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

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

CASE NO. 14604

AFFIDAVIT

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

William F. Carr, attorney in fact and authorized representative of Mewbourne Oil Company, the Applicant herein, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter are attached hereto.

William F. Carr

SUBCRIBED AND SWORN to before me this 30th day of Wareh 2011 by William F. Carr.

Notary Public

My Commission Expires:

OFFICIAL SEAL

Olivia Ita

NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires:

Sundown Energy, LP Two Galleria Tower 13455 Noel Road , Suite 2000 Dallas, Tx. 75240

Marathon Oil Company 200 N. Loraine , Suite 1222 Midland, Tx. 79701 Attn: J.F. Rusnack

Hanley Petroleum, Inc. 415 W. Wall , Suite 1500 Midland, Tx. 79701-4473 Attn: Brett Bracken

COG Operating , LLC 550 W. Texas Ave. , Suite 100 Midland, Tx. 79701, Attn: Brent Robertson



William F. Carr Phone 505-954-7285 Fax 505-983-6043 wcarr@hollandhart.com

March 9, 2011

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO AFFECTED INTEREST OWNERS:

Re: Application of Mewbourne Oil Company for a non-standard spacing and proration unit, unorthodox well location, 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 6, Township 20 South, Range 29 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 its proposed Ruger "6" Federal Com No. 4H Well (API No. 30-015-37198) to be horizontally drilled from a surface location 150 feet from the North line and 1755 feet from the East line of said Section 6 and then in a southerly direction in the third sand interval of the Bone Spring formation, to a bottom hole terminus at a location 330 feet from the South line and 2130 feet from the East line of said Section 6. This well will penetrate the Bone Spring formation at an unorthodox location 150 feet from the North line and 1755 feet from the East line of Section 6, however, the producing interval in the wellbore is within the well's "producing area."

This application has been set for hearing before a Division Examiner at 8:15 AM on March 31, 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.

William F. Carr

cc: Mr. D. Paul Haden Senior Landman

Mewbourne Oil Company

ECTION ON DELIVERY SENDER: COMPLETE THIS U.S. Postal Service CERTIFIED MAIL. R Complete items 1, 2, and 3. Also complete ☐ Agent item 4 if Restricted Delivery is desired. (Domestic Mail Only: No Insuranc 0917 Print your name and address on the reverse □ Addressee so that we can return the card to you. Date of Delivery Attach this card to the back of the mailpiece, (1 6380 or on the front if space permits. ☐ Yes D. Is delivery address different from item 1? 1. Article Addressed to: If YES, enter delivery address below: **Certified Fee** Sundown Energy, LP Return Receipt Fee (Endorsement Required) Two Galleria Tower Restricted Delivery Fee (Endorsement Required) 13455 Noel Road, Suite 2000 3. Service Type Dallas, Texas 75240 Total Postage & Fees \$ 5. Certified Mail ☐ Express Mail Sundown Energy, LP Registered Return Receipt for Merchandise ☐ Insured Mail / C.O.D. Two Galleria Tower 4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ 13455 Noel Road, Suite 200 2. Article Number Dallas, Texas 75240 7006 2760 0001 6380 0914 (Transfer from service label SENDER: UUIVIF ECTION ON DELIVERY U.S. Postal Service 74 Complete items 1, 2, and 3. Also complete A. Signature CERTIFIED MAIL item 4 if Restricted Delivery is desired. ☐ Agent Print your name and address on the reverse 7 (Domestic Mail Only: No Insu ☐ Addressee so that we can return the card to you. 160 C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. 6380 D. Is delivery address different from item 1? ☐ Yes 1. Article Addressed to: If YES, enter delivery address below: Marathon Oil Company Certified Fee 200 N. Loraine, Suite 1222 Return Receipt Fee (Endorsement Required) Midland, Texas 79701 Restricted Delivery Fee (Endorsement Required) Attn: J.F. Rusnack Service Type 2760 Certified Mail Total Postage & Fees \$ 5.7 ☐ Express Mail ☐ Registered Return Receipt for Merchandise Marathon Oil Company ☐ Insured Mail 🗖 C.O.D. 200 N. Loraine, Suite 12 4. Restricted Delivery? (Extra Fee) Midland, Texas 79701 2. Article Number 7006 2760 0001 6380 0907 (Transfer from service label) Attn: J.F. Rusnack PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540