

MEWBOURNE OIL COMPANY
4801 Business Park Blvd
Hobbs, NM 88240
575-393-5905
October 28, 2021

Engineering Bureau
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

Commissioner of Public Lands
Attn: Commingling Manager
PO Box 1148
Santa Fe, NM 87504-1148

RE: Application for State Lease Commingle

To: Whom It May Concern

Mewbourne Oil Company ("Mewbourne") is requesting permission to surface commingle production from two wells (Bourbon Red 11/12 B3LI State Com 1H & Bourbon Red 11/12 B3MP State Com 1H) located on State leases X006480156; E010510008; OG0270004; E043970008; E043970007; OG07840001 which comprise portions of section 11 & 12, T19S, R28E, Eddy County, New Mexico. All oil and gas production from both wells is to be stored in a central tank battery and common gas meter located in the SWSW of said section 11, T19S, R28E. Information detailing each well is attached.

Please find the following enclosed:

- Cover Letter
- Commingle Summary Page
- Form C102 of wells & battery
- Detailed Maps: lease boundaries & facility locations
- Application Checklist
- Form C-107B
- Copy of letter sent certified to all involved parties
- List of all involved parties

Signed: Chad Cole
Printed Name: Chad Cole
Title: Regulatory Specialist
Date: 10/28/2021

APPLICATION FOR LEASE COMMINGLING, CENTRAL TANK BATTERY (CTB)**Commingling procedure for Bourbon Red leases:**

Mewbourne Oil Company is requesting approval for lease commingling production from 2 wells located on State leases below in a Central Tank Battery "CTB":

Well Name	Location	API #	Pool #	MCFPD	Dry BTU @ 14.73 PSI
Bourbon Red 11/12 B3LI State Com 1H	1350' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48072	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3MP State Com 1H	1300' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48070	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250

Oil, Water, & Gas metering

The central tank battery in the SWSW of Section 11, T19S, R28E, Eddy County, New Mexico. The production for both wells will come to its own separator. From the separator production will be allocated as follows:

Oil Metering:

Oil volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Oil from each separator will be metered and then sent to a heater treater (HT). Oil from the HT will then flow to a vapor recovery tower (VRT) and then to the 750 BBL oil tanks (OT). Oil production will be allocated on a daily basis based from the oil allocation meter downstream of the separator. This meter will be proven based on API, NMOCD and BLM specifications by tank testing. This process is performed by isolating a well to specific oil tanks and calibrating the meter based on the production numbers. The oil production from these wells listed above will be measured, commingled and then sold via truck haul or LACT.

Water Metering:

Water volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Water from each separator will be metered and sent to the 1000 BBL gun barrel (GB). From the GB the water will be sent to the 750 BBL water tanks (WT). Water production will be allocated on a daily basis based from the water allocation meter downstream of the separator. The water production from these wells listed above will be measured, commingled and disposed of via truck haul or pipelined to disposal.

Gas Metering:

Gas volumes from each well producing to these batteries will be determined by using an allocation gas meter after the separator at the facility for each well. The gas production from both wells listed above will be measured, commingled, and then sold on lease using the 24 hr. well test method. A Durango common gas sales meter #631250 will be located on edge of the battery pad. This meter is calibrated on a regular basis per API, NMOCD and BLM specifications.

Signed: Chad Cole

Printed Name: Chad Cole

Title: Regulatory Specialist

Date: 10/28/2021

Economic Justification

Well Name	BOPD EST	Oil Gravity @ 60°	Value/bbl	MCFPD	Dry BTU @ 14.73 PSI	Value/MCF
Bourbon Red 11/12 B3LI State Com 1H	1500	48	\$82	~3000	~1250	\$2.50
Bourbon Red 11/12 B3MP State Com 1H	1500	48	\$82	~3000	~1250	\$2.50
CTB Combined	3000	48	\$82	~6000	1250	\$2.50

Process and Flow Descriptions:

The flow of production is shown in detail on the enclosed facility diagram and map which shows lease boundaries, wells, battery, & MM location. The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production.

Working, royalty, & overriding interest owners have been notified of the proposal via certified mail (see attached).

Signed: 

Printed Name: Chad Cole

Title: Regulatory Specialist

Date: 10/28/2021

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name BOURBON RED 11/12 B3LI STATE COM	⁶ Well Number 1H
⁷ OGRID NO.	⁸ Operator Name MEWBOURNE OIL COMPANY	⁹ Elevation 3473'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
I	11	19S	28E		1350	SOUTH	205	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	12	19S	28E		1900	SOUTH	100	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p><u>GEODETIC DATA</u> NAD 83 GRID - NM EAST N 608166.6 - E 596193.7 LAT: 32.6717688' N LONG: 104.1550592' W</p> <p><u>SURFACE LOCATION</u> N 608826.7 - E 608289.3 LAT: 32.6735321' N LONG: 104.1222459' W</p> <p><u>CORNER DATA</u> NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 606815.2 - E 595993.1 B: FOUND BRASS CAP "1941" N 609454.0 - E 595984.6 C: FOUND BRASS CAP "1941" N 612093.1 - E 595974.2 D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7 E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0 F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0 G: FOUND BRASS CAP "1941" N 612224.9 - E 606365.7 H: FOUND BRASS CAP "1941" N 609588.9 - E 606388.4 I: FOUND BRASS CAP "1941" N 606928.4 - E 606391.3 J: FOUND BRASS CAP "1941" N 606894.9 - E 603787.9 K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3 L: FOUND BRASS CAP "1941" N 606837.6 - E 598589.8 M: FOUND BRASS CAP "1941" N 609501.9 - E 601179.0</p> <p><u>17 OPERATOR CERTIFICATION</u> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____ Printed Name _____ E-mail Address _____</p> <p><u>18 SURVEYOR CERTIFICATION</u> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>02-17-21 Date of Survey Signature and Seal of Professional Surveyor 19680 Certificate Number</p> <p>JOB NO.: LS1804533R</p>	
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name BOURBON RED 11/12 B3MP STATE COM	⁶ Well Number 1H
⁷ OGRID NO.	⁸ Operator Name MEWBOURNE OIL COMPANY	⁹ Elevation 3474'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
M	11	19S	28E		1300	SOUTH	205	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	12	19S	28E		500	SOUTH	100	EAST	EDDY

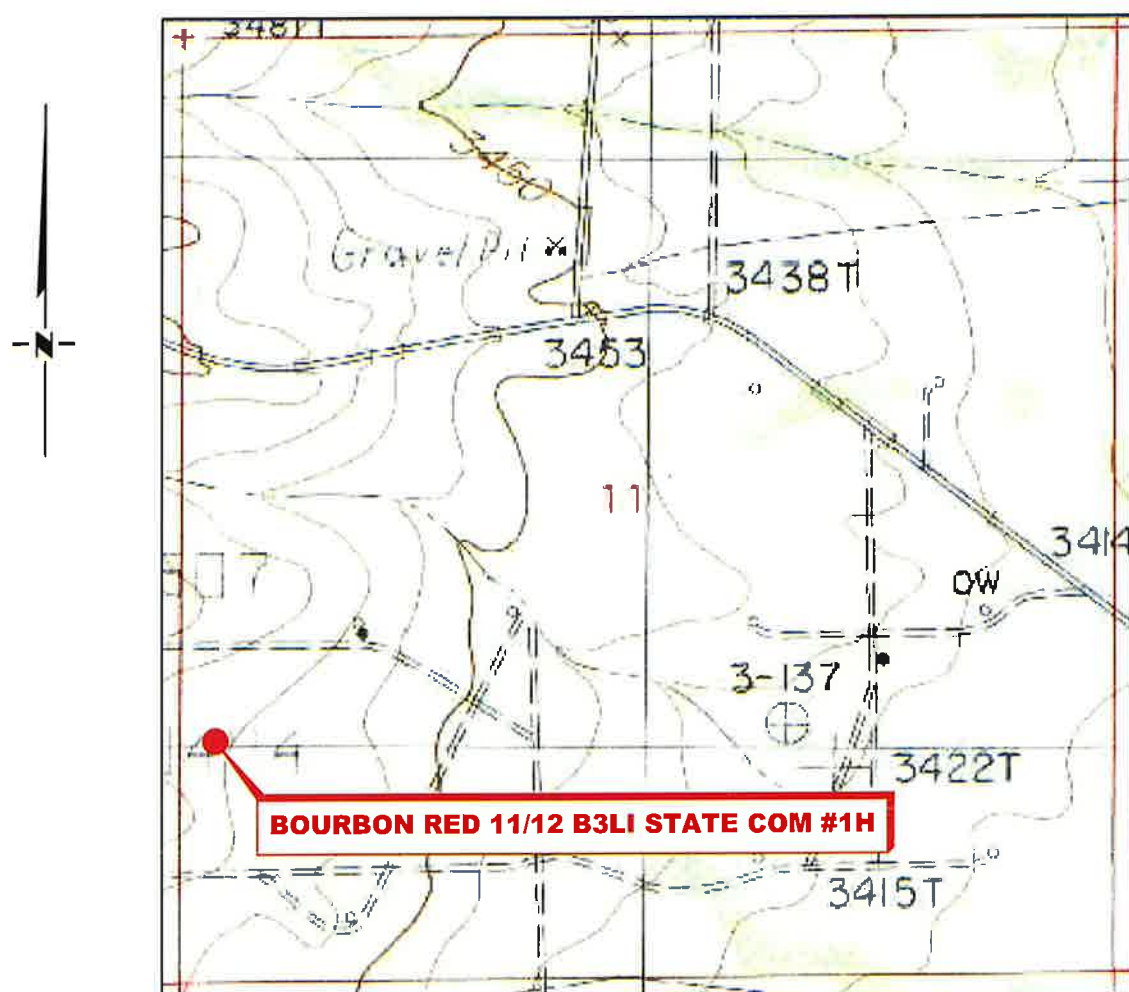
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p>GEODETIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION N 608116.7 - E 596193.8 LAT: 32.6716314° N LONG: 104.1550590° W</p> <p>BOTTOM HOLE N 607427.0 - E 606290.8 LAT: 32.6696849° N LONG: 104.1222501° W</p>	<p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1941" N 606815.2 - E 595993.1</p> <p>B: FOUND BRASS CAP "1941" N 609454.0 - E 595984.6</p> <p>C: FOUND BRASS CAP "1941" N 612093.1 - E 595974.2</p> <p>D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7</p> <p>E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0</p> <p>F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0</p>	<p>G: FOUND BRASS CAP "1941" N 612224.9 - E 606365.7</p> <p>H: FOUND BRASS CAP "1941" N 609588.9 - E 606388.4</p> <p>I: FOUND BRASS CAP "1941" N 606928.4 - E 606391.3</p> <p>J: FOUND BRASS CAP "1941" N 606894.9 - E 603787.9</p> <p>K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3</p> <p>L: FOUND BRASS CAP "1941" N 606837.6 - E 598589.8</p> <p>M: FOUND BRASS CAP "1941" N 609501.9 - E 601179.0</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>02-17-18 Date of Survey</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>19680 Certificate Number</p>			<p>19680 Certificate Number</p>

JOB NO.: LS1804534R

LOCATION VERIFICATION MAP



**SECTION 11, TWP. 19 SOUTH, RGE. 28 EAST,
N. M. P. M., EDDY COUNTY, NEW MEXICO**

OPERATOR: Mewbourne Oil Company
LEASE: Bourbon Red 11/12 B3LI State Com
WELL NO.: 1H
ELEVATION: 3473'

LOCATION: 1350' FSL & 205' FWL
CONTOUR INTERVAL: 10'
USGS TOPO. SOURCE MAP:
Illinois Camp, NM (P. E. 1985)

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NO.	REVISION	DATE
JOB NO.:	LS1804533R	
DWG. NO.:	1804533R-2	

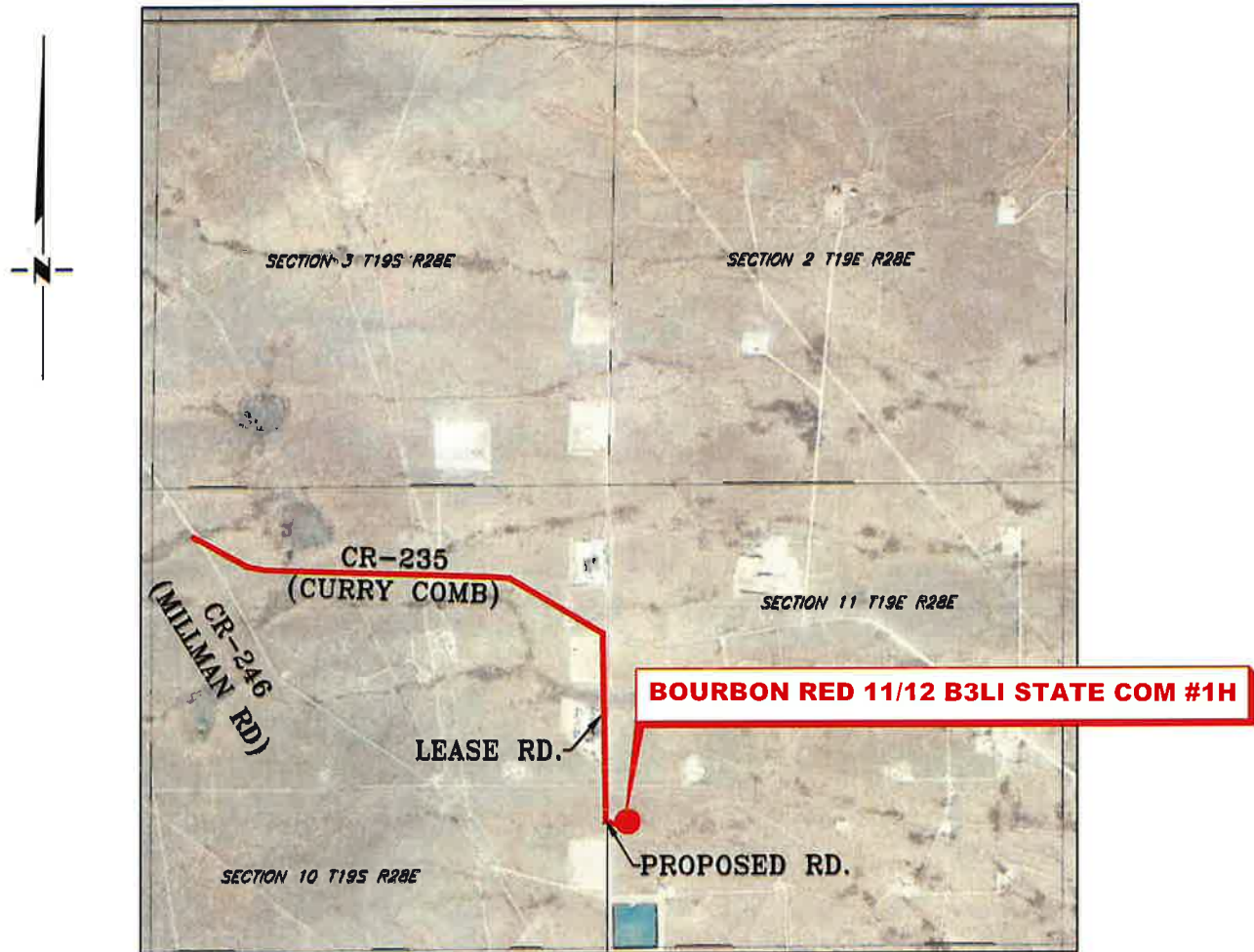


701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE:	1" = 1000'
DATE:	04/25/2018
SURVEYED BY:	ML/TF
DRAWN BY:	KAKN
APPROVED BY:	RMH
SHEET:	1 OF 1

VICINITY MAP

NOT TO SCALE



SECTION 11, TWP. 19, RGE. 28 EAST,
N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Mewbourne Oil Company LOCATION: 1350' FSL & 205' FWL
 LEASE: Bourbon Red 11/12 B3LI State Com ELEVATION: 3473'
 WELL NO.: 1H

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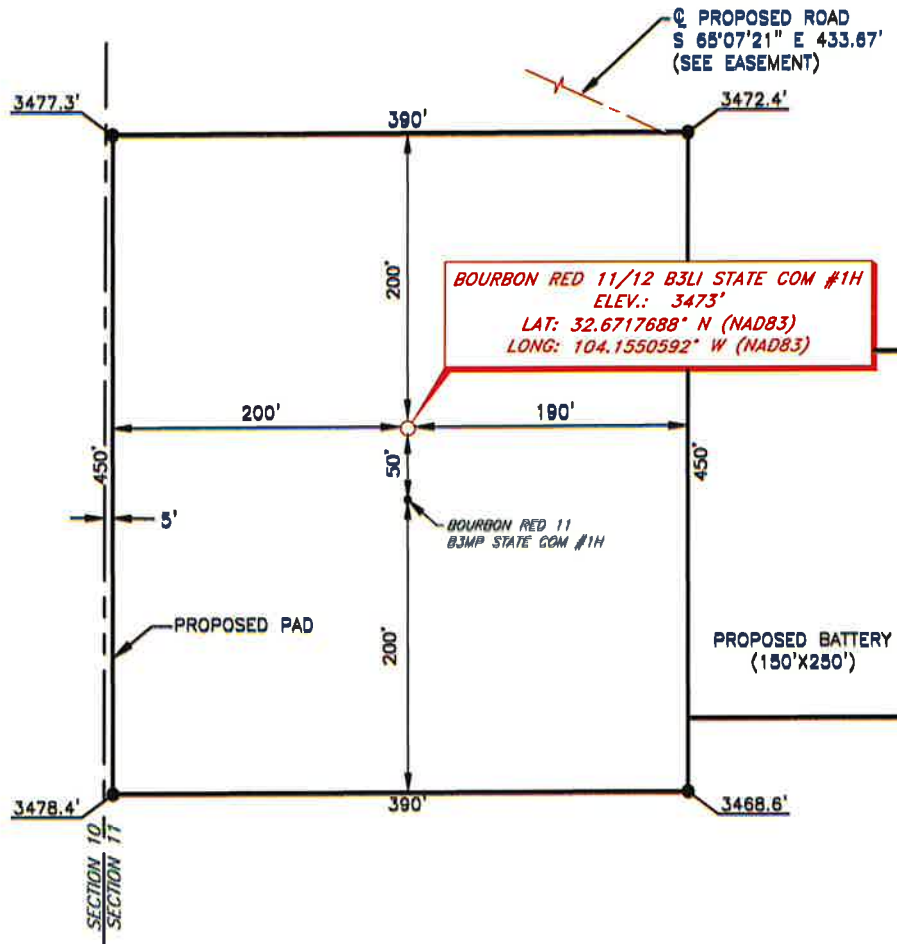
NO.	REVISION	DATE
JOB NO.:	LS1804533R	
DWG. NO.:	1804533R-3	



701. S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 1000'
DATE: 04/25/2018
SURVEYED BY: ML/TF
DRAWN BY: KAKN
APPROVED BY: RMH
SHEET: 1 OF 1

MEWBOURNE OIL COMPANY
BOURBON RED 11/12 B3LI STATE COM #1H
(1350' FSL & 205' FWL)
SECTION 11, T10S, R28E
N. M. P. M., EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

From the intersection of CR-246 (Millman Rd.) and CR-235 (Curry Comb Rd.),

Go South on CR-235 approx. 0.9 miles to a lease road on right;

Turn right and go South approx. 0.3 miles to proposed road on left;

Turn left on lease road and go Southeast approx. 0.1 miles to location on the right.

SCALE: 1" = 100'
 0 50' 100'

BEARINGS ARE GRID NAD 83
 NM EAST
 DISTANCES ARE HORIZ. GROUND.

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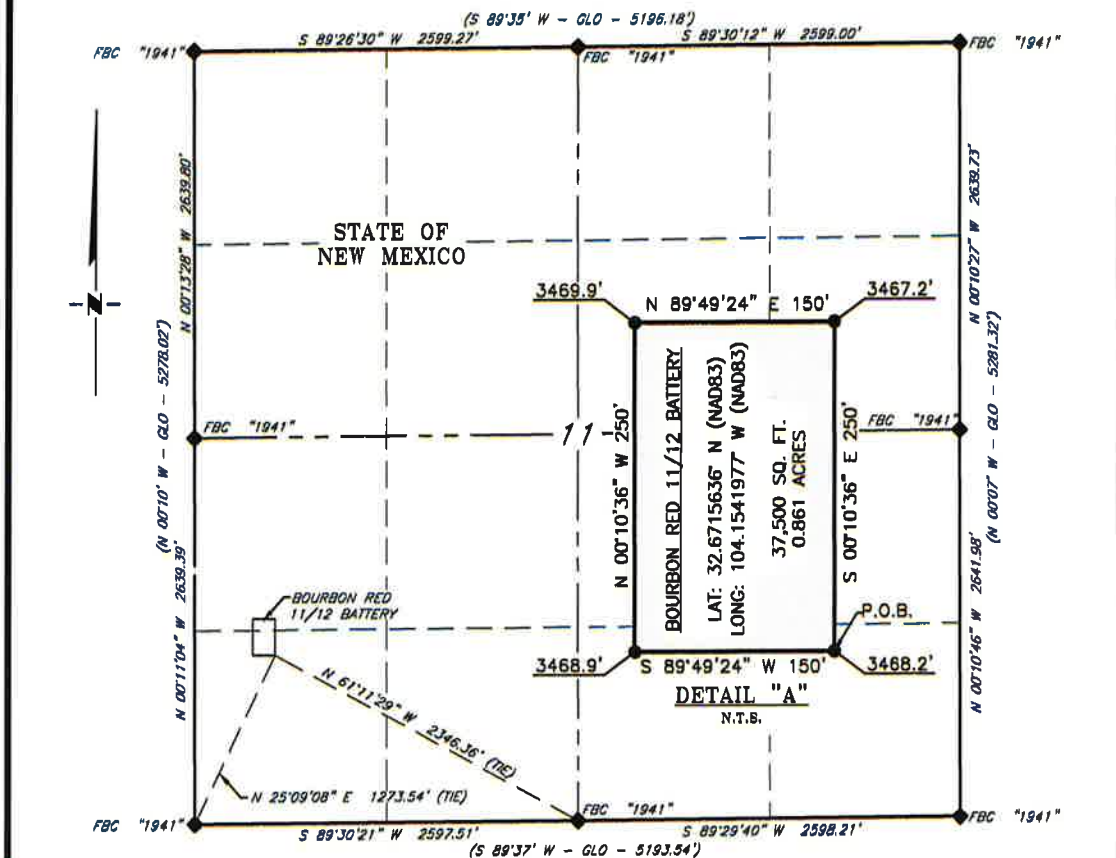
NO.	REVISION	DATE
JOB NO.:	LS1804533R	
DWG. NO.:	1804533R-4	

RRC

701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 1000'
DATE: 02/17/2021
SURVEYED BY: ML/JC
DRAWN BY: RQ
APPROVED BY: RMH
SHEET: 1 OF 1

**MEWBOURNE OIL COMPANY
PROPOSED BOURBON RED 11/12 BATTERY
SECTION 11, T19S, R28E,
N. M. P. M., EDDY CO., NEW MEXICO**



DESCRIPTION

A tract of land situated within the Southwest quarter of Section 11, Township 19 South, Range 28 East, N. M. P. M. Eddy County, New Mexico, across State of New Mexico land:

Beginning at a point which bears N 25°09'08"E, 1,273.54 feet, from a brass cap, stamped "1941", found for the Southwest corner of Section 11 and being N 61°11'29" W 2,346.36 feet, from brass cap stamped "1941", found for the South quarter corner of Section 11;

Thence S 89°49'24" W, 150 feet, to a point;

Thence N 00°10'36" W, 250 feet, to a point;

Thence N 89°49'24" E, 150 feet, to a point;

Thence S 00°10'36" E, 250 feet, to the Point of Beginning;

Said tract of land contains 37,500 square feet or 0.861 acres, more or less and is allocated by forties as follows:

SCALE: 1" = 1000'	NW 1/4 SW 1/4	11,811.26 Sq. Ft.	0.271 Acres
0 500' 1000'	SW 1/4 SW 1/4	25,688.74 Sq. Ft.	0.590 Acres

BEARINGS ARE GRID NAD 83
N.W. EAST
DISTANCES ARE HORIZ. GROUND.

LEGEND

() RECORD DATA - GLO

◆ FOUND MONUMENT
AS NOTED

I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

Robert M. Howett

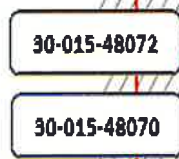
PROPOSED ACCESS ROAD Robert M. Howett NM PS 19680



Copyright 2016 - All Rights Reserved

			RRC		SCALE: 1" = 1000'
					DATE: 02/17/2018
					SURVEYED BY: ML/JC
					DRAWN BY: RQ
					APPROVED BY: RMH
					SHEET: 1 OF 1
NO.	REVISION	DATE			
JOB NO.: LS1804533R					
DWG. NO.: 1804533R-8					

701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200





DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Chad Cole

Regulatory Specialist

10/28/2021

Print or Type Name

Signature

Title

Date

ccole@mewbourne.com
 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
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District III
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87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Mewbourne Oil Company

OPERATOR ADDRESS: 4801 Business Park BLVD PO Box 5270 Hobbs NM 88240

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Chad Cole TITLE: Regulatory Specialist DATE: 10/28/2021

TYPE OR PRINT NAME Chad Cole TELEPHONE NO.: 575-393-5905

E-MAIL ADDRESS: ccole@mewbourne.com

Central Tank Battery

Well Name	Location	API #	Pool #	MCFPD	Dry BTU @ 14.73 PSI
Bourbon Red 11/12 B3LI State Com 1H	1350' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48072	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3MP State Com 1H	1300' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48070	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250

MEWBOURNE OIL COMPANY

4801 Business Park Blvd
Hobbs, NM 88240
575-393-5905

November 17, 2021

Via Certified Mail

See Attached Address List

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") has filed an application with the New Mexico Oil Conservation Division ("Division") seeking authorization to surface commingle production from the Palmillo; Bone Spring, Southwest pool originating from the Bourbon Red 11/12 B3LI State Com #1H and the Bourbon Red 11/12 B3MP State Com #1H, which comprise portions of Sections 11 & 12, T19S, R28E, Eddy County, New Mexico. All oil production from these wells is to be stored in a Central Tank Battery, located in the SWSW of said Section 11. Also, Mewbourne has filed to surface commingle gas production from these wells. The gas production from these wells will flow to an on lease common Durango Meter #631250 located on edge of the battery pad. Mewbourne will meter all production at the facility using meters calibrated off the well test method. Information detailing each well is attached.

If you object to the either application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter later.

Should you have any questions regarding the above, please email Chad Cole at ccole@mewbourne.com or call him at (575) 393-5905.

Sincerely,



Mitch Robb
Landman

Notice List - Bourbon Red 11/12 B3MP & B3LI

Owner	Certified Tracking Number
Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, OK 73102	9414836897846592157631
EOG Resources, Inc. 5509 Champions Drive Midland, TX 79706	9414836997846592167548
Premier Oil & Gas, Inc. 901 Waterfall Way, Suite 201 Richardson, Tx 75080	9414836897846592176366
RSC Resources, LP PO Box 8329 Horseshoe Bay, TX 78657	9414836897846592182565
XTO Delaware Basin, LLC and XTO Permian, LLC 810 Houston Street Fort Worth, TX 76102	9414836897846592192939
OXY Y-1 Company & Kerr-McGee Oil & Gas Onshore LP 5 Greenway Plaza, Suite 110 Houston, TX 77046	9414836897846592200917
CL&F Operating, LLC 16945 Northchase Drive, Suite 1500 Houston, TX 77060	9414836897846592211210
LRF Jr., LLC PO Box 11327 Midland, TX 79702	9414836897846592220366
COG Operating LLC 600 W. Illinois Avenue Midland, TX 79701	9414836897846592230488
Chi Energy, Inc. P.O. Box 1799 Midland, Texas 79702	9414836897846592246014
Yates Brothers, a partnership PO Box 1394 Artesia, NM 88211-1394	9414836897846592255207

Notice List - Bourbon Red 11/12 B3MP & B3LI

Owner	Certified Tracking Number
Successors and assigns of John Thoma PO Box 17656 Golden, CO 80402	9414836897846592262304
Jastrow Family Oil & Gas, LLC 6300 Bee Cave Road, Building 1, 6 th Floor Austin, TX 78746	9414836897846592273614
ARB-SRP PC I BPEOR NM, L.L.C. ARB-SRP PC II BPEOR NM, L.L.C. ARB-RMB PC BPEOR NM, L.L.C. ARB-LMB PC I BPEOR NM, L.L.C. ARB-LMB PC II BPEOR NM, L.L.C. EPB-PC I BPEOR NM, L.L.C. 201 Main Street, Suite 3000 Fort Worth, TX 76102	9414836897846592283507

District I

1625 N. French Drive, Hobbs, NM 88240

District II

811 S. First St., Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Form C-107-B

Revised August 1, 2011

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Mewbourne Oil Company

OPERATOR ADDRESS: 4801 Business Park BLVD PO Box 5270 Hobbs NM 88240

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)
LEASE TYPE: ☐ Fee ☒ State ☐ FederalIs this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingle Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.(4) Measurement type: ☒ Metering ☐ Other (Specify)(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☒ Yes ☐ No(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No(4) Measurement type: ☒ Metering ☐ Other (Specify)**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: _____ TITLE: Regulatory Specialist DATE: 10/28/2021

TYPE OR PRINT NAME Chad Cole TELEPHONE NO.: 575-393-5905

E-MAIL ADDRESS: ccole@mewbourne.com

Central Tank Battery

Well Name	Location	API #	Pool #	MCFPD	Dry BTU @ 14.73 PSI
Bourbon Red 11/12 B3LI State Com 1H	1350' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48072	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3MP State Com 1H	1300' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48070	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250

APPLICATION FOR LEASE COMMINGLING, CENTRAL TANK BATTERY (CTB)**Commingling procedure for Bourbon Red leases:**

Mewbourne Oil Company is requesting approval for lease commingling production from 2 wells located on State leases below in a Central Tank Battery "CTB":

Well Name	Location	API #	Pool #	MCFPD	Dry BTU @ 14.73 PSI
Bourbon Red 11/12 B3LI State Com 1H	1350' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48072	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3MP State Com 1H	1300' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48070	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250

Oil, Water, & Gas metering

The central tank battery in the SWSW of Section 11, T19S, R28E, Eddy County, New Mexico. The production for both wells will come to its own separator. From the separator production will be allocated as follows:

Oil Metering:

Oil volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Oil from each separator will be metered and then sent to a heater treater (HT). Oil from the HT will then flow to a vapor recovery tower (VRT) and then to the 750 BBL oil tanks (OT). Oil production will be allocated on a daily basis based from the oil allocation meter downstream of the separator. This meter will be proven based on API, NMOCD and BLM specifications by tank testing. This process is performed by isolating a well to specific oil tanks and calibrating the meter based on the production numbers. The oil production from these wells listed above will be measured, commingled and then sold via truck haul or LACT.

Water Metering:

Water volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Water from each separator will be metered and sent to the 1000 BBL gun barrel (GB). From the GB the water will be sent to the 750 BBL water tanks (WT). Water production will be allocated on a daily basis based from the water allocation meter downstream of the separator. The water production from these wells listed above will be measured, commingled and disposed of via truck haul or pipelined to disposal.

Gas Metering:

Gas volumes from each well producing to these batteries will be determined by using an allocation gas meter after the separator at the facility for each well. The gas production from both wells listed above will be measured, commingled, and then sold on lease using the 24 hr. well test method. A Durango common gas sales meter #631250 will be located on edge of the battery pad. This meter is calibrated on a regular basis per API, NMOCD and BLM specifications.

Signed: _____

Printed Name: Chad Cole

Title: Regulatory Specialist

Date: 10/28/2021

Economic Justification

Well Name	BOPD EST	Oil Gravity @ 60°	Value/bbl	MCFPD	Dry BTU @ 14.73 PSI	Value/MCF
Bourbon Red 11/12 B3LI State Com 1H	1500	48	\$82	~3000	~1250	\$2.50
Bourbon Red 11/12 B3MP State Com 1H	1500	48	\$82	~3000	~1250	\$2.50
CTB Combined	3000	48	\$82	~6000	1250	\$2.50

Process and Flow Descriptions:

The flow of production is shown in detail on the enclosed facility diagram and map which shows lease boundaries, wells, battery, & MM location. The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production.

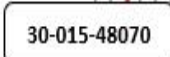
Working, royalty, & overriding interest owners have been notified of the proposal via certified mail (see attached).

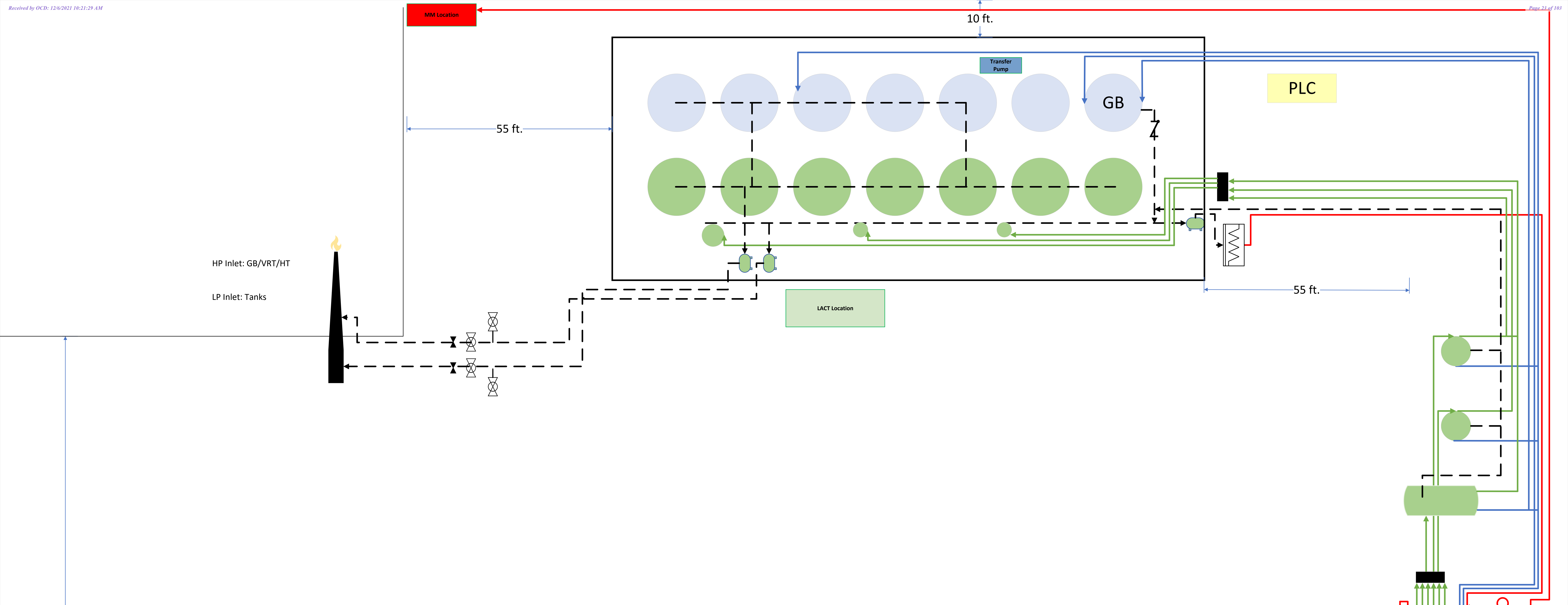
Signed: _____

Printed Name: Chad Cole

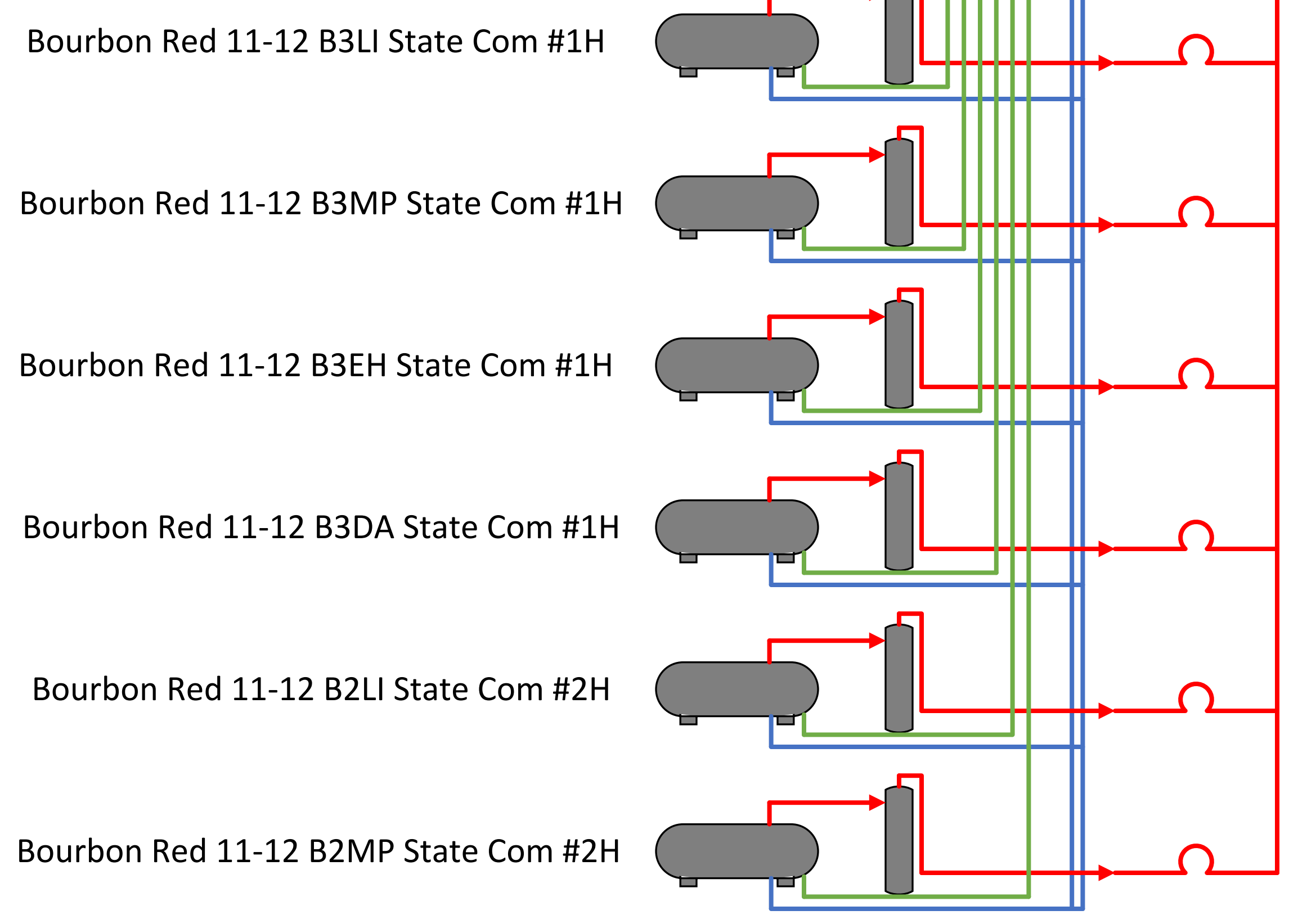
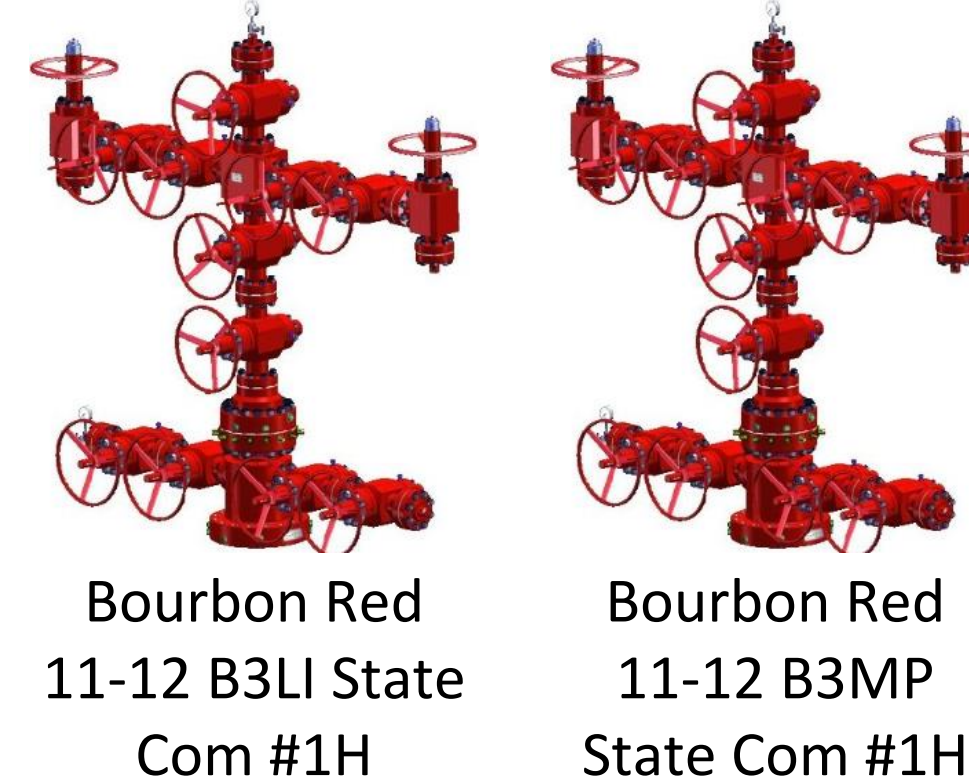
Title: Regulatory Specialist

Date: 10/28/2021





Facility Diagram	
Operator	Mewbourne Oil Company
Facility Name	Bourbon Red 11/12 B3LI State Com #1H Battery
Facility Location	SWSW S11, T19S, R28E, Eddy Co. NM
Lease Number	(80 ACRES X006480156)/(80 ACRES E010510008)/(80 ACRES OG02720004)/(40 ACRES E043970008)/(40 ACRES E043970007): (100% STATE)
Comm Agreement	
Field	[96413] PALMILLO, BONE SPRING, SOUTHWEST
Wells In Facility	API #
Bourbon Red 11/12 B3LI State Com #1H	30-015-48072
Bourbon Red 11/12 B3MP State Com #1H	30-015-48070
Bourbon Red 11/12 B2LI State Com #2H	30-015-48900
Bourbon Red 11/12 B2MP State Com #2H	30-015-48897
Bourbon Red 11/12 B3DA State Com #1H	30-015-48071
Bourbon Red 11/12 B3EH State Com #1H	30-015-48073



Meter Breakdown:

Seps:

- 6 - 2" Vortex Meters (Oil)
- 2 - 3" Mag Meters (Water)
- 4 - 2" Mag Meters (Water)
- 1 - 3" w/TF (Gas Sales)
- 5 - 3" w/XMV (Gas Sales)
- 1 - 2" w/XMV (VRU Gas)
- 6 - 1000 PSI PT

Heaters:

- 3 - 2" Vortex Meters (Oil)
- 3 - 3" Mag Meters (Water)

Tanks:

- 2 – 300 psi PTs
- 7 - OT Probes
- 3 – WT Probes

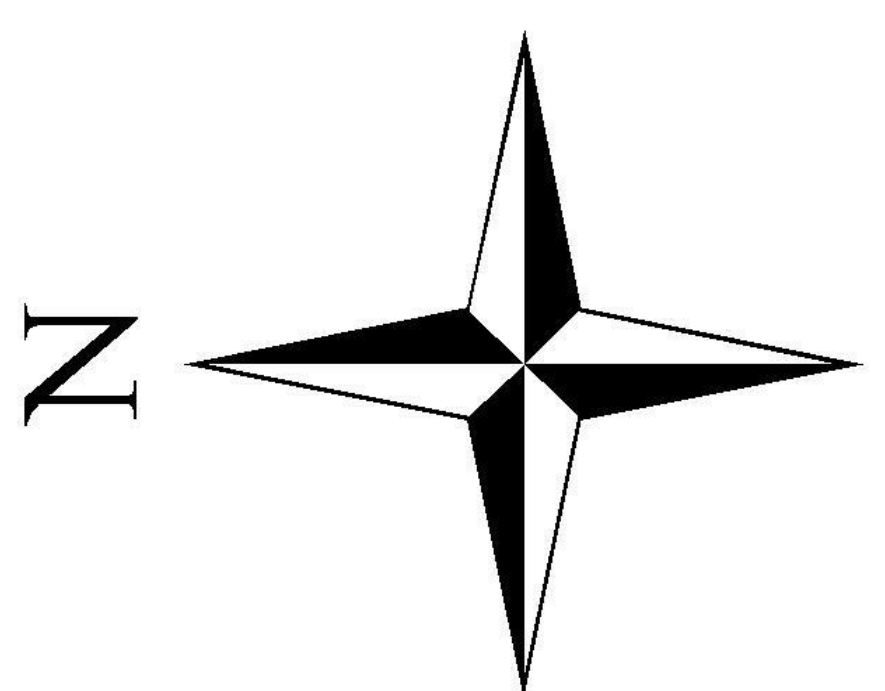
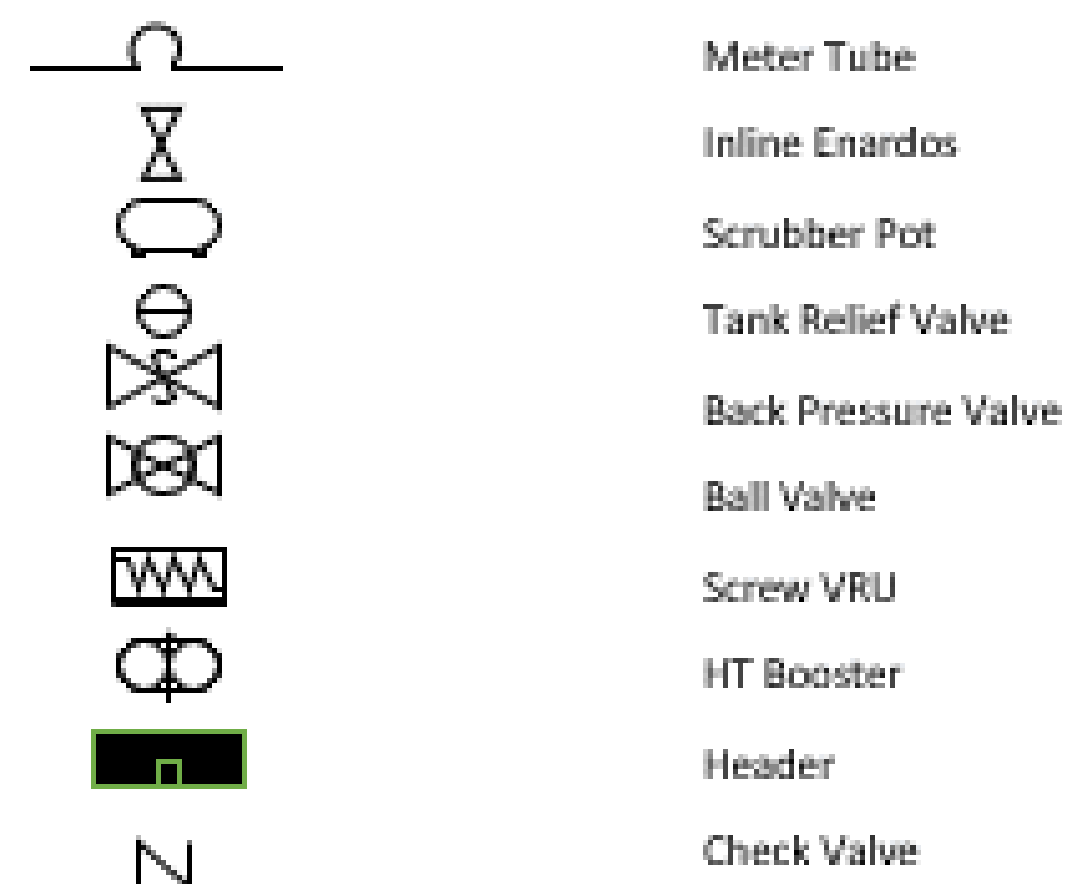
Tuning Forks: 3

Flare Line from tanks:

- 1 – 24 oz PT

Equipment List:

- Transfer Pump: 3" x 1.5" x 13" (9.125 trim) w/ 100 HP Motor
- Charge Pump: 6" x 4" x10H" (9.6 trim) w/ 30 HP Motor
- VRU: 150 HP screw f/ Salado Draw 9 W0CN
- Flare: Dual Pressure 7.5 HP Blower



RECEIVED

DEC 08 2022

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Holland & Hart LLP.

Affidavit of Publication

Ad # 0005500930

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HOLLAND AND HART
POBOX 2208


SANTA FE, NM 87504

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

11/29/2022


 Legal Clerk

Subscribed and sworn before me this November 29,
2022:


 State of WI, County of Brown
 NOTARY PUBLIC


 My commission expires

KATHLEEN ALLEN
 Notary Public
 State of Wisconsin

Legal Notice (Publication)

To: All affected parties, including: Devon Energy Production Company, L.P.; EOG Resources, Inc.; Premier Oil & Gas, Inc.; RSC Resources, LP; XTO Delaware Basin, LLC; XTO Permian, LLC; OXY Y-1 Company; Kerr-McGee Oil & Gas Onshore LP; CL&F Operating, LLC; LRF Jr., LLC; COG Operating LLC; Chi Energy, Inc.; Yates Brothers, a partnership; Successors and assigns of John Thoma; Jastrow Family Oil & Gas, LLC; ARB-SRP PC I BPEOR NM, L.L.C.; ARB-SRP PC II BPEOR NM, L.L.C.; ARB-RMB PC BPEOR NM, L.L.C.; ARB-LMB PC I BPEOR NM, L.L.C.; ARB-LMB PC II BPEOR NM, L.L.C.; and EPB-PC I BPEOR NM, L.L.C.

Application of Mewbourne Oil Company for administrative approval to surface commingle (lease) oil and gas production from spacing units comprised of the S/2 of Sections 11 and 12, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Lands"). Mewbourne Oil Company (OGRID No. 14744), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (lease) diversely owned oil and gas production at the Bourbon Red 11/12 Tank Battery insofar as all existing and future infill wells drilled in the following spacing units:

(a) The 320-acre spacing unit comprised of the N/2 S/2 of Sections 11 and 12, Township 19 South, Range 28 East, in the Palmillo; Bone Spring, Southwest [96413] - currently dedicated to the Bourbon Red 11/12 B3LI State Com #1H (API No. 30-15-48072);

(b) The 320-acre spacing unit comprised of the S/2 S/2 of Sections 11 and 12, Township 19 South, Range 28 East, in the Palmillo; Bone Spring, Southwest [96413] - currently dedicated to the Bourbon Red 11/12 B3MP State Com #1H (API No. 30-15-48070); and

(c) Pursuant to 19.15.12.10.C(4)(g), future Palmillo; Bone Spring, Southwest [96413] spacing units connected to the Bourbon Red 11/12 Tank Battery with notice provided only to the owners of interests to be added.

Any objection to this application must be filed in writing within twenty days from date of publication with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division. If you have any questions about this application, please contact Chad Cole, Mewbourne Oil Company, (575) 393-5905 or ccole@mewbourne.com.
 #5500930, Current Argus, Nov. 29, 2022

Ad # 0005500930

PO #: Application of Mewbourne Oil Company
 # of Affidavits 1

This is not an invoice

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name BOURBON RED 11/12 B3LI STATE COM			6 Well Number 1H
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3473'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
I	11	19S	28E		1350	SOUTH	205	WEST	EDDY

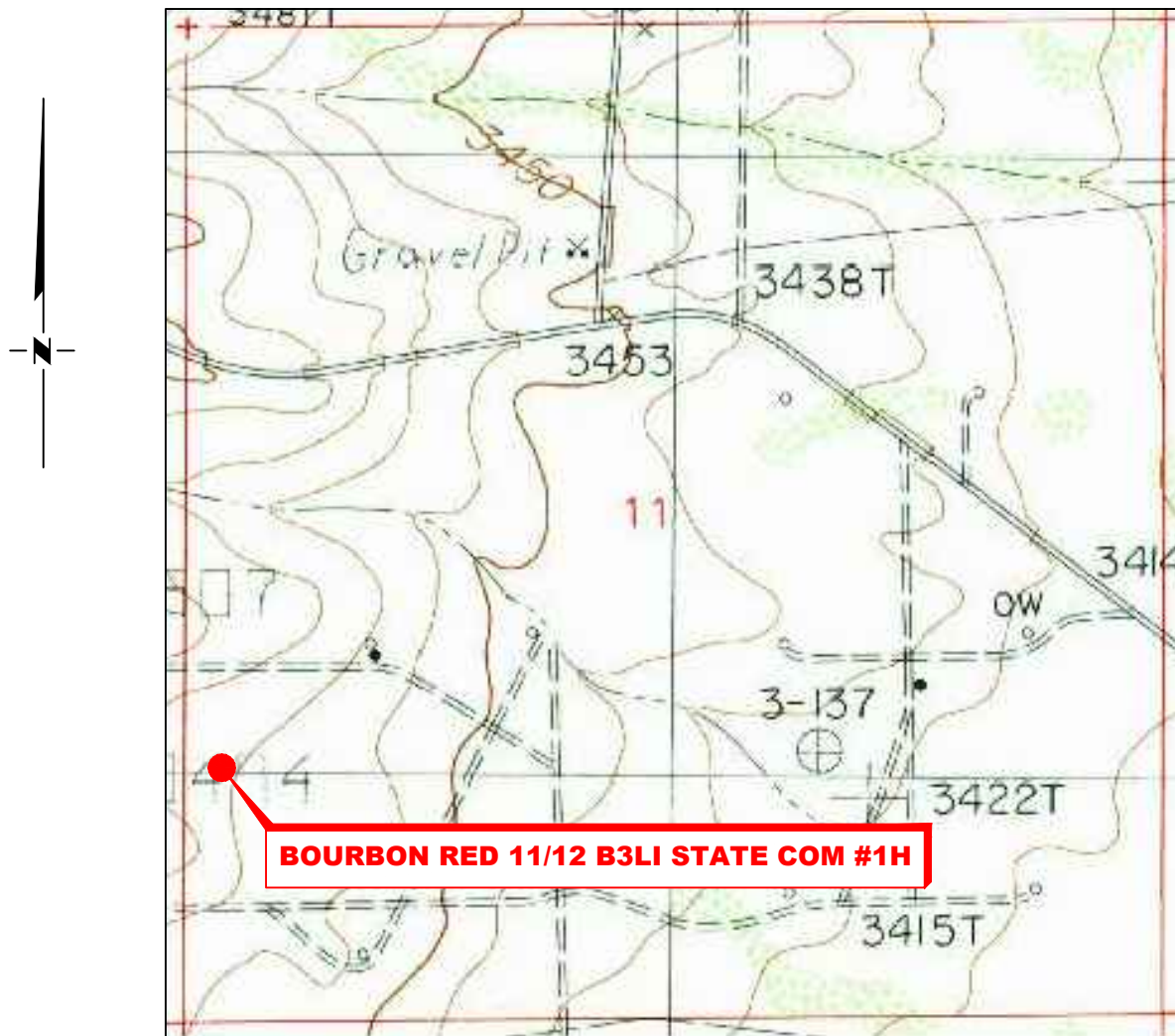
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	12	19S	28E		1900	SOUTH	100	EAST	EDDY
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.						

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>16</p> <p>GEODETIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION N 608166.6 - E 596193.7 LAT: 32.6717688° N LONG: 104.1550592° W</p> <p>BOTTOM HOLE N 608826.7 - E 606289.3 LAT: 32.6735321° N LONG: 104.1222459° W</p>			<p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1941" N 606815.2 - E 595993.1</p> <p>B: FOUND BRASS CAP "1941" N 609454.0 - E 595984.6</p> <p>C: FOUND BRASS CAP "1941" N 612093.1 - E 595974.2</p> <p>D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7</p> <p>E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0</p> <p>F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0</p>			<p>G: FOUND BRASS CAP "1941" N 612224.9 - E 606365.7</p> <p>H: FOUND BRASS CAP "1941" N 609588.9 - E 606388.4</p> <p>I: FOUND BRASS CAP "1941" N 606928.4 - E 606391.3</p> <p>J: FOUND BRASS CAP "1941" N 606894.9 - E 603787.9</p> <p>K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3</p> <p>L: FOUND BRASS CAP "1941" N 606837.6 - E 598589.8</p> <p>M: FOUND BRASS CAP "1941" N 609501.9 - E 601179.0</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>		
<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>02-17-21 Date of Survey</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>19680 Certificate Number</p>			<p>19680 Certificate Number</p>						

LOCATION VERIFICATION MAP



*SECTION 11, TWP. 19 SOUTH, RGE. 28 EAST,
N. M. P. M., EDDY COUNTY, NEW MEXICO*

OPERATOR: Mewbourne Oil Company
 LEASE: Bourbon Red 11/12 B3LI State Com
 WELL NO.: 1H
 ELEVATION: 3473'

LOCATION: 1350' FSL & 205' FWL
 CONTOUR INTERVAL: 10'
 USGS TOPO. SOURCE MAP:
Illinois Camp, NM (P. E. 1985)

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NO.	REVISION	DATE
JOB NO.:	LS1804533R	
DWG. NO.:	1804533R-2	

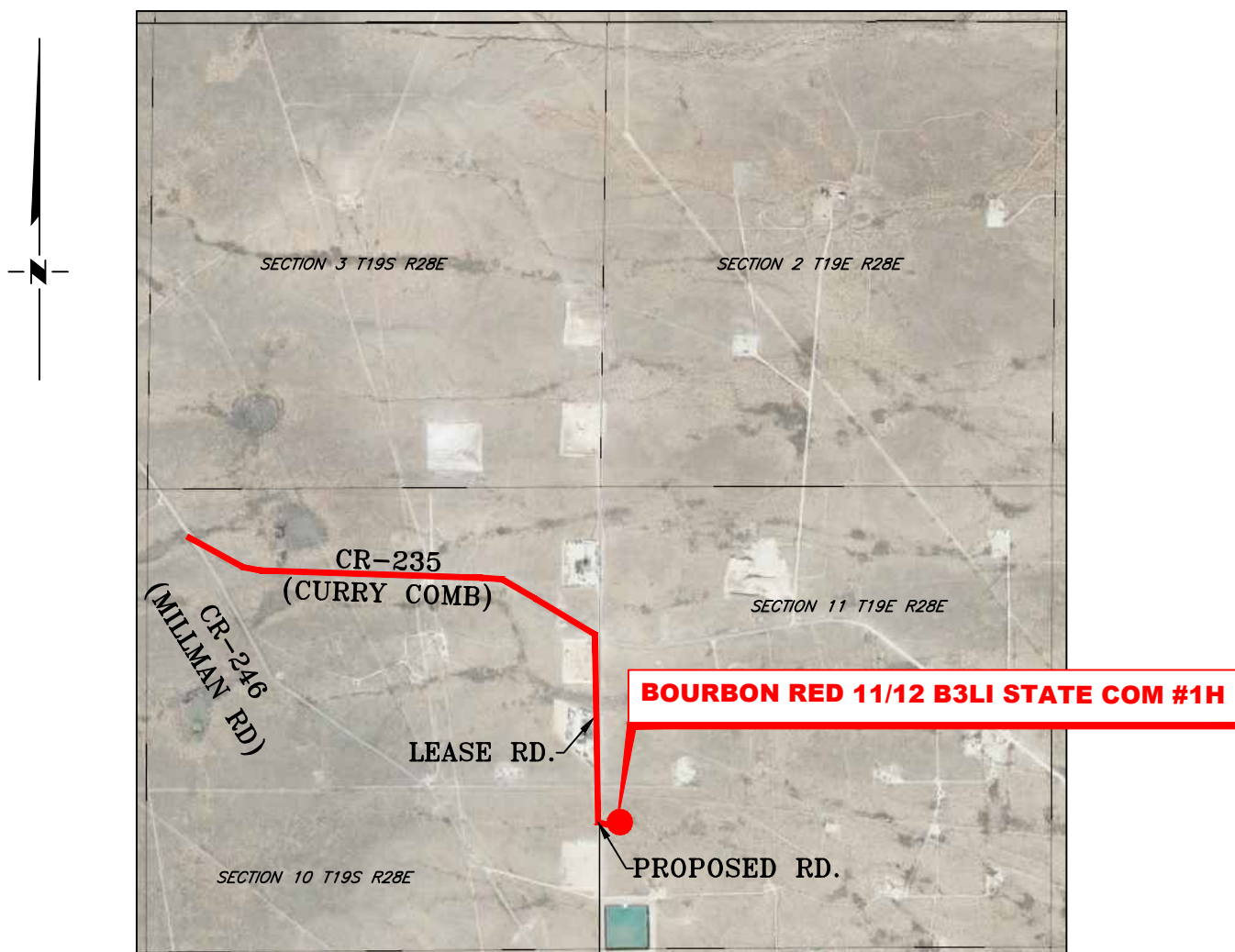


701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 1000'
DATE: 04/25/2018
SURVEYED BY: ML/TF
DRAWN BY: KAKN
APPROVED BY: RMH
SHEET: 1 OF 1

VICINITY MAP

NOT TO SCALE



SECTION 11, TWP. 19, RGE. 28 EAST,
N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Mewbourne Oil Company LOCATION: 1350' FSL & 205' FWL
 LEASE: Bourbon Red 11/12 B3LI State Com ELEVATION: 3473'
 WELL NO.: 1H

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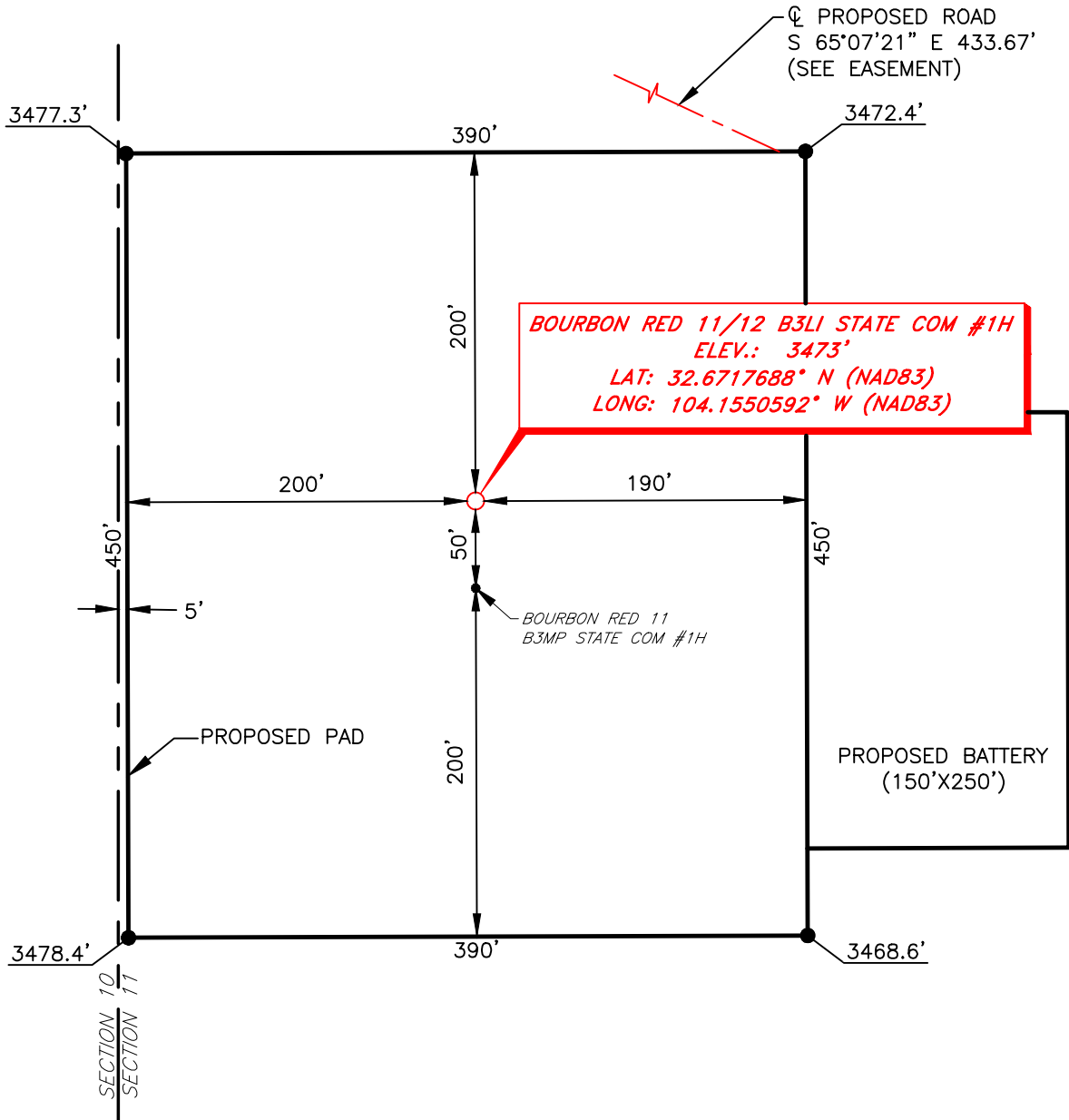
NO.	REVISION	DATE
JOB NO.: LS1804533R		
DWG. NO.: 1804533R-3		



701. S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 1000'
DATE: 04/25/2018
SURVEYED BY: ML/TF
DRAWN BY: KAKN
APPROVED BY: RMH
SHEET: 1 OF 1

MEWBOURNE OIL COMPANY
BOURBON RED 11/12 B3LI STATE COM #1H
(1350' FSL & 205' FWL)
SECTION 11, T19S, R28E
N. M. P. M., EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

From the intersection of CR-246 (Millman Rd.) and CR-235 (Curry Comb Rd.),
Go South on CR-335 approx. 0.9 miles to a lease road on right;
Turn right and go South approx. 0.3 miles to proposed road on left;
Turn left on lease road and go Southeast approx. 0.1 miles to location on the right.



SCALE: 1" = 100'
0 50' 100'

BEARINGS ARE GRID NAD 83
NM EAST
DISTANCES ARE HORIZ. GROUND.

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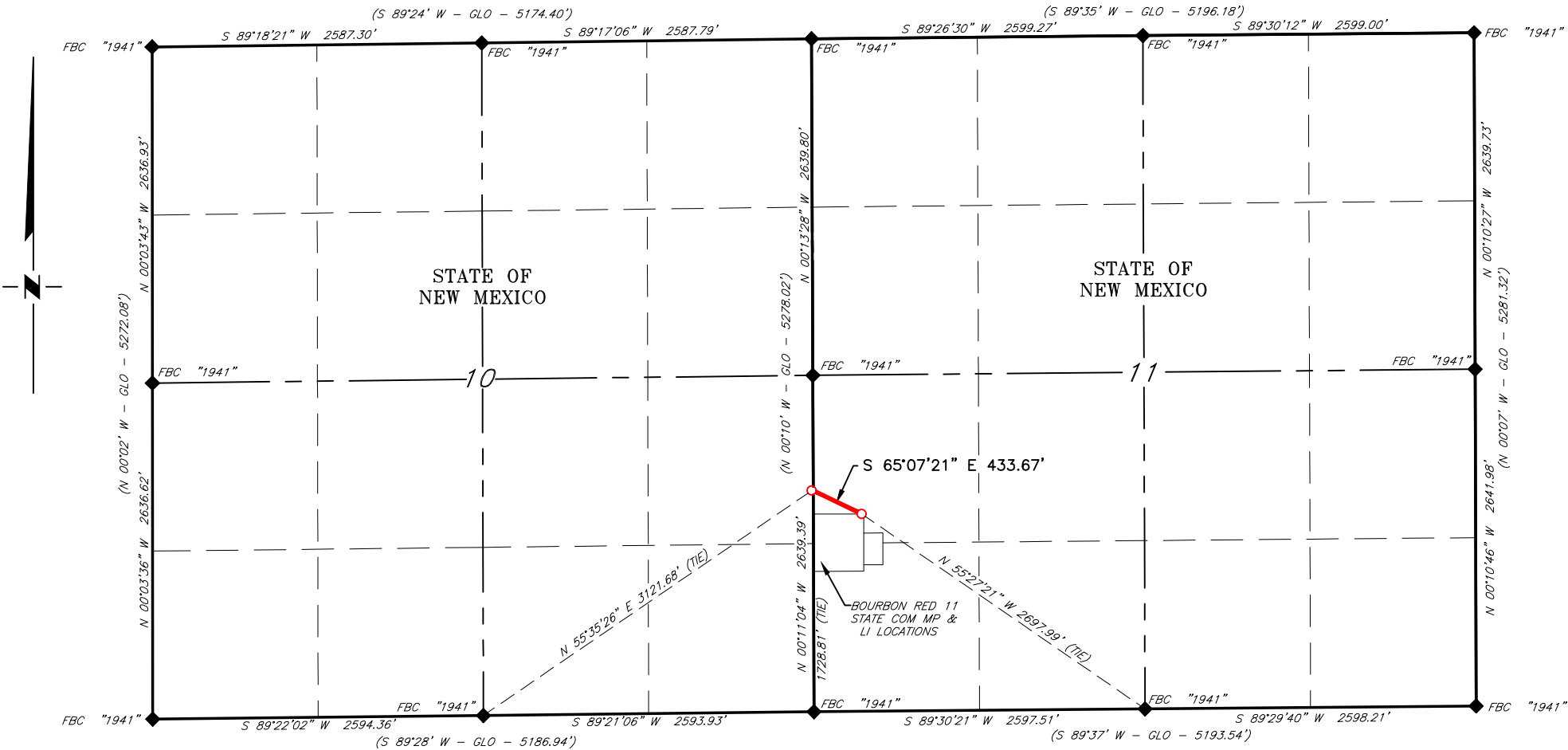
NO.	REVISION	DATE
JOB NO.: LS1804533R		
DWG. NO.: 1804533R-4		




701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 1000'
DATE: 02/17/2021
SURVEYED BY: ML/JC
DRAWN BY: RQ
APPROVED BY: RMH
SHEET: 1 OF 1

MEWBOURNE OIL COMPANY
E BOURBON RED 11/12 B3MP
SECTIONS 10 & 11, T19S, R28E,
N. M. P. M., EDDY CO., NEW MEXICO



SCALE: 1" = 1200'



BEARINGS ARE GRID NAD 83
NM EAST
DISTANCES ARE HORIZ. GROUND.

LEGEND

() RECORD DATA - GLO

◆ FOUND MONUMENT
AS NOTED

— PROPOSED ACCESS ROAD

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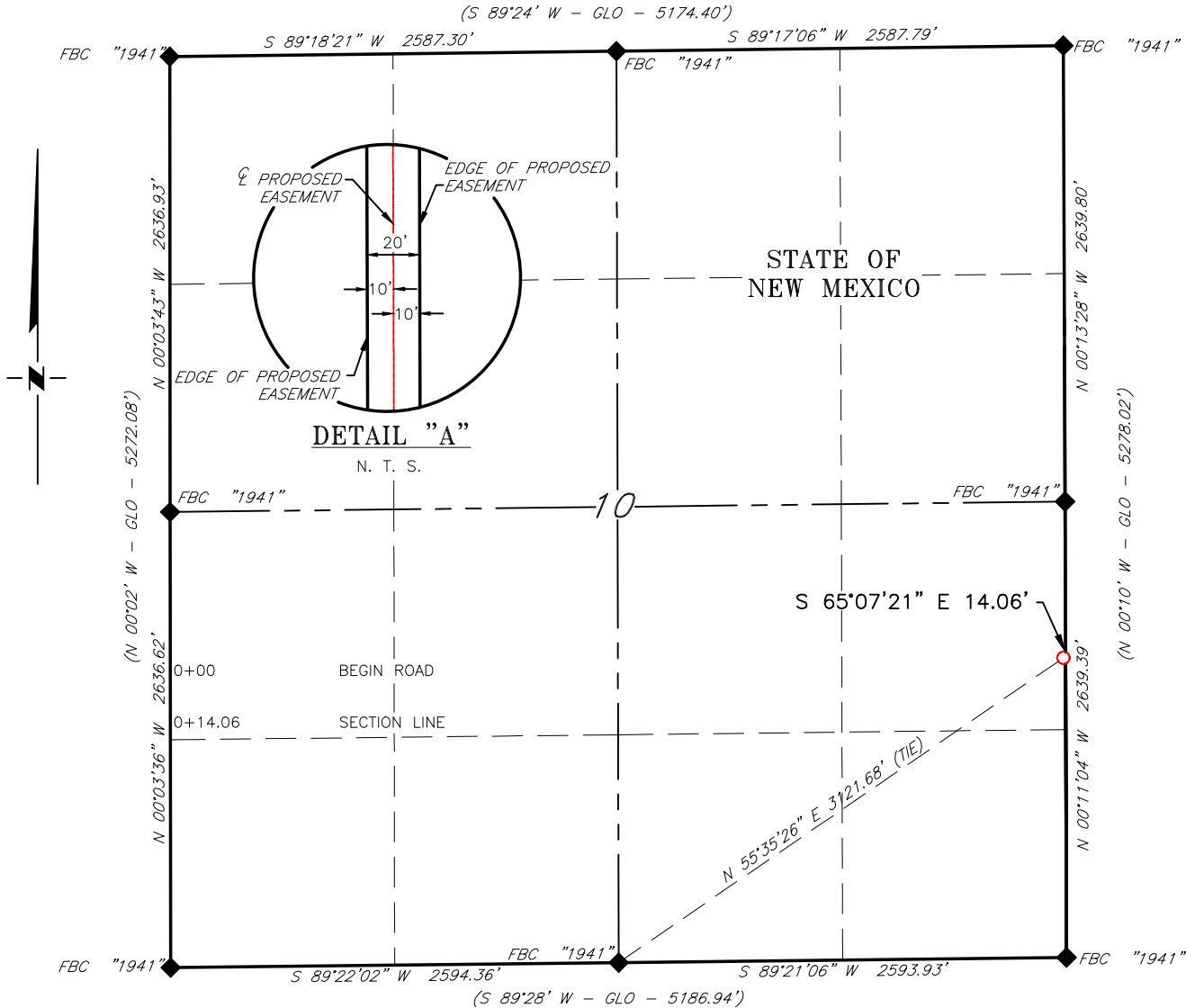
SCALE: 1" = 1200'
DATE: 02/17/2018
SURVEYED BY: ML/JC
DRAWN BY: RQ
APPROVED BY: RMH
SHEET: 3 OF 3



701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

NO.	REVISION	DATE				
JOB NO.: LS1804534R						
DWG. NO.: 1804533R-5						

MEWBOURNE OIL COMPANY
PROPOSED ACCESS ROAD FOR THE BOURBON RED 11/12 B3MP & LI
STATE COM WELL LOCATIONS
SECTION 11, T19S, R28E,
N. M. P. M., EDDY CO., NEW MEXICO



SCALE: 1" = 1000'

0 500' 1000'

BEARINGS ARE GRID NAD 83
NM EAST
DISTANCES ARE HORIZ. GROUND.

LEGEND

() RECORD DATA - GLO

FOUND MONUMENT
AS NOTED

PROPOSED ACCESS ROAD

I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

Robert M. Howett

Robert M. Howett

NM PS 19680

ROBERT M. HOWETT

NEW MEXICO

19680

02/18/21

PROFESSIONAL SURVEYOR

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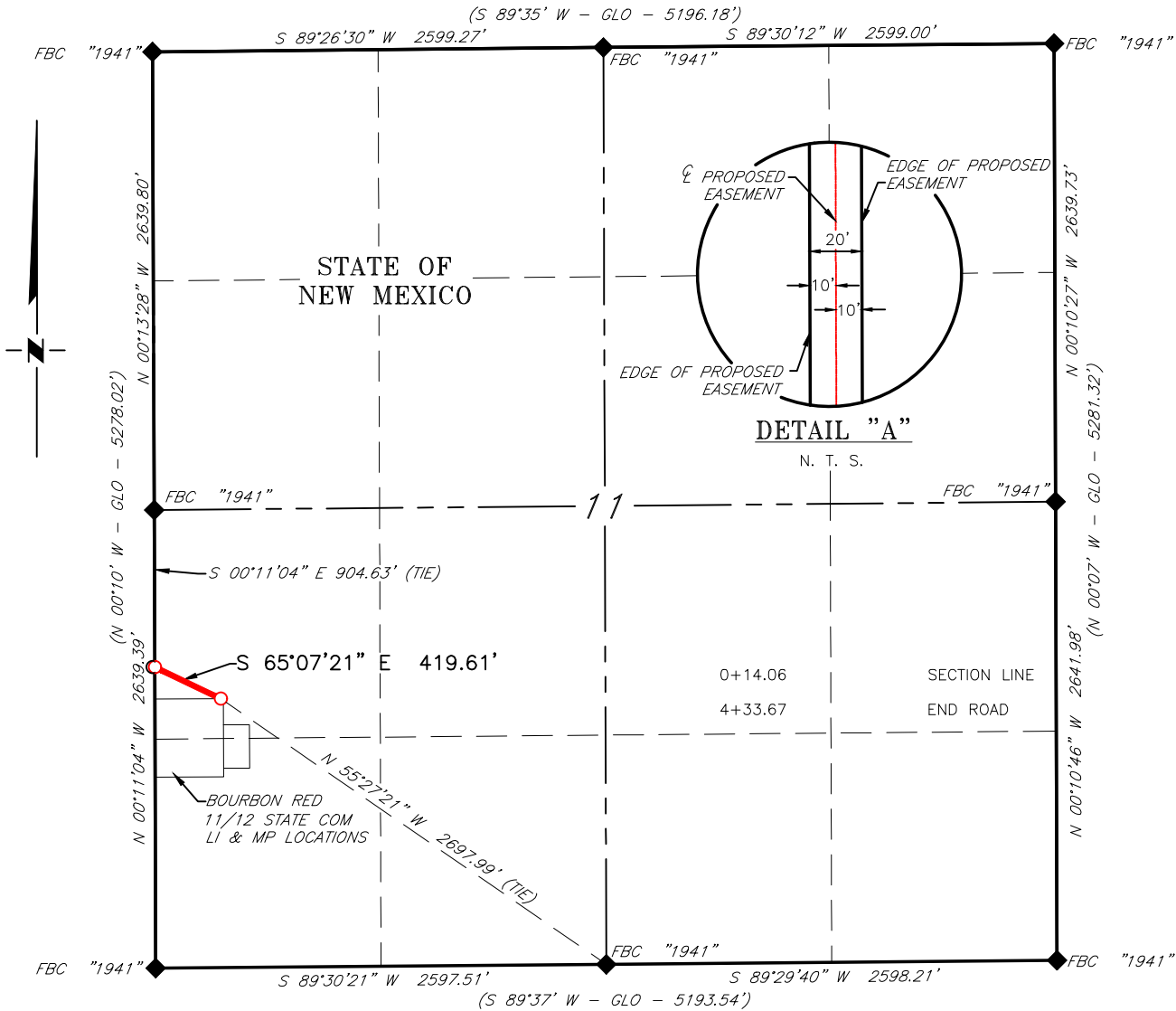
NO.	REVISION	DATE
JOB NO.: LS1804533R		
DWG. NO.: 1804533R-6		

RRC

701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 1000'
DATE: 02/17/2018
SURVEYED BY: ML/JC
DRAWN BY: RQ
APPROVED BY: RMH
SHEET: 2 OF 3

MEWBOURNE OIL COMPANY
PROPOSED ACCESS ROAD FOR THE BOURBON RED 11/12 B3MP & LI
STATE COM WELL LOCATIONS
SECTION 11, T19S, R28E,
N. M. P. M., EDDY CO., NEW MEXICO



DESCRIPTION

A strip of land 20 feet wide, being 419.61 feet or 25.431 rods in length, lying in Section 11, Township 19 South, Range 28 East, N. M. P. M., Eddy County, New Mexico, being 10 feet left and 10 feet right of the following described survey of a centerline across State of New Mexico land:

BEGINNING at Engr. Sta. 0+14.06, a point on the West line of Section 11, which bears, S 00°11'04" E, 904.63 feet from a brass cap, stamped "1941", found for the West quarter corner of Section 11;

Thence S 65°07'21" E, 419.61 feet, to Engr. Sta. 4+33.67, the End of Survey, a point in the Southwest quarter of Section 11, which bears, N 55°27'21" W, 2,697.99 feet from a brass cap, stamped "1941", found for the South quarter corner of Section 11.

Said strip of land contains 0.193 acres, more or less, and is allocated by forties as follows:

NW 1/4 SW 1/4 25.431 Rods 0.193 Acres

SCALE: 1" = 1000'
0 500' 1000'

BEARINGS ARE GRID NAD 83
NM EAST
DISTANCES ARE HORIZ. GROUND.

LEGEND
() RECORD DATA - GLO
◆ FOUND MONUMENT
AS NOTED
— PROPOSED ACCESS ROAD

I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

Robert M. Howett
Robert M. Howett NM PS 19680



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NO.	REVISION	DATE
JOB NO.:	LS1804533R	
DWG. NO.:	1804533R-7	



701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 1000'
DATE: 02/17/2021
SURVEYED BY: ML/JC
DRAWN BY: RQ
APPROVED BY: RMH
SHEET: 3 OF 3

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name BOURBON RED 11/12 B3MP STATE COM			6 Well Number 1H
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3474'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
M	11	19S	28E		1300	SOUTH	205	WEST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	12	19S	28E		500	SOUTH	100	EAST	EDDY
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.						

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>16</p> <p>GEODETIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION N 608116.7 - E 596193.8 LAT: 32.6716314° N LONG: 104.1550590° W</p> <p>BOTTOM HOLE N 607427.0 - E 606290.8 LAT: 32.6696849° N LONG: 104.1222501° W</p>			<p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1941" N 606815.2 - E 595993.1</p> <p>B: FOUND BRASS CAP "1941" N 609454.0 - E 595984.6</p> <p>C: FOUND BRASS CAP "1941" N 612093.1 - E 595974.2</p> <p>D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7</p> <p>E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0</p> <p>F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0</p>			<p>G: FOUND BRASS CAP "1941" N 612224.9 - E 606365.7</p> <p>H: FOUND BRASS CAP "1941" N 609588.9 - E 606388.4</p> <p>I: FOUND BRASS CAP "1941" N 606928.4 - E 606391.3</p> <p>J: FOUND BRASS CAP "1941" N 606894.9 - E 603787.9</p> <p>K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3</p> <p>L: FOUND BRASS CAP "1941" N 606837.6 - E 598589.8</p> <p>M: FOUND BRASS CAP "1941" N 609501.9 - E 601179.0</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>		
<p>S 89°26'30" W 2599.27' S 89°30'12" W 2599.00' S 89°03'21" W 2597.99' S 89°05'29" W 2598.65'</p>			<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>02-17-18 Date of Survey</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>19680 Certificate Number</p>			<p>19680 Certificate Number</p> <p>JOB NO.: LS1804534R</p>			

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

Mewbourne Oil Co
Bourbon Red 11 12 B3LI State Com #001H
Bone Spring
Township: 19 South, Range: 28 East, NMPM
Section 11: N2S2
Section 12: N2S2

Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **April 01, 2021**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **13th day of October, 2022**.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/STATE OR
STATE/FEE**
Revised December 2021

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS: API #: 30-0 15 - 48072

STATE OF NEW MEXICO) Well Name: Bourbon Red 11/12 B3LI State Com #1H
SS)

COUNTY OF Eddy)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1st production) April 1, 2021, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

ONLINE
version
December 9, 2021

State/State

1

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: N/2S/2

Of Sect(s): 11 & 12 Twp: 19S Rng: 28E NMPM Eddy County, NM

Containing 320 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. Mewbourne Oil Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Mewbourne Oil Company.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OPERATOR: Mewbourne Oil Company

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

MEWBOURNE OIL COMPANY
(Operator and Working Interest Owner)

By: Corey Mitchell
Corey Mitchell, Attorney-in-Fact CS ML

XTO DELAWARE BASIN, LLC
(Record Title & Working Interest Owner)

By: _____
Angie Repka - Land Manager-Permian-Delaware Basin, Attorney-in-Fact

XTO ENERGY INC, on behalf of
XTO PERMIAN, LLC
(Working Interest Owner)

By: _____
Angie Repka, Land Manager-Permian-Delaware Basin, Attorney-in-Fact

DEVON EXPLORATION AND PRODUCTION COMPANY, L.P.
(Working Interest Owner)

By: _____
Catherine Lebsack, Vice President

EOG RESOURCES, INC.
(Record Title & Working Interest Owner)

By: _____

Name: _____

Title: _____

2022 SEP -9 AM 9:35

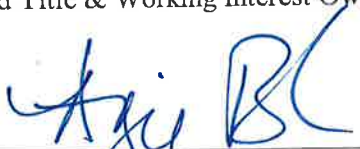

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

MEWBOURNE OIL COMPANY
(Operator and Working Interest Owner)

By: _____
Corey Mitchell, Attorney-in-Fact

XTO DELAWARE BASIN, LLC
(Record Title & Working Interest Owner)

By:  _____ 
Angie Repka - Land Manager-Permian-Delaware Basin, Attorney-in-Fact

XTO ENERGY INC, on behalf of
XTO PERMIAN, LLC
(Working Interest Owner)

By:  _____ 
Angie Repka, Land Manager-Permian-Delaware Basin New Mexico, Attorney-in-Fact

DEVON ENERGY PRODUCTION COMPANY, L.P.
(Working Interest Owner)

By: _____
Catherine Lebsack, Vice President

EOG RESOURCES, INC.
(Record Title & Working Interest Owner)

By: _____

Name: _____

Title: _____

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

MEWBOURNE OIL COMPANY
(Operator and Working Interest Owner)

By: _____
Corey Mitchell, Attorney-in-Fact

XTO DELAWARE BASIN, LLC
(Record Title & Working Interest Owner)

By: _____
Angie Repka - Land Manager-Permian-Delaware Basin, Attorney-in-Fact

XTO ENERGY INC, on behalf of
XTO PERMIAN, LLC
(Working Interest Owner)

By: _____
Angie Repka, Land Manager-Permian-Delaware Basin, Attorney-in-Fact

DEVON ENERGY PRODUCTION COMPANY, L.P.
(Working Interest Owner)

By: Catherine Lebsack
Catherine Lebsack, Vice President 

EOG RESOURCES, INC.
(Record Title & Working Interest Owner)

By: _____

Name: _____

Title: _____

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

MEWBOURNE OIL COMPANY
(Operator and Working Interest Owner)

By: _____
Corey Mitchell, Attorney-in-Fact

XTO DELAWARE BASIN, LLC
(Record Title & Working Interest Owner)

By: _____
Angie Repka - Land Manager-Permian-Delaware Basin, Attorney-in-Fact

XTO ENERGY INC, on behalf of
XTO PERMIAN, LLC
(Working Interest Owner)

By: _____
Angie Repka, Land Manager-Permian-Delaware Basin, Attorney-in-Fact

DEVON EXPLORATION AND PRODUCTION COMPANY, L.P.
(Working Interest Owner)

By: _____
Catherine Lebsack, Vice President

EOG RESOURCES, INC.
(Record Title & Working Interest Owner)

By: _____


Name: Matthew W. Smith CZ

Title: Agent & Attorney-in-Fact

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: 
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: _____
Mark A. Carter, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Justin R. Hall, Attorney-in-Fact

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: _____
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: _____
Mark A. Carter, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Justin R. Hall, Attorney-in-Fact

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: _____
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: Justin K. Williams *dm*
Justin K. Williams, Attorney-in-Fact *mac*

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Justin R. Hall, Attorney-in-Fact

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: _____
Kenneth C. Jones, President

RSC RESOURCES, LP
By: **Cogent Energy, Inc., its General Partner**
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: _____
Mark A. Carter, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Justin R. Hall, Attorney-in-Fact

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: _____
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: _____
Mark A. Carter, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Lindsey Miles, Land Manager

AB

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B31J State Com #111

MARATHON OIL PERMIAN LLC
(Record Title Owner)

By: 
Clayton Rule, Attorney-in-Fact

BP AMERICA PRODUCTION COMPANY
(Record Title Owner)

By: _____

Name: _____

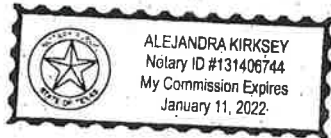
Title: _____

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF TEXAS)
)ss
COUNTY OF MIDLAND)

This instrument was acknowledged before me this 25th day of March 2021, by Drew Robison, Attorney-in-Fact of **Mewbourne Oil Company**, a Delaware corporation on behalf of said corporation.



Alejandra Kirksey
Notary Public
January 11, 2022
My Commission expires

STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me this _____ day of _____ 2021 by Angie Repka-Land Manager-Permian-Delaware Basin as Attorney-in-Fact of **XTO Delaware Basin, LLC**, a _____ limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me this _____ day of _____ 2021 by Angie Repka-Land Manager-Permian-Delaware Basin as Attorney-in-Fact of **XTO Energy, Inc.**, on behalf of **XTO Permian, LLC**, a _____ limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

2022 SEP - 5 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF TEXAS)
)ss
COUNTY OF MIDLAND)

This instrument was acknowledged before me this _____ day of _____, 2021, by Drew Robison, Attorney-in-Fact of **Mewbourne Oil Company**, a Delaware corporation on behalf of said corporation.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 13th day of July 2021 by Angie Repka - Land Manager – Permian - Delaware Basin New Mexico as Attorney-in-Fact of **XTO Delaware Basin, LLC**, a Texas limited liability company on behalf of said limited liability company.



Maritza White

Notary Public
4-28-2024

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 13th day of July 2021 by Angie Repka - Land Manager – Permian - Delaware Basin as Attorney-in-Fact of **XTO Energy, Inc.**, on behalf of **XTO Permian, LLC**, a Texas limited liability company on behalf of said limited liability company.



Maritza White

Notary Public
4-28-2024

My Commission expires

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF OKLAHOMA

COUNTY OF OKLAHOMA

This instrument was acknowledged before me this 14 day of April 2021 by Catherine Lebsack as Vice President of **Devon Energy Production Company, L.P.**, an Oklahoma limited partnership on behalf of said limited partnership.



Cara Noltensmeyer
Notary Public
3-2-2025
My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by _____ as _____ of **EOG Resources, Inc.**, a _____ corporation on behalf of said corporation.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me this _____ day of _____ 2021 by Kenneth C. Jones as President of **Premier Oil & Gas, Inc.**, a New Mexico corporation on behalf of said corporation.

Notary Public

My Commission expires

2022 SEP -9 AM 9:35

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF OKLAHOMA

COUNTY OF

This instrument was acknowledged before me this _____ day of _____ 2021 by Catherine Lebsack as Vice President of **Devon Exploration and Production, L.P.**, an Oklahoma limited partnership on behalf of said limited partnership.

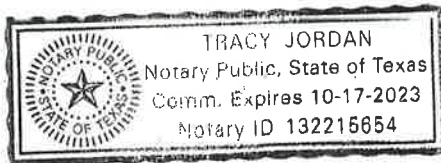
Notary Public

My Commission expires

STATE OF

COUNTY OF

This instrument was acknowledged before me this 7th day of May 2021 by Matthew W Smith as Agent & Attorney-in-Fact of EOG Resources, Inc., a Delaware corporation on behalf of said corporation.



Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me this _____ day of _____ 2021 by Kenneth C. Jones as President of **Premier Oil & Gas, Inc.**, a New Mexico corporation on behalf of said corporation.

Notary Public

My Commission expires

2022 SEP -9 AM 9:36

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF OKLAHOMA

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by Catherine Lebsack as Vice President of **Devon Exploration and Production, L.P.**, an Oklahoma limited partnership on behalf of said limited partnership.

Notary Public

My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by _____ as _____ of **EOG Resources, Inc.**, a _____ corporation on behalf of said corporation.

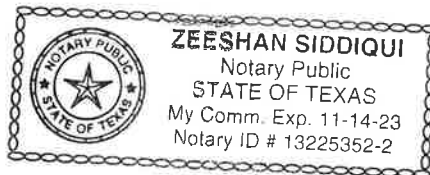
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me this 21st day of July 2021 by Kenneth C. Jones as President of **Premier Oil & Gas, Inc.**, a New Mexico corporation on behalf of said corporation.



[Signature]
Notary Public

11/14/2023
My Commission expires

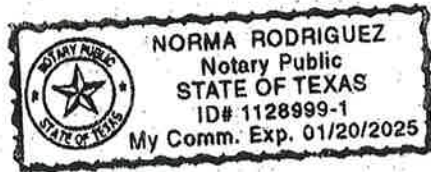
2022 SEP -9 AM 9:36

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF TEXAS

COUNTY OF LLANO

This instrument was acknowledged before me this 5 day of April 2021 by Randall S. Cate as President of Cogent Energy, Inc., General Partner for **RSC Resources, L.P.**, a Texas limited partnership on behalf of said limited partnership.



Norma Rodriguez
Notary Public
12/20/2025
My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this _____ day of _____ 2021 by Mark A. Carter as Attorney-in-Fact of **COG Operating LLC**, a _____ limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this _____ day of _____ 2021 by **Steve Sell**.

Notary Public

My Commission expires

2022 SEP -9 AM 9:36

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF TEXAS

COUNTY OF LLANO

This instrument was acknowledged before me this _____ day of _____ 2021 by
Randall S. Cate as President of Cogent Energy, Inc., General Partner for **RSC Resources, L.P.**, a Texas
limited partnership on behalf of said limited partnership.

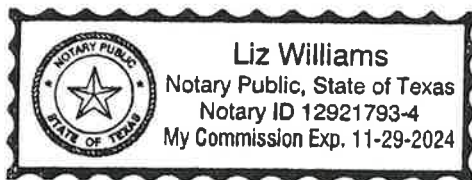
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this 21th day of May 2021 by
Justin K. Williams as Attorney-in-Fact of **COG Operating LLC**, a Delaware limited liability company
on behalf of said limited liability company.



Liz Williams
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this _____ day of _____ 2021 by
Steve Sell.

Notary Public

My Commission expires

2022 SEP -9 AM 9:36

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF TEXAS

COUNTY OF LLANO

This instrument was acknowledged before me this _____ day of _____ 2021 by
Randall S. Cate as President of Cogent Energy, Inc., General Partner for **RSC Resources, L.P.**, a Texas
limited partnership on behalf of said limited partnership.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this _____ day of _____ 2021 by
Mark A. Carter as Attorney-in-Fact of **COG Operating LLC**, a _____ limited liability
company on behalf of said limited liability company.

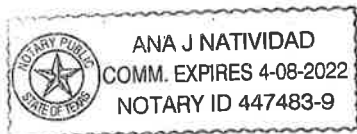
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this 4th day of May 2021 by
Steve Sell.



Ana J Natividad
Notary Public

04-08-2022
My Commission expires

2022 SEP -9 AM 9:36

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

STATE OF OKLAHOMA

COUNTY OF ~~TULSA~~ ^{Oklahoma}

This instrument was acknowledged before me this 13th day of July, 2021 by Lindsey Miles, Land Manager of **WPX Energy Permian LLC**, a Delaware limited liability company on behalf of said limited liability company.



Clint Dake
Notary Public
5/7/23
My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this _____ day of _____, 2021 by Steve Virant as Attorney-in-Fact of **Marathon Oil Permian LLC**, a Delaware limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____, 2021 by _____ as _____ of **BP America Production Company**, a _____ corporation on behalf of said corporation.

Notary Public

My Commission expires

2022 SEP -9 AM 9:36

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #111

STATE OF OKLAHOMA

COUNTY OF TULSA

This instrument was acknowledged before me this _____ day of _____ 2021 by Justin R. Hall as Attorney-in-Fact of **WPX Energy Permian LLC**, a _____ limited liability company on behalf of said limited liability company.

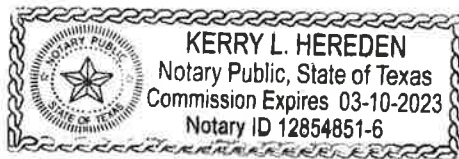
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 15 day of April 2021 by Clayton Rule as Attorney-in-Fact of **Marathon Oil Permian LLC**, a Delaware limited liability company on behalf of said limited liability company.



Kerry L. Hereden
Notary Public
3-10-23
My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by _____ as _____ of **BP America Production Company**, a _____ corporation on behalf of said corporation.

Notary Public

My Commission expires

2022 SEP -9 AM 9:36

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated April 1, 2021 by and between Mewbourne Oil Company and XTO Delaware Basin, LLC, et al, covering the N/2S/2 of Section 11 and the N/2S/2 of Section 12, Township 19 South Range 28 East, Eddy County, New Mexico.

OPERATOR of Communitized Area: Mewbourne Oil Company

DESCRIPTION OF LEASES COMMITTED:

Tract No. 1

Lessor:	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record:	Mewbourne Oil Company
Serial No. of Lease:	XO-648
Date of Lease:	November 14, 1922
Description of Lands Committed:	N/2SW/4 of Section 11, T19S, R28E, NMPM, Eddy County, New Mexico
No. of Acres:	80.00

Tract No. 2

Lessor:	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record:	COG Operating LLC
Serial No. of Lease:	OG-272
Date of Lease:	October 16, 1956
Description of Lands Committed:	N/2SW/4 of Section 12, T19S, R28E, NMPM, Eddy County, New Mexico
No. of Acres:	80.00

Tract No. 3

Lessor:	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record:	Steve Sell
Serial No. of Lease:	EO-1051
Date of Lease:	October 10, 1946
Description of Lands Committed:	N/2SE/4 of Section 11, T19S, R28E, NMPM, Eddy County, New Mexico
No. of Acres:	80.00

Communitization Agreement
Bourbon Red 11/12 B3LI State Com #1H

Tract No. 4

Lessor:	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record:	XTO Delaware Basin, LLC
Serial No. of Lease:	E-4397
Date of Lease:	October 10, 1950
Description of Lands Committed:	N/2SE/4 of Section 12, T19S, R28E, NMPM, Eddy County, New Mexico
No. of Acres:	80.00

RECAPITULATION

TRACT	Number of Acres Committed	Percentage of Interest in Communitized Area
No. 1	80.00	25.00%
No. 2	80.00	25.00%
No. 3	80.00	25.00%
No. 4	80.00	25.00%
TOTAL	320.00	100.00%

2022 SEP -9 AM 9:36

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

Mewbourne Oil Co
Bourbon Red 11 12 B3MP State Com #001H
Bone Spring
Township: 19 South, Range: 28 East, NMPM
Section 11: S2S2
Section 12: S2S2

Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **April 01, 2021**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **13th day of October, 2022**.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

Mewbourne Oil Co
Bourbon Red 11 12 B3MP State Com #001H
Bone Spring
Township: 19 South, Range: 28 East, NMPM
Section 11: S2S2
Section 12: S2S2


Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **April 01, 2021**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **13th day of October, 2022**.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Mewbourne Oil Co
Bourbon Red 11 12 B3MP State Com #001H
Bone Spring
Township: 19 South, Range: 28 East, NMPM
Section 11: S2S2
Section 12: S2S2

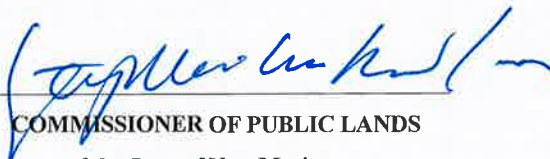
Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **April 01, 2021**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 13th day of October, 2022.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/STATE OR
STATE/FEE**
Revised December 2021

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-0 15 - 48070

STATE OF NEW MEXICO) Well Name: Bourbon Red 11/12 B3MP State Com #1H
SS)

COUNTY OF Eddy)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1st production) April 1, 2021, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

ONLINE
version
December 9, 2021

State/State

1.

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: S/2S/2

Of Sect(s): 11 & 12 Twp: 19S Rng: 28E NMPM Eddy County, NM

Containing 320 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. Mewbourne Oil Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Mewbourne Oil Company.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OPERATOR: Mewbourne Oil Company

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

MEWBOURNE OIL COMPANY
(Operator and Working Interest Owner)

By: Corey Mitchell
Corey Mitchell, Attorney-in-Fact *CM*

XTO DELAWARE BASIN, LLC
(Working Interest Owner)

By: _____
Angie Repka - Land Manager-Permian-Delaware Basin, Attorney-in-Fact

XTO ENERGY INC, on behalf of
XTO PERMIAN, LLC
(Working Interest Owner)

By: _____
Angie Repka, Land Manager-Permian-Delaware Basin, Attorney-in-Fact

DEVON EXPLORATION AND PRODUCTION COMPANY, L.P.
(Working Interest Owner)

By: _____
Catherine Lebsack, Vice President

EOG RESOURCES, INC.
(Record Title & Working Interest Owner)

By: _____

Name: _____

Title: _____

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3 ^{mp} State Com #1H

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

MEWBOURNE OIL COMPANY
(Operator and Working Interest Owner)

By: _____
Corey Mitchell, Attorney-in-Fact

XTO DELAWARE BASIN, LLC
(Record Title & Working Interest Owner)

By:  
Angie Repka - Land Manager-Permian-Delaware Basin, Attorney-in-Fact

XTO ENERGY INC, on behalf of
XTO PERMIAN, LLC
(Working Interest Owner)

By:  
Angie Repka, Land Manager-Permian-Delaware Basin New Mexico, Attorney-in-Fact

DEVON ENERGY PRODUCTION COMPANY, L.P.
(Working Interest Owner)

By: _____
Catherine Lebsack, Vice President

EOG RESOURCES, INC.
(Record Title & Working Interest Owner)

By: _____

Name: _____

Title: _____

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

MEWBOURNE OIL COMPANY
(Operator and Working Interest Owner)

By: _____
Corey Mitchell, Attorney-in-Fact

XTO DELAWARE BASIN, LLC
(Working Interest Owner)

By: _____
Angie Repka - Land Manager-Permian-Delaware Basin, Attorney-in-Fact

XTO ENERGY INC, on behalf of
XTO PERMIAN, LLC
(Working Interest Owner)

By: _____
Angie Repka, Land Manager-Permian-Delaware Basin, Attorney-in-Fact

DEVON ENERGY PRODUCTION COMPANY, L.P.
(Working Interest Owner)

By: Catherine Lebsack _____
Catherine Lebsack, Vice President 

EOG RESOURCES, INC.
(Record Title & Working Interest Owner)

By: _____

Name: _____

Title: _____

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

MEWBOURNE OIL COMPANY
(Operator and Working Interest Owner)

By: _____
Corey Mitchell, Attorney-in-Fact

XTO DELAWARE BASIN, LLC
(Working Interest Owner)

By: _____
Angie Repka - Land Manager-Permian-Delaware Basin, Attorney-in-Fact

XTO ENERGY INC, on behalf of
XTO PERMIAN, LLC
(Working Interest Owner)

By: _____
Angie Repka, Land Manager-Permian-Delaware Basin, Attorney-in-Fact

DEVON EXPLORATION AND PRODUCTION COMPANY, L.P.
(Working Interest Owner)

By: _____
Catherine Lebsack, Vice President

EOG RESOURCES, INC.
(Record Title & Working Interest Owner)

By: _____

Name: Matthew W. Smith

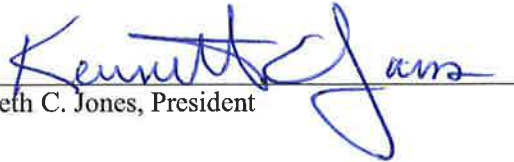
Title: Agent & Attorney-in-Fact

CZ

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: 
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: _____
Mark A. Carter, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Justin R. Hall, Attorney-in-Fact

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: _____
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: _____
Mark A. Carter, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Justin R. Hall, Attorney-in-Fact

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: _____
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: Justin K. Williams *for mac*
Justin K. Williams, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Justin R. Hall, Attorney-in-Fact

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: _____
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: _____
Mark A. Carter, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell 

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Justin R. Hall, Attorney-in-Fact

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

PREMIER OIL & GAS, INC.
(Working Interest Owner)

By: _____
Kenneth C. Jones, President

RSC RESOURCES, LP
By: Cogent Energy, Inc., its General Partner
(Working Interest Owner)

By: _____
Randall S. Cate, President

COG OPERATING LLC
(Record Title Owner)

By: _____
Mark A. Carter, Attorney-in-Fact

STEVE SELL
(Record Title Owner)

By: _____
Steve Sell

WPX ENERGY PERMIAN, LLC
(Record Title Owner)

By: _____
Lindsey Miles, Land Manager

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3L1 State Com #1H

MARATHON OIL PERMIAN LLC
(Record Title Owner)

By: C. Rule
Clayton Rule, Attorney-in-Fact

BP AMERICA PRODUCTION COMPANY
(Record Title Owner)

By: _____

Name: _____

Title: _____

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

MARATHON OIL PERMIAN LLC
(Record Title Owner)

By: _____
Steve Virant, Attorney-in-Fact

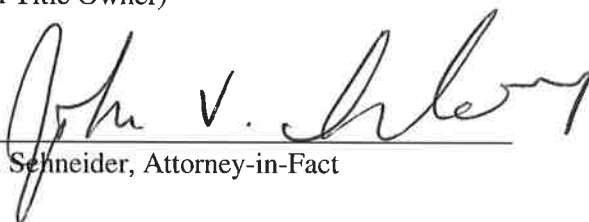
BP AMERICA PRODUCTION COMPANY
(Record Title Owner)

By: _____

Name: _____

Title: _____

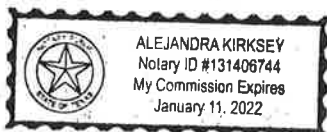
KERR-MCGEE OIL & GAS ONSHORE LP
(Record Title Owner)

By:  _____
John V. Schneider, Attorney-in-Fact

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF TEXAS)
)ss
COUNTY OF MIDLAND)

This instrument was acknowledged before me this 25th day of March 2021, by Drew Robison, Attorney-in-Fact of **Mewbourne Oil Company**, a Delaware corporation on behalf of said corporation.



Alejandra Kirksey
Notary Public
January 11, 2022
My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this _____ day of _____ 2021 by Angie Repka-Land Manager-Permian-Delaware Basin as Attorney-in-Fact of **XTO Delaware Basin, LLC**, a _____ limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this _____ day of _____ 2021 by Angie Repka-Land Manager-Permian-Delaware Basin as Attorney-in-Fact of **XTO Energy, Inc.**, on behalf of **XTO Permian, LLC**, a _____ limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12-~~1001~~ State Com #1H

B3MP

STATE OF TEXAS)
)ss
COUNTY OF MIDLAND)

This instrument was acknowledged before me this _____ day of _____ 2021, by Drew Robison, Attorney-in-Fact of **Mewbourne Oil Company**, a Delaware corporation on behalf of said corporation.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 13th day of July 2021 by Angie Repka - Land Manager – Permian - Delaware Basin New Mexico as Attorney-in-Fact of **XTO Delaware Basin, LLC**, a Texas limited liability company on behalf of said limited liability company.



Maritza White
Notary Public
4-28-2024
My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 13th day of July 2021 by Angie Repka - Land Manager – Permian - Delaware Basin as Attorney-in-Fact of **XTO Energy, Inc.**, on behalf of **XTO Permian, LLC**, a Texas limited liability company on behalf of said limited liability company.



Maritza White
Notary Public
4-28-2024
My Commission expires

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF OKLAHOMA

COUNTY OF OKLAHOMA

This instrument was acknowledged before me this 14 day of April 2021 by Catherine Lebsack as Vice President of **Devon Energy Production Company, L.P.**, an Oklahoma limited partnership on behalf of said limited partnership.



Cara Noltensmeyer
Notary Public
3-2-2025
My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by _____ as _____ of **EOG Resources, Inc.**, a _____ corporation on behalf of said corporation.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me this _____ day of _____ 2021 by Kenneth C. Jones as President of **Premier Oil & Gas, Inc.**, a New Mexico corporation on behalf of said corporation.

Notary Public

My Commission expires

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF OKLAHOMA

COUNTY OF

This instrument was acknowledged before me this _____ day of _____ 2021 by Catherine Lebsack as Vice President of **Devon Exploration and Production, L.P.**, an Oklahoma limited partnership on behalf of said limited partnership.

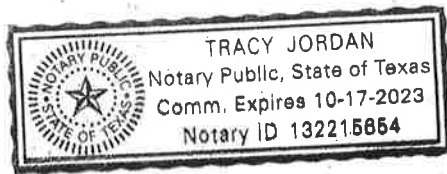
Notary Public

My Commission expires

STATE OF Texas

COUNTY OF Midland

This instrument was acknowledged before me this 7th day of May 2021 by Matthew W Smith as Agent & Attorney-in-Fact of EOG Resources, Inc., a Delaware corporation on behalf of said corporation.



Tracy Jordan
Notary Public
10-17-2023
My Commission expires

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me this _____ day of _____ 2021 by Kenneth C. Jones as President of **Premier Oil & Gas, Inc.**, a New Mexico corporation on behalf of said corporation.

Notary Public

My Commission expires

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF OKLAHOMA

COUNTY OF

This instrument was acknowledged before me this _____ day of _____ 2021 by Catherine Lebsack as Vice President of **Devon Exploration and Production, L.P.**, an Oklahoma limited partnership on behalf of said limited partnership.

Notary Public

My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by _____ as _____ of **EOG Resources, Inc.**, a _____ corporation on behalf of said corporation.

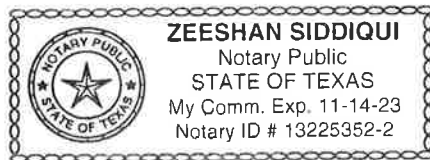
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me this 21st day of July 2021 by Kenneth C. Jones as President of **Premier Oil & Gas, Inc.**, a New Mexico corporation on behalf of said corporation.



[Signature]
Notary Public
11/14/2023
My Commission expires

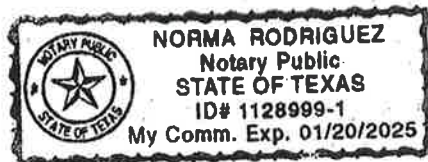
2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF TEXAS

COUNTY OF LLANO

This instrument was acknowledged before me this 5 day of April 2021 by
Randall S. Cate as President of Cogent Energy, Inc., General Partner for **RSC Resources, L.P.**, a Texas
limited partnership on behalf of said limited partnership.



Norma Rodriguez
Notary Public
1/20/2025
My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this _____ day of _____ 2021 by
Mark A. Carter as Attorney-in-Fact of **COG Operating LLC**, a _____ limited liability
company on behalf of said limited liability company.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this _____ day of _____ 2021 by
Steve Sell.

Notary Public

My Commission expires

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF TEXAS

COUNTY OF LLANO

This instrument was acknowledged before me this _____ day of _____ 2021 by
Randall S. Cate as President of Cogent Energy, Inc., General Partner for **RSC Resources, L.P.**, a Texas
limited partnership on behalf of said limited partnership.

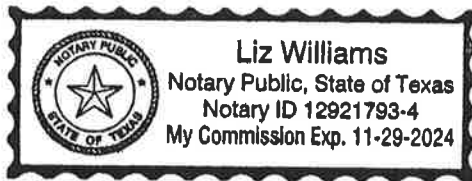
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this 24th day of May 2021 by
Justin K. Williams as Attorney-in-Fact of **COG Operating LLC**, a Delaware limited liability company
on behalf of said limited liability company.



Liz Williams

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this _____ day of _____ 2021 by
Steve Sell.

Notary Public

My Commission expires

2022 SEP -9 AM 9:37

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF TEXAS

COUNTY OF LLANO

This instrument was acknowledged before me this _____ day of _____ 2021 by
Randall S. Cate as President of Cogent Energy, Inc., General Partner for **RSC Resources, L.P.**, a Texas
limited partnership on behalf of said limited partnership.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this _____ day of _____ 2021 by
Mark A. Carter as Attorney-in-Fact of **COG Operating LLC**, a _____ limited liability
company on behalf of said limited liability company.

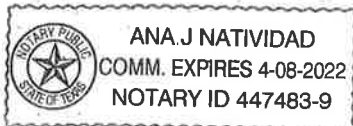
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this 4th day of May 2021 by
Steve Sell.



Ana J Natividad
Notary Public

04-08-2022
My Commission expires

2022 SEP - 2 PM 5:38

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF OKLAHOMA

COUNTY OF ~~TULSA~~ Oklahoma

This instrument was acknowledged before me this 13th day of July, 2021 by Lindsey Miles, Land Manager of **WPX Energy Permian LLC**, a Delaware limited liability company on behalf of said limited liability company.



Clint Dake
Notary Public
5/7/23
My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this _____ day of _____ 2021 by Steve Virant as Attorney-in-Fact of **Marathon Oil Permian LLC**, a Delaware limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by _____ as _____ of **BP America Production Company**, a _____ corporation on behalf of said corporation.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this _____ day of _____ 2021 by John V. Schneider as Attorney-in-Fact of **Kerr-McGee Oil & Gas Onshore LP**, a Delaware limited partnership on behalf of said limited partnership.

2022 SEP -9 AM 9:38

Notary Public

My Commission expires

Communitization Agreement
Bourbon Red 11/12 B31.I State Com #111

STATE OF OKLAHOMA

COUNTY OF TULSA

This instrument was acknowledged before me this _____ day of _____ 2021 by Justin R. Hall as Attorney-in-Fact of **WPX Energy Permian LLC**, a _____ limited liability company on behalf of said limited liability company.

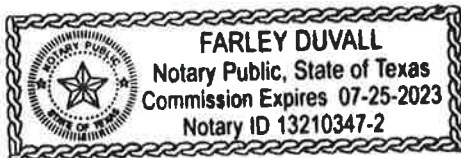
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 6th day of May 2021 by Clayton Rule as Attorney-in-Fact of **Marathon Oil Permian LLC**, a Delaware limited liability company on behalf of said limited liability company.



[Signature]
Notary Public

My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by _____ as _____ of **BP America Production Company**, a _____ corporation on behalf of said corporation.

Notary Public

My Commission expires

2022 SEP -9 AM 9:38

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

STATE OF OKLAHOMA

COUNTY OF TULSA

This instrument was acknowledged before me this _____ day of _____ 2021 by Justin R. Hall as Attorney-in-Fact of **WPX Energy Permian LLC**, a _____ limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this _____ day of _____ 2021 by Steve Virant as Attorney-in-Fact of **Marathon Oil Permian LLC**, a Delaware limited liability company on behalf of said limited liability company.

Notary Public

My Commission expires

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____ 2021 by _____ as _____ of **BP America Production Company**, a _____ corporation on behalf of said corporation.

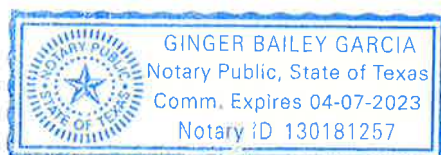
Notary Public

My Commission expires

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 24th day of April 2021 by John V. Schneider as Attorney-in-Fact of **Kerr-McGee Oil & Gas Onshore LP**, a Delaware limited partnership on behalf of said limited partnership.



Notary Public

4/7/23
My Commission expires

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated April 1, 2021 by and between Mewbourne Oil Company and XTO Delaware Basin, et al, covering the S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 19 South Range 28 East, Eddy County, New Mexico.

OPERATOR of Communitized Area: Mewbourne Oil Company

DESCRIPTION OF LEASES COMMITTED:

Tract No. 1

Lessor:	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record:	Mewbourne Oil Company
Serial No. of Lease:	XO-648
Date of Lease:	November 14, 1922
Description of Lands Committed:	S/2SW/4 of Section 11, T19S, R28E, NMPM, Eddy County, New Mexico
No. of Acres:	80.00

Tract No. 2

Lessor:	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record:	COG Operating LLC
Serial No. of Lease:	OG-272
Date of Lease:	October 16, 1956
Description of Lands Committed:	S/2SW/4 of Section 12, T19S, R28E, NMPM, Eddy County, New Mexico
No. of Acres:	80.00

Tract No. 3

Lessor:	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record:	Steve Sell
Serial No. of Lease:	EO-1051
Date of Lease:	October 10, 1946
Description of Lands Committed:	S/2SE/4 of Section 11, T19S, R28E, NMPM, Eddy County, New Mexico
No. of Acres:	80.00

Communitization Agreement
Bourbon Red 11/12 B3MP State Com #1H

Tract No. 4

Lessor:	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record:	Kerr-McGee Oil & Gas Onshore LP
Serial No. of Lease:	OG-784
Date of Lease:	April 16, 1957
Description of Lands Committed:	S/2SE/4 of Section 12, T19S, R28E, NMPM, Eddy County, New Mexico
No. of Acres:	80.00

RECAPITULATION

TRACT	Number of Acres Committed	Percentage of Interest in Communitized Area
No. 1	80.00	25.00%
No. 2	80.00	25.00%
No. 3	80.00	25.00%
No. 4	80.00	25.00%
TOTAL	320.00	100.00%

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
 [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Chad Cole

Regulatory Specialist

10/28/2021

Print or Type Name

Signature

Title

Date

ccole@mewbourne.com
 e-mail Address

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Chad Cole](#)
Cc: [McClure, Dean, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); lisa@rwbyram.com; [Dawson, Scott](#)
Subject: Approved Administrative Order CTB-1066
Date: Friday, January 20, 2023 3:35:27 PM
Attachments: [CTB1066 Order.pdf](#)

NMOCD has issued Administrative Order CTB-1066 which authorizes Mewbourne Oil Company (14744) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-48072	Bourbon Red 11 12 B3LI State	N/2 S/2	11-19S-28E	96413
	Com #1H	N/2 S/2	12-19S-28E	
30-015-48070	Bourbon Red 11 12 B3MP State	S/2 S/2	11-19S-28E	96413
	Com #1H	S/2 S/2	12-19S-28E	

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: [Chad Cole](#)
To: [McClure, Dean, EMNRD](#)
Subject: RE: [EXTERNAL] RE: [EXT] RE: surface commingling application CTB-1064
Date: Friday, November 18, 2022 2:16:48 PM
Attachments: [image001.png](#)
[NMSLO Commingle App- Pale Rider 8-5 W00B St Com 1H Battery.pdf](#)
[NMSLO Commingle App- Bourbon Red 11-12 B3LI 1H Battery.pdf](#)
[NMSLO Commingle App- Inland 26-23 B2OJ St Com 1H Battery.pdf](#)

Dean,

We actually sent out the commingle applications and checks to NMSLO this morning for the attached applications. Let me know if you need me to notify you when the mail is received.

Thanks

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only											
For delivery information, visit our website at www.usps.com ®.											
OFFICIAL USE											
Certified Mail Fee \$ _____	11-18-2022 Postmark Here <i>Commingling Apps</i>										
Extra Services & Fees (check box, add fee as appropriate) <table border="0"> <tr> <td><input type="checkbox"/> Return Receipt (hardcopy)</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Return Receipt (electronic)</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Required</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td>\$ _____</td> </tr> </table>		<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____	<input type="checkbox"/> Return Receipt (electronic)	\$ _____	<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____	<input type="checkbox"/> Adult Signature Required	\$ _____	<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____
<input type="checkbox"/> Return Receipt (hardcopy)		\$ _____									
<input type="checkbox"/> Return Receipt (electronic)		\$ _____									
<input type="checkbox"/> Certified Mail Restricted Delivery		\$ _____									
<input type="checkbox"/> Adult Signature Required	\$ _____										
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____										
Postage \$ _____											
Total Postage and Fees \$ 11.33											
Sent To NMSLO Street and Apt. No., or PO Box No. PO Box 1148 City, State, ZIP+4® Santa Fe NM 87504											
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions											

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Friday, November 18, 2022 2:11 PM
To: Chad Cole <ccole@mewbourne.com>
Subject: RE: [EXTERNAL] RE: [EXT] RE: surface commingling application CTB-1064

Chad,

With the submittal of the CA Packets via your other email; it appears that the only unaddressed question about this application is whether the NMSLO has been notified of it.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Chad Cole <ccole@mewbourne.com>
Sent: Monday, November 14, 2022 10:09 AM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: [EXTERNAL] RE: [EXT] RE: surface commingling application CTB-1064

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

We are in the process of addressing these issues. I will send you the missing information as soon as I receive them from our land department.

Thanks

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Monday, November 14, 2022 8:45 AM
To: Chad Cole <ccole@mewbourne.com>
Subject: [EXT] RE: surface commingling application CTB-1064

Chad,

Please confirm by EOB if Mewbourne is in the process of addressing the topics raised in the email below.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: McClure, Dean, EMNRD
Sent: Friday, October 28, 2022 2:46 PM
To: Chad Cole <ccole@mewbourne.com>
Subject: surface commingling application CTB-1064

Mr. Cole,

I am reviewing surface commingling application CTB-1064 which involves a commingling project that includes the Pale Rider Battery is operated by Mewbourne Oil Company (14744).

Please confirm that the NMSLO has been notified of this application.

I am not seeing the CAs for this project within the NMSLO system. Please provide the CA packets for the following tracts of land:

CA Wolfcamp NMSLO

W/2 5-25S-28E

CA Wolfcamp NMSLO	W/2	8-25S-28E
	E/2	5-25S-28E
	E/2	8-25S-28E

Please note that failure to take steps to address each of the topics addressed in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once the topics have been fully addressed.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

NEW MEXICO STATE LAND OFFICE
Guidelines for Requesting Commingling Approval

1. A commingling agreement from the New Mexico State Land Office is not required if the commingling operation does not contain New Mexico State Trust acreage.
2. If State Trust acreage will be part of a proposed commingling operation:
 - a. Commingling of production of all wells from the same pool within a single lease, communitized area, or unit area is permitted without additional Land Commissioner approval.
 - b. Surface commingling (including off-lease storage) from more than one pool, and/or from more than one lease, communitized area, unit area, or a combination of leases/communitized areas/unit areas, requires additional Land Commissioner approval.
 - c. Downhole commingling of multiple producing pools in a single well bore requires Land Commissioner approval unless the pools or the area in which the well is located are listed as pre-approved in NMAC 19.15.12.11(E).

The attached application form describes the process for submitting a commingling application to the New Mexico State Land Office.

**NEW MEXICO
STATE
LAND OFFICE**

**APPLICATION FOR
COMMINGLING AND OFF-LEASE STORAGE
ON STATE TRUST LANDS**



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

Applicant: Mewbourne Oil Company/ Chad Cole **OGRID #:** 14744
Well Name: Bourbon Red 11/12 B3LI State Com 1H **API #:** 30-015-48072
Pool: [96413] Palmillo, Bone Spring; Southwest

OPERATOR NAME: Mewbourne Oil Company

OPERATOR ADDRESS: 4801 Business Park Blvd. PO Box 5270 Hobbs NM, 88240

APPLICATION REQUIREMENTS – SUBMIT:

1. New Mexico Oil Conservation Division (NMOCD) application packet (or equivalent information if no application is required by NMOCD),
2. Commingling application fee of \$150.

CERTIFICATION: To the best of my knowledge,

- All business leases and rights-of-way necessary for conducting the proposed operation on State Trust lands have been applied for or obtained,
- The information submitted with this application is **accurate** and **complete**, and
- No loss will accrue to the state of New Mexico as a result of the proposed operation.

I also understand that **no action** will be taken on this application until the required information and fee are submitted to the State Land Office.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Chad Cole

Print or Type Name

Chad Cole

Signature

575-393-5905

Phone Number

11/15/2022

Date

ccole@mewbourne.com

e-mail Address

Submit application to:

Commissioner of Public Lands
Attn: Commingling Manager
PO Box 1148
Santa Fe, NM 87504-1148

Questions?

Contact the Commingling Manager:
505.827.5791

Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MEWBOURNE OIL COMPANY**

ORDER NO. CTB-1066

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
7. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
9. Applicant’s proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.

10. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
11. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

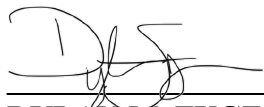
ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
3. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
4. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
6. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
7. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
8. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
9. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

A handwritten signature in black ink, appearing to read 'D. Fuge', is written over a horizontal line.

**DYLAN M. FUGE
DIRECTOR (ACTING)**

DATE: 1/20/2023

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-1066**

Operator: **Mewbourne Oil Company (14744)**

Central Tank Battery: **Bourbon Red 11 12 Battery**

Central Tank Battery Location: **UL P, Section 11, Township 19 South, Range 28 East**

Gas Title Transfer Meter Location: **UL P, Section 11, Township 19 South, Range 28 East**

Pools

Pool Name	Pool Code
PALMILLO; BONE SPRING, SOUTHWEST	96413

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMSLO PUN 1392913	N/2 S/2	11-19S-28E
	N/2 S/2	12-19S-28E
CA Bone Spring NMSLO PUN 1393237	S/2 S/2	11-19S-28E
	S/2 S/2	12-19S-28E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-48072	Bourbon Red 11 12 B3LI State Com	N/2 S/2	11-19S-28E	96413
	#1H	N/2 S/2	12-19S-28E	
30-015-48070	Bourbon Red 11 12 B3MP State Com	S/2 S/2	11-19S-28E	96413
	#1H	S/2 S/2	12-19S-28E	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 65065

CONDITIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 65065
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	1/20/2023