

CASE NO. 21494

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

MEWBOURNE OIL COMPANY'S EXHIBIT LIST

1. Application and Proposed Ad
2. Landman's Affidavit (Mitch Robb)
3. Geologist's Affidavit (Tyler Hill)
4. Notice Affidavit
5. Publication Affidavit
6. Pooling Checklist

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 21494

APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 35, Township 24 South, Range 28 East, N.M.P.M. and Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 2, Township 25 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the W/2 of Section 35 and the W/2 of Section 2, and has the right to drill a well or wells thereon.

2. Applicant proposes to drill the following wells to a depth sufficient to test the Wolfcamp formation:

(a) The El Jefe 35/2 W0CN Fed. Com. Well No. 1H and the El Jefe 35/2 W1CN Fed. Com. Well No. 1H, with first take points in the NE/4NW/4 of 35 and last take points in the SE/4SW/4 of Section 2; and

(b) The El Jefe 35/2 W0DM Fed. Com. Well No. 1H and the El Jefe 35/2 W1DM Fed. Com. Well No. 1H, with first take points in the NW/4NW/4 of 35 and last take points in the SW/4SW/4 of Section 2.

The W/2 of Section 35 and the W/2 of Section 2 will be dedicated to the wells.

EXHIBIT /

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W/2 of Section 35 and the W/2 of Section 2 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 wells or to otherwise commit their interests to the wells, 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 Wolfcamp formation underlying the W/2 of Section 35 and the W/2 of Section 2, pursuant to NMSA 1978 §§70-2-17.

5. The pooling of all mineral interests in the Wolfcamp formation underlying the W/2 of Section 35 and the W/2 of Section 2 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 Wolfcamp formation underlying the W/2 of Section 35 and the W/2 of Section 2;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the cost among the wells' 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, completing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

COPY

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

Attorney for Mewbourne Oil Company

Case No. _____:

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.
Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 35, Township 24 South, Range 28 East, NMPM and Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 2, Township 25 South, Range 28 East, NMPM. The unit will be dedicated to (a) the El Jefe 35/2 W0CN Fed. Com. Well No. 1H and the El Jefe 35/2 W1CN Fed. Com. Well No. 1H, with first take points in the NE/4NW/4 of 35 and last take points in the SE/4SW/4 of Section 2, and (b) the El Jefe 35/2 W0DM Fed. Com. Well No. 1H and the El Jefe 35/2 W1DM Fed. Com. Well No. 1H, with first take points in the NW/4NW/4 of 35 and last take points in the SW/4SW/4 of Section 2. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The unit is located approximately 4 miles south-southeast of Malaga, New Mexico.

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

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

Case No. 21494

SELF-AFFIRMED STATEMENT OF MITCH ROBB

Mitch Robb, 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 NMAC 19.15.4.12.A(1), the following information is submitted in support of the compulsory pooling application filed herein:

(a) The purpose of this application is to force pool working interest owners into the Wolfcamp 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 (i) are unlocatable, or (ii) have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the wells.

(c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 35, Township 24 South, Range 28 East, NMPM and the W/2 of Section 2, Township 25 South, Range 28 East, NMPM. The unit will be dedicated to:

(a) The El Jefe 35/2 W0CN Fed. Com. Well No. 1H and the El Jefe 35/2 W1CN Fed. Com. Well No. 1H, with first take points in the NE/4NW/4 of 35 and last take points in the SE/4SW/4 of Section 2; and

(b) The El Jefe 35/2 W0DM Fed. Com. Well No. 1H and the El Jefe 35/2 W1DM Fed. Com. Well No. 1H, with first take points in the NW/4NW/4 of 35 and last take points in the SW/4SW/4 of Section 2.

EXHIBIT 2

C-102s for the wells are also part of Attachment A.

(d) The parties being pooled are set forth in Attachment B.

(e) In order to locate the interest owners Mewbourne examined the county records, performed internet searches, checked telephone records, made calls to family members, and searched Accurint and Whitepages.

(f) Attachment C is a summary of communications and a sample copy of the proposal letter sent to the interest owners.

(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 owners.

(h) Mewbourne has the right to pool the overriding royalty owners in the well unit.

(i) Attachment D contains the Authorizations for Expenditure for the proposed wells. The estimated costs of the wells set forth therein are fair and reasonable, and 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 portion 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 wells.

(m) The attachments to this affidavit were prepared by me, or compiled from company business records.

(n) The granting of this application is in the interests of conservation and the prevention of waste.

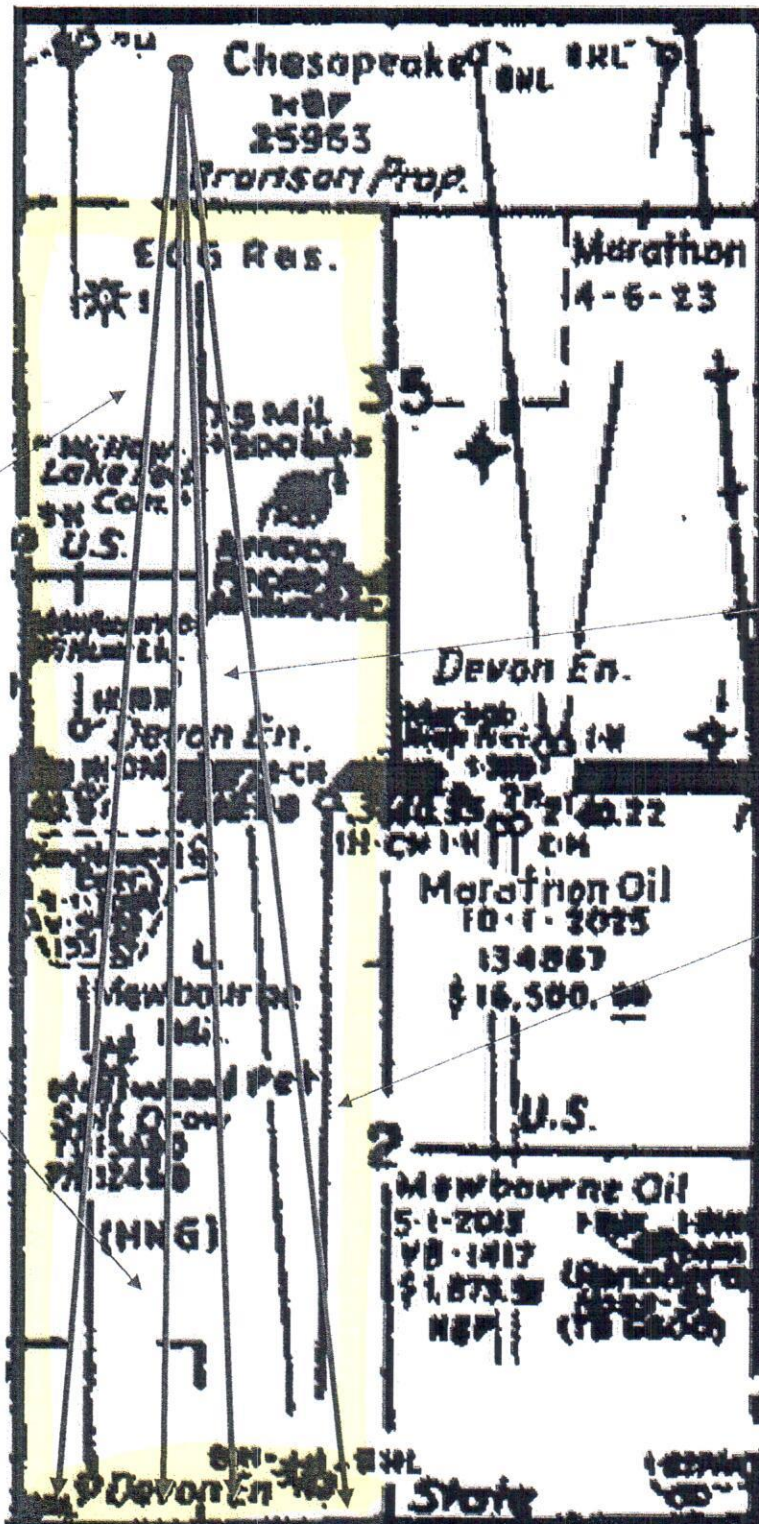
3. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 2 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 11/3/2020



Mitch Robb

T24S-R28E, Eddy County, NM



El Jefe 35/2 W1DM
Fed Com #2H

El Jefe 35/2 W1CN
Fed Com #2H

El Jefe 35/2 W0DM
Fed Com #1H

El Jefe 35/2 W0CN
Fed Com #1H

T25S-R28E, Eddy County, NM

ATTACHMENT

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 APJ Number 30-15-46182		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name EL JEFE 35/2 WODM FED COM		⁶ Well Number 1H
⁷ GRID NO.	⁸ Operator Name MEWBOURNE OIL COMPANY		⁹ Elevation 2961'

¹⁰ Surface Location

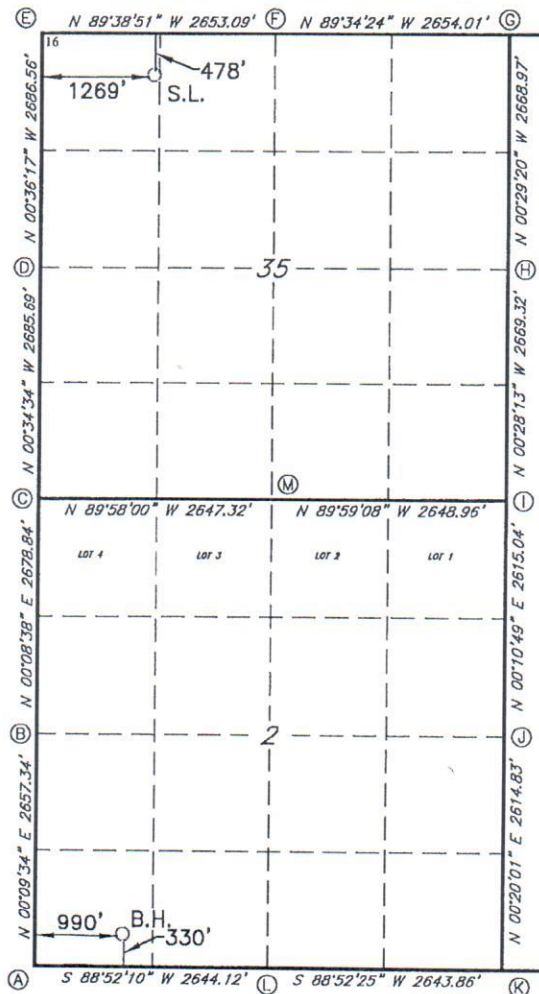
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
D	35	24S	28E		478	NORTH	1269	WEST	EDDY

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
M	2	25S	28E		330	SOUTH	990	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.



GEODETIC DATA
NAD 83 GRID — NM EAST
SURFACE LOCATION
N: 429308.0 — E: 625127.8
LAT: 32.1799554° N
LONG: 104.0625019° W

BOTTOM HOLE
N: 419437.2 — E: 624885.7
LAT: 32.1528232° N
LONG: 104.0633644° W

CORNER DATA
NAD 83 GRID — NM EAST

A: FOUND BRASS CAP "1940"
N: 419087.7 — E: 623895.2

B: FOUND BRASS CAP "1940"
N: 421744.4 — E: 623902.6

C: FOUND BRASS CAP "1940"
N: 424422.7 — E: 623909.3

D: FOUND BRASS CAP "1942"
N: 427107.6 — E: 623882.3

E: FOUND BRASS CAP "1942"
N: 429793.4 — E: 623853.9

F: FOUND BRASS CAP "1942"
N: 429777.1 — E: 626506.4

G: FOUND BRASS CAP "1942"
N: 429757.4 — E: 629159.7

H: FOUND BRASS CAP "1942"
N: 427089.1 — E: 629182.5

I: FOUND BRASS CAP "1940"
N: 424420.5 — E: 629204.4

J: FOUND BRASS CAP "1940"
N: 421806.0 — E: 629196.2

K: FOUND BRASS CAP "1940"
N: 419191.8 — E: 629181.0

L: FOUND BRASS CAP "1940"
N: 419139.9 — E: 626538.2

M: FOUND BRASS CAP "1940"
N: 424421.1 — E: 626556.0

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

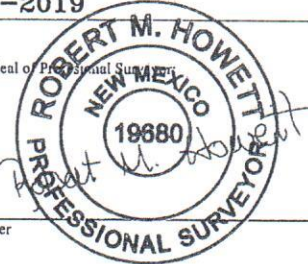
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

10-03-2019

Date of Survey _____

Signature and Seal of Professional Surveyor _____

19680
Certificate Number



Job No.: LS19101004

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 EL JEFE 35/2 W1DM FED COM			⁶ Well Number 2H
⁷ OGRID NO.		⁸ Operator Name MEWBOURNE OIL COMPANY			⁹ Elevation 2961'

¹⁰ Surface Location

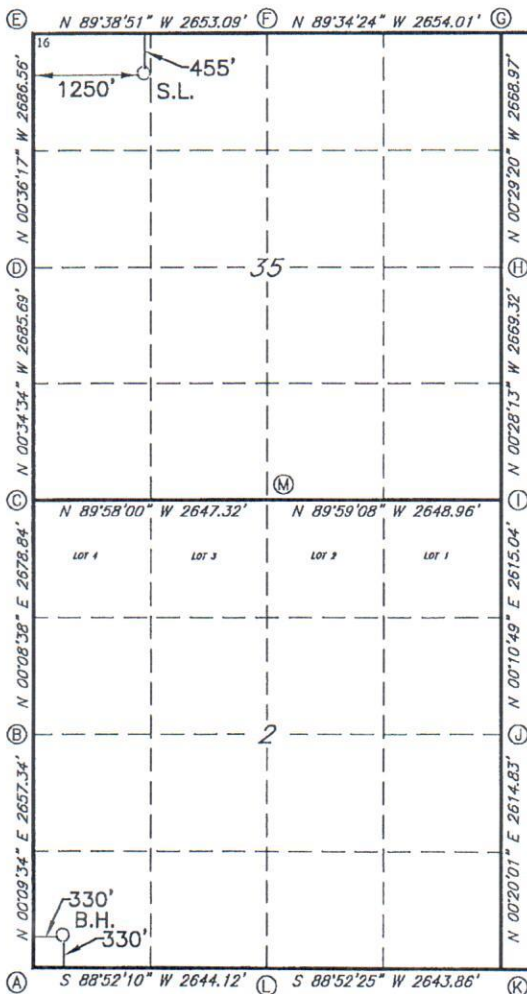
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
D	35	24S	28E		455	NORTH	1250	WEST	EDDY

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
M	2	25S	28E		330	SOUTH	330	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.



GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N: 429330.9 - E: 625108.4
LAT: 32.1800186° N
LONG: 104.065462° W

BOTTOM HOLE
N: 419424.1 - E: 624226.0
LAT: 32.1527919° N
LONG: 104.0654962° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1940"
N: 419087.7 - E: 623895.2

B: FOUND BRASS CAP "1940"
N: 421744.4 - E: 623902.6

C: FOUND BRASS CAP "1940"
N: 424422.7 - E: 623909.3

D: FOUND BRASS CAP "1942"
N: 427107.6 - E: 623882.3

E: FOUND BRASS CAP "1942"
N: 429793.4 - E: 623853.9

F: FOUND BRASS CAP "1942"
N: 429777.1 - E: 626506.4

G: FOUND BRASS CAP "1942"
N: 429757.4 - E: 629159.7

H: FOUND BRASS CAP "1942"
N: 427089.1 - E: 629182.5

I: FOUND BRASS CAP "1940"
N: 424420.5 - E: 629204.4

J: FOUND BRASS CAP "1940"
N: 421806.0 - E: 629196.2

K: FOUND BRASS CAP "1940"
N: 419191.8 - E: 629181.0

L: FOUND BRASS CAP "1940"
N: 419139.9 - E: 626538.2

M: FOUND BRASS CAP "1940"
N: 424421.1 - E: 626556.0

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Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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10-03-2019

Date of Survey

Signature and Seal of Professional Surveyor

19680

Certificate Number



Job No.: LS19101007

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name			
4 Property Code		5 Property Name EL JEFE 35/2 W1CN FED COM				6 Well Number 2H	
7 GRID NO.		8 Operator Name MEWBOURNE OIL COMPANY				9 Elevation 2960'	

10 Surface Location

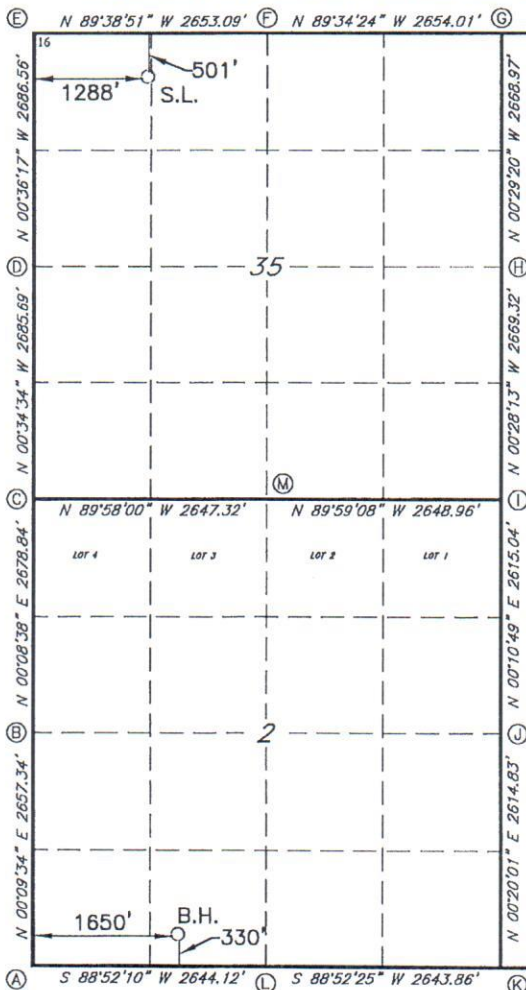
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
D	35	24S	28E		501	NORTH	1288	WEST	EDDY

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
N	2	25S	28E		330	SOUTH	1650	WEST	EDDY

12 Dedicated Acres	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.



GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N: 429285.0 - E: 625147.0
LAT: 32.1798922° N
LONG: 104.0624397° W

BOTTOM HOLE
N: 419450.2 - E: 625545.4
LAT: 32.1528544° N
LONG: 104.0612325° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1940"
N: 419087.7 - E: 623895.2

B: FOUND BRASS CAP "1940"
N: 421744.4 - E: 623902.6

C: FOUND BRASS CAP "1940"
N: 424422.7 - E: 623909.3

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N: 419139.9 - E: 626538.2

M: FOUND BRASS CAP "1940"
N: 424421.1 - E: 626556.0

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Signature _____ Date _____
Printed Name _____
E-mail Address _____

18 SURVEYOR CERTIFICATION

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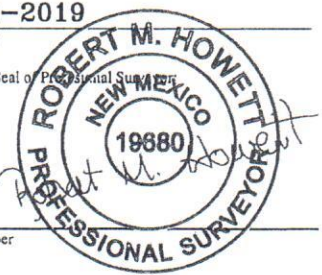
10-03-2019

Date of Survey

Signature and Seal of Professional Surveyor

19680

Certificate Number

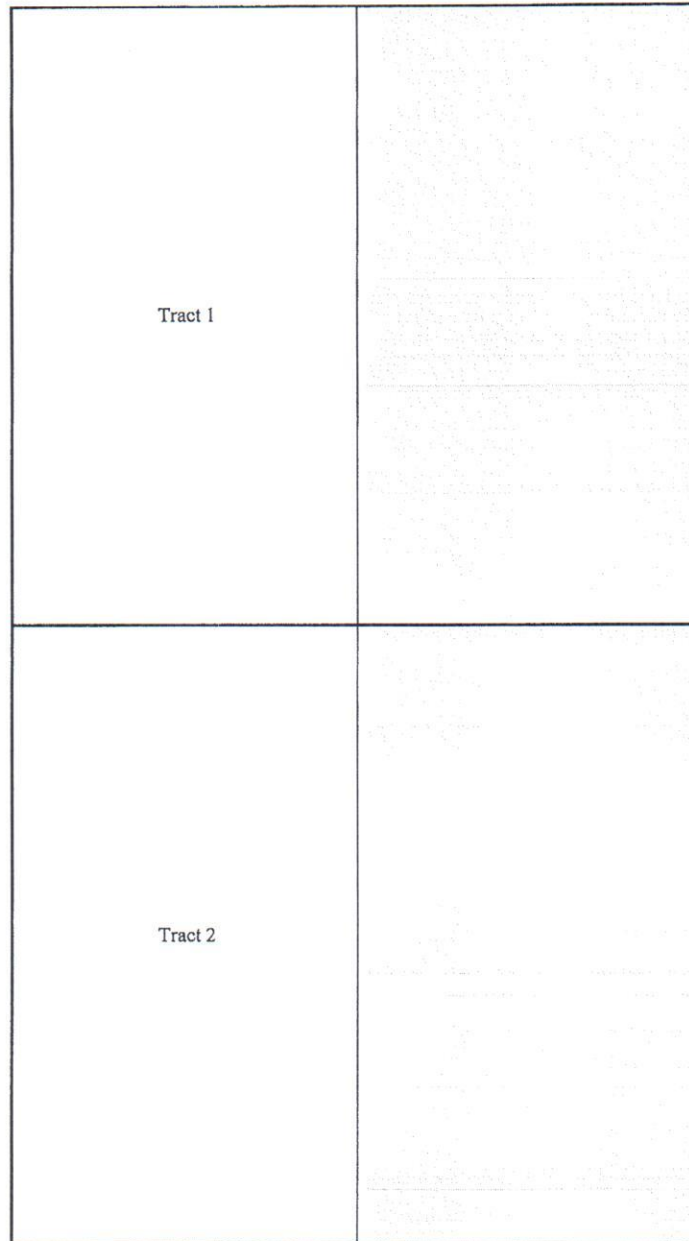


Job No.: LS19101006

Section Plat

El Jefe 35/2 W1DM Fed Com #2H & El Jefe 35/2 W0DM Fed Com #1H
El Jefe 35/2 W1CN Fed Com #2H & El Jefe 35/2 W0CN Fed Com #1H
W/2 of Section 35-T24S-R28E, Eddy County, NM
W/2 of Section 2-T25S-R28E, Eddy County, NM

Section 35-T24S-R28E



Section 2-T25S-R28E

Tract 1: W/2 of Sec 35 - Fed Lease NM 25953, NM 93197 & Fee

Mewbourne Oil Company
Devon Energy Production Company, L.P.

Tract 2: W/2 of Sec 2 - Fee

Mewbourne Oil Company
Jetta-X2, L.P.
Magnum Hunter Production, Inc.
Heirs of Kaye H. Gassie
Faulconer Resources 2001 Limited Partnership
Robert K. Leonard
JTD Resources, LLC
LML Working Properties, LLC

ATTACHMENT

13

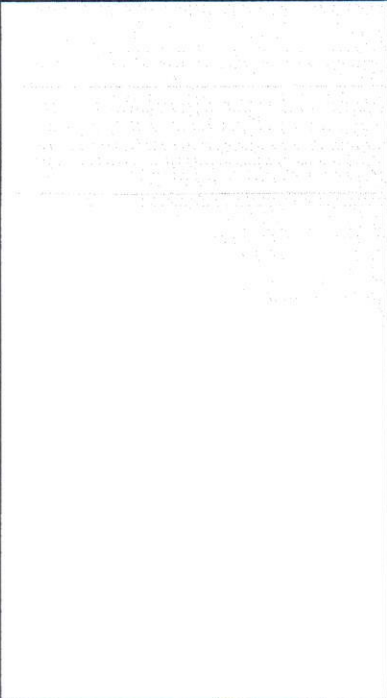
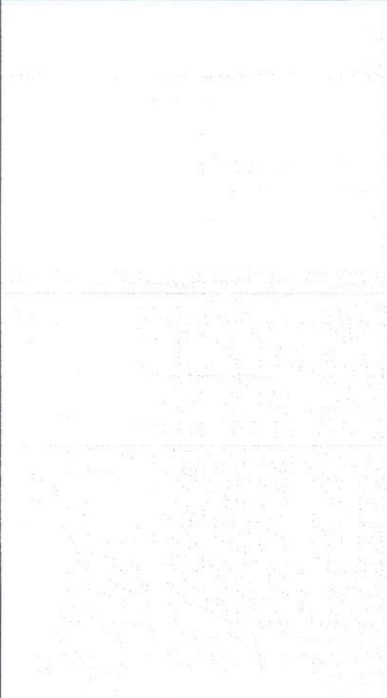
RECAPITULATION FOR

El Jefe 35/2 W1DM Fed Com #2H & El Jefe 35/2 W0DM Fed Com #1H

El Jefe 35/2 W1CN Fed Com #2H & El Jefe 35/2 W0CN Fed Com #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	320	49.914989%
2	321.09	50.085011%
TOTAL	641.09	100.000000%

Section 35-T24S-R28E

Tract 1	
Tract 2	

Section 2-T25S-R28E

TRACT OWNERSHIP

El Jefe 35/2 W1DM Fed Com #2H & El Jefe 35/2 W0DM Fed Com #1H

El Jefe 35/2 W1CN Fed Com #2H & El Jefe 35/2 W0CN Fed Com #1H

W/2 of Section 35-T24S-R28E, Eddy County, NM

W/2 of Section 2-T25S-R28E, Eddy County, NM

W/2 of Section 35 & W/2 of Section 2

Wolfcamp Formation:

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	75.116770%
*Devon Energy Production Company, L.P.	18.718121%
*Jetta-X2, L.P.	5.629710%
*Magnum Hunter Production, Inc.	0.458102%
*Heirs of Kaye H. Gassie	0.028148%
*Robert K. Leonard	0.016383%
*LML Working Properties, LLC	0.016383%
*JTD Resources, LLC	0.016383%
TOTAL	100.000000%

***Total Interest Being Pooled: 24.883230%**

OWNERSHIP BY TRACT

W/2 of Section 35

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	62.500000%
Devon Energy Production Company, L.P.	37.500000%
TOTAL	100.000000%

W/2 of Section 2

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	87.690710%
Jetta-X2, L.P.	11.240310%
Magnum Hunter Production, Inc.	0.914650%
Heirs of Kaye H. Gassie	0.056200%
Robert K. Leonard	0.032710%
JTD Resources, LLC	0.032710%
LML Working Properties, LLC	0.032710%
TOTAL	100.000000%

Summary of Communications

El Jefe 35/2 W1DM Fed Com #2H

El Jefe 35/2 W0DM Fed Com #1H

El Jefe 35/2 W1CN Fed Com #2H

El Jefe 35/2 W0CN Fed Com #1H

W/2 of Section 35-T24S-R28E, Eddy County, NM

W/2 of Section 2-T25S-R28E, Eddy County, NM

Devon Energy Production Company, L.P.:

7/21/2020: Mailed & Emailed Working Interest Unit, Well Proposal, and JOA to the above listed party.

7/29/2020: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

10/20/2020: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

Ongoing: Negotiating acquisition of above listed party's interest.

Jetta-X2, LP.:

7/21/2020: Mailed Working Interest Unit, Well Proposal, and JOA to the above listed party.

10/28/2020: Left voicemail regarding Working Interest Unit, Well Proposal, and JOA.

10/29/2020: Correspondence with above listed party regarding Working Interest Unit, Well Proposal, and JOA.

Ongoing: Working on getting JOA executed.

Magnum Hunter Production, Inc.:

7/21/2020: Mailed Working Interest Unit, Well Proposal, and JOA to the above listed party.

7/21/2020: Hand delivered Working Interest Unit, Well Proposal, and JOA to the above listed party.

Heirs of Kaye H. Gassie:

7/21/2020: Mailed Working Interest Unit, Well Proposal, and JOA to the above listed party.

Robert K. Leonard:

7/21/2020: Mailed Working Interest Unit, Well Proposal, and JOA to the above listed party.

8/20/2020: Called multiple phone numbers to try to reach above listed party.

10/29/2020: Called multiple phone numbers to try to reach above listed party.

LML Working Properties, LLC:

7/21/2020: Mailed Working Interest Unit, Well Proposal, and JOA to the above listed party.

8/20/2020: Called multiple phone numbers to try to reach above listed party.

10/29/2020: Called multiple phone numbers to try to reach above listed party.

JTD Resources, LLC:

7/21/2020: Mailed Working Interest Unit, Well Proposal, and JOA to the above listed party.

8/20/2020: Left voicemail regarding Working Interest Unit, Well Proposal, and JOA.

10/28/2020: Left voicemail regarding Working Interest Unit, Well Proposal, and JOA.

10/29/2020: Left voicemail regarding Working Interest Unit, Well Proposal, and JOA.

ATTACHMENT C

MEWBOURNE OIL COMPANY

FASKEN CENTER
500 WEST TEXAS, SUITE 1020
MIDLAND, TX 79701

TELEPHONE (432) 682-3715

July 20, 2020

Via Certified Mail

Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102
Attn: Cari Allen

Re: El Jefe 35/2 W0CN Fed Com #1H
523' FNL & 1307' FWL (35) (SL)
330' FSL & 2310' FWL (2) (BHL)

El Jefe 35/2 W0DM Fed Com #1H
478' FNL & 1269' FWL (SL)
330' FSL & 990' FWL (BHL)

El Jefe 35/2 W1CN Fed Com #2H
501' FNL & 1288' FWL (35) (SL)
330' FSL & 1650' FWL (2) (BHL)

El Jefe 35/2 W1DM Fed Com #2H
455' FNL & 1250' FWL (35) (SL)
330' FSL & 330' FWL (2) (BHL)

Section 2, T24S, R28E &
Section 35, T24S, R28E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 641.09 acre Working Interest Unit ("WIU") covering the W/2 of Section 2 and the W/2 of Section 35 for oil and gas production.

Mewbourne as Operator hereby proposes to drill the captioned El Jefe 35/2 W0CN Fed Com #1H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,663 feet subsurface to evaluate the Wolfcamp Formation. The proposed well will have a measured depth (MD) of approximately 19,809 feet. The W/2 of Section 2 and the W/2 of Section 35 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned El Jefe 35/2 W0DM Fed Com #1H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,634 feet subsurface to evaluate the Wolfcamp Formation. The proposed well will have a measured depth (MD) of approximately 14,314 feet. The W/2 of Section 2 and the W/2 of Section 35 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned El Jefe 35/2 W1CN Fed Com #2H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,848 feet subsurface to evaluate the Wolfcamp Formation. The proposed well will have a measured depth (MD) of approximately 19,954 feet. The W/2 of Section 2 and the W/2 of Section 35 will be dedicated to the well as the proration unit.

Finally, Mewbourne as Operator hereby proposes to drill the captioned El Jefe 35/2 W1DM Fed Com #2H at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 9,547 feet subsurface to evaluate the Wolfcamp Formation. The proposed well will have a measured depth (MD) of approximately 19,714 feet. The W/2 of Section 2 and the W/2 of Section 35 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our Operating Agreement dated July 1, 2019, along with an extra set of signature pages and our AFEs dated July 1, 2020 for the captioned proposed wells. Please sign and return said AFEs and extra set of signature pages at your earliest convenience if you elect to participate in the captioned well and WIU and return to me within thirty (30) days.

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

Sincerely,

MEWBOURNE OIL COMPANY



Mitch Robb
Landman

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: EL JEFE 35/2 WOCN FED COM #1H		Prospect: EL JEFE 35/2	
Location: SL: 523 FNL & 1307 FWL (35); BHL: 330 FSL & 2310 FWL (2)		County: Eddy ST: NM	
Sec. 35	Blk:	Survey:	TWP: 24S RNG: 28E Prop. TVD: 9663 TMD: 19809

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration (1/4) Battery Containment		0180-0106	\$200,000	0180-0206	\$26,000
Daywork / Turnkey / Footage Drilling 25 days drlg / 4 days comp @ \$18250/d		0180-0110	\$487,300	0180-0210	\$78,000
Fuel 1700 gal/day @ \$1.3/gal		0180-0114	\$59,000	0180-0214	\$320,000
Mud, Chemical & Additives		0180-0120	\$180,000	0180-0220	
Horizontal Drilling Services				0180-0222	\$220,000
Cementing		0180-0125	\$80,000	0180-0225	\$50,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$450,000
Casing / Tubing / Snubbing Service		0180-0134	\$18,000	0180-0234	\$42,000
Mud Logging		0180-0137	\$35,000		
Stimulation 84 Stg 24.7 MM gal/ 24.7 MM lb				0180-0241	\$1,890,000
Stimulation Rentals & Other				0180-0242	\$185,000
Water & Other		0180-0145	\$35,000	0180-0245	\$355,000
Blts		0180-0148	\$96,100	0180-0248	\$5,000
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$80,000		
Transportation		0180-0165	\$30,000	0180-0265	\$30,000
Welding Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170		0180-0270	\$36,000
Directional Services Includes Vertical Control		0180-0175	\$356,500		
Equipment Rental		0180-0180	\$179,400	0180-0280	\$24,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$800	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	
ROW & Easements		0180-0192		0180-0292	\$4,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$249,600	0180-0295	\$124,800
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$44,900	0180-0299	\$75,200
TOTAL			\$2,287,900		\$3,835,500

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 550' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft		0181-0794	\$18,900		
Casing (8.1" - 10.0") 2600' - 9 5/8" 40# N-80 LT&C @ \$24.42/ft		0181-0795	\$67,800		
Casing (6.1" - 8.0") 9825' - 7" 29# HCP-110 LT&C @ \$21.47/ft		0181-0796	\$225,300		
Casing (4.1" - 6.0") 10650' - 4 1/2" 13.5# P-110 BPN @ \$11.72/ft				0181-0797	\$133,300
Tubing 9250' - 2 7/8" 6.5# L-80 Tbg @ \$4.54/ft				0181-0798	\$44,900
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$45,000
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 (1/4) SWD pump/circ pump/VRU				0181-0886	\$25,000
Tanks - Oil (1/4) 10 - 750 bbl				0181-0890	\$53,000
Tanks - Water (1/4) 7 - 750 bbl coated				0181-0891	\$40,000
Separation / Treating Equipment (1/4) 4 - 30"x10"x1k# 3ph vert, 4 - 36"x15"x1k#, 3 - VRT				0181-0895	\$120,000
Heater Treators, Line Heaters 8"x20"x75# HT				0181-0897	\$27,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering (1/4) 1000' 4" Steel Gas/ 1000' 6" poly SWD				0181-0900	\$12,000
Fittings / Valves & Accessories				0181-0906	\$150,000
Cathodic Protection Inc. Automation				0181-0908	\$40,000
Electrical Installation				0181-0909	\$50,000
Equipment Installation				0181-0910	\$75,000
Pipeline Construction (1/4) 1000' 4" Steel Gas/ 1000' 6" poly SWD				0181-0920	\$12,000
TOTAL			\$347,000		\$897,200
SUBTOTAL			\$2,634,900		\$4,732,700
TOTAL WELL COST			\$7,367,600		

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: Levi Jackson	Date: 6/22/2020
Company Approval: <i>M. Whitton</i>	Date: 7/1/2020
Joint Owner Interest: _____ Amount: _____	Signature: _____
Joint Owner Name: _____	

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: EL JEFE 35/2 W0DM FED COM #1H		Prospect: EL JEFE 35/2	
Location: SL: 478 FNL & 1269 FWL (35); BHL: 330 FSL & 990 FWL (2)		County: Eddy ST: NM	
Sec: 35	Blk:	Survey:	TWP: 24S RNG: 28E Prop. TVD: 9372 TMD: 19491

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration (1/4) Battery Containment		0180-0106	\$200,000	0180-0206	\$26,000
Daywork / Turnkey / Footage Drilling 25 days drlg / 4 days comp @ \$18000/d		0180-0110	\$480,600	0180-0210	\$76,900
Fuel 1700 gal/day @ \$1.1/gal		0180-0114	\$52,000	0180-0214	\$320,000
Mud, Chemical & Additives		0180-0120	\$180,000	0180-0220	
Horizontal Drillout Services				0180-0222	\$200,000
Cementing		0180-0125	\$80,000	0180-0225	\$30,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$365,000
Casing / Tubing / Snubbing Service		0180-0134	\$18,000	0180-0234	\$42,000
Mud Logging		0180-0137	\$35,000		
Stimulation 60 Stg 24.7 MM gal/ 24.7 MM lb				0180-0241	\$1,505,000
Stimulation Rentals & Other				0180-0242	\$185,000
Water & Other		0180-0145	\$35,000	0180-0245	\$355,000
Bits		0180-0148	\$96,100	0180-0248	\$5,000
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rlg				0180-0260	\$10,500
Rlg Mobilization		0180-0164	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$30,000
Welding Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170		0180-0270	\$36,000
Directional Services Includes Vertical Control		0180-0175	\$356,500		
Equipment Rental		0180-0180	\$179,400	0180-0280	\$24,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,800	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	
ROW & Easements		0180-0192		0180-0292	\$4,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$218,400	0180-0295	\$109,200
Overhead Fixed Rate		0180-0198	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$44,900	0180-0299	\$68,700
TOTAL			\$2,288,000		\$3,502,300

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 550' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft		0181-0794	\$18,900		
Casing (8.1" - 10.0") 2650' - 9 5/8" 40# N-80 LT&C @ \$24.42/ft		0181-0795	\$69,100		
Casing (6.1" - 8.0") 9675' - 7" 29# HCP-110 LT&C @ \$21.47/ft		0181-0796	\$221,800		
Casing (4.1" - 6.0") 10650' - 4 1/2" 13.5# P-110 BPN @ \$11.72/ft				0181-0797	\$133,300
Tubing 8925' - 2 7/8" 6.5# L-80 Tbg @ \$4.64/ft				0181-0798	\$43,300
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$45,000
Sucker Rods				0181-0876	
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 (1/4) SWD pump/circ pump/VRU				0181-0886	\$25,000
Tanks - Oil (1/4) 10 - 760 bbl				0181-0890	\$53,000
Tanks - Water (1/4) 7 - 750 bbl coated				0181-0891	\$40,000
Separation / Treating Equipment (1/4) 4 - 30"x10"x1k# 3ph vert, 4 - 36"x15"x1k#, 3 - VRT				0181-0895	\$120,000
Heater Treaters, Line Heaters 8"x20"x75# HT				0181-0897	\$27,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering (1/4) 1000' 4" Steel Gas/ 1000' 6" poly SWD				0181-0900	\$12,000
Fittings / Valves & Accessories				0181-0906	\$150,000
Cathodic Protection Inc. Automation				0181-0908	\$40,000
Electrical Installation				0181-0909	\$50,000
Equipment Installation				0181-0910	\$75,000
Pipeline Construction (1/4) 1000' 4" Steel Gas/ 1000' 6" poly SWD				0181-0920	\$12,000
TOTAL			\$344,800		\$895,600
SUBTOTAL			\$2,632,800		\$4,397,900
TOTAL WELL COST			\$7,030,700		

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: Andy Taylor	Date: 4/17/2020
Company Approval: <i>M. White</i>	Date: 4/20/2020
Joint Owner Interest: Amount:	Signature:
Joint Owner Name:	

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: EL JEFE 35/2 W1CN FED COM #2H		Prospect: EL JEFE 35/2	
Location: SL: 501 FNL & 1288 FWL (35); BHL: 330 FSL & 1650 FWL (2)		County: Eddy ST: NM	
Sec. 35	Blk: 	Survey: 	TWP: 24S RNG: 28E Prop. TVD: 9848 TMD: 19954

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration	(1/4) Battery Containment	0180-0106	\$200,000	0180-0206	\$26,000
Daywork / Turnkey / Footage Drilling	25 days drlg / 4 days comp @ \$18250/d	0180-0110	\$487,300	0180-0210	\$78,000
Fuel	1700 gal/day @ \$1.3/gal	0180-0114	\$59,000	0180-0214	\$320,000
Mud, Chemical & Additives		0180-0120	\$190,000	0180-0220	
Horizontal Drillout Services				0180-0222	\$220,000
Cementing		0180-0125	\$80,000	0180-0225	\$50,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$450,000
Casing / Tubing / Snubbing Service		0180-0134	\$18,000	0180-0234	\$42,000
Mud Logging		0180-0137	\$35,000		
Stimulation	84 Stg 24.7 MM gal/ 24.7 MM lb			0180-0241	\$1,690,000
Stimulation Rentals & Other				0180-0242	\$185,000
Water & Other		0180-0145	\$35,000	0180-0245	\$355,000
Bits		0180-0148	\$96,100	0180-0248	\$5,000
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$30,000
Completion / Workover Rlg				0180-0260	\$10,500
Rlg Mobilization		0180-0164	\$80,000		
Transportation		0180-0165	\$30,000	0180-0265	\$30,000
Welding Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170		0180-0270	\$39,000
Directional Services	Includes Vertical Control	0180-0175	\$356,500		
Equipment Rental		0180-0180	\$179,400	0180-0280	\$24,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$800	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	
ROW & Easements		0180-0192		0180-0292	\$4,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$249,600	0180-0295	\$163,200
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies	2% (TCP) 2% (CC)	0180-0199	\$45,100	0180-0299	\$76,200
TOTAL			\$2,298,100		\$3,883,900

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	550' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft	0181-0794	\$18,900		
Casing (8.1" - 10.0")	2600' - 9 5/8" 40# N-80 LT&C @ \$24.48/ft	0181-0795	\$68,000		
Casing (6.1" - 8.0")	10000' - 7" 29# HCP-110 LT&C @ \$21.47/ft	0181-0796	\$229,300		
Casing (4.1" - 6.0")	10700' - 4 1/2" 13.5# P-110 BPN @ \$11.72/ft			0181-0797	\$133,900
Tubing	9300' - 2 7/8" 6.5# L-80 Tbg @ \$4.64/ft			0181-0798	\$45,100
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$45,000
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	(1/4) SWD pump/circ pump/VRU			0181-0886	\$25,000
Tanks - Oil	(1/4) 10 - 750 bbl			0181-0890	\$53,000
Tanks - Water	(1/4) 7 - 750 bbl coated			0181-0891	\$40,000
Separation / Treating Equipment	(1/4) 4 - 30"x10"x1k# 3ph vert, 4 - 36"x15"x1k#, 3 - VRT			0181-0895	\$120,000
Heater Treaters, Line Heaters	8'x20'x75# HT			0181-0897	\$27,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering	(1/4) 1000' 4" Steel Gas/ 1000' 6" poly SWD			0181-0900	\$12,000
Fittings / Valves & Accessories				0181-0906	\$150,000
Cathodic Protection	Inc. Automation			0181-0908	\$40,000
Electrical Installation				0181-0909	\$50,000
Equipment Installation				0181-0910	\$75,000
Pipeline Construction	(1/4) 1000' 4" Steel Gas/ 1000' 6" poly SWD			0181-0920	\$12,000
TOTAL			\$351,200		\$898,000
SUBTOTAL			\$2,649,300		\$4,781,900

TOTAL WELL COST \$7,431,200

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: <u>Levi Jackson</u>	Date: <u>6/22/2020</u>
Company Approval: <u><i>m. whitte</i></u>	Date: <u>6/30/2020</u>
Joint Owner Interest: _____ Amount: _____	Signature: _____
Joint Owner Name: _____	

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: EL JEFE 35/2 W1DM FED COM #2H		Prospect: EL JEFE 35/2	
Location: SL: 455 FNL & 1250 FWL (35); BHL: 330 FSL & 330 FWL (2)		County: Eddy ST: NM	
Sec: 35	Blk: 	Survey: 	TWP: 24S RNG: 28E Prop. TVD: 9547 TMD: 19714

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration (1/4) Battery Containment		0180-0106	\$200,000	0180-0206	\$26,000
Daywork / Turnkey / Footage Drilling 25 days drlg / 4 days comp @ \$18000/d		0180-0110	\$480,600	0180-0210	\$76,900
Fuel 1700 gal/day @ \$1.1/gal		0180-0114	\$52,000	0180-0214	\$320,000
Mud, Chemical & Additives		0180-0120	\$190,000	0180-0220	
Horizontal Drilling Services				0180-0222	\$200,000
Cementing		0180-0125	\$80,000	0180-0225	\$30,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$365,000
Casing / Tubing / Snubbing Service		0180-0134	\$18,000	0180-0234	\$42,000
Mud Logging		0180-0137	\$35,000		
Stimulation 60 Stg 24.7 MM gal/ 24.7 MM lb				0180-0241	\$1,505,000
Stimulation Rentals & Other				0180-0242	\$185,000
Water & Other		0180-0145	\$35,000	0180-0245	\$355,000
Blts		0180-0148	\$96,100	0180-0248	\$5,000
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$30,000
Completion / Workover Rlg				0180-0260	\$10,500
Rlg Mobilization		0180-0164	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$30,000
Welding Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170		0180-0270	\$39,000
Directional Services Includes Vertical Control		0180-0175	\$356,500		
Equipment Rental		0180-0180	\$179,400	0180-0280	\$24,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$6,000	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	
ROW & Easements		0180-0192		0180-0292	\$4,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$249,600	0180-0295	\$163,200
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$45,700	0180-0299	\$69,900
TOTAL			\$2,330,200		\$3,566,500

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 550' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft		0181-0794	\$18,900		
Casing (8.1" - 10.0") 2650' - 9 5/8" 40# N-80 LT&C @ \$24.48/ft		0181-0795	\$69,300		
Casing (6.1" - 8.0") 9776' - 7" 29# HCP-110 LT&C @ \$21.47/ft		0181-0796	\$224,100		
Casing (4.1" - 6.0") 10725' - 4 1/2" 13.6# P-110 BPN @ \$11.72/ft				0181-0797	\$134,200
Tubing 9050' - 2 7/8" 6.5# L-80 Tbg @ \$4.54/ft				0181-0798	\$43,900
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$45,000
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 (1/4) SWD pump/circ pump/VRU				0181-0886	\$25,000
Tanks - Oil (1/4) 10 - 750 bbl				0181-0890	\$53,000
Tanks - Water (1/4) 7 - 750 bbl coated				0181-0891	\$40,000
Separation / Treating Equipment (1/4) 4 - 30"x10"x1k# 3ph vert, 4 - 36"x15"x1k#, 3 - VRT				0181-0895	\$120,000
Heater Treaters, Line Heaters 8'x20'x75# HT				0181-0897	\$27,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering (1/4) 1000' 4" Steel Gas/ 1000' 6" poly SWD				0181-0900	\$12,000
Fittings / Valves & Accessories				0181-0906	\$150,000
Cathodic Protection Inc. Automation				0181-0908	\$40,000
Electrical Installation				0181-0909	\$50,000
Equipment Installation				0181-0910	\$75,000
Pipeline Construction (1/4) 1000' 4" Steel Gas/ 1000' 6" poly SWD				0181-0920	\$12,000
TOTAL			\$347,300		\$897,100
SUBTOTAL			\$2,677,500		\$4,463,600

TOTAL WELL COST	\$7,141,100
------------------------	--------------------

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: <u>Andy Taylor</u>	Date: <u>4/17/2020</u>
Company Approval: <u><i>m. white</i></u>	Date: <u>4/17/2020</u>

Joint Owner Interest: <u>5.62971055%</u> Amount: <u>\$402,023.26</u>
Joint Owner Name: <u>Jetta-X2 - L.P.</u> Signature: _____

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

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

Case No. 21494

VERIFIED STATEMENT OF TYLER HILL

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

Tyler Hill, 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 Wolfcamp formation, mapped on the top of the correlative Wolfcamp marker. It shows that structure dips to the east, and that the planned wellbores would drill parallel to strike. It also shows a line of cross-section, A-A'.
 - (b) Attachment B is a north-south cross section. The well logs on the cross-section give a representative sample of the Wolfcamp formation in this area. The target zone for the wells is the Upper Wolfcamp Sand, and Upper Wolfcamp Shale, and these zones are 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 section in the unit will contribute more or less equally to production.
 - (c) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.

EXHIBIT 3

5. Attachment C contains information from other wells drilled in the immediate area. There are numerous upper Wolfcamp sand, and shale wells, and the preferred orientation is for standup units. The completed wells in the area are commercial.

6. Attachment D is the Survey Calculation Report for wells: El Jefe 35/2 W0DM Fed Com 1H, El Jefe 35/2 W1DM Fed Com 2H, E, Jefe 35/2 W0CN Fed Com 1H, El Jefe 35/2 W1CN Fed Com 2H. The producing interval of the proposed well will be orthodox. The Pool code is Purple Sage Wolfcamp (98220).


Tyler Hill

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Tyler Hill, 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.



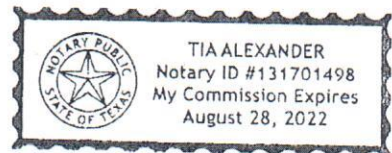
Tyler Hill

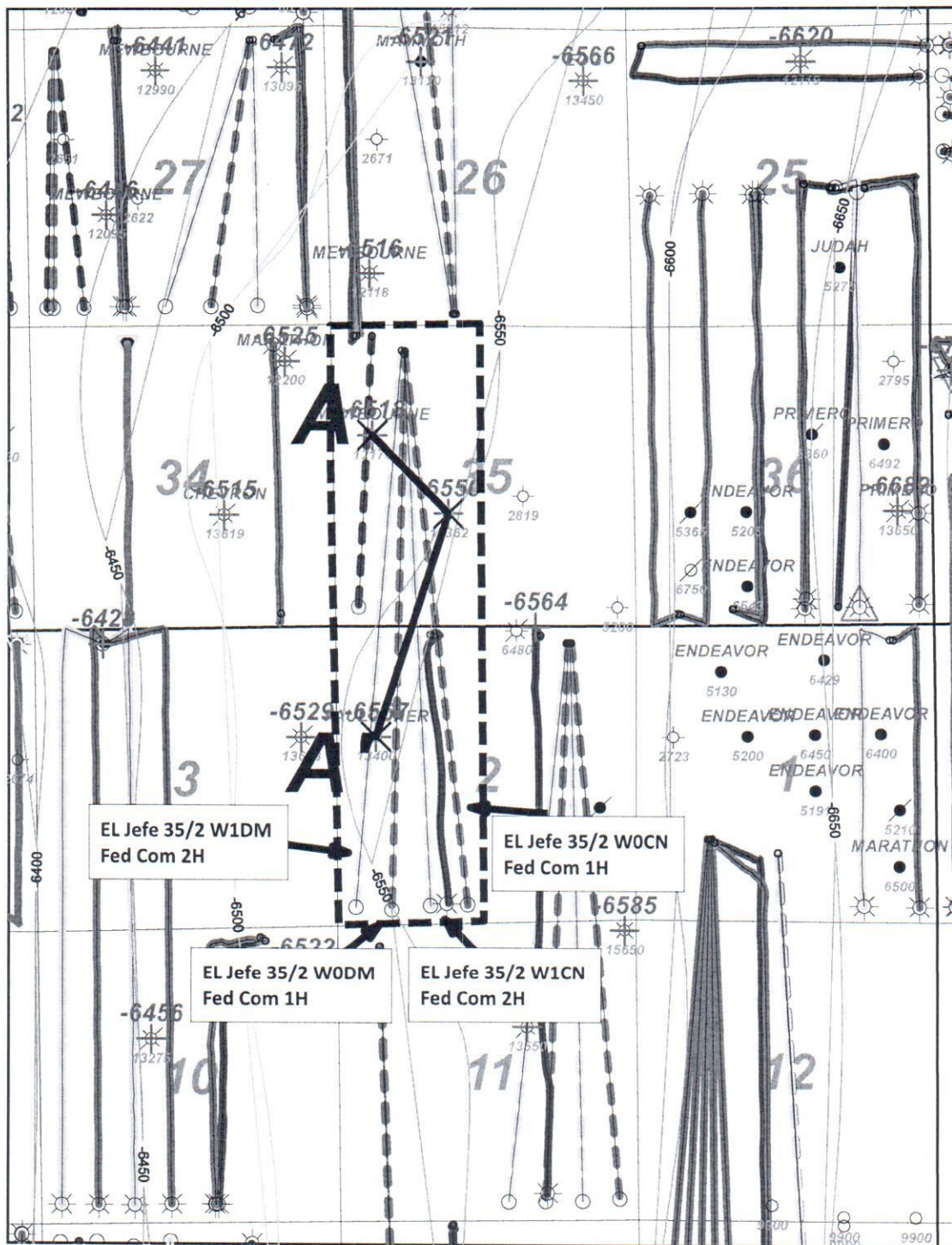
SUBSCRIBED AND SWORN TO before me this 15 day of October, 2020 by Tyler Hill.

My Commission Expires: 8-28-22



Notary Public





ATTACHMENT A



Horizontal Activity

- Wolfcamp Sand
- Wolfcamp A Shale
- Wolfcamp D Shale

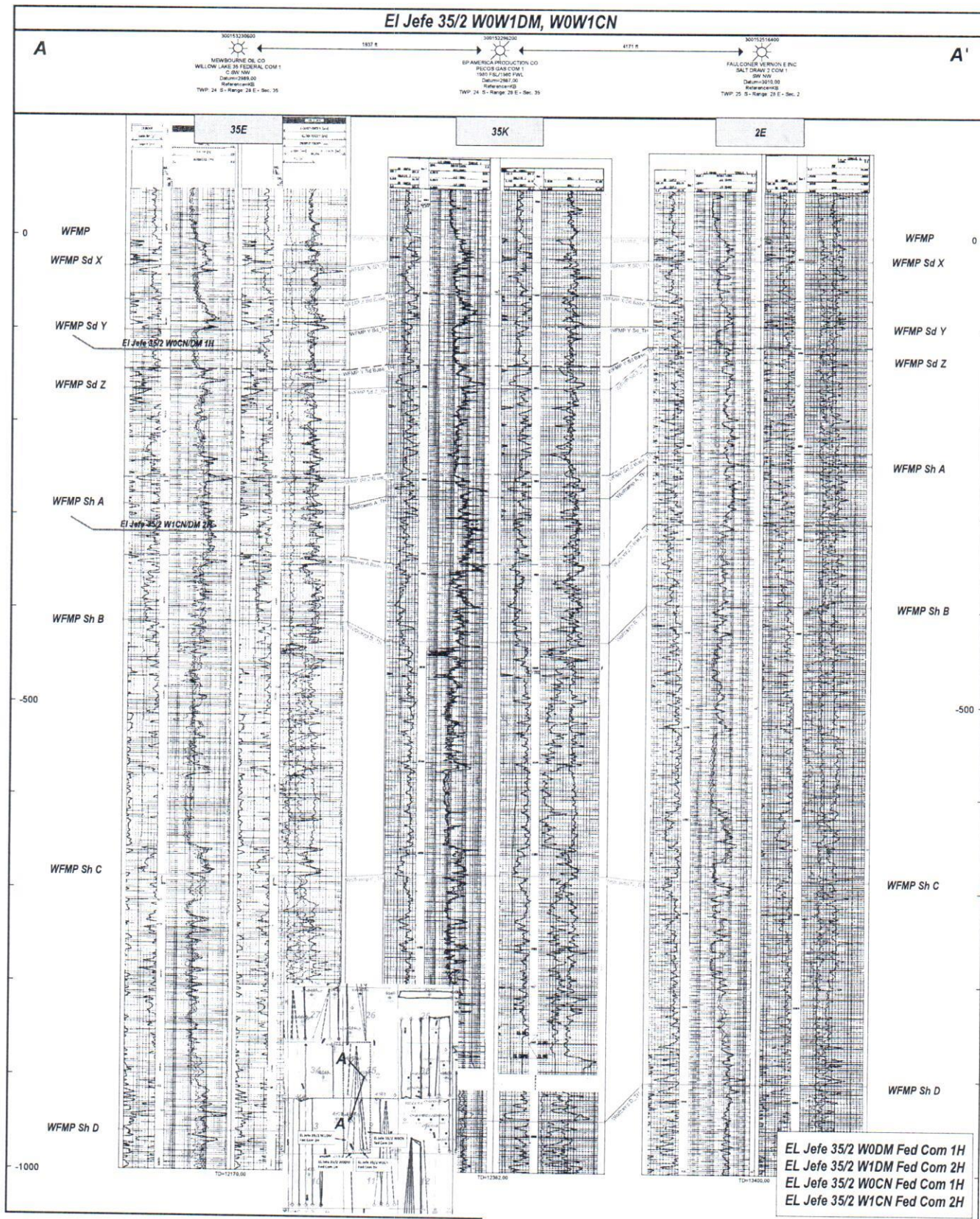
1 inch = 2800 feet



MOC Mewbourne Oil Company

*EL Jefe 35/2 W0DM Fed Com 1H
 EL Jefe 35/2 W1DM Fed Com 2H
 EL Jefe 35/2 W0CN Fed Com 1H
 EL Jefe 35/2 W1CN Fed Com 2H
 Structure top WFMP (C.I. 50')*

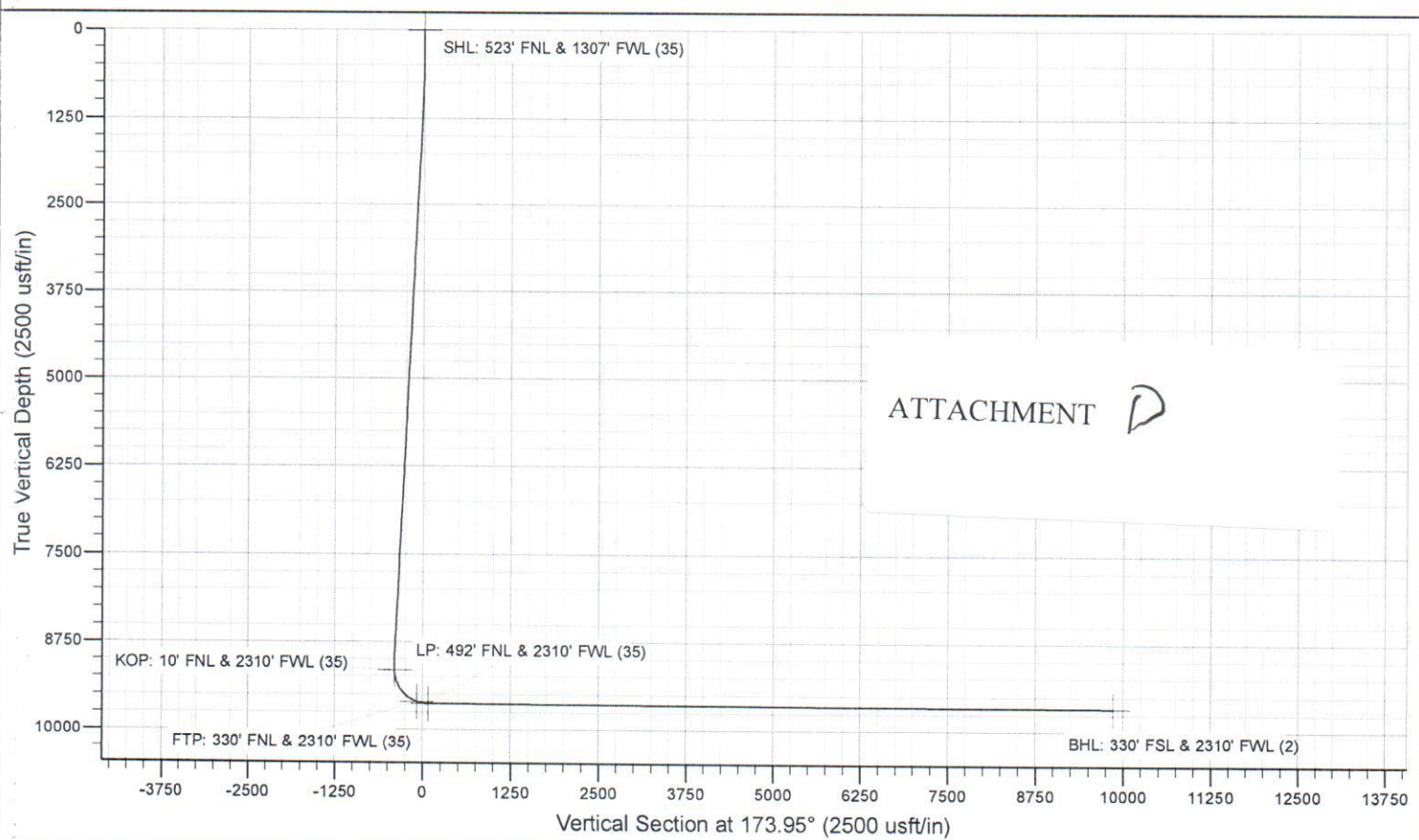
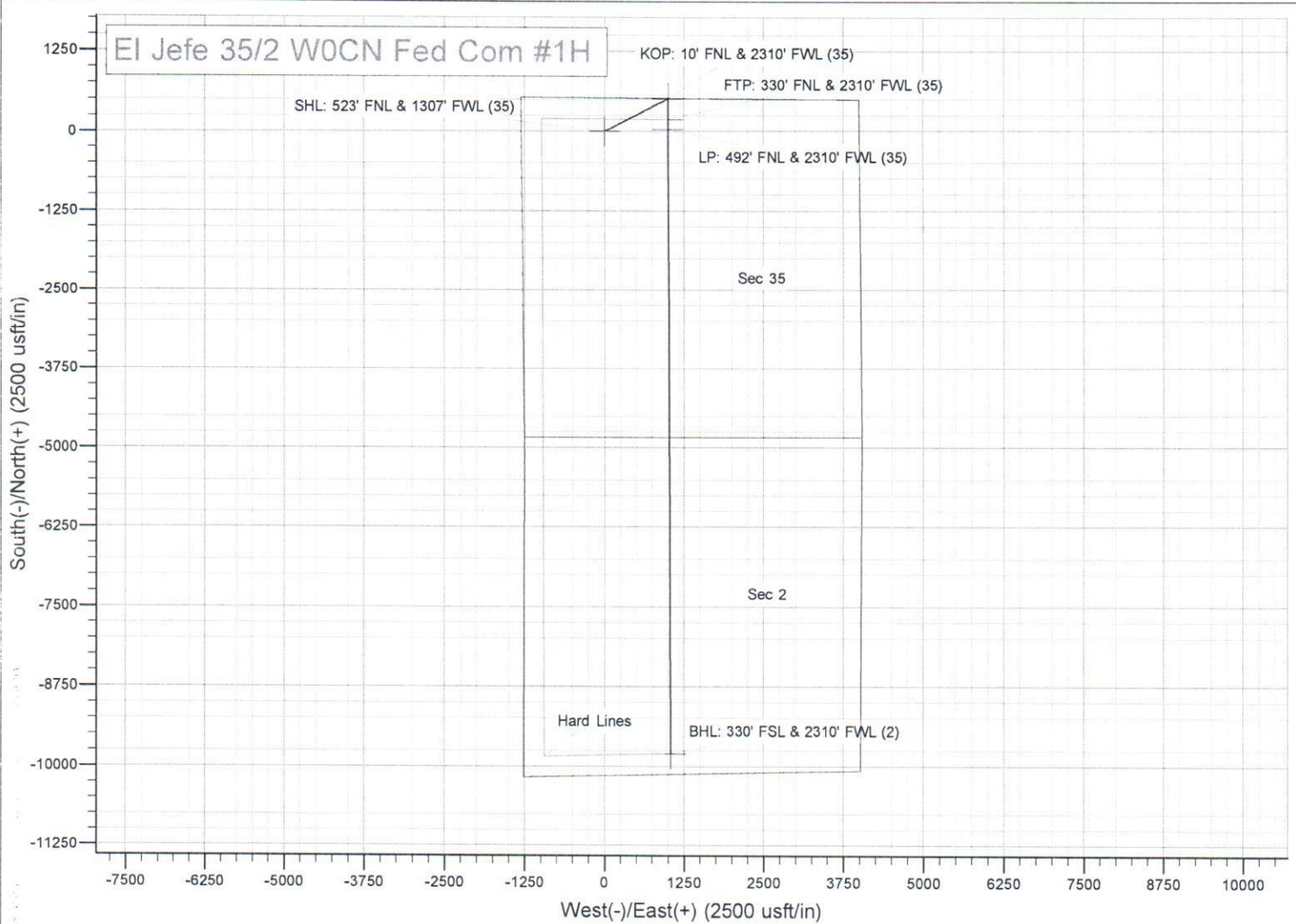
Author: T. Hill	County: Eddy	Date: 15 October, 2020
Scale: 1.0"=2800'		0500 ft

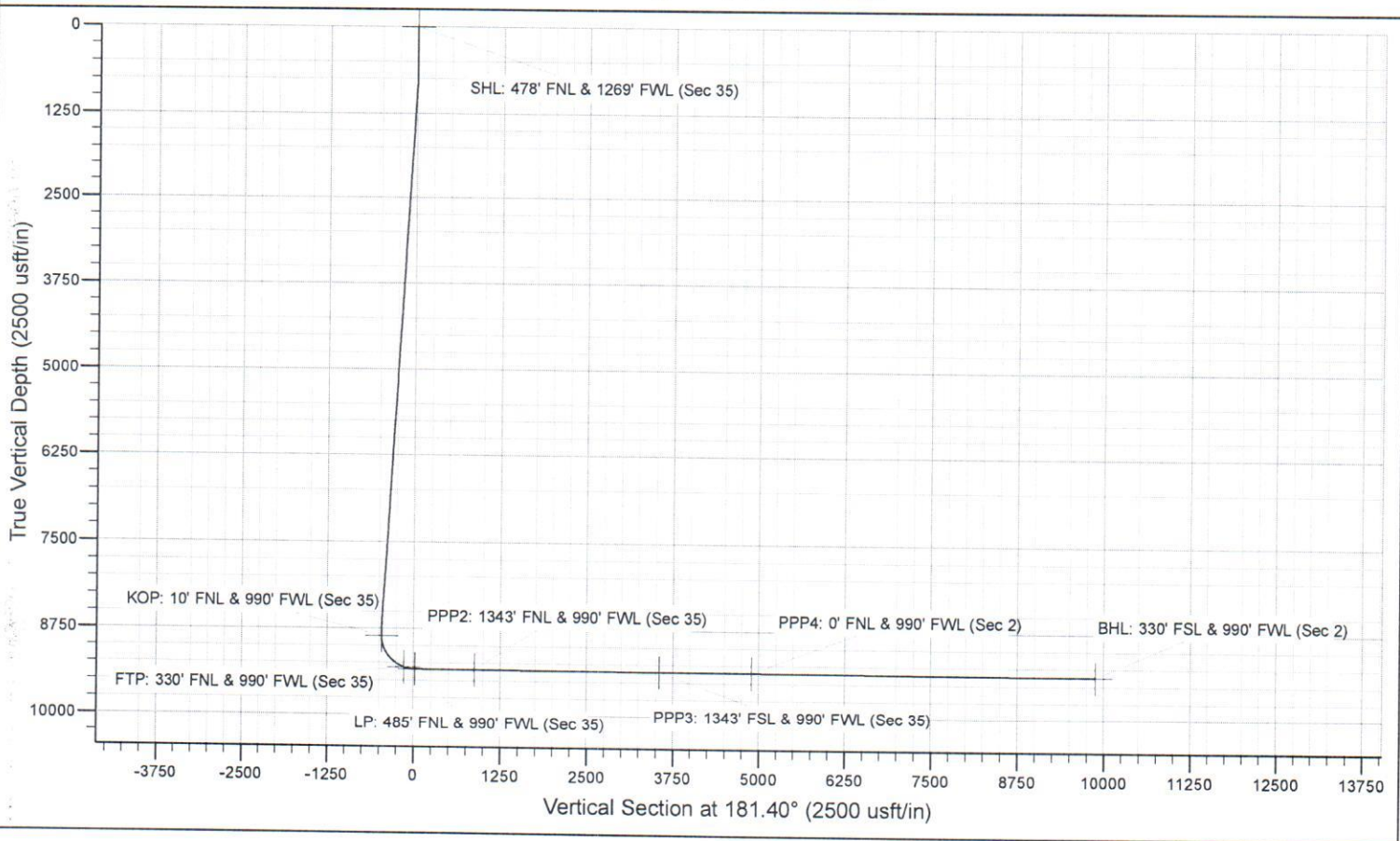
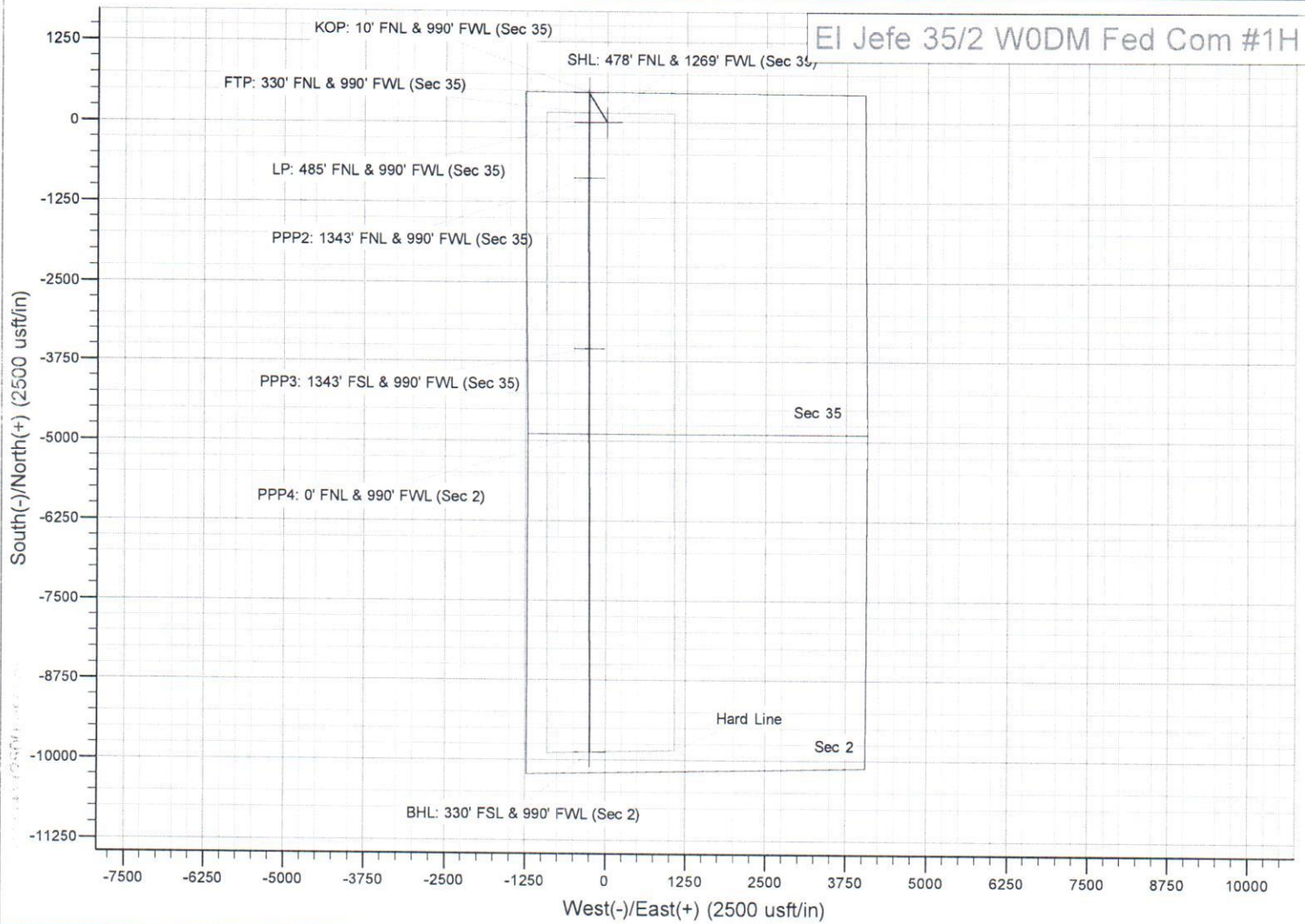


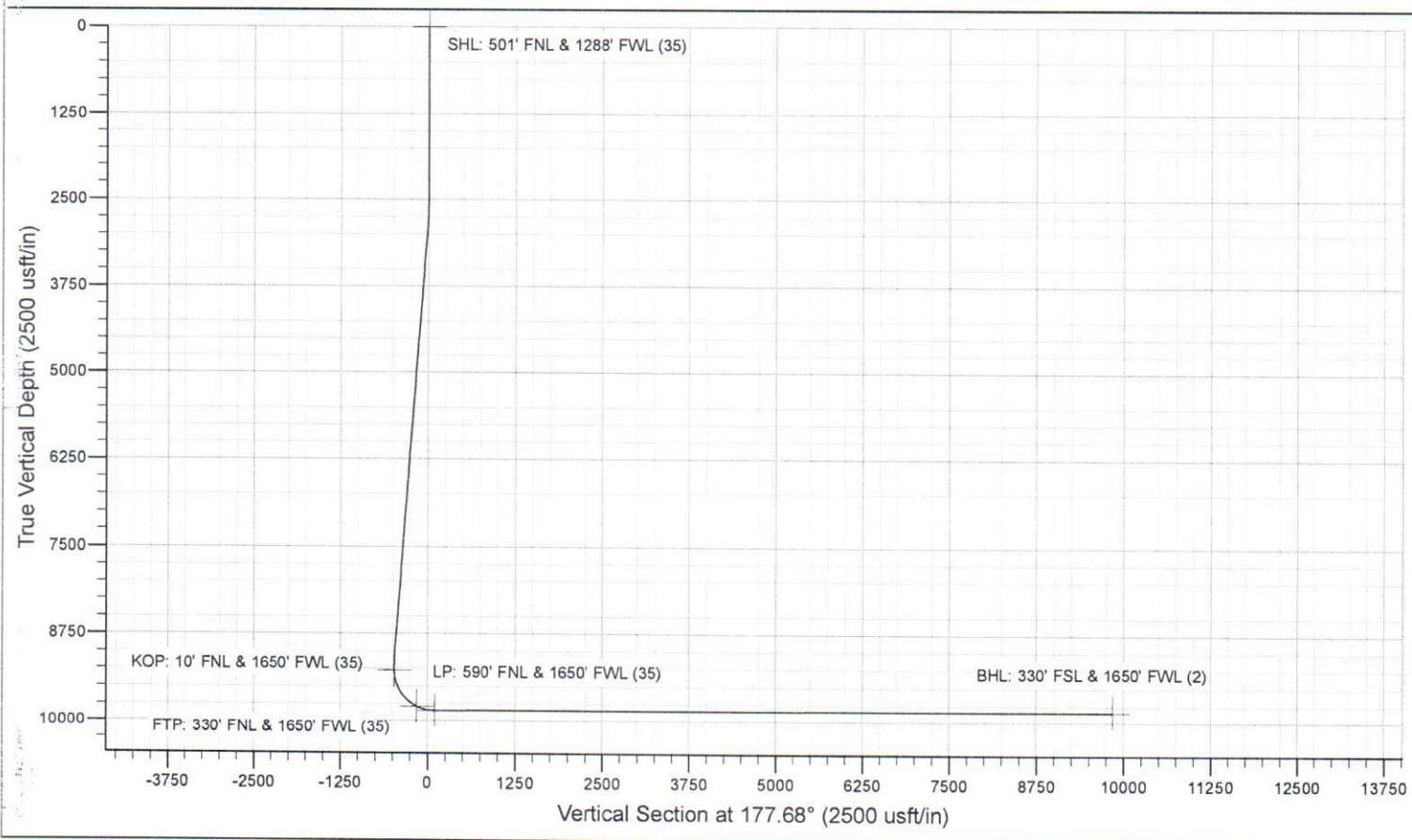
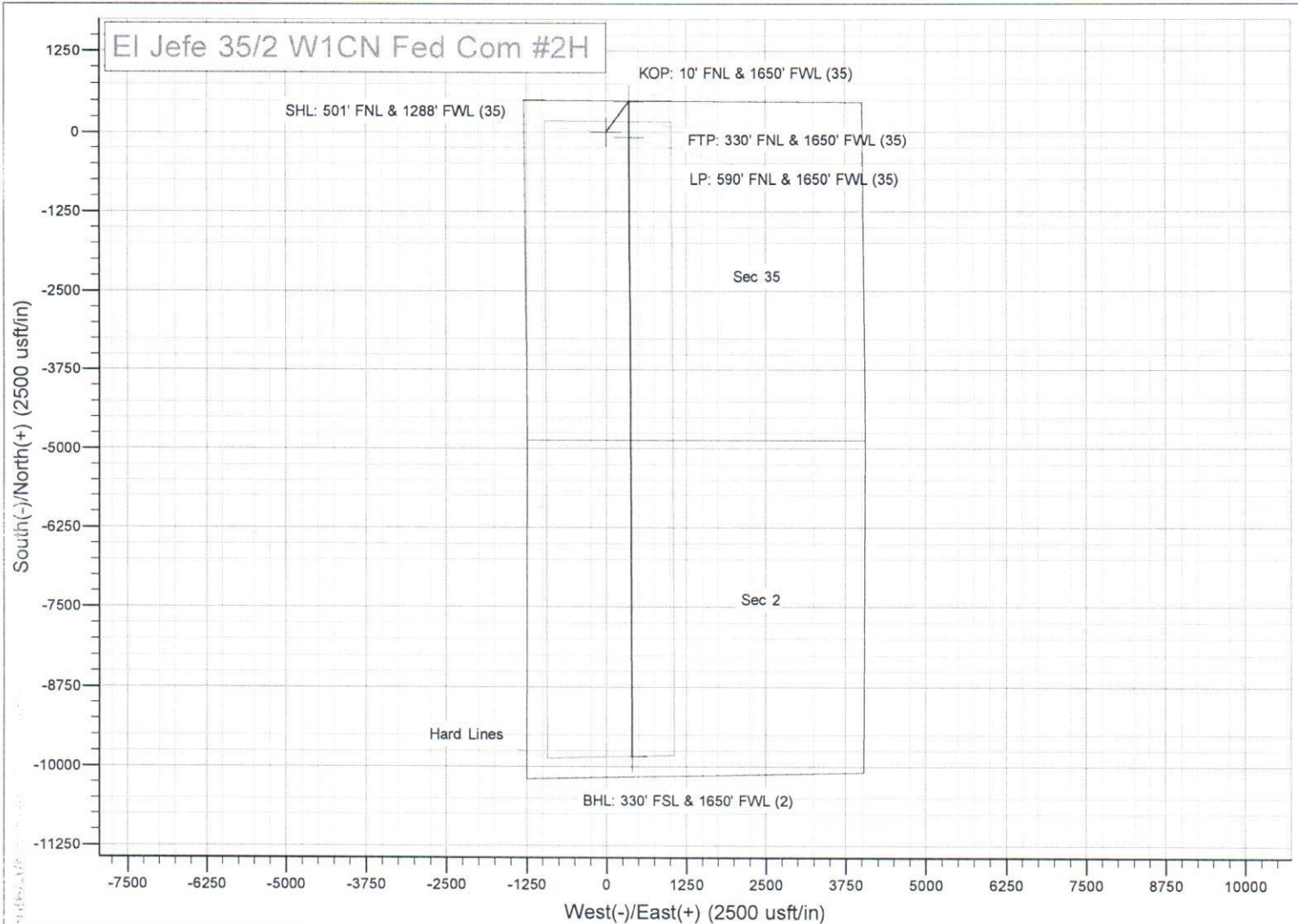
El Jefe Area Upper Wolfcamp Production Data Table

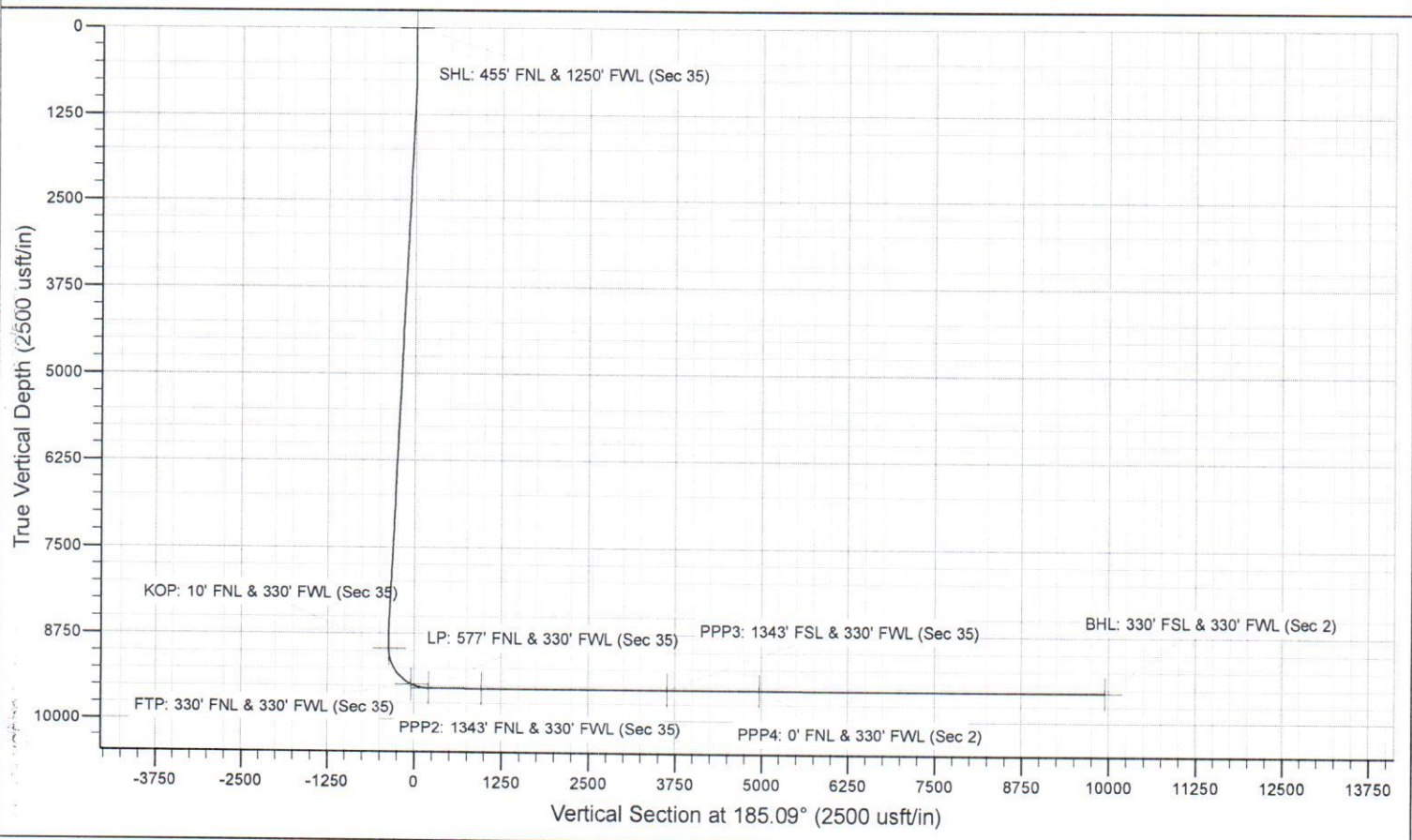
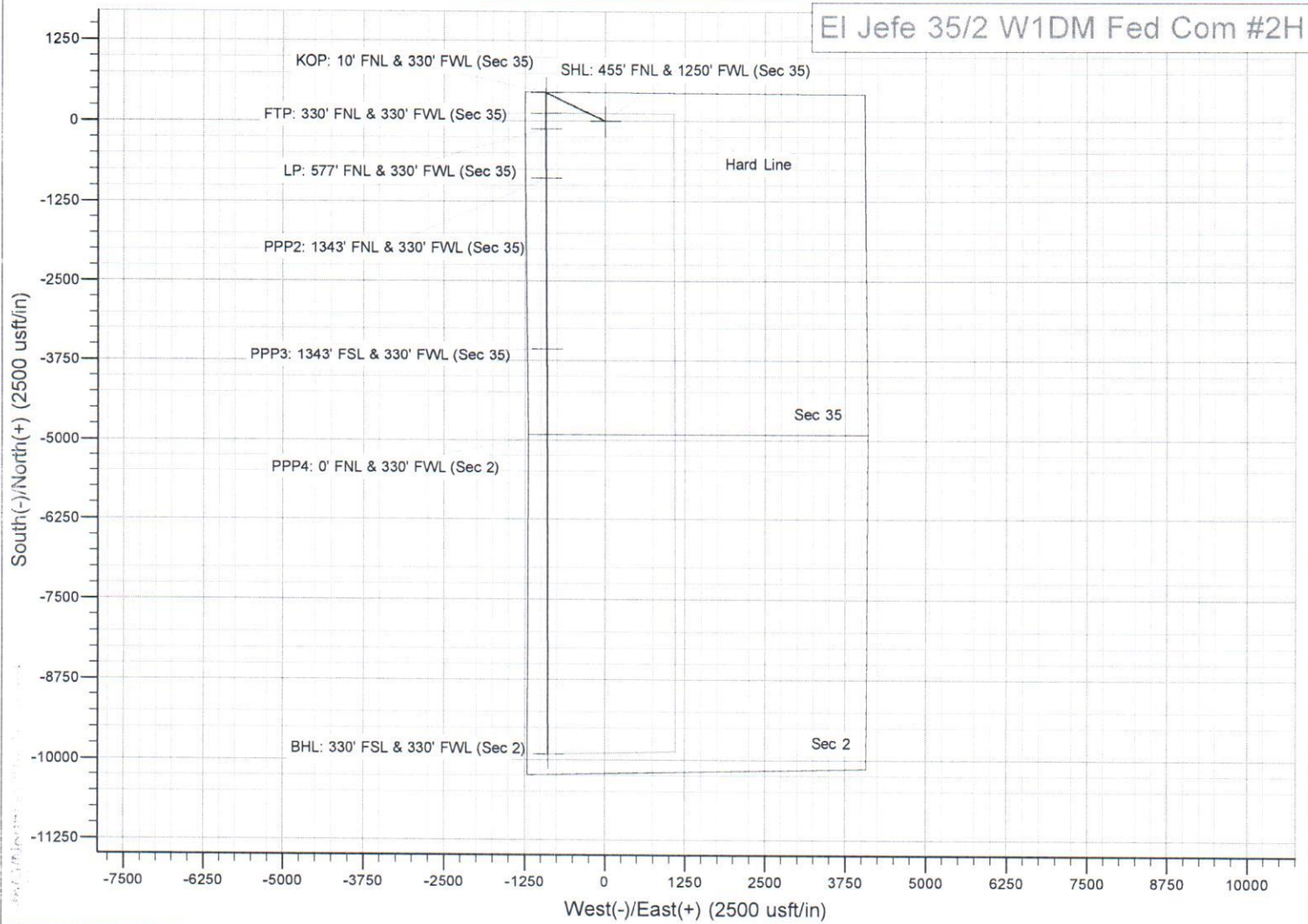
Well Name	Operator	API	Location	WFMP Comp Date	Cum Oil (mbo)	Cum Gas (bcf)	Cum Water (mbw)	NS/EW	HZ Target
Mad River 133H	Caza	3001543898	13PM/24S/27E	1/2/2017	269	0.5	985	EW	WFMP Sand
Mad River 13 4H	Caza	3001544042	13IL/24S/27E	4/11/2017	266	0.7	932	EW	WFMP Sand
Quien Sabe 801H	COG	3001546125	24A-25P/24S/27E	2/1/2020	134	0.3	362	NS	WFMP Sand
Quien Sabe 602H	COG	3001546127	24A-25P/24S/27E	2/1/2020	118	0.3	362	NS	WFMP Sand
Quien Sabe 603H	COG	3001546128	24B-25Q/24S/27E	2/1/2020	103	0.2	361	NS	WFMP Sand
Creedence 21/16 W0ED 2H	Mewbourne	3001544871	21E-16D/24S/28E	11/15/2019	188	0.4	406	NS	WFMP Sand
Creedence 21/16 W1ED 1H	Mewbourne	3001544887	21E-16D/24S/28E	11/15/2019	185	0.4	415	NS	WFMP A
Kansas 21/28 W1LM 1H	Mewbourne	3001545763	21L-28M/24S/28E	11/15/2019	199	0.5	508	NS	WFMP A
Kansas 21/28 W0LM 2H	Mewbourne	3001546016	21L-28M/24S/28E	11/15/2019	198	0.4	505	NS	WFMP Sand
Rustler Breaks 28/23 W0ML 2H	Mewbourne	3001544660	26M-23L/24S/28E	8/8/2019	227	0.5	606	NS	WFMP Sand
Rock Spur 27 W0CN 2H	Mewbourne	3001544064	27CN/24S/28E	6/28/2017	400	1.1	1240	NS	WFMP Sand
Rock Spur 27 W0AP 2H	Mewbourne	3001544093	27AP/24S/28E	8/28/2019	263	0.7	864	NS	WFMP Sand
Chicken Fry 1H	Marathon	3001542882	22AP/24S/28E	9/24/2017	179	0.5	743	NS	WFMP Sand
Kyle 34 5H	Marathon	3001543295	34PA/24S/28E	11/26/2017	291	0.9	958	NS	WFMP Sand
Kyle 34 3H	Marathon	3001543405	34NC/24S/28E	12/12/2017	254	0.7	1148	NS	WFMP Sand
Salt Draw 10 WCA 3H	Chisholm	3001545775	10BO/25S/28E	7/9/2019	107	0.3	385	NS	WFMP Sand
Rick Deckard WXY 18H	Marathon	3001545091	4PA/25S/28E	2/25/2019	112	0.4	NA	NS	WFMP Sand
Rick Deckard WA 14H	Marathon	3001545092	4PA/25S/28E	2/25/2019	110	0.3	NA	NS	WFMP Sand
Rick Deckard WXY 12H	Marathon	3001545090	4OB/25S/28E	2/25/2019	112	0.3	NA	NS	WFMP Sand
Rick Deckard WA 15H	Marathon	3001545093	4OB/25S/28E	2/25/2019	94	0.3	NA	NS	WFMP Sand
Rick Deckard WA 9H	Marathon	3001545345	4CN/25S/28E	7/13/2019	18	0.1	67	NS	WFMP Sand
Rick Deckard WXY 8H	Marathon	3001545348	4CN/25S/28E	7/13/2019	15	0.1	75.0	NS	WFMP Sand
Rick Deckard WA 2H	Marathon	3001545344	4DM/25S/28E	7/13/2019	15	0.1	55	NS	WFMP Sand
Rick Deckard WXY 6H	Marathon	3001545347	4DM/25S/28E	7/13/2019	23	0.1	98	NS	WFMP Sand
Myox 21 31H	COG	3001544000	21M-16D/25S/28E	10/27/2019	137	0.4	654	NS	WFMP A
Myox 21 32H	COG	3001544002	21M-16D/25S/28E	10/27/2019	121	0.3	702	NS	WFMP Sand
Myox 21 33H	COG	3001544006	21M-16D/25S/28E	10/27/2019	150	0.4	752	NS	WFMP A
Myox 21 34H	COG	3001545376	21N-16C/25S/28E	10/27/2019	136	0.4	681	NS	WFMP Sand
Myox 21 35H	COG	3001545373	21N-16C/25S/28E	10/27/2019	138	0.4	758	NS	WFMP A
Myox 31 601H	COG	3001545948	31A-6P/26S/28E	12/28/2019	103	0.3	397	NS	WFMP Sand
Myox 31 602H	COG	3001545949	31A-6P/26S/28E	12/28/2019	117	0.4	381	NS	WFMP Sand
Myox 31 603H	COG	3001545950	31B-6O/26S/28E	12/28/2019	123	0.4	400	NS	WFMP Sand

ATTACHMENT C









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. 21494


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 applications 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: 11/3/20


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

October 13, 2020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding Wolfcamp wells in the W/2 of Section 35, Township 24 South, Range 28 East, NMPM and the W/2 of Section 2, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, November 5, 2020. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>.

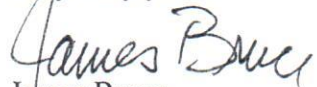
You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, October 29, 2020. This statement may be filed online with the Division at ocd.hearings@state.nm.us, and should include: The name of the party and his or her 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 time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

ATTACHMENT

A

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT A

Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102
Attn: Land Department

Heirs of Kaye H Gassie
401 E Illinois Ave Suite 200
Midland, TX 79701

Jetta X-2 L.P.
777 Taylor St.
Fort Worth, TX 76102

JTD Resources, LLC
415 W Wall St #1620
Midland, TX 79701

LML Working Properties, LLC
1970 Tincup Ct.
Boulder, CO 80305

Magnum Hunter Production, Inc.
600 N Marienfeld St # 600
Midland, TX 79701

Robert K Leonard
26 Wilderness Dr
Narragansett, RI 02882

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:

Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102
Attn: Land Department



9590 9402 5941 0062 9673 59

2. Article Number (Transfer from service label)

7020 0640 0000 1405 0522

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

Domestic Return Receipt

M-ED

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail OnlyFor delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$

Sent To

Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102

Street and Apt. No., or P.O. Box, Attn: Land Department

City, State, ZIP+4®

Postmark
Here

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ S. A. Ford

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™☐ Certified Mail Restricted Delivery☐ Certified Mail®☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

M-ED

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:

Robert K Leonard
26 Wildemoss Dr
Narragansett, RI 02882



9590 9402 5941 0062 9674 10

2. Article Number (Transfer from service label)

7020 0640 0000 1405 0461

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

Domestic Return Receipt

M-ED

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

Robert K Leonard
26 Wildemoss Dr
Narragansett, RI 02882

Street and Apt. No., or P.O. Box

City, State, ZIP+4®

See Reverse for Instructions

PS Form 3800, April 2015 PSN 7530-02-000-9047

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ Robert K Leonard

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™☐ Certified Mail Restricted Delivery☐ Certified Mail®☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

M-ED

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:

Magnum Hunter Production, Inc.
600 N Maricfield St # 600
Midland, TX 79701



9590 9402 5941 0062 9674 03

2. A. Article Number (Transfer from service label)

7020 0640 0000 1405 0478

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature **X** *[Signature]* ☐ Agent ☐ Addressee
B. Received by (Printed Name) **JANET GREENETT** C. Date of Delivery **10/19/2020**
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

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

Domestic Return Receipt

M EJ

**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

Magnum Hunter Production, Inc.
600 N Maricfield St # 600
Midland, TX 79701

City, State, ZIP+4®

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

Postmark Here

7020 0640 0000 1405 0478

USPS Tracking®

FAQs >

Track Another Package +

Remove X

Tracking Number: 70200640000014050515

Your item was delivered to the front desk, reception area, or mail room at 11:36 am on October 16, 2020 in MIDLAND, TX 79701.

 **Delivered**

October 16, 2020 at 11:36 am
Delivered, Front Desk/Reception/Mail Room
MIDLAND, TX 79701

Get Updates v

Feedback

Text & Email Updates v

Tracking History v

5150 504T 0000 0490 0202

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OFFICIAL USE

Certified Mail Fee	\$	
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$	
<input type="checkbox"/> Return Receipt (electronic)	\$	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage	\$	
Total Postage and Fees	\$	
Sent To	Heirs of Kaye H Gassic 401 E Illinois Ave Suite 200 Midland, TX 79701	
Street and Apt. No., or P.O. Box	Midland, TX 79701	
City, State, ZIP+4®		

Postmark Here

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

See Less ^

at you're looking for?

ind answers to your tracking questions.

7020 0640 0000 1405 0485

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Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postmark
Here

Postage	
\$	
Total Postage and Fees	
\$	

Sent To	LML Working Properties, LLC
	1970 Tincup Ct.
Street and Apt. No., or PO Box No.	Boulder, CO 80305
City, State, ZIP+4®	

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7020 0640 0000 1405 0492

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Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postmark
Here

Postage	
\$	
Total Postage and Fees	
\$	

Sent To	JTD Resources, LLC
	415 W Wall St #1620
Street and Apt. No., or PO Box No.	Midland, TX 79701
City, State, ZIP+4®	

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

7020 0640 0000 1405 0508

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OFFICIAL USE

Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postmark
Here

Postage	
\$	
Total Postage and Fees	
\$	

Sent To	Jetta X-2 L.P.
	777 Taylor St.
Street and Apt. No., or PO Box No.	Fort Worth, TX 76102
City, State, ZIP+4®	

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

Affidavit of Publication

Ad # 0004429361

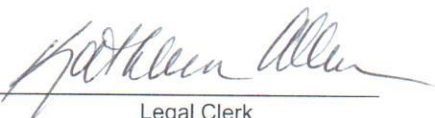
This is not an invoice

JAMES BRUCE ATTORNEY AT LAW
POBOX 1056

SANTA FE, NM 87504

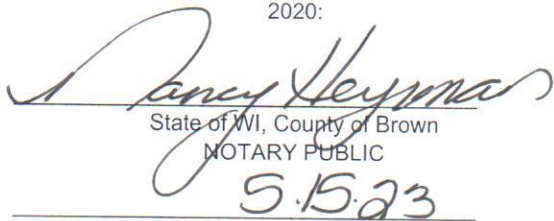
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements 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:

10/21/2020



Legal Clerk

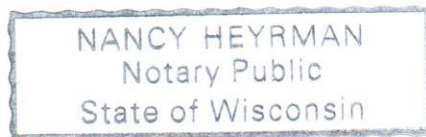
Subscribed and sworn before me this October 21,
2020:



State of WI, County of Brown
NOTARY PUBLIC

5.15.23

My commission expires



Ad # 0004429361
PO #: Devon Energy Production
of Affidavits 1

This is not an invoice

EXHIBIT 5

NOTICE

To: Devon Energy Production Company, L.P., Kaye H. Gassie, Jetta X-2, L.P., JTD Resources, LLC, LML Working Properties, LLC, Magnum Hunter Production, Inc., and Robert K. Leonard, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 21494) seeking an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 35, Township 24 South, Range 28 East, NMPM and Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 2, Township 25 South, Range 28 East, NMPM. The unit will be dedicated to (a) the El Jefe 35/2 W0CN Fed. Com. Well No. 1H and the El Jefe 35/2 W1CN Fed. Com. Well No. 1H, with first take points in the NE/4NW/4 of 35 and last take points in the SE/4SW/4 of Section 2, and (b) the El Jefe 35/2 W0DM Fed. Com. Well No. 1H and the El Jefe 35/2 W1DM Fed. Com. Well No. 1H, with first take points in the NW/4NW/4 of 35 and last take points in the SW/4SW/4 of Section 2. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The applications are scheduled to be heard at 8:15 a.m. on November 5, 2020. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>. 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 Rules to file a Pre-Hearing Statement no later than Thursday, October 29, 2020. This statement may be filed online with the Division at ocd.hearings@state.nm.us, and should include: The name(s) of the party and his or her attorney; a concise statement of the case; the name(s) of the

witnesses) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, (505) 982-2043, jamesbruc@aol.com. The unit is located approximately 4 miles south-southeast of Malaga, New Mexico.

October 21, 2020

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	21494		
Date	November 5, 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	El Jefe Wolfcamp wells		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Wolfcamp Formation		
Primary Product (Oil or Gas):	Gas		
Pooling this vertical extent:	Entire Wolfcamp formation		
Pool Name and Pool Code:	Purple Sage; Wolfcamp (Gas)/Pool Code 98220		
Well Location Setback Rules:	Purple Sage pool rules and current horizontal well rules		
Spacing Unit Size:	Half Section/320 acres		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	640 acres		
Building Blocks:	320 acres		
Orientation:	North-South		
Description: TRS/County	W/2 §35-24S-28E and W/2 §2-25S-28E, NMPM, Eddy County		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes		
Other Situations			
Depth Severance: Y/N. If yes, description	No	EXHIBIT 6	
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)	El Jefe 35/2 WODM Fed. Com. Well No. 1H API No. 30-015-46182 SHL: 476 FNL & 1269 FWL §35 BHL: 330 FSL & 990 FWL §2 FTP: 330 FNL & 990 FWL §35 LTP: 330 FSL & 990 FWL §2 Upper Wolfcamp/TVD 9634 feet/MD 19314 feet		

El Jefe 35/2 W1DM Fed. Com. Well No. 2H
 API No. 30-015-Pending
 SHL: 455 FNL & 1250 FWL §35
 BHL: 330 FSL & 330 FWL §2
 FTP: 330 FNL & 330 FWL §35
 LTP: 330 FSL & 330 FWL §2
 Upper Wolfcamp/TVD 9547 feet/MD 19714 feet

El Jefe 35/2 W0CN Fed. Com. Well No. 1H
 API No. 30-015-Pending
 SHL: 523 FNL & 1307 FWL §35
 BHL: 330 FSL & 2310 FWL §2
 FTP: 330 FNL & 2310 FWL §35
 LTP: 330 FSL & 2310 FWL §2
 Upper Wolfcamp/TVD 9663 feet/MD 19809 feet

El Jefe 35/2 W1CN Fed. Com. Well No. 2H
 API No. 30-015-Pending
 SHL: 501 FNL & 1288 FWL §35
 BHL: 330 FSL & 1650 FWL §2
 FTP: 330 FNL & 1650 FWL §35
 LTP: 330 FSL & 1650 FWL §2
 Upper Wolfcamp/TVD 9848 feet/MD 19954 feet

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)

Pooled Parties (including ownership type)

Exhibit 2-B

Unlocatable Parties to be Pooled

Exhibit 2-B

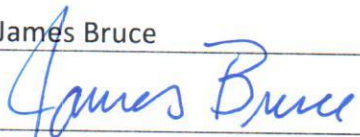
Ownership Depth Severance (including percentage above & below)

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
Spacing Unit Schematic	Exhibit 3-A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-A
Well Orientation (with rationale)	Standup/Exhibit 3
Target Formation	Wolfcamp
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2
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-B
Cross Section (including Landing Zone)	Exhibit 3-B
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):	
Date:	November 3, 2020