APPLICATIONS OF MEWBOURNE OIL COMPANY

FOR COMPULSORY POOLING, EDDY COUNTY,

**NEW MEXICO.** 

Case Nos. 22427-22428 and 22721-22722

APPLICATIONS OF COLGATE OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 22702-22705

# MEWBOURNE OIL COMPANY'S EXHIBIT LIST



- 1. Pre-hearing Statement
- 2. Applications and Proposed Notices
- 3. Landman's Affidavit
- 4. Geologist's Affidavit
- 5. Affidavit of Mailing
- 6. Publication Affidavits
- 7. Pooling Checklists

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

APPLICATIONS OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.
Case Nos. 22427-22428 and 22721-22722

APPLICATIONS OF COLGATE OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 22702-22705

# PRE-HEARING STATEMENT AND ENTRY OF APPEARANCE

James Bruce hereby enters his appearance in Case Nos. 22702-22705 on behalf of Mewbourne Oil Company ("Mewbourne")..

This pre-hearing statement is submitted by Mewbourne as required by the Oil Conservation Division.

#### **APPEARANCES**

**APPLICANT** 

Mewbourne Oil Company

Suite 1020

500 West Texas

Midland, Texas 79701

Attention: Josh Anderson

(432) 682-3715

**OPPONENT** 

Colgate Operating, LLC

OTHER PARTIES

MRC Delaware Resources, LLC ConocoPhillips Company Cimarex Energy Co.

EOG Resources, Inc.

APPLICANT'S ATTORNEY

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

OPPONENT'S ATTORNEY

Modrall Sperling

OTHER PARTIES' ATTORNEYS

Holland & Hart LLP

Ocean Munds-Dry

Darin Savage

James Parrot

EXHIBIT

#### STATEMENT OF THE CASE

#### **APPLICANT**

Case No. 22427: Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 25 and the N/2N/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2AD Fed. Com. Well No. 1H, with a first take point in the NE/4NE/4 of Section 25 and a last take point in the NW/4NW/4 of Section 26.

<u>Case No. 22428</u>: Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 25 and the S/2N/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2HE Fed. Com. Well No. 1H, with a first take point in the SE/4NE/4 of Section 25 and a last take point in the SW/4NW/4 of Section 26.

<u>Case No. 22721</u>: Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 25 and the N/2S/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2IL Fed. Com. Well No. 1H, with a first take point in the NE/4SE/4 of Section 25 and a last take point in the NW/4SW/4 of Section 26.

Case No. 22722: Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 25 and the S/2S/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2PM Fed. Com. Well No. 1H, with a first take point in the SE/4SE/4 of Section 25 and a last take point in the SW/4SW/4 of Section 26.

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 well, and a 200% charge for the risk involved in drilling, completing, and equipping the wells.

Mewbourne asserts that its applications should be granted because:

- (a) Mewbourne has been working on this prospect for well over a year, predating Colgate owning any interest in the lands.
- (b) Mewbourne has roughly 70% of the working interest in the unit signed up on its JOA. Colgate owns roughly 25%.
- (c) Mewbourne's APDs were staked last year, predating Colgate owning any interest in the lands.
- (d) The APDs are expected to be approved soon. Mewbourne is ready, willing and able to drill the wells.

(e) Mewbourne has an approved BLM Development Area. Colgate cannot get approved APDs without an approved Development Area.

# **OPPONENT**

Colgate Operating, LLC has filed mirror applications ti those of Mewbourne in Case Nos. 22702-22705.

#### PROPOSED EVIDENCE

## **APPLICANT**

WITNESSES	EST. TIME	<u>EXHIBIT</u>
Josh Anderson (landman)	20 min.	Approx. 10
Charlie Crosby	15 min.	Approx. 5

# **OPPONENT**

<u>WITNESSES</u>	EST. TIME	<u>EXHIBIT</u>

## PROCEDURAL MATTERS

These cases should be consolidated for hearing.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

# CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this \_\_\_\_\_ day of September, 2022 by e-mail:

Michael Feldewert - mfeldewert@hollandhart.com

Adam Rankin - agrankin@hollandhart.com

Julia Broggi - jbroggi@hollandhart.com

James Parrot - *jparrot@bwenergylaw.com* 

Ocean Munds-Dry - ocean@conocophillips.com

Elizabeth Ryan - beth@conocophillips.com

Joby Rittenhouse - joby.rittenhouse@conocophillips.com

Earl DeBrine - edebrine@modrall.com

Deana Bennett - dmb@modrall.com

Darin Savage - Darin@abadieschill.com

James Bruce

# BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 22421

# APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 25 and the N/2N/2 of Section 26, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the N/2N/2 of Section 25 and the N/2N/2 of Section 26, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Corona 25/26 B2AD Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, with a first take point in the NE/4NE/4 of Section 25 and a last take point in the NW/4NW/4 of Section 26.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N/2N/2 of Section 25 and the N/2N/2 of Section 26 for the purposes set forth herein.
- 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 uncommitted mineral interest owners in the Bone Spring formation underlying the N/2N/2 of Section 25 and the N/2N/2 of Section 26, pursuant to NMSA 1978 §70-2-17.

ехнівіт 2

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the N/2N/2 of Section 25 and the N/2N/2 of Section 26 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 uncommitted mineral interest owners in the Bone Spring formation underlying the N/2N/2 of Section 25 and the N/2N/2 of Section 26;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's 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 well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

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 uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 25 and the N/2N/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2AD Fed. Com. Well No. 1H, with a first take point in the NE/4NE/4 of Section 25 and a last take point in the NW/4NW/4 of Section 26. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 8 miles southeast of Loco Hills, New Mexico.

# BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 22 (28)

## **APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 25 and the S/2N/2 of Section 26, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the S/2N/2 of Section 25 and the S/2N/2 of Section 26, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Corona 25/26 B2HE Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, with a first take point in the SE/4NE/4 of Section 25 and a last take point in the SW/4NW/4 of Section 26.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S/2N/2 of Section 25 and the S/2N/2 of Section 26 for the purposes set forth herein.
- 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 uncommitted mineral interest owners in the Bone Spring formation underlying the S/2N/2 of Section 25 and the S/2N/2 of Section 26, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the S/2N/2 of Section 25 and the S/2N/2 of Section 26 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 uncommitted mineral interest owners in the Bone Spring formation underlying the S/2N/2 of Section 25 and the S/2N/2 of Section 26;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's 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 well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

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 uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 25 and the S/2N/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2HE Fed. Com. Well No. 1H, with a first take point in the SE/4NE/4 of Section 25 and a last take point in the SW/4NW/4 of Section 26. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 8 miles southeast of Loco Hills, New Mexico.

#### **BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

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

Case No. 22721

# **APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 25 and the N/2S/2 of Section 26, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the N/2S/2 of Section 25 and the N/2S/2 of Section 26, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Corona 25/26 B2IL Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, with a first take point in the NE/4SE/4 of Section 25 and a last take point in the NW/4SW/4 of Section 26.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N/2S/2 of Section 25 and the N/2S/2 of Section 26 for the purposes set forth herein.
- 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 uncommitted mineral interest owners in the Bone Spring formation underlying the N/2S/2 of Section 25 and the N/2S/2 of Section 26 pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the N/2S/2 of Section 25 and the N/2S/2 of Section 26 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 uncommitted mineral interest owners in the Bone Spring formation underlying the N/2S/2 of Section 25 and the N/2S/2 of Section 26;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's 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 well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

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 uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 25 and the N/2S/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2IL Fed. Com. Well No. 1H, with a first take point in the NE/4SE/4 of Section 25 and a last take point in the NW/4SW/4 of Section 26. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 8-1/2 miles southeast of Loco Hills, New Mexico.

# BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 22722

# **APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 25 and the S/2S/2 of Section 26, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the S/2S/2 of Section 25 and the S/2S/2 of Section 26, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Corona 25/26 B2PM Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, with a first take point in the SE/4SE/4 of Section 25 and a last take point in the SW/4SW/4 of Section 26.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S/2S/2 of Section 25 and the S/2S/2 of Section 26 for the purposes set forth herein.
- 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 uncommitted mineral interest owners in the Bone Spring formation underlying the S/2S/2 of Section 25 and the S/2S/2 of Section 26 pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the S/2S/2 of Section 25 and the S/2S/2 of Section 26 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 uncommitted mineral interest owners in the Bone Spring formation underlying the S/2S/2 of Section 25 and the S/2S/2 of Section 26;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's 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 well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

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Santa Fe, New Mexico 87504

(505) 982-2043

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 uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 25 and the S/2S/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2PM Fed. Com. Well No. 1H, with a first take point in the SE/4SE/4 of Section 25 and a last take point in the SW/4SW/4 of Section 26. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 8-1/2 miles southeast of Loco Hills, New Mexico.

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

APPLICATIONS OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.
Case Nos. 22427-22428 & 22721-22722

# SELF-AFFIRMED STATEMENT OF JOSH ANDERSON

Josh Anderson 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. The purpose of these applications is to pool uncommitted working interest owners into the horizontal spacing units described below, and in wells to be drilled in the units:

Case No. 22427: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 25 and the N/2N/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2AD Fed. Com. Well No. 1H, with a first take point in the NE/4NE/4 of Section 25 and a last take point in the NW/4NW/4 of Section 26.

Case No. 22428: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 25 and the S/2N/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2HE Fed. Com. Well No. 1H, with a first take point in the SE/4NE/4 of Section 25 and a last take point in the SW/4NW/4 of Section 26.

Case No. 22721: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 25 and the N/2S/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2IL Fed. Com. Well No. 1H, with a first take point in the NE/4SE/4 of Section 25 and a last take point in the NW/4SW/4 of Section 26.

Case No. 22722: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 25 and the S/2S/2 of Section 26, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Corona 25/26 B2PM Fed. Com.



Well No. 1H, with a first take point in the SE/4SE/4 of Section 25 and a last take point in the SW/4SW/4 of Section 26.

Colgate Operating, LLC ("Colgate") has filed mirror applications in Case Nos. 22702-22705.

- 3. A plat outlining the units being pooled is submitted as Attachment A. The attachment also includes C-102s for the wells.
  - 4. There is no depth severance in the Bone Spring formation.
- 5. The parties being pooled and their interests are set forth in Attachment B. Mewbourne seeks to pool the following working interest owners:

Colgate Operating, LLC

Magnum Hunter Resources, Inc.

MRC Delaware Resources, LLC

Mike Miller

Mewbourne has come to terms with all other interest owners in the proposed wells.

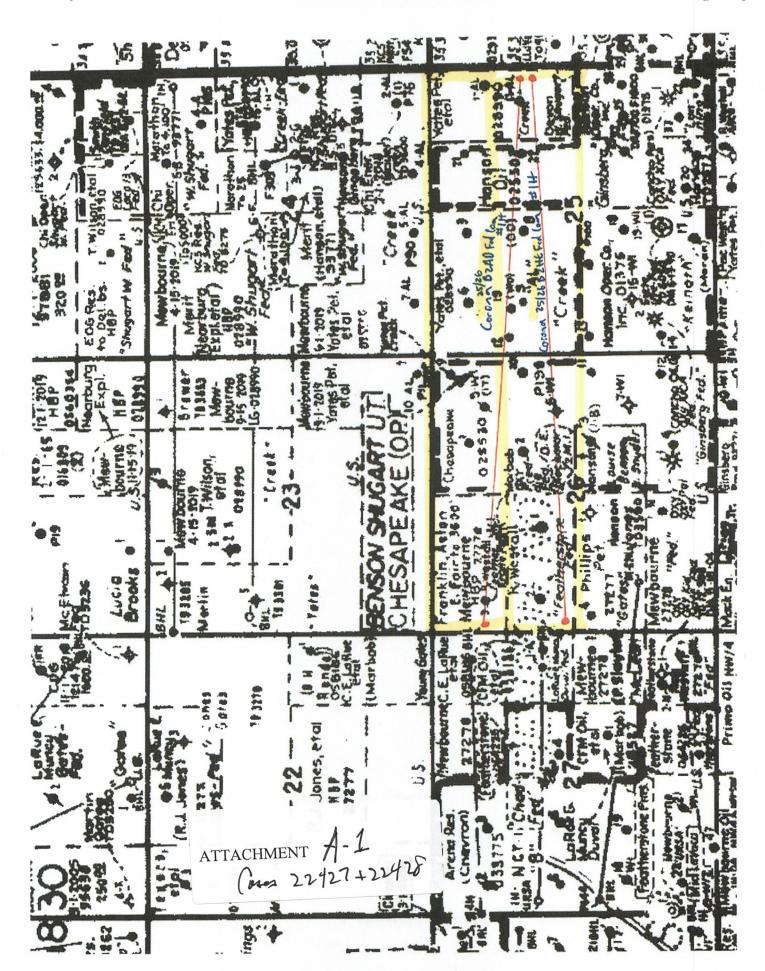
- 6. Exhibit C contains a copy of a sample proposal letter sent to the parties being pooled. Their current or last known addresses are set forth on the hearing notice letters mailed by Mewbourne's attorney.
- 7. Attachment D is a chronology of Mewbourne's efforts to start this prospect and get the agreements of the interest owners. I believe Mewbourne's applications should be granted, and those of Colgate be denied, for the following primary reasons:
  - (a) Mewbourne has been working on this prospect for well over a year, predating Colgate owning any interest in the lands.
  - (b) Mewbourne has roughly 70% of the Working Interest in the unit signed up on its JOA, outside of Colgate who owns roughly 25%. To my knowledge Colgate doesn't have anyone signed up to a JOA
  - (c) The APDs were staked last year, predating Colgate owning any interest in the lands.
  - (d) The APDs are expected to be approved soon. Mewbourne is ready, willing and able to drill the wells.
  - (e) Mewbourne has an approved BLM Development Area. Colgate cannot get approved APDs without an approved Development Area.

- 8. Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed wells.
- 9. Attachment E contains the Authorizations for Expenditure for the proposed wells. The estimated costs of the wells set forth therein are fair and reasonable, and comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- 10. 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 units. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 11. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
  - 12. Mewbourne requests that it be designated operator of the wells.
- 13. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- 14. The granting of these applications is in the interests of conservation and the prevention of waste.

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 14 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: //8/27

Josh Anderson



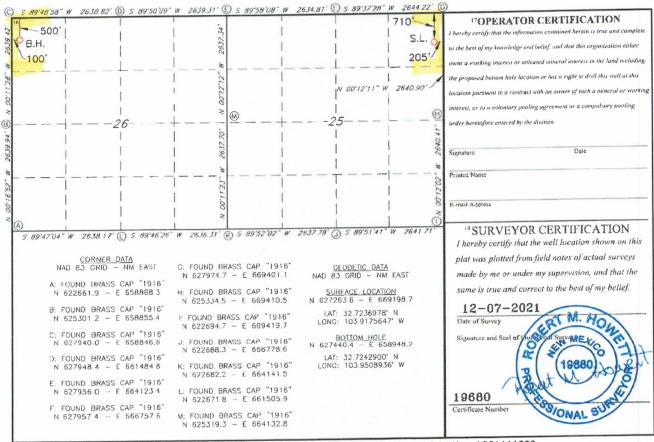
District I 625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. Firat St., Actesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rto Brazos Road, Aztee, NM 87410 Phone: (505) 334-6178 Fax: (595) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fc, 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

	LL LOCATION AND ACREAGE DEDICATION PLAT  2 Pool Code  3 Pool Name						APt Number		
Well Number		CORONA 25/26 B2AD FED COM					<sup>4</sup> Property Code		
3609'	MEWBOURNE OIL COMPANY					NO.	7OGRID		
			Location	" Surface I					
County	East/West line	Feet From the	North/South line	Feet from the	Lot Idn	Range	Township	Section	UL or lot no.
EDDY	EAST	205	NORTH	710		30E	18S	25	A
,		m Surface	If Different Fro	ole Location	Bottom H	11 F			
County	East/West line	Feet from the	North/South line	Feet from the	Loi Idn	Range	Township	Section	II. or lot no.
EDDY	WEST	100	NORTH	500		30E	188	26	D

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.



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Phx: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rlo Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 97305
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

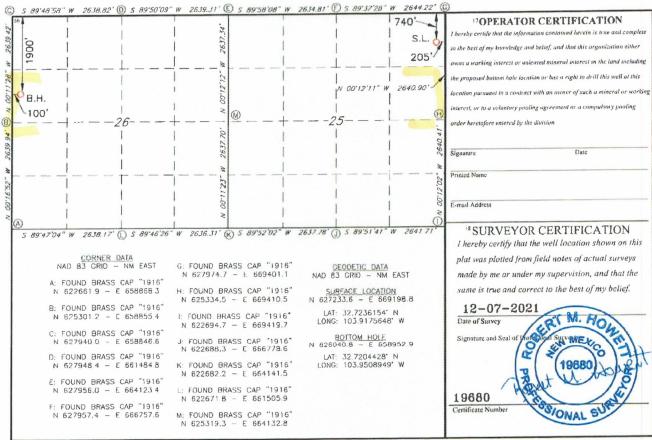
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

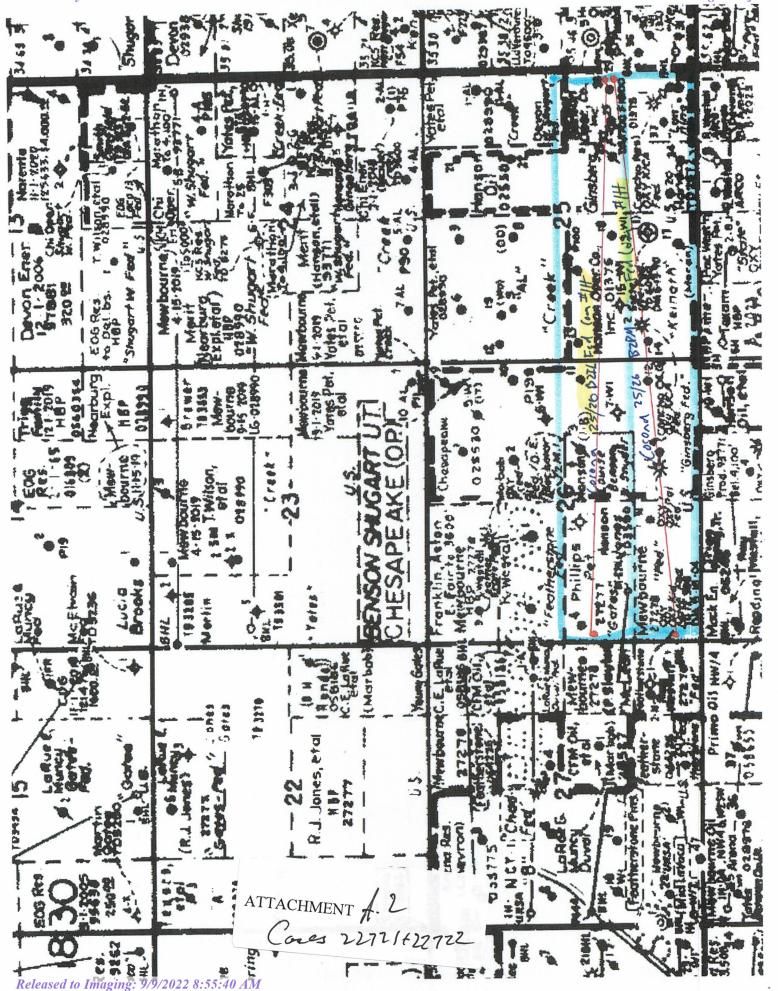
☐ AMENDED REPORT

	WELL LOCATION AND ACREAGE DEDICAT	ION PLAT
API Number	2 Pool Code	3 Pool Name
4Property Code	CORONA 25/26 B2HE FED COM	6 Well Number
OGRID NO.	**Operator Name  MEWBOURNE OIL COMPANY	<sup>9</sup> Elevation <b>3607'</b>

North/South lie NORTH on If Different	205	East/West line EAST	EDDY
		EAST	EDDY
on If Different	T C		
O11 E1	t From Surface		
e North/South lie	ine   Feet from the	East/West line	County
NORTH	100	WEST	EDDY

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.





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 Fc, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

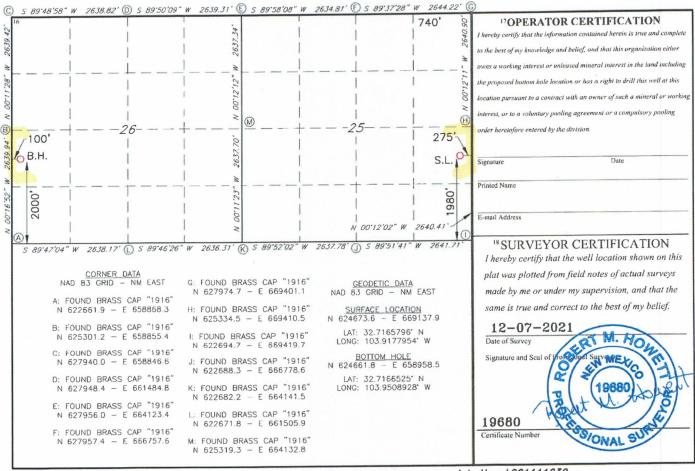
# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

		1	WELL LO	OCATIO	N AND ACR	EAGE DEDIC			
1	API Number	<sup>2</sup> Pool Code <sup>3</sup> Pool Name							
<sup>4</sup> Property Co	CORONA 25/26 B2IL FED COM						6 Well Number  1 H		
7OGRID	NO.	8 Operator Name						9 Elevation 3566'	
	-				10 Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West lin	
I	25	18S	18S 30E 1980 SOUTH 275 EAS				EAST	EDDY	
			11 ]	Bottom F	Hole Location	If Different Fro	om Surface		
UL or lot no.	Section	Township	_	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	ne County
L	26	18S	30E		2000	SOUTH	100	WEST	EDDY
12 Dedicated Acre	s 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.



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

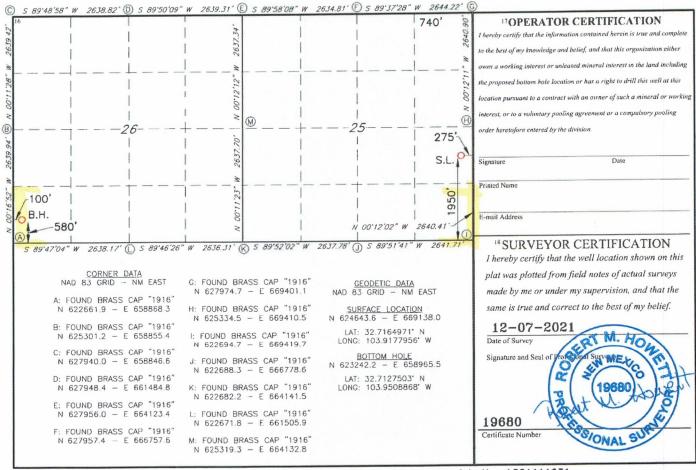
# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

AMENDED REPORT

I API Number				<sup>2</sup> Pool Code		3 Pool Name				
4Property Code  CORONA 25/26 B2PM FED COM							6 Well Number 1 H			
7OGRID	NO.	MEWBOURNE OIL COMPANY							<sup>9</sup> Elevation <b>3565</b>	
					10 Surface 1	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County	
I	25	18S	30E		1950	SOUTH	275	EAST	EDDY	
			11 ]	Bottom F	lole Location	If Different Fro	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
M	26	18S	30E		580	SOUTH	100	WEST	EDDY	

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.



# Section Plat Corona 25/26 B2AD Fed Com #1H N/2N/2 of Section 25 & N/2N/2 of Section 26

T18S-R30E, Eddy County, NM

S	ection 26	Section 25
Tract 1	Tract 2	Tract 3

Tract 1: N/2NW/4 of Section 26 - Federal Lease NMNM 027278

Mewbourne Oil Company
Colgate Operating, LLC
COG Operating, LLC
Concho Oil & Gas, LLC
Cannon Exploration Company
TXLA Oil and Gas, LLC
KLM Petroleum Corporation
DRM Properties, Inc.
Jim Woodard
Mike Miller
Magnum Hunter Resources, Inc.
Alpha Energy Partners, LLC

Tract 2: N/2NE/4 of Section 26 - Federal Lease NMNM 025503

Mewbourne Oil Company
Colgate Operating, LLC
COG Operating, LLC
Concho Oil & Gas, LLC
Cannon Exploration Company
Hollyhock Corporation, G.P.
TXLA Oil and Gas, LLC
KLM Petroleum Corporation
DRM Properties, Inc.
Jim Woodard
Mike Miller
Alpha Energy Partners, LLC

ATTACHMENT B-/

# Tract 3: N/2N/2 of Section 25 - Federal Lease NMNM 025503 & Federal Lease NMLC-028990-B

Mewbourne Oil Company
Colgate Operating, LLC
Cannon Exploration Company
EOG Resources, Inc.
Santo Legado, LLC
Vladin, LLC
Sharbro Energy, LLC
Jalapeno Corp.
MRC Delaware Resources, LLC
Alpha Energy Partners, LLC

# RECAPITUALTION FOR CORONA 25/26 B2AD FED COM #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	80	25.000000%
2	80	25.000000%
2	160	50.000000%
TOTAL	320	100.000000%

Section	T18S-R30E, Eddy Count	Section 25
Tract 1	Tract 2	Tract 3

# TRACT OWNERSHIP N/2N/2 of Section 25 & N/2N/2 of Section 26

#### Bone Spring Formation:

Owner		% of Leasehold Interest
Mewbourne O	il Company, et al.	68.587355%
*Colgate Oper		24.131225%
300 N. Ma	rienfeld St., Suite 1000	
Midland,		5 2517279/
*MRC Delawa	ire Resources, LLC	5.351727%
5400 LBJ	Freeway, Suite 1500	
Dallas, TX	75240	
*Mike Miller		0.054693%
4221 Bayb	prook Pl.	
Midland,	TX 79707	
*Magnum Hu	nter Resources, Inc.	1.875000%
	arienfeld, St #600	
Midland,		
, , , , , , , , , , , , , , , , , , , ,		

TOTAL 100.000000%

Total Interest Being Pooled: 31.412645%

## OWNERSHIP BY TRACT

N/2NW/4 of Section 26	
Owner	% of Leasehold Interest
Mewbourne Oil Company, et al	62.328130%
Colgate Operating, LLC	30.062500%
Mike Miller	0.109370%
Magnum Hunter Resources, Inc.	7.500000%

TOTAL 100.000000%

N/2NE/4 of Section 26

Owner% of Leasehold InterestMewbourne Oil Company, et al59.428200%Colgate Operating, LLC40.462400%Mike Miller0.109400%

TOTAL 100.000000%

N/2N/2 of Section 25

Owner% of Leasehold InterestMewbourne Oil Company, et al76.296547%Colgate Operating, LLC13.000000%MRC Delaware Resources, LLC10.703453%

TOTAL 100.000000%

#### Section Plat

Corona 25/26 B2HE Fed Com #1H S/2N/2 of Section 25 & S/2N/2 of Section 26

#### T18S-R30E, Eddy County, NM

Section 26		Section 25	
Tract 1	Tract 2	Tract 3	

#### Tract 1: S/2NW/4 of Section 26 - Federal Lease NMNM 027278

Mewbourne Oil Company Colgate Operating, LLC COG Operating, LLC Concho Oil & Gas, LLC

Cannon Exploration Company Hollyhock Corporation, G. P.

TXLA Oil and Gas, LLC

KLM Petroleum Corporation

DRM Properties, Inc.

Jim Woodard

Mike Miller

Magnum Hunter Resources, Inc.

Alpha Energy Partners, LLC

#### Tract 2: S/2NE/4 of Section 26 - Federal Lease NMNM 025503

Mewbourne Oil Company

Colgate Operating, LLC COG Operating, LLC

Concho Oil & Gas, LLC

Cannon Exploration Company

Hollyhock Corporation, G.P.

TXLA Oil and Gas, LLC

KLM Petroleum Corporation

DRM Properties, Inc.

Jim Woodard

Mike Miller

Alpha Energy Partners, LLC

## Tract 3: S/2N/2 of Section 25 - Federal Lease NMNM 025503 & Federal Lease NMLC-028990-B

Mewbourne Oil Company

Colgate Operating, LLC

Cannon Exploration Company

EOG Resources, Inc.

Santo Legado, LLC

Vladin, LLC

Sharbro Energy, LLC Jalapeno Corp.

MRC Delaware Resources, LLC

Alpha Energy Partners, LLC

ATTACHMENT B-2

# RECAPITUALTION FOR CORONA 25/26 B2HE FED COM #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	80	25,000000%
2	80	25.000000%
3	160	50.000000%
TOTAL	320	100.000000%

Section	T18S-R30E, Eddy County	Section 25	
Section	12 20		
Tract 1	Tract 2	Tract 3	

#### TRACT OWNERSHIP S/2N/2 of Section 25 & S/2N/2 of Section 26

#### **Bone Spring Formation:**

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	68.587355%
*Colgate Operating, LLC	24.131225%
300 N. Marienfeld St., Suite 1000	
Midland, TX 79701	
*MRC Delaware Resources, LLC	5.351727%
5400 LBJ Freeway, Suite 1500	
Dallas, TX 75240	
*Mike Miller	0.054693%
4221 Baybrook Pl.	
Midland, TX 79707	
*Magnum Hunter Resources, Inc.	1.875000%
600 N. Marienfeld, St #600	
Midland, TX 79701	

100.0000000% TOTAL

31.412645% Total Interest Being Pooled:

#### OWNERSHIP BY TRACT

5/2N	W/4	01	Section	n	20
					*****

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al	62.328130%
Colgate Operating, LLC	30.062500%
Mike Miller	0.109370%
Magnum Hunter Resources, Inc.	7.500000%

100.000000% TOTAL

## S/2NE/4 of Section 26

Owner	% of Leasehold Interes
Mewbourne Oil Company, et al	59.428200%
Colgate Operating, LLC	40.462400%
Mike Miller	0.109400%

TOTAL 100.000000%

#### S/2N/2 of Section 25

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al	76.296547%
Colgate Operating, LLC	13.000000%
MRC Delaware Resources, LLC	10.703453%
TOTAL	100.000000%

Released to Imaging: 9/9/2022 8:55:40 AM

#### Section Plat

Corona 25/26 B2IL Fed Com #1H N/2S/2 of Section 25 & N/2S/2 of Section 26

T18S-R30E, Eddy County, NM

Section 26		Section 25	
Tract l	Tract 2	Tract 3	

#### Tract 1: N/2SW/4 of Section 26 - Federal Lease NMNM 027277

Mewbourne Oil Company Colgate Operating, LLC

COG Operating, LLC

Concho Oil & Gas, LLC

Cannon Exploration Company

Hollyhock Corporation, G. P.

TXLA Oil and Gas, LLC

KLM Petroleum Corporation

DRM Properties, Inc.

Jim Woodard

Mike Miller

Magnum Hunter Resources, Inc.

Alpha Energy Partners, LLC

#### Tract 2: N/2SE/4 of Section 26 - Federal Lease NMNM 025503 & Fee Lease

Mewbourne Oil Company

Colgate Operating, LLC

COG Operating, LLC

Concho Oil & Gas, LLC

Cannon Exploration Company

Hollyhock Corporation, G.P.

TXLA Oil and Gas, LLC

KLM Petroleum Corporation

DRM Properties, Inc.

Jim Woodard

Mike Miller

Alpha Energy Partners, LLC

#### Tract 3: N/2S/2 of Section 25 - Federal Lease NMNM 025503, Federal Lease NMNM 01375, & Federal Lease NMNM 01375-A

Chevron USA, Inc.

Mewbourne Oil Company

Colgate Operating, LLC

Colgate Operating, LLC

COG Operating, LLC

Cannon Exploration Company

Alpha Energy Partners, LLC

ATTACHMENT B-3

# RECAPITUALTION FOR CORONA 25/26 B2IL FED COM #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	80	25,000000%
2	80	25.000000%
3	160	50,000000%
TOTAL	320	100,000000%

T18S-R30E, Eddy County, NM			
Section 26		Section 25	
Tract I	Tract 2	Tract 3	
rract i	Hact 2	That 5	

# TRACT OWNERSHIP N/2S/2 of Section 25 & N/2S/2 of Section 26

# Bone Spring Formation:

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	65.987355%
*Colgate Operating, LLC	26.731225%
300 N. Marienfeld St., Suite	1000
Midland, TX 79701	
*MRC Delaware Resources, LLC	5.351727%
5400 LBJ Freeway, Suite 150	0
Dallas, TX 75240	
*Mike Miller	0.054693%
4221 Baybrook Pl.	
Midland, TX 79707	
*Magnum Hunter Resources, Inc	1.875000%
600 N. Marienfeld, St #600	
Midland, TX 79701	

TOTAL 100.000000%

Total Interest Being Pooled: 34.012645%

#### OWNERSHIP BY TRACT

N/2SW/4 of Section 26	
Owner	% of Leasehold Interes
Mewbourne Oil Company, et al	62.328130%
Colgate Operating, LLC	30.062500%
Mike Miller	0.109370%
Magnum Hunter Resources, Inc.	7.500000%

TOTAL 100.000000%

 N/2SE/4 of Section 26
 % of Leasehold Interest

 Owner
 % of Leasehold Interest

 Mewbourne Oil Company, et al
 59.428200%

 Colgate Operating, LLC
 40.462400%

 Mike Miller
 0.109400%

TOTAL 100.000000%

 N/2S/2 of Section 25
 % of Leasehold Interest

 Owner
 % of Leasehold Interest

 Mewbourne Oil Company, et al
 81.800000%

 Colgate Operating, LLC
 18.200000%

TOTAL 100.000000%

# Section Plat Corona 25/26 B2PM Fed Com #1H S/2S/2 of Section 25 & S/2S/2 of Section 26

T18S-R30E, Eddy County, NM

Section 26		Section 25	
Total	Tract 2	Tract 3	
Tract I	Hact 2		

Tract 1: S/2SW/4 of Section 26 - Federal Lease NMNM 027278

Mewbourne Oil Company
Colgate Operating, LLC
COG Operating, LLC
Concho Oil & Gas, LLC
Cannon Exploration Company
TXLA Oil and Gas, LLC
KLM Petroleum Corporation
DRM Properties, Inc.
Jim Woodard
Mike Miller
Magnum Hunter Resources, Inc.
Alpha Energy Partners, LLC

Tract 2: S/2SE/4 of Section 26 - Federal Lease NMNM 025503

Mewbourne Oil Company
Colgate Operating, LLC
COG Operating, LLC
Concho Oil & Gas, LLC
Cannon Exploration Company
Hollyhock Corporation, G.P.
TXLA Oil and Gas, LLC
KLM Petroleum Corporation
DRM Properties, Inc.
Jim Woodard
Mike Miller
Alpha Energy Partners, LLC

Tract 3: S/2S/2 of Section 25 - Federal Lease NMNM 025503, Federal Lease NMNM 01375, & Federal Lease NMNM 01375-A

Chevron USA, Inc.
Mewbourne Oil Company
Colgate Operating, LLC
Colgate Operating, LLC
COG Operating, LLC
Cannon Exploration Company
Alpha Energy Partners, LLC

ATTACHMENT B-4

# RECAPITUALTION FOR CORONA 25/26 B2PM FED COM #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	80	25.000000%
2	80	25.000000%
3	160	50.000000%
TOTAL	320	100.000000%

T18S-R30E, Eddy County, NM				
Se	ection 26	Section 25		
	T			
, , , , , , , , , , , , , , , , , , , ,				
Tract 1	Tract 2	Tract 3		

# TRACT OWNERSHIP S/2S/2 of Section 25 & S/2S/2 of Section 26

#### Bone Spring Formation:

% of Leasehold Interest Owner 64.424855% Mewbourne Oil Company, et al. \*Colgate Operating, LLC 28.293725% 300 N. Marienfeld St., Suite 1000 Midland, TX 79701 5.351727% \*MRC Delaware Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 0.054693% \*Mike Miller 4221 Baybrook Pl. Midland, TX 79707 1.875000% \*Magnum Hunter Resources, Inc.

600 N. Marienfeld, St #600 Midland, TX 79701

Total Interest Being Pooled:

TOTAL

100.000000%

35.575145%

#### OWNERSHIP BY TRACT

S/2SW/4 of Section 26

 Owner
 % of Leasehold Interest

 Mewbourne Oil Company, et al
 62.328130%

 Colgate Operating, LLC
 30.062500%

 Mike Miller
 0.109370%

 Magnum Hunter Resources, Inc.
 7.500000%

TOTAL 100.000000%

S/2SE/4 of Section 26

Owner% of Leasehold InterestMewbourne Oil Company, et al59.428200%Colgate Operating, LLC40.462400%Mike Miller0.109400%

TOTAL 100,0000000%

S/2S/2 of Section 25

Owner% of Leasehold InterestMewbourne Oil Company, et al78.675000%Colgate Operating, LLC21.325000%

TOTAL 100.000000%

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

May 5, 2021

Via Certified Mail

MRC Delaware Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240 Attn: Nick Weeks

Re:

Corona "25/26" B2AD Fed Com No. 1H 810' FNL & 205' FEL (SL) (Sec. 25) 500' FNL & 100' FWL (BHL) (Sec. 26) Section 25/26, T18S, R30E Eddy County, New Mexico

(Cone 22427)

To Whom It May Concern:

Mewbourne Oil Company ("Mewbourne") as Operator, proposes to form a 1280.00 acres Working Interest Unit ("WIU") covering all of the captioned Section 25 and the captioned Section 26 for oil and gas production. Mewbourne hereby proposes to drill the captioned well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,745 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 18,845 feet. The N/2N/2 of the captioned Section 25 and the N/2N/2 of the captioned Section 26 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our AFE dated April 7, 2021 for the captioned proposed well. Also, enclosed is a copy of our proposed Operating Agreement dated May 1, 2021 and an extra set of signature pages. In the event your firm elects to participate in the proposed WIU and well, please execute the enclosed AFE and extra set of signature pages and return to me within thirty (30) days.

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

Sincerely,

MEWBOURNE OIL COMPANY

Josh Anderson, RPL

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Landman

ATTACHMENT (

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

May 5, 2021

Via Certified Mail

MRC Delaware Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240 Attn: Nick Weeks

Re:

Corona "25/26" B2HE Fed Com No. 1H 840' FNL & 205' FEL (SL) (Sec. 25) 1900' FNL & 100' FWL (BHL) (Sec. 26) Section 25/26, T18S, R30E Eddy County, New Mexico ( (ase 221/28)

To Whom It May Concern:

Mewbourne Oil Company ("Mewbourne") as Operator, proposes to form a 1280.00 acres Working Interest Unit ("WIU") covering all of the captioned Section 25 and the captioned Section 26 for oil and gas production. Mewbourne hereby proposes to drill the captioned well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,755 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 18,855 feet. The S/2N/2 of the captioned Section 25 and the S/2N/2 of the captioned Section 26 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our AFE dated April 7, 2021 for the captioned proposed well. Also, enclosed is a copy of our proposed Operating Agreement dated May 1, 2021 and an extra set of signature pages. In the event your firm elects to participate in the proposed WIU and well, please execute the enclosed AFE and extra set of signature pages and return to me within thirty (30) days.

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

Sincerely,

MEWBOURNE OIL COMPANY

Josh Anderson, RPL

ful auch

Landman

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

February 3, 2022

Via Certified Mail

Colgate Production, LLC 300 N. Marienfeld St., Suite #1000 Midland, Texas 79701 Attn: Mark Hajdik

Re:

Corona "25/26" B2IL Fed Com No. 1H 1980' FSL & 275' FEL (SL) (Sec. 25) 2000' FSL & 100' FWL (BHL) (Sec. 26) Section 25/26, T18S, R30E Eddy County, New Mexico

To Whom It May Concern:

Mewbourne Oil Company ("Mewbourne") as Operator, proposes to form a 1280.00 acres Working Interest Unit ("WIU") covering all of the captioned Section 25 and the captioned Section 26 for oil and gas production. Mewbourne hereby proposes to drill the captioned well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,536 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 18,666 feet. The N/2S/2 of the captioned Section 25 and the N/2S/2 of the captioned Section 26 will be dedicated to the well as the proration unit.

(Cose 22721)

Regarding the above, enclosed for your further handling is our AFE dated February 2, 2022 for the captioned proposed well. A copy of our proposed Operating Agreement dated May 1, 2021 and an extra set of signature pages had been previously provided. In the event your firm elects to participate in the proposed WIU and well, please execute the enclosed AFE and extra set of signature pages, that were previously provided, and return to me within thirty (30) days.

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

Sincerely,

MEWBOURNE OIL COMPANY

Josh Anderson, RPL

ful ander

Landman

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

February 3, 2022

Via Certified Mail

Colgate Production, LLC 300 N. Marienfeld St., Suite #1000 Midland, Texas 79701 Attn: Mark Haidik

Re:

Corona "25/26" B2PM Fed Com No. 1H 1950' FSL & 275' FEL (SL) (Sec. 25) 580' FSL & 100' FWL (BHL) (Sec. 26) Section 25/26, T18S, R30E Eddy County, New Mexico

( Case 22722)

To Whom It May Concern:

Mewbourne Oil Company ("Mewbourne") as Operator, proposes to form a 1280.00 acres Working Interest Unit ("WIU") covering all of the captioned Section 25 and the captioned Section 26 for oil and gas production. Mewbourne hereby proposes to drill the captioned well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,567 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 18,784 feet. The S/2S/2 of the captioned Section 25 and the S/2S/2 of the captioned Section 26 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our AFE dated February 2, 2022 for the captioned proposed well. A copy of our proposed Operating Agreement dated May 1, 2021 and an extra set of signature pages had been previously provided. In the event your firm elects to participate in the proposed WIU and well, please execute the enclosed AFE and extra set of signature pages, that were previously provided, and return to me within thirty (30) days.

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

Sincerely,

MEWBOURNE OIL COMPANY

Josh Anderson, RPL

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Landman