#### 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. 20594

#### VERIFIED STATEMENT OF TYLER JOLLY

Tyler Jolly, 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 the compulsory pooling application:
  - (a) The purpose of this application is to force pool working interest owners into the horizontal spacing unit described below, and in wells to be drilled in the unit.
  - (b) No opposition is expected because the interest owner being pooled has been contacted regarding the proposed wells, but has simply failed or refused to voluntarily commit his interest to the wells.
  - (c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order pooling of all mineral interests in a horizontal spacing unit in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool; Pool Code 98220) comprised of the NW/4 of Section 21 and the W/2 of Section 16, Township 24 South, Range 28 East, NMPM. The wells Mewbourne seeks to drill in the unit are:
    - (a) the Creedence 21/16 W1ED State Com. Well No. 1H;
    - (b) Creedence 21/16 W0ED State Com. Well No. 2H;
    - (c) the Creedence 21/16 W1FC Fed. Com. Well No. 3H; and
    - (d) the Creedence 21/16 W0FC State Com. Well No. 4H.



Forms C-102 for the wells are contained in Attachments B-1 through B-4.

- (d) There is no depth severance in the Wolfcamp formation.
- (e) The party being pooled and his interest are set forth in Attachment C.
- (f) Attachment D is the well proposal letter sent to the pooled interest owner. His current and correct address is on the letter.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachments E-1 through E-4 are the Authorizations for Expenditure for the proposed 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.
- (j) 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.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Mewbourne requests that it be designated operator of the well.
- (m) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

### **VERIFICATION**

STATE OF TEXAS	
COUNTY OF MIDLAND	) ss. )
Mewbourne Oil Company; he is auti	n upon his oath, deposes and states that: He is a landman for norized to make this verification on its behalf; he has read the contents thereof; and the same is true and correct to the best belief.

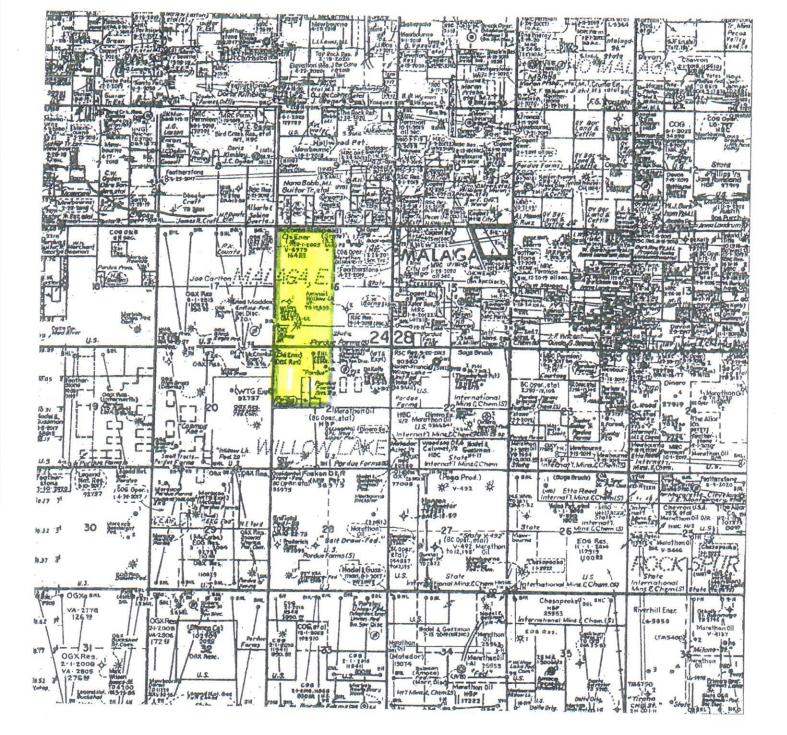
SUBSCRIBED AND SWORN TO before me this \_

day of July, 2019 by Tyler

My Commission Expires: 8-28-22

Jolly.

Notary Public



ATTACHMENT /

#### RECEIVED

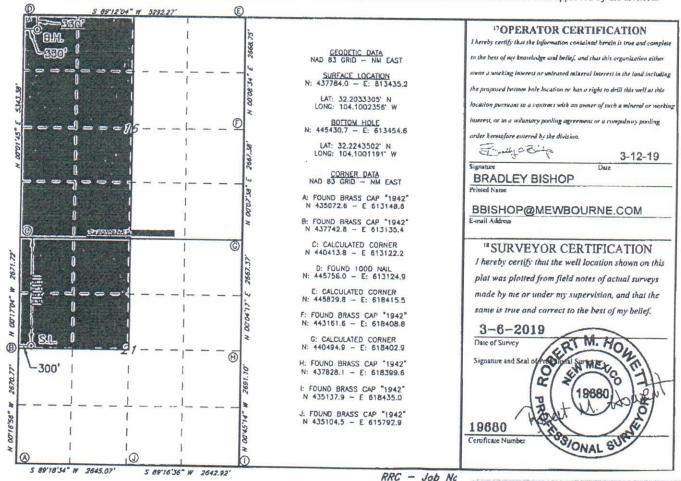
District [
1025 N. French Dr., Hobbs, NM 88240
Phona: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia. NM 88210
Phona: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Beazos Road, Aztou, NM 87410
Phona: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phona: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department MAR 1 5 2019
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
State of New Mexico
Submit one copy to appropriate District Office

Submit one copy to appropriate District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 2 Pool Code 30-015-44077 44887 98220 PURPLE SAGE WOLFCAMP GAS <sup>4</sup>Property Code 5 Property Name 6 Well Number CREEDENCE 21/16 WIED STATE COM 1 H OGRID NO. Operator Name 9 Elevation 14744 MEWBOURNE OIL COMPANY 3037 Surface Location UL or lot no. Section Township Range Lot Ida Feet from the North/South line Feet From the East/West line County E 21 **24S** 28E 2635 NORTH 300 WEST EDDY " Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Feet from the North/South line Feet from the East/West line County D 16 245 28E 330 NORTH 330 WEST **EDDY** 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 480

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.



RECEIVED

Form C-102

District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (\$75) 393-6161 Fax: (\$75) 393-0720 District II 811 S. First St., Aresia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazes Road, Aztec, NM 87410 1°bone: (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

MAR 1 5 2019 State of New Mexico

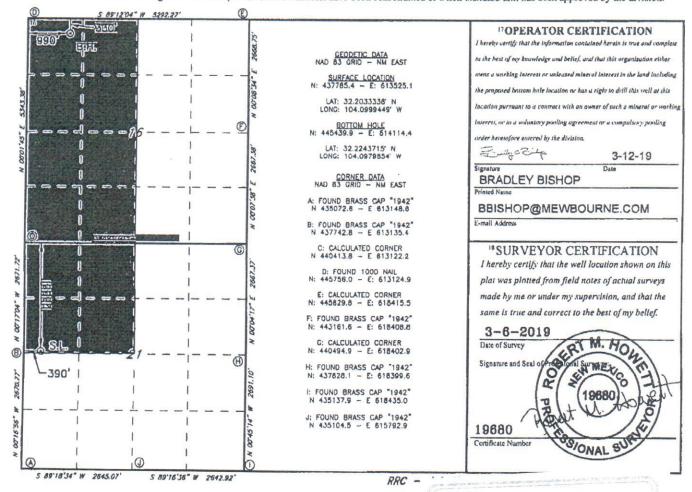
OIL CONSERVATION DIVISION DISTRICT II-ARTESIA OR CODY to appropriate 1220 South St. Francisco Energy, Minerals & Natural Resources Department

> Santa Fe. NM 87505 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

l API Number				2 Pool Code					
30-015	30-015-44871 99820 PURPLE SAGE WOLFCAMP GAS						MP GAS		
32/183 CREEDENCE 21/16 WOED STATE						COM 2H			
70GRID 14744	NO.			MEWB	LEWBOURNE OIL COMPANY 3037°				
					10 Surface I	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
E	21	24S	28E		2635	NORTH	390	WEST	EDDY
			" I	Bottom H	ole 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
D	16	245	28E	1	330	NORTH	990	WEST	EDDY
Dedicated Acres	13 Joint	or Infill 14 (	Consolidation	Code 15 O	rder 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.



ATTACHMENT B- 2

District 1 (625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

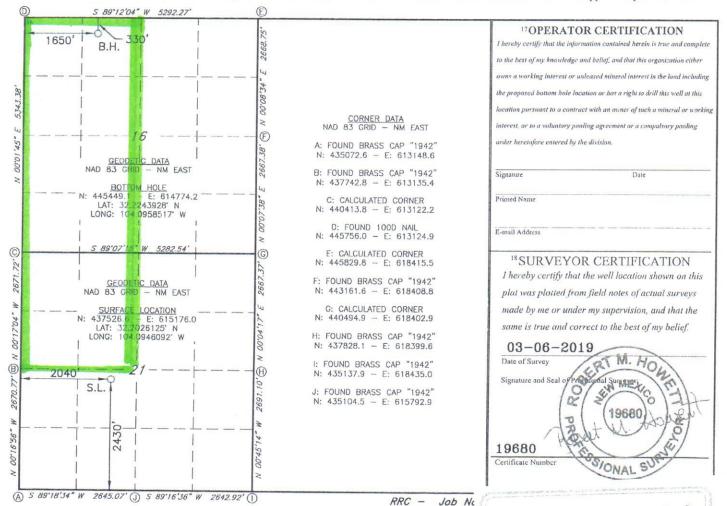
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-46152				8220		rde Sage,	3 Pool Nat Wolfco		ras
<sup>4</sup> Property Coo		CR	EEDENC		6 Well Number 3H				
14744			MEWE	8 Operator N				9 Elevation 3033'	
					10 Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West li	ne County
K	21	24S	28E		2430	SOUTH	2040	WEST	EDDY
			п І	3ottom H	ole Location	If Different Fro	om Surface	100000000000000000000000000000000000000	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West li	ne County
C	16	24S	28E		330	NORTH	1650	WEST	EDDY
Dedicated Acres	13 Joint	or Infill 14 (	Consolidation	Code 15 C	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.



ATTACHMENT  $\beta$  - 3

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1233 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

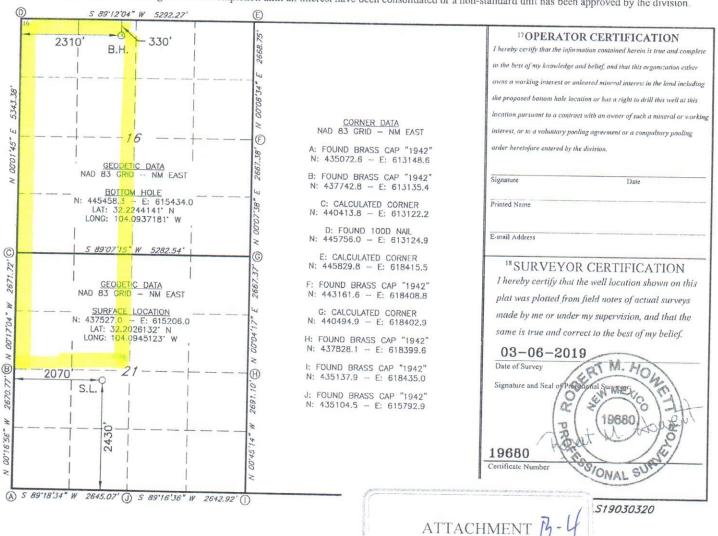
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015	- 46		98	2Pool Code	Pu	rde Saga	3 Pool Nat Wolfe	ne		
<sup>4</sup> Property Co	CREEDENCE 21/16 WOFC STATE COM						010	6 Well Number		
14744				*Operator Name MEWBOURNE OIL COMPANY					9 Elevation 3033'	
					10 Surface	Location				
UL or lot no.	Section 21	Township 24S	Range 28E	Lot Idn	Feet from the 2430	North/South line SOUTH	Feet From the 2070	East/West lin	c County	
			11 H	Bottom H	ole Location	If Different Fro	om Surface			
UL or lot no.	Section 16	Township 24S	Range 28E	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	e County EDDY	
C 12 Dedicated Acres 480			28E	Code 15 C	330 order No.	NORTH	2310	WEST		

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.



#### TRACT OWNERSHIP

Creedence 21-16 W1ED State Com #1H

Creedence 21-16 W0ED State Com #2H

Creedence 21-16 W1FC State Com #3H

Creedence 21-16 W0FC State Com #4H

NW/4 of Section 21 and W/2 of Section 16, T24S, R28E, Eddy County, NM

Mewbourne Oil Company, et al.	99.363638%
Tom M. Ragsdale	0.636362%*
Total	100.000000%

Mewbourne Oil Company, et al. indicates parties signed up to proposed Operating Agreement dated April 15, 2018, naming Mewbourne Oil Company as Operator.

\*Indicates the entity being pooled.

ATTACHMENT C

500 West Texas, Suite 1020 Midland, Texas 79701 Phone (432) 682-3715 Fax (432) 685-4170

March 11, 2019

#### Certified Mail

Tom M. Ragsdale 400 N. Sam Houston Pkwy East, Suite 601 Houston, TX 77060

Re: Creedence 21-16 W1ED State Com #1H
Creedence 21-16 W0ED State Com #2H
Creedence 21-16 W1FC State Com #3H
Creedence 21-16 W0FC State Com #4H
Order No. R-20296
NW4 of Section 21 & W2 of Section 16
T24S, R28E, Eddy County, New Mexico

#### Ladies and Gentlemen:

Pursuant to Order No. R-20296, Mewbourne Oil Company, as Operator, hereby proposes drilling the following four (4) horizontal Wolfcamp tests:

1) Creedence 21-16 W1ED State Com #1H – APD in process Surface Location: 2635' FNL, 300' FWL, Section 21, UL E Bottom Hole Location: 330' FNL, 330' FWL, Section 16, UL D Proposed Total Vertical Depth: 9679' Proposed Total Measured Depth: 16856' Formation: Wolfcamp

2) Creedence 21-16 W0ED State Com #2H – APD in process Surface Location: 2635' FNL, 390' FWL, Section 21, UL E Bottom Hole Location: 330' FNL, 990' FWL, Section 16, UL D Proposed Total Vertical Depth: 9488' Proposed Total Measured Depth: 16883' Formation: Wolfcamp

3) Creedence 21-16 W1FC State Com #3H – APD in process Surface Location: 2430' FSL, 2040' FWL, Section 21, UL F Bottom Hole Location: 330' FNL, 1650' FWL, Section 16, UL C Proposed Total Vertical Depth: 9679' Proposed Total Measured Depth: 16856' Formation: Wolfcamp

4) Creedence 21-16 W0FC State Com #4H – APD in process Surface Location: 2430' FSL, 2070' FWL, Section 21, UL F Bottom Hole Location: 330' FNL, 2310' FWL, Section 16, UL C Proposed Total Vertical Depth: 9488' Proposed Total Measured Depth: 16883' Formation: Wolfcamp



March 11, 2019 Page 2 of 2

Attached for your information and further handling is a copy of the referenced pooling order dated December 31, 2018 along with AFE's for each well.

In the event you elect to participate in the proposed wells, please execute the enclosed AFEs and return them to the undersigned within thirty (30) days. Should you participate in the proposed wells, please send me your check covering your proportionate share of the AFE cost for each well. 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 <u>tjolly@mewbourne.com</u> if you have any questions or need additional information.

Very truly yours,

MEWBOURNE OIL COMPANY

Tyler Jolly Landman

Enclosures



March 18, 2019

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: 9414 8106 9994 5039 1432 34.

#### Item Details

Status:

Delivered, Front Desk/Reception/Mail Room

Status Date / Time:

March 18, 2019, 12:40 pm

Location:

HOUSTON, TX 77060

**Postal Product:** 

First-Class Mail®

**Extra Services:** 

Certified Mail™

Return Receipt Electronic

Recipient Name:

Siana Oil and Gas Company LLC

Shipment Details

Weight:

2.0oz

#### Recipient Signature

Signature of Recipient:

D. - 2

Address of Recipient:

#601

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Siana Oil and Gas Company, LLC Tom Ragsdale & 400 N. Sam Houston Parkway East, Suite 601 Houston, TX 77060 Reference #: CREEDENCE PROP TJ Item ID: CREEDENCE PROP TJ

AUTHORIZATION FOR EXPENDITURE

Well Name: Creedence 21/16 W1ED State Com #1H	THE RESIDENCE PROPERTY AND ADDRESS.	spect: V	Volfcamp		
Location: SL: 2635' FNL & 300' FWL (21); BHL: 330' FNL & 330' FWL (1	(6) C	ounty:			ST: NM
Sec. 21,16 Blk: Survey:	TWP: 24S	RNG:	28E Prop. TV	D: 9679	TMD: 16856
INTANGIBLE COSTS 0180		CODE		CODE	СС
Regulatory Permits & Surveys Location / Road / Site / Preparation		0180-01			
Location / Restoration		0180-01			
Daywork / Turnkey / Footage Drilling 22 days drlg / 4 days comp @ \$18	3 500/d	0180-01			
Fuel 1700 gal/day @ 2.74/gal	5,500/4	0180-01		_	
Mud, Chemical & Additives		0180-012			
Horizontal Drillout Services				0180-0222	
Cementing		0180-01	25 \$150,000	0180-0225	\$30,00
Logging & Wireline Services		0180-013	30 \$2,000	0180-0230	\$325,00
Casing / Tubing / Snubbing Service		0180-01			\$80,00
Mud Logging		0180-01	37 \$20,000		
Stimulation 43 Stg 17.2 MM gal / 17.2 MM lb Stimulation Rentals & Other				0180-0241	\$2,080,00
Water & Other		0400.04	45 650 000	0180-0242	
Bits	-	0180-014			
Inspection & Repair Services		0180-01			
Misc. Air & Pumping Services		0180-01		0180-0254	
Testing & Flowback Services		0180-01			
Completion / Workover Rig			,,30	0180-0260	
Rig Mobilization		0180-016	\$150,000		
Transportation		0180-016		0180-0265	\$20,00
Welding Services		0180-016	\$5,000	0180-0268	\$15,00
Contract Services & Supervision		0180-017			\$60,000
Directional Services Includes Vertical Control		0180-017			
Equipment Rental Well / Lease Legal		0180-018		0180-0280	\$30,000
Well / Lease Insurance		0180-018			
Intangible Supplies		0180-018			
Damages		0180-018		0180-0288	\$10,000
ROW & Easements		0180-019		0180-0290	\$1,000
Pipeline Interconnect		0100-018	22	0180-0292	\$1,000
Company Supervision		0180-019	\$120,000		\$105,600
Overhead Fixed Rate		0180-019			\$20,000
Well Abandonment		0180-019		0180-0298	
Contingencies 2% (TCP) 2% (CC)		0180-019	99 \$44,900	0180-0299	\$86,600
	TOTAL		\$2,289,900		\$4,415,700
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-079	93		
Casing (10.1" - 19.0") 425' - 13 3/8" 54.5# J-55 ST&C @ \$42.99/ft		0181-079			
Casing (8.1" - 10.0") 2475' - 9 5/8" 40# L-80 LT&C @ \$34.73/ft		0181-079			
Casing (6.1" - 8.0") 10000' - 7" 29# P-110 LT&C @ \$26.99/ft		0181-079	\$288,300		
Casing (4.1" - 6.0") 7760' - 4 1/2" 13.5# P-110 BPN @ \$14.94/ft				0181-0797	\$123,900
Tubing 9050' - 2 7/8" 6.5# L-80 EUE 8rd @ \$5.74/ft				0181-0798	\$55,500
Drilling Head		0181-086	\$40,000		
Tubing Head & Upper Section  Horizontal Completion Tools  Completion Liner Hanger				0181-0870	\$30,000
Sucker Rods				0181-0871	\$70,000
Subsurface Equipment				0181-0875	
Artificial Lift Systems Gas Lift Valves & Packer				0181-0884	\$25,000
Pumping Unit				0181-0885	Ψ20,000
Surface Pumps & Prime Movers (1/4) VRU/circ pump/Booster Comp				0181-0886	\$30,000
Tanks - Oil (1/4) 8 - 750 bbl				0181-0890	\$38,000
Tanks - Water (1/4) 7 - 750 bbl coated				0181-0891	\$40,300
Separation / Treating Equipment 30"x10'x1k# 3 ph/36"x15'x1k# Hor 3p	oh/Gun bbl			0181-0895	\$78,500
Heater Treaters, Line Heaters 8'x20'x75# HT				0181-0897	\$27,000
Metering Equipment				0181-0898	\$14,000
Line Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas				0181-0900	\$9,000
Fittings / Valves & Accessories Cathodic Protection				0181-0906	\$100,000
				0181-0908	\$8,000
Electrical Installation (1/4) Automation, Power Line, Location Underground Equipment Installation				0181-0909	\$62,500
Pipeline Construction (1/4) 0.8 Mile 4.5" Gas				0181-0910	\$50,000
() ale mile the date				0181-0920	\$21,300
	TOTAL		\$439,800		\$783,000
			\$2,729,700		\$5,198,700
	SUBTOTAL			-	
TOTAL ME			67.0	20 400	
TOTAL WE			\$7,9	28,400	
Extra Expense Insurance  I elect to be covered by Operator's Extra Expense Insurance and p Operator has secured Extra Expense Insurance covering costs of well  I elect to purchase my own well control insurance policy.	Day my proporticontrol, clean up	and redrill	re of the premium	1000000	30-0185.
I elect to be covered by Operator's Extra Expense Insurance and p Operator has secured Extra Expense Insurance covering costs of well I elect to purchase my own well control insurance policy.  Ineither box is checked above, non-operating working interest owner elects to be covered by Operator	Day my proporticontrol, clean up	and redrill	re of the premium	1000000	30-0185.
I elect to be covered by Operator's Extra Expense Insurance and p Operator has secured Extra Expense Insurance covering costs of well I elect to purchase my own well control insurance policy.  Ineither box is checked above, non-operating working interest owner elects to be covered by Operator box.  Prepared by:  P. Hrebicek	Day my proporticontrol, clean up	and redrill	re of the premium ing as estimated in	1000000	30-0185.
I elect to be covered by Operator's Extra Expense Insurance and p Operator has secured Extra Expense Insurance covering costs of well I elect to purchase my own well control insurance policy.  Ineither box is checked above, non-operating working interest owner elects to be covered by Operator	pay my proporticontrol, clean up	and redrill	re of the premium ing as estimated in	1000000	30-0185.
I elect to be covered by Operator's Extra Expense Insurance and p Operator has secured Extra Expense Insurance covering costs of well I elect to purchase my own well control insurance policy.  I neither box is checked above, non-operating working interest owner elects to be covered by Ope Prepared by: P. Hrebicek  Company Approval:  M. Whattlet  Joint Owner Interest: Amount:	Day my proportic control, clean up erator's well control Date:	and redrill insurance.	re of the premium ing as estimated in	1000000	30-0185.



Location: SL: 2635' FNL & 390' FWL (21); BHL: 330' FNL & 990' FWL (16)  Sec. 21,16 Blk: Survey: TWP: 245  INTANGIBLE COSTS 0180  Regulatory Permits & Surveys	1	28E Prop. T	VD: 9488	ST: NN
INTANGIBLE COSTS 0180	1	28E Prop. T	VD: 9488	TMD- 1688
	CONT. (CONT.)			TMD 1000
regulatory Permits & Surveys	CODE		CODE	CC
ocation / Road / Site / Preparation	0180-01	1-0100	00 0180-0200	
Location / Restoration	0180-01	The state of the s		\$25
Daywork / Turnkey / Footage Drilling 22 days drlg / 4 days comp @ \$18,500/d	0180-01			\$30
Fuel 1700 gal/day @ 2.74/gal	0180-01			\$79
Mud, Chemical & Additives	0180-01	-		\$370
Horizontal Drillout Services	0180-01	20 \$225,00		
Cementing	0490.04	05 6450.00	0180-0222	\$200
ogging & Wireline Services	0180-013		00 0180-0225	\$30,
Casing / Tubing / Snubbing Service	0180-013			\$335,
/lud Logging	0180-013			\$80,
Stimulation 44 Stg 17.8 MM gal / 17.8 MM lb	0100-011	\$20,00	0180-0241	\$2,160,
timulation Rentals & Other			0180-0241	\$300,
Vater & Other	0180-014	45 \$50,00		\$495,
its	0180-014		0 0180-0248	\$8,
spection & Repair Services	0180-015			\$5,
lisc. Air & Pumping Services	0180-015		0180-0254	\$10,
esting & Flowback Services	0180-015			\$30,
ompletion / Workover Rig			0180-0260	\$10,
ig Mobilization	0180-016	\$150,00		7.0
ransportation	0180-016			\$20,
felding Services	0180-016			\$15,
ontract Services & Supervision	0180-017			\$60,
rectional Services Includes Vertical Control	0180-017	5 \$189,00		
quipment Rental	0180-018	\$201,40	0 0180-0280	\$30,
ell / Lease Legal	0180-018	\$5,00	0 0180-0284	
ell / Lease Insurance	0180-018	\$5,20	0 0180-0285	
angible Supplies	0180-018	\$8,00	0 0180-0288	\$10,
mages	0180-019	0	0180-0290	
DW & Easements	0180-019	2	0180-0292	\$1,
peline Interconnect Impany Supervision			0180-0293	
verhead Fixed Rate	0180-019		0 0180-0295	\$105,
ell Abandonment	0180-019			\$20,
1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0180-019		0180-0298	
1 20 (00)	0180-019	9 \$44,900	0180-0299	\$88,
TOTAL		\$2,289,900	)	\$4,517,
TANGIBLE COSTS 0181				
sing (19.1" - 30")	0181-079	3		
sing (10.1" - 19.0") 425' - 13 3/8" 54.5# J-55 ST&C @ \$42.99/ft	0181-079			
sing (8.1" - 10.0") 2475' - 9 5/8" 40# L-80 LT&C @ \$34.73/ft	0181-079			
sing (6.1" - 8.0") 9650' - 7" 29# P-110 LT&C @ \$26.99/ft	0181-079			
sing (4.1" - 6.0") 7900' - 4 1/2" 13.5# P-110 BPN @ \$14.94/ft			0181-0797	\$126.
oing 9000' - 2 7/8" 6.5# L-80 EUE 8rd @ \$5.74/ft			0181-0798	\$55,
ling Head	0181-0860	\$40,000		400,
oing Head & Upper Section			0181-0870	\$30,
izontal Completion Tools Completion Liner Hanger			0181-0871	\$70,
ker Rods			0181-0875	
osurface Equipment			0181-0880	
ficial Lift Systems Gas Lift Valves & Packer			0181-0884	\$25,
nping Unit			0181-0885	
face Pumps & Prime Movers (1/4) VRU/circ pump/Booster Comp			0181-0886	\$30,0
ks - Oil (1/4) 8 - 750 bbl			0181-0890	\$38,0
ks - Water (1/4) 7 - 750 bbl coated			0181-0891	\$40,
aration / Treating Equipment 30"x10'x1k# 3 ph/36"x15'x1k# Hor 3ph/Gun bbl			0181-0895	\$78,
ter Treaters, Line Heaters 8'x20'x75# HT			0181-0897	\$27,0
ering Equipment			0181-0898	\$14,0
Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas			0181-0900	\$9,0
ngs / Valves & Accessories			0181-0906	\$100,0
nodic Protection			0181-0908	\$8,0
ctrical Installation Automation, Power Line, Location Underground			0181-0909	\$62,5
ipment Installation			0181-0910	\$50,0
line Construction (1/4) 0.8 Mile 4.5" Gas			0181-0920	\$21,3
TOTAL		\$429,700		
				\$784,
SUBTOTAL		\$2,719,600		\$5,302,6
TOTAL WELL COST		\$8.0	22,200	
Expense Insurance  I elect to be covered by Operator's Extra Expense Insurance and pay my proportion Operator has secured Extra Expense Insurance covering costs of well control, clean up a I elect to purchase my own well control insurance policy.	and redrillin	e of the premium. ng as estimated in	Line Item 0180-	-0185.
ner box is checked above, non-operating working interest owner elects to be covered by Operator's well control in				
Prepared by:	11.000000000000000000000000000000000000			
her box is checked above, non-operating working interest owner elects to be covered by Operator's well control in  Prepared by:  P. Hrebicek  Date:	3/6/2011	9_		
Prepared by:	11.000000000000000000000000000000000000			

Location: S1 : 2430' ES1 & 2040' EMI (24), BUI : 220' EMI & 1250' EMI	spect: V	Volfcamp		
Location: SL: 2430' FSL & 2040' FWL (21); BHL: 330' FNL & 1650' FWL (16)	County: E	ddy		ST: NM
Sec. 21,16 Blk: Survey: TWP: 24S	RNG:	28E Prop. TV	D: 9679	TMD: 16856
INTANGIBLE COSTS 0180	CODE	ТСР	CODE	СС
Regulatory Permits & Surveys	0180-010			
Location / Road / Site / Preparation	0180-010		0180-0205	
Location / Restoration	0180-010		0180-0206	\$30,0
Daywork / Turnkey / Footage Drilling 22 days drlg / 4 days comp @ \$18,500/d	0180-01		0180-0210	
Fuel 1700 gal/day @ 2.74/gal	0180-011	14 \$131,900	0180-0214	\$375,0
Mud, Chemical & Additives	0180-012	\$225,000		
Horizontal Drillout Services Cementing			0180-0222	\$200,0
Logging & Wireline Services	0180-012		0180-0225	\$30,0
Casing / Tubing / Snubbing Service	0180-013			\$325,0
Mud Logging	0180-013			\$80,0
Stimulation 43 Stg 17.2 MM gal / 17.2 MM lb	0180-013	\$20,000	0180-0241	\$2,080,0
Stimulation Rentals & Other			0180-0241	\$300,0
Water & Other	0180-014	\$50,000		\$480,0
Bits	0180-014			\$8,0
Inspection & Repair Services	0180-015			\$5,0
Misc. Air & Pumping Services	0180-015	54	0180-0254	\$10,00
Testing & Flowback Services	0180-015	\$15,000	0180-0258	\$30,0
Completion / Workover Rig			0180-0260	\$10,5
Rig Mobilization Transportation	0180-016			
Pransportation  Welding Services	0180-016			\$20,0
Contract Services & Supervision	0180-016		_	\$15,0
Directional Services Includes Vertical Control	0180-017			\$60,00
Equipment Rental	0180-017			\$20.00
Well / Lease Legal	0180-018			\$30,0
Well / Lease Insurance	0180-018			
Intangible Supplies	0180-018			\$10,00
Damages	0180-019		0180-0290	\$10,00
ROW & Easements	0180-019		0180-0292	\$1,00
Pipeline Interconnect			0180-0293	
Company Supervision	0180-019	5 \$120,000	0180-0295	\$105,60
Overhead Fixed Rate	0180-019	6 \$10,000	0180-0296	\$20,00
Well Abandonment	0180-019		0180-0298	
Contingencies 2% (TCP) 2% (CC)	0180-019			\$86,60
TOTAL		\$2,289,900		\$4,415,70
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-079	3		
Casing (10.1" - 19.0") 425' - 13 3/8" 54.5# J-55 ST&C @ \$42.99/ft	0181-079	4 \$19,600		
Casing (8.1" - 10.0") 2475' - 9 5/8" 40# L-80 LT&C @ \$34.73/ft	0181-079			
Casing (6.1" - 8.0") 10000' - 7" 29# P-110 LT&C @ \$26.99/ft	0181-079	6 \$288,300		
Casing (4.1" - 6.0") 7760' - 4 1/2" 13.5# P-110 BPN @ \$14.94/ft Tubing 9050' - 2 7/8" 6.5# L-80 FUE 8rd @ \$5 74/ft			0181-0797	\$123,90
Tubing 9050' - 2 7/8" 6.5# L-80 EUE 8rd @ \$5.74/ft  Drilling Head			0181-0798	\$55,50
Tubing Head & Upper Section	0181-086	0 \$40,000	2121 2270	***
Horizontal Completion Tools Completion Liner Hanger			0181-0870	\$30,00 \$70,00
Sucker Rods		-	0181-0875	\$70,00
Subsurface Equipment			0181-0880	
Artificial Lift Systems Gas Lift Valves & Packer			0181-0884	\$25,00
Pumping Unit			0181-0885	Ψ20,00
Surface Pumps & Prime Movers (1/4) VRU/circ pump/Booster Comp			0181-0886	\$30,00
			0181-0890	\$38,00
anks - Oil (1/4) 8 - 750 bbl			0181-0891	\$40,30
anks - Oil (1/4) 8 - 750 bbl anks - Water (1/4) 7 - 750 bbl coated			0181-0895	\$78,50
anks - Oil     (1/4) 8 - 750 bbl       anks - Water     (1/4) 7 - 750 bbl coated       ieparation / Treating Equipment     30"x10'x1k# 3 ph/36"x15'x1k# Hor 3ph/Gun bbl				\$27,00
(1/4) 8 - 750 bbl   (1/4) 7 - 750 bbl   (1/4			0181-0897	
(1/4) 8 - 750 bbl   (1/4) 7 - 750 bbl   (1/4			0181-0898	\$14,00
(1/4) 8 - 750 bbl   (1/4) 7 - 750 bbl   (1/4) 2 - 750 bbl   (1/4			0181-0898 0181-0900	\$9,00
(1/4) 8 - 750 bbl   (1/4) 7 - 750 bbl   (1/4			0181-0898 0181-0900 0181-0906	\$9,00 \$100,00
(1/4) 8 - 750 bbl   (1/4) 7 - 750 bbl   (1/4			0181-0898 0181-0900 0181-0906 0181-0908	\$9,00 \$100,00 \$8,00
(1/4) 8 - 750 bbl   (1/4) 7 - 750 bbl   (1/4) 8 mile			0181-0898 0181-0900 0181-0906 0181-0908 0181-0909	\$9,00 \$100,00 \$8,00 \$62,50
anks - Oil (1/4) 8 - 750 bbl anks - Water (1/4) 7 - 750 bbl coated  separation / Treating Equipment 30"x10'x1k# 3 ph/36"x15'x1k# Hor 3ph/Gun bbl seater Treaters, Line Heaters 8'x20'x75# HT  setering Equipment ine Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas sittings / Valves & Accessories sathodic Protection sectrical Installation (1/4) Automation, Power Line, Location Underground quipment Installation			0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910	\$9,00 \$100,00 \$8,00 \$62,50 \$50,00
ranks - Oil (1/4) 8 - 750 bbl ranks - Water (1/4) 7 - 750 bbl coated reparation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl releater Treaters, Line Heaters 8'x20"x75# HT reletering Equipment rine Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas reletering Forestion (1/4) Automation, Power Line, Location Underground reletering Line Heaters (1/4) 0.8 Mile 4.5" Gas reletering Line Heaters (1/4) 0.8 Mile 4.5" Gas			0181-0898 0181-0900 0181-0906 0181-0908 0181-0909	\$9,00 \$100,00 \$8,00 \$62,50 \$50,00
anks - Oil (1/4) 8 - 750 bbl  anks - Water (1/4) 7 - 750 bbl coated  eparation / Treating Equipment 30"x10'x1k# 3 ph/36"x15'x1k# Hor 3ph/Gun bbl  eleater Treaters, Line Heaters 8'x20'x75# HT  eletering Equipment inie Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas  atthodic Protection electrical Installation (1/4) Automation, Power Line, Location Underground quipment Installation		\$439,800	0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910	\$9,00 \$100,00 \$8,00 \$62,50 \$50,00 \$21,30
ranks - Oil (1/4) 8 - 750 bbl ranks - Water (1/4) 7 - 750 bbl coated reparation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl releater Treaters, Line Heaters 8'x20"x75# HT reletering Equipment rine Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas reletering Forestion (1/4) Automation, Power Line, Location Underground reletering Line Heaters (1/4) 0.8 Mile 4.5" Gas reletering Line Heaters (1/4) 0.8 Mile 4.5" Gas		\$439,800 \$2,729,700	0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910	\$9,00 \$100,00 \$8,00 \$62,50 \$50,00 \$21,30
anks - Oil (1/4) 8 - 750 bbl anks - Water (1/4) 7 - 750 bbl coated eparation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl eater Treaters, Line Heaters 8'x20"x75# HT etering Equipment ne Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas titings / Valves & Accessories athodic Protection ectrical Installation (1/4) Automation, Power Line, Location Underground quipment Installation peline Construction (1/4) 0.8 Mile 4.5" Gas		\$2,729,700	0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 0181-0920	\$9,00 \$100,00 \$8,00 \$62,50 \$50,00 \$21,30
anks - Oil (1/4) 8 - 750 bbl anks - Water (1/4) 7 - 750 bbl coated eparation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl leater Treaters, Line Heaters 8'x20"x75# HT letering Equipment line Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas ittings / Valves & Accessories athodic Protection lectrical Installation (1/4) Automation, Power Line, Location Underground quipment Installation lepeline Construction (1/4) 0.8 Mile 4.5" Gas  TOTAL  SUBTOTAL  TOTAL WELL COST  tra Expense Insurance  I elect to be covered by Operator's Extra Expense Insurance and pay my proportion of the purchase my own well control insurance policy.	and redrilli	\$2,729,700 \$7,9	0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 0181-0920	\$9,00 \$100,00 \$8,00 \$62,50 \$50,00 \$21,30 \$783,00 \$5,198,70
anks - Oil (1/4) 8 - 750 bbl anks - Water (1/4) 7 - 750 bbl coated separation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl seleater Treaters, Line Heaters 8'x20"x75# HT setering Equipment sine Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas settings / Valves & Accessories settings / Valves & Ac	and redrilli	\$2,729,700 \$7,9	0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 0181-0920	\$14,00 \$9,00 \$100,00 \$8,00 \$62,50 \$50,00 \$21,30 \$783,00 \$5,198,70
TOTAL  SUBTOTAL  TOTAL WELL COST  I elect to be covered by Operator's Extra Expense Insurance and pay my proportion of portator has secured Extra Expense Insurance policy.  I elect to purchase my own well control insurance policy.  Prepared by:  Prepared by:  P. Hrebicek  I 1/4) 8 - 750 bbl  (1/4) 7 - 750 bbl coated  30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl  8'x20"x75# HT  8	and redrilli	\$2,729,700 \$7,9 e of the premium. ng as estimated in	0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 0181-0920	\$9,00 \$100,00 \$8,00 \$62,50 \$50,00 \$21,30 \$783,00 \$5,198,70
anks - Oil (1/4) 8 - 750 bbl anks - Water (1/4) 7 - 750 bbl coated eparation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl leater Treaters, Line Heaters 8'x20"x75# HT letering Equipment line Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas littings / Valves & Accessories atthodic Protection lectrical Installation (1/4) Automation, Power Line, Location Underground quipment Installation ipeline Construction (1/4) 0.8 Mile 4.5" Gas  TOTAL  SUBTOTAL  TOTAL WELL COST  dra Expense Insurance  I elect to be covered by Operator's Extra Expense Insurance and pay my proporti Operator has secured Extra Expense Insurance covering costs of well control, clean up I elect to purchase my own well control insurance policy.  Proposed by:  Proposed by:  Proposed by:  Proposed by:    Control   Control   Control   Control   Control   Control   Control	and redrilli	\$2,729,700 \$7,9 e of the premium. ng as estimated in	0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 0181-0920	\$9,00 \$100,00 \$8,00 \$62,50 \$50,00 \$21,30 \$783,00 \$5,198,70



Sec. 21,16 Blk: Survey: TWP: 24S  INTANGIBLE COSTS 0180  Regulatory Permits & Surveys Location / Road / Site / Preparation		Volfcamp		
Sec. 21,16 Blk: Survey: TWP: 24S  INTANGIBLE COSTS 0180  Regulatory Permits & Surveys Location / Road / Site / Preparation	ounty:	ddv		ST: NM
INTANGIBLE COSTS 0180 Regulatory Permits & Surveys Location / Road / Site / Preparation		28E Prop. TVI	D: 9488	TMD: 16883
Regulatory Permits & Surveys  Location / Road / Site / Preparation	I KNG.	ZoE Plop. 1VI	U. [ 3400	TMD. 10003
Location / Road / Site / Preparation	CODE		CODE	СС
	0180-01		0180-0200	***************************************
Location / Restoration	0180-01		0180-0205	\$25,00 \$30,00
Daywork / Turnkey / Footage Drilling 22 days drlg / 4 days comp @ \$18,500/d	0180-01		0180-0206	\$79,00
Fuel 1700 gal/day @ 2.74/gal	0180-01		0180-0210	\$370,00
Mud, Chemical & Additives	0180-01			
Horizontal Drillout Services			0180-0222	\$200,00
Cementing	0180-01		-	\$30,00
Logging & Wireline Services	0180-01			\$335,00
Casing / Tubing / Snubbing Service Mud Logging	0180-01			\$80,00
Stimulation 44 Stg 17.8 MM gal / 17.8 MM lb	0180-01	\$20,000	0180-0241	\$2,160,00
Stimulation Rentals & Other			0180-0241	\$300,00
Water & Other	0180-01	45 \$50,000	-	\$495,00
Bits	0180-01	48 \$100,000	0180-0248	\$8,00
Inspection & Repair Services	0180-01	50 \$40,000	0180-0250	\$5,00
Misc. Air & Pumping Services	0180-01	54	0180-0254	\$10,00
Testing & Flowback Services	0180-01	58 \$15,000		\$30,0
Completion / Workover Rig			0180-0260	\$10,50
Rig Mobilization	0180-01			
Transportation Wolding Sonices	0180-01		0180-0265	\$20,0
Welding Services Contract Services & Supervision	0180-01			\$15,00
Directional Services Supervision Includes Vertical Control	0180-01			\$60,00
Equipment Rental	0180-01			\$30,00
Well / Lease Legal	0180-01			\$30,00
Well / Lease Insurance	0180-01			
Intangible Supplies	0180-01			\$10,00
Damages	0180-01		0180-0290	4.5
ROW & Easements	0180-01	92	0180-0292	\$1,00
Pipeline Interconnect			0180-0293	
Company Supervision	0180-01		-	\$105,60
Overhead Fixed Rate	0180-01		0180-0296	\$20,00
Well Abandonment	0180-01		0180-0298	
Contingencies 2% (TCP) 2% (CC)	0180-01		-	\$88,60
TOTAL		\$2,289,900		\$4,517,70
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-07	93		
Casing (10.1" - 19.0") 425' - 13 3/8" 54.5# J-55 ST&C @ \$42.99/ft	0181-07			
Casing (8.1" - 10.0") 2475' - 9 5/8" 40# L-80 LT&C @ \$34.73/ft	0181-07			
Casing (6.1" - 8.0") 9650' - 7" 29# P-110 LT&C @ \$26.99/ft Casing (4.1" - 6.0") 7900' - 4 1/2" 13.5# P-110 BPN @ \$14.94/ft	0181-07	96 \$278,200		2102.10
Casing (4.1" - 6.0") 7900' - 4 1/2" 13.5# P-110 BPN @ \$14.94/ft Tubing 9000' - 2 7/8" 6.5# L-80 EUE 8rd @ \$5.74/ft			0181-0797	\$126,10
Drilling Head	0181-08	\$40,000	0181-0798	\$55,20
Tubing Head & Upper Section	0101-00	50 \$40,000	0181-0870	\$30,00
Horizontal Completion Tools Completion Liner Hanger			0181-0870	\$70,00
Sucker Rods			0181-0875	7.515
Subsurface Equipment			0181-0880	
Artificial Lift Systems Gas Lift Valves & Packer			0181-0884	\$25,00
Pumping Unit			0181-0885	
Surface Pumps & Prime Movers (1/4) VRU/circ pump/Booster Comp			0181-0886	\$30,00
Tanks - Oil (1/4) 8 - 750 bbl			0181-0890	\$38,00
Tanks - Water (1/4) 7 - 750 bbl coated	-		0181-0891	\$40,30
Separation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl Heater Treaters, Line Heaters 8'x20"x75# HT	-		0181-0895	\$78,50
Heater Treaters, Line Heaters 8'x20'x75# HT  Metering Equipment			0181-0897	\$27,00
ine Pipe & Valves - Gathering (1/4) 0.8 Mile 4.5" Gas	-		0181-0898	\$14,00
ittings / Valves & Accessories (174) 0.8 Mile 4.5 Gas	-		0181-0900	\$9,00
IMILINA ( VICIVED OF PILLEDOUTES			0181-0906 0181-0908	\$100,00 \$8,00
			0181-0908	\$62,50
Cathodic Protection			0181-0909	\$50,00
Cathodic Protection Electrical Installation Automation, Power Line, Location Underground			0181-0910	\$21,30
Cathodic Protection Electrical Installation Automation, Power Line, Location Underground Equipment Installation		\$470.700		
Cathodic Protection  Electrical Installation Automation, Power Line, Location Underground  Equipment Installation  Experiment Installation  Experi		\$429,700		\$784,90
Cathodic Protection Electrical Installation Automation, Power Line, Location Underground Equipment Installation Expelience Construction (1/4) 0.8 Mile 4.5" Gas  TOTAL		\$2,719,600		\$5,302,60
Cathodic Protection  Electrical Installation Automation, Power Line, Location Underground  Equipment Installation  Experiment Installation  Experi				
Automation, Power Line, Location Underground  quipment Installation ipeline Construction  (1/4) 0.8 Mile 4.5" Gas  TOTAL  SUBTOTAL  TOTAL WELL COST			22,200	A STATE OF THE OWNER, WHEN PARTY AND ADDRESS OF
Cathodic Protection  Getrical Installation Automation, Power Line, Location Underground  quipment Installation  Pipeline Construction (1/4) 0.8 Mile 4.5" Gas  TOTAL  SUBTOTAL  TOTAL WELL COST   Xtra Expense Insurance  I elect to be covered by Operator's Extra Expense Insurance and pay my proportion Operator has secured Extra Expense Insurance covering costs of well control, clean up  I elect to purchase my own well control insurance policy.	and redri	\$8,0 are of the premium lling as estimated in	2429,273	80-0185.
Cathodic Protection Electrical Installation Automation, Power Line, Location Underground Equipment Installation Pipeline Construction (1/4) 0.8 Mile 4.5" Gas  TOTAL  SUBTOTAL  TOTAL WELL COST  Extra Expense Insurance  I elect to be covered by Operator's Extra Expense Insurance and pay my proportion of the propertion of the proportion of the propertion of the propertion of the proportion of the propertion of the properties of the propertion of the properties of the propertion of the properties	o and redri	\$8,0 are of the premium lling as estimated in	2429,273	80-0185.
Cathodic Protection  Cathodic Protection  Cathodic Protection  Cathodic Protection  Automation, Power Line, Location Underground  Cathodic Protection  Cathodic Protection  Automation, Power Line, Location Underground  Cathodic Protection  (1/4) 0.8 Mile 4.5" Gas  TOTAL  SUBTOTAL  TOTAL WELL COST   I elect to be covered by Operator's Extra Expense Insurance and pay my proportion Operator has secured Extra Expense Insurance covering costs of well control, clean up  I elect to purchase my own well control insurance policy.  neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control  Prepared by:  P. Hrebicek  Date:	and redri	\$8,0 are of the premium lling as estimated in	2429,273	80-0185.
athodic Protection lectrical Installation Automation, Power Line, Location Underground quipment Installation ipeline Construction (1/4) 0.8 Mile 4.5" Gas  TOTAL  SUBTOTAL  TOTAL WELL COST  Arra Expense Insurance  I elect to be covered by Operator's Extra Expense Insurance and pay my proporti Operator has secured Extra Expense Insurance covering costs of well control, clean up I elect to purchase my own well control insurance policy.  neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control	o and redri	\$8,0 are of the premium lling as estimated in	2429,273	80-0185.
athodic Protection lectrical Installation	o and redri	\$8,0 are of the premium lling as estimated in	2429,273	30-0185.

ATTACHMENT  $E \cdot \varphi$ 

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

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

Case No. 20594

SELF-AFFIRMED STATEMENT OF NOTICE
COUNTY OF SANTA FE )
STATE OF NEW MEXICO )
James Bruce deposes and states:
1. I am over the age of 18, and have personal knowledge of the matters stated herein
2. I am an attorney for Mewbourne Oil Company.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owner, at his last known address, by certified mail. Copies of the notice letter and certified return receipt are attached aereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules.
6. 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 <b>5</b> above is true and correct and in the nade 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: 1/1/19  James Bruce
James Diuce

EXHIBIT 2

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

June 19, 2019

# CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling (Case No. 20594), filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding Wolfcamp wells in a well unit comprised of the W/2 of Section 16 and the NW/4 of Section 21, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, July 11, 2019, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Regulations to file a Pre-Hearing Statement no later than Wednesday, July 3, 2019. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing

ery truly yours,

ames Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT

# EXHIBIT A

Tom M. Ragsdale Suite 601 400 North Sam Houston Parkway East Houston, Texas 77060

מוכן	U.S. Postal Service™ CERTIFIED MAIL® REC Domestic Mail Only For delivery information	Plant Cross willing
חבאצ	Certified Mail Fee	at www.usps.com®.
290 0000	Return Receipt (electronic)  Getflied Mail Restricted Delivery  Adult Signature Restricted Delivery  Adult Signature Restricted Delivery  Postage	Postmark Here
7018 2	Street and Apt. No., or PO City, State, ZIP+4*  Tom M. Kagsuarc Suite 601 400 North Sam Houston Houston, Texas 77060	Parkway East
L	PS Form 3800, April 2015 PSN 7530-02-000-9047 Se	ee Reverse for Instructions

;			
s	ENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
	Complete items 1, 2, and 3.	A. Signature	
	Print your name and address on the reverse so that we can return the card to you.	XD	Agent Addressee
100	Attach this card to the back of the mailpiece, or on the front if space permits.	P. Received by (Printed Name)	C. Date of Delivery
1.	Article Addressed to:	D. Is delivery address different from If YES, enter delivery address	m item 1?
	Tom M. Ragsdale Suite 601 400 North Sam Houston Parkway East Houston, Texas 77060		
	9590 9402 3453 7275 3963 54	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail®	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery
200.00		☐ Certified Mail Restricted Delivery ☐ Collect on Delivery	☐ Return Receipt for Merchandise
:	7018 2290 0000 3424 036	Delivery Restricted Delivery	☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

(over \$500)

M ~ Crocking 1 (Comestic Return Receipt