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 A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 15,340

VERIFIED STATEMENT OF D. PAUL HADEN

D. Paul Haden, 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.

2. I have previously testified before the Division, and my qualifications as an expert petroleum landman were accepted of record.

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

(a) In this case Mewbourne seeks to pool two Record Title owners for purposes of obtaining approval of a communitization agreement from the Bureau of Land Management. Mewbourne does not seek to pool any cost-bearing interest owners.

(b) No opposition is expected because the record title owners being pooled have been contacted several times and have simply failed or refused to execute the communitization agreement.

(c) Attachment A is a plat outlining the unit being pooled. Mewbourne seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Lower Bone Spring formation (Querecho Plains-Lower Bone Spring Pool) comprised of the W/2E/2 of Section 28, Township 18 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Lower Bone Spring formation underlying the W/2E/2 of Section 28 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Querecho 28 OB Fed. Com. Well No. 1H, a horizontal well with a surface location 170 feet from the south line and 1420 feet from the east line, and a terminus 333 feet from the north line and

Oil Conservation Division Case No. Exhibit No.

2226 feet from the east line, of Section 28. The producing interval of the well is orthodox.

(d) The parties being pooled are as follows:

Chevron U.S.A. Inc. Room 43198 1400 Smith Street Houston, Texas 77002

Chevron U.S.A. Inc. owns the Record Title in Federal Lease NM 4609, which covers the NW/4NE/4 of Section 28.

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

Chesapeake Exploration LLC owns the Record Title in Federal Lease NM 94970, which covers the SW/4NE/4 and W/2SE/4 of Section 28.

The above addresses are current and correct.

(e) Attachment B contains copies of the letters sent to the Record Title owners requesting them to sign the communitization agreement. I have had subsequent contacts with them, but they have not responded to these requests.

(f) Mewbourne has made a good faith effort to locate and obtain the voluntary joinder of all Record Title owners in the well.

(g) Mewbourne does not seek to pool cost-bearing interests, so an AFE is not attached, and a risk charge and overhead rates are not requested.

(h) Applicant requests that it be designated operator of the well.

(i) The operators or working interest owners offsetting the non-standard well unit are listed on Attachment C.

VERIFICATION

STATE OF TEXAS

COUNTY OF MIDLAND

) ss.

)

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

ul Haden

nett

SUBSCRIBED AND SWORN TO before me this 16^{th} day of June, 2015 by D. Paul Haden.

My Commission Expires: 1-19-2016

GLENDA BARNETT COMMISSION EXPIRES January 19, 2016

8	ſ		805	×45	
Hightgawer All an / Conti - Aches Stout re Trais totas - Artin - Jannyen - Artin - Artin - Jannyen - A	Hand Land Grand Con- Hand Land Con- Hand Land Con- Hand Con- H	Bondero Centernn al, Her Solo Bondero Solo Bondero Solo Bondero Solo Bondero Solo Bondero Solo Bondero Solo Bondero Solo Bondero Solo Bondero Solo Bondero Bon	Construction of the second sec	Actives Act	40450 UL aura LCS Auraca (UL) Auraca (UL)
CST.Fed* Gittistos Litasso Beachi Litasso Beachi Litasso Litasso Compositione Litasso Compositione Litasso Compositione Litasso Lit	Comson Conson C. Stum 2 3006 3 Luna 12 0 Cost 13 0 Cost 14 0 Cost 14 0 Cost 14 0 Cost 15 0 Cost 16 Cos	Allas	Stall Bandero C.n. Hunger, Jr. 19 Social States Bandero C.n. Hunger, Jr. 19 Social States Bandero C.n. Hunger, Jr. 19 Social States Bandero	18 - (Manzon) Conocoled Yates Pat etni (Anadarko) Dif (Anadarko) Dif Conce off Conce off	Mack Ener Walker 2 II Chevron Vall Chevron Ene Walker 100 Jan Walker 100 Jan Walker 100 Jan 100 Jan 10
	cent A	vror is w	15 (An 16) 23 TS er 18 joint	(Constal Kent W H4 3016 Page Prod. (Constal Kent W Bay Sole (Constal Kent Kent Kent Kent Kent Kent Kent Kent	H.E.Yates Urso Mojar Fed
Constant Consta	Neste Oi, eia Devon En Lo 7655 1-51. Chevran (smood) Store theory Chevro	Contraction of the second of t	77 Biancal 77 21 20	Candere Air Singer	Тг. Анали Самана Самана Соности Самана Соности Соности Самана Соности Со
Concent in the second se	Chevron 18232 Vi Spears Sk (Str.Des (St	A Eligitica Membridia A Eligitica Membridia PERECHO PLAINS (BS UNIT CHANN IME (DOPER) A ME (DOPER) A Missin Mem Milson Missin Mem Milson Mem Milson Me	(ARCO p/R) Listing I (ARCO p/R) Listing I NTM88 Sterrol LI TM88 Sterrol LI (ARCO p/R) Listing I (ARCO p/R) Listing I (ARCO p/R) (ARCO p	Are Starte	Current Control Contro
To 10900 - eig Snew Ord 26690 Horne-fra 1/ TO 4665 (Cactus Drig. 1-a Shell-fed - o 1/ To 150 Hosnail Uco	HILE Chevron (Mobil) to prove of Horr OS56094 durison E Horr 		Aurona and	- Gair (20 5) Bay Sair (20 1) - Gair (20 5) Bay Sair (20 1) - Gair (20 1) - Ga	1 - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O'' - O'' 1 - O'' - O'' - O''' - O''' 1 - O'' - O''' - O''' - O''' 1 - O'' - O''' - O''' - O''' 1 - O'' - O''' - O'''' - O'''' 1 - O''' - O''''' - O''''''
JUN 10 100 1 2 9	(50) 104250-001 104250-001 104250-001 105550040 105550040 105550040 105550040 105550040 105550040 105550040 105550040 10555000 1055500 1055500 10555000 10555000 10555000 105550000000000	Chargen usa Sharora nu sa Chin Sharora nu sa Chin S	Churris Murjo O	IN TO HOUSE	PEARSALL MACK EN
117.932 \$840.93 webb Gil am, Fed berraz (Shey Sed (Shey Sed)	West III Nodel I. Lussiman (B)- 902 001 Endorman (B)- 001 Endorman (B)- 1100 Charles (Charles (Ch		(Mewbourne)	Anadar Marage Kap Frank Har Anadar Marage Har Frank Har Anadar Marage Har Anadar Mar	U. S. Young Deep Fa. d. H. Yates d. H. Yates J. Jan d. H. Yates J. Jan J. Jan J
	Nodele, Gussman 25 513 With Hendor, Mithele Hill Standard TD13,700 Santa Fch Santa Fch Standard Hill Santa Fch Standard Hill Santa Fch Tennaca (L. Harson Fch	U.S.	Murio Qil 194974	A 191 HEP HEP TOHL US MI J COVINESS (S)	0/X 10:245
8-324 0 PHA x' 4 6 F37	W Hendon J. W Leader State St	Dudiker.red.) TD 4270 TD 4270 Burlesserfed Anadorko gi etaj. 1/J etaj. 1/J etaj. 1/J	Mein Durne Mein Durne Service Service Service Mein Service Service Service Service Mein Service	d Devori, etal (Mewbaurne) (aastal Mant - 1 arton Avana - Factor 1 - Shinnery - Fed	BTA Emilian 67371 F23 670390-0 Young F23 670390-0 Young F23 670390-0 Young F23 600390-0 Young F33 670390-0 Young F34 670390-0 Young F34 600390-0 Young F34 60330-0 Young F34
Soge: Gruy Pe brush 12569 11523 11533 1153	Strato Passon Vegna Strato Visit Passon Vegna Visit Passon Vegna V V V V V V V V V V	Del Disc.	1935 1935 1945 1945 1945 1945 1945 1945 1945 1945 1945 1955	In Scole (9x1) BISD AN LODG RES. EOG RES. (Sudjou) Juliy and 1982) * Bulling Cod (E) Concest * Bulling Cod (E) Concest Scole (E) Concest (E) Concest	Arts - 2 Art run 2 Convolution - 1 Art - 2 Convolution - 2 Convolu
10 10 11 17 22 17 122 17 122 17 3900 (5 6 M.1)	ench Ji, Lore Joy Windle Str 104 211 64 77 6 Prod. West III) 3:30	Uncle Sam	Мотаю (т. 1995) 1973 - Калана Калана 1973 - Калана Калана 1973 - Солон Калана 1973 - Солон Калана 1974 - Со	Crimeti Devon Devon 11339 0392867 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	5325 5325
U.S. 1)	AND ALL P 2 ARD OH Marine Control of the control And the control of the contro	ABD OHI TO ABD	ARD Chi Provide ARD Chi Provide Construction Construction Art And Chi Provide Construction Construc	1711. EOG Res A 10 Pile Pile Pile 11 22 Pile Pile 12 23 Pile Pile 11 23 Pile Pile 12 23 Pile Pile 14 4.6 P Pile 14 4.6 P Pile 14 4.6 P Pile 15 23.0 Pile Pile 16 Pile Pile Pile 16 Pile Pile Pile Pile 16 1550' U.5 Pile Pile	Image: An and a second secon
4	Post Provide P	dian-Hudson Trans.Ferd 3731 4412	C g At 1 QXY HBP 069420 2: Hudsun 064194	(Se Boy, 1 W. Corbin Del, Disc. Joy) 10 With Fee Resport Charles - E06 Carbin '18' And Com. Str. Dec	Trust (5)
Menu- bourne 4-15 17.488 - 46 19.488 - 46 19.498 - 46 19.488 - 46 19.488 - 46 19.488 - 46	Arian Stranger Va S Burfaine Start Va S Burfaine	Magnum Hunter Enfield Beaton Hasse Hormsell Hasse Hass	Nortex Arter bistoor feet swid Toco LLC Cw Trainer:	9-1-2006 I 0 97144 525 92 "Hub	Deven 2 Deven 2 Deven 2 B9933 *Aschura Fcd Conoco Exco 26 069420*tra 9 ECGRes Percerbin
Amoco Amoco Amoco Amoco Amoco Amoco Amoco Amoco	St- 2 - Chi Q 25 - Ch	01 * 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	EOGRES. 61804 Arring Offices Offices Offices Carling Offices O	EOG 2:5. 96781 ************************************	H - / /

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

June 11, 2015

Chevron U.S.A. Inc. 1400 Smith Street, Rm 42114 Houston, TX 77002 Attn: Kristen Hunter

Re: Querecho 28 OB Federal Com #1H Well W/2E/2 Section 28, T18S, R32E Lea County, New Mexico

Dear Kristen:

In reference to the Communitization Agreement which was sent to your office via overnight mail on May 13, 2015, I just wanted to give you a heads up that we have filed a Compulsory Pooling Application regarding Chevron's untimely execution and return of the signature and acknowledgment pages to me of the referenced agreement. The pooling hearing will occur July 9, 2015 in Santa Fe. If possible, please have the referenced signature and acknowledgment pages executed and returned to me prior to the hearing date so I can have this hearing dismissed.

Sincerely yours,

MEWBQURNE OIL COMPANY

D. Paul Haden

Senior Landman

DPH/tgm

Attachment

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

June 11, 2015

Chesapeake Exploration LLC P.O. Box 18496 Okłahoma City, OK 73154-0496 Attn: Mr. Jacob Waterman

Re: Querecho 28 OB Federal Com #1H Well W/2E/2 Section 28, T18S, R32E Lea County, New Mexico

Gentleman:

In reference to the Communitization Agreement which was sent to your office via certified mail on May 13, 2015, I just wanted to give you a heads up that we have filed a Compulsory Pooling Application regarding Chesapeake's untimely execution and return of the signature and acknowledgment pages to me of the referenced agreement. The pooling hearing will occur July 9, 2015 in Santa Fe. If possible, please have the referenced signature and acknowledgment pages executed and returned to me prior to the hearing date so I can have this hearing dismissed.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden

Senior Landman

DPH/tgm

Paul Haden

From: Sent: To: Cc: Subject: Jacob Waterman <jacob.waterman@chk.com> Thursday, May 28, 2015 9:23 AM Paul Haden Brian Tatro NM BLM Lease

Good morning Paul,

Received your message and thought I would email you so you have our contact information. Please send over the documents you mentioned and we will look over and get back to you as soon as we can.

Thank you,

Jacob Waterman Land Technician Chesapeake Energy Corporation Office: 405-935-2971 Fax: 405-849-2971 Email: jacob.waterman@chk.com



This email (and attachments if any) is intended only for the use of the individual or entity to which it is addressed, and may contain information that is confidential or privileged and exempt from disclosure under applicable law. If the reader of this email is not the intended recipient, or the employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender immediately by return email and destroy all copies of the email (and attachments if any).



Date: May 19, 2015

Simple Certified:

The following is in response to your May 19, 2015 request for delivery information on your Certified Mail[™]/RRE item number 9414810699945009310437. The delivery record shows that this item was delivered on May 18, 2015 at 6:47 am in OKLAHOMA CITY, OK 73154. The scanned image of the recipient information is provided below.

Signature of Recipient :

d

Address of Recipient :

	Anger and the game	· ·
2 51	15004	

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

> Permian Land Manager Chesapeake Exploration LLC PO Box 18496 Oklahoma City, OK 73154 Reference #: Querecho 28 OB 1H Item ID: Querecho 28 OB 1H

Mewbourne Oil Company Paul Haden 500 West Texas Ave Ste 1020 MIDLAND TX 79701-4279 Querecho 28 OB 1H US POSTAGE AND FEES PAID

FIRST CLASS May 13 2015 Mailed from ZIP 79701 5 oz First Class Mail Flats Rate CID: 56133



071S00534813

USPS CERTIFIED MAIL

9414 8106 9994 5009 3104 37

Chesapeake Exploration LLC Permian Land Manager PO Box 18496 OKLAHOMA CITY OK 73154-0496

https://my.simplecertifiedmail.com/PrintLabel.aspx

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

May 13, 2015

<u>Via Certified Mail</u>

Chesapeake Exploration LLC P.O. Box 18496 Oklahoma City, OK 73154-0496 Attn: Permian Land Manager

Re: Querecho 28 OB Federal Com #1H Well W/2E/2 Section 28, T18S, R32E Lea County, New Mexico

Gentlemen:

Regarding the captioned well and land, enclosed for your further handling are the following:

- 1) File copy of Communitization Agreement dated September 15, 2014 which communitizes the leases for production emanating from the Bone Spring formation in the captioned well as to the captioned land.
- 2) Signature and acknowledgment pages prepared in triplicate as prepared for Chesapeake's execution.
- Copy of the BLM Serial Page which sets forth Chevron U.S.A. Inc. as Lessee for Federal Lease Serial No. NMNM 4609 and Serial Page which sets forth Chesapeake Exploration LLC as the Lessee for Federal Lease Serial No. NMNM 094970.

In reference to the above, please have the enclosed signature and acknowledgment pages which are prepared in triplicate executed by Chesapeake and return same to me for further handling.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

DPH/gb

Mewbourne Oil Company

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

May 13, 2015

Via Overnight Mail (713) 372-7552

Chevron U.S.A. Inc. 1400 Smith St., Rm. 43198 Houston, TX 77002-7327 Attn: Kelly Bass

Re: Querecho 28 OB Federal Com #1H Well W/2E/2 Section 28, T18S, R32E Lea County, New Mexico

Dear Kelly:

Regarding the captioned well and land, enclosed for your further handling are the following:

- 1) File copy of Communitization Agreement dated September 15, 2014 which communitizes the leases for production emanating from the Bone Spring formation in the captioned well as to the captioned land.
- 2) Signature and acknowledgment pages prepared in triplicate as prepared for Chevron's execution.
- 3) Copy of the BLM Serial Page which sets forth Chevron U.S.A. Inc. as Lessee for Federal Lease Serial No. NMNM 4609 and Serial Page which sets forth Chesapeake Exploration LLC as the Lessee for Federal Lease Serial No. NMNM 094970.

In reference to the above, please have the enclosed signature and acknowledgment pages which are prepared in triplicate executed by Chevron and return same to me for further handling. Thanks Kelly.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

DPH/gb

Offset Operators

Section 21 Mewbourne Oil Company

•

E/2E/2 and E/2W/2 Section 28 Mewbourne Oil Company

Section 33 Chevron U.S.A. Inc.


