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

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

Case No. 22641

NOTICE OF FILING ADDITIONAL EXHIBITS

Mewbourne Oil Company hereby submits for filing the following additional exhibits:

Exhibit 2, the landman's affidavit.

Exhibit 2-A, the C-102 highlighting the well unit and including the dedicated acreage.

Exhibit 2-B, the listing of working interest owners and their percentage interests, and denoting the owners who are being pooled.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

jamesbruc@aol.com

Attorney for Mewbourne Oil Company

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. 22641

SELF-AFFIRMED STATEMENT OF BRAD DUNN

Brad Dunn, being duly sworn upon his oath, 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 this compulsory pooling application
- 3. The purpose of this application is to force pool working interest owners into the Wolfcamp horizontal spacing unit described below, and in wells to be drilled in the unit.
- 4. In Case No. 22641 Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation in a horizontal spacing unit underlying the N/2NW/4 of Section 33 and the N/2N/2 of Section 32, Township 20 South, Range 28 East, NMPM. The unit will be dedicated to the Overlord 33/32 W0CD Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4NW/4 of Section 33 and a last take point in the NW/4NW/4 of Section 32.
 - 5. There is no depth severance in the Wolfcamp formation.
- 6. Plats outlining the unit being pooled are submitted as Attachments A and part of Attachment B. A Form C-102 for the well is part of Attachment A.
- 7. The tracts in the unit, the leases, and the parties being pooled and their interests, are set forth in Attachment B. The persons noted with an asterisk are being pooled.
- 8. The interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well.

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- 9. In order to locate the interest owners, Mewbourne examined the county and federal records, performed internet searches, checked telephone records, and searched Accurint and Whitepages. All interest owners are locatable
- 10. Attachment C is a sample copy of the proposal letter sent to the interest owners, and the certified receipts as to each owner. Attachment C also contains a summary of communications with the persons who received the well proposal. Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.

COG Operating LLC and ConocoPhillips Company have signed a JOA, are not being pooled.

- 11. Attachment D is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Eddy County.
- 12. 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 portion 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.
- 13. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against a non-consenting working interest owner.
 - 14. Mewbourne requests that it be designated operator of the well.
- 15. The attachments to this affidavit were prepared by me, or compiled from company business records.
- 16. Granting this application 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 16 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: November 17, 2022

Brad Dunr

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

		7	WELL L	OCATIO	ON AND ACE	REAGE DEDIC	CATION PLA	T		
¹ API Number			983	Sty Alacvan Hills. Copper Woltan.				ltang		
⁴ Property Code				OVERLORD 33/32 WOCD FED COM					⁶ Well Number 1 H	
14GBT 44				*Operator Name MEWBOURNE OIL COMPANY					⁹ Elevation 3199	
¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/W	est line	County
G	33	20S	28E		2610	NORTH	2435	EAS	ST	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/W	est line	County
D	32	20S	28E		500	NORTH	100	WE	ST	EDDY
P 40	s 13 Joint	or Infill 14	Consolidation	Code 1:	5 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.

16	<u>CORNER DATA</u> NAD 83 GRID — NM EAST	G: FOUND BRASS CAP "1942" N: 559214.7 — E: 590333.4	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete
	A: FOUND BRASS CAP "1941" N: 553882.3 — E: 579765.6	H: FOUND BRASS CAP "1942" N: 556566.9 - E: 590331.1	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
	B: FOUND BRASS CAP "1942" N: 556527.5 — E: 579737.6	I: FOUND BRASS CAP "1942" N: 553919.7 - E: 590328.7	the proposed bottom hole location or has a right to drill this well at this
	C: FOUND BRASS CAP "1942" N: 559172.5 — E: 579709.2	J: FOUND BRASS CAP "1942" N: :553917.4 - E: 587685.4	^{'ng}
	D: FOUND BRASS CAP "1942" N: 559184.0 — E: 582361.8	K: FOUND BRASS CAP "1942" N: 553906.2 - E: 585043.2	EXHIBIT 2-A
	E: FOUND BRASS CAP "1942" N: 559196.2 - E: 585013.8	L: FOUND BRASS CAP "1942" N: 553893.7 - E: 582403.7	
	F: FOUND BRASS CAP "1942" N: 559205.0 - E: :587674.0	M: FOUND BRASS CAP "1942" N: 556550.0 - E: 585030.7	Printed Name
			E-mail Address
© 1/25/00' B.H.	E 2633.22	73' (E) S 89'48'37" W 2660.76' (F) N 89'47'28" E 2660.	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the
B — — — —		S.L. 2435'	same is true and correct to the best of my belief. 11/18/2021 Date of Survey Signature and Scal of Fron Survey S
W 2646.00'	GEODETIC DATA NAD 83 GRID — NM EAST	GEODETIC DATA NAD 83 GRID — NM EAST	Signature and Seal of Processing Surveys 19680
N 0036'24"	BOTTOM HOLE 1: 558673.1 - E: 579814.5 LAT: 32.5357885' N LONG: 104.2084776' W		19680 Certificate Number
A N 89'45'13"	E 2638.79' N 89'43'38" E 2640.10	5' (K) N 89'45'28" E 2642.84' (J) N 89'57'04" E 2643	5.99' (1) Job No: LS21111202

TRACT OWNERSHIP OVERLORD 33-32 W0CD FED COM #1H Section 33 (N/2NW/4) & Section 32 (N/2N/2), T20S, R28E **Eddy County, New Mexico**

Section 33 (N/2NW/4) & Section 32 (N/2N/2) **Wolfcamp Formation:**

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	% Leasehold Interest 51.532821%
COG Operating LLC 600 West Illinois Avenue Midland, TX 79701	19.554600%
* Devon Energy Production Company, L.P. 333 W. Sheridan Ave. Oklahoma City, OK 73102	16.666667%
*OXY USA Inc. P.O. Box 4294 Houston, Texas 77210-4294	6.388900%
*EOG Resources Inc. 5509 Champions Drive Midland, TX 79706	2.500967%
*SEP Permian LLC 920 Memorial City Way, STE 1000 Houston, TX 77024	1.631733%
*Vladin LLC 105 South Fourth Street Artesia, NM 88210	0.694433%
*Seventy-Seven Corporation 6 Desta Drive, STE 3350 Midland, TX 79705	0.555533%
*TR Oil Corporation 3100 Sycamore Road Dekalb, IL 60115	0.290300%
*Bilberry Exploration, Inc. 10120 N. W. Freeway, STE 231 Houston, TX 77092	0.159846%
* Denotes person being pooled.	ехнівіт 2

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*Graine, LLC 2608 W Dengar Ave. Midland, TX 79705	0.024200%		
	100.000000%		
* Total interest being pooled: 48.467179%			
OWNERSHIP BY TRACT			
NE/4NW/4 Sec. 33 (40 Acres):	% Leasehold Interest 100.000000%		
Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701			
	100.000000%		
NW/4NW/4 Sec. 33 (40 Acres):	% Leasehold Interest		
* Devon Energy Production Company, L.P. 333 W. Sheridan Ave.	100.000000%		
Oklahoma City, OK 73102	100.000000%		
N/2NE/4 Sec. 32 (80 Acres):			
Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	% Leasehold Interest 4.598463%		
COG Operating LLC 600 West Illinois Avenue Midland, TX 79701	58.663800%		
*OXY USA Inc. P.O. Box 4294 Houston, Texas 77210-4294	19.166700%		
*EOG Resources Inc. 5509 Champions Drive Midland, TX 79706	7.502900%		
*SEP Permian LLC 920 Memorial City Way, STE 1000 Houston, TX 77024	4.895200%		

*Vladin LLC 105 South Fourth Street Artesia, NM 88210	2.083300%
*Seventy-Seven Corporation 6 Desta Drive, STE 3350 Midland, TX 79705	1.666660%
*TR Oil Corporation 3100 Sycamore Road Dekalb, IL 60115	0.870900%
*Bilberry Exploration, Inc. 10120 N. W. Freeway, STE 231 Houston, TX 77092	0.479537%
*Graine, LLC 2608 W Dengar Ave. Midland, TX 79705	0.072600%
	100.000000%

* Renotes person being pooled.

N/2NW/4 Sec. 32 (80 Acres):

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701 % Leasehold Interest 100.000000%