

CASE NO. 21896

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

MEWBOURNE OIL COMPANY'S EXHIBIT LIST

- PART I

1. Application and Proposed Notice
2. Landman's Affidavit
3. Geologist's Affidavit
4. Certified Mail Notice Affidavit
5. Affidavits of Publication
6. Pooling Checklist

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 21896

APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised the W½ of Section 28, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the W½ of Section 28, and has the right to drill a well or wells thereon.
2. Applicant has drilled or proposes to drill the following wells to a depth sufficient to test the Wolfcamp formation:
 - (a) The Thor 28 WXY Fee Well No. 1H, with a first take point in the SE/4SW/4, and a last take point in the NE/4NW/4; of Section 28;
 - (b) The Thor 28 WA Fee Well No. 3H, with a first take point in the SE/4SW/4, and a last take point in the NE/4NW/4; of Section 28;
 - (c) The Thor 28 WXY Fee Well No. 5H, with a first take point in the SW/4SW/4, and a last take point in the NW/4NW/4; of Section 28; and
 - (d) The Thor 28 WD Fee Well No. 8H, with a first take point in the SW/4SW/4, and a last take point in the NW/4NW/4; of Section 28.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W½ of Section 28 for the purposes set forth herein.

EXHIBIT /

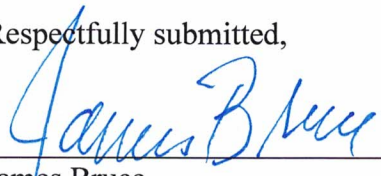
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the W½ of Section 28, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners underlying the W½ of Section 28 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interest owners in the Wolfcamp formation underlying the W½ of Section 28;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the cost among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-204e

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.

Mewbourne Oil Company seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 28, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to has drilled or proposes to drill the following wells to a depth sufficient to test the Wolfcamp formation: (a) The Thor 28 W0NC Fee Well No. 1H (f/k/a the Thor 28 WXY Fee Well No. 1H), with a first take point in the SE/4SW/4 and a last take point in the NE/4NW/4 of Section 28; (b) The Thor 28 WA Fee Well No. 3H, with a first take point in the SE/4SW/4 and a last take point in the NE/4NW/4 of Section 28; (c) The Thor 28 W0MD Fee Well No. 1H (f/k/a the Thor 28 WXY Fee Well No. 5H), with a first take point in the SW/4SW/4 and a last take point in the NW/4NW/4; of Section 28; and (d) The Thor 28 WD Fee Well No. 8H, with a first take point in the SW/4SW/4 and a last take point in the NW/4NW/4 of Section 28. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The unit is located approximately 1/2 mile south of Loving, New Mexico.

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

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

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

Case No. 21896

SELF-AFFIRMED STATEMENT OF TYLER JOLLY

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

Tyler Jolly deposes and states:

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

2. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application:

(a) The purpose of this application is to force pool unleased mineral interest owners into the horizontal spacing unit described below, and in wells drilled in the unit.

(b) No opposition is expected because the interest owners being pooled have been contacted since regarding the proposed wells, but have simply failed or refused to voluntarily commit their interests to the wells.

(c) A locator map and Form C-102s for the wells are submitted as Attachment A. Mewbourne seeks an order pooling of all mineral interests in the Wolfcamp formation in a horizontal spacing unit comprised of the W/2 of Section 28, Township 23 South, Range 28 East, NMPM for the Thor 28 W0MD Fee Well No. 1H (f/k/a the Thor 28 WXY Fee Well No. 5H and the Thor 28 W0NC Fee Well No. 1H (f/k/a the Thor 28 WXY Fee Well No. 1H).

(d) There is no depth severance in the Wolfcamp formation.

EXHIBIT

2

(e) When Marathon originally pooled the well unit it did not have a final title opinion on the lands in the well unit. The parties now being pooled are the numerous unleased mineral interest owners identified on Attachment B.

(f) To locate the interest owners Mewbourne has examined County records, phone records, and internet search engines. A sample proposal letter to the owners being pooled is submitted as Attachment C. Mewbourne has made a good faith effort to locate and obtain the voluntary joinder of the working interest owners in the proposed wells.

(g) No overriding royalty owners are being pooled.

(h) Attachment D contains the Authorizations for Expenditure for the wells. The estimated cost of the wells set forth therein are fair and reasonable, and are comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.

(i) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

(j) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

(k) Mewbourne requests that it be designated operator of the wells.

(l) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.

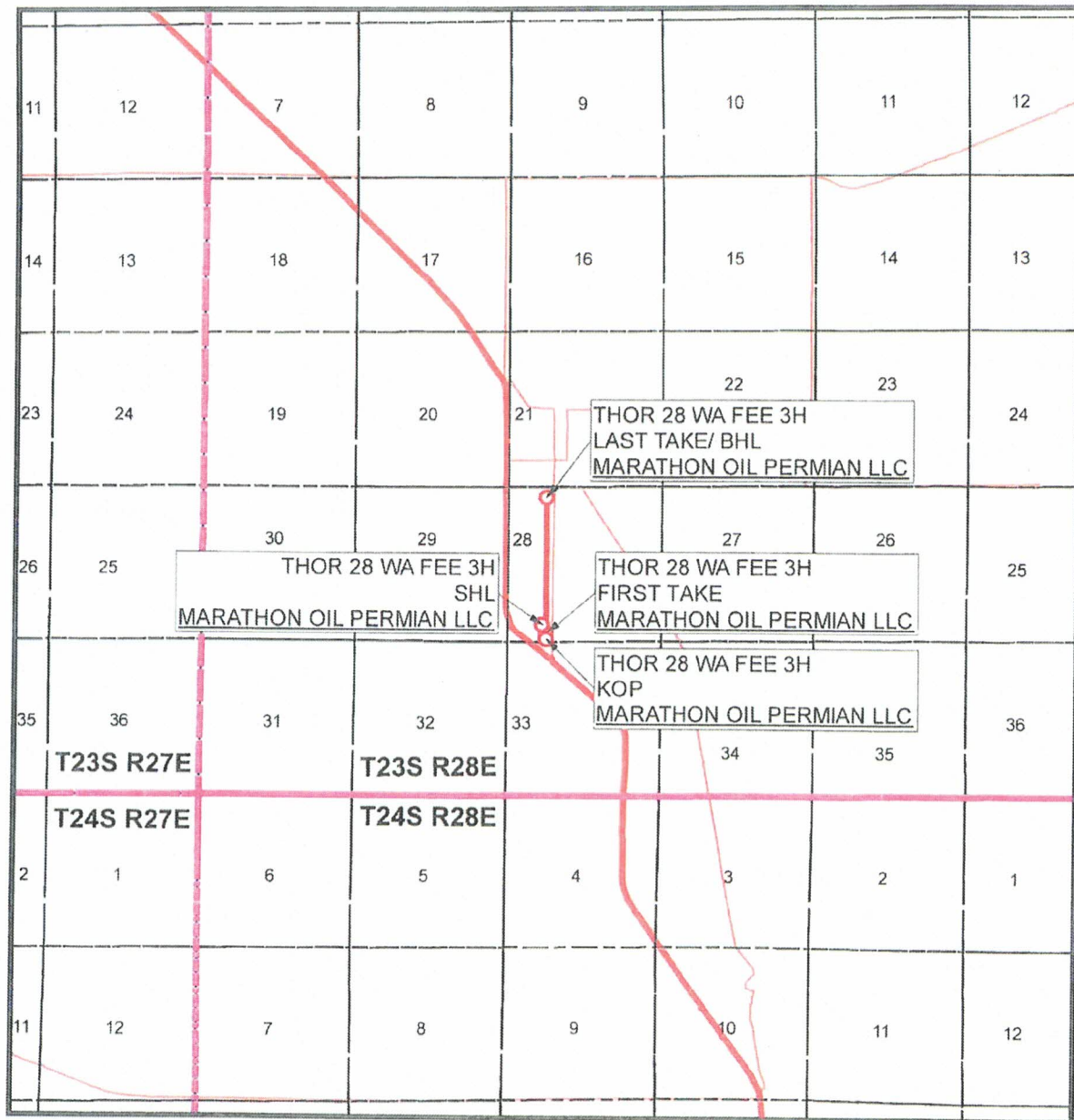
(m) The granting of this application is in the interests of conservation and the prevention of waste.

3. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 2(m) above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 7/12/21


Tyler Jolly

VICINITY MAP



SEC. 28 TWP. 23-S RGE. 28-E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 OPERATOR: MARATHON OIL PERMIAN LLC
 DESCRIPTION: 612' FSL & 1222' FWL
 ELEVATION: 3083'
 LEASE: THOR 28 FEE
 U.S.G.S. TOPOGRAPHIC MAP: LOVING, NM.

1" = 1 MILE

ATTACHMENT

A



SHEET 3 OF 3

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R3986_001_C

Exhibit "A.3" Lease Tract Map
Thor 28 WXY Fee 1H, Thor 28 WA Fee 3H, Thor 28 WXY Fee 5H, Thor 28 WD Fee 8H
W/2 of Section 28, T23S-R28E – 320 acres, more or less

- Tract 1: FEE (45.00 Acres)
- Tract 2: FEE (40.00 Acres)
- Tract 3: FEE (120.00 Acres)
- Tract 4: FEE (35.00 Acres)
- Tract 5: FEE (Exhibit A.4)
(80.00 Acres)

20 T23S R28E T23S R28E	21 T23S R28E 5 (Exhibit A.4)	22 T23S R28E T23S R28E
29	28 1 2 3 4	27
32 T23S R28E T23S R28E	33	34 T23S R28E T23S R28E

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Submit 1 Copy To Appropriate District Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

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

NMOCD-REC'D: 8/24/2020

Form C-103

Revised August 1, 2011

WELL API NO. 30-015-46272
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Thor 28 WXY FEE
8. Well Number 5H
9. OGRID Number 14744
10. Pool name or Wildcat Purple Sage Wolfcamp (GAS)

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Mewbourne Oil Company	
3. Address of Operator PO Box 5270, Hobbs, NM 88240	
4. Well Location Unit Letter <u>M</u> : <u>612'</u> feet from the <u>South</u> line and <u>1222'</u> feet from the <u>FWL</u> line Section <u>28</u> Township <u>23S</u> Range <u>28E</u> NMPM SW/SW County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3083' - GL	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☒
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐ Cancel APD

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mewbourne Oil Company would like to change the well name to Thor 28 W0MD Fee #1H. MOC would like to change the BHL to 330' FNL & 660' FWL, Sec 28 T23S R28E. Please call Bradley Bishop with any questions.

Spud Date:

Rig Release Date:

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

SIGNATURE

Bradley C Bishop

TITLE

Regulatory Manager

DATE

8-21-20

Type or print name Bradley Bishop

E-mail address: bbishop@mewbourne.com

PHONE: 575-393-5905

For State Use Only

APPROVED BY: John Garcia

TITLE

Petroleum Engineer

DATE

8/27/2020

Conditions of Approval (if any):

District I
1025 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) 748-0720
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 30-015-46272	² Pool Code 98220	³ Pool Name PURPLE SAGE WOLFCAMP (GAS)
⁴ Property Code XXXXXX 328168	⁵ Property Name THOR 28 WOMB FEE [329313]	⁶ Well Number 1H
⁷ GRID NO. 14744	⁸ Operator Name MEWBOURNE OIL COMPANY	⁹ Elevation 3083'

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	28	23S	28E		612	SOUTH	1222	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
D	28	23S	28E		330	NORTH	660	WEST	EDDY

¹² Dedicated Acres 320	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>①</p> <p>N 00°17'51" W 2651.78'</p> <p>660'</p> <p>B.H.</p> <p>330'</p> <p>②</p> <p>N 00°18'19" W 2646.21'</p> <p>1222'</p> <p>S.L.</p> <p>612'</p> <p>③</p> <p>S 89°33'20" W 5350.91'</p>	<p>S 89°38'00" W 2664.20'</p> <p>S 89°35'03" W 2665.47'</p> <p>④</p> <p>⑤</p> <p>⑥</p> <p>⑦</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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: <i>Bradley Bishop</i> Date: 8-21-20</p> <p>Printed Name: Bradley Bishop</p> <p>E-mail Address: Bbishop@mewbourne.com</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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>Date of Survey: 07-02-20</p> <p>Signature and Seal of Professional Surveyor: <i>Robert M. Howett</i></p> <p>19680</p> <p>Certificate Number</p>
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Job No.: LS20070309

Submit 1 Copy To Appropriate District
Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
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87505

State of New Mexico
Energy, Minerals and Natural Resources

NMOCD-REC'D: 8/24/2020

Form C-103

Revised August 1, 2011

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

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-46246
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Mewbourne Oil Company		6. State Oil & Gas Lease No.
3. Address of Operator PO Box 5270, Hobbs, NM 88240		7. Lease Name or Unit Agreement Name Thor 28 WXY FEE
4. Well Location Unit Letter <u>M</u> : <u>612'</u> feet from the <u>South</u> line and <u>1252'</u> feet from the <u>FWL</u> line Section <u>28</u> Township <u>23S</u> Range <u>28E</u> NMPM SW/SW County <u>Eddy</u>		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3083' - GL		9. OGRID Number 14744
		10. Pool name or Wildcat Purple Sage Wolfcamp (GAS)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

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 TEMPORARILY ABANDON ☐ CHANGE PLANS ☒
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐ Cancel APD

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mewbourne Oil Company would like to change the well name to Thor 28 W0NC Fee #1H. MOC would like to change the BHL to 330' FNL & 1980' FWL, Sec 28 T23S R28E. Please call Bradley Bishop with any questions.

Spud Date:

Rig Release Date:

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

SIGNATURE Bradley Bishop TITLE Regulatory Manager DATE 8-21-20

Type or print name Bradley Bishop E-mail address: bbishop@mewbourne.com PHONE: 575-393-5905

For State Use Only

APPROVED BY: John Garcia TITLE Petroleum Engineer DATE 8/27/2020

Conditions of Approval (if any):

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Form C-102
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Submit one copy to appropriate
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-46246		2 Pool Code 98220		3 Pool Name PURPLE SAGE WOLFCAMP (GAS)	
4 Property Code 310808		5 Property Name THOR 28 WONC FEE [329312]			6 Well Number 1H
7 OGRID NO. 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3083'

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	28	23S	28E		612	SOUTH	1252	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
C	28	23S	28E		330	NORTH	1980	WEST	EDDY

12 Dedicated Acres 320	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>N 00°17'51" W 2651.78'</p> <p>1980'</p> <p>330'</p> <p>B.H.</p> <p>28</p> <p>1252'</p> <p>S.L.</p> <p>612'</p> <p>N 00°18'19" W 2646.21'</p> <p>A</p>	<p>S 89°38'00" W 2664.20'</p> <p>S 89°35'03" W 2665.47'</p> <p>GEODETIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION N: 462206.6 - E: 614419.4 LAT: 32.2704594° N LONG: 104.0968797° W</p> <p>BOTTOM HOLE LOCATION N: 466564.4 - E: 615124.1 LAT: 32.2824339° N LONG: 104.0945685° W</p> <p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND COTTON SPINDLE N: 461584.9 - E: 613170.7</p> <p>B: FOUND 1/2" REBAR N: 464230.5 - E: 613156.6</p> <p>C: FOUND 1/2" REBAR N: 466881.6 - E: 613142.8</p> <p>D: FOUND COTTON SPINDLE N: 466898.7 - E: 615806.4</p> <p>E: FOUND COTTON SPINDLE N: 466918.0 - E: 618471.2</p> <p>F: FOUND 1/2" REBAR N: 461626.4 - E: 618520.2</p>	<p>17 OPERATOR CERTIFICATION</p> <p>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 8-21-20</p> <p>BRADLEY BISHOP Printed Name</p> <p>BBISHOP@MEWBOURNE.COM E-mail Address</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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>07-02-20 Date of Survey</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>19680 Certificate Number</p>	<p>19680</p> <p>Job No.: LS20070310</p>

Thor 28 W0MD Fee #1H and Thor 28 W0NC Fee #1H Ownership

Entity	Address
Mewbourne Oil Company, et al.	96.781219274306%
Donald R. Lammerman	0.946968750000%
Hipolito Hernandez and wife, Ofelia Hernandez (Unleased)	0.578119093750%
Manuel Leyva and wife, Cynthia Leyva Parraz, joint tenants (Unleased)	0.145775000000%
Jaime Y. Quinonez and wife, Theresa A. Quinonez, joint tenants (Unleased)	0.097565625000%
Eva Melba McGinnis (Unleased)	0.086087500000%
Rafael M. Madrid (Unleased)	0.080350000000%
O.L. Robinson and wife, Doreitha Robinson (Unleased)	0.080350000000%
Trine S. Rodriguez and wife, Carolina Rodriguez, joint tenants	0.071740625000%
Shirley Lee Tarleton (Unleased)	0.064565625000%
Gloria Duran (Unleased)	0.064562500000%
Mary Ann Murillo Dearing, as her separate property (Unleased)	0.064562500000%
Terry Hill fka Terry L. Calk (Unleased)	0.043043750000%
Reuben Galvan (Unleased)	0.043043750000%
Francisca L. Hernandez (Unleased)	0.040031250000%
The heirs or devisees of Ignacio M. Olivo (Unleased)	0.040031250000%
The heirs and devisees of Victor Echavarria (Unleased)	0.035875000000%
Carmen Echavarria and Ricardo Echavarria, joint tenants (Unleased)	0.035875000000%
Rickey Ray Lassiter (Unleased)	0.035870312500%
Randy Jo Lassiter (Unleased)	0.033479166667%
Frank J. Hernandez (Unleased)	0.033000000000%
Gerard J. Hernandez (Unleased)	0.027979166667%
Stephanie Kay Fate-Dixon and Victoria Anne Fate Gorrell, Personal Representatives of the Estate of Margaret L. Fate (Unleased)	0.027979166667%
Doris S. Williams, Trustee of the Williams Living Trust dated March 18, 2008 (Unleased)	0.027259375000%
Vincent M. Milavec, Michael Schaefer and Paulette V. Misanko, Co-Trustees of the Joe T. Milavec and Cella B. Milavec Revocable Trust dated July 15, 1994 as amended June 4, 2009 (Unleased)	0.027259375000%
Linville D. Williams, as his separate property (Unleased)	0.027259375000%
James W. Williams, as his separate property (Unleased)	0.027259375000%

ATTACHMENT

B

The heirs or devisees of Ersal E. Hepler, who apparently are: Rachel Hepler, and the heirs or devisees of Nancy Hepler Curtiss and the devisee of Gary Hepler, who apparently is Rachel Hepler (Unleased)	0.027259375000%
The heirs or devisees of Kenneth Authur Hepler and Norma Jean Harvey Hepler, who apparently is Sharon Hepler Patterson (Unleased)	0.026783333333%
Diane Duran (Unleased)	0.026783333333%
Mike Armendariz, Jr. (Unleased)	0.023916666667%
Lenore Armendariz (Unleased)	0.023916666667%
The heirs or devisees of Jackye Earle White, who apparently are the heirs or devisees of James Earl Turner (Unleased)	0.023916666667%
Harry R. Young (Unleased)	0.021521875000%
Don C. Spearman (Unleased)	0.021521875000%
Duston Spearman (Unleased)	0.016739583333%
Mary Katholeen Pollock Moore (Unleased)	0.016739583333%
Enedina R. Ruiz (Unleased)	0.016739583333%
Lucila Ramirez (Unleased)	0.013989583333%
Guadalupe R. Melendrez (Unleased)	0.013989583333%
Teresa Juarez (Unleased)	0.013989583333%
Antonio Ramirez (Unleased)	0.013989583333%
Lovella Kilman, as her separate property (Unleased)	0.013989583333%
The heirs and devisees of Victor Echavarria and wife, Concepcion Echavarria (Unleased)	0.013629687500%
Ashton Pollock (Unleased)	0.006468750000%
Bonnie Pollock (Unleased) (Bonnie Robbins)	0.005579861111%
Haley Pollock (Unleased)	0.005579861111%
Sondra Lynn Ellyson, as her separate property (Unleased)	0.005579861111%
Steven Nyle Williams, as her separate property (Unleased)	0.005451875000%
Karin Lanette Williams, as her separate property (Unleased)	0.005451875000%
Sonya Leigh Barron, as her separate property (Unleased)	0.005451875000%
Stanley Dean Williams, as his separate property (Unleased)	0.005451875000%
Lanora Sue Williams Allomong, as her separate property (Unleased)	0.005451875000%
Linda Sue Williams Harris, as her separate property (Unleased)	0.005451875000%
Belinda Sue Williams, as her separate property (Unleased)	0.005451875000%
James Clay Williams, as his separate property (Unleased)	0.005451875000%

Terry Lee Williams, as his separate property (Unleased)	0.005451875000%
Goethe Minerals LLC (Unleased)	0.005451875000%
Martha Joy Stribling, as her separate property (Unleased)	0.004543229167%
Poetwork LLC	0.004543229167%
John D. Stribling, as his separate property (Unleased)	0.004543229167%
Scone, LLC (Unleased)	0.004543229167%
Martha M. Stribling, as her separate property (Unleased)	0.004543229167%
Robert Duncan Cain, Jr., as his separate property (Unleased)	0.001514409722%
Salem Pecos Stribling, as his separate property (Unleased)	0.001514409722%
Total	100.000000000000%

MEWBOURNE OIL COMPANY

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

February 2, 2021

Via Certified Mail

Antonio Ramirez
P.O. Box 512
Loving, New Mexico 88256

Re: Thor 28 W0NC Fee #1H
Thor 28 W0MD Fee #1H
W2 of Section 28, T23S, R28E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("MOC"), as Operator, hereby proposes drilling the following two (2) horizontal tests:

- 1) Thor 28 W0NC Fee #1H – 30-015-46246
Surface Location: 612' FSL, 1252' FWL, Section 28
Bottom Hole Location: 330' FNL, 1980' FWL, Section 28
Proposed Total Vertical Depth: 9561'
Proposed Total Measured Depth: 14450'
Formation: Wolfcamp
- 2) Thor 28 W0MD Fee #1H – 30-015-46272
Surface Location: 612' FSL, 1222' FWL, Section 28
Bottom Hole Location: 330' FNL, 660' FWL, Section 28
Proposed Total Vertical Depth: 9541'
Proposed Total Measured Depth: 14450'
Formation: Wolfcamp

In the event you elect to participate in the proposed wells, please execute AFEs before returning them to the undersigned within thirty (30) days. After I receive the executed AFEs, our Operating Agreement will be sent, which lists a non-consent penalty of 300%/100% and COPAS drilling/producing rates of \$8000/month and \$800/month respectively. Please enclose your most current well information requirements so that we may supply well data when available.

Please contact me at (432) 682-3715 or via email at tjolly@mewbourne.com if you have any questions.

Very truly yours,

MEWBOURNE OIL COMPANY



Tyler Jolly
Landman

ATTACHMENT





Proof of Acceptance (Electronic)

Date: 2/23/2021

Client Name: Mewbourne Oil Company

Certified with RR(E) item number 9414836897846608033294,
addressed to Antonio Ramirez

Accepted at USPS Origin Facility-February 4, 2021, 8:29 pm,
MIDLAND, TX 79701

The item number, time, date, city, state, and zip code is a true extract of
information provided by the United States Postal Service to
SimpleCertifiedMail.com.

Antonio Ramirez
P.O. Box 512
Loving, NM 88256
Reference #: Thor 28
Group Name: MIDLAND OFFICE

The above information is for the sole use of SimpleCertifiedMail.com
clients and represents information provided by the United States Postal
Service.

Summary of Communications

Thor 28 W0NC Fee #1H

Thor 28 W0MD Fee #1H

Well Proposal Letter dated February 2, 2021 and Proof of Delivery or Attempted Delivery Provided for the following:

Antonio Ramirez
P.O. Box 512
Loving, New Mexico 88256

Ashton Pollock
9 Elk Path
Manitou Springs, Colorado 80829

Belinda Sue Williams, as her separate property
13260 W. 42nd Street
Odessa, Texas 79764

Bonnie Pollock
269 Dyea Avenue, Apt. B
Jber, Alaska 99505

Carmen Echavarria and Ricardo Echavarria, joint tenants
P.O. Box 254
Loving, New Mexico 88256

Diane Duran
114 Morgan Lane
Swansea, Illinois 62226

Don C. Spearman
510 W. Richey Avenue
Artesia, New Mexico 88210

Doris S. Williams, Trustee of the Williams Living Trust dated March 18, 2008
1323 Willow Lane
Farmersville, Texas 75442

Harry R. Young
2821 N. Elm Avenue
Roswell, New Mexico 88201

Hipolito Hernandez and wife, Ofelia Hernandez
P.O. Box 1374
Loving, New Mexico 88256

Jaime Y. Quinonez and wife, Theresa A. Quinonez, joint tenants
P.O. Box 63
Loving, New Mexico 88256

James Clay Williams, as his separate property
743 North Oak Street
Kermit, Texas 79745

James W. Williams, as his separate property
7985 Highway 38
Mountain Grove, Missouri 65711

John D. Stribling, as his separate property
520 Ranchitos Road
Albuquerque, New Mexico 87114

Karin Lanette Williams, as her separate property
P.O. Box 639
Loving, New Mexico 88256

Lanora Sue Williams Allomong, as her separate property
14-6444 C.R. 8
Montpelier, Ohio 43543

Lenore Armendariz
1039 Pinon Lane
Carlsbad, New Mexico 88220

Linda Sue Williams Harris, as her separate property
33764 LA Highway 16
Denham Springs, Louisiana 70706

Linville D. Williams, as his separate property
1345 N. Greenfield Road
Gilbert, Arizona 85234

Lovella Kilman, as her separate property
8425 James Avenue NE
Albuquerque, New Mexico 87111

Lucila Ramirez
120 Pear Street
Roswell, New Mexico 88201

Manuel Leyva and wife, Cynthia Leyva Parraz, joint tenants
P.O. Box 1374
Loving, New Mexico 88256

Martha Joy Stribling, as her separate property
918 Parkland Circle SE
Albuquerque, New Mexico 87108

Martha M. Stribling, as her separate property
520 Ranchitos Road
Albuquerque, New Mexico 87144

Mary Ann Murillo Dearing, as her separate property
P.O. Box 263
Loving, New Mexico 88256

Mary Katholeen Pollock Moore
1465 Eaglenest Drive
Azle, Texas 76020

Mike Armendariz, Jr.
4207 Olympus
Bremerton, Washington 98310

O.L. Robinson and wife, Doreitha Robinson
407 3rd Street
Loving, New Mexico 88256

Poetwork LLC
75 Circle Drive NE
Albuquerque, New Mexico 87122

Rafael M. Madrid
P.O. Box 13
Loving, New Mexico 88256

Randy Jo Lassiter
702 Amberjack Way
Lebanon, Tennessee 37087

Reuben Galvan
2544 Snow Road
Las Cruces, New Mexico 88005

Rickey Ray Lassiter
P.O. Box 607
Loving, New Mexico 88256

Robert Duncan Cain, Jr., as his separate property
1933 San Mateo Blvd. NE
Albuquerque, New Mexico 87110

Salem Pecos Stribling, as his separate property
7319 Via Contenta NE
Albuquerque, New Mexico 87113

Scone, LLC
5670 Iris NE
Rio Rancho, New Mexico 87114

Shirley Lee Tarleton
15 Farmers Way
Datil, New Mexico 87821

Sondra Lynn Ellyson, as her separate property
536 Rose Branch Drive
La Vernia, Texas 78121

Sonya Leigh Barron, as her separate property
207 Dodds Creek Drive
Gatesville, Texas 76528

Stanley Dean Williams, as his separate property
P.O. Box 634
Loving, New Mexico 88256

Stephanie Kay Fate-Dixon and Victoria Anne Fate Gorrell, Personal Representatives of the Estate of
Margaret L. Fate
615 Windmill Ranch Road
Encinitas, California 82024

Steven Nyle Williams, as her separate property
100 Rushy Creek Circle
Red Oak, Texas 75154

Teresa Juarez
P.O. Box 10
Eunice, New Mexico 88231

Terry Hill fka Terry L. Calk
P.O. Box 275
Loving, New Mexico 88256

Terry Lee Williams, as his separate property
13260 W. 42nd Street
Odessa, Texas 79764

The heirs and devisees of Victor Echavarria
3002 Ocotillo Canyon Drive
Carlsbad, New Mexico 88220

The heirs and devisees of Victor Echavarria and wife, Concepcion Echavarria
3002 Ocotillo Canyon Drive
Carlsbad, New Mexico 88220

The heirs or devisees of Ersal E. Hepler, who apparently are: Rachel Hepler, and the heirs or devisees of
Nancy Hepler Curtiss and the devisee of Gary Hepler, who apparently is Rachel Hepler
7408 Autumn Sky Road SW
Albuquerque, New Mexico 87121

The heirs or devisees of Ignacio M. Olivo
P.O. Box 572
Loving, New Mexico 88256

The heirs or devisees of Jackye Earle White, who apparently are the heirs or devisees of James Earl Turner
1411 E. 12th Street
Sweetwater, Texas 79556

The heirs or devisees of Kenneth Authur Hepler and Norma Jean Harvey Hepler, who apparently is Sharon Hepler Patterson
604 N. 5th Street, Apt. 57
Carlsbad, New Mexico 88220

Trine S. Rodriguez and wife, Carolina Rodriguez, joint tenants
P.O. Box 373
Loving, New Mexico 88256

Vincent M. Milavec, Michael Schaefer and Paulette V. Misanko, Co-Trustees of the Joe T. Milavec and Cella B. Milavec Revocable Trust dated July 15, 1994 as amended June 4, 2009
P.O. Box 22
Paralta, New Mexico 87042

Donald R. Lammerman
5300 E. Cherry Creek South Drive
Apartment 1128
Denver, Colorado 80246

Duston Spearman
46 Mesquite Lane
Artesia, New Mexico 88210

Enedina R. Ruiz
2621 Patrick Street
Carlsbad, New Mexico 88220

Eva Melba McGinnis
415 S. 5th Street
Loving, New Mexico 88256

Francisca L. Hernandez
P.O. Box 54
Loving, New Mexico 88256

Francisco J. Hernandez
P.O. Box 50
Loving, New Mexico 88256

Gerard J. Hernandez
435 Ithaca Court, Apt. D-6
Las Cruces, New Mexico 88011

Gloria Duran
P.O. Box 502
Loving, New Mexico 88256

Goethe Minerals LLC
1933 San Mateo Blvd. NE
Albuquerque, New Mexico 87110

Guadalupe R. Melendrez
705 Irvin Street
Carlsbad, New Mexico 88220

Haley Pollock
2224 Collins Avenue
Carlsbad, New Mexico 88220

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: THOR 28 W0MD FEE #1H		Prospect: THOR 28	
Location: SL: 612 FSL & 1222 FWL; BHL: 330' FNL & 660' FWL		County: Eddy ST: NM	
Sec. 28	Blk:	Survey:	TWP: 23S RNG: 28E Prop. TVD: 9541 TMD: 14450

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$170,000	0180-0206	\$20,000
Daywork / Turnkey / Footage Drilling 15 days drlg / 3 days comp @ \$18250/d		0180-0110	\$292,400	0180-0210	\$58,500
Fuel 1700 gal/day @ \$1.3/gal		0180-0114	\$35,400	0180-0214	\$193,000
Mud, Chemical & Additives		0180-0120	\$160,000	0180-0220	
Horizontal Drillout Services				0180-0222	\$120,000
Cementing		0180-0125	\$65,000	0180-0225	\$23,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$200,000
Casing / Tubing / Snubbing Service		0180-0134	\$18,000	0180-0234	\$38,000
Mud Logging		0180-0137	\$20,000		
Stimulation 37 Stg 11.5 MM gal / 11.5 MM lb				0180-0241	\$820,000
Stimulation Rentals & Other				0180-0242	\$150,000
Water & Other		0180-0145	\$35,000	0180-0245	\$205,000
Bits		0180-0148	\$64,100	0180-0248	\$5,000
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170		0180-0270	\$24,000
Directional Services Includes Vertical Control		0180-0175	\$217,000		
Equipment Rental		0180-0180	\$137,600	0180-0280	\$24,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,600	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$90,000	0180-0290	\$10,000
ROW & Easements		0180-0192		0180-0292	\$5,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$192,000	0180-0295	\$86,400
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$35,900	0180-0299	\$42,400
TOTAL			\$1,833,300		\$2,164,800

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 575' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft		0181-0794	\$19,700		
Casing (8.1" - 10.0") 2550' - 9 5/8" 40# J-55 LT&C @ \$20.86/ft		0181-0795	\$56,800		
Casing (6.1" - 8.0") 9800' - 7" 29# HCP-110 LT&C @ \$21.83/ft		0181-0796	\$228,500		
Casing (4.1" - 6.0") 5500' - 4 1/2" 13.5# P-110 BPN @ \$11.72/ft				0181-0797	\$68,800
Tubing 9000' - 2 7/8" 6.5# L-80 Tbg @ \$4.54/ft				0181-0798	\$43,600
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$45,000
Sucker Rods				0181-0875	
Subsurface Equipment Packer				0181-0880	\$10,000
Artificial Lift Systems Gas Lift Valves				0181-0884	\$15,000
Pumping Unit				0181-0885	
Surface Pumps & Prime Movers 1/2 VRU/SWD TP				0181-0886	\$50,000
Tanks - Oil 1/2 of 4 - 750 bbl				0181-0890	\$40,000
Tanks - Water				0181-0891	
Separation / Treating Equipment 1/2 30"x10"x1k 3 ph/48"x15"x1k# Hor 3ph				0181-0895	\$60,000
Heater Treaters, Line Heaters 8"x20"x75# HT				0181-0897	\$27,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering (1/2) 0.5 mile 6" poly & 0.5 mile 4" steel gas				0181-0900	\$14,000
Fittings / Valves & Accessories				0181-0906	\$125,000
Cathodic Protection Automation				0181-0908	\$15,000
Electrical Installation				0181-0909	\$75,000
Equipment Installation				0181-0910	\$113,000
Pipeline Construction (1/2) 0.5 mile buried 6" poly & 0.5 mile 4-1/2" steel gas				0181-0920	\$22,000
TOTAL			\$340,000		\$768,400
SUBTOTAL			\$2,173,300		\$2,933,200

TOTAL WELL COST		\$5,106,500
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Extra Expense Insurance

☐ I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.

☐ I elect to purchase my own well control insurance policy.

If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.

Prepared by: Andy Taylor Date: 8/26/2020

Company Approval: *m. whitte* Date: 8/27/2020

Joint Owner Interest: Amount:

Joint Owner Name: Signature:

Revised: 01/31/2018

ATTACHMENT

D

MEWBORNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: THOR 28 W0NC FEE #1H		Prospect: THOR 28	
Location: SL: 612' FSL & 1252' FWL; BHL: 330' FNL & 1980' FWL		County: Eddy ST: NM	
Sec. 28	Blk:	Survey:	TWP: 23S RNG: 28E Prop. TVD: 9561 TMD: 14450

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$170,000	0180-0206	\$20,000
Daywork / Turnkey / Footage Drilling 15 days drlg / 3 days comp @ \$18250/d		0180-0110	\$292,400	0180-0210	\$58,500
Fuel 1700 gal/day @ \$1.3/gal		0180-0114	\$35,400	0180-0214	\$193,000
Mud, Chemical & Additives		0180-0120	\$160,000	0180-0220	
Horizontal Drillout Services				0180-0222	\$162,000
Cementing		0180-0125	\$80,000	0180-0225	\$23,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$200,000
Casing / Tubing / Snubbing Service		0180-0134	\$18,000	0180-0234	\$38,000
Mud Logging		0180-0137	\$30,000		
Stimulation 37 Stg 11.5 MM gal / 11.5 MM lb				0180-0241	\$820,000
Stimulation Rentals & Other				0180-0242	\$150,000
Water & Other		0180-0145	\$35,000	0180-0245	\$205,000
Bits		0180-0148	\$64,100	0180-0248	\$5,000
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170		0180-0270	\$24,000
Directional Services Includes Vertical Control		0180-0175	\$217,000		
Equipment Rental		0180-0180	\$137,600	0180-0280	\$24,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,600	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$90,000	0180-0290	\$10,000
ROW & Easements		0180-0192		0180-0292	\$5,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$192,000	0180-0295	\$86,400
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$36,400	0180-0299	\$43,300
TOTAL			\$1,858,800		\$2,207,700

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 575' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft		0181-0794	\$19,700		
Casing (8.1" - 10.0") 2550' - 9 5/8" 40# J-55 LT&C @ \$20.86/ft		0181-0795	\$56,800		
Casing (6.1" - 8.0") 9800' - 7" 29# HCP-110 LT&C @ \$21.83/ft		0181-0796	\$228,500		
Casing (4.1" - 6.0") 5500' - 4 1/2" 13.5# P-110 BPN @ \$11.72/ft				0181-0797	\$68,800
Tubing 9000' - 2 7/8" 6.5# EUE tbg @ \$4.54/ft				0181-0798	\$43,600
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$45,000
Sucker Rods				0181-0875	
Subsurface Equipment Packer				0181-0880	\$10,000
Artificial Lift Systems Gas Lift Valves				0181-0884	\$15,000
Pumping Unit				0181-0885	
Surface Pumps & Prime Movers 1/2 VRU/SWD TP				0181-0886	\$50,000
Tanks - Oil 1/2 of 4 - 750 bbl				0181-0890	\$40,000
Tanks - Water				0181-0891	
Separation / Treating Equipment 1/2 30"x10"x1k 3 ph/48"x15"x1k# Hor 3ph				0181-0895	\$60,000
Heater Treaters, Line Heaters 8"x20"x75# HT				0181-0897	\$27,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering (1/2) 0.5 mile 6" poly & 0.5 mile 4" steel gas				0181-0900	\$14,000
Fittings / Valves & Accessories				0181-0906	\$125,000
Cathodic Protection Automation				0181-0908	\$15,000
Electrical Installation				0181-0909	\$75,000
Equipment Installation				0181-0910	\$113,000
Pipeline Construction (1/2) 0.5 mile buried 6" poly & 0.5 mile 4-1/2" steel gas				0181-0920	\$22,000
TOTAL			\$340,000		\$768,400
SUBTOTAL			\$2,198,800		\$2,976,100

TOTAL WELL COST		\$5,174,900
------------------------	--	--------------------

Extra Expense Insurance

☐ I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.

☐ I elect to purchase my own well control insurance policy.

If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.

Prepared by: Andy Taylor Date: 8/26/2020

Company Approval: *M. Whittier* Date: 8/27/2020

Joint Owner Interest: Amount:

Joint Owner Name: Signature:

Revised: 01/31/2018

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

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

Case No. 21896

**VERIFIED STATEMENT OF
TYLER HILL**

1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.

2. I am a geologist at Mewbourne Oil Company ("Mewbourne"). I am familiar with the geological matters that pertain to Mewbourne's application. I have previously testified before the Division, and my qualifications as an expert in geology matters were accepted.

3. Attached as Exhibit A is a structure map of the Wolfcamp formation. The map shows that the structure dips to the east. It also shows a line of cross section and the horizontal spacing unit ("HSU") for the proposed Thor 28 W0NC Fee #1H well and the proposed Thor 28 W0MD Fee #1H well.

4. Attached as Exhibit B is a south to north cross section. The well logs on the cross section provide a representative sample of the Wolfcamp formation in the area. The target zone for the proposed wells is continuous across the HSU.

5. Attached hereto as Exhibit C is a table containing information from other wells drilled in the vicinity. The preference is for stand-up wells (north to south or south to north), and the completed wells in the area (recent completions) apparently are commercial.

EXHIBIT

3

6. Attached as Exhibit D is the Standard Planning Report for the Thor 28 W0NC Fee #1H well. Attached as Exhibit E is the Standard Planning Report for the Thor 28 W0MD Fee #1H well. The wells' producing intervals will be orthodox.

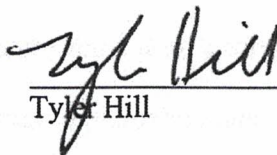
7. In my opinion, the granting of Mewbourne's application will serve the interests of conservation and the prevention of waste.

8. Based on the information contained in Exhibits A through E, I am able to conclude that:

- a) The HSU is justified from a geologic standpoint;
- b) There is no faulting or other geologic impediment that could adversely affect the drilling of the proposed wells; and
- c) Each quarter-quarter section in the HSU will contribute more or less equally to production.

9. Exhibits A through E were either prepared by me or compiled from company records.

10. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 9 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.


Tyler Hill

6/14/2021
Date

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

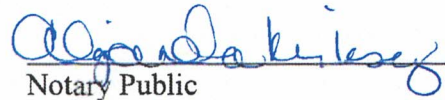
Tyler Hill, being duly sworn upon his oath, deposes and states that: He is a geologist for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge,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



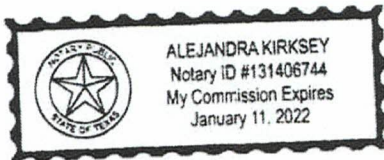
Tyler Hill

SUBSCRIBED AND SWORN TO before me this 19th day of June, 2021 by Tyler Hill.

My Commission Expires: January 11, 2022



Notary Public



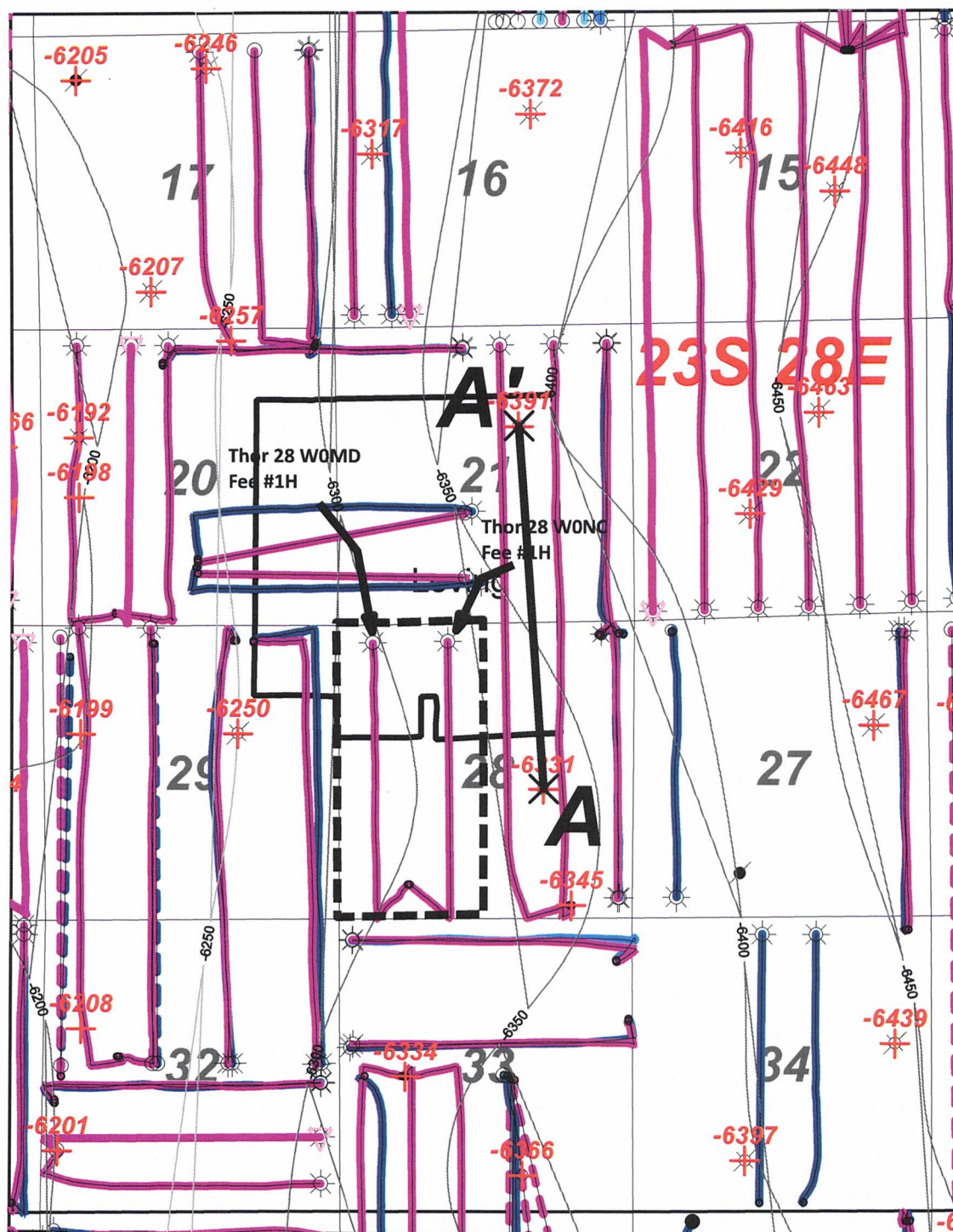
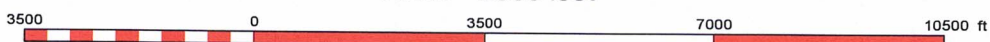


EXHIBIT A

- Horizontal Activity
- Wolfcamp Sand
 - Wolfcamp A Shale
 - Wolfcamp D Shale



1 inch = 2800 feet



Mewbourne Oil Company

*Thor 28 W0MD Fee #1H
Thor 28 W0NC Fee #1H
Structure top WFMP (C.I. 50')*

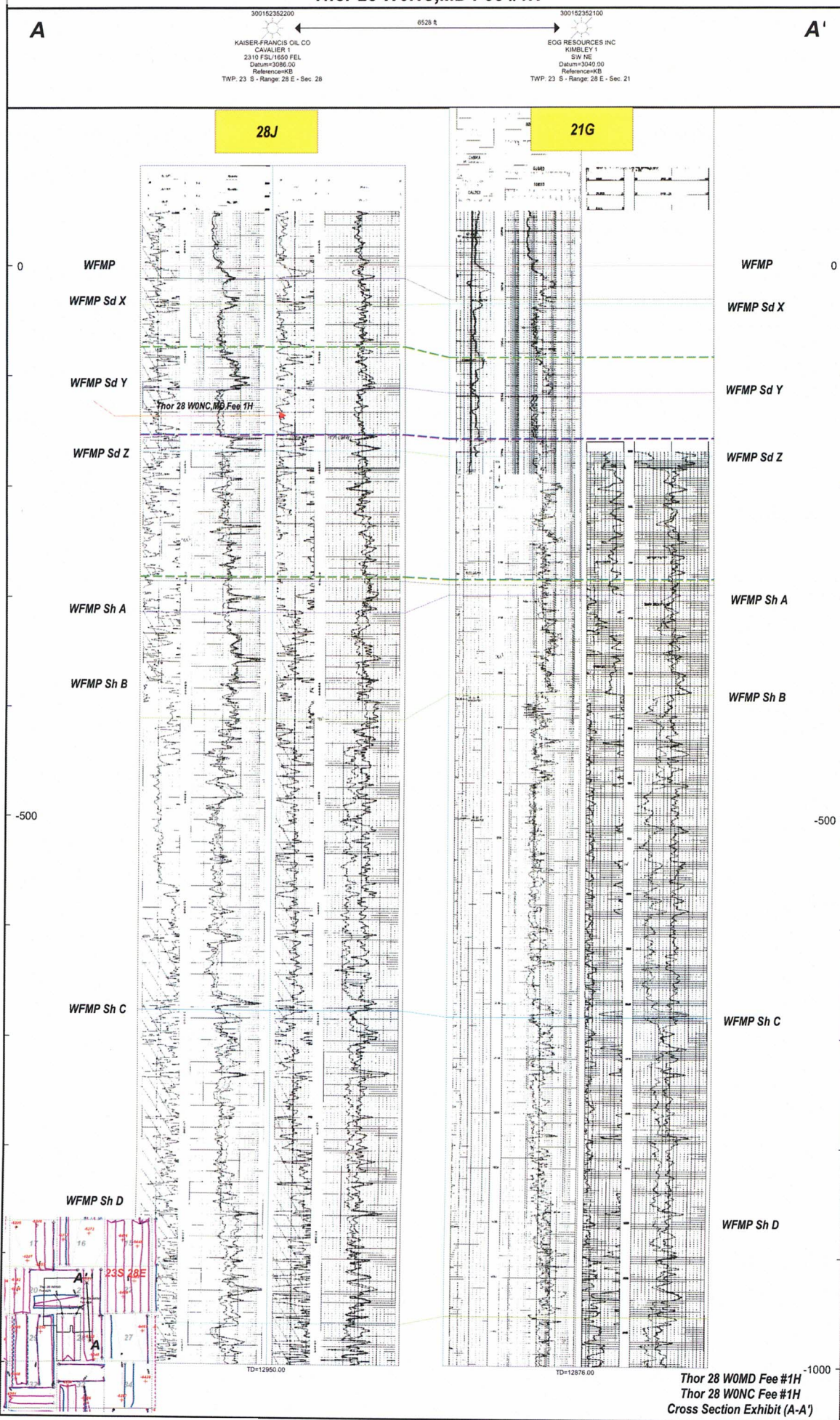
Author: T. Hill

County: Eddy

Date:

14 June, 2021

Scale: 1.0"=2800'



B

EXHIBIT

Thor Area Wolfcamp Production Table										
API	Lease Name	Well Num	Operator Name	Surface Location	Field Name	Oil Cum (Mbo)	Gas Cum (Bcf)	Wtr Cum	First Prod Date	WFMP Zone
300154381700	B BANKER 33 235 28E RB	226H	MATADOR	33H/235/28E	PURPLE SAGE	302	0.78	1243	2016-08-01	WFMP Y Sand
300154349500	LOVING TOWNSITE 21 WOPA FEE	2H	MEWBOURNE	28A/235/28E	PURPLE SAGE	386	0.96	1216	2017-06-01	WFMP Y Sand
300154402500	CHARLIE SWEENEY FEDERAL COM	208H	MATADOR	31P/235/28E	PURPLE SAGE	232	0.64	1107	2018-02-01	WFMP Y Sand
300154408800	EL TORO INVICTA 14	301H	CHEVRON	14M/235/28E	PURPLE SAGE	314	0.60	1159	2017-10-01	WFMP Y Sand
300154411500	SPEEDWAGON 27 WOPA FEE	2H	MEWBOURNE	34A/235/28E	PURPLE SAGE	496	0.95	1191	2018-02-01	WFMP Y Sand
300154413800	B BANKER 33 235 28E RB	201H	MATADOR	33A/235/28E	PURPLE SAGE	298	0.85	1159	2017-07-01	WFMP Y Sand
300154428500	NIGHT RANGER 28 WOAP FEE	2H	MEWBOURNE	28A/235/28E	PURPLE SAGE	278	0.62	824	2018-12-01	WFMP Y Sand
300154433900	OGDEN 20509 32 29 FEDERAL COM	5H	BTB	32F/235/28E	PURPLE SAGE	221	0.66	918	2019-07-01	WFMP Y Sand
300154434000	OGDEN 20509 32 29 FEDERAL COM	6H	BTB	32E/235/28E	PURPLE SAGE	226	0.74	930	2019-07-01	WFMP Y Sand
300154455900	WHITESNAKE 20 21 W08C FEE	2H	MEWBOURNE	20C/235/28E	PURPLE SAGE	272	0.69	1121	2018-07-01	WFMP Y Sand
300154456000	ZEPPPELIN 32 WOLI STATE COM	1H	MEWBOURNE	32L/235/28E	PURPLE SAGE	210	0.46	613	2018-07-01	WFMP Y Sand
300154456600	MARINER FEE 23 28 20 WA	14H	MARATHON	20N/235/28E	PURPLE SAGE	138	0.46	559	2019-05-01	WFMP Z Sand
300154456700	MARINER FEE 23 28 20 WXY	11H	MARATHON	20N/235/28E	PURPLE SAGE	83	0.26	458	2019-05-01	WFMP Y Sand
300154456800	MARINER FEE 23 28 20 WXY	18H	MARATHON	20N/235/28E	PURPLE SAGE	157	0.47	602	2019-05-01	WFMP Y Sand
300154460700	HERMES FEE 23 28 30 WA	10H	MARATHON	30P/235/28E	PURPLE SAGE	104	0.48	395	2018-10-01	WFMP Z Sand
300154475000	OGDEN 20509 29 32	2H	BTB	29B/235/28E	PURPLE SAGE	320	0.73	1307	2019-01-01	WFMP Y Sand
300154505200	OGDEN 20509 29 32 FEDERAL COM	3H	BTB	29B/235/28E	PURPLE SAGE	303	0.73	1365	2019-01-01	WFMP Y Sand
300154537700	ZEPPPELIN 32 WOMP STATE COM	2H	MEWBOURNE	32M/235/28E	PURPLE SAGE	115	0.51	563	2019-09-01	WFMP Y Sand
300154537800	ZEPPPELIN 32 WOLI STATE COM	3H	MEWBOURNE	32M/235/28E	PURPLE SAGE	139	0.51	695	2019-09-01	WFMP Z Sand

EXHIBIT

C



Project: Eddy County, NM (NAD83)
 Site: Sec 28-T235-R28E
 Well: Thor 28 WMD Fee #1H
 612 FSL, 1222 FWL Sec 28
 Wellbore: Wellbore #1
 Design: Plan #2

Map System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone Name: New Mexico Eastern Zone



Azimuths to Grid North
 True North: -4.13°
 Magnetic North: 6.91°
 Magnetic Field
 Strength: 47711.5nT
 Dip Angle: 60.00°
 Date: 8/29/2020
 Model: BQM2020

WELL DETAILS

3083 GL + 28 KB @ 3111.00usft (Pat 595)

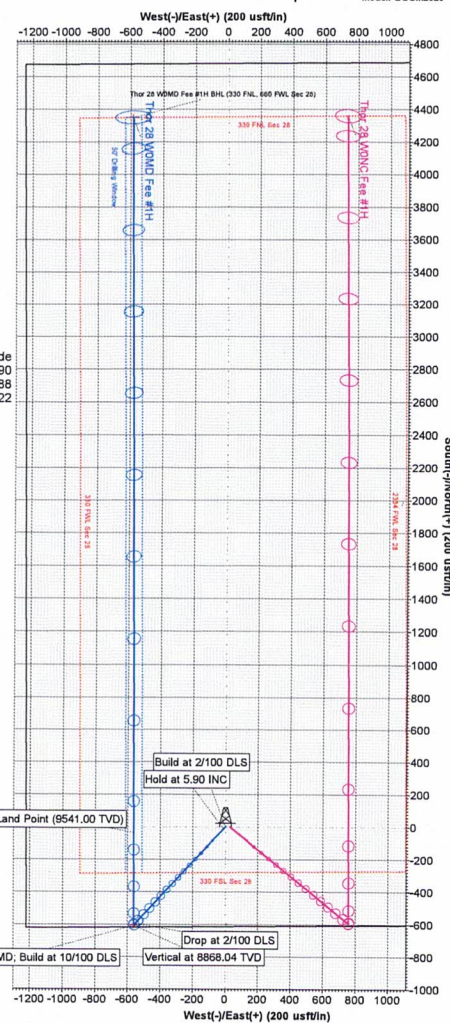
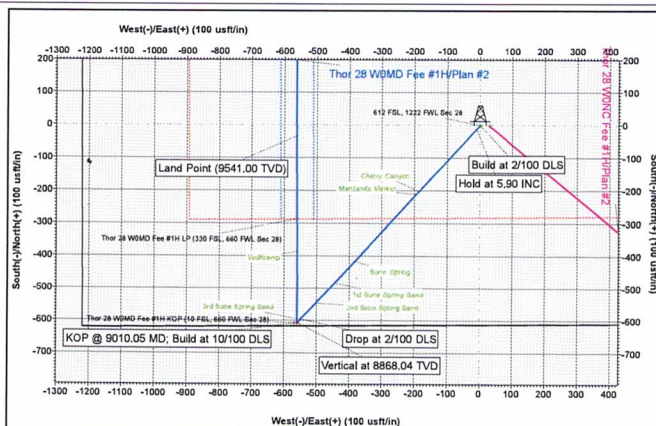
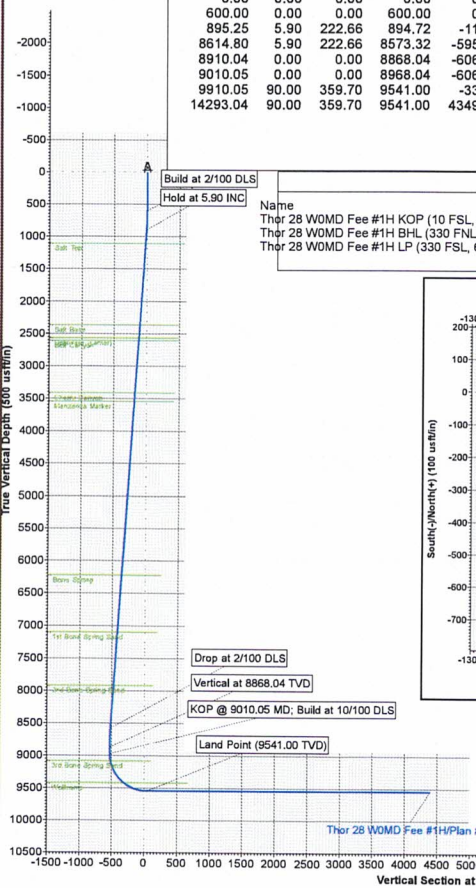
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	462206.400	614389.400	32.2704589	-104.0969768

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build at 2/100 DLS
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	Hold at 5.90 INC
895.25	5.90	222.66	894.72	-11.18	-10.30	2.00	222.66	-9.71	Drop at 2/100 DLS
8614.80	5.90	222.66	8573.32	-595.20	-548.47	0.00	0.00	-516.78	Vertical at 8868.04 TVD
8910.04	0.00	0.00	8868.04	-606.38	-558.77	2.00	180.00	-526.49	KOP @ 9010.05 MD; Build at 10/100 DLS
9010.05	0.00	0.00	8968.04	-606.38	-558.77	0.00	0.00	-526.49	Land Point (9541.00 TVD)
9910.05	90.00	359.70	9541.00	-33.43	-561.80	10.00	359.70	41.76	TD at 14293.04 MD
14293.04	90.00	359.70	9541.00	4349.50	-585.00	0.00	0.00	4388.66	

DESIGN TARGET DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
Thor 28 WMD Fee #1H KOP (10 FSL, 660 FWL Sec 28)	-606.38	-558.77	461600.020	613830.629	32.2687954	-104.0987890
Thor 28 WMD Fee #1H BHL (330 FSL, 660 FWL Sec 28)	4349.50	-585.00	466555.900	613804.400	32.2824186	-104.0988988
Thor 28 WMD Fee #1H LP (330 FSL, 660 FWL Sec 28)	-286.38	-560.48	461920.016	613828.923	32.2696751	-104.0987822



EXHIBIT

D



Project: Eddy County, NM (NAD83)
 Site: Sec 28-T23S-R28E
 Well: Thor 28 W0NC Fee #1H
 612 FSL, 1252 FWL Sec 28
 Wellbore: Wellbore #1
 Design: Plan #2

Map System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone Name: New Mexico Eastern Zone

North
 True North: -0.1°
 Magnetic North: 6.91°
 Magnetic Field
 Strength: 47711.5nT
 Dip Angle: 60.00°
 Date: 8/28/2020
 Model: BGM2020

WELL DETAILS

3083 GL + 28 KB @ 3111.00usft (Pat 595)

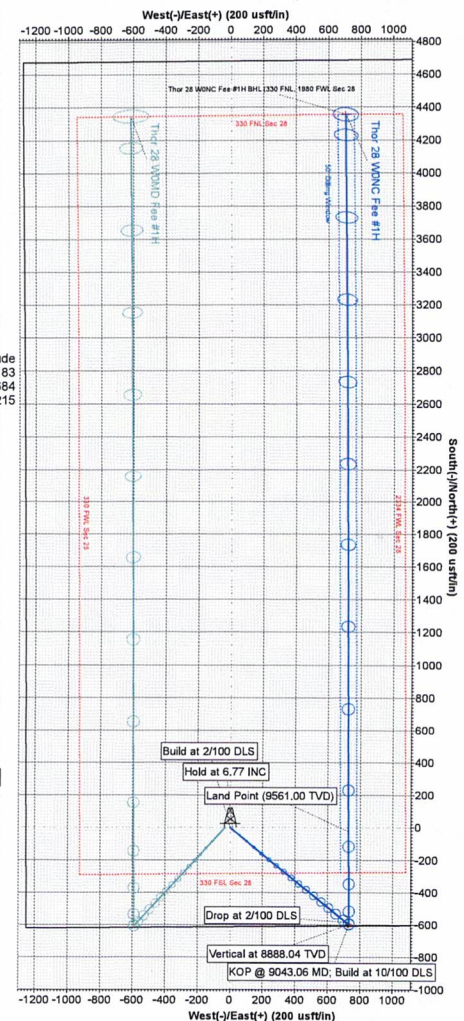
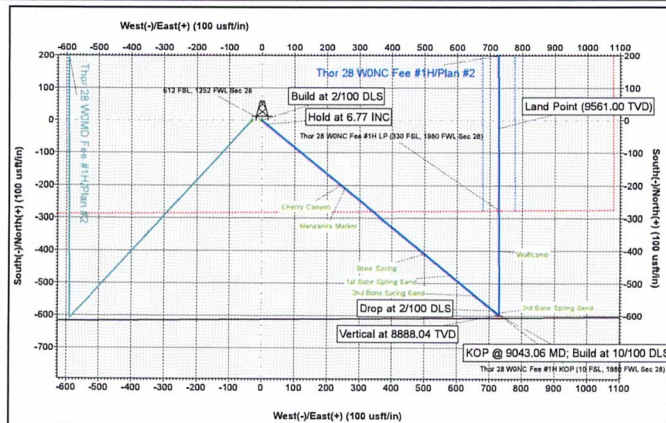
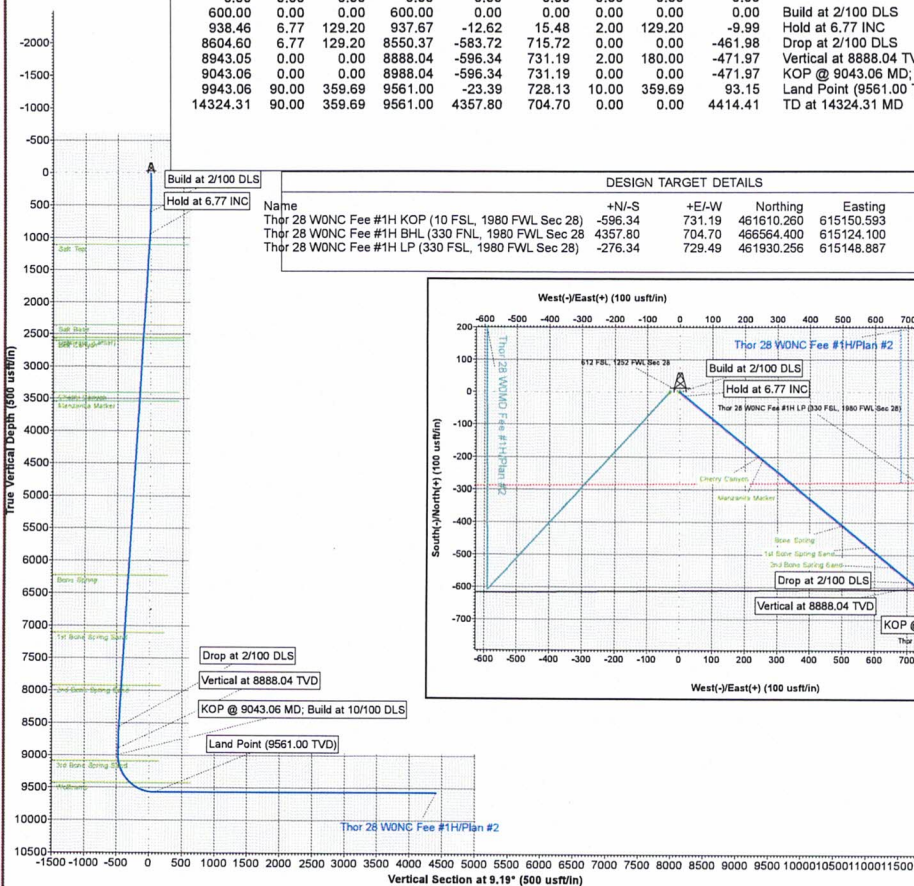
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
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SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Build at 2/100 DLS
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	Hold at 6.77 INC
938.46	6.77	129.20	937.67	-12.62	15.48	2.00	129.20	-9.99	Drop at 2/100 DLS
8604.60	6.77	129.20	8550.37	-583.72	715.72	0.00	0.00	-461.98	Vertical at 8888.04 TVD
8943.05	0.00	0.00	8888.04	-596.34	731.19	2.00	180.00	-471.97	KOP @ 9043.06 MD; Build at 10/100 DLS
9043.06	0.00	0.00	8888.04	-596.34	731.19	0.00	0.00	-471.97	Land Point (9561.00 TVD)
9943.06	90.00	359.69	9561.00	-23.39	728.13	10.00	359.69	93.15	TD at 14324.31 MD
14324.31	90.00	359.69	9561.00	4357.80	704.70	0.00	0.00	4414.41	

DESIGN TARGET DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
Thor 28 W0NC Fee #1H KOP (10 FSL, 1980 FWL Sec 28)	-596.34	731.19	461610.260	615150.593	32.2688156	-104.0945183
Thor 28 W0NC Fee #1H BHL (330 FSL, 1980 FWL Sec 28)	4357.80	704.70	466564.400	615124.100	32.2824340	-104.0945684
Thor 28 W0NC Fee #1H LP (330 FSL, 1980 FWL Sec 28)	-276.34	729.49	461930.256	615148.867	32.2696952	-104.0945215



HALLIBURTON | Berry Drilling