

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

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

Case No. 20929

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Application

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

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

Case No. 20929

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company ("Mewbourne") applies for an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East in Eddy County, New Mexico. In support of its application, Mewbourne states:

1. Mewbourne (OGRID No. 14744) is a working interest owner in the N/2 S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East and has the right to drill wells thereon.
2. The horizontal spacing unit will be dedicated to the following wells:
 - a. the Rattlesnake 13/18 B2LK State Com #1H well, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East; and
 - b. the Rattlesnake 13/18 B3LK State Com #1H well, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East.
3. The completed intervals for the wells will be orthodox.

4. Mewbourne has undertaken diligent, good-faith efforts to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells but has been unable to obtain voluntary agreements from all of the mineral interest owners.

5. The pooling of all uncommitted mineral interests in the Bone Spring formation underlying the N/2 S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to allow Mewbourne to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the horizontal spacing unit should be pooled.

WHEREFORE, Mewbourne requests that this application be set for hearing on December 12, 2019 and that, after notice and hearing, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the N/2 S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East;

B. Designating Mewbourne as the operator of the Rattlesnake 13/18 B2LK State Com #1H well and Rattlesnake 13/18 B3LK State Com #1H well;

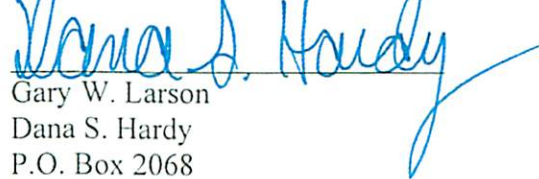
C. Authorizing Mewbourne to recover its costs of drilling, equipping, and completing the Rattlesnake 13/18 B2LK State Com #1H and Rattlesnake 13/18 B3LK State Com #1H wells and allocating the costs among the wells' working interest owners;

D. Approving the actual operating charges and costs of supervision during drilling and after completion, together with a provision for adjusting the rates pursuant to the COPAS accounting procedure; and

E. Imposing a 200% penalty for the risk assumed by Mewbourne in drilling and completing the Rattlesnake 13/18 B2LK State Com #1H and Rattlesnake 13/18 B3LK State Com #1H wells against any mineral interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully Submitted,

HINKLE SHANOR LLP



Gary W. Larson

Dana S. Hardy

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

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Counsel for Mewbourne Oil Company

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

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

Case No. 20929

**SELF-AFFIRMED STATEMENT OF
LEE SCARBOROUGH**

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

2. I am a landman for Mewbourne Oil Company ("Mewbourne"). I have had direct involvement with Mewbourne's development of the 240-acre, more or less, standard horizontal spacing unit ("HSU") that is the subject of Mewbourne's application in this case.

3. I have previously testified before the Division, and my qualifications as an expert in petroleum land matters were accepted.

4. A Midland Map with the HSU highlighted is attached hereto as Exhibit A. The HSU is comprised of the N/2 S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East in Eddy County.

5. Mewbourne seeks to pool all uncommitted interests in the Bone Spring formation underlying the HSU. A list of the tract ownership is attached hereto as Exhibit B. 68.828% of the working interests are committed to the proposed wells.

6. The HSU will be dedicated to the following wells:

a. the Rattlesnake 13/18 B2LK State Com #1H well, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South,

Case No. 20929

Mewbourne Oil

Exhibit 1

Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East; and

b. the Rattlesnake 13/18 B3LK State Com #1H well, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East.

7. The C-102s for the proposed wells are attached as Exhibit C.

8. There are no depth exceptions in the Bone Spring formation.

9. I sent well proposal letters to the uncommitted interests on June 28, 2019. Subsequently, I had follow-up communications with the locatable interests. A sample of my well proposal letter and a summary of my follow-up contacts with the locatable uncommitted interests are attached hereto as Exhibit D.

10. In my opinion, Mewbourne has made a good faith effort to obtain the voluntary joinder of uncommitted interests in the proposed wells.

11. Notice of Mewbourne's application and the Division hearing was provided to the uncommitted interests by certified mail. A sample of the notice letter and the associated green cards are attached hereto as Exhibit E.

12. Notice of Mewbourne's application and the Division hearing was also published. The affidavit of publication is attached as Exhibit F.

13. Mewbourne has the right to pool any overriding royalty owners in the HSU.

14. The AFEs for the proposed wells are attached hereto as Exhibit G. The estimated cost of the wells is fair and reasonable and is comparable to the cost of other wells of similar depth and length drilled in Eddy County.

15. Mewbourne requests overhead and administrative rates of \$8,000 per month while the wells are being drilled and \$800 per month while the wells are producing. These rates are fair and are comparable to the rates charged by Mewbourne and by other operators in the vicinity. They are also the rates set forth in the Joint Operating Agreement for the HSU. Mewbourne further requests that the rates be adjusted periodically in accordance with the COPAS Accounting Procedure.

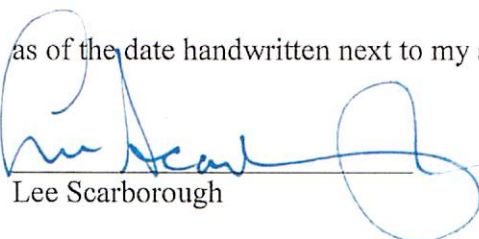
16. Mewbourne requests that it be designated the operator of the wells.

17. Mewbourne also requests that a 200% risk charge be assessed against the uncommitted interests if they are non-consenting working interest owners.

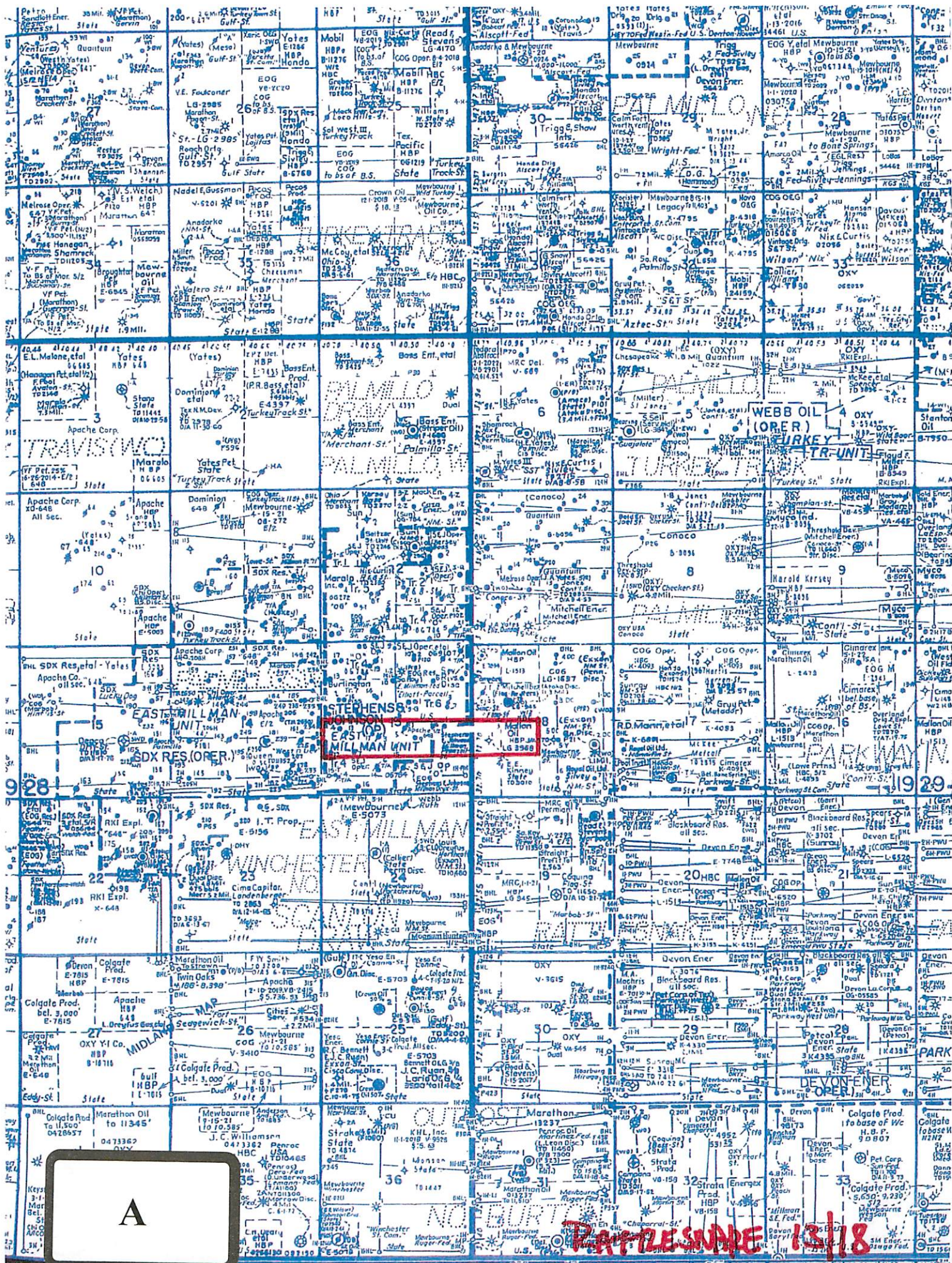
18. The exhibits attached hereto were either prepared by me or under my supervision, or were compiled from company business records.

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

20. 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 19 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.


Lee Scarborough

12/9/19
Date



WIO	WIU	WIU	JOA	JOA	JOA
	%	NetAc	W2-18	W2-18	S2-13
		465.40000000	145.40000000	WI	NetAc
			NetAc		
Mewbourne Oil Company	0.68822099	320.29804674	0.29804674	0.00204984	320.00000000
Devon Energy Production Company, L.P.	0.07810486	36.35000000	36.35000000	0.25000000	
Oxy USA Inc./Oxy NM LP	0.10213936	47.53565690	47.53565690	0.32693024	
Landcaster Resources, L.L.C.	0.01248839	5.81209746	5.81209746	0.03997316	
Huntington Resources, Inc.	0.01248839	5.81209746	5.81209746	0.03997316	
Carolyn Read Beall	0.00156216	0.72703053	0.72703053	0.00500021	
Betty Read Young	0.00156216	0.72703053	0.72703053	0.00500021	
MRC Permian Company	0.00705139	3.28171726	3.28171726	0.02257027	
Norman L. Stevens, III	0.00468649	2.18109015	2.18109015	0.01500062	
Highland (Texas) Energy Company	0.00078131	0.36362359	0.36362359	0.00250085	
Magnum Hunter Production, Inc.	0.06446068	29.99999960	29.99999960	0.20632737	
HFB Investments Company, LP	0.00040288	0.18750057	0.18750057	0.00128955	
Prince Petroleum Company, Ltd.	0.00765471	3.56250065	3.56250065	0.02450138	
Vladin, LLC	0.00219569	1.02187556	1.02187556	0.00702803	
Trust Q u/w/o Peggy A. Yates	0.00219569	1.02187556	1.02187556	0.00702803	
The Ferguson Family Trust	0.00878277	4.08749934	4.08749934	0.02811210	
Ruby Kennedy	0.00092219	0.42918736	0.42918736	0.00295177	
Gerald Roach	0.00054892	0.25546925	0.25546925	0.00175701	
Golden E. Anderson	0.00054892	0.25546925	0.25546925	0.00175701	
Dick Blenden	0.00164677	0.76640631	0.76640631	0.00527102	
Wanda Porter	0.00064041	0.29804674	0.29804674	0.00204984	
Faith Kennedy	0.00064041	0.29804674	0.29804674	0.00204984	
Sue Howard	0.00009149	0.04257748	0.04257748	0.00029283	
Roxanna Lynn Mills	0.00009149	0.04257748	0.04257748	0.00029283	
Teresa Jane Burnsides	0.00009149	0.04257748	0.04257748	0.00029283	
Total	1.00000000	465.40000000	145.40000000	1.00000000	

B

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name RATTLESNAKE 13/18 B2LK STATE COM			6 Well Number 1H
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3387'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	13	19S	28E		2130	SOUTH	205	WEST	EDDY

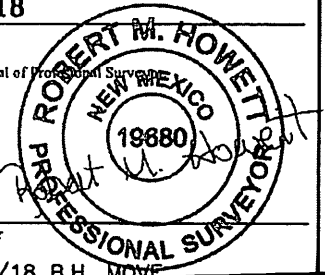
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	18	19S	29E		2100	SOUTH	2295	WEST	EDDY

12 Dedicated Acres	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.

16 GEODETTIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 603708.9 - E 601385.2 LAT: 32.6594934° N LONG: 104.1382144° W BOTTOM HOLE N 603719.4 - E 608689.7 LAT: 32.6594805° N LONG: 104.1144789° W		CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 601577.6 - E 601175.4 B: FOUND BRASS CAP "1941" N 604227.7 - E 601181.4 C: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3 D: FOUND BRASS CAP "1941" N 606894.9 - E 603787.9 E: FOUND BRASS CAP "1941" N 606928.4 - E 606391.3 F: FOUND BRASS CAP "1941" N 606910.2 - E 606391.6 G: FOUND 8"x5"x5" LIMESTONE ROCK N 606873.0 - E 611431.9 H: FOUND 1/2" REBAR N 601599.9 - E 611427.2 I: FOUND BRASS CAP "1941" N 601636.7 - E 606394.0 J: FOUND BRASS CAP "1941" N 601650.1 - E 606394.2 K: FOUND BRASS CAP "1941" N 601613.1 - E 603784.4 L: FOUND BRASS CAP "1941" N 604273.6 - E 606395.1 M: FOND BRASS CAP "1941" N 604289.7 - E 606394.8		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____	
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 same is true and correct to the best of my belief. 4-25-18 Date of Survey Signature and Seal of Professional Surveyor _____ 19680 Certificate Number REV. 9/20/18 B.H. MOVE		19680 Certificate Number REV. 9/20/18 B.H. MOVE			



Job No.: LS1804529

C

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
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1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name RATTLESNAKE 13/18 B3LK STATE COM			6 Well Number 1H
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3388'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	13	19S	28E		2100	SOUTH	205	WEST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	18	19S	29E		2100	SOUTH	2295	WEST	EDDY

12 Dedicated Acres	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.

16 GEODETTIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 603679.9 - E 601385.0 LAT: 32.8594108° N LONG: 104.1382149° W BOTTOM HOLE N 603719.4 - E 608689.7 LAT: 32.8594805° N LONG: 104.1144789° W CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 601577.6 - E 601175.4 B: FOUND BRASS CAP "1941" N 604227.7 - E 601181.4 C: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3 D: FOUND BRASS CAP "1941" N 606894.9 - E 603787.9 E: FOUND BRASS CAP "1941" N 606928.4 - E 606391.3 F: FOUND BRASS CAP "1941" N 606910.2 - E 606391.6 G: FOUND 8"x5"X5" LIMESTONE ROCK N 606873.0 - E 611431.9 H: FOUND 1/2" REBAR N 601599.9 - E 611427.2 I: FOUND BRASS CAP "1941" N 601636.7 - E 606394.0 J: FOUND BRASS CAP "1941" N 601650.1 - E 606394.2 K: FOUND BRASS CAP "1941" N 601613.1 - E 603784.4 L: FOUND BRASS CAP "1941" N 604273.6 - E 606395.1 M: FOND BRASS CAP "1941" N 604289.7 - E 606394.8		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete in the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____	
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 same is true and correct to the best of my belief. 4-25-18 Date of Survey Signature and Seal of Professional Surveyor _____ 19680 Certificate Number REV. 9/20/18 B.H. MOVE			

Job No.: LS1804530

Summary of Communications

Rattlesnake 13/18 B2LK State Com #1H

Rattlesnake 13/18 B3LK State Com #1H

Oxy USA WTP LP

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 2, 2019 is also included.
- 2) Email and phone conversations on drill schedule-6/7/19 to 12/3/19.

Devon Energy Production Company, LP

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 1, 2019 is also included.
- 2) Email on drill schedule – 7/30/19.
- 3) Email on drill schedule – 8/29/19.
- 4) Email on drill schedule – 10/29/19.

Magnum Hunter Production, Inc.

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 1, 2019 is also included.
- 2) Email and phone discussions on ownership and JOA terms from 12/3/18 – 12/4/19.

Landcaster Resources, LLC

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 1, 2019 is also included.
- 2) Email on ownership – 7/24/19.

The Ferguson Family Trust

- 1) Mailed well proposal via Certified Mail June 28, 2019; not deliverable.

Prince Petroleum Company, LP

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 1, 2019 is also included.

MRC Permian Company

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 1, 2019 is also included.
- 2) Emailed AFEs – 8/22/19.

Huntington Resources, Inc.

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 3, 2019 is also included.

Vladin, LLC

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 1, 2019 is also included.
- 2) Email and phone conversation on ownership – 8/7/19.

- 3) Email on ownership and participation – 9/9/19.

Trust Q

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 1, 2019 is also included.
- 2) Email and phone conversation on ownership – 8/7/19.

Carolyn Read Beall

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 2, 2019 is also included.
- 2) Email and phone conversation on operating agreement – 8/5/19.

Ruby Kennedy

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 2, 2019 is also included.

Highland (Texas) Energy Company

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 10, 2019 is also included.
- 2) Email and phone conversation – 7/15/19.

Wanda Porter

- 1) Mailed well proposal via Certified Mail June 28, 2019; proof of receipt dated July 2, 2019 is also included.

Faith Kennedy

- 1) Mailed well proposal via Certified Mail June 28, 2019; not deliverable.

Gerald F. Roach

- 1) Mailed well proposal via Certified Mail June 28, 2019; not deliverable.

Golden E. Anderson

- 1) Mailed well proposal via Certified Mail June 28, 2019; not deliverable.

HFB Investments Company, LP

- 1) Mailed well proposal via Certified Mail June 28, 2019; not deliverable.

Sue Howard

- 1) Mailed well proposal via Certified Mail June 28, 2019; not deliverable.

Teresa Jane Burnside

- 1) Mailed well proposal via Certified Mail June 28, 2019; not deliverable.

Roxanna Lynne Mill

- 1) Mailed well proposal via Certified Mail June 28, 2019; not deliverable.

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

June 28, 2019

Certified Mail

WORKING INTEREST OWNERS

Re: Rattlesnake 13/18 B2LK State Com #1H
Rattlesnake 13/18 B3LK State Com #1H
Section 13, Township 19 South, Range 28 East
Section 18, Township 19 South, Range 29 East
Eddy County, New Mexico

WORKING INTEREST OWNER:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to form a 930.80 acre Working Interest Unit ("WIU") covering all of the captioned Section 13 and the W/2 of Section 18 for oil and gas production. The targeted interval for the proposed WIU is limited to depths from the base of the San Andres formation down to the base of the Wolfcamp formation. Our records indicate that you have a working interest under this WIU as indicated on the attached AFEs.

Mewbourne proposes to drill two wells as detailed below:

Rattlesnake 13/18 B3LK State Com #1H (API# 30-015-45273)
Surface Location: 2,100' FSL, 205' FWL, Section 13
Bottom Hole Location: 2,100' FSL, 2,187' FWL, Section 18
Proposed Total Vertical Depth: 8,750'
Proposed Total Measured Depth: 15,786'
Pool: Scanlon Draw; Bone Spring (55510) – Third Bone Spring Sand
Estimated Spud Date: 4th Quarter 2019

Rattlesnake 13/18 B2LK State Com #1H (API# 30-015-45272)
Surface Location: 2,130' FSL, 205' FWL, Section 13
Bottom Hole Location: 2,100' FSL, 2,187' FWL, Section 18
Proposed Total Vertical Depth: 7,750'
Proposed Total Measured Depth: 14,754'
Pool: Scanlon Draw; Bone Spring (55510) – Second Bone Spring Sand
Estimated Spud Date: 1st Quarter 2020

Mewbourne will drill these wells "back-to-back", utilizing a "walking rig", in an effort to maximize cost efficiencies by reducing mobilization charges.

Enclosed are duplicate originals of Mewbourne's cost estimate (AFE) for each well. An Operating Agreement is also included for review. Should you choose to join in the proposed WIU and wells, please sign and return one original AFE for each well to the undersigned along with the appropriate signature pages to the Operating Agreement.

Rattlesnake 13/18
June 28, 2019
Page 2 of 2

If we do not receive your executed Operating Agreement signature pages and AFEs within 30 days of receipt of this letter, Mewbourne will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed wells.

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

Very truly yours,

MEWBOURNE OIL COMPANY

Lee M. Scarborough
Landman

Enclosures



HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:

Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

November 20, 2019

VIA CERTIFIED MAIL

Golden E. Anderson
Rt. 8, Box 358
101 Hillcrest Drive
Benton, KY 42025

Re: Mewbourne Oil Company NMOCD Application

Dear Ms. Anderson:

Enclosed is a copy of an application for compulsory pooling that Mewbourne Oil Company ("Mewbourne") has filed with the New Mexico Oil Conservation Division ("the Division"). Mewbourne's application requests the pooling of all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East in Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, December 12, 2019 in Porter Hall at the Division's offices located 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 that may be affected by Mewbourne's application, you may appear at the hearing and present testimony. If you do not appear at that time and become a party of record, you will be precluded from contesting the matter at a later date.

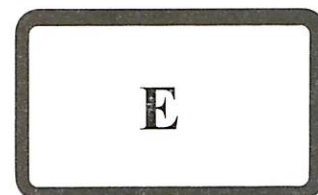
A party appearing in a Division case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, December 5, 2019. The Pre-Hearing Statement must be filed with the Division's Santa Fe office at the address above, and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

Very truly yours,


Dana S. Hardy

DSH/kk
Enclosure



PO BOX 10
ROSWELL, NEW MEXICO 88202
575-622-6510
(FAX) 575-623-9332

PO BOX 1720
ARTESIA, NEW MEXICO 88211
575-622-6510
(FAX) 575-746-6316

PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554
(FAX) 505-982-8623

7601 JEFFERSON ST NE - SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

Mailing List

Devon Energy Production Company, L.P.
Attn: Cari J. Allen
333 W. Sheridan Ave.
Oklahoma City, OK 73102-5015

Magnum Hunter Production, Inc.
Attn: Riley C. Morris
600 N. Marienfeld, #600
Midland, TX 79701

Landcaster Resources, L.L.C.
Attn: Jeffrey D. Allen
P.O. Box 220
Jenks, OK 74037

The Ferguson Family Trust
Rosemary Martin Ferguson, Trustee
713 W. Clayton Ave.
Artesia, NM 88210

Prince Petroleum Company, LP
Attn: L. Allen Hodges, III
306 W. 7th St., #701
Ft. Worth, TX 76102

Huntington Resources, Inc.
Attn: R. Joe Starrett
2118 South Atlanta Place, #201
Tulsa, OK 74114

Carolyn Read Beall
P.O. Box 3098
Midland, TX 79702

Ruby Kennedy
1503 Sears
Artesia, NM 88210

Wanda Porter
Harris County, TX

Faith Kennedy
Ector County, TX

Gerald F. Roach
3517 Northwest
Hobbs, NM 88240

Golden E. Anderson
Rt. 8, Box 358
101 Hillcrest Drive
Benton, KY 42025

HFB Investments Company, LP
Attn: Herbert F. Boles
P.O. Box 2021
Midland, TX 79702

Sue Howard
1309 Iris Land
Lewisville, TX 76057

Teresa Jane Burnside
301 Wilcrest, #3605
Houston, TX 77042

Roxanna Lynne Mills
104 Panorama Court
Trophy Club, TX 76262

Oxy USA, Inc.
Attn: Jonathan I. Gonzales
5 Greenway Plaza, #110
Houston, TX 77046-0521

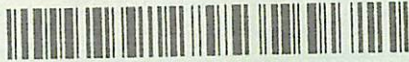
MRC Permian Company
Attn: Nick Weeks
5400 LBJ Freeway, #1500
Dallas, TX 75240

Highland (Texas) Energy Company
Attn: Truitt Matthews
7557 Rambler Road, #918
Dallas, TX 75231

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. A. Oxy USA, Inc.
Attn: Jonathan I. Gonzales
5 Greenway Plaza, #110
Houston, TX 77046-0521



9590 9402 4582 8278 6079 71

2. Article Number (Transfer from service label)
7018 2290 0000 3427 9918

Restricted Delivery
(over \$500)

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

Rattlesnake

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☒ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

Certified Mail

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Highland (Texas) Energy Company
Attn: Truitt Matthews
7557 Rambler Road, #918
Dallas, TX 75231



9590 9402 4582 8278 6079 88

7018 2290 0000 3427 9932

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

Rattlesnake

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☒ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Carolyn Read Beall
P.O. Box 3098
Midland, TX 79702



9590 9402 4582 8278 6079 26

2. Article Number (Transfer from service label)

7018 2290 0000 3427 9871

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☒ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

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

Article Addressed to:
1. Article Addressed to:
Ruby Kennedy
1503 Sears
Artesia, NM 88210

Complete items 1, 2, and 3.
Print your name and address on the reverse
so that we can return the card to you.
Attach this card to the back of the mailpiece,
or on the front if space permits.

SENDER: COMPLETE THIS SECTION

3. Service Type
☒ Certified Mail®
☐ Adult Signature Restricted Delivery
☐ Registered Mail®
☐ Registered Mail Express®
☐ Priority Mail Express®

2. Article Number (Transfer from service label)
7018 2290 0000 3427 7718

9590 9402 4582 8278 6079 33

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ X
B. Received by (Printed Name) *Ruby Kennedy*
C. Date of Delivery *11-2-2011*
D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type
☐ Certified Mail®
☐ Adult Signature Restricted Delivery
☐ Registered Mail®
☐ Registered Mail Express®
☐ Priority Mail Express®

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

Article Addressed to:
1. Article Addressed to:
Huntington Resources, Inc.
Attn: R. Joe Starrett
2118 South Atlanta Place, #201
Tulsa, OK 74114

Complete items 1, 2, and 3.
Print your name and address on the reverse
so that we can return the card to you.
Attach this card to the back of the mailpiece,
or on the front if space permits.

SENDER: COMPLETE THIS SECTION

3. Service Type
☒ Certified Mail®
☐ Adult Signature Restricted Delivery
☐ Registered Mail®
☐ Registered Mail Express®
☐ Priority Mail Express®

2. Article Number (Transfer from service label)
7018 2290 0000 3427 7718

9590 9402 4582 8278 6079 19

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ X
B. Received by (Printed Name) *R. Joe Starrett*
C. Date of Delivery *11-2-2011*
D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type
☐ Certified Mail®
☐ Adult Signature Restricted Delivery
☐ Registered Mail®
☐ Registered Mail Express®
☐ Priority Mail Express®

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

Article Addressed to:
1. Article Addressed to:
Prince Petroleum Company, LP
Attn: L. Allen Hodges, III
306 W. 7th St., #701
Ft. Worth, TX 76102

Complete items 1, 2, and 3.
Print your name and address on the reverse
so that we can return the card to you.
Attach this card to the back of the mailpiece,
or on the front if space permits.

SENDER: COMPLETE THIS SECTION

3. Service Type
☒ Certified Mail®
☐ Adult Signature Restricted Delivery
☐ Registered Mail®
☐ Registered Mail Express®
☐ Priority Mail Express®

2. Article Number (Transfer from service label)
7018 2290 0000 3427 7709

9590 9402 4582 8278 6079 02

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ X
B. Received by (Printed Name) *L. Allen Hodges, III*
C. Date of Delivery *11-2-2011*
D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type
☐ Certified Mail®
☐ Adult Signature Restricted Delivery
☐ Registered Mail®
☐ Registered Mail Express®
☐ Priority Mail Express®

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
Landcaster Resources, L.L.C.
Attn: Jeffrey D. Allen
P.O. Box 220
Jenks, OK 74037

2. Attach this card to the back of the mailpiece,
so that we can return the card to you.
or on the front if space permits.

3. Complete items 1, 2, and 3.

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ X

B. Received by (Printed Name) *Jeff Allen*

C. Addressee ☐ Agent ☐ Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail® Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Restricted Delivery

4. Signature Confirmation™ ☐ Signature Confirmation™ Restricted Delivery

Domestic Return Receipt

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

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X ☐ Agent ☐ Addressee	
1. Article Addressed to: Gerald F. Roach 3517 Northwest Hobbs, NM 88240		B. Received by (Printed Name)	C. Date of Delivery
2. Article Number (Transfer from service label) 7018 2290 0000 3427 9895		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☒ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery		☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X ☐ Agent ☐ Addressee	
1. Article Addressed to: MRC Permian Company Attn: Nick Weeks 5400 LBJ Freeway, #1500 Dallas, TX 75240		B. Received by (Printed Name) NOV 25 2019	C. Date of Delivery
2. Article Number (Transfer from service label) 7018 2290 0000 3427 9925		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☒ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery		☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X ☐ Agent ☐ Addressee	
1. Article Addressed to: HFB Investments Company, LP Attn: Herbert F. Boles P.O. Box 2021 Midland, TX 79702		B. Received by (Printed Name) H Spickett	C. Date of Delivery 11/26/19
2. Article Number (Transfer from service label) 7018 2290 0000 3427 9901		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☒ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery		☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt	

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0003914227

This is not an invoice

INKLE SHANOR LLP
218 MONTEZUMA

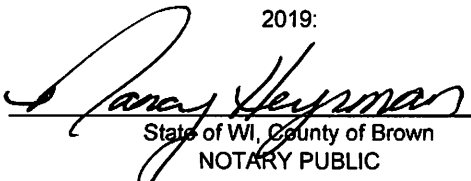
SANTA FE, NM 87501

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

November 24, 2019


Legal Clerk

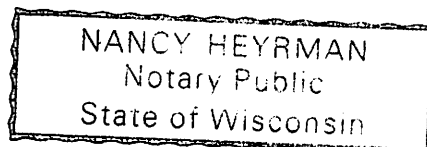
Subscribed and sworn before me this November 24,
2019:


State of WI, County of Brown
NOTARY PUBLIC
5.15.23
My commission expires

This is to notify all interested parties, including Devon Energy Production Company, L.P., Magnum Hunter Production, Inc., Landcaster Resources, L.L.C., The Ferguson Family Trust, Rosemary Martin Ferguson, Trustee, Prince Petroleum Company, LP, Huntington Resources, Inc., Carolyn Read Beall, Ruby Kennedy, Wanda Porter, Faith Kennedy, Gerald F. Roach, Golden E. Anderson, HFB Investments Company, LP, Sue Howard, Teresa Jane Burnside, Roxanna Lynne Mills, Oxy USA, Inc., MRC Permian Company, Highland (Texas) Energy Company, and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Mewbourne Oil Company (Case No.20929) at 8:15 a.m. on December 12, 2019 in Porter Hall at 1220 South St. Francis Drive, Santa Fe, New Mexico. Applicant Mewbourne Oil Company seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the following wells: (1) Rattlesnake 13/18 B2LK State Com #1H well, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East; and (2) Rattlesnake 13/18 B3LK State Com #1H well, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East. The completed intervals for the wells will be orthodox. Also to be considered will be the costs of drilling and completing the wells and the allocation of the costs, the designation of Mewbourne Oil Company as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 14 miles Northeast of Carlsbad, New Mexico.

Ad # 0003914227
PO #: 194202
of Affidavits : 1

This is not an invoice



F

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: Rattlesnake 13/18 B2LK State Com #1H		Prospect: Rattlesnake 13/18	
Location: SL: 2130' FSL & 205' FWL; BHL: 2100' FSL & 2187' FWL		County: Eddy	ST: NM
Sec: 13	Bkt: 	Survey: 	TWP: 19S RNG: 28E Prop. TVD: 7750 TMD: 14754

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$10,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$60,000	0180-0205	\$30,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$30,000
Daywork / Turnkey / Footage Drilling	21 days drilg / 4 days comp @ \$21,000/d	0180-0110	\$471,000	0180-0210	\$89,700
Fuel	1700 gal/day @ 2.70/gal	0180-0114	\$127,600	0180-0214	\$290,000
Mud, Chemical & Additives		0180-0120	\$230,000	0180-0220	
Horizontal Drilling Services				0180-0222	\$260,000
Cementing		0180-0125	\$100,000	0180-0225	\$35,000
Logging & Wireline Services		0180-0130	\$2,000	0180-0230	\$300,000
Casing / Tubing / Snubbing Service		0180-0134	\$20,000	0180-0234	\$90,000
Mud Logging		0180-0137	\$30,000		
Stimulation	36 Stg 14.2 MM gal / 14.2 MM lb			0180-0241	\$2,180,000
Stimulation Rentals & Other				0180-0242	\$175,000
Water & Other		0180-0145	\$50,000	0180-0245	\$450,000
Bits		0180-0148	\$81,000	0180-0248	\$8,000
Inspection & Repair Services		0180-0150	\$40,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$15,000	0180-0258	\$30,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$150,000		
Transportation		0180-0165	\$20,000	0180-0265	\$20,000
Welding Services		0180-0168	\$5,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$36,000	0180-0270	\$30,000
Directional Services	Includes Vertical Control	0180-0175	\$199,500		
Equipment Rental		0180-0180	\$194,400	0180-0280	\$30,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,700	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$10,000
Damages		0180-0190	\$5,000	0180-0290	
ROW & Easements		0180-0192		0180-0292	\$2,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$115,200	0180-0295	\$96,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies	10% (TCP) 10% (CC)	0180-0199	\$218,900	0180-0299	\$421,600
TOTAL			\$2,408,300		\$4,637,800

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	360' - 13 3/8" 54.5# J-55 ST&C @ \$35.90/ft	0181-0794	\$13,900		
Casing (8.1" - 10.0")	1100' - 9 5/8" 36# J-55 LT&C @ \$21.55/ft	0181-0795	\$25,400		
Casing (6.1" - 8.0")	7840' - 7" 26# P-110 LT&C @ \$24.15/ft	0181-0796	\$202,300		
Casing (4.1" - 6.0")	7680' - 4 1/2" 13.5# P-110 BPN @ \$13.66/ft			0181-0797	\$112,100
Tubing	7090' - 2 7/8" 6.5# L-80 EUE 8rd @ \$5.62/ft			0181-0798	\$42,600
Drilling Head		0181-0860	\$40,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$70,000
Sucker Rods				0181-0875	
Subsurface Equipment				0181-0880	
Artificial Lift Systems	Gas Lift Valves			0181-0884	\$15,000
Pumping Unit				0181-0885	
Surface Pumps & Prime Movers	1/2 VRU/SWD Pump/Circ Pump			0181-0886	\$35,000
Tanks - Oil	3 - 750 bbl			0181-0890	\$55,000
Tanks - Water	3 - 750 bbl			0181-0891	\$60,000
Separation / Treating Equipment	30"x10"x1k# 3 ph/36"x15"x1k# Hor 3ph/Gun bbl			0181-0895	\$45,000
Heater Treaters, Line Heaters	8"x20"x75# HT			0181-0897	\$23,000
Metering Equipment				0181-0898	\$14,000
Line Pipe & Valves - Gathering	0.2 Mile Gas & 3.2 Mile 4" Wtr			0181-0900	\$100,000
Fittings / Valves & Accessories				0181-0906	\$60,000
Cathodic Protection				0181-0908	\$8,000
Electrical Installation				0181-0909	\$50,000
Equipment Installation				0181-0910	\$40,000
Pipeline Construction	0.2 Mile Steel & 3.2 Mile Poly			0181-0920	\$45,000
TOTAL			\$281,600		\$804,700
SUBTOTAL			\$2,689,900		\$5,442,500
TOTAL WELL COST					\$8,132,400

Extra Expense Insurance

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

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

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

Prepared by: B. Talley Date: 6/13/2018

Company Approval: m. whitte Date: 6/14/2018

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____ Signature: _____

AUTHORIZATION FOR EXPENDITURE

Revised: 01/31/2018

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

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

Case No. 20929

**SELF-AFFIRMED STATEMENT OF
CHARLES CROSBY**

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

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

3. Attached hereto as Exhibit A is a structure map of the base of the 2nd Bone Spring Sand formation. The map shows that the structure dips gently to the east. It also shows a line of cross section and the horizontal spacing unit ("HSU") for the proposed Rattlesnake 13/18 B2LK State Com #1H.

4. Attached hereto as Exhibit B is a structure map of the Wolfcamp formation. The map shows that the structure dips gently to the east-southeast. It also shows a line of cross section and the horizontal spacing unit ("HSU") for the proposed Rattlesnake 13/18 B3LK State Com #1H well.

5. Attached hereto as Exhibit C is a gross sand isopach map of the 2nd Bone Spring Sand formation, which is the target zone for the proposed Rattlesnake 13/18 B2LK State Com 1H. It shows that the sand across the HSU has a uniform thickness of approximately 100-150 feet.

Case No. 20929

Mewbourne Oil

Exhibit 2

6. Attached hereto as Exhibit D is a gross sand isopach map of the 3rd Bone Spring Sand formation, which is the target zone for the proposed Rattlesnake 13/18 B3LK State Com 1H. It shows that the sand across the HSU has a uniform thickness of approximately 360-370 feet.

7. Attached hereto as Exhibit E is a west to east cross section. The well logs on the cross section provide a representative sample of the 2nd and 3rd Bone Spring formations in the area. The target zones for the proposed wells are continuous across the HSU.

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

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

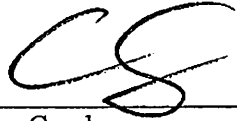
9. Attached hereto as Exhibit F is a table containing information from other wells drilled in the vicinity. The preference is for laydown wells (west to east or east to west), and the completed wells in the area (recent completions) apparently are commercial.

10. Attached hereto as Exhibit G is the Survey Calculation Report for the proposed wells. The wells' producing intervals will be orthodox.

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

12. Exhibits A through G were either prepared by me or compiled from company records.

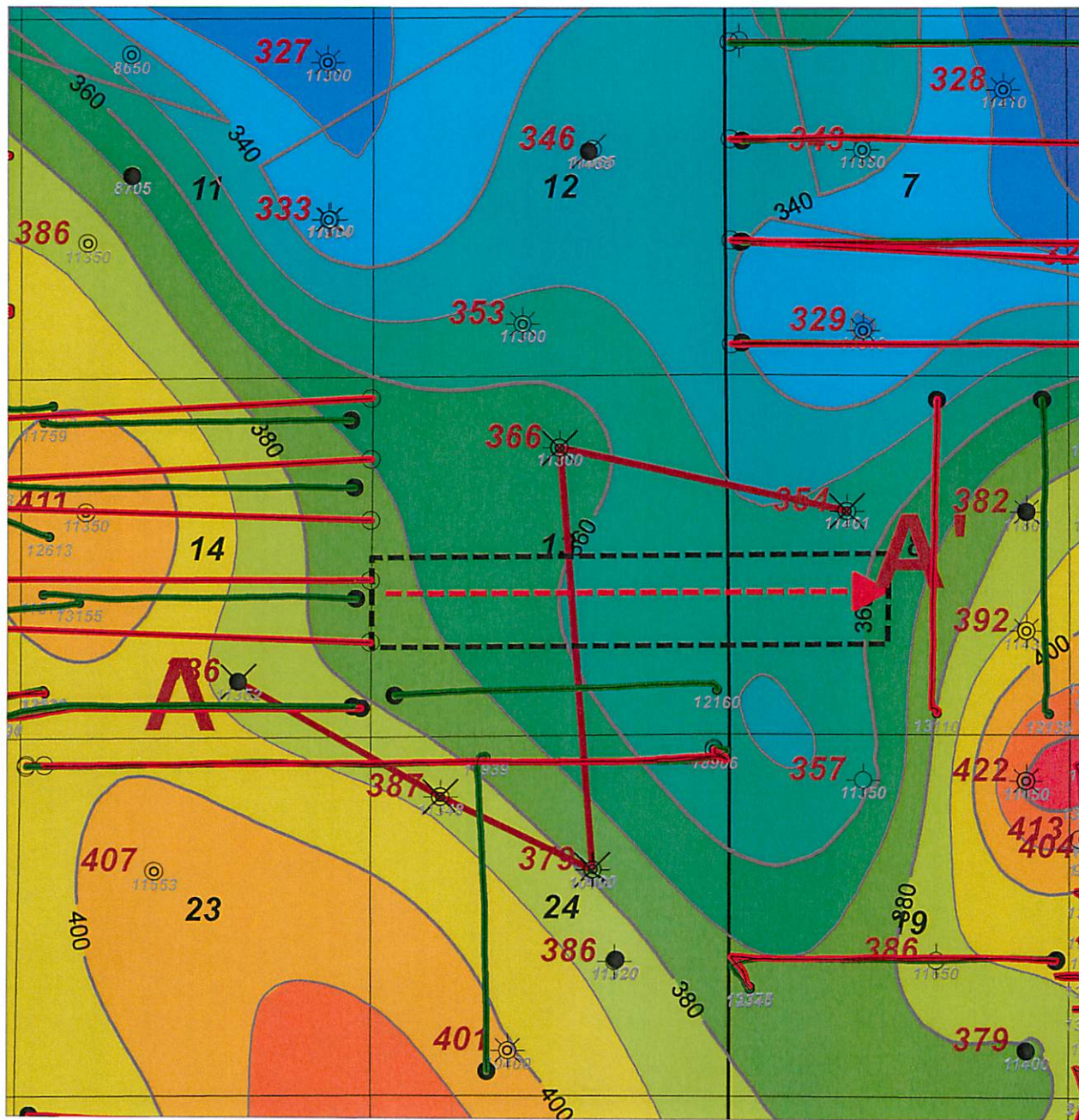
13. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 12 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.



Charles Crosby



Date



1:28000

1300 0 1300 2600 3900 us ft

2nd Bone Spring SD Horizontal

3rd Bone Spring SD Horizontal

3rd BSPG SD
Gross Thickness

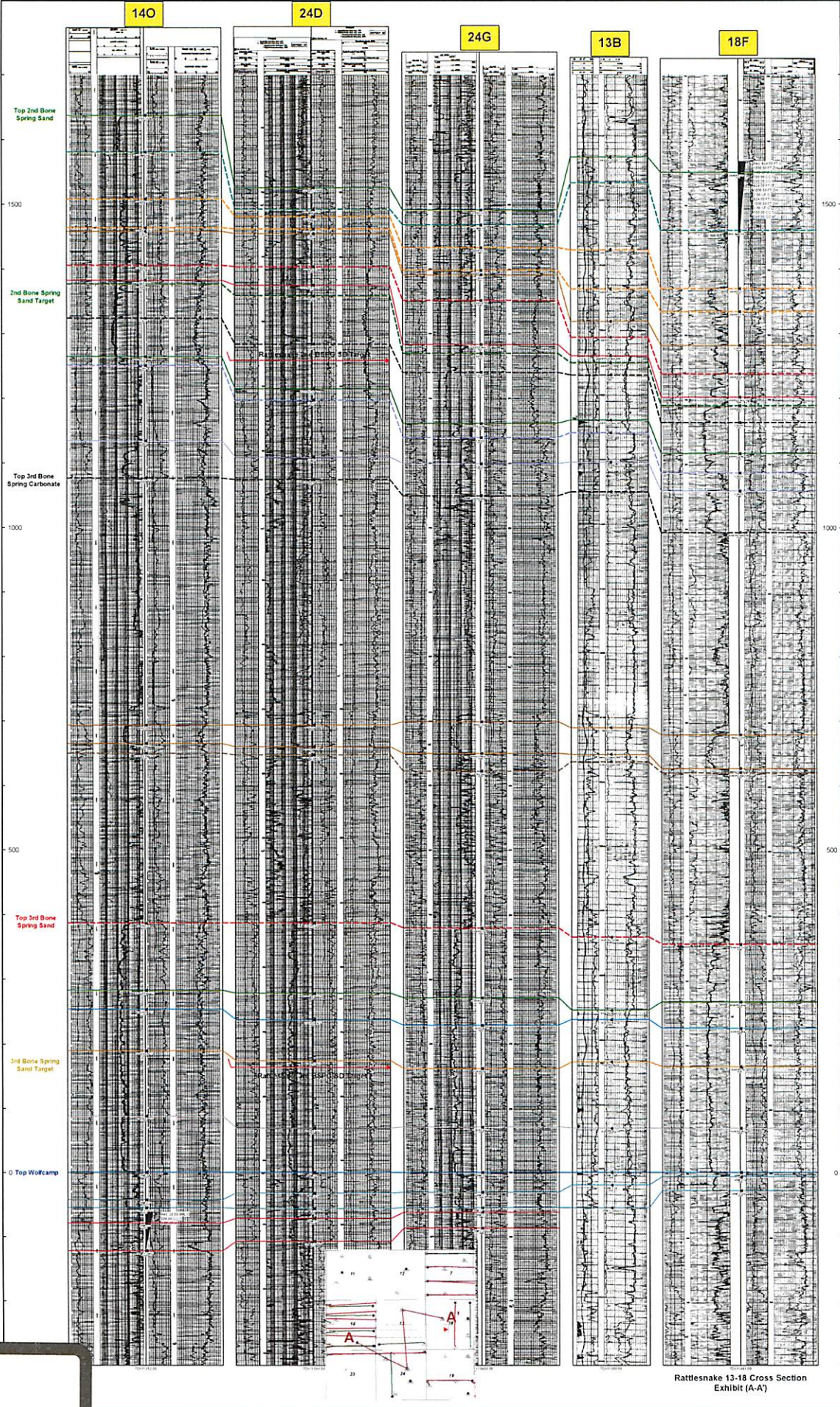


Mewbourne Oil Company		
Rattlesnake 13/18 B3LK State Com 1H		
Horizontal Activity Map		
3 rd Bone Spring Sand Gross Thickness Isopach (C.L.')		
Wells TD < 8000 filtered out		
12/6/19	Eddy County	New Mexico
		Geol. C. Crosby

D

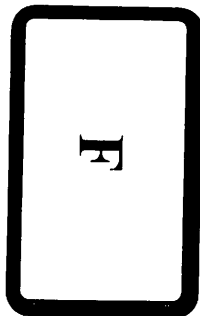
A
W

A'
E



E

Rattlesnake Area 2nd and 3rd Bone Spring SD Production Table									
Well Name	Operator	API	Location	Completion Date	Cum Oil (Mbo)	Cum Gas (Bcf)	Cum Water (Mbw)	NS/EW	Production Zone
Parkchester 24 State 3H	Mewbourne	30015379980000	24C/19S/28E	11/18/2010	35.5	0.10	80.4	NS	2nd BSPG SD
Phantom 18 State 2H	Concho	30015382580000	18O/19S/29E	6/21/2011	65.0	0.25	121.8	NS	3rd BSPG SD
Palmillo 14 State 1H	Apache	30015390270000	14I/19S/28E	11/1/2014	146.6	0.47	213.9	EW	2nd BSPG SD
Phantom 18 State 1H	Concho	30015396120000	18P/19S/29E	7/26/2012	44.8	0.16	94.8	NS	2nd BSPG SD
Palmillo 14 State 4H	Apache	30015425430000	14D/19S/28E	3/4/2015	77.2	0.30	214.4	EW	2nd BSPG SD
Palmillo 14-15 State 301H	Apache	30015440400000	15P/19S/28E	9/8/2017	188.3	0.65	386.8	EW	3rd BSPG SD
Palmillo 14-15 State 2H	Apache	30015440430000	25P/19S/28E	9/16/2017	239.6	1.00	482.9	EW	2nd BSPG SD
Palmillo 14-15 State 3H	Apache	30015440450000	15H/19S/28E	9/17/2017	95.6	0.49	358.4	EW	2nd BSPG SD
Turkey Track 8-7 State 22H	Oxy	30015441420000	9D/19S/29E	2/7/2018	357.8	1.25	321.9	EW	2nd BSPG SD
Turkey Track 8-7 State 23H	Oxy	30015441430000	9M/19S/29E	1/11/2018	376.3	1.27	396.7	EW	2nd BSPG SD
Turkey Track 8-7 State 234H	Oxy	30015441450000	9M/19S/29E	1/1/2018	282.2	1.03	364.3	EW	2nd BSPG SD
Turkey Track 8-7 State 33H	Oxy	30015441590000	9L/19S/29E	8/1/2019	29.6	0.04	45.4	EW	3rd BSPG SD
Turkey Track 8-7 State 34H	Oxy	30015441600000	9L/19S/29E	8/1/2019	32.3	0.04	61.0	EW	3rd BSPG SD
Turkey Track 8-7 State 31H	Oxy	30015442660000	9D/19S/29E	8/1/2019	26.1	0.04	50.4	EW	3rd BSPG SD
Turkey Track 8-7 State 32H	Oxy	30015442670000	9D/19S/29E	8/1/2019	35.4	0.05	47.2	EW	3rd BSPG SD
Marbob 19 State Com 123H	Matador	30015446870000	19L/19S/29E	5/21/2018	48.7	0.25	126.7	EW	2nd BSPG SD
Marbob 19 State Com 133H	Matador	30015446880000	19L/19S/29E	5/29/2018	67.8	0.42	188.7	EW	3rd BSPGS SD
Palmillo 14-15 State 302H	Apache	30015453410000	15L/19S/28E	Pending				EW	3rd BSPG SD
Palmillo 14-15 State 304H	Apache	30015453420000	15E/19S/28E	Pending				EW	3rd BSPG SD
Palmillo 14-15 State 305H	Apache	30015453430000	15E/19S/28E	Pending				EW	3rd BSPGS SD
Palmillo 14-15 State 303H	Apache	30015453800000	15L/19S/28E	Pending				EW	3rd BSPG SD
Palmillo 14-15 State Com 306H	Apache	30015453820000	15D/19S/28E	Pending				EW	3rd BSPG SD
Turkey Track 8-7 State 201H	Oxy	30015456810000	9D/19S/29E	Pending				EW	2nd BSPG SD
Parkchester 24-23 B2AD State Com 1H	Mewbourne	30015460610000	24A/19S/28E	Pending				EW	2nd BSPG SD
Parkchester 24-23 B3AD State Com 2H	Mewbourne	30015460620000	24A/19S/28E	Pending				EW	3rd BSPG SD



Mewbourne Oil Company

Eddy County, New Mexico NAD 83

Rattlesnake 13/18 B2LK St Com #1H

Sec 13, T19S, R29E

SL: 2130' FSL & 205' FWL, Sec 13

BHL: 2100' FSL & 2294' FWL, Sec 18

Plan: Design #1

Standard Planning Report

21 September, 2018

G

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Rattlesnake 13/18 B2LK St Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3414.0usft (Original Well Elev)
Project:	Eddy County, New Mexico NAD 83	MD Reference:	WELL @ 3414.0usft (Original Well Elev)
Site:	Rattlesnake 13/18 B2LK St Com #1H	North Reference:	Grid
Well:	Sec 13, T19S, R29E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 2100' FSL & 2294' FWL, Sec 18		
Design:	Design #1		

Project	Eddy County, New Mexico NAD 83		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site		Rattlesnake 13/18 B2LK St Com #1H			
Site Position:		Northing:	603,710.00 usft	Latitude:	32.6594938
From:	Map	Easting:	601,385.00 usft	Longitude:	-104.1382149
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.11 °

Well	Sec 13, T19S, R29E					
Well Position	+N/-S	0.0 usft	Northing:	603,710.00 usft	Latitude:	32.6594938
	+E/-W	0.0 usft	Easting:	601,385.00 usft	Longitude:	-104.1382149
Position Uncertainty		0.0 usft	Wellhead Elevation:	3,414.0 usft	Ground Level:	3,387.0 usft

Wellbore	BHL: 2100' FSL & 2294' FWL, Sec 18				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	9/19/2018	6.98	60.31	48,092

Design	Design #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	89.93

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,450.0	0.00	0.00	1,450.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,587.3	2.06	260.68	1,587.2	-0.4	-2.4	1.50	1.50	0.00	260.68	
6,949.8	2.06	260.68	6,946.3	-31.6	-192.6	0.00	0.00	0.00	0.00	
7,087.1	0.00	0.01	7,083.5	-32.0	-195.0	1.50	-1.50	0.00	180.00	KOP: 2100' FSL & 10'
7,820.6	87.97	89.69	7,561.0	-29.5	265.8	11.99	11.99	0.00	89.69	
14,863.3	87.97	89.69	7,811.0	9.0	7,304.0	0.00	0.00	0.00	0.00	BHL: 2100' FSL & 2294' FWL

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Rattlesnake 13/18 B2LK St Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3414.0usft (Original Well Elev)
Project:	Eddy County, New Mexico NAD 83	MD Reference:	WELL @ 3414.0usft (Original Well Elev)
Site:	Rattlesnake 13/18 B2LK St Com #1H	North Reference:	Grid
Well:	Sec 13, T19S, R29E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 2100' FSL & 2294' FWL, Sec 18		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
SL: 2130' FSL & 205' FWL, Sec 13									
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,450.0	0.00	0.00	1,450.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.75	260.68	1,500.0	-0.1	-0.3	-0.3	1.50	1.50	0.00
1,587.3	2.06	260.68	1,587.2	-0.4	-2.4	-2.4	1.50	1.50	0.00
1,600.0	2.06	260.68	1,600.0	-0.5	-2.9	-2.9	0.00	0.00	0.00
1,700.0	2.06	260.68	1,699.9	-1.1	-6.4	-6.4	0.00	0.00	0.00
1,800.0	2.06	260.68	1,799.8	-1.6	-10.0	-10.0	0.00	0.00	0.00
1,900.0	2.06	260.68	1,899.8	-2.2	-13.5	-13.5	0.00	0.00	0.00
2,000.0	2.06	260.68	1,999.7	-2.8	-17.1	-17.1	0.00	0.00	0.00
2,100.0	2.06	260.68	2,099.6	-3.4	-20.6	-20.6	0.00	0.00	0.00
2,200.0	2.06	260.68	2,199.6	-4.0	-24.2	-24.2	0.00	0.00	0.00
2,300.0	2.06	260.68	2,299.5	-4.5	-27.7	-27.7	0.00	0.00	0.00
2,400.0	2.06	260.68	2,399.4	-5.1	-31.2	-31.3	0.00	0.00	0.00
2,500.0	2.06	260.68	2,499.4	-5.7	-34.8	-34.8	0.00	0.00	0.00
2,600.0	2.06	260.68	2,599.3	-6.3	-38.3	-38.3	0.00	0.00	0.00
2,700.0	2.06	260.68	2,699.3	-6.9	-41.9	-41.9	0.00	0.00	0.00
2,800.0	2.06	260.68	2,799.2	-7.5	-45.4	-45.4	0.00	0.00	0.00
2,900.0	2.06	260.68	2,899.1	-8.0	-49.0	-49.0	0.00	0.00	0.00
3,000.0	2.06	260.68	2,999.1	-8.6	-52.5	-52.5	0.00	0.00	0.00
3,100.0	2.06	260.68	3,099.0	-9.2	-56.1	-56.1	0.00	0.00	0.00
3,200.0	2.06	260.68	3,198.9	-9.8	-59.6	-59.6	0.00	0.00	0.00
3,300.0	2.06	260.68	3,298.9	-10.4	-63.2	-63.2	0.00	0.00	0.00
3,400.0	2.06	260.68	3,398.8	-10.9	-66.7	-66.7	0.00	0.00	0.00
3,500.0	2.06	260.68	3,498.7	-11.5	-70.3	-70.3	0.00	0.00	0.00
3,600.0	2.06	260.68	3,598.7	-12.1	-73.8	-73.8	0.00	0.00	0.00
3,700.0	2.06	260.68	3,698.6	-12.7	-77.3	-77.4	0.00	0.00	0.00
3,800.0	2.06	260.68	3,798.5	-13.3	-80.9	-80.9	0.00	0.00	0.00
3,900.0	2.06	260.68	3,898.5	-13.9	-84.4	-84.5	0.00	0.00	0.00
4,000.0	2.06	260.68	3,998.4	-14.4	-88.0	-88.0	0.00	0.00	0.00
4,100.0	2.06	260.68	4,098.3	-15.0	-91.5	-91.5	0.00	0.00	0.00
4,200.0	2.06	260.68	4,198.3	-15.6	-95.1	-95.1	0.00	0.00	0.00
4,300.0	2.06	260.68	4,298.2	-16.2	-98.6	-98.6	0.00	0.00	0.00
4,400.0	2.06	260.68	4,398.2	-16.8	-102.2	-102.2	0.00	0.00	0.00
4,500.0	2.06	260.68	4,498.1	-17.3	-105.7	-105.7	0.00	0.00	0.00
4,600.0	2.06	260.68	4,598.0	-17.9	-109.3	-109.3	0.00	0.00	0.00
4,700.0	2.06	260.68	4,698.0	-18.5	-112.8	-112.8	0.00	0.00	0.00
4,800.0	2.06	260.68	4,797.9	-19.1	-116.3	-116.4	0.00	0.00	0.00
4,900.0	2.06	260.68	4,897.8	-19.7	-119.9	-119.9	0.00	0.00	0.00
5,000.0	2.06	260.68	4,997.8	-20.3	-123.4	-123.5	0.00	0.00	0.00

Planning Report

Database: Hobbs
Company: Mewbourne Oil Company
Project: Eddy County, New Mexico NAD 83
Site: Rattlesnake 13/18 B2LK St Com #1H
Well: Sec 13, T19S, R29E
Wellbore: BHL: 2100' FSL & 2294' FWL, Sec 18
Design: Design #1

Local Co-ordinate Reference: Site Rattlesnake 13/18 B2LK St Com #1H
TVD Reference: WELL @ 3414.0usft (Original Well Elev)
MD Reference: WELL @ 3414.0usft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,100.0	2.06	260.68	5,097.7	-20.8	-127.0	-127.0	0.00	0.00	0.00
5,200.0	2.06	260.68	5,197.6	-21.4	-130.5	-130.6	0.00	0.00	0.00
5,300.0	2.06	260.68	5,297.6	-22.0	-134.1	-134.1	0.00	0.00	0.00
5,400.0	2.06	260.68	5,397.5	-22.6	-137.6	-137.6	0.00	0.00	0.00
5,500.0	2.06	260.68	5,497.4	-23.2	-141.2	-141.2	0.00	0.00	0.00
5,600.0	2.06	260.68	5,597.4	-23.7	-144.7	-144.7	0.00	0.00	0.00
5,700.0	2.06	260.68	5,697.3	-24.3	-148.3	-148.3	0.00	0.00	0.00
5,800.0	2.06	260.68	5,797.3	-24.9	-151.8	-151.8	0.00	0.00	0.00
5,900.0	2.06	260.68	5,897.2	-25.5	-155.3	-155.4	0.00	0.00	0.00
6,000.0	2.06	260.68	5,997.1	-26.1	-158.9	-158.9	0.00	0.00	0.00
6,100.0	2.06	260.68	6,097.1	-26.7	-162.4	-162.5	0.00	0.00	0.00
6,200.0	2.06	260.68	6,197.0	-27.2	-166.0	-166.0	0.00	0.00	0.00
6,300.0	2.06	260.68	6,296.9	-27.8	-169.5	-169.6	0.00	0.00	0.00
6,400.0	2.06	260.68	6,396.9	-28.4	-173.1	-173.1	0.00	0.00	0.00
6,500.0	2.06	260.68	6,496.8	-29.0	-176.6	-176.7	0.00	0.00	0.00
6,600.0	2.06	260.68	6,596.7	-29.6	-180.2	-180.2	0.00	0.00	0.00
6,700.0	2.06	260.68	6,696.7	-30.1	-183.7	-183.7	0.00	0.00	0.00
6,800.0	2.06	260.68	6,796.6	-30.7	-187.3	-187.3	0.00	0.00	0.00
6,900.0	2.06	260.68	6,896.5	-31.3	-190.8	-190.8	0.00	0.00	0.00
6,949.8	2.06	260.68	6,946.3	-31.6	-192.6	-192.6	0.00	0.00	0.00
7,000.0	1.31	260.68	6,996.5	-31.8	-194.0	-194.1	1.50	-1.50	0.00
7,087.1	0.00	0.01	7,083.5	-32.0	-195.0	-195.0	1.50	-1.50	0.00
KOP: 2100' FSL & 10' FWL, Sec 13									
7,100.0	1.55	89.69	7,096.5	-32.0	-194.8	-194.9	11.99	11.99	0.00
7,200.0	13.54	89.69	7,195.4	-31.9	-181.7	-181.8	11.99	11.99	0.00
7,300.0	25.54	89.69	7,289.5	-31.7	-148.3	-148.4	11.99	11.99	0.00
7,385.2	35.75	89.69	7,362.7	-31.5	-105.0	-105.0	11.99	11.99	0.00
FTP: 2100' FSL & 100' FWL, Sec 13									
7,400.0	37.53	89.69	7,374.6	-31.5	-96.1	-96.2	11.99	11.99	0.00
7,500.0	49.52	89.69	7,447.0	-31.1	-27.4	-27.4	11.99	11.99	0.00
7,600.0	61.51	89.69	7,503.5	-30.6	54.9	54.9	11.99	11.99	0.00
7,700.0	73.51	89.69	7,541.6	-30.1	147.1	147.1	11.99	11.99	0.00
7,800.0	85.50	89.69	7,559.8	-29.6	245.3	245.2	11.99	11.99	0.00
7,820.6	87.97	89.69	7,561.0	-29.5	265.8	265.8	11.99	11.99	0.00
7,820.9	87.97	89.69	7,561.0	-29.5	266.1	266.1	0.00	0.00	0.00
LP: 2100' FSL & 471' FWL, Sec 13									
7,900.0	87.97	89.69	7,563.8	-29.0	345.2	345.1	0.00	0.00	0.00
8,000.0	87.97	89.69	7,567.4	-28.5	445.1	445.1	0.00	0.00	0.00
8,100.0	87.97	89.69	7,570.9	-28.0	545.1	545.0	0.00	0.00	0.00
8,200.0	87.97	89.69	7,574.5	-27.4	645.0	645.0	0.00	0.00	0.00
8,300.0	87.97	89.69	7,578.0	-26.9	744.9	744.9	0.00	0.00	0.00
8,400.0	87.97	89.69	7,581.6	-26.3	844.9	844.8	0.00	0.00	0.00
8,500.0	87.97	89.69	7,585.1	-25.8	944.8	944.8	0.00	0.00	0.00
8,600.0	87.97	89.69	7,588.7	-25.2	1,044.7	1,044.7	0.00	0.00	0.00
8,700.0	87.97	89.69	7,592.2	-24.7	1,144.7	1,144.6	0.00	0.00	0.00
8,800.0	87.97	89.69	7,595.8	-24.1	1,244.6	1,244.6	0.00	0.00	0.00
8,900.0	87.97	89.69	7,599.3	-23.6	1,344.5	1,344.5	0.00	0.00	0.00
9,000.0	87.97	89.69	7,602.9	-23.0	1,444.5	1,444.4	0.00	0.00	0.00
9,100.0	87.97	89.69	7,606.4	-22.5	1,544.4	1,544.4	0.00	0.00	0.00
9,200.0	87.97	89.69	7,610.0	-21.9	1,644.3	1,644.3	0.00	0.00	0.00
9,300.0	87.97	89.69	7,613.5	-21.4	1,744.3	1,744.2	0.00	0.00	0.00
9,400.0	87.97	89.69	7,617.1	-20.9	1,844.2	1,844.2	0.00	0.00	0.00
9,500.0	87.97	89.69	7,620.6	-20.3	1,944.1	1,944.1	0.00	0.00	0.00

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Rattlesnake 13/18 B2LK St Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3414.0usft (Original Well Elev)
Project:	Eddy County, New Mexico NAD 83	MD Reference:	WELL @ 3414.0usft (Original Well Elev)
Site:	Rattlesnake 13/18 B2LK St Com #1H	North Reference:	Grid
Well:	Sec 13, T19S, R29E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 2100' FSL & 2294' FWL, Sec 18		
Design:	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
9,600.0	87.97	89.69	7,624.2	-19.8	2,044.1	2,044.1	0.00	0.00	0.00
9,700.0	87.97	89.69	7,627.7	-19.2	2,144.0	2,144.0	0.00	0.00	0.00
9,800.0	87.97	89.69	7,631.3	-18.7	2,244.0	2,243.9	0.00	0.00	0.00
9,900.0	87.97	89.69	7,634.8	-18.1	2,343.9	2,343.9	0.00	0.00	0.00
10,000.0	87.97	89.69	7,638.4	-17.6	2,443.8	2,443.8	0.00	0.00	0.00
10,100.0	87.97	89.69	7,641.9	-17.0	2,543.8	2,543.7	0.00	0.00	0.00
10,200.0	87.97	89.69	7,645.5	-16.5	2,643.7	2,643.7	0.00	0.00	0.00
10,300.0	87.97	89.69	7,649.0	-15.9	2,743.6	2,743.6	0.00	0.00	0.00
10,400.0	87.97	89.69	7,652.6	-15.4	2,843.6	2,843.5	0.00	0.00	0.00
10,500.0	87.97	89.69	7,656.1	-14.8	2,943.5	2,943.5	0.00	0.00	0.00
10,600.0	87.97	89.69	7,659.7	-14.3	3,043.4	3,043.4	0.00	0.00	0.00
10,700.0	87.97	89.69	7,663.2	-13.7	3,143.4	3,143.4	0.00	0.00	0.00
10,800.0	87.97	89.69	7,666.8	-13.2	3,243.3	3,243.3	0.00	0.00	0.00
10,900.0	87.97	89.69	7,670.3	-12.7	3,343.2	3,343.2	0.00	0.00	0.00
11,000.0	87.97	89.69	7,673.9	-12.1	3,443.2	3,443.2	0.00	0.00	0.00
11,100.0	87.97	89.69	7,677.4	-11.6	3,543.1	3,543.1	0.00	0.00	0.00
11,200.0	87.97	89.69	7,681.0	-11.0	3,643.1	3,643.0	0.00	0.00	0.00
11,300.0	87.97	89.69	7,684.5	-10.5	3,743.0	3,743.0	0.00	0.00	0.00
11,400.0	87.97	89.69	7,688.1	-9.9	3,842.9	3,842.9	0.00	0.00	0.00
11,500.0	87.97	89.69	7,691.6	-9.4	3,942.9	3,942.8	0.00	0.00	0.00
11,600.0	87.97	89.69	7,695.2	-8.8	4,042.8	4,042.8	0.00	0.00	0.00
11,700.0	87.97	89.69	7,698.7	-8.3	4,142.7	4,142.7	0.00	0.00	0.00
11,800.0	87.97	89.69	7,702.3	-7.7	4,242.7	4,242.7	0.00	0.00	0.00
11,900.0	87.97	89.69	7,705.8	-7.2	4,342.6	4,342.6	0.00	0.00	0.00
12,000.0	87.97	89.69	7,709.4	-6.6	4,442.5	4,442.5	0.00	0.00	0.00
12,100.0	87.97	89.69	7,712.9	-6.1	4,542.5	4,542.5	0.00	0.00	0.00
12,200.0	87.97	89.69	7,716.5	-5.6	4,642.4	4,642.4	0.00	0.00	0.00
12,300.0	87.97	89.69	7,720.0	-5.0	4,742.3	4,742.3	0.00	0.00	0.00
12,400.0	87.97	89.69	7,723.6	-4.5	4,842.3	4,842.3	0.00	0.00	0.00
12,500.0	87.97	89.69	7,727.1	-3.9	4,942.2	4,942.2	0.00	0.00	0.00
12,600.0	87.97	89.69	7,730.7	-3.4	5,042.1	5,042.1	0.00	0.00	0.00
12,700.0	87.97	89.69	7,734.2	-2.8	5,142.1	5,142.1	0.00	0.00	0.00
12,800.0	87.97	89.69	7,737.8	-2.3	5,242.0	5,242.0	0.00	0.00	0.00
12,900.0	87.97	89.69	7,741.3	-1.7	5,342.0	5,341.9	0.00	0.00	0.00
13,000.0	87.97	89.69	7,744.9	-1.2	5,441.9	5,441.9	0.00	0.00	0.00
13,100.0	87.97	89.69	7,748.4	-0.6	5,541.8	5,541.8	0.00	0.00	0.00
13,200.0	87.97	89.69	7,752.0	-0.1	5,641.8	5,641.8	0.00	0.00	0.00
13,300.0	87.97	89.69	7,755.5	0.5	5,741.7	5,741.7	0.00	0.00	0.00
13,400.0	87.97	89.69	7,759.1	1.0	5,841.6	5,841.6	0.00	0.00	0.00
13,500.0	87.97	89.69	7,762.6	1.6	5,941.6	5,941.6	0.00	0.00	0.00
13,600.0	87.97	89.69	7,766.2	2.1	6,041.5	6,041.5	0.00	0.00	0.00
13,700.0	87.97	89.69	7,769.7	2.6	6,141.4	6,141.4	0.00	0.00	0.00
13,800.0	87.97	89.69	7,773.3	3.2	6,241.4	6,241.4	0.00	0.00	0.00
13,900.0	87.97	89.69	7,776.8	3.7	6,341.3	6,341.3	0.00	0.00	0.00
14,000.0	87.97	89.69	7,780.4	4.3	6,441.2	6,441.2	0.00	0.00	0.00
14,100.0	87.97	89.69	7,783.9	4.8	6,541.2	6,541.2	0.00	0.00	0.00
14,200.0	87.97	89.69	7,787.5	5.4	6,641.1	6,641.1	0.00	0.00	0.00
14,300.0	87.97	89.69	7,791.0	5.9	6,741.1	6,741.1	0.00	0.00	0.00
14,400.0	87.97	89.69	7,794.6	6.5	6,841.0	6,841.0	0.00	0.00	0.00
14,500.0	87.97	89.69	7,798.1	7.0	6,940.9	6,940.9	0.00	0.00	0.00
14,600.0	87.97	89.69	7,801.7	7.6	7,040.9	7,040.9	0.00	0.00	0.00
14,700.0	87.97	89.69	7,805.2	8.1	7,140.8	7,140.8	0.00	0.00	0.00
14,800.0	87.97	89.69	7,808.8	8.7	7,240.7	7,240.7	0.00	0.00	0.00
14,863.3	87.97	89.69	7,811.0	9.0	7,304.0	7,304.0	0.00	0.00	0.00

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Rattlesnake 13/18 B2LK St Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3414.0usft (Original Well Elev)
Project:	Eddy County, New Mexico NAD 83	MD Reference:	WELL @ 3414.0usft (Original Well Elev)
Site:	Rattlesnake 13/18 B2LK St Com #1H	North Reference:	Grid
Well:	Sec 13, T19S, R29E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 2100' FSL & 2294' FWL, Sec 18		
Design:	Design #1		

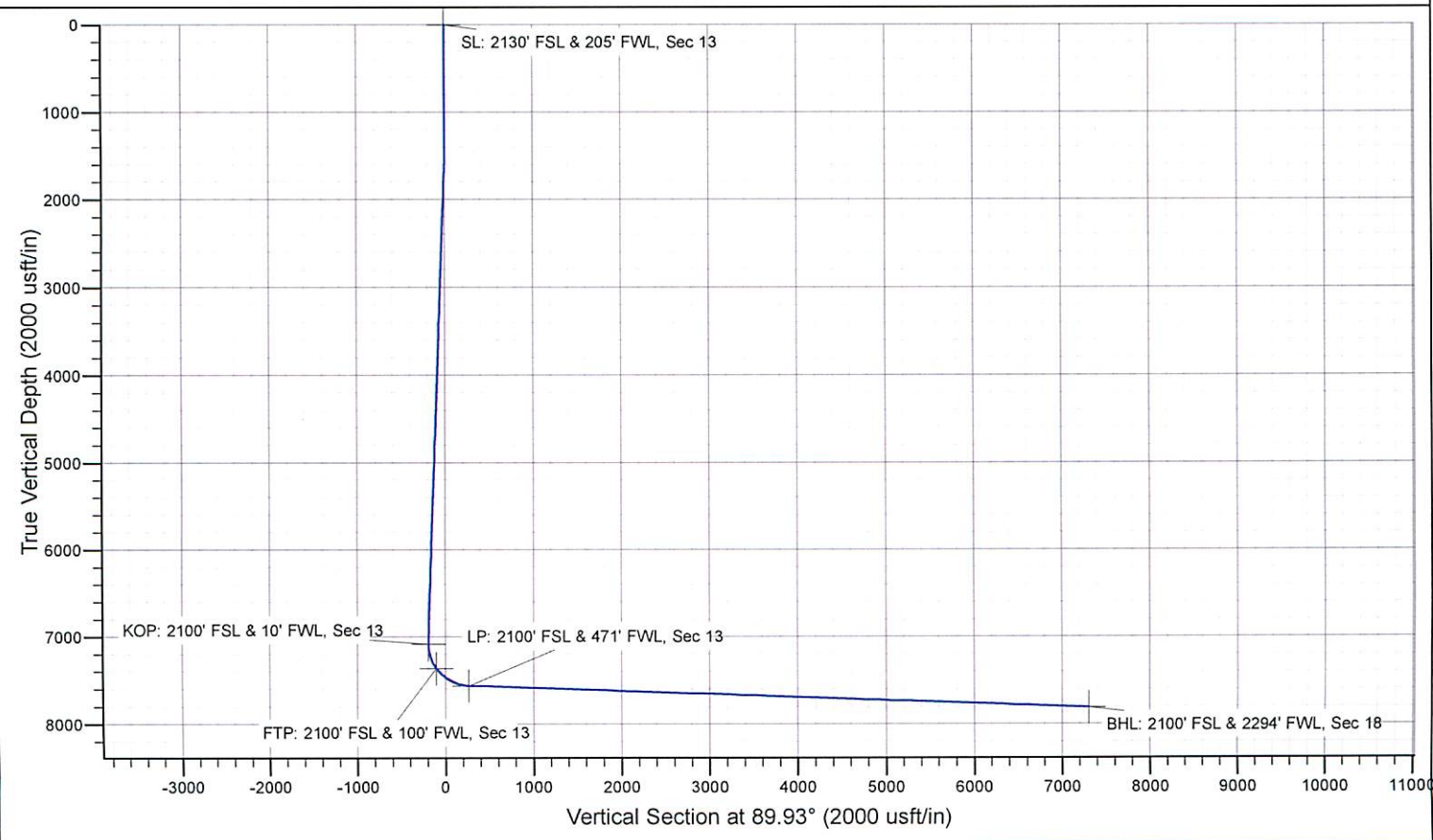
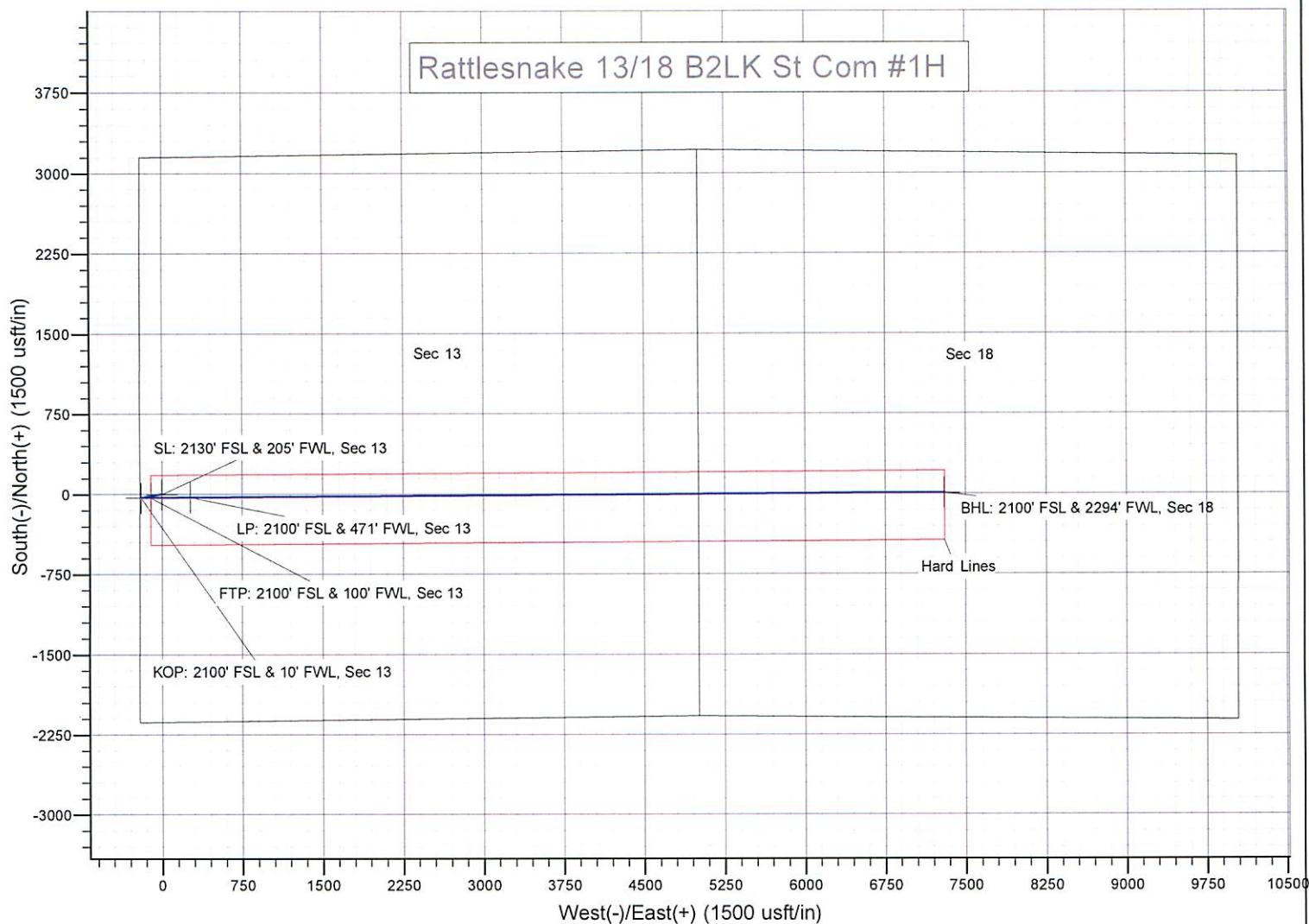
Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
BHL: 2100' FSL & 2294' FWL, Sec 18									

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SL: 2130' FSL & 205' FV - plan hits target center - Point	0.00	0.01	0.0	0.0	0.0	603,710.00	601,385.00	32.6594938	-104.1382149
KOP: 2100' FSL & 10' FV - plan hits target center - Point	0.00	0.00	7,083.5	-32.0	-195.0	603,678.00	601,190.00	32.6594068	-104.1388487
FTP: 2100' FSL & 100' F - plan hits target center - Point	0.00	0.00	7,362.6	-31.5	-105.0	603,678.49	601,280.00	32.6594077	-104.1385563
LP: 2100' FSL & 471' FV - plan hits target center - Point	0.00	0.00	7,561.0	-29.5	266.1	603,680.50	601,651.10	32.6594113	-104.1373504
BHL: 2100' FSL & 2294' - plan hits target center - Point	0.00	0.00	7,811.0	9.0	7,304.0	603,719.00	608,689.00	32.6594794	-104.1144813

Rattlesnake 13/18 B2LK St Com #1H



Mewbourne Oil Company

SURVEY CALCULATION REPORT Minimum Curvature Calculations

Operator	Mewbourne Oil Company	Target KBTVD	8,592 Feet	8592.00
Lease Name	Rattlesnake 13/18 B/LK State Com IH	Target Angle	88.62 Degrees	88.62
KOP	8114.54	Section Plane	89.54 Degrees	
SL: 2100 FSL & 205 FWL Sec 13-19S-28E		Declination Corrected to True North	6.63 Degrees	
BHL: 2100 FSL & 2440 FWL Sec 18-19S-29E		Bit to Survey Offset	44 Feet	

Survey No	Measured Depth-ft	Drift (Deg)	Azimuth (Deg)	Course Length	TVD (feet)	Vertical Section	*N/S (feet)	*E/W (feet)	Closure Distance	Closure Direction	BUR	DLS	*Above				
													KH/TVD	Below Target	DRIFT (RADIANS)	AZIMUTH (RADIANS)	
T/1	8114.54	0.00	89.54	N/A	8114.5	0.0	0.0	0.0	0.0	0.0	N/A	N/A	8114.5	477.5	1E-12	1.56 +VALUE+	
1	8188.39	8.06	89.54	73.8525791	8188.1	5.7	0.0	5.7	5.7	89.5	12.0	12.0	8188.0	404.0	0.15467648	1.56 0.1546765	
2	8262.24	17.72	89.54	73.8525791	8259.9	22.7	0.2	22.7	22.7	89.5	12.0	12.0	8259.4	332.6	0.30935296	1.56 0.1546765	
3	8336.09	26.50	89.54	73.8525791	8328.2	50.5	0.4	50.5	50.5	89.5	12.0	12.0	8327.0	265.0	0.46402944	1.56 0.1546765	
4	8409.95	35.45	89.54	73.8525791	8391.5	88.5	0.7	88.5	88.5	89.5	12.0	12.0	8389.3	202.7	0.61870592	1.56 0.1546765	
5	8483.80	44.31	89.54	73.8525791	8448.1	135.8	1.1	135.8	135.8	89.5	12.0	12.0	8444.8	147.2	0.7733824	1.56 0.1546765	
6	8557.65	53.17	89.54	73.8525791	8496.7	191.3	1.5	191.3	191.3	89.5	12.0	12.0	8492.1	99.9	0.92805888	1.56 0.1546765	
7	8631.50	62.04	89.54	73.8525791	8536.3	253.6	2.0	253.6	253.6	89.5	12.0	12.0	8530.2	61.8	1.08273536	1.56 0.1546765	
8	8705.36	70.90	89.54	73.8525791	8565.7	321.2	2.6	321.2	321.2	89.5	12.0	12.0	8558.0	34.0	1.23741184	1.56 0.1546765	
9	8779.21	79.78	89.54	73.8525791	8584.4	392.6	3.1	392.6	392.6	89.5	12.0	12.0	8575.0	17.0	1.39208832	1.56 0.1546765	
10	8853.06	88.62	89.54	73.8525791	8591.9	466.0	3.7	466.0	466.0	89.5	12.0	12.0	8580.7	11.3	1.5467648	1.56 0.1546765	
11	8900.00	88.62	89.54	46.9190383	8593.0	512.9	4.1	512.9	512.9	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10	
12	9000.00	88.62	89.54		100	8595.4	612.9	4.9	612.9	612.9	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
13	9100.00	88.62	89.54		100	8597.8	712.9	5.7	712.8	712.9	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
14	9200.00	88.62	89.54		100	8600.2	812.8	6.5	812.8	812.8	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
15	9300.00	88.62	89.54		100	8602.6	912.8	7.3	912.8	912.8	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
16	9400.00	88.62	89.54		100	8605.0	1012.8	8.1	1012.7	1012.8	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
17	9500.00	88.62	89.54		100	8607.4	1112.7	8.9	1112.7	1112.7	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
18	9600.00	88.62	89.54		100	8609.8	1212.7	9.7	1212.7	1212.7	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
19	9700.00	88.62	89.54		100	8612.2	1312.7	10.5	1312.6	1312.7	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
20	9800.00	88.62	89.54		100	8614.6	1412.7	11.3	1412.6	1412.7	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
21	9900.00	88.62	89.54		100	8617.0	1512.6	12.1	1512.6	1512.6	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
22	10000.00	88.62	89.54		100	8619.4	1612.6	12.9	1612.5	1612.6	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
23	10100.00	88.62	89.54		100	8621.8	1712.6	13.7	1712.5	1712.6	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
24	10200.00	88.62	89.54		100	8624.2	1812.5	14.5	1812.5	1812.5	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
25	10300.00	88.62	89.54		100	8626.6	1912.5	15.3	1912.5	1912.5	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
26	10400.00	88.62	89.54		100	8629.0	2012.5	16.1	2012.4	2012.5	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
27	10500.00	88.62	89.54		100	8631.4	2112.5	16.9	2112.4	2112.5	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
28	10600.00	88.62	89.54		100	8633.8	2212.4	17.7	2212.4	2212.4	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
29	10700.00	88.62	89.54		100	8636.2	2312.4	18.4	2312.3	2312.4	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
30	10800.00	88.62	89.54		100	8638.6	2412.4	19.2	2412.3	2412.4	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
31	10900.00	88.62	89.54		100	8641.0	2512.3	20.0	2512.3	2512.3	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
32	11000.00	88.62	89.54		100	8643.5	2612.3	20.8	2612.2	2612.3	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
33	11100.00	88.62	89.54		100	8645.9	2712.3	21.6	2712.2	2712.3	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
34	11200.00	88.62	89.54		100	8648.3	2812.3	22.4	2812.2	2812.3	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
35	11300.00	88.62	89.54		100	8650.7	2912.2	23.2	2912.1	2912.2	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
36	11400.00	88.62	89.54		100	8653.1	3012.2	24.0	3012.1	3012.2	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
37	11500.00	88.62	89.54		100	8655.5	3112.2	24.8	3112.1	3112.2	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
38	11600.00	88.62	89.54		100	8657.9	3212.1	25.6	3212.0	3212.1	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
39	11700.00	88.62	89.54		100	8660.3	3312.1	26.4	3312.0	3312.1	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
40	11800.00	88.62	89.54		100	8662.7	3412.1	27.2	3412.0	3412.1	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
41	11900.00	88.62	89.54		100	8665.1	3512.1	28.0	3511.9	3512.1	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
42	12000.00	88.62	89.54		100	8667.5	3612.0	28.8	3611.9	3612.0	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
43	12100.00	88.62	89.54		100	8669.9	3712.0	29.6	3711.9	3712.0	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
44	12200.00	88.62	89.54		100	8672.3	3812.0	30.4	3811.8	3812.0	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
45	12300.00	88.62	89.54		100	8674.7	3911.9	31.2	3911.8	3911.9	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
46	12400.00	88.62	89.54		100	8677.1	4011.9	32.0	4011.8	4011.9	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
47	12500.00	88.62	89.54		100	8679.5	4111.9	32.8	4111.7	4111.9	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
48	12600.00	88.62	89.54		100	8681.9	4211.8	33.6	4211.7	4211.8	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
49	12700.00	88.62	89.54		100	8684.3	4311.8	34.4	4311.7	4311.8	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
50	12800.00	88.62	89.54		100	8686.7	4411.8	35.2	4411.7	4411.8	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
51	12900.00	88.62	89.54		100	8689.1	4511.8	36.0	4511.6	4511.8	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
52	13000.00	88.62	89.54		100	8691.5	4611.7	36.8	4611.6	4611.7	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
53	13100.00	88.62	89.54		100	8693.9	4711.7	37.6	4711.6	4711.7	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
54	13200.00	88.62	89.54		100	8696.3	4811.7	38.4	4811.5	4811.7	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
55	13300.00	88.62	89.54		100	8698.7	4911.6	39.2	4911.5	4911.6	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
56	13400.00	88.62	89.54		100	8701.1	5011.6	40.0	5011.5	5011.6	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
57	13500.00	88.62	89.54		100	8703.5	5111.6	40.8	5111.4	5111.6	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
58	13600.00	88.62	89.54		100	8705.9	5211.6	41.6	5211.4	5211.6	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10
59	13700.00	88.62	89.54		100	8708.3	5311.5	42.4	5311.4	5311.5	89.5	0.0	0.0	8580.7	11.3	1.5467648	1.56 1E-10