

# Additional Information

## Garcia, John A, EMNRD

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**From:** jamesbruc@aol.com  
**Sent:** Tuesday, February 25, 2020 11:45 AM  
**To:** Garcia, John A, EMNRD  
**Subject:** Re: [EXT] Fwd: Case Number 21000 / 21001 / 21002 \_Mewbourne Oil Company  
**Attachments:** case 21000-hearing exhibit 5-revised.pdf; case 21001-hearing exhibit 5-revised.pdf; case 21002-hearing exhibit 5-revised.pdf

Attached.

-----Original Message-----

From: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>  
To: jamesbruc@aol.com <jamesbruc@aol.com>  
Sent: Tue, Feb 25, 2020 10:50 am  
Subject: RE: [EXT] Fwd: Case Number 21000 / 21001 / 21002 \_Mewbourne Oil Company

James,

If you could resubmit the checklist as this is a signed document, and also fix the measured depth on each case and add XTO Energy Inc to the appearance side

Thank you,

**John Garcia**

*Petroleum Specialist*  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
505-476-3441



**From:** jamesbruc@aol.com <jamesbruc@aol.com>  
**Sent:** Tuesday, February 25, 2020 10:37 AM  
**To:** Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>  
**Subject:** [EXT] Fwd: Case Number 21000 / 21001 / 21002 \_Mewbourne Oil Company

Do you need me to submit revised checklists, or can you just interlineate?

-----Original Message-----

From: jamesbruc <[jamesbruc@aol.com](mailto:jamesbruc@aol.com)>  
To: JohnA.Garcia <[JohnA.Garcia@state.nm.us](mailto:JohnA.Garcia@state.nm.us)>

# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	21000
Date	January 9, 2020
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/14744
Applicant's Counsel:	James Bruce
Case Title:	Application Of Mewbourne Oil Company For Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Holland & Hart LLP/MRC Permian Company + <i>XTO Energy Inc.</i> <i>QB</i>
Well Family	Easy Company 36/35 W0AB Fed. Com. Well No. 1H
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Wolfcamp Formation
Pool Name and Pool Code:	Wildcat Wolfcamp
Well Location Setback Rules:	Statewide Rules
Spacing Unit Size:	Quarter-Quarter Section/40 Acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 Acres
Building Blocks:	Quarter Section/160 Acres
Orientation:	<b>East-West</b>
Description: TRS/County	N/2 Sec. 36 and NE/4 Sec. 35-20S-28E, Eddy Co.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes. N/2 and S/2 If Above Spacing Unit
Proximity Defining Well: if yes, description	Yes. Easy Co. 36/35 W0AB Fed. Com. No. 1H
Applicant's Ownership in Each Tract	<b>See Exhibit 1 Page 6</b>
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	EXHIBIT <i>5</i>

Well #1	Easy Company 36/35 W0AB Fed. Com. Well No. 1H API No. Pending/Well Not Drilled SHL: 1430 FNL & 435 FEL (Unit H) Sec. 36-20S-28E BHL: 1310 FNL & 2550 FEL (Unit B) Sec. 35-20S-28E Completion Target: Upper Wolfcamp Y Sand/Approx. 9200 Feet Well Orientation: East-West Completion Location Expected To Be Standard
Well #2	
Horizontal Well First and Last Take Points	
Completion Target (Formation, TVD and MD)	Upper Wolfcamp Y Sand/TVD 9230 feet/MD 16400 feet/Exhibit 1 Pages 10 and 11
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 1 Page2
Requested Risk Charge	Cost Plus 200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit 3 Page
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit
Tract List (including lease numbers and owners)	N/A
Pooled Parties (including ownership type)	Exhibit 1 Pages 6-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit 1 Page 10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit 1 Pages 6-7
Chronology of Contact with Non-Joined Working Interests	Exhibit 1 Pages 8-9
Overhead Rates In Proposal Letter	\$8000/\$800
Cost Estimate to Drill and Complete	Exhibit 1 Page 11

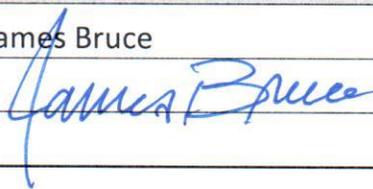
Cost Estimate to Equip Well	Exhibit 1 Page 11
Cost Estimate for Production Facilities	Exhibit 1 Page 11
<b>Geology</b>	
Summary (including special considerations)	Exhibit 1 Page 1
Spacing Unit Schematic	Exhibit 1 Pages 4-5
Gunbarrel/Lateral Trajectory Schematic	Exhibit 2 Page 8
Well Orientation (with rationale)	Laydown. Exhibit 2 Page 2
Target Formation	Exhibit 2 Page 6/Upper Wolfcamp Y Sand
HSU Cross Section	Exhibit 2 Page 7
Depth Severance Discussion	Exhibit 1 Page 1
<b>Forms, Figures and Tables</b>	
C-102	Exhibit 1 Page 5
Tracts	Exhibit 1 Page 4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 1 Pages 6-7
General Location Map (including basin)	Exhibit 1 Page 4
Well Bore Location Map	Exhibit 1 Page 5 and Exhibit 2 Page 12
Structure Contour Map - Subsea Depth	Exhibit 2 Page 4
Cross Section Location Map (including wells)	Exhibit 2 Pages 4-6
Cross Section (including Landing Zone)	Exhibit 2 Page 7
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	James Bruce
<b>Signed Name</b> (Attorney or Party Representative):	<i>James Bruce</i>
<b>Date:</b>	1/9/2020

# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	21001
Date	January 9, 2020
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/14744
Applicant's Counsel:	James Bruce
Case Title:	Application Of Mewbourne Oil Company For Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Holland & Hart LLP/MRC Permian Company + <i>XTO Energy Inc.</i> 4B
Well Family	Easy Company 36/35 B3AB Fed. Com. Well No. 1H
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring Formation
Pool Name and Pool Code:	Avalon; Bone Spring East/3713
Well Location Setback Rules:	Statewide Rules
Spacing Unit Size:	Quarter-Quarter Section/40 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 Acres
Building Blocks:	40 Acres
Orientation:	<b>East-West</b>
Description: TRS/County	N/2N/2 Sec. 36 and N/2NE/4 Sec. 35-20S-28E, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	See Exhibit 1 Pages 6-7
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	EXHIBIT 5

Well #1	Easy Company 36/35 B3AG Fed. Com. Well No. 1H API No. Pending/Well Not Drilled SHL: 1400 FNL & 435 FEL (Unit H) Sec. 36-20S-28E BHL: 440 FNL & 2551 FEL (Unit B) Sec. 35-20S-28E Completion Target: 3rd Bone Spring Sand/Approx. <del>8840</del> 8950 Feet Well Orientation: East-West Completion Location Expected To Be Standard
Well #2	
Horizontal Well First and Last Take Points	
Completion Target (Formation, TVD and MD)	3rd Bone Spring Sand/TVD 9000 feet/MD 16200 feet/Exhibit 1 Pages 10, 11
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 1 Page2
Requested Risk Charge	Cost Plus 200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Filed With Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit 1 Page 4
Tract List (including lease numbers and owners)	
Pooled Parties (including ownership type)	Exhibit 1 Pages 6-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit 1 Page 10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit 1 Pages 6-7
Chronology of Contact with Non-Joined Working Interests	Exhibit 1 Pages 8-9
Overhead Rates In Proposal Letter	\$8000/\$800
Cost Estimate to Drill and Complete	Exhibit 1 Page 11

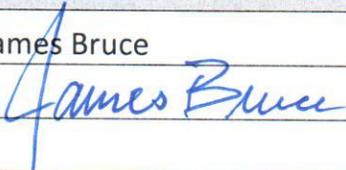
Cost Estimate to Equip Well	Exhibit 1 Page 11
Cost Estimate for Production Facilities	Exhibit 1 Page 11
<b>Geology</b>	
Summary (including special considerations)	Exhibit 1 Page 1
Spacing Unit Schematic	Exhibit 1 Pages 4-5
Gunbarrel/Lateral Trajectory Schematic	Exhibit 2 Page 8
Well Orientation (with rationale)	Laydown/Exhibit 2 Page 2
Target Formation	Exhibit 2 Page 5/3rd Bone Spring Sand
HSU Cross Section	Exhibit 2 Page 7
Depth Severance Discussion	Exhibit 1 Page 1
<b>Forms, Figures and Tables</b>	
C-102	Exhibit 1 Page 5
Tracts	Exhibit 1 Page 4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 1 Pages 6-7
General Location Map (including basin)	Exhibit 1 Page 4
Well Bore Location Map	Exhibit 1 Page 5 and Exhibit 2 Page 12
Structure Contour Map - Subsea Depth	Exhibit 2 Page 4
Cross Section Location Map (including wells)	Exhibit 2 Pages 4-6
Cross Section (including Landing Zone)	Exhibit 2 Page 7
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	James Bruce
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	1/9/2020

# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	21002
Date	January 9, 2020
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/14744
Applicant's Counsel:	James Bruce
Case Title:	Application Of Mewbourne Oil Company For Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Holland & Hart LLP/MRC Permian Company + <b>XTO Energy Inc.</b> <b>4B</b>
Well Family	Easy Company 36/35 B3HG Fed. Com. Well No. 1
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring Formation
Pool Name and Pool Code:	Avalon; Bone Spring East/3713
Well Location Setback Rules:	Statewide Rules
Spacing Unit Size:	Quarter-Quarter Section/40 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 Acres
Building Blocks:	40 Acres
Orientation:	<b>East-West</b>
Description: TRS/County	S/2N/2 Sec. 36 & S/2NE/4 Sec. 35-20S-28E, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	See Exhibit 1 Pages 6-7
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	EXHIBIT <b>5</b>

Well #1	Easy Company 36/35 B3HG Fed. Com. Well No. 1H API No. Pending/Well Not Drilled SHL: 1460 FNL & 435 FEL (Unit H) Sec. 36-20S-28E BHL: 2200 FNL & 2549 FEL (Unit G) Sec. 35-20S-28E Completion Target: 3rd Bone Spring Sand/Approx. <del>8840</del> 8950 Feet Well Orientation: East-West Completion Location Expected To Be Standard
Well #2	
Horizontal Well First and Last Take Points	
Completion Target (Formation, TVD and MD)	3rd Bone Spring Sand/TVD 9005 feet/MD 16200 feet/Exhibit 1 Pages 10, 11
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 1 Page2
Requested Risk Charge	Cost Plus 200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Filed With Application
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Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	None
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<p><b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b></p>	
<b>Printed Name</b> (Attorney or Party Representative):	James Bruce
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	1/9/2020

Sent: Tue, Feb 25, 2020 10:14 am  
Subject: Re: Case Number 21000 / 21001 / 21002 \_Mewbourne Oil Company

John: The well proposal letters and the AFEs (in Exhibit 1 in each case) give these depths:

Case 21000: 9230 feet  
Case 21001: 9000 feet  
Case 21002: 9005 feet

Let's use those. I had been looking at the geology exhibits -- the cross-section and the Survey calculation reports to get an approximate depth.

Sorry for the confusion.

Jim

-----Original Message-----

From: Garcia, John A, EMNRD <[JohnA.Garcia@state.nm.us](mailto:JohnA.Garcia@state.nm.us)>  
To: 'jamesbruc@aol.com' <[jamesbruc@aol.com](mailto:jamesbruc@aol.com)>  
Sent: Fri, Jan 31, 2020 1:28 pm  
Subject: Case Number 21000 / 21001 / 21002 \_Mewbourne Oil Company

James,

I am currently reviewing the above mentioned cases, if you could clarify the following for me.

1. The TVD on the Compulsory Application Checklist are not equal to that seen in the AFE or any exhibits. Can you let me know what the real TVD is so it may be reflected in the order?

Thank you,

**John Garcia**  
*Petroleum Specialist*  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
505-476-3441

