

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

APPLICATION OF MEWBOURNE OIL
COMPANY FOR A NON-STANDARD OIL
SPACING AND PRORATION UNIT AND
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO

CASE NO. 14750

AFFIDAVIT

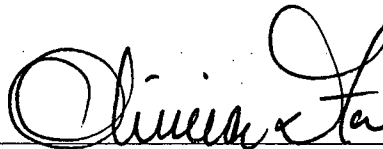
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Adam G. Rankin, attorney in fact and authorized representative of Mewbourne Oil Company, the Applicant herein, being first duly sworn, upon oath, states that notice of the above-referenced Application was mailed to the addresses shown on Exhibit "A" attached hereto, and that true and correct copies of the notice letter and proof of receipt are attached hereto.

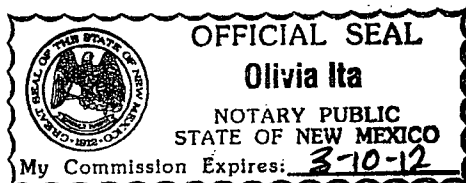


Adam G. Rankin

SUBSCRIBED AND SWORN to before this 25th day of October 2011 by Adam G. Rankin.



Notary Public



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 14750 Exhibit No. 4
Submitted by:
MEWBOURNE OIL COMPANY
Hearing Date: October 27, 2011

EXHIBIT A
DELAWARE RANCH 11 FED COM 2-H
MEWBOURNE OIL COMPANY

COG Operating LLC
Attn. William Miller
2208 W. Main
Artesia, New Mexico 88210

Concho Oil & Gas LLC
Attn: William Miller
2208 W. Main
Artesia, New Mexico 88210

EG3, Inc.
P.O. Box 1567
Graham, Texas 76450

The Allar Company
P.O. Box 1567
Graham, Texas 76450

Mrs. Catherine Ann Foley
10061 Fieldcrest Drive
Omaha, Nebraska 68124

OGX Resources, LLC
Attn. Gary Lang
P.O. Box 2064
Houston, Texas 77210

OGX Acreage Fund, LP
Attn. Gary Lang
P.O. Box 2064
Houston, Texas 77210-4249

OXY USA, Inc.
Attn. Pat Sparks
P.O. Box 4294
Houston, Texas 77210

**NOTIFICATION FO NON
STANDARD UNIT**

Mrs. Catherine Ann Foley
10061 Fieldcrest Drive
Omaha, Nebraska 68124

COG Operating LLC
Attn. William Miller
2208 W. Main
Artesia, New Mexico 88210

Chesapeake Exploration LLC
P.O. Box 18496
Oklahoma City, OK 73154

OXY USA, Inc.
Attn. Pat Sparks
P.O. Box 4294
Houston, Texas 77210

OGX Resources, LLC
Attn. Gary Lang
P.O. Box 2064
Houston, Texas 77210

OGX Acreage Fund, LP
Attn. Gary Lang
P.O. Box 2064
Houston, Texas 77210-4249

Concho Oil & Gas LLC
Attn: William Miller
2208 W. Main
Artesia, New Mexico 88210

EG3, Inc.
P.O. Box 1567
Graham, Texas 76450

The Allar Company
P.O. Box 1567
Graham, Texas 76450

Affidavit of Publication

NO.

21873

STATE OF NEW MEXICO

County of Eddy:

Danny Scott

being duly sworn, says that he is the

Publisher

of the Artesia Daily Press, a daily newspaper of general
circulation, published in English at Artesia, said county
and state, and that the hereto attached

Legal Notice

was published in a regular and entire issue of the said
Artesia Daily Press, a daily newspaper duly qualified
for that purpose within the meaning of Chapter 167 of
the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/days on the same

day as follows:

First Publication

October 4, 2011

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

4th day of

September

2011



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2015Latisha Romine

10th

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on October 27, 2011 in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-478-3458 or through the New Mexico Relay Network, 1-800-659-1779, by October 24, 2011. Public documents including the agenda and minutes can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

Case No. 14750. Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order: (1) approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 11, Township 26 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and (2) pooling all mineral interests underlying the non-standard oil spacing and proration unit (project area). The unit is to be dedicated to the Delaware Ranch 11 Fed. Com. Well No. 2-H, a horizontal well with a surface location in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ and a bottom-hole location in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 11. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof as well as the actual operating costs and charges for supervision, designation of applicant as operator of the unit and the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 11 miles south of Malaga, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Division at Santa Fe, New Mexico on this 30th day of September, 2011.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
Jami Bailey, Division Director

Published in the Artesia Daily Press, Artesia, N.M., Oct. 4, 2011 (Legal No. 21873)



September 29, 2011

VIA CERTIFIED MAIL – CERTIFIED RECEIPT REQUESTED**TO AFFECTED INTEREST OWNERS:**

Re: Application of Mewbourne Oil Company for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order (1) creating a non-standard spacing unit comprised of the W/2 E/2 of Section 11, Township 26 South, Range 28 East, NMPM, and (2) pooling all mineral interests in the Bone Spring formation in this non-standard spacing and proration unit, which spacing unit will be the project area for the Delaware Ranch 11 Fed Com Well No. 2-H to be horizontally drilled from a surface location 450 feet from the north line and 1700 feet from the east line to a bottom-hole terminus at a location 330 feet from the south line and 1700 feet from the east line of said Section 11.

This application has been set for hearing before a Division Examiner at 8:15 AM on October 27, 2011. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all 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 are to be resolved prior to the hearing.

Very truly yours,

Adam G. Rankin
Attorney for Mewbourne Oil Company



September 29, 2011

CERTIFIED MAIL - RETURN RECEIPT REQUESTED**TO: OFFSETS AND LESSEES IDENTIFIED ON EXHIBIT A****Re: Application of Mewbourne Oil Company for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico.**

Ladies and Gentlemen:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order creating a non-standard spacing unit comprised of the W/2 E/2 of Section 11, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. The Division requires notice to offset operators or lessees of the non-standard unit. This non-standard spacing and proration unit will be the project area for the Delaware Ranch 11 Fed Com Well No. 2-H to be horizontally drilled from a surface location 450 feet from the north line and 1700 feet from the east line and then in a southerly direction in the Bone Spring formation to a bottom-hole terminus at a location 330 feet from the south line and 1700 feet from the east line of said Section 11.

This application has been set for hearing before a Division Examiner at 8:15 AM on October 27, 2011. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all 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 are to be resolved prior to the hearing.

Very truly yours,

Adam G. Rankin
Attorney for Mewbourne Oil Co.

Delaware 24

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No In-
For delivery information visit usps.com

AGR/Mewbourne
Delaware Ranch
2208 W. Main
Artesia, New Mexico 88210

Postage \$ 1.64
Certified Fee 2.80
Return Receipt Fee (Endorsement Required) 2.30
Restricted Delivery Fee (Endorsement Required) 5.74

COG Operating LLC
Attn: William Miller
2208 W. Main
Artesia, New Mexico 88210

USPS
SEP 29 2011
SANTA FE NEW MEXICO 87501-9999
Postmark Here

For delivery information visit usps.com

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit usps.com

AGR/Mewbourne
Delaware Ranch 2-
2208 W. Main
Artesia, New Mexico 88210

Postage \$ 1.64
Certified Fee 2.80
Return Receipt Fee (Endorsement Required) 2.30
Restricted Delivery Fee (Endorsement Required) 5.74

Concho Oil & Gas LLC
Attn: William Miller
2208 W. Main
Artesia, New Mexico 88210

USPS
SEP 29 2011
SANTA FE NEW MEXICO 87501-9999
Postmark Here

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.

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:
COG Operating LLC
Attn: William Miller
2208 W. Main
Artesia, New Mexico 88210

2. Article Number (Transfer from service label) 7006 0100 0005 0625 5708
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature x Kelle Stevens Agent
B. Received by (Printed Name) Kelle Stevens C. Date of Delivery 10-3-11
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☒ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.

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:
Concho Oil & Gas LLC
Attn: William Miller
2208 W. Main
Artesia, New Mexico 88210

2. Article Number (Transfer from service label) 7006 0100 0005 0625 5715
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature x Kelle Stevens Agent
B. Received by (Printed Name) Kelle Stevens C. Date of Delivery 10-3-11
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☒ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Delaware 2H

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Ins.)
For delivery information visit our **OFFICIAL** website at www.usps.gov

AGR/Mewbourne
Delaware Ranch 2-

Postage	\$ 1.64
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	5.74

EG3, Inc.
P.O. Box 1567
Graham, Texas 76450

SANTA FE NEW MEXICO 87601-9998
Postmark
SEP 25 2011

for Instructions

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
EG3, Inc.
P.O. Box 1567
Graham, Texas 76450

2. Article Number (Transfer from service label) 7006 0100 0005 0625 5722
PS Form 3811, February 2004

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

5. Signature
X Melani Barnett Agent
B. Received by (Printed Name) Melani Barnett
C. Date of Delivery 10-3-11
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Ins.)
For delivery information visit our **OFFICIAL** website at www.usps.gov

The Allar Company
P.O. Box 1567
Graham, Texas 76450

SANTA FE NEW MEXICO 87601-9998
Postmark
SEP 25 2011

for Instructions

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
The Allar Company
P.O. Box 1567
Graham, Texas 76450

2. Article Number (Transfer from service label) 7006 0100 0005 0625 5739
PS Form 3811, February 2004

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

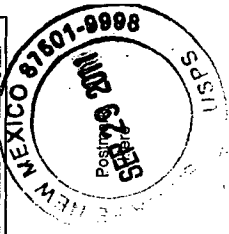
4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

5. Signature
X Melani Barnett Agent
B. Received by (Printed Name) Melani Barnett
C. Date of Delivery 10-3-11
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

Delaware 24

3

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit **OFFICIAL**
AGR/Mewbourne
Delaware Ranch 2-

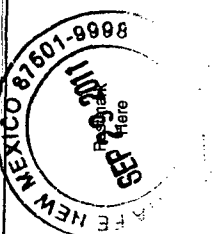


Postage	\$ 64
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	5.74

Mrs. Catherine Ann Foley
10061 Fieldcrest Drive
Omaha, Nebraska 68124

See Reverse for Instructions

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit **OFFICIAL**
AGR/Mewbourne
Delaware Ranch 2-



Postage	\$ 64
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	5.74

OGX Resources, LLC
Attn. Gary Lang
P.O. Box 2064
Houston, Texas 77210

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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:

Mrs. Catherine Ann Foley
10061 Fieldcrest Drive
Omaha, Nebraska 68124

A. Signature

Dannak Foley

☐ Agent
☒ Addressee

B. Received by (Printed Name)

Dannak Foley

C. Date of Delivery

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

If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail
- ☐ Registered
- ☐ Insured Mail
- ☐ Express Mail
- ☒ Return Receipt for Merchandise
- ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☒ No

2. Article Number

(Transfer from service label)

7006 0100 0005 0625 5746

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

Delaware 2H (4)

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit **OFFICIAL**

AGR/Mewbourne
Delaware Ranch 2-
Postmark Here
USPS
87601-9998

Postage	\$ 1.64
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	5.74
Total Postage & Fees	\$ 10.48

OGX Acreage Fund, LP
Attn. Gary Lang
P.O. Box 2064
Houston, Texas 77210-4249

SEE REVERSE FOR INSTRUCTIONS

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit **OFFICIAL**

AGR/Mewbourne
Delaware Ranch 2-
Postmark Here
USPS
87601-9998

Postage	\$ 1.64
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	5.74
Total Postage & Fees	\$ 10.48

OXY USA, Inc.
Attn. Pat Sparks
P.O. Box 4294
Houston, Texas 77210

SEE REVERSE FOR INSTRUCTIONS

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
OXY USA, Inc.
Attn. Pat Sparks
P.O. Box 4294
Houston, Texas 77210

2. Article Number (Transfer from service label)
7006 0100 0005 0625 5777

3. Service Type
☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☒ Return Receipt for Merchandise
☐ C.O.D.

4. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

5. Signature
Pat Sparks
6. Received by (Printed Name)
Pat Sparks
7. Date of Delivery
02/03/04
8. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

9. PS Form 3811, February 2004 102595-02-M-1540

Delaware 24 5

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No
For delivery information visit
OFFIC

AGR/Mewbourne
Delaware Ranch 2-

Postage	\$ 6.64
Certified Fee	2.50
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	5.74



Chesapeake Exploration LLC
P.O. Box 18496
Oklahoma City, OK 73154

for instructions

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
■ 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:

Chesapeake Exploration LLC
P.O. Box 18496
Oklahoma City, OK 73154

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ X ☐ Agent

B. Received by (Printed Name) DELIVERED ☐ Addressee

C. Date of Delivery 02-24-04 ☐ Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:
MAILROOM 15

3. Service Type
☒ Certified Mail ☐ Express Mail
☒ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service label) **7006 0100 0005 0625 5784**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540