

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

APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 21219

APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 21220

**MEWBOURNE OIL COMPANY'S
RESPONSE IN OPPOSITION TO MOTION FOR EMERGENCY ORDER**

Mewbourne Oil Company ("Mewbourne") submits this response in opposition to the Motion for Emergency Order filed by COG Operating LLC ("COG"). Mewbourne states:

1. In the above cases COG seeks to pool the Wolfcamp formation in horizontal well units collectively covering all of Sections 6, 7, and 18, Township 25 South, Range 28 East, N.M.P.M. (proposed three mile laterals).

2. Mewbourne has permitted wells in the Wolfcamp formation in the S/2 of Section 6, Township 25 South, Range 28 East, N.M.P.M. Mewbourne owns 100% of the working interest in the S/2 of Section 6. See the land plat marked as **Exhibit A**, and Mewbourne's approved APDs marked as **Exhibit B**.

3. COG has requested an emergency order to prevent Mewbourne from drilling its wells pending the hearing on COG's applications, which are set for hearing on the April 2nd docket. **There is no basis on which to grant COG's motion, for the following reasons:**

(a) On March 3, 2020, in an effort to show good faith, Mewbourne informed COG by e-mail that it would not commence operations earlier than May 1, 2020 so long as the parties were working toward a resolution of their differences. See e-mail from Corey

Mitchell of Mewbourne to Sean Johnson of COG, marked as **Exhibit C**. Thus, no emergency order is necessary since the pooling applications will be heard four (4) weeks before May 1st.

(b) There will be no stranded acreage, as claimed by COG. As shown on **Exhibit A**, Mewbourne's plans could limit Wolfcamp wells in Section 6 to one mile units, resulting in two mile COG units comprised of Sections 7 and 18. These are all standard units in the Purple Sage-Wolfcamp Gas Pool, which will protect correlative rights.

(c) Operators continue drilling economic one mile wells nearby. For example, (i) Matador Production Company is drilling one mile laterals in the W/2 of Section 19-24S-28E because it was excluded from COG's Tomahawk Unit (the subject of Case No. 20659), and (ii) Marathon is drilling one mile laterals in Section 4-25S-28E, which is within 1.5 miles of Mewbourne's proposed wells. See Exhibit A

(d) COG cannot show a likelihood of success on the merits. In a similar situation (Case No. 20410) the Division ruled in favor of Murchison Oil & Gas Inc., who (i) planned to drill one mile laterals, (ii) had approved APDs, and (iii) had 100% working interest approval, and against OXY USA Inc. who (i) proposed two mile laterals, and (ii) had to pool additional parties. In another matter (Case No. 20298), Mewbourne was allowed to continue drilling a well in a unit in which it owned 100% of the working interest, despite the protest of Catena Resources Operating, LLC.

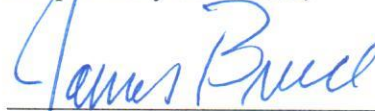
(e) Mewbourne has been working with COG since mid-August 2019 to resolve their differences in this area. After all that time, COG proposed its wells in late January. Mewbourne still has not received formal notice of the hearing. Also, there are other

interest owners in Section 18 (at least) who must be pooled by COG, and COG has provided no information on that situation.

4. Moreover, as Mewbourne has informed COG, it will continue to negotiate in good faith with COG in the weeks ahead to try to resolve their differences.

WHEREFORE, there is absolutely no need at this time to stay Mewbourne's right to drill its wells, and Mewbourne requests that COG's Motion for Emergency Order be denied.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mewbourne Oil Company

CERTIFICATE OF SERVICE

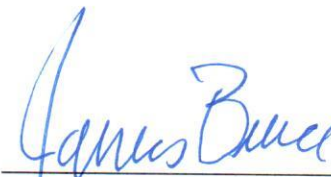
I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 12th day of March, 2020 via e-mail:

Ocean-Munds-Dry
omundsdry@concho.com

William F. Carr
wcarr@concho.com

Elizabeth Ryan
eryan@concho.com

Michael Rodriguez
mrodriguez@concho.com



James Bruce

EXHIBIT

A

2019 1-Mile
HZ Completions

Mewbourne
Owns N2 40%

Mewbourne
Owns S2 100%

Mewbourne
Pothole Proposals

COG
Scout Proposals

25S 28E

COG has Ownership

Mewbourne has
Ownership

COG & Mewbourne
have Ownership

Mewbourne Pothole
Proposed Unit

COG Scout
Proposed Unit

Proposed Well

Active Operator

Drilled Well



Mewbourne Oil Company

COG Scout/Mewbourne Pothole
Well Proposals

3/1/20

Eddy County

New Mexico

Wells >5000'

N.Cless

District I

1625 N. French Dr., Hobbs, NM 88240
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District IV

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Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011

Permit 277645

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
4. Property Code 327162		3. API Number 30-015-46743
5. Property Name POTHOLE 6 W1MP FEE		6. Well No. 002H

7. Surface Location

UL - Lot I	Section 6	Township 25S	Range 28E	Lot Idn I	Feet From 1820	N/S Line S	Feet From 205	E/W Line E	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot M	Section 6	Township 25S	Range 28E	Lot Idn 7	Feet From 330	N/S Line S	Feet From 330	E/W Line W	County Eddy
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9. Pool Information

PURPLE SAGE;WOLFCAMP (GAS)	98220
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3027
16. Multiple N	17. Proposed Depth 14245	18. Formation Wolfcamp	19. Contractor	20. Spud Date 2/27/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	405	0
Int1	12.25	9.625	36	2400	540	0
Prod	8.75	7	26	9675	845	2200
Liner1	6.125	4.5	13.5	14245	215	8975

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Wolfcamp formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	2500	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

Signature:

Printed Name: Electronically filed by Monty Whetstone

Title: Vice President Operations

Email Address: prodmgr@mewbourne.com

Date: 1/28/2020 Phone: 903-561-2900

OIL CONSERVATION DIVISION

Approved By: Raymond Podany

Title: Geologist

Approved Date: 2/13/2020

Expiration Date: 2/13/2022

Conditions of Approval Attached

EXHIBIT

B

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1625 N. French Dr., Hobbs, NM 88240
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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 98220	³ Pool Name PURPLE SAGE; WOLFCAMP GAS POOL
⁴ Property Code	⁵ Property Name POT HOLE 6 WIMP FEE		⁶ Well Number 2H
⁷ GRID NO. 14744	⁸ Operator Name MEWBOURNE OIL COMPANY		⁹ Elevation 3027'

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
I	6	25S	28E		1820	SOUTH	205	EAST	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
7	6	25S	28E		330	SOUTH	330	WEST	EDDY

¹² Dedicated Acres 321.55	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

<p>LOT 4</p> <p>GEODETIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION N 420886.8 - E 607661.6</p> <p>LAT: 32.1569146° N LONG: 104.1190107° W</p> <p>BOTTOM HOLE N 419397.7 - E 602887.7</p> <p>LAT: 32.1528465° N LONG: 104.1344464° W</p> <p>LOT 5</p>		<p>LOT 3</p> <p>LOT 2</p> <p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1940" N 419070.0 - E 602558.5</p> <p>B: FOUND BRASS CAP "1940" N 421727.4 - E 602552.2</p> <p>C: FOUND BRASS CAP "1940" N 424385.7 - E 602546.9</p> <p>D: FOUND BRASS CAP "1940" N 424378.3 - E 607901.1</p> <p>E: FOUND BRASS CAP "1940" N 421701.4 - E 607874.5</p> <p>F: FOUND BRASS CAP "1940" N 419036.1 - E 607848.7</p> <p>G: FOUND BRASS CAP "1940" N 419052.2 - E 605214.2</p> <p>LOT 1</p>		<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p>1-27-20</p> <p>Signature _____ Date _____</p> <p>Printed Name BRADLEY BISHOP</p> <p>E-mail Address BBISHOP@MEWBOURNE.COM</p>
<p>LOT 6 (40.81 Ac.)</p> <p>LOT 7 (40.74 Ac.)</p> <p>330'</p> <p>BH</p> <p>330'</p> <p>PROJECT AREA</p> <p>PRODUCING AREA</p> <p>205'</p> <p>S.L.</p> <p>1820'</p> <p>N 00°08'10" W 2657.94'</p> <p>N 00°06'55" W 2659.00'</p> <p>N 89°36'53" W 2656.31'</p> <p>N 89°38'58" W 2635.24'</p>		<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>1-26-2020</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>19680</p> <p>Certificate Number</p> <p>Job No.: LS20010055</p>		

District I

1625 N. French Dr., Hobbs, NM 88240
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District II

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District IV

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Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

August 1, 2011

Permit 277647

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
4. Property Code 327161		3. API Number 30-015-46742
5. Property Name POTHOLE 6 W1LI FEE		6. Well No. 002H

7. Surface Location

UL - Lot I	Section 6	Township 25S	Range 28E	Lot Idn I	Feet From 1880	N/S Line S	Feet From 205	E/W Line E	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot L	Section 6	Township 25S	Range 28E	Lot Idn 6	Feet From 1650	N/S Line S	Feet From 330	E/W Line W	County Eddy
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9. Pool Information

98220	98220
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3027
16. Multiple N	17. Proposed Depth 14170	18. Formation Wolfcamp	19. Contractor	20. Spud Date 2/27/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	405	0
Int1	12.25	9.625	36	2400	540	0
Prod	8.75	7	26	9600	835	2200
Liner1	6.125	4.5	13.5	14170	215	8900

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Wolfcamp formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	2500	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Electronically filed by Monty Whetstone

Approved By: Raymond Podany

Title: Vice President Operations

Title: Geologist

Email Address: prodmgr@mewbourne.com

Approved Date: 2/13/2020

Expiration Date: 2/13/2022

Date: 1/28/2020

Phone: 903-561-2900

Conditions of Approval Attached

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP GAS POOL
⁴ Property Code	⁵ Property Name POT HOLE 6 WILI FEE	⁶ Well Number 2H
⁷ OGRID NO. 14744	⁸ Operator Name MEWBOURNE OIL COMPANY	⁹ Elevation 3027'

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
I	6	25S	28E		1880	SOUTH	205	EAST	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
6	6	25S	28E		1650	SOUTH	330	WEST	EDDY

¹² Dedicated Acres 321.55	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

<p>¹⁶</p> <p>LOT 4</p> <p>GEODETIC DATA</p> <p>NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION</p> <p>N 420916.8 - E 607661.9</p> <p>LAT: 32.1569971° N</p> <p>LONG: 104.1190095° W</p> <p>BOTTOM HOLE</p> <p>N 420717.4 - E 602884.5</p> <p>LAT: 32.1564743° N</p> <p>LONG: 104.1344486° W</p> <p>LOT 5</p>		<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature: <i>Bradley Bishop</i> Date: 1-27-20</p> <p>Printed Name: BRADLEY BISHOP</p> <p>E-mail Address: BBISHOP@MEWBOURNE.COM</p>
<p>LOT 6 (40.81 Ac.)</p> <p>330'</p> <p>B.H.</p> <p>LOT 7 (40.74 Ac.)</p> <p>PROJECT AREA</p> <p>PRODUCING AREA</p> <p>1650'</p> <p>205'</p> <p>S.L.</p> <p>1880'</p>	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>1-26-2020</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>19680</p> <p>Certificate Number</p>	

Job No.: LS20010053

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August 1, 2011

Permit 277646

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4. Property Code 327090		3. API Number 30-015-46673
5. Property Name POTHOLE 6 W0MP FEE		6. Well No. 001H

7. Surface Location

UL - Lot I	Section 6	Township 25S	Range 28E	Lot Idn I	Feet From 1850	N/S Line S	Feet From 205	E/W Line E	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot M	Section 6	Township 25S	Range 28E	Lot Idn 7	Feet From 990	N/S Line S	Feet From 330	E/W Line W	County Eddy
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9. Pool Information

PURPLE SAGE;WOLFCAMP (GAS)	98220
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Additional Well Information

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Double Ram	5000	5000	Schaffer
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I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

OIL CONSERVATION DIVISION

Signature:			
Printed Name:	Electronically filed by Monty Whetstone	Approved By:	Raymond Podany
Title:	Vice President Operations	Title:	Geologist
Email Address:	prodmgr@mewbourne.com	Approved Date:	2/13/2020
Date:	1/28/2020	Expiration Date:	2/13/2022
Phone: 903-561-2900		Conditions of Approval Attached	

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP GAS POOL
⁴ Property Code	⁵ Property Name POT HOLE 6 WOMP FEE	⁶ Well Number 1H
⁷ OGRID NO. 14744	⁸ Operator Name MEWBOURNE OIL COMPANY	⁹ Elevation 3027'

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
I	6	25S	28E		1850	SOUTH	205	EAST	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
7	6	25S	28E		990	SOUTH	330	WEST	EDDY

¹² Dedicated Acres 321.55	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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<p>¹⁶</p> <p>LOT 4</p> <p>GEODETIC DATA</p> <p>NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION</p> <p>N 420886.8 - E 607661.6</p> <p>LAT: 32.1569146° N</p> <p>LONG: 104.1190107° W</p> <p>BOTTOM HOLE</p> <p>N 420057.6 - E 602886.1</p> <p>LAT: 32.1546604° N</p> <p>LONG: 104.1344474° W</p> <p>LOT 5</p>		<p>LOT 3</p>		<p>LOT 2</p> <p>CORNER DATA</p> <p>NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1940"</p> <p>N 419070.0 - E 602558.5</p> <p>B: FOUND BRASS CAP "1940"</p> <p>N 421727.4 - E 602552.2</p> <p>C: FOUND BRASS CAP "1940"</p> <p>N 424385.7 - E 602546.9</p> <p>D: FOUND BRASS CAP "1940"</p> <p>N 424378.3 - E 607901.1</p> <p>E: FOUND BRASS CAP "1940"</p> <p>N 421701.4 - E 607874.5</p> <p>F: FOUND BRASS CAP "1940"</p> <p>N 419036.1 - E 607848.7</p> <p>G: FOUND BRASS CAP "1940"</p> <p>N 419052.2 - E 605214.2</p> <p>LOT 1</p>		<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature: <i>Bradley Bishop</i> Date: 1-27-20</p> <p>Printed Name: BRADLEY BISHOP</p> <p>BBISHOP@MEWBOURNE.COM</p> <p>E-mail Address</p>	
<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>1-26-2020</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>19680</p> <p>Certificate Number</p>		<p>LOT 6 (40.81 Ac.)</p> <p>LOT 7 (40.74 Ac.)</p> <p>PROJECT AREA</p> <p>PRODUCING AREA</p> <p>205'</p> <p>S.L.</p> <p>1850'</p> <p>330'</p> <p>B.H.</p> <p>N 89°55'15" E 5355.44'</p> <p>N 89°36'53" W 2656.31'</p> <p>N 89°38'58" W 2635.24'</p> <p>N 00°06'55" W 2659.00'</p> <p>N 00°08'10" W 2657.94'</p> <p>N 00°34'09" E 2677.72'</p> <p>N 00°33'11" E 2666.07'</p>					

Job No.: LS20010054

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011

Permit 277650

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
		3. API Number 30-015-46741
4. Property Code 327160	5. Property Name POTHOLE 6 WOLI FEE	6. Well No. 001H

7. Surface Location

UL - Lot I	Section 6	Township 25S	Range 28E	Lot Idn I	Feet From 1910	N/S Line S	Feet From 205	E/W Line E	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot L	Section 6	Township 25S	Range 28E	Lot Idn 6	Feet From 2310	N/S Line S	Feet From 330	E/W Line W	County Eddy
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9. Pool Information

PURPLE SAGE;WOLFCAMP (GAS)	98220
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3027
16. Multiple N	17. Proposed Depth 14070	18. Formation Wolfcamp	19. Contractor	20. Spud Date 2/27/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	405	0
Int1	12.25	9.625	36	2400	540	0
Prod	8.75	7	26	9595	835	2200
Liner1	6.125	4.5	13.5	14070	215	8845

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Wolfcamp formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	2500	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

OIL CONSERVATION DIVISION

Signature:			
Printed Name:	Electronically filed by Monty Whetstone	Approved By:	Raymond Podany
Title:	Vice President Operations	Title:	Geologist
Email Address:	prodmgr@mewbourne.com	Approved Date:	2/13/2020
Date:	1/28/2020	Phone:	903-561-2900
		Expiration Date:	2/13/2022
Conditions of Approval Attached			

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

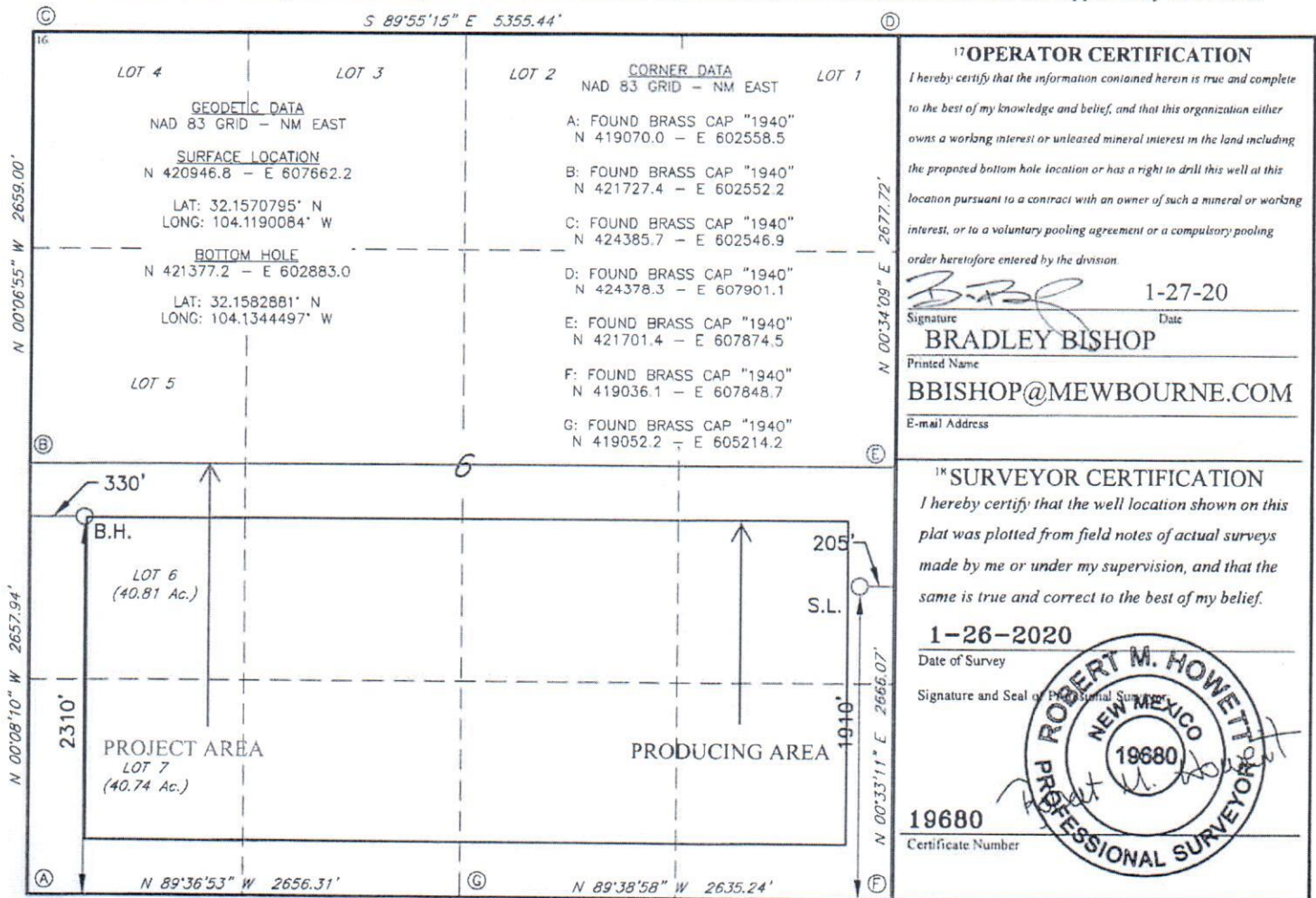
Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
		98220		PURPLE SAGE; WOLFCAMP GAS POOL					
4 Property Code		5 Property Name						6 Well Number	
		POTHOLE 6 WOLI FEE						1H	
7 OGRID NO.		8 Operator Name						9 Elevation	
14744		MEWBOURNE OIL COMPANY						3027'	
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
I	6	25S	28E		1910	SOUTH	205	EAST	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
6	6	25S	28E		2310	SOUTH	330	WEST	EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			
321.56									

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.



Job No.: LS20010052

Sent to Sean Johnson of COG by email dated 3-3-2020.

- Mewbourne guarantees no operations will be conducted in the S2 of Section 6, T25S-R28E prior to an order being issued at the NMOCD as to COG's Scout cases as it relates to the Pothole permits or any other permits that may be filed on or including said acreage in section 6. MOC agrees not to have operations on the S2 of Section 6 before 5/1/2020. This gives us two months to work something out. I can not guarantee no operations prior to an order being issued as this removes all incentive for us to work together.

Corey Mitchell

EXHIBIT

C