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. 22643

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. 22643

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. 22643 Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation in a horizontal spacing unit underlying the N/2SW/4 of Section 33 and the N/2S/2 of Section 32, Township 20 South, Range 28 East, NMPM. The unit will be dedicated to the Overlord 33/32 W0KL Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4SW/4 of Section 33 and a last take point in the NW/4SW/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.

EXHIBIT 2

- 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 Dunn

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 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

| | | | ELL L | 7 | 1 | FAGE DEDIC | | _ | 111 | 00 |
|---|------------|---|---------------|-----------------------------|---------------|------------------|---------------|----------|---------------------------------------|--------|
| API Number | | | 9 | 98009 Nacrantills Providing | | | | Wolfcamp | | |
| ⁴ Property Co | de | OVERLORD 33/32 WOKL FED COM 6 Well Number 11 11 11 11 11 11 11 11 11 11 11 11 11 | | | | | | | 6 Well Number € 1 H | |
| 14°57 | 74 | **Operator Name MEWBOURNE OIL COMPANY | | | | | | | ⁹ Elevation 3198 | |
| 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 |
| J | 33 | 20S | 28E | | 2630 | SOUTH | 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 |
| L | 32 | 20S | 28E | - , - ' | 2080 | SOUTH | 100 | WE | ST | EDDY |
| 12 Dedicated Acre 240 | 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.

| 1 | 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 | his orking |
| | | C: FOUND BRASS CAP "1942" N: 559172.5 - E: 579709.2 | J: FOUND BRASS CAP "1942" N: :553917.4 - E: 587685.4 | EXHIBIT 2. A |
| | - | D: FOUND BRASS CAP "1942" N: 559184.0 — E: 582361.8 | K: FOUND BRASS CAP "1942" N: 553906.2 — E: 585043.2 | |
| | | E: FOUND BRASS CAP "1942" N: 559196.2 - E: 585013.8 | L: FOUND BRASS CAP "1942" N: 553893.7 — E: 582403.7 | Signature Date |
| | - | F: FOUND BRASS CAP "1942" N: 559205.0 - E: :587674.0 | M: FOUND BRASS CAP "1942" N: 556550.0 — E: 585030.7 | Printed Name |
| - 1 | - | | | E-mail Address |
| | N 89°45'06' | " E 2653.22' (D) S 89'44'16" W 2652 | 73' 🖺 S 89'48'37" W 2660.76' 🖺 N 89'47'28" E 2 | 2660 00'6 |
| Ó | | | : | 18 SURVEYOR CERTIFICATION |
| 5.77 | | NAD 83 GRID - NM EAST | S GEODETIC DATA NAD 83 GRID — NM EAST | I hereby certify that the well location shown on this |
| 264 | | And the second s | 92 | plat was plotted from field notes of actual surveys |
| " E | ' | BOTTOM HOLE N: 555962.1 — E: 579843.5 | SURFACE LOCATION N: 556547.0 - E: 587896.7 | made by me or under my supervision, and that the |
| 7.36,20 | 4 | LAT: 32.5283366° N LONG: 104.2083939° W | LAT: 32.5299155' N LONG: 104.1822614' W | same is true and correct to the best of my belief. |
| S C | | | S.L. 2435, | 11/18/2021 Date of Survey Signature and Suplet 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 000, | _100° | <i>-</i> | 330 330 | Signature and Seal of Profesional Survents |
| 2646 | B.H. | | 7 - 7 | 19680 |
| "24" W | 30, | | | 19680 |
| 00.36,54" | 2080 | | | Certificate Number |
| <u>`</u> ≥ | • | | 9) | ന REV: B.H. MOVE − 08/12/22 |
| A) | N 89°45'13" | E 2638.79' (N 89'43'38" E 2640.1 | 6' (K) N 89°45'28" E 2642.84' (J) N 89°57'04" E 2 | 2643.99' () Job No: LS21111204R |

TRACT OWNERSHIP OVERLORD 33-32 W0KL FED COM #1H Section 33 (N/2SW/4) & Section 32 (N/2S/2), T20S, R28E **Eddy County, New Mexico**

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

| | % Leasehold Interest |
|--|----------------------|
| Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701 | 74.907820% |
| * Devon Energy Production Company, L.P. 333 W. Sheridan Ave. Oklahoma City, OK 73102 | 19.183243% |
| *OXY USA Inc. P.O. Box 4294 Houston, Texas 77210-4294 | 3.472223% |
| *EOG Resources Inc. 5509 Champions Drive Midland, TX 79706 | 0.903250% |
| *SEP Permian LLC 920 Memorial City Way, STE 1000 Houston, TX 77024 | 0.815878% |
| *Vladin LLC 105 South Fourth Street Artesia, NM 88210 | 0.347222% |
| Conoco Phillips Company 600 West Illinois Avenue Midland, TX 79701 | 0.213117% |
| *TR Oil Corporation 3100 Sycamore Road Dekalb, IL 60115 | 0.145150% |
| *Graine, LLC 2608 W Dengar Ave. Midland, TX 79705 | 0.012097% |
| | 100.000000% |
| * Total interest being pooled: 25.092180% | |

EXHIBIT 2-B

OWNERSHIP BY TRACT

| NE/4SW/4 Sec. 33 | (40 Acres): |
|------------------|-------------|
|------------------|-------------|

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701

*OXY USA Inc. 16.666670% P.O. Box 4294

Houston, Texas 77210-4294

* Devon Energy Production Company, L.P. 333 W. Sheridan Ave. Oklahoma City, OK 73102

15.099460%

% Leasehold Interest

68.233870%

100.000000%

NW/4SW/4 Sec. 33 (40 Acres):

* Devon Energy Production Company, L.P. 333 W. Sheridan Ave. Oklahoma City, OK 73102

% Leasehold Interest 100.000000%

100.000000%

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

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701

% Leasehold Interest 81.213050%

5.419500%

*EOG Resources Inc. 5509 Champions Drive Midland, TX 79706

*SEP Permian LLC 920 Memorial City Way, STE 1000 4.895270%

Houston, TX 77024

*OXY USA Inc. P.O. Box 4294 Houston, Texas 77210-4294 4.166670%

*Vladin LLC

105 South Fourth Street Artesia, NM 88210

2.083330%

COG Operating LLC 600 West Illinois Avenue Midland, TX 79701 1.278700%

*TR Oil Corporation 3100 Sycamore Road Dekalb, IL 60115 0.870900%

*Graine, LLC 2608 W Dengar Ave.

Midland, TX 79705

0.072600%

100.000000%

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

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

* Denotes person being pooled.