

CASE NO. 21164

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

EXHIBITS

1. Application and Proposed Ad
2. Landman's Affidavit
3. Geologist's Affidavit
4. Affidavit of Notice
5. Affidavit of Publication
6. Pooling Checklist

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 21164

APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interests in a horizontal spacing unit in the Bone Spring formation comprised of the N/2NE/4 of Section 29 and the N/2N/2 of Section 28, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the N/2NE/4 of Section 29 and the N/2N/2 of Section 28, and has the right to drill a well thereon.
2. Applicant has drilled its Pavo Frio 29/28 B3BA Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation. Applicant seeks to dedicate the N/2NE/4 of Section 29 and the N/2N/2 of Section 28 to the well in the Bone Spring formation. The well has a first take point in the NW/4NE/4 of Section 29 and a final take point in the NE/4NE/4 of Section 28.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the Bone Spring formation in the N/2NE/4 of Section 29 and the N/2N/2 of Section 28 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring

EXHIBIT

1

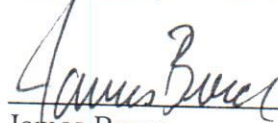
formation in the N/2NE/4 of Section 29 and the N/2N/2 of Section 28, pursuant to NMSA 1978 §§70-2-17.

5. The pooling of all mineral interests in the Bone Spring formation underlying the SN2NE/4 of Section 29 and the N/2N/2 of Section 28 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Bone Spring formation underlying the N/2NE/4 of Section 29 and the N/2N/2 of Section 28;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



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

Attorney for Mewbourne Oil Company

PROPOSED ADVERTISEMENT

Case No. 21167 :

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.
Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2NE/4 of Section 29 and the N/2N/2 of Section 28, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to the Pavo Frio 29/28 B3BA Fed. Com. Well No. 1H, with a first take point in the NW/4NE/4 of Section 29 and a final take point in the NE/4NE/4 of Section 28. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 9-1/2 miles southwest of Loco Hills, New Mexico.

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

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

Case No. 21164

VERIFIED STATEMENT OF TYLER JOLLY

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Tyler Jolly, being duly sworn upon his oath, deposes and states:

1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.

2. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application:

(a) The purpose of this application is to force pool working interest owners into the horizontal spacing unit described below, and in wells to be drilled in the unit.

(b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have simply failed or refused to voluntarily commit their interests to the well. Some interest owners are unlocatable.

(c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order approving a horizontal spacing unit in the Bone Spring formation comprised of the N2NE4 of Section 29 and N2N2 of Section 28, Township 18 South, Range 29 East, NMPM. Mewbourne further seeks the pooling of all mineral interests in the Bone Spring formation underlying the unit. A Form C-102 is part of Attachment A. The unit will be dedicated to the Pavo Frio 29-28 B3BA Fed Com. Well No. 1H, a horizontal well with a first take point 500' FNL & 2540' FEL in Section 29 and a final take point 400' FNL & 100' FEL of Section 28. The well is in the Pamillo North; Bone Spring Pool, whose pool code is 49554.

EXHIBIT

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- (d) There is no depth severance in the Bone Spring formation.
- (e) The parties being pooled and their interests are set forth in Attachment B. Their current and correct addresses are also set forth.

In order to find the unlocatable parties we examined county and governmental records, and also conducted internet searches including county records, internet searches, white pages, etc.

- (f) Attachment C contains a summary of contacts with the locatable interest owners, together with copies of the proposal letters and e-mails with them.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well, or to locate the interest owners.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (j) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Mewbourne requests that it be designated operator of the well.
- (m) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Tyler Jolly, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.



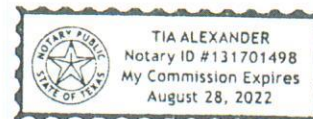
Tyler Jolly

SUBSCRIBED AND SWORN TO before me this 9 day of December, 2019 by
Tyler Jolly.

My Commission Expires: 8-28-22



Notary Public





A

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

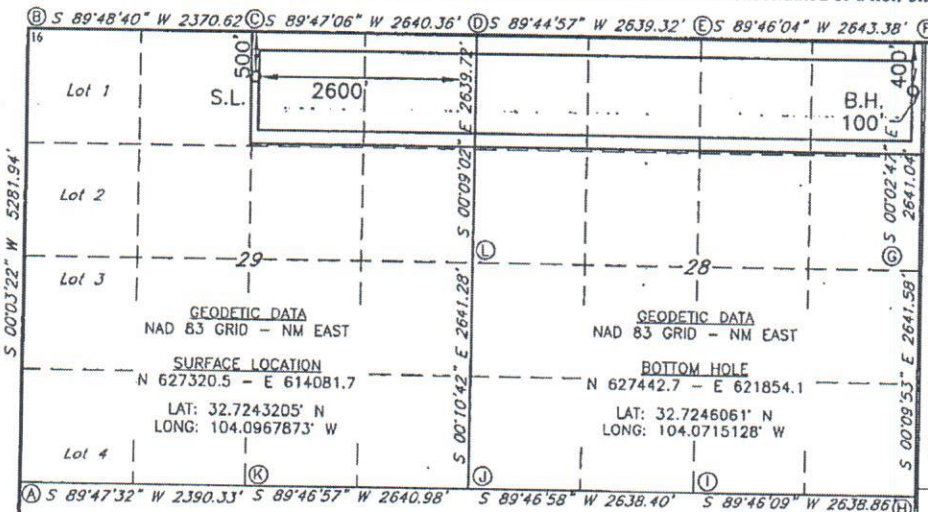
¹ API Number 30-015-46017		² Pool Code 49554		³ Pool Name Palmillo North Bone Spring	
⁴ Property Code 325689 326314		⁵ Property Name PAVO FRIO 29/28 B3BA FEDERAL COM			⁶ Well Number 1H
⁷ GRID NO. 14744		⁸ Operator Name MEWBOURNE OIL COMPANY			⁹ Elevation 3497'

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
B	29	18S	29E		500	NORTH	2600	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
A	28	18S	29E		400	NORTH	100	EAST	EDDY

¹² Dedicated Acres 240	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.



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: *Jake Maxey*
Date: 10/21/2019
Printed Name: Jake Maxey
E-mail Address: jmaxey@mewbourne.com

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.

Date of Survey: 02-28-2018
Signature and Seal of Professional Surveyor: *Robert M. Howett*
Certificate Number: 19680

Job No.: LS1802232

RWP 11-5-19

Tract Ownership

Pavo Frio 29-28 B3BA Fed Com #1H

N2NE4 of Section 29 & N2N2 of Section 28, T18S, R29E, Eddy County, New Mexico

Mewbourne Oil Company, et al.	99.98373%
Donna Bliven	<u>0.01627%*</u>
	100.000000%

*Indicates interest is being pooled.

*Donna Bliven is unlocatable.

ATTACHMENT

B

Summary of Communications
Pavo Frio 29-28 B3BA Fed Com #1H
N2NE4 of Section 29 & N2N2 of Section 28, T18S, R29E, Eddy County, NM

Donna Bliven

1. July 8, 2019, sent well proposal via certified mail to Donna Bliven for the Pavo Frio 29-28 B3JI Fed Com #1H. Certified mail was returned to our office as undeliverable.
2. July 10, 2019, called to offer term assignment, left voicemail. Do not know if this number is the correct phone number for Donna Bliven.

*Donna Bliven is believed to be deceased, but no proof of death has been obtained.

*Appears to be unlocatable.

ATTACHMENT

C

MEWBOURNE OIL COMPANY

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

July 8, 2019

Via Certified Mail

Donna Bliven
506 Orchard Lane, Apt. #17
Carlsbad, NM 88220

Re: **Pavo Frio 29/28 B3BA Fed. Com. Well No. 1H**
Proposed Horizontal Test
N/2NE/4 of Section 29 & N/2N/2 of Section 28
Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company, as Operator, hereby proposes drilling the following horizontal test:

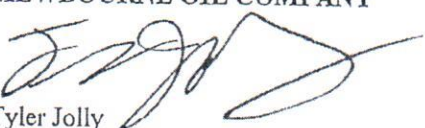
Pavo Frio 29/28 B3BA Fed. Com. Well No. 1H, API No.-Pending
Surface Location: 500' FNL and 2600' FEL (Unit B) of Section 29
Bottomhole Location: 400' FNL and 100' FEL (Unit A) of Section 28
Formation: Third Bone Spring Sand
Proposed Total Vertical Depth 8638' & Proposed Measured Depth 16084'
Overhead Rates \$8000/mo. drilling & \$800/mo. producing

In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to the undersigned within thirty (30) days. After I receive the executed AFE, I will forward our Operating Agreement for execution. Please enclose your most current well information requirements so that we may supply well data when available.

Please contact me at (432) 682-3715 or via email at tjolly@mewbourne.com if you have any questions.

Very truly yours,

MEWBOURNE OIL COMPANY


Tyler Jolly
Landman

Print Selected Signatures

	Group	Originator	Recipient	USPS Item Number	Created	Advance Mail Date	Last Status	Options	Selected
Details	MIDLAND OFFICE	Vickie Ausley	Donna Bliven	9414810699945042020232 Ref #: Pavo Frio 29 28 B3J1 1H	7/8/2019	Accepted (7/8/2019 8:54:00 PM)	Reminder to Schedule Redelivery of your item		
Details	MIDLAND OFFICE	Vickie Ausley	Southwest Petroleum Land Services, LLC	9414810699945042031986 Ref #: Pavo Frio 29 28 B3J1 1H	7/9/2019	Accepted (7/10/2019 2:38:00 PM)	Delivered, Left with Individual	View Signature	<input type="checkbox"/>
Details	MIDLAND OFFICE	Vickie Ausley	Innoventions, Inc.	9414810699945042032013 Ref #: Pavo Frio 29 28 B3J1 1H	7/9/2019	Accepted (7/10/2019 7:44:00 PM)	Delivered	View Signature	<input type="checkbox"/>
Details	MIDLAND OFFICE	Vickie Ausley	Blackbird Royalties, LLC	9414810699945042032037 Ref #: Pavo Frio 29 28 B3J1 1H	7/9/2019	Accepted (7/9/2019 9:17:00 PM)	Delivered, Left with Individual	View Signature	<input type="checkbox"/>

Print Selected Signatures

Tracking Search Details

Status: In Transit

Event Type	Date	Location
Reminder to Schedule Redelivery of your item		
Notice Left (No Authorized Recipient Available)	July 10, 2019 12:32 pm	CARLSBAD, NM 88220
Out for Delivery	July 10, 2019 7:18 am	CARLSBAD, NM 88220
Sorting Complete	July 10, 2019 7:08 am	CARLSBAD, NM 88220
Arrived at Unit	July 10, 2019 5:46 am	CARLSBAD, NM 88220
Departed USPS Regional Facility	July 9, 2019 10:59 pm	LUBBOCK TX DISTRIBUTION C
Arrived at USPS Regional Facility	July 9, 2019 6:56 pm	LUBBOCK TX DISTRIBUTION C
In Transit to Next Facility	July 9, 2019	
Arrived at USPS Regional Origin Facility	July 8, 2019 10:09 pm	MIDLAND TX DISTRIBUTION C
Accepted at USPS Origin Facility	July 8, 2019 8:54 pm	MIDLAND, TX 79701
Shipping Label Created, USPS Awaiting Item	July 8, 2019 12:45 pm	MIDLAND, TX 79701
Print Delivery Information:	Click Here	
Print Proof OF Acceptance:	Click Here	
Print Delivery Document:	Click Here	



Proof of Acceptance (Electronic)

Date: 7/29/2019

Client Name: Mewbourne Oil Company

Certified with RR(E) item number 9414810699945042020232,
addressed to Donna Bliven
Accepted at USPS Origin Facility-July 8, 2019, 8:54 pm, MIDLAND, TX
79701

The item number, time, date, city, state, and zip code is a true extract of
information provided by the United States Postal Service to
SimpleCertifiedMail.com.

Donna Bliven
506 Orchard Lane, Apt #17
Carlsbad, NM 88220
Reference #: Pavo Frio 29 28 B3JI 1H
Item ID: Pavo Frio 29 28 B3JI 1H
Group Name: MIDLAND OFFICE

The above information is for the sole use of SimpleCertifiedMail.com
clients and represents information provided by the United States Postal
Service.

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: PAYO FRIO 29/28 B3BA FED COM #1H Prospect: Pavo Frio
 Location: SL: 500 FNL & 2600 FEL (29); BHL: 400 FNL & 100 FEL (28) County: Eddy ST: NM
 Sec.: 29 Blk: Survey: TWP: 18S RNG: 29E Prop. TVD: 8638 TMD: 16084

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	
Location / Restoration		0180-0106	\$200,000	0180-0206	\$30,000
Daywork / Turnkey / Footage Drilling 33 days drlg / 3 days comp @ \$21500/d		0180-0110	\$757,700	0180-0210	\$68,900
Fuel 1700 gal/day @ \$2.74/gal		0180-0114	\$164,200	0180-0214	\$240,000
Mud, Chemical & Additives		0180-0120	\$200,000	0180-0220	
Horizontal Drillout Services				0180-0222	\$200,000
Cementing		0180-0125	\$100,000	0180-0225	\$30,000
Logging & Wireline Services		0180-0130	\$2,500	0180-0230	\$290,000
Casing / Tubing / Snubbing Service		0180-0134	\$20,000	0180-0234	\$90,000
Mud Logging		0180-0137	\$30,000		
Stimulation 37 Stg 14.8 MM gal/ 14.8 MM lb				0180-0241	\$1,375,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$60,000	0180-0245	\$406,000
Bits		0180-0148	\$125,000	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	\$30,000	0180-0265	\$20,000
Welding Services		0180-0168	\$5,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$54,000	0180-0270	\$52,500
Directional Services Includes Vertical Control		0180-0175	\$387,500		
Equipment Rental		0180-0180	\$270,700	0180-0280	\$30,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,200	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$10,000
Damages		0180-0190		0180-0290	
ROW & Easements		0180-0192		0180-0292	\$4,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$172,800	0180-0295	\$91,200
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$57,600	0180-0299	\$64,700
TOTAL			\$2,939,200		\$3,300,800

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 350' - 13 3/8" 54.5# J-55 ST&C @ \$34.83/ft		0181-0794	\$13,000		
Casing (8.1" - 10.0") 1170' - 9 5/8" 36# J-55 LT&C @ \$22.72/ft		0181-0795	\$28,400		
Casing (6.1" - 8.0") 8700' - 7" 29# HCP-110 LT&C @ \$23.84/ft		0181-0796	\$221,500		
Casing (4.1" - 6.0") 8150' - 4 1/2" 13.5# P-110 BPN @ \$12.16/ft				0181-0797	\$105,800
Tubing 8000' - 2 7/8" 6.5# EUE tbg @ \$4.6/ft				0181-0798	\$39,300
Drilling Head		0181-0860	\$40,000		
Tubing Head & Upper Section				0181-0870	\$50,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$70,000
Sucker Rods				0181-0875	
Subsurface Equipment Packer				0181-0880	\$10,000
Artificial Lift Systems Gas Lift Valves				0181-0884	\$15,000
Pumping Unit				0181-0885	
Surface Pumps & Prime Movers				0181-0886	
Tanks - Oil				0181-0890	
Tanks - Water				0181-0891	
Separation / Treating Equipment 30"x10"x1k# 3 ph/36"x15"x1k#1VRT				0181-0895	\$67,000
Heater Treaters, Line Heaters 8"x20"x75# HT				0181-0897	\$30,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering				0181-0900	
Fittings / Valves & Accessories				0181-0906	\$15,000
Cathodic Protection				0181-0908	\$10,000
Electrical Installation				0181-0909	\$25,000
Equipment Installation				0181-0910	\$30,000
Pipeline Construction				0181-0920	
TOTAL			\$302,900		\$482,100
SUBTOTAL			\$3,242,100		\$3,782,900

TOTAL WELL COST		\$7,025,000
Extra Expense Insurance <input type="checkbox"/> 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. <input type="checkbox"/> 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: <u>Jacob Maxey</u>	Date: <u>10/9/2019</u>	
Company Approval: <u>M. Whittier</u>	Date: <u>10/11/2019</u>	
Joint Owner Interest: <u> </u> Amount: <u> </u>		
Joint Owner Name: <u> </u>	Signature: <u> </u>	

ATTACHMENT **D**

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

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

Case No. 21164

VERIFIED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

Charles Crosby, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in this case. I have been qualified by the Division as an expert petroleum geologist.
3. The following geological plats are attached hereto:
 - (a) Attachment A is a structure map of the Top of the Wolfcamp formation. It shows that structure dips gently to the southeast. It also shows a line of cross-section.
 - (b) Attachment B is a gross sand isopach of the 3rd Bone Spring Sand, the test zone for the Pavo Frio 29/28 B3BA Fed Com 1H. It shows that the sand across the well unit has a uniform thickness of approximately 275-280 feet.
 - (c) Attachment C is a west-east cross section. The well logs on the cross-section give a representative sample of the 3rd Bone Spring Sand formation in this area. The target zone for the well is the Lower 3rd Bone Spring Sand, and that zone is continuous across the well unit.
4. I conclude from the maps that:
 - (a) The horizontal spacing unit is justified from a geologic standpoint.
 - (b) Each quarter-quarter section in the unit will contribute more or less equally to production.

EXHIBIT

3

(c) There is no faulting or other geologic impediment on the area which will affect the drilling of the subject well.

5. Attachment D contains information from other 3rd Bone Spring Sand wells drilled in this area. Production for wells with similar completions and similar time online seems to show a preference for laydown orientation, and the completed wells in the are (recent completions) are apparently commercial.

6. Attachment E is the Survey Calculation Report. The producing interval of the proposed well will be orthodox.

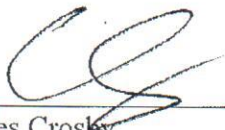
A handwritten signature in dark ink, appearing to be 'CS' or 'Charles Crosby', written over a horizontal line.

Charles Crosby

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)


Charles Crosby, being duly sworn upon his oath, deposes and states that: He is a geologist for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.



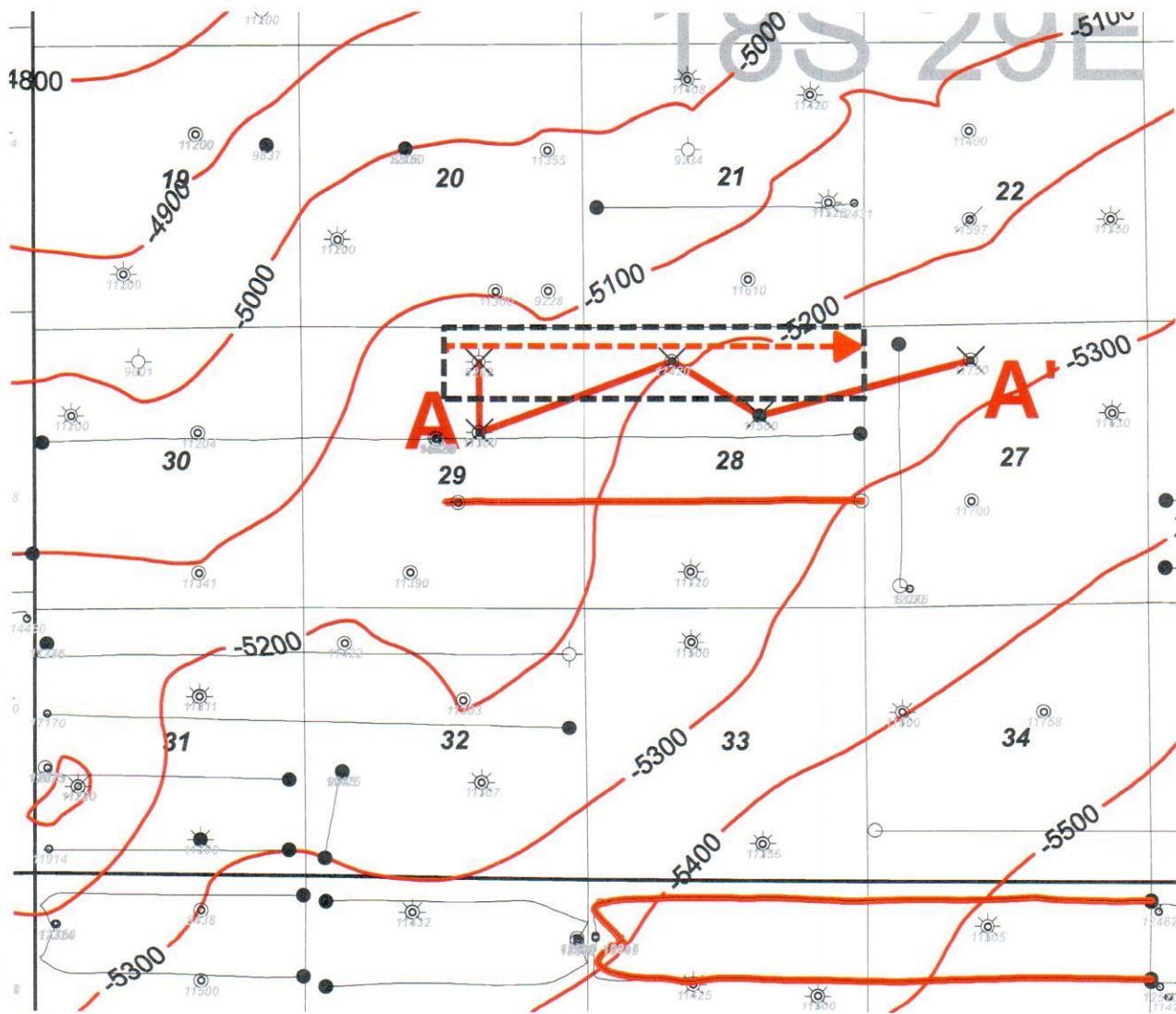
Charles Crosby

SUBSCRIBED AND SWORN TO before me this 6th day of December, 2019 by Charles Crosby.

My Commission Expires: January 11, 2022



Notary Public



1:38000

1850 0 1850 3700 5550 us ft


ATTACHMENT **A**

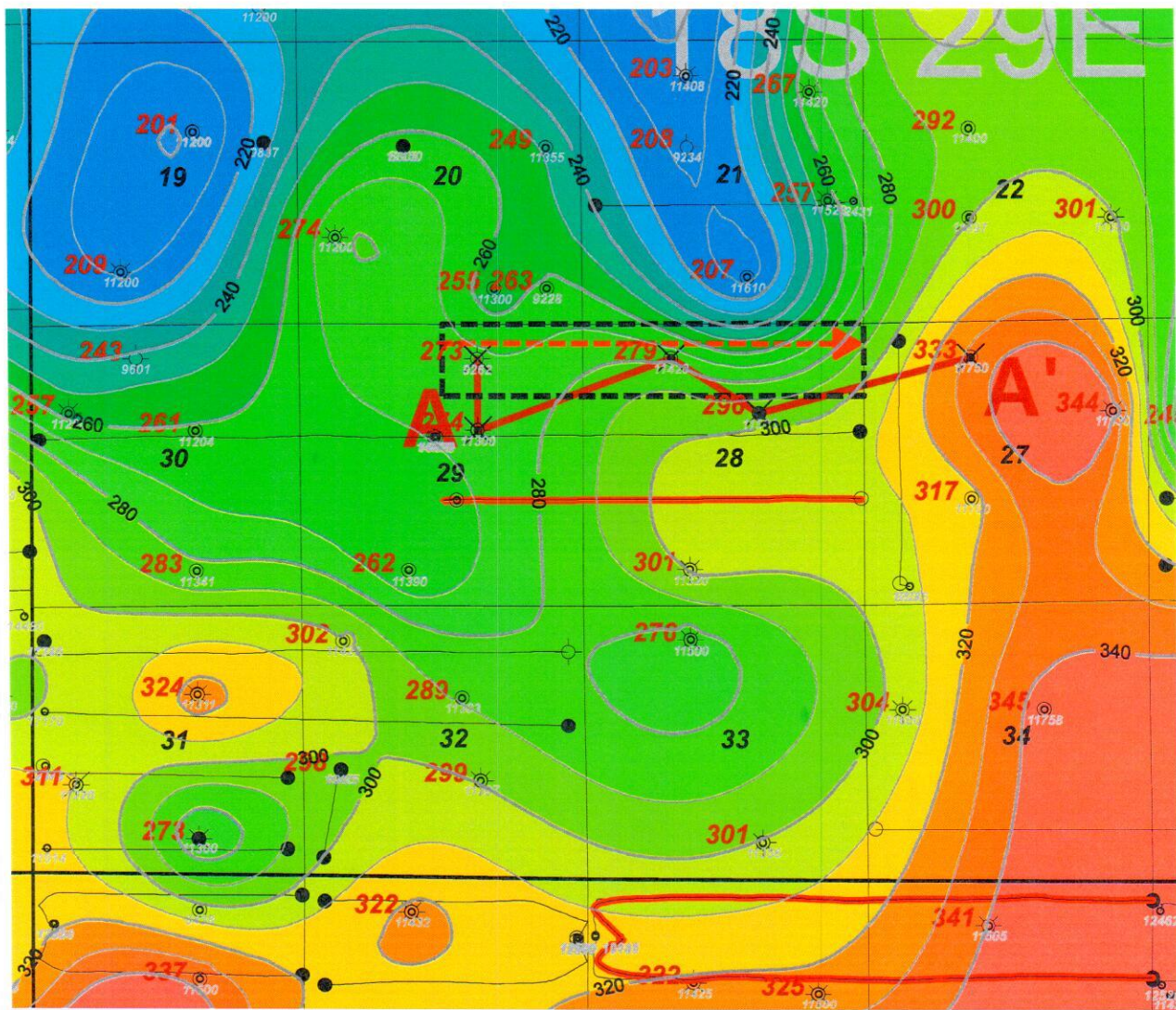


Horizontal Activity Color Code

3rd Bone Spring Sand



 Mewbourne Oil Company		
Pavo Frio 29/28 B3BA Fed Com 1H Horizontal Activity Map Top Wolfcamp Structure (C.I. 100') Wells TD < 8000 filtered out		
12/6/19	Eddy County	New Mexico
		Geol. C. Crosby



1:38000

1850 0 1850 3700 5550 us ft

3rd BSPG Gross Thickness Isopach (C.I. 10')

Color Filled Contour

Entity



3rd BSPG SD
Gross Thickness

TD

ATTACHMENT



Horizontal Activity Color Code

3rd Bone Spring Sand



Mewbourne Oil Company		
Pavo Frio 29/28 B3BA Fed Com 1H		
Horizontal Activity Map		
3 rd Bone Spring Sand Gross Thickness Isopach (C.I. 10')		
Wells TD < 8000 filtered out		
12/6/19	Eddy County	New Mexico
Geol: C. Crosby		

Pavo Frio Area 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
Turkey Track 4-3 State 31H	Oxy	30015443340000	4D/19S/29E	10/23/2018	200	0.3	91	EW	3rd BSPG SD
Turkey Track 4-3 State 32H	Oxy	300154433860000	4D/19S/29E	10/22/2018	122	0.2	86	EW	3rd BSPG SD
Pavo Frio 29-28 B3J1 Federal Com 1H	Mewbourne	30015460180000	29J/18S/29E	Pending					
								EW	3rd BSPG SD

ATTACHMENT

D

Mewbourne Oil Company

SURVEY CALCULATION REPORT Minimum Curvature Calculations

Operator: Mewbourne Oil Company
Lease Name: Pavo Frio 29/28 B3BA Fed Com 1H
KOP 8053.54
SL: 500 FNL & 2600 FEL Sec 29-18S-29E
BHL: 400 FNL & 100 FEL Sec 28-18S-29E

Target KBTVD: 8,531 Feet 8531.00
Target Angle: 89.16 Degrees 89.16
Section Plane: 89.26 Degrees
Declination Corrected to True North: 6.63 Degrees
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	KBTVD	+Above -Below		
														Target	DRIFT (RADIAN)	AZIMUTH (RADIAN)
T/I	8053.54	0.00	89.26	N/A	8053.5	0.0	0.0	0.0	0.0	N/A	N/A		8053.5	477.5	1E-12	1.56 #VALUE!
1	8127.83	8.92	89.26	74.298	8127.5	5.8	0.1	5.8	5.8	89.3	12.0	12.0	8127.4	403.6	0.15561006	1.56 0.1556101
2	8202.13	17.83	89.26	74.298	8199.7	22.9	0.3	22.9	22.9	89.3	12.0	12.0	8199.4	331.6	0.31122011	1.56 0.1556101
3	8276.43	26.75	89.26	74.298	8268.4	51.1	0.7	51.1	51.1	89.3	12.0	12.0	8267.7	263.3	0.46683017	1.56 0.1556101
4	8350.73	35.66	89.26	74.298	8331.9	89.5	1.2	89.5	89.5	89.3	12.0	12.0	8330.6	200.4	0.62244023	1.56 0.1556101
5	8425.03	44.58	89.26	74.298	8388.7	137.4	1.8	137.4	137.4	89.3	12.0	12.0	8386.6	144.4	0.77805029	1.56 0.1556101
6	8499.33	53.49	89.26	74.298	8437.3	193.4	2.5	193.4	193.4	89.3	12.0	12.0	8434.5	96.5	0.93366034	1.56 0.1556101
7	8573.62	62.41	89.26	74.298	8476.7	256.3	3.3	256.3	256.3	89.3	12.0	12.0	8472.9	58.1	1.0892704	1.56 0.1556101
8	8647.92	71.33	89.26	74.298	8505.9	324.6	4.2	324.6	324.6	89.3	12.0	12.0	8501.1	29.9	1.24488046	1.56 0.1556101
9	8722.22	80.24	89.26	74.298	8524.1	396.5	5.1	396.5	396.5	89.3	12.0	12.0	8518.3	12.7	1.40049052	1.56 0.1556101
10	8796.52	89.16	89.26	74.298	8530.9	470.4	6.1	470.4	470.4	89.3	12.0	12.0	8524.0	7.0	1.55610057	1.56 0.1556101
11	8800.00	89.16	89.26	3.4815	8531.0	473.9	6.1	473.9	473.9	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
12	8900.00	89.16	89.26	100	8532.5	573.9	7.4	573.9	573.9	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
13	9000.00	89.16	89.26	100	8533.9	673.9	8.7	673.9	673.9	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
14	9100.00	89.16	89.26	100	8535.4	773.9	10.0	773.8	773.9	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
15	9200.00	89.16	89.26	100	8536.9	873.9	11.3	873.8	873.9	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
16	9300.00	89.16	89.26	100	8538.3	973.9	12.6	973.8	973.9	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
17	9400.00	89.16	89.26	100	8539.8	1073.9	13.8	1073.8	1073.9	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
18	9500.00	89.16	89.26	100	8541.3	1173.9	15.1	1173.8	1173.9	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
19	9600.00	89.16	89.26	100	8542.8	1273.8	16.4	1273.7	1273.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
20	9700.00	89.16	89.26	100	8544.2	1373.8	17.7	1373.7	1373.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
21	9800.00	89.16	89.26	100	8545.7	1473.8	19.0	1473.7	1473.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
22	9900.00	89.16	89.26	100	8547.2	1573.8	20.3	1573.7	1573.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
23	10000.00	89.16	89.26	100	8548.6	1673.8	21.6	1673.7	1673.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
24	10100.00	89.16	89.26	100	8550.1	1773.8	22.9	1773.6	1773.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
25	10200.00	89.16	89.26	100	8551.6	1873.8	24.2	1873.6	1873.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
26	10300.00	89.16	89.26	100	8553.0	1973.8	25.5	1973.6	1973.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
27	10400.00	89.16	89.26	100	8554.5	2073.8	26.7	2073.6	2073.8	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
28	10500.00	89.16	89.26	100	8556.0	2173.7	28.0	2173.6	2173.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
29	10600.00	89.16	89.26	100	8557.5	2273.7	29.3	2273.5	2273.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
30	10700.00	89.16	89.26	100	8558.9	2373.7	30.6	2373.5	2373.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
31	10800.00	89.16	89.26	100	8560.4	2473.7	31.9	2473.5	2473.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
32	10900.00	89.16	89.26	100	8561.9	2573.7	33.2	2573.5	2573.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
33	11000.00	89.16	89.26	100	8563.3	2673.7	34.5	2673.5	2673.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
34	11100.00	89.16	89.26	100	8564.8	2773.7	35.8	2773.5	2773.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
35	11200.00	89.16	89.26	100	8566.3	2873.7	37.1	2873.4	2873.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
36	11300.00	89.16	89.26	100	8567.7	2973.7	38.3	2973.4	2973.7	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
37	11400.00	89.16	89.26	100	8569.2	3073.6	39.6	3073.4	3073.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
38	11500.00	89.16	89.26	100	8570.7	3173.6	40.9	3173.4	3173.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
39	11600.00	89.16	89.26	100	8572.1	3273.6	42.2	3273.4	3273.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
40	11700.00	89.16	89.26	100	8573.6	3373.6	43.5	3373.3	3373.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
41	11800.00	89.16	89.26	100	8575.1	3473.6	44.8	3473.3	3473.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
42	11900.00	89.16	89.26	100	8576.6	3573.6	46.1	3573.3	3573.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
43	12000.00	89.16	89.26	100	8578.0	3673.6	47.4	3673.3	3673.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
44	12100.00	89.16	89.26	100	8579.5	3773.6	48.7	3773.3	3773.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
45	12200.00	89.16	89.26	100	8581.0	3873.6	50.0	3873.2	3873.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
46	12300.00	89.16	89.26	100	8582.4	3973.6	51.2	3973.2	3973.6	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
47	12400.00	89.16	89.26	100	8583.9	4073.5	52.5	4073.2	4073.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
48	12500.00	89.16	89.26	100	8585.4	4173.5	53.8	4173.2	4173.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
49	12600.00	89.16	89.26	100	8586.8	4273.5	55.1	4273.2	4273.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
50	12700.00	89.16	89.26	100	8588.3	4373.5	56.4	4373.1	4373.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
51	12800.00	89.16	89.26	100	8589.8	4473.5	57.7	4473.1	4473.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
52	12900.00	89.16	89.26	100	8591.3	4573.5	59.0	4573.1	4573.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
53	13000.00	89.16	89.26	100	8592.7	4673.5	60.3	4673.1	4673.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
54	13100.00	89.16	89.26	100	8594.2	4773.5	61.6	4773.1	4773.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
55	13200.00	89.16	89.26	100	8595.7	4873.5	62.9	4873.0	4873.5	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
56	13300.00	89.16	89.26	100	8597.1	4973.4	64.1	4973.0	4973.4	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
57	13400.00	89.16	89.26	100	8598.6	5073.4	65.4	5073.0	5073.4	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
58	13500.00	89.16	89.26	100	8600.1	5173.4	66.7	5173.0	5173.4	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
59	13600.00	89.16	89.26	100	8601.5	5273.4	68.0	5273.0	5273.4	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
60	13700.00	89.16	89.26	100	8603.0	5373.4	69.3	5373.0	5373.4	89.3	0.0	0.0	8524.0	7.0	1.55610057	1.56 1E-10
61	13800.00	89.16	89.26	100	8604.5	5473.4	70.6	5472.9	5473.4	89.3	0.0	0.0	8524.0	7.0		

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

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

Case No. 21164

SELF-AFFIRMED STATEMENT OF NOTICE

COUNTY OF SANTA FE)
) ss.
STATE OF NEW MEXICO)

James Bruce deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Mewbourne Oil Company.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules.
6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date:

April 13, 2020

James Bruce

James Bruce

EXHIBIT

4

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

March 26, 2020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

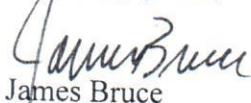
Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling (Case No. 21164), filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding a Bone Spring well in a well unit comprised of the N/2NE/4 of Section 29 and the N/2N/2 of Section 28, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, April 16, 2020, in Room 311, State Capitol Building, 490 Old Santa Fe Trail, Santa Fe, New Mexico 87501. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Regulations to file a Pre-Hearing Statement no later than Wednesday, April 9, 2020. This statement must be filed with the Division's Santa Fe office at ocd.hearings@statenm.us, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT

A

EXHIBIT A

Dorado Petroleum, I.L.C.
6000 Western Place, Suite 120
Fort Worth, Texas 76107
Attn: Cam Quisenberry

Kane Resources, LLC
P.O. Box 471096
Fort Worth, Texas 76147
Attn: Alex Reardon

Shirley McGehearty
3320 Avenue J
Bay City, Texas 77414, *end*

The Estate of Gladys Anne Koontz
Shirley McGehearty, Independent Administrator
3320 Avenue J
Bay City, Texas 77414

Donna Bliven
506 Orchard Lane, Apt. #17
Carlsbad, NM 88220

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. Article Addressed to:

Donna Bliven
506 Orchard Lane, Apt. #17
Carlsbad, NM 88220



9590 9402 5751 0003 4256 26

2. Article Number **7019 2970 0000 7594**

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

COMPLETE THIS SECTION ON DELIVERY

- A. Signature **X** *Donna Bliven* ☐ Agent ☐ Addressee
- B. Received by (Printed Name) *Donna Bliven* C. Date of Delivery *7-20-2015*
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
- ☐ Priority Mail Express®
 - ☐ Registered Mail™
 - ☐ Adult Signature Restricted Delivery
 - ☐ Certified Mail®
 - ☐ Collect on Delivery
 - ☐ Return Receipt for Merchandise
 - ☐ Signature Confirmation™
 - ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053 *P. 7102970 0000 7594* Domestic Return Receipt

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee \$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
Postage \$
Total Postage and Fees \$

Postmark
Here

Sent To *Donna Bliven*
506 Orchard Lane, Apt. #17
Carlsbad, NM 88220

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee \$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
Postage \$

Total Postage and Fees \$

Sent To *Kane Resources, LLC*
P.O. Box 471096
Fort Worth, Texas 76147
Street and Apt. No., or PO Box
City, State, ZIP+4®
Attn: Alex Reardon

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

COMPLETE THIS SECTION ON DELIVERY

- A. Signature **X** *Donna Bliven* ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

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

Insured Mail Restricted Delivery (over \$500) ☐

Domestic Return Receipt

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. Article Addressed to:

Kane Resources, LLC
P.O. Box 471096
Fort Worth, Texas 76147
Attn: Alex Reardon



9590 9402 5751 0003 4256 40

2. Art

7019 2970 0000 7594

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

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

Sent To Dorado Petroleum, I.L.C.
 6000 Western Place, Suite 120
 Fort Worth, Texas 76107
 City, State, Zip+4® Atn: Cam Quisenberry

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

6702 9262 0000 4652 9996

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. Article Addressed to:
 Shirley McGhearty
 The Estate of Gladys Anne Koonz
 Shirley McGhearty, Independent Administrator
 3320 Avenue J
 Bay City, Texas 77414

2. 7019 2970 0000 7594 9687 (over \$500) restricted Delivery

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

Domestic Return Receipt

6702 9262 0000 7594 9687

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OFFICIAL USE

Certified Mail Fee \$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

Sent To Shirley McGhearty
 The Estate of Gladys Anne Koonz
 Shirley McGhearty, Independent Administrator
 3320 Avenue J
 Bay City, Texas 77414

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

6702 9262 0000 7594 9687

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
 B. Received by (Printed Name) C. Date of Delivery
 D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type
☐ Priority Mail Express®
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☐ Certified Mail Restricted Delivery
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Carlsbad Current Argus.

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Affidavit of Publication

Ad # 0004117656

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JAMES BRUCE ATTORNEY AT LAW
POBOX 1056

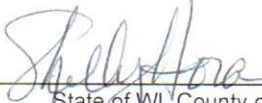
SANTA FE, NM 87504

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:

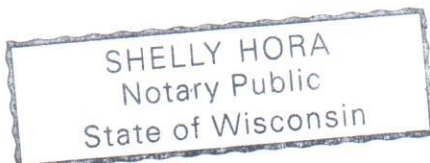
03/18/2020


Legal Clerk

Subscribed and sworn before me this March 18, 2020:


State of WI, County of Brown
NOTARY PUBLIC

8-25-23
My commission expires



Ad # 0004117656

PO #: Donna Bliven, Dorado Petroleum, LLC
of Affidavits 1

This is not an invoice

NOTICE

To: Donna Bliven, Dorado Petroleum, LLC, Kane Resources, LLC, Gladys Anne Koontz, and Shirley McGehearty (individually and as Independent Administrator of the Estate of Gladys Anne Koontz), or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 21164) seeking an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2NE/4 of Section 29 and the N/2N/2 of Section 28, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the Pavo Frio 29/28 B3BA Fed. Com. Well No. 1H, with a first take point in the NW/4NE/4 of Section 29 and a final take point in the NE/4NE/4 of Section 28. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The application is scheduled to be heard at 8:15 a.m. on Thursday, April 2, 2020 in Room 311, State Capitol Building, 490 Old Santa Fe Trail, Santa Fe, New Mexico 87501. As an interest owner in the well unit you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The unit is located approximately 9-1/2 miles southwest of Loco Hills, New Mexico.
#4117656, Current Argus, March 18, 2020

EXHIBIT

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	21164
Date	April 16, 2020
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID No. 14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Pavo Frio 29/28 B3BA Fed. Com. Well No. 1H
Formation/Pool	
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:	Palmillo; Bone Spring, North/Pool Code 49554
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	N/2NE/4 §29 and N/2N/2 §28-18S-29E, NMPPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
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	Exhibit 2-B
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non- standard)	Pavo Frio 29/28 B3BA Fed. Com. Well No. 1H API No. 30-025-46017 SHL: 500 FNL & 2600 FEL §29 BHL: 400 FNL & 100 FEL §28 FTP: 500 FNL & 2540 FEL §29 LTP: 400 FNL & 100 FEL §28 3rd Bone Spring Sand/TVD 8638 feet/MD 16084 feet

EXHIBIT

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Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost + 200%/Exhibit 2, page 2
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-A
Tract List (including lease numbers and owners)	Exhibit 2-A and 2-B
Pooled Parties (including ownership type)	Exhibit 2-B
Unlocatable Parties to be Pooled	Not applicable
Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Exhibit 3, page 2
Spacing Unit Schematic	Exhibit 2-A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-C
Well Orientation (with rationale)	Laydown/Exhibit 3
Target Formation	Bone Spring
HSU Cross Section	Exhibit 3-C
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-A
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-B

General Location Map (including basin)	Exhibit 2-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 3-C
Cross Section (including Landing Zone)	Exhibit 3-C
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	<i>James Bruce</i>
Date:	April 13, 2020