00	0 00	0 00
15 700 0	90 09	184 89	11 277 3	-4 604 1	394 0	4 620 9	0 00	0 00	0 00
15 800 0	90 09	184 89	11 277 1	-4 703 7	-402 5	4 720 9	0 00	0 00	0 00
15 864 5	90 09	184 89	11 277 0	-4 768 0	-408 0	4 785 4	0 00	0 00	0 00
BHL 330 FSL & 2150 FEL									

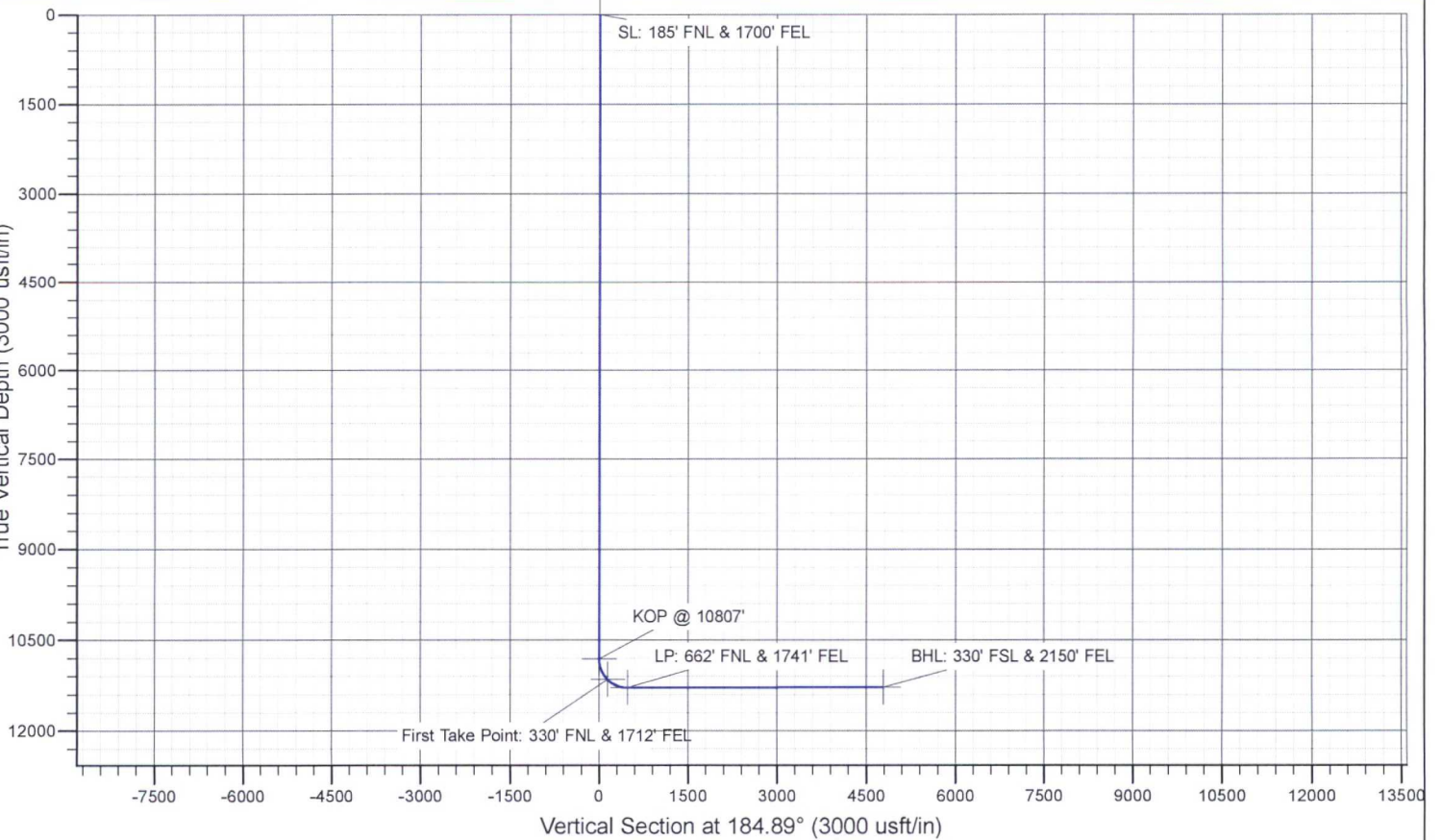
Design Targets									
Target Name	hit/miss target Shape	Dip Angle ()	Dip Dir ()	TVD (usft)	+N/-S (usft)	+E/ W (usft)	Northing (usft)	Easting (usft)	Latitude Longitude
SL 185 FNL & 1700 FE	plan hits target center Point	0 00	0 00	0 0	0 0	0 0	478 060 00	771 534 00	32 18 40 475 N 103 27 15 967 W
KOP @ 10807	plan hits target center Point	0 00	0 00	10 806 5	0 0	0 0	478 060 00	771 534 00	32 18 40 475 N 103 27 15 967 W
First Take Point 330 FN	plan hits target center Point	0 00	0 00	11 149 7	145 0	12 4	477 915 00	771 521 59	32 18 39 041 N 103 27 16 125 W
BHL 330 FSL & 2150 F	plan hits target center Point	0 00	0 00	11 277 0	-4 768 0	-408 0	473 292 00	771 126 00	32 17 53 328 N 103 27 21 175 W
LP 662 FNL & 1741 FE	plan hits target center Point	0 00	0 00	11 284 0	-476 5	-40 8	477 583 50	771 493 20	32 18 35 763 N 103 27 16 488 W

Pronghorn 15 B3BO Fed Com #1H

South(-)/North(+) (1500 usft/in)



True Vertical Depth (3000 usft/in)



Mewbourne Oil Company

Lea County, New Mexico

Pronghorn 15 B3CN Fed Com 1H

Sec 15, T23S, R34E

SL 185' FNL & 1,700' FWL

BHL 330' FSL & 1,800' FWL

Plan Design #1

Standard Planning Report

08 November 2016



Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3CN Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3424 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3424 0usft
Site	Pronghorn 15 B3CN Fed Com 1H	North Reference	Grid
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 1 800 FWL		
Design	Design #1		

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

Site	Pronghorn 15 B3CN Fed Com 1H		
Site Position		Northing	478 047 00 usft
From	Map	Easting	769 656 00 usft
Position Uncertainty	0 0 usft	Slot Radius	13-3/16
		Latitude	32 18 40 498 N
		Longitude	103 27 37 849 W
		Grid Convergence	0 47

Well	Sec 15 T23S R34E		
Well Position	+N/-S	0 0 usft	Northing
	+E/ W	0 0 usft	Easting
Position Uncertainty	0 0 usft	Wellhead Elevation	0 0 usft
		Latitude	32 18 40 498 N
		Longitude	103 27 37 849 W
		Ground Level	3 397 0 usft

Wellbore	BHL 330 FSL & 1 800 FWL		
Magnetics	Model Name	Sample Date	Declination
			()
	IGRF2010	11/7/2016	6 87
			Dip Angle
			()
			Field Strength
			(nT)
			48 140

Design	Design #1		
Audit Notes			
Version	Phase	PROTOTYPE	Tie On Depth
			0 0
Vertical Section	Depth From (TVD)	+N/-S	+E/ W
	(usft)	(usft)	(usft)
	0 0	0 0	0 0
			Direction
			()
			178 31

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/ W	Dogleg	Build	Turn	TFO	Target
Depth	()	()	Depth	(usft)	(usft)	Rate	Rate	Rate	()	
(usft)			(usft)			(/100usft)	(/100usft)	(/100usft)		
0 0	0 00	0 00	0 0	0 0	0 0	0 00	0 00	0 00	0 00	
10 826 5	0 00	0 00	10 826 5	0 0	0 0	0 00	0 00	0 00	0 00	PH 15 B#CN KOP
11 574 6	89 76	178 31	11 304 0	-475 3	14 1	12 00	12 00	0 00	178 31	
15 866 2	89 76	178 31	11 322 0	-4 765 0	141 0	0 00	0 00	0 00	0 00	PH 15 B3CN BHL 33

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3CN Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3424 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3424 0usft
Site	Pronghorn 15 B3CN Fed Com 1H	North Reference	Grid
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 1 800 FWL		
Design	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/ W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
0 0	0 00	0 00	0 0	0 0	0 0	0 0	0 00	0 00	0 00
100 0	0 00	0 00	100 0	0 0	0 0	0 0	0 00	0 00	0 00
200 0	0 00	0 00	200 0	0 0	0 0	0 0	0 00	0 00	0 00
300 0	0 00	0 00	300 0	0 0	0 0	0 0	0 00	0 00	0 00
400 0	0 00	0 00	400 0	0 0	0 0	0 0	0 00	0 00	0 00
500 0	0 00	0 00	500 0	0 0	0 0	0 0	0 00	0 00	0 00
600 0	0 00	0 00	600 0	0 0	0 0	0 0	0 00	0 00	0 00
700 0	0 00	0 00	700 0	0 0	0 0	0 0	0 00	0 00	0 00
800 0	0 00	0 00	800 0	0 0	0 0	0 0	0 00	0 00	0 00
900 0	0 00	0 00	900 0	0 0	0 0	0 0	0 00	0 00	0 00
1 000 0	0 00	0 00	1 000 0	0 0	0 0	0 0	0 00	0 00	0 00
1 100 0	0 00	0 00	1 100 0	0 0	0 0	0 0	0 00	0 00	0 00
1 200 0	0 00	0 00	1 200 0	0 0	0 0	0 0	0 00	0 00	0 00
1 300 0	0 00	0 00	1 300 0	0 0	0 0	0 0	0 00	0 00	0 00
1 400 0	0 00	0 00	1 400 0	0 0	0 0	0 0	0 00	0 00	0 00
1 500 0	0 00	0 00	1 500 0	0 0	0 0	0 0	0 00	0 00	0 00
1 600 0	0 00	0 00	1 600 0	0 0	0 0	0 0	0 00	0 00	0 00
1 700 0	0 00	0 00	1 700 0	0 0	0 0	0 0	0 00	0 00	0 00
1 800 0	0 00	0 00	1 800 0	0 0	0 0	0 0	0 00	0 00	0 00
1 900 0	0 00	0 00	1 900 0	0 0	0 0	0 0	0 00	0 00	0 00
2 000 0	0 00	0 00	2 000 0	0 0	0 0	0 0	0 00	0 00	0 00
2 100 0	0 00	0 00	2 100 0	0 0	0 0	0 0	0 00	0 00	0 00
2 200 0	0 00	0 00	2 200 0	0 0	0 0	0 0	0 00	0 00	0 00
2 300 0	0 00	0 00	2 300 0	0 0	0 0	0 0	0 00	0 00	0 00
2 400 0	0 00	0 00	2 400 0	0 0	0 0	0 0	0 00	0 00	0 00
2 500 0	0 00	0 00	2 500 0	0 0	0 0	0 0	0 00	0 00	0 00
2 600 0	0 00	0 00	2 600 0	0 0	0 0	0 0	0 00	0 00	0 00
2 700 0	0 00	0 00	2 700 0	0 0	0 0	0 0	0 00	0 00	0 00
2 800 0	0 00	0 00	2 800 0	0 0	0 0	0 0	0 00	0 00	0 00
2 900 0	0 00	0 00	2 900 0	0 0	0 0	0 0	0 00	0 00	0 00
3 000 0	0 00	0 00	3 000 0	0 0	0 0	0 0	0 00	0 00	0 00
3 100 0	0 00	0 00	3 100 0	0 0	0 0	0 0	0 00	0 00	0 00
3 200 0	0 00	0 00	3 200 0	0 0	0 0	0 0	0 00	0 00	0 00
3 300 0	0 00	0 00	3 300 0	0 0	0 0	0 0	0 00	0 00	0 00
3 400 0	0 00	0 00	3 400 0	0 0	0 0	0 0	0 00	0 00	0 00
3 500 0	0 00	0 00	3 500 0	0 0	0 0	0 0	0 00	0 00	0 00
3 600 0	0 00	0 00	3 600 0	0 0	0 0	0 0	0 00	0 00	0 00
3 700 0	0 00	0 00	3 700 0	0 0	0 0	0 0	0 00	0 00	0 00
3 800 0	0 00	0 00	3 800 0	0 0	0 0	0 0	0 00	0 00	0 00
3 900 0	0 00	0 00	3 900 0	0 0	0 0	0 0	0 00	0 00	0 00
4 000 0	0 00	0 00	4 000 0	0 0	0 0	0 0	0 00	0 00	0 00
4 100 0	0 00	0 00	4 100 0	0 0	0 0	0 0	0 00	0 00	0 00
4 200 0	0 00	0 00	4 200 0	0 0	0 0	0 0	0 00	0 00	0 00
4 300 0	0 00	0 00	4 300 0	0 0	0 0	0 0	0 00	0 00	0 00
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4 500 0	0 00	0 00	4 500 0	0 0	0 0	0 0	0 00	0 00	0 00
4 600 0	0 00	0 00	4 600 0	0 0	0 0	0 0	0 00	0 00	0 00
4 700 0	0 00	0 00	4 700 0	0 0	0 0	0 0	0 00	0 00	0 00
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4 900 0	0 00	0 00	4 900 0	0 0	0 0	0 0	0 00	0 00	0 00
5 000 0	0 00	0 00	5 000 0	0 0	0 0	0 0	0 00	0 00	0 00
5 100 0	0 00	0 00	5 100 0	0 0	0 0	0 0	0 00	0 00	0 00
5 200 0	0 00	0 00	5 200 0	0 0	0 0	0 0	0 00	0 00	0 00
5 300 0	0 00	0 00	5 300 0	0 0	0 0	0 0	0 00	0 00	0 00

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3CN Fed Com 1H
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Project	Lea County New Mexico	MD Reference	KB @ 3424 0usft
Site	Pronghorn 15 B3CN Fed Com 1H	North Reference	Grid
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 1 800 FWL		
Design	Design #1		

Planned Survey										
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/ W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)	
5 400 0	0 00	0 00	5 400 0	0 0	0 0	0 0	0 00	0 00	0 00	
5 500 0	0 00	0 00	5 500 0	0 0	0 0	0 0	0 00	0 00	0 00	
5 600 0	0 00	0 00	5 600 0	0 0	0 0	0 0	0 00	0 00	0 00	
5 700 0	0 00	0 00	5 700 0	0 0	0 0	0 0	0 00	0 00	0 00	
5 800 0	0 00	0 00	5 800 0	0 0	0 0	0 0	0 00	0 00	0 00	
5 900 0	0 00	0 00	5 900 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 000 0	0 00	0 00	6 000 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 100 0	0 00	0 00	6 100 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 200 0	0 00	0 00	6 200 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 300 0	0 00	0 00	6 300 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 400 0	0 00	0 00	6 400 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 500 0	0 00	0 00	6 500 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 600 0	0 00	0 00	6 600 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 700 0	0 00	0 00	6 700 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 800 0	0 00	0 00	6 800 0	0 0	0 0	0 0	0 00	0 00	0 00	
6 900 0	0 00	0 00	6 900 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 000 0	0 00	0 00	7 000 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 100 0	0 00	0 00	7 100 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 200 0	0 00	0 00	7 200 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 300 0	0 00	0 00	7 300 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 400 0	0 00	0 00	7 400 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 500 0	0 00	0 00	7 500 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 600 0	0 00	0 00	7 600 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 700 0	0 00	0 00	7 700 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 800 0	0 00	0 00	7 800 0	0 0	0 0	0 0	0 00	0 00	0 00	
7 900 0	0 00	0 00	7 900 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 000 0	0 00	0 00	8 000 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 100 0	0 00	0 00	8 100 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 200 0	0 00	0 00	8 200 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 300 0	0 00	0 00	8 300 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 400 0	0 00	0 00	8 400 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 500 0	0 00	0 00	8 500 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 600 0	0 00	0 00	8 600 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 700 0	0 00	0 00	8 700 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 800 0	0 00	0 00	8 800 0	0 0	0 0	0 0	0 00	0 00	0 00	
8 900 0	0 00	0 00	8 900 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 000 0	0 00	0 00	9 000 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 100 0	0 00	0 00	9 100 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 200 0	0 00	0 00	9 200 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 300 0	0 00	0 00	9 300 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 400 0	0 00	0 00	9 400 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 500 0	0 00	0 00	9 500 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 600 0	0 00	0 00	9 600 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 700 0	0 00	0 00	9 700 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 800 0	0 00	0 00	9 800 0	0 0	0 0	0 0	0 00	0 00	0 00	
9 900 0	0 00	0 00	9 900 0	0 0	0 0	0 0	0 00	0 00	0 00	
10 000 0	0 00	0 00	10 000 0	0 0	0 0	0 0	0 00	0 00	0 00	
10 100 0	0 00	0 00	10 100 0	0 0	0 0	0 0	0 00	0 00	0 00	
10 200 0	0 00	0 00	10 200 0	0 0	0 0	0 0	0 00	0 00	0 00	
10 300 0	0 00	0 00	10 300 0	0 0	0 0	0 0	0 00	0 00	0 00	
10 400 0	0 00	0 00	10 400 0	0 0	0 0	0 0	0 00	0 00	0 00	
10 500 0	0 00	0 00	10 500 0	0 0	0 0	0 0	0 00	0 00	0 00	
10 600 0	0 00	0 00	10 600 0	0 0	0 0	0 0	0 00	0 00	0 00	
10 700 0	0 00	0 00	10 700 0	0 0	0 0	0 0	0 00	0 00	0 00	

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3CN Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3424 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3424 0usft
Site	Pronghorn 15 B3CN Fed Com 1H	North Reference	Gnd
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 1 800 FWL		
Design	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
10 800 0	0 00	0 00	10 800 0	0 0	0 0	0 0	0 00	0 00	0 00
10 826 5	0 00	0 00	10 826 5	0 0	0 0	0 0	0 00	0 00	0 00
10 850 0	2 82	178 31	10 850 0	0 6	0 0	0 6	12 00	12 00	0 00
10 875 0	5 82	178 31	10 874 9	2 5	0 1	2 5	12 00	12 00	0 00
10 900 0	8 82	178 31	10 899 7	5 6	0 2	5 6	12 00	12 00	0 00
10 925 0	11 82	178 31	10 924 3	10 1	0 3	10 1	12 00	12 00	0 00
10 950 0	14 82	178 31	10 948 6	15 9	0 5	15 9	12 00	12 00	0 00
10 975 0	17 82	178 31	10 972 6	22 9	0 7	22 9	12 00	12 00	0 00
11 000 0	20 82	178 31	10 996 2	31 2	0 9	31 2	12 00	12 00	0 00
11 025 0	23 82	178 31	11 019 3	40 7	1 2	40 7	12 00	12 00	0 00
11 050 0	26 82	178 31	11 041 9	51 3	1 5	51 4	12 00	12 00	0 00
11 075 0	29 82	178 31	11 063 9	63 2	1 9	63 2	12 00	12 00	0 00
11 100 0	32 82	178 31	11 085 3	76 2	2 3	76 2	12 00	12 00	0 00
11 125 0	35 82	178 31	11 105 9	90 3	2 7	90 3	12 00	12 00	0 00
11 150 0	38 82	178 31	11 125 8	105 4	3 1	105 5	12 00	12 00	0 00
11 175 0	41 82	178 31	11 144 9	121 6	3 6	121 6	12 00	12 00	0 00
11 200 0	44 82	178 31	11 163 1	138 7	4 1	138 8	12 00	12 00	0 00
11 225 0	47 82	178 31	11 180 3	156 8	4 6	156 9	12 00	12 00	0 00
11 250 0	50 82	178 31	11 196 6	175 7	5 2	175 8	12 00	12 00	0 00
11 275 0	53 82	178 31	11 211 9	195 5	5 8	195 6	12 00	12 00	0 00
11 300 0	56 82	178 31	11 226 1	216 1	6 4	216 1	12 00	12 00	0 00
11 325 0	59 82	178 31	11 239 3	237 3	7 0	237 4	12 00	12 00	0 00
11 350 0	62 81	178 31	11 251 3	259 2	7 7	259 3	12 00	12 00	0 00
11 375 0	65 81	178 31	11 262 1	281 8	8 3	281 9	12 00	12 00	0 00
11 400 0	68 81	178 31	11 271 7	304 8	9 0	304 9	12 00	12 00	0 00
11 425 0	71 81	178 31	11 280 2	328 3	9 7	328 5	12 00	12 00	0 00
11 450 0	74 81	178 31	11 287 3	352 3	10 4	352 4	12 00	12 00	0 00
11 475 0	77 81	178 31	11 293 2	376 5	11 1	376 7	12 00	12 00	0 00
11 500 0	80 81	178 31	11 297 9	401 1	11 9	401 3	12 00	12 00	0 00
11 525 0	83 81	178 31	11 301 2	-425 9	12 6	426 0	12 00	12 00	0 00
11 550 0	86 81	178 31	11 303 3	-450 8	13 3	451 0	12 00	12 00	0 00
11 574 6	89 76	178 31	11 304 0	-475 3	14 1	475 5	12 00	12 00	0 00
11 600 0	89 76	178 31	11 304 1	500 7	14 8	500 9	0 00	0 00	0 00
11 700 0	89 76	178 31	11 304 5	600 7	17 8	600 9	0 00	0 00	0 00
11 800 0	89 76	178 31	11 304 9	700 6	20 7	700 9	0 00	0 00	0 00
11 900 0	89 76	178 31	11 305 4	800 6	23 7	800 9	0 00	0 00	0 00
12 000 0	89 76	178 31	11 305 8	900 5	26 6	900 9	0 00	0 00	0 00
12 100 0	89 76	178 31	11 306 2	1 000 5	29 6	1 000 9	0 00	0 00	0 00
12 200 0	89 76	178 31	11 306 6	1 100 5	32 6	1 100 9	0 00	0 00	0 00
12 300 0	89 76	178 31	11 307 0	1 200 4	35 5	1 200 9	0 00	0 00	0 00
12 400 0	89 76	178 31	11 307 5	1 300 4	38 5	1 300 9	0 00	0 00	0 00
12 500 0	89 76	178 31	11 307 9	1 400 3	41 4	1 400 9	0 00	0 00	0 00
12 600 0	89 76	178 31	11 308 3	1 500 3	44 4	1 500 9	0 00	0 00	0 00
12 700 0	89 76	178 31	11 308 7	1 600 2	47 4	1 600 9	0 00	0 00	0 00
12 800 0	89 76	178 31	11 309 1	1 700 2	50 3	1 700 9	0 00	0 00	0 00
12 900 0	89 76	178 31	11 309 6	1 800 1	53 3	1 800 9	0 00	0 00	0 00
13 000 0	89 76	178 31	11 310 0	1 900 1	56 2	1 900 9	0 00	0 00	0 00
13 100 0	89 76	178 31	11 310 4	2 000 1	59 2	2 000 9	0 00	0 00	0 00
13 200 0	89 76	178 31	11 310 8	2 100 0	62 1	2 100 9	0 00	0 00	0 00
13 300 0	89 76	178 31	11 311 2	2 200 0	65 1	2 200 9	0 00	0 00	0 00
13 400 0	89 76	178 31	11 311 7	2 299 9	68 1	2 300 9	0 00	0 00	0 00
13 500 0	89 76	178 31	11 312 1	2 399 9	71 0	2 400 9	0 00	0 00	0 00
13 600 0	89 76	178 31	11 312 5	2 499 8	74 0	2 500 9	0 00	0 00	0 00
13 700 0	89 76	178 31	11 312 9	2 599 8	76 9	2 600 9	0 00	0 00	0 00

Planning Report

Database	Hobbs	Local Co-ordinate Reference	Site Pronghorn 15 B3CN Fed Com 1H
Company	Mewbourne Oil Company	TVD Reference	KB @ 3424 0usft
Project	Lea County New Mexico	MD Reference	KB @ 3424 0usft
Site	Pronghorn 15 B3CN Fed Com 1H	North Reference	Grid
Well	Sec 15 T23S R34E	Survey Calculation Method	Minimum Curvature
Wellbore	BHL 330 FSL & 1 800 FWL		
Design	Design #1		

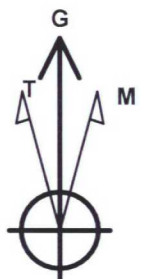
Planned Survey									
Measured Depth (usft)	Inclination ()	Azimuth ()	Vertical Depth (usft)	+N/-S (usft)	+E/ W (usft)	Vertical Section (usft)	Dogleg Rate (/100usft)	Build Rate (/100usft)	Turn Rate (/100usft)
13 800 0	89 76	178 31	11 313 3	2 699 7	79 9	2 700 9	0 00	0 00	0 00
13 900 0	89 76	178 31	11 313 8	2 799 7	82 8	2 800 9	0 00	0 00	0 00
14 000 0	89 76	178 31	11 314 2	2 899 7	85 8	2 900 9	0 00	0 00	0 00
14 100 0	89 76	178 31	11 314 6	2 999 6	88 8	3 000 9	0 00	0 00	0 00
14 200 0	89 76	178 31	11 315 0	3 099 6	91 7	3 100 9	0 00	0 00	0 00
14 300 0	89 76	178 31	11 315 4	3 199 5	94 7	3 200 9	0 00	0 00	0 00
14 400 0	89 76	178 31	11 315 9	3 299 5	97 6	3 300 9	0 00	0 00	0 00
14 500 0	89 76	178 31	11 316 3	3 399 4	100 6	3 400 9	0 00	0 00	0 00
14 600 0	89 76	178 31	11 316 7	3 499 4	103 5	3 500 9	0 00	0 00	0 00
14 700 0	89 76	178 31	11 317 1	3 599 3	106 5	3 600 9	0 00	0 00	0 00
14 800 0	89 76	178 31	11 317 5	3 699 3	109 5	3 700 9	0 00	0 00	0 00
14 900 0	89 76	178 31	11 317 9	3 799 3	112 4	3 800 9	0 00	0 00	0 00
15 000 0	89 76	178 31	11 318 4	3 899 2	115 4	3 900 9	0 00	0 00	0 00
15 100 0	89 76	178 31	11 318 8	3 999 2	118 3	4 000 9	0 00	0 00	0 00
15 200 0	89 76	178 31	11 319 2	-4 099 1	121 3	4 100 9	0 00	0 00	0 00
15 300 0	89 76	178 31	11 319 6	-4 199 1	124 3	4 200 9	0 00	0 00	0 00
15 400 0	89 76	178 31	11 320 0	4 299 0	127 2	4 300 9	0 00	0 00	0 00
15 500 0	89 76	178 31	11 320 5	-4 399 0	130 2	4 400 9	0 00	0 00	0 00
15 600 0	89 76	178 31	11 320 9	-4 498 9	133 1	4 500 9	0 00	0 00	0 00
15 700 0	89 76	178 31	11 321 3	-4 598 9	136 1	4 600 9	0 00	0 00	0 00
15 800 0	89 76	178 31	11 321 7	-4 698 8	139 0	4 700 9	0 00	0 00	0 00
15 866 2	89 76	178 31	11 322 0	-4 765 0	141 0	4 767 1	0 00	0 00	0 00

Design Targets									
Target Name hit/miss target Shape	Dip Angle ()	Dip Dir ()	TVD (usft)	+N/-S (usft)	+E/ W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PH 15 B#CN KOP plan hits target center Point	0 00	0 00	10 826 5	0 0	0 0	478 047 00	769 656 00	32 18 40 498 N	103 27 37 849 W
PH 15 B3CN LP plan hits target center Point	0 00	0 00	11 304 0	-475 3	14 1	477 571 70	769 670 10	32 18 35 794 N	103 27 37 730 W
PH 15 B3CN BHL 330 I plan hits target center Point	0 00	0 00	11 322 0	-4 765 0	141 0	473 282 00	769 797 00	32 17 53 336 N	103 27 36 659 W

Mewbourne Oil Company

By: Charles Martin
15:24, November 07 2016

Project: Lea County, New Mexico
Site: **Pronghorn 15 B3CN Fed Com 1H**
Well: Sec 15, T23S, R34E
Wellbore: BHL: 330' FSL & 1,800' FWL
Design: SL: 185' FNL & 1,700' FWL

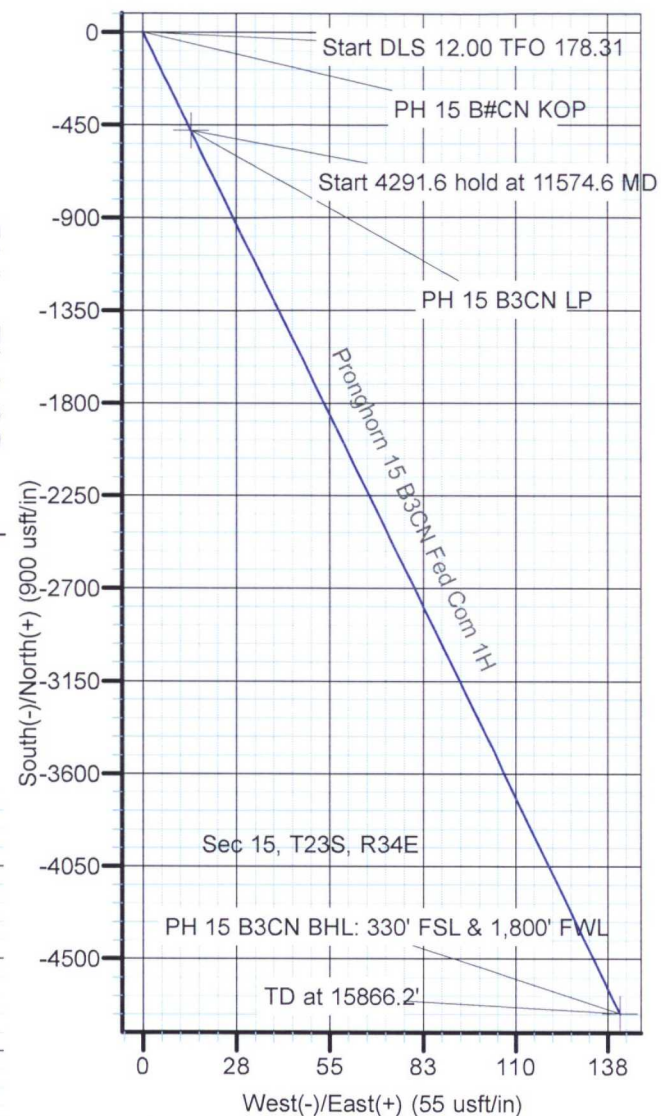


Azimuths to Grid North
True North: -0.47°
Magnetic North: 6.41°

Magnetic Field
Strength: 48140.1snT
Dip Angle: 60.15°
Date: 11/7/2016
Model: IGRF2010

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Target
1	0.0'	0.00°	0.00°	0.0'	0.0'	0.0'	0.00°	0.00°	0.0'	
2	10826.5'	0.00°	0.00°	10826.5'	0.0'	0.0'	0.00°	0.00°	0.0'	KOP
3	11574.6'	89.76°	178.31°	11304.0'	-475.3'	14.1'	12.00°	178.31°	475.5'	LP
4	15866.2'	89.76°	178.31°	11322.0'	-4765.0'	141.0'	0.00°	0.00°	4767.1'	BHL



True Vertical Depth (550 usft/in)

Start DLS 12.00 TFO 178.31

PH 15 B#CN KOP

Start 4291.6 hold at 11574.6' MD

PH 15 B3CN LP

TD at 15866.2'

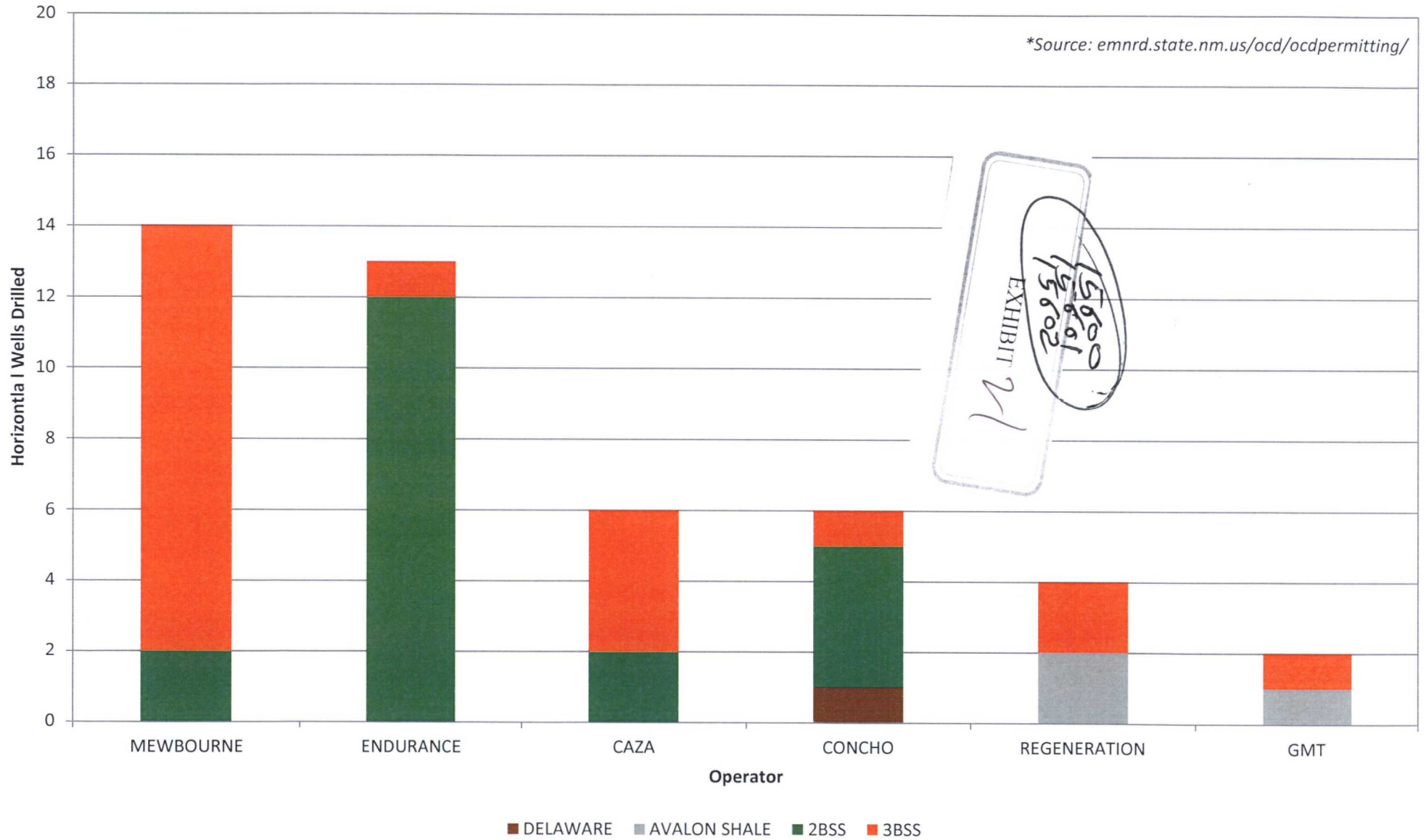
PH 15 B3CN BHL: 330' FSL & 1,800' FWL

Vertical Section at 178.31° (550 usft/in)

Horizontal Wells Drilled in T23S R34E, Lea Co. NM

45 Total Wells by Operator and Formation Targeted

*Source: emnrd.state.nm.us/ocd/ocdpermitting/

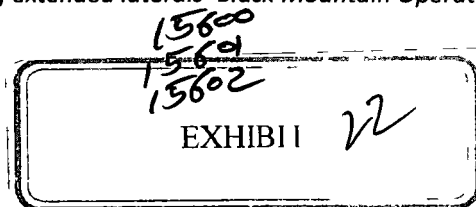


Horizontal AFE Comparison

Black Mountain Operating, LLC and Mewbourne Oil Company

Well Proposal	Proration Unit	Intangible		Tangible		Facilities	Total
		Drilling Cost	Completion Cost	Drilling Cost	Completion Cost		
BMO Duke Federal 10 #10H	10K to 15N	\$ 2 543 750	\$ 4 628 085	\$ 297 000	\$ 339 061	\$ 453 475	\$ 8 261 371
MOC Pronghorn 15 B3CN Fed Com 1H	15C to 15N	\$ 2 124 800	\$ 1 908 600	\$ 154 600	\$ 284 500	\$ 426 500	\$ 4 899 000
MOC 1 5x Cost x 1 5							\$ 7 348 500
(MOC 1 5x) (BMO)							\$ (912 871)
Duke Federal 10 #18H	10J to 15O	\$ 2 532 750	\$ 4 628 085	\$ 297 000	\$ 339 061	\$ 453 475	\$ 8 250 371
Pronghorn 15 B3BO Fed Com 1H	15B to 15O	\$ 2 124 800	\$ 1 908 600	\$ 154 600	\$ 284 500	\$ 426 500	\$ 4 899 000
MOC 1 5x Cost x 1 5							\$ 7 348 500
(MOC 1 5x) (BMO)							\$ (901 871)
Duke Federal 10 #26H	10I to 15P	\$ 2 554 750	\$ 4 628 085	\$ 297 000	\$ 339 061	\$ 453 475	\$ 8 272 371
Pronghorn 15 B3AP Fed Com 1H	15A to 15P	\$ 2 124 800	\$ 1 908 600	\$ 154 600	\$ 284 200	\$ 426 500	\$ 4 898 700
MOC 1 5x Cost x 1 5							\$ 7 348 050
(MOC 1 5x) (BMO)							\$ (924 321)

* Assuming no cost savings for drilling extended laterals Black Mountain Operating's proposals are less economic than Mewbourne's





BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET
MIDLAND TEXAS 79701 5021
432 682 3753
FAX 432 683 0311

CARLTON BEAL JR
BARRY BEAL
SPENCER BEAL
KELLY BEAL
BARRY BEAL JR
STUART BEAL
ROBERT DAVENPORT JR

GULF COAST DISTRICT
TOTAL PLAZA
1201 LOUISIANA STREET STE 570
HOUSTON TEXAS 77002
713 658 0077 FAX 713 655 0346

ROCKY MOUNTAIN DISTRICT
600 17TH STREET STE 2230 SOUTH
DENVER COLORADO 80202
303 534-4404 FAX 303-534-4661

March 29 2017

Mewbourne Oil Company
500 W Texas Ave – Suite 1020
Midland Texas 79701 4279
Attention Mr Travis Cude

Re Township 23 South – Range 34 East
Section 3 N/2 & SE/4
Lea County, New Mexico

Dear Mr Cude

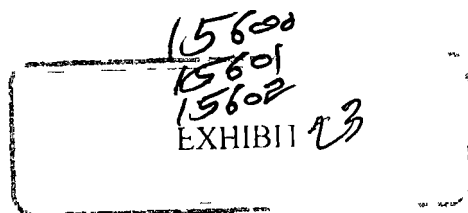
BTA Oil Producers, LLC ("BTA ") owns oil and gas interests in Section 3 T23S R34E Lea County, New Mexico BTA has plans to develop its acreage in Section 3 by drilling one mile horizontal wells and has no plans or desire to include lands in Section 10 (joining Section 3 on the south side) in the development of its interests Mewbourne Oil Company (' Mewbourne ') may use this letter as support for the upcoming hearing regarding the development of oil and gas interests in the area

Should you have questions regarding the above proposal you can call me at (432) 682 3753

Very truly yours

BTA Oil Producers, LLC

Willis D Price III
Land Manager



BLACK MOUNTAIN OPERATING LLC
AUTHORIZATION FOR EXPENDITURE
DRILL & COMPLETE NEW WELL

AFE# 16002

Date 12/23/2018
 L 830 Green Ridge
 Coun S L 8 NM
 Well
 P opo d D pit 13,800 MD
 Objec D & Complet on nt W 3r Ban Spring Form on 7500 or 30 ac g
 Can Rig Sit Cor #1H A-F

Modern Development APB		AFE AMOUNTS
Description		
SLAVE OC TIO ERM TO		\$ 1,000
LEGAL TITLE SURFACE DAMAGES D MACES		0.00
CONDUCTO P ETW TERWE O E E		2.00
CON RA DR NG PHOTOGRAPHY EV		0.00
ITRAG LLMG DA WD (L G OGC R L		0.00
FE		\$77,500
MOB MOB		\$2,500
RENT DO EQ ENT		\$ 75,000
DOWN OLE RE AL OOL & EQUIPME T		\$ 500
BITO		\$ 20,500
FISHING TOOL & SERVICES		\$
PIPE INSPECTION COATING		\$ 500
BO STING		0.00
MUD MATERIALS & CHEMICALS		0.00
DISPOSAL WBACK		\$0.00
CREW G RTERS		0.00
E RE VIC IONAL		\$0.00
OGG NG WH ELNE PER ORAT K		\$50.00
DR EM PA DUC ION		
OR G C RE S		
UD LOGGING		\$30,000
CE ENT CE E E CE		\$82,500
PLUG ABANDON		\$0
TUC NG & HAULING		0.00
ON E VIS		\$
PERM IO O RAC		\$0.00
EAD		
CASING EWS CO RAC LABO		\$ 1,000
MSCE LA EOUS OT ER DR NG GT		\$ 500
OR L NG WELL URANCE		
ON NCENC		\$78.50
Intangible Drilling		\$2,603.50
UR CE LA NG		2.3
EDCA CA		\$0.00
CA G HEAL TUB NG EAD CI MA RLE		2.500
HE NG NTRA E E		\$ 1,000
NT NCENC		\$16.00
Tangible Drilling		\$78.363
S VE OCA IO ERMITS		\$
EGAL DAMAGE DAMA E		\$ 5,000
TRIMULA IO EATMENT RA T NG C DZ NG		\$2,900.000
SAND CONTROL		
CO TRACT DA WOR D L NG LOGGING U I G N		\$30,000
E		\$0
DOWN HOLE E OOL EQ E T		\$0.00
RFACE NTAL OOL & EQUI ME		\$ 5,000
CO UB NG SNUBB NG		\$0.00
BT		\$ 5,500
P S NG OO SE IC		
E PE ION CO T G		\$
ES NG		\$
NA E CHE CA S		\$60,000
POSA OWBA		\$50,000
W E		\$200,000
EWQUA E		
OG NG W E E E RA NG		\$ 50,000
EMENT CE E NG SE VICE		\$85.50
UCKING HA NG		\$0.00
O AN E S		\$0
ERV IO RA		\$0.00
E HEAD		
CA NG EWS O RA LABO		\$ 1,000
F DWBAC WE E		\$0.00
UCE LANEIOUS CO b RA UG		\$0.00
OR L NG WE L IN RANCE		\$
CO NGENC		\$4
Intangible Completion		\$4,811,310
P ODUCE LA NG		\$204,800
T BING		\$60,000
CAS NG HEA BING E MA RLE		\$35,500
O HE Y G BLE CE RAL ZERS FLO EQUI ME		\$8,500
ONT NGENC		\$60
Tangible Completion		\$339,480
b		
NG UN WE VL		
SUCKE DS PO DS		\$
MJC ITTINGS MP ES		\$100
BSUR E Q MENT		\$ 500
C		0.00
LABO C		\$7,500
BATTER		\$8,000
SEPARA O BA ERS Y EATE S		\$60,000
COMP ESSOR		\$0
E E NG EQ PME T LACT UNT		\$0
EQU PME		\$0
P ELNE A ON ECTIONS		\$ 500
COMP S PERVISION		\$200
NT NGC		\$
Facilities		\$463.78
ma Wa		\$8,298.88
7		
2		
PLEASE INDIC E OUR AP RO UTI OZA IO OR U OPOR IONATE RE OF Y EES MA ED		
EXPEND URE AS DE FD BO F B S G G BE OW GRE NG ON F S G ED B LOC		
OW E		
DA E		
APPR B		
		E 91

15600
 15601
 15602

MOC EXHIBIT 25

BLACK MOUNTAIN OPERATING LLC
AUTHORIZATION FOR EXPENDITURE
DRILL & COMPLETE NEW WELL

AFE# 16002

DATE 12/23/2016
 L GRAMA RIDING
 GOUR (S) LBS (M)
 W 11
 P OPOSE D PTH 0.000 ML
 OBJECTIVE DR 1.8 (COMPLET) MAX ANT W 3rd BAN SPR G FORM W 7500' 1 1301 0
 L (11

drill Development AFE		AFE Amount
D on la		
URVE OCATION ERMI		50 000
LEGAL TITLE SUR CE DAMAGE DAMAGES		82 000
CONDU O PI E W ER WC DR E C		7 000
CONTRACT D NC GOY E TUR REV		5
CJN C D I NC DA WO (DRILL K LOGG)		1 12 500
FUEL		177 500
OB E MUB		62 500
RENTAL TOO & EQUIPMEN		1 75 000
DOW HOLE E T OO IPM		843 000
BT		20 500
SHING TOOL SERVICES		1
PI E SPEC IO & CO NG		10
BO E		32 500
UD MATERIALS & CHEMICALS		1225 000
DI ROS L ONWAC		50 000
W E		1 000
C WQUA TE		150 000
SPECIAL SERVICES DIRE ONAL		12 2 500
OGG NG WIRE E E OIA NG		50 000
GRILL S EM PRODUK ON ES S		50
CORING CORE ANAL		
MUD LOGGING		30 000
CEMENT CEME ERICES		500
LUGABA DO RESTORE		1
UCKING IA NG		1 000
COMP UPE V ON		0
S PERMISO ONTRA		500
OT E D		1
C SWG CREWS CONTRACT LABOR		1 000
SCE LANEOUS D HE NG O TS		1 500
DRILL NG WELL S RANCE		
CONTINGENC		1736 50
Intangible Drilling		80
F CE CAS NG		14 3
NT EDIA E CA NG		1 80 000
CASING HE D TUBING EAD C MAS E		177 400
OTHC NG E C RA ZE S OT OES		1 5 000
CO TINGENCY		2 80
ngible Drilling		20 30
VE OCATIO ERMI		
EG LE CE DAMAGES DAMA ES		1 000
MULA IO TREATME RA U NG DIZ NG		00 000
D CO ROL		
CONTRACT DAYWOR (D L ING LOGG NG RUN NG CAS		000
UEL		30
DOW HOLE CNT OOL Q IP E		500
S RF CE ENT OO EQUI ENT		12 000
CO BING/SNUBB G		50 000
BT		1 500
NG OOLS SE VICE		
E INSPE NO Q NG		30
BOP ES NG		
UDIA ERIA S C EMICALS		56 00
DISPOSAL OWBA		150 000
W E		200 000
CREWQUA TER		
OGG NG WIRE E E RA NG		58 000
CEMENT CEME NG S VICE		1 250
IC		
UC NG HAUL NG		1 5 000
COM NY S ERVI IO		40
UPE VI IO CONTRAC		2 600
OVE EA		1
CAS NG CREWS CON RACT LABO		000
OWBACK WE ESTS		90 000
SCE LA OU HER FRA UG		500
D LLING WEL URANCE		
ING NC		14
Intangible Completion		14 12
PRODUK IO CAS NG		1 600
TUB NG		160 000
CA NG HEAD BING EA MAS E		135 500
E ANG BLE CENTRAL ZERS F O T EQUIPMENT		18 500
CO NG NC		30 850
ngible Completion		1 480
GAS L		
UMPING E MOVER SE BL		
UC ER RODS POL S QDS		
TTING E		500
UB C UPM		1 500
CKERS		000
TY LABO CO		17 500
NK BATTIE		305 000
SE RATORS EA E S EA ERB		380 000
CO ESSO		10
E E NG E LA		40
UT TY EQ PME		1
IPELINES CONNEC IONS		6 500
COM NY S E VI ON		1 500
C TINGENCY		2
F Wires		648
sta E lina W		10 298 5
<p>DATE 12/23/2016</p> <p>AP OVED</p>		
<p>EACE ULA E OU PROVAL AND AUTHO ZATION FOR OUR ROPOR ONA E ARE EES MA E</p> <p>E E D E DE ED BO E O SG G F DV ET GOVE IG ED O OCL</p> <p>W E</p> <p>DATE</p> <p>AP OVED</p>		