BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING NOVEMBER 4, 2021

CASE No. 22248

Nandina Fed Com 25 36 31 #097H well

LEA COUNTY, NEW MEXICO



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

APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22248

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Compulsory Pooling, Lea County, New Mexico

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• Ameredev Exhibit C-1 – C-102

• Ameredev Exhibit C-2 – Land Plat/Unit Recap

• Ameredev Exhibit C-3 – Well Proposals/AFE

• Ameredev Exhibit C-4 — Chronology of

Contacts with Non-Joined Working Interests

Ameredev Exhibit D – Affidavit of Parker Foy, Geologist

• Ameredev Exhibit D-1 – Project Locator Map

• Ameredev Exhibit D-2 – Expanded Capitan Reef Map

• Ameredev Exhibit D-3 – Structure Map

• Ameredev Exhibit D-4 – Cross Section Map

• Ameredev Exhibit D-5 – Cross Section

Ameredev Exhibit E – Notice Affidavit

Ameredev Exhibit F – Notice of Publication

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22248	APPLICANT'S RESPONSE		
Date: November 4, 2021			
Applicant	Ameredev Operating, LLC		
Designated Operator & OGRID (affiliation if applicable)	372224		
Applicant's Counsel:	Holland & Hart LLP		
	Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico		
Entries of Appearance/Intervenors:			
Well Family	Nandina Fed Com 25 36 31 #097H well		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Bone Spring formation		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	Bone Spring formation		
Pool Names and Pool Codes:	WC-025 G-08 S263620G; LWR Bone Spring Pool (Poo Code 98150)		
Well Location Setback Rules:	Statewide horizontal well rules		
Spacing Unit Size:	320-acre, more or less		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	320-acre, more or less		
Building Blocks:	quarter-quarter sections		
Orientation:	North-South		
Description: TRS/County	E/2 E/2 of Sections 30 and 31, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes		
Other Situations	BEFORE THE OIL CONSERVATION DIVISION		
Depth Severance: Y/N. If yes, description	No Santa Fe, New Mexico Exhibit No. A		
Proximity Tracts: If yes, description	No Submitted by: Ameredev Operating, LLC Hearing Date: November 04, 2021 Case No. 22248		
Proximity Defining Well: if yes, description	N/A		
Applicant's Ownership in Each Tract Released to Imaging: 11/3/2027 7:17:17 AM	EXHIBIT C-2		

Received by OCD: 11/2/2021 6:47:21 PM	Page 4 of
Well(s)	
Name & API (if assigned), surface and bottom hole location,	EXHIBIT C-1
footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Nandina Fed Com 25 36 31 #097H well (API No. 30-025-pending): SHL: 230' FNL and 630' FEL (Unit A) of Section 6, Township 26 South, Range 36 East, BHL: 50' FNL and 660' FEL (Unit A) of Section 30, Township 25 South, Range 36 East. Completion Target: Bone Spring
	Well Orientation: North to South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	EXHIBIT C-1
Completion Target (Formation, TVD and MD)	See above and C-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7,000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	EXHIBIT C-2
Tract List (including lease numbers and owners)	EXHIBIT C-2
Pooled Parties (including ownership type)	EXHIBIT C-2
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & bel	dN/A
Joinder	
Sample Copy of Proposal Letter	EXHIBIT C-3
List of Interest Owners (ie Exhibit A of JOA)	EXHIBIT C-2
Chronology of Contact with Non-Joined Working Interests	EXHIBIT C-4
Overhead Rates In Proposal Letter	EXHIBIT C-3
Cost Estimate to Drill and Complete	EXHIBIT C-3
Cost Estimate to Equip Well	EXHIBIT C-3
Costs Estimate for Production Facilities	EXHIBIT C-3

Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D, D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1
Well Orientation (with rationale)	Exhibit D-1, D-4
Target Formation	Exhibit D-3, D-4, D-5
HSU Cross Section	Exhibit D-4, D-5
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	EXHIBIT C-1
Tracts	EXHIBIT C-2
Summary of Interests, Unit Recapitulation (Tracts)	EXHIBIT C-2
General Location Map (including basin)	Exhibit D-1, D-2
Well Bore Location Map	Exhibit D-3, D-4
Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D-4
Cross Section (including Landing Zone)	Exhibit D-5
Additional Information	

CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.

Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	Anthull
Date:	1-Nov-21

Received by OCD: 11/2/2021 6:47:21 PM

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

APPLICATION OF AMEREDEV **OPERATING, LLC FOR COMPULSORY** POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22248

APPLICATION

Ameredev Operating, LLC ("Ameredev" or "Applicant") (OGRID No. 372224), through

its undersigned attorneys, hereby files this application with the Oil Conservation Division,

pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interest

in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit

comprised of the E/2 E/2 of Sections 30 and 31, Township 25 South, Range 36 East, N.M.P.M.,

Lea County, New Mexico. In support of its application, Ameredev states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and

has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced spacing unit to the following

proposed initial Nandina Fed Com 25 36 31 #097H well to be drilled from a surface hole location

in the NE/4 NE/4 (Unit A) of Section 6, Township 26 South, Range 36 East, to a bottom hole

location in the NE/4 NE/4 (Unit A) of Section 30.

3. The completed interval for the proposed well will comply with statewide setbacks

for oil wells.

4. Applicant has sought and been unable to obtain voluntary agreement for the

1

development of these lands from all the interest owners in the subject spacing unit.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No. B

Submitted by: Ameredev Operating, LLC

Hearing Date: November 04, 2021

- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 4, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
arankin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR AMEREDEV OPERATING, LLC

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

APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22248

AFFIDAVIT OF BRANDON FORTEZA IN SUPPORT OF CASE NO. 22248

Brandon Forteza, of lawful age and being first duly sworn, declares as follows:

- My name is Brandon Forteza. I work for Ameredev Operating, LLC ("Ameredev") as a Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
- 3. I am familiar with the application filed by Ameredev in this case, and I am familiar with the status of the lands in the subject area.
- 4. None of the uncommitted parties has indicated opposition to this pooling application, and therefore I do not expect any opposition at the hearing.
- 5. Ameredev is seeking an order pooling all uncommitted interests in the Bone Spring (98150) formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 30 and 31, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico.
- 6. Ameredev seeks to dedicate the above horizontal spacing unit to the **Nandina Fed**Com 25 36 31 #097H well to be drilled from a surface hole location in the NE/4 NE/4 (Unit A)

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248

of Section 6, Township 26 South, Range 36 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 30.

- 7. The completed interval for the proposed well will comply with statewide setbacks for oil wells.
- 8. Ameredev has prepared a draft Form C-102 for the proposed well that is attached as **Ameredev Exhibit C-1**.
 - 9. The Pool Code for the proposed well is 98150.
 - 10. There are no depth severances in the Bone Spring formation.
- 11. **Ameredev Exhibit C-2** is an exhibit prepared by me that identifies the tracts of land comprising the proposed horizontal spacing unit. This proposed spacing unit includes federal, and fee land. This exhibit shows the interest owners and the percentage of their interest by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing unit, is also included on the exhibit. Ameredev is seeking to pool the interest owners denoted by an asterisk on the unit recapitulation.
- 12. Ameredev is seeking to pool unleased mineral interest owners, overriding royalty interests, and working interest owners.
- 13. Ameredev sent a well proposal letter to the unleased mineral interest owners and working interest owners. An AFE was included with the well proposal letter. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area. Copies of the well proposal letter and the AFE are attached as **Ameredev Exhibit C-3**.
- 14. A chronology of Ameredev's contacts with the working interest owners it is seeking to pool is attached hereto as **Ameredev Exhibit C-4**.

- 15. Ameredev seeks approval of overhead and administrative costs at \$10,000/month while drilling and \$1,000/month while producing. These costs are consistent with what Ameredev and other operators are charging in this area for these types of wells. Ameredev respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.
- 16. In my opinion, Ameredev has made good faith efforts to reach an agreement with the parties it is seeking to pool. If Ameredev reaches an agreement with the proposed pool parties before the Division enters an order, I will let the Division know that Ameredev is no longer seeking to pool those parties.
- 17. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on Ameredev Exhibit C-2. In compiling these addresses, Ameredev conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches. Notice of this hearing was also provided by publication in the newspaper of general circulation in the county where this well is located.
- 18. **Ameredev Exhibits C-1** through **C-4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

BRANDON FORTEZA

ERIN PEARCY

Notary Public, State of Texas Comm. Expires 10-02-2023 Notary ID 130392911

STATE OF TEXAS

COUNTY OF Trans

SUBSCRIBED and SWORN to before me this _____ day of November 2021 by

Brandon Forteza.

NOTARY PUBLIC

My Commission Expires:

10/2/2023

17649753_v1

1625 N. French Dr., Hobbs, NM 88240

811 S. First St., Artesia, NM 88210

Phone: (575) 393-6161 Fax: (575) 393-0720

Phone: (575) 748-1283 Fax: (575) 748-9720

Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

1000 Rio Brazos Road, Aztec, NM 87410

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C1

Submitted by: Ameredev Operating, LLC

FORM C-102

District Office

Page 13 of 34

Hearing Date: November 04, 2021 Revised August 1, 2011 Energy, Minerals & Natural Resources Case No. 22248

Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

State of New Mexico

Submit one copy to appropriate

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Santa Fe, NM 87505

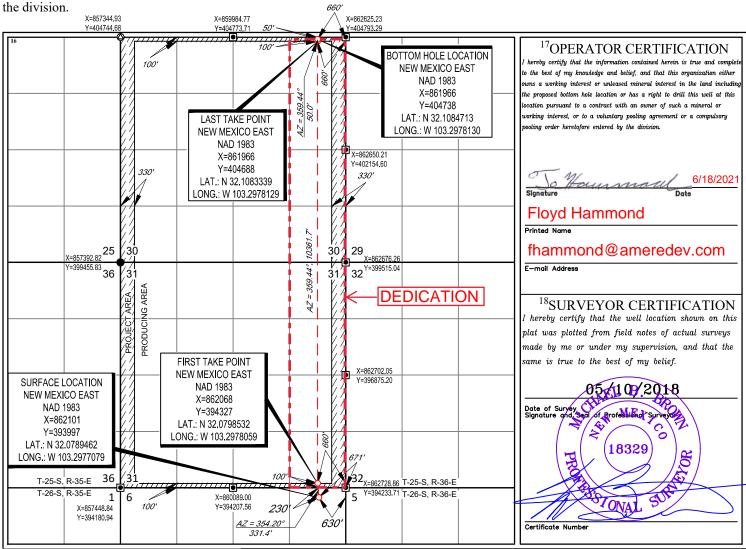
¹ API Numbe	² Pool Code 98150	WC-025 G-08 S263620G; LWR Bone Spring		
⁴ Property Code	⁵ Pr	⁶ Well Number		
	NANDINA FE	097H		
⁷ OGRID №.	⁸ O _I	perator Name	⁹ Elevation	
372224	AMEREDEV	OPERATING, LLC.	3009'	

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	6	26-S	36-E	_	230'	NORTH	630'	EAST	LEA

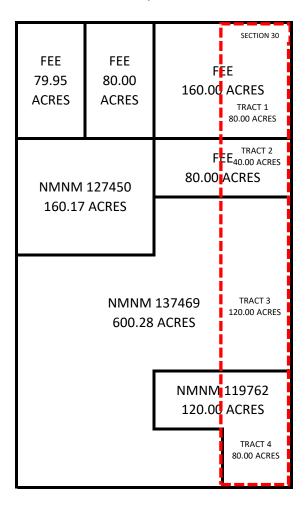
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	30	25-S	36-E	-	50'	NORTH	660'	EAST	LEA
12Dedicated Acres	¹³ Joint or I	nfill ¹⁴ C	onsolidation Co	de ¹⁵ Ord	er No.				
320			С						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by



NANDINA FED COM 25-36-31 097H

T25S-R36E-SECTION 30, E2E2 T25S-R36E-SECTION 31, E2E2 LEA COUNTY, NEW MEXICO



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C2
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248

NANDINA FED COM 25-36-31 097H

T25S-R36E-SECTION 30, E2E2 T25S-R36E-SECTION 31, E2E2 LEA COUNTY, NEW MEXICO

TRACT 1: E2NE4 SECTION 30 T25S-R36E - 80 acres

MAVROS OIL COMPANY, LLC GOOD NEWS MINERALS, LLC Ameredev New Mexico, LLC Total TRACT 2: NE4SE4 SECTION 30 T25S-R36E - 40 acres KBL MINERAL COMPANY, LLC ALLISON BLACKMAR HUNT SHARON E. BLACKMAR MICHAEL KAVANAUGH BLACKMAR HILIP ARNOLD BLACKMAR BRUCE PATRICK BLACKMAR GUYBELIIOTT BLACKMAR O.19531261% GUY ELLIOTT BLACKMAR, II SEFFERSON KEITH BLACKMAR O.19531254% AMY BLACKMAR-FISCHER ANY BLACKMAR-FISCHER ANY BLACKMAR HUNT NOD WILLIAM P. HUNT, JR. MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE O.45572925% MAVROS OIL COMPANY, LLC GOOD NEWS MINERALS, LLC Ameredev New Mexico, LLC Total Ameredev New Mexico, LLC Total 100.00000000% TRACT 4: E2SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC Total 100.00000000% TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres	KBL MINERAL COMPANY, LLC	16.66666667%
TRACT 2: NE4SE4 SECTION 30 T25S-R36E - 40 acres	MAVROS OIL COMPANY, LLC	16.66666667%
TRACT 2: NE4SE4 SECTION 30 T25S-R36E - 40 acres KBL MINERAL COMPANY, LLC ALLISON BLACKMAR HUNT SHARON E. BLACKMAR MICHAEL KAVANAUGH BLACKMAR PHILIP ARNOLD BLACKMAR GUY ELLIOTT BLACKMAR GUY ELLIOTT BLACKMAR CARY BLACKMAR AND SLACKMAR O.19531254% CARY BLACKMAR HUNT AMY BLACKMAR HUNT AND BLACKMAR O.19531254% CARY BLACKMAR HUNT AND BLACKMAR HUNT AND WILLIAM P. HUNT, JR. MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE O.45572925% MAVROS OIL COMPANY, LLC GOOD NEWS MINERALS, LLC Ameredev New Mexico, LLC Total TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC Total TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres	GOOD NEWS MINERALS, LLC	16.66666667%
TRACT 2: NE4SE4 SECTION 30 T255-R36E - 40 acres KBL MINERAL COMPANY, LLC ALLISON BLACKMAR HUNT O.91145885% SHARON E. BLACKMAR O.22786471% MICHAEL KAVANAUGH BLACKMAR O.19531261% PHILIP ARNOLD BLACKMAR O.19531261% BRUCE PATRICK BLACKMAR O.19531261% GUY ELLIOTT BLACKMAR, II JEFFERSON KEITH BLACKMAR CARY BLACKMAR-FISCHER O.19531254% AMY BLACKMAR-FISCHER O.19531254% AULISON BLACKMAR KOOS KURT WAYNE BLACKMAR ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR. MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE MAVROS OIL COMPANY, LLC GOOD NEWS MINERALS, LLC Ameredev New Mexico, LLC Total TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T255-R36E - 120 acres Ameredev New Mexico, LLC TOtal TRACT 4: E2SE4 Section 31 T255-R36E - 80 acres	Ameredev New Mexico, LLC	50.00000000%
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PHILIP ARNOLD BLACKMAR 0.91145885% BRUCE PATRICK BLACKMAR 0.19531261% GUY ELLIOTT BLACKMAR, II 0.19531261% JEFFERSON KEITH BLACKMAR 0.19531254% CARY BLACKMAR-FISCHER 0.19531254% AMY BLACKMAR KOOS 0.19531254% KURT WAYNE BLACKMAR 0.19531254% ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR. 0.91145850% MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE 0.45572925% MAVROS OIL COMPANY, LLC 12.50000000% GOOD NEWS MINERALS, LLC 12.50000000% Ameredev New Mexico, LLC 57.71484186% Total 100.00000000% Tract 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T255-R36E - 120 acres Ameredev New Mexico, LLC 100.00000000% Tract 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC 100.00000000%	SHARON E. BLACKMAR	0.22786471%
BRUCE PATRICK BLACKMAR GUY ELLIOTT BLACKMAR, II JEFFERSON KEITH BLACKMAR O.19531261% JEFFERSON KEITH BLACKMAR O.19531254% CARY BLACKMAR-FISCHER O.19531254% AMY BLACKMAR KOOS O.19531254% KURT WAYNE BLACKMAR ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR. O.91145850% MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE O.45572925% MAVROS OIL COMPANY, LLC J1.50000000% GOOD NEWS MINERALS, LLC Ameredev New Mexico, LLC Total TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC Total TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC TOO.00000000%	MICHAEL KAVANAUGH BLACKMAR	0.19531261%
GUY ELLIOTT BLACKMAR, II JEFFERSON KEITH BLACKMAR CARY BLACKMAR-FISCHER AMY BLACKMAR-FISCHER AMY BLACKMAR KOOS KURT WAYNE BLACKMAR ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR. MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE MAVROS OIL COMPANY, LLC GOOD NEWS MINERALS, LLC Ameredev New Mexico, LLC Total TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC TOTAL Ameredev New Mexico, LLC TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres	PHILIP ARNOLD BLACKMAR	0.91145885%
DEFFERSON KEITH BLACKMAR	BRUCE PATRICK BLACKMAR	0.19531261%
CARY BLACKMAR-FISCHER 0.19531254% AMY BLACKMAR KOOS 0.19531254% KURT WAYNE BLACKMAR 0.19531254% ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR. 0.91145850% MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE 0.45572925% MAVROS OIL COMPANY, LLC 12.50000000% GOOD NEWS MINERALS, LLC 12.50000000% Ameredev New Mexico, LLC 57.71484186% Total 100.00000000% TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC 100.00000000% Total 100.00000000% TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres 100.00000000%	GUY ELLIOTT BLACKMAR, II	0.19531261%
AMY BLACKMAR KOOS KURT WAYNE BLACKMAR ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR. MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE MAVROS OIL COMPANY, LLC GOOD NEWS MINERALS, LLC Ameredev New Mexico, LLC Total TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC Total Ameredev New Mexico, LLC Total TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC TOO.00000000%	JEFFERSON KEITH BLACKMAR	0.19531254%
KURT WAYNE BLACKMAR 0.19531254% ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR. 0.91145850% MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE 0.45572925% MAVROS OIL COMPANY, LLC 12.50000000% GOOD NEWS MINERALS, LLC 12.50000000% Ameredev New Mexico, LLC 57.71484186% Total 100.00000000% TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC 100.00000000% TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC 100.00000000%	CARY BLACKMAR-FISCHER	0.19531254%
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MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE 0.45572925% MAVROS OIL COMPANY, LLC 12.50000000% GOOD NEWS MINERALS, LLC 12.50000000% Ameredev New Mexico, LLC 57.71484186% Total 100.00000000% Ameredev New Mexico, LLC Total 100.0000000% Tract 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC 100.00000000% TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres 100.00000000%	KURT WAYNE BLACKMAR	0.19531254%
MAVROS OIL COMPANY, LLC 12.50000000% GOOD NEWS MINERALS, LLC 12.50000000% Ameredev New Mexico, LLC 57.71484186% Total 100.00000000% TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC 100.00000000% Total 100.00000000% TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC 100.00000000%	ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR.	0.91145850%
GOOD NEWS MINERALS, LLC 12.50000000% Ameredev New Mexico, LLC 57.71484186% Total 100.00000000% TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC 100.00000000% Total 100.00000000% TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres 100.00000000% Ameredev New Mexico, LLC 100.00000000%	MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE	0.45572925%
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Ameredev New Mexico, LLC 57.71484186% Total 100.00000000% TRACT 3: SE4SE4 SECTION 30 and E2NE4 of Section 31 T25S-R36E - 120 acres Ameredev New Mexico, LLC 100.00000000% Total 100.00000000% TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC 100.00000000%		
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TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres Ameredev New Mexico, LLC 100.00000000%	·	
Ameredev New Mexico, LLC 100.0000000%	Total	100.00000000//
	TRACT 4: E2SE4 Section 31 T25S-R36E - 80 acres	
	Ameredev New Mexico, LLC	100.00000000%
	Total	100.00000000%

UNIT RECAPITULATION T25S-R36E-SECTION 30, E2E2 T25S-R36E-SECTION 31, E2E2

*KBL MINERAL COMPANY, LLC	5.72916667%
*ALLISON BLACKMAR HUNT	0.11393236%
*SHARON E. BLACKMAR	0.02848309%
*MICHAEL KAVANAUGH BLACKMAR	0.02441408%
*PHILIP ARNOLD BLACKMAR	0.11393236%
*BRUCE PATRICK BLACKMAR	0.02441408%
*GUY ELLIOTT BLACKMAR, II	0.02441408%
*JEFFERSON KEITH BLACKMAR	0.02441407%
*CARY BLACKMAR-FISCHER	0.02441407%
*AMY BLACKMAR KOOS	0.02441407%
*KURT WAYNE BLACKMAR	0.02441407%
*ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR.	0.11393231%
*MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE	0.05696616%
*MAVROS OIL COMPANY, LLC	5.72916667%
*GOOD NEWS MINERALS, LLC	5.72916667%
Ameredev New Mexico, LLC	82.21435523%
Total	100.00000000%

^{*}Interest Seeking to Force Pool

Ameredev II, LLC 2901 Via Fortuna, Suite 600 Austin, Texas 78746



September 17, 2021 VIA Certified Mail

ALLISON BLACKMAR HUNT 9 IMPERIAL DRIVE HAMILTON, NJ 8690

RE: Nandina Fed Com 25-36-31 #097H Well Proposal

Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico

Dear Owner:

Ameredev Operating, LLC ("Ameredev"), as Operator, hereby proposes to commence to drill and complete the following well (the "Well")

Nandina Fed Com 25-36-31 #097H Well Proposal

Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico

SHL: 230' FNL & 630' FEL Section 6; BHL: 50' FNL & 660' FEL Section 30

Formation: Bone Spring MD: 22,398' TVD: 11,527'

Ameredev's records indicate ALLISON BLACKMAR HUNT ("HUNT") owns a 0.00113932 working interest in the Well, and HUNT's estimated costs associated with the Operation are approximately \$13,337.60, as shown in the included AFE.

In addition, Ameredev proposes the Operation to be governed by the terms of the 2015 Horizontal AAPL Form 610 Operating Agreement ("OA") with the following terms:

- Contract Area consisting of 320.00 acres, more or less, out of Township 25 South, Range 36 East, Section 30 and Section 31: E2E2, with Ameredev listed as the Operator ("Contract Area")
- 100%/300%/300% non-consent risk penalties
- \$7,000/\$700 drilling and producing overhead rates

Ameredev looks forward to working with HUNT on this matter. Please feel free to contact me at the information provided below with any questions. Please be advised that Ameredev may file for compulsory pooling in the near future, as such please indicate your election below and return to bforteza@ameredev.com at your earliest convenience.

Sincerely,

Brandon Forteza 737-300-4721

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C3
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248

CONFIDENTIAL

Page 1

Election Ballot for the Nandina Fed Com 25-36-31 #	6097H Well Proposal (AFE# 2021-087)
ALLISON BLACKMAR HUNT elects to participate in proportionate share of the costs outlined in the AFE 2021	
ALLISON BLACKMAR HUNT elects to not participate	e in the proposed Operation.
ALLISON BLACKMAR HUNT	
By:	
Its:	

Page 2 CONFIDENTIAL



Company Entity	
Ameredev Operating, LLC	

Date Prepared August 25, 2021

AFE Type	Project	Field Name	Cost Center	AFE No.
Capital	Nandina Fed Com 25-36-31 097H	Delaware	40796	2021-087

Location	County	State	Well	Type
SHL: Sec. 6 26S-36E 230'FNL & 630'FEL	Loa	NM	Oil	Expl
BHL: Sec. 30 25S-36E 50'FNL & 660'FEL	Lea	INIVI	Gas	Prod

Estimate Type	Start Date	Completion Date	Formation	MD
Original				22,398'
Revised	October 25, 2021	December 14, 2021	Third Bone Spring	TVD
Supplemental				11,527'
Project Description				

Drill and Complete 2 Mile Third Bone Spring Lateral and Tie In to Nandina/Golden Bell Central Tank Battery.

Total Cost \$11,706,596.67

Comments on Associated Costs

Water disposal not included.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$250.000 (100% W.I.) retention.

Marketing Election

Ameredev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Ameredev, you will be subject to all of the terms of such contracts. Upon written request to Ameredev. we will share with vou the terms and conditions pursuant to which gas will be sold.

I elect to take my gas in kind.

I elect to market my gas with Ameredev pursuant to the terms and conditions of its contracts.

Joint Interest Approval

Company	Approved By	Date



Single Well Project

Nandina Fed Com 25-36-31 097H Delaware

Intangibles	Code	Dry Hole Cost	After Casing Point Cost	Total Cost	
MISC PREPARATION COSTS	0.004	\$ 115,301.00	\$ 20,000.00	\$ 135,301.00	
EASEMENT, ROW, AND ACQUISITION	0.006	\$ 120,000.00	\$ 42,500.00	\$ 162,500.00	
ROAD / LOCATION PREP / RESTORATION	0.008	\$ 10,001.00	\$ 104,500.00	\$ 114,501.00	
DRILLING RIG	0.010	\$ 612,000.00	\$ -	\$ 612,000.00	
COIL TUBING	0.012	\$ -	\$ 260,400.00	\$ 260,400.00	
FUEL	0.016	\$ 124,350.01	\$ 2,250.00	\$ 126,600.01	
TRAILER, CAMP, AND CATERING	0.018	\$ 15,750.00	\$ 10,500.00	\$ 26,250.00	
WATER & SEPTIC	0.020	\$ 26,000.00	\$ 28,060.95	\$ 54,060.95	
SURFACE RENTALS	0.024	\$ 59,952.00	\$ 18,425.00	\$ 78,377.00	
DRILL BITS	0.028	\$ 165,930.00	\$ 2,800.00	\$ 168,730.00	
DOWNHOLE RENTALS	0.030	\$ 35,780.00	\$ 450.00	\$ 36,230.00	
DIRECTIONAL DRILLING	0.032	\$ 244,928.16	\$ -	\$ 244,928.16	
COMPOSITE PLUGS	0.034	\$ -	\$ 56,800.00	\$ 56,800.00	
TUBING & BHA INSPECT & REPAIR	0.042	\$ 12,915.68	\$ -	\$ 12,915.68	
RENTAL TUBING	0.046	\$ 79,783.00	\$ -	\$ 79,783.00	
WELL CONTROL EQUIP / SERVICES	0.048	\$ 112,910.00	\$ 75,800.00	·	
PUMP TRUCK / PRESSURE TESTING	0.054	\$ -	\$ 8,500.00	\$ 8,500.00	
MUD, ADDITIVES, AND CHEMICALS	0.060	\$ 326,405.00	\$ 341,258.00	\$ 667,663.00	
FRAC PUMPING CHARGES	0.061	\$ -	\$ 3,240,000.00		
WATER RIGHTS / TRANSFER / STORAGE	0.062	\$ 25,000.00	\$ 564,050.00	\$ 589,050.00	
SOLIDS CONTROL EQUIP / SERVICES	0.066	\$ 88,935.00	\$ -	\$ 88,935.00	
MUD / FLUIDS DISPOSAL CHARGES	0.068	\$ 200,000.00	\$ 23,800.00	\$ 223,800.00	
CASING CREWS	0.070	\$ 37,350.00	\$ -	\$ 37,350.00	
CEMENTING	0.072	\$ 241,500.00	\$ -	\$ 241,500.00	
CASING / LINER / FLOAT EQUIPMENT	0.074	\$ 58,000.00	\$ -	\$ 58,000.00	
MOBILIZE & DEMOBILIZE	0.086	\$ 206,600.00	\$ -	\$ 206,600.00	
SUPERVISION / CONTRACT	0.094	\$ 158,400.00	\$ 81,150.00	\$ 239,550.00	
CONTRACT ROUSTABOUT	0.103	-	\$ 40,080.00	\$ 40,080.00	
CONTRACT LANDWORK / SURVEY	0.114	\$ -	\$ 10,000.00	\$ 10,000.00	
REGULTRY / ENVIRON CONSULTANT	0.122	\$ 11,000.00	\$ 5,000.00	'	
SAFETY AND EMERGENCY RESPONSE	0.124	\$ 3,000.00	\$ 56,676.58	\$ 59,676.58	
GEOLOGY	0.186	\$ -	\$ -	\$ -	
FLOW TESTING / EQUIP	0.194	\$ - \$ 30,000.00	\$ 42,550.00	\$ 42,550.00 \$ 30.000.00	
MUD LOGGING	0.198		\$ -	, .,,	
WIRELINE / PERF / PUMPDOWN COSTS	0.200	\$ 6,000.00	\$ 430,700.00	\$ 436,700.00	
SECONDARY CONTAINMENT	0.254	\$ - \$ -	\$ 20,000.00 \$ 55,000.00		
FACILITY ELECTRIC & AUTOMATION	0.258	'	,,	\$ 55,000.00	
Contingency	5.00%	\$ 156,989.54	\$ 286,500.03	\$ 443,489.57	
Tax	6.25%	,	\$ 358,125.03		
Total Intangible Cost		\$ 3,493,017.31	\$ 6,374,625.59	\$ 9,867,642.90	
Tangibles Well Equipment		Dwy Holo Cost	After Cosing Point Cost	Total Cost	
Tangibles - Well Equipment	0.124	Dry Hole Cost	After Casing Point Cost	Total Cost	
PIPELINE MECH MATERIALS / EQUIP FACILITY MECH MATERIALS / EQUIP	0.134 0.136	\$ - \$ -	\$ -	\$ -	
DRIVE PIPE	0.136	\$ -	\$ -	\$ -	
CONDUCTOR PIPE	0.204	\$ 4,800.00	\$ -	\$ 4,800.00	
WATER STRING	0.208	\$ 4,800.00	\$ -	\$ 4,800.00	
SURFACE CASING	0.208	\$ 71,050.00	\$ -	\$ 71,050.00	
INTERMEDIATE CASING	0.210	\$ 71,050.00	\$ -	\$ 71,050.00	
REMEDIAL CASING	0.212	\$ 550,560.00	\$ -	\$ 550,560.00	
DRILLING LINER	0.213	\$ -	\$ -	\$ -	
PRODUCTION CASING	0.214	\$ 632,700.00	\$ -	\$ 632,700.00	
TUBING	0.210	\$ 032,700.00	\$ 69,000.00	7	
WELLHEAD / TREE / CHOKES	0.217	\$ 166,782.15	\$ 99,000.00	· · · · · · · · · · · · · · · · · · ·	
DRILLING LINER HANGER	0.218	\$ 100,782.13	\$ 90,000.00	\$ 230,782.13	
ISOLATION PACKER	0.222	\$ -	\$ 12,000.00	'	
PUMPING UNIT, ENGINE	0.222	\$ -	\$ 12,000.00	\$ 12,000.00	
SURFACE LIFT EQUIP	0.232	\$ -	\$ -	\$ -	
DOWNHOLE LIFT EQUIPMENT	0.234	\$ -	\$ 8,500.00	'	
TANK BATT / PROCESS EQUIP / MAINT	0.234	\$ -	\$ 8,300.00	\$ 8,500.00	
TAIN DATT / FROCESS EQUIP / IVIAIIVI	0.230	-	<u>-</u>	<u> </u>	

Tangibles - Lease Equipment		Dry Hole Cost	After Casing Point Cost	Total Cost
LINE PIPE	0.238	\$ -	\$ -	\$ -
POWERLINES & SUBSTATION	0.242	\$ -	\$ 45,000.00	\$ 45,000.00
TANKS, TANKS STEPS, STAIRS	0.244	\$ -	\$ -	\$ -
BATTERY (HEATER TREATERS)	0.246	\$ -	\$ -	\$ -
BATTERY (SEPARATOR)	0.248	\$ -	\$ 75,000.00	\$ 75,000.00
BATTERY (GAS TREATING EQUIP)	0.250	\$ -	\$ -	\$ -
BATTERY (MISC EQUIP)	0.252	\$ -	\$ -	\$ -
FLOW LINE (PIPE WH TO FACILITY)	0.266	\$ -	\$ 62,100.00	\$ 62,100.00
PIPELINE TO SALES	0.270	\$ -	\$ -	\$ -
METERS AND METERING EQUIPMENT	0.274	\$ -	\$ 45,700.00	\$ 45,700.00
VALVES, FITTINGS, PROD INSTRUM	0.282	\$ -	\$ 40,000.00	\$ 40,000.00
BUILDINGS	0.310	\$ -	\$ -	\$ -
Contingency	5.00%	\$ 60,284.61	\$ 22,365.00	\$ 82,649.61
Tax	6.25%	\$ 75,355.76	\$ 27,956.25	\$ 103,312.01
Total Tangible Cost		\$ 1,341,332.52	\$ 497,621.25	\$ 1,838,953.77
TOTAL		\$ 4,834,349.83	\$ 6,872,246.84	\$ 11,706,596.67

OWNER	ADDRESS	CITY	STATE	ZIP	TYPE	FIRST ATTEMPT	SECOND ATTEMPT
ALLISON BLACKMAR HUNT	9 IMPERIAL DRIVE	HAMILTON	NJ	8690	MI	9/17/2021	LEASED
ALLISON BLACKMAR HUNT AND WILLIAM P. HUNT, JR.	9 IMPERIAL DRIVE	HAMILTON	NJ	8690	MI	9/17/2021	LEASED
AMY BLACKMAR KOOS	26 DICKERSON LANE	NAPA	CA	94558	MI	9/17/2021	LEASED
BRUCE PATRICK BLACKMAR	4210 OLIVE OAK COURT	HOUSTON	TX	77059	MI	9/17/2021	LEASED
CARY BLACKMAR-FISCHER	184 REGIER ROAD	SMITHVILLE	TX	78957	MI	9/17/2021	LEASED
GOOD NEWS MINERALS, LLC	PO BOX 50820	MIDLAND	TX	79710	WI	9/17/2021	10/17/2021
GUY ELLIOTT BLACKMAR, II	4007 WESTCHESTER CIRCLE	RIVERTON	WY	82501	MI	9/17/2021	LEASED
JEFFERSON KEITH BLACKMAR	8941 CR 505	BRAZORIA	TX	77422	MI	9/17/2021	LEASED
KBL MINERAL COMPANY, LLC	410 17th Street, Suite 1150	DENVER	CO	80202	MI	9/17/2021	10/17/2021
KURT WAYNE BLACKMAR	601 DOGWOOD	LAKE JACKSON	TX	77566	MI	9/17/2021	LEASED
MAVROS OIL COMPANY, LLC	PO BOX 50820	MIDLAND	TX	79710	WI	9/17/2021	10/17/2021
MICHAEL K. AND DAWN BLACKMAR, LIFE ESTATE	180 LAKE FALLS ROAD	HUNTSVILLE	TX	77320	MI	9/17/2021	LEASED
MICHAEL KAVANAUGH BLACKMAR	180 LAKE FALLS ROAD	HUNTSVILLE	TX	77320	MI	9/17/2021	LEASED
PHILIP ARNOLD BLACKMAR	7626 STARNBERG LAKE DRIVE	CORPUS CHRISTI	TX	78413	MI	9/17/2021	LEASED
SHARON E. BLACKMAR	PO BOX 3967	LAKE JACKSON	TX	77566	MI	9/17/2021	LEASED

Released to Imaging: 11/3/2021 7:17:11 AM

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C4 **Submitted by: Ameredev Operating, LLC** Hearing Date: November 04, 2021 Case No. 22248

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

APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22248

AFFIDAVIT OF PARKER FOY IN SUPPORT OF CASE NO. 22248

Parker Foy, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Parker Foy. I work for Ameredev Operating, LLC as a Geologist.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
- 3. I am familiar with the application filed by Ameredev in this case, and I have conducted a geologic study of the lands in the subject areas.
 - 4. In this case, Ameredev is targeting the Bone Spring formation.
- 5. Ameredev Exhibit D-1 is a locator map. It shows Ameredev's acreage in yellow and the path of the proposed wellbore for the proposed Nandina Fed Com 25 36 31 #097H well with the surface hole and bottom hole locations. Nearby producing wells in the Bone Spring are also marked.
- 6. **Ameredev Exhibits D-2** shows the location of the proposed well in relation to the larger Capital Reef Complex.
- 7. **Ameredev Exhibit D-3** is a subsea structure map that I prepared for the top of the Bone Spring formation. The contour interval is 50 feet. The structure map shows the Bone Spring

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248

dipping gently to the southwest. The structure appears consistent across the proposed wellbore path. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

- 8. **Ameredev Exhibit D-4** is a map showing the location of the wells used to create the stratigraphic cross-section in the next exhibit. These three wells from A to A' are representative of the geology in the area.
- 9. Ameredev Exhibit D-5 is a stratigraphic cross-section that I prepared displaying open-hole logs run over the Bone Spring from three representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target interval is labeled and marked. The logs in the cross-section demonstrate that the targeted interval, within the Bone Spring, is consistent in thickness, across the entire proposed spacing unit.
- 10. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells in the area.
- 11. In my opinion, each tract comprising the proposed spacing unit will be productive and contribute more-or-less equally to production from the wellbore.
- 12. In my opinion, the granting of Ameredev's application in this case will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 13. **Ameredev Exhibits D-1** through **D-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

1/22	
PARKER FOY	

STATE OF TEXAS

COUNTY OF TRAVIS

SUBSCRIBED and SWORN to before me this _____ day of November 2021 by

Parker Foy.

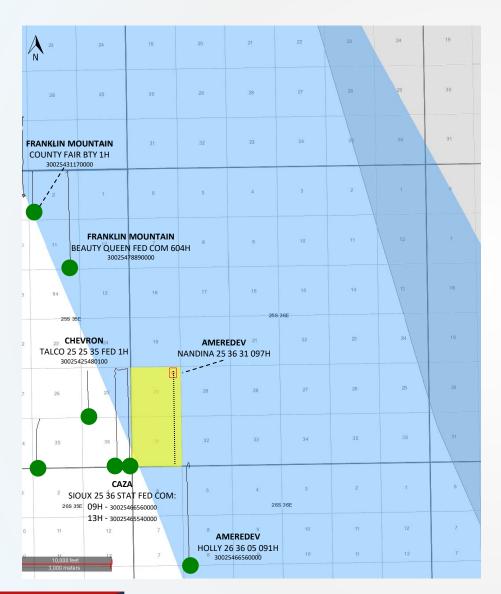
NOTARY PUBLIC

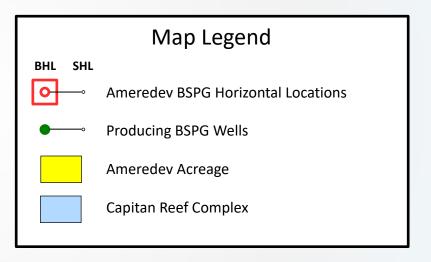
My Commission Expires:

10/2/23

ERIN PEARCY
Notary Public, State of Texas
Comm. Expires 10-02-2023
Notary ID 130392911

Bone Spring Pool – Capitan Reef Complex



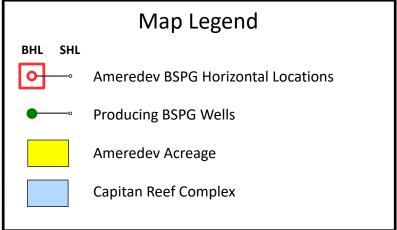


BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D1
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248



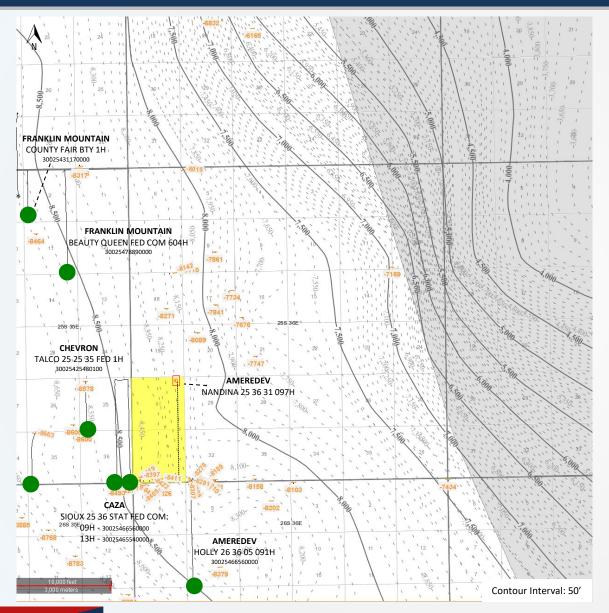
Bone Spring Pool — Capitan Reef Complex

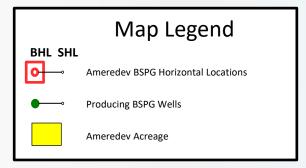




BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 2
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248

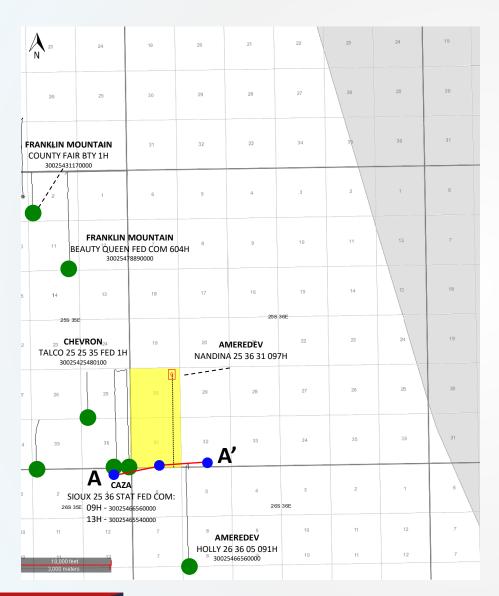
Bone Spring Pool — BSPG Structure Map (Subsea Depth)

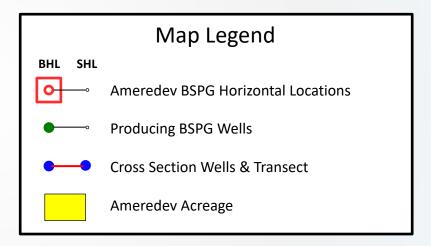




BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D3
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248

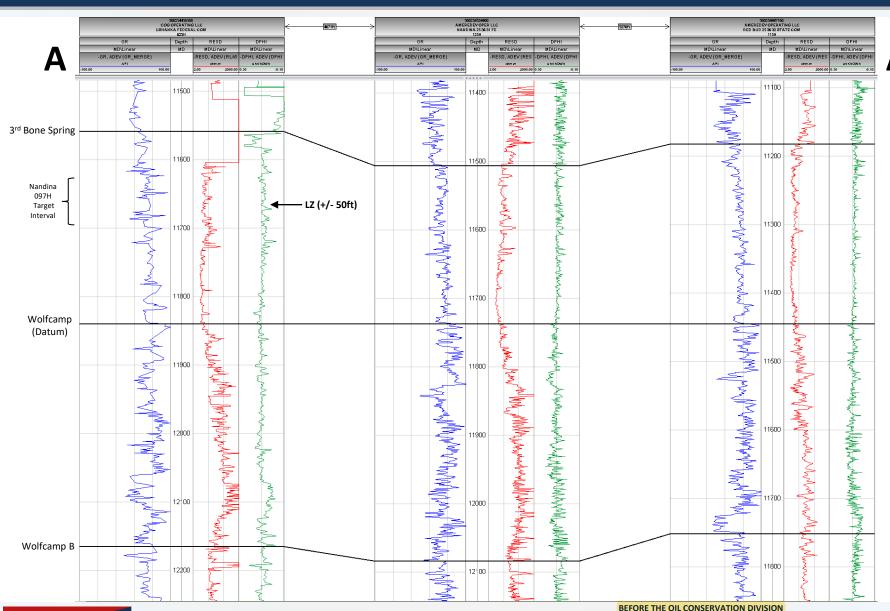
Bone Spring Pool — Cross Section Map





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D4
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248

Bone Spring Pool - Stratigraphic Cross Section





Santa Fe, New Mexico
Exhibit No. D5
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248

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

APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22248

<u>AFFIDAVIT</u>

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

Kaitlyn A. Luck, attorney in fact and authorized representative of Ameredev Operating, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 2nd day of November, 2021 by Kaitlyn A. Luck.

My Commission Expires:

Nov. 12, 2023

OFFICIAL SEAL
Carla Garcia
NOTARY PUBLIC - STATE OF NEW MEXICO
My Commission Expires: 100012, 2027

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248



Kaitlyn A. Luck Associate Phone (505) 988-4421 Fax (505) 983-6043 kaluck@hollandhart.com

October 15, 2021

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Ameredev Operating, LLC for compulsory pooling, Lea

County, New Mexico.

Nandina Fed Com 25 36 31 #097H well

Ladies & Gentlemen:

This letter is to advise you that Ameredev Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on November 4, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

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 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should 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.

If you have any questions about this matter, please contact Brandon Forteza, at (737) 300-4721 or bforteza@ameredev.com.

Sincerely,

Kaitiyn A. Luck

ATTORNEY FOR AMEREDEV OPERATING, LLC

Ameredev Nandina 097H Case No. 22248 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						This is a reminder to arrange for redelivery of your item or your item will be
9414811898765850503347	Allison Blackmar Hunt	9 Imperial Dr	Hamilton	NJ	08690-3100	returned to sender.
						Your item was returned to the sender on October 27, 2021 at 4:00 pm in
						SANTA FE, NM 87501 because the addressee moved and left no forwarding
9414811898765850503040	Kurt Wayne Blackmar	601 Dogwood St	Lake Jackson	TX	77566-4339	address.
						Your item was picked up at a postal facility at 10:20 am on October 19, 2021
9414811898765850503088	Mavros Oil Company, LLC	PO Box 50820	Midland	TX	79710-0820	in MIDLAND, TX 79705.
						Your item was delivered to an individual at the address at 3:12 pm on
9414811898765850503033	Michael K. And Dawn Blackmar, Life Estate	180 Lake Falls Rd	Huntsville	TX	77320-1589	October 19, 2021 in HUNTSVILLE, TX 77320.
						Your item was delivered to an individual at the address at 3:12 pm on
9414811898765850503071	Michael Kavanaugh Blackmar	180 Lake Falls Rd	Huntsville	TX	77320-1589	October 19, 2021 in HUNTSVILLE, TX 77320.
						Your package will arrive later than expected, but is still on its way. It is
9414811898765850503453	Philip Arnold Blackmar	7626 Starnberg Lake Dr	Corpus Christi	TX	78413-5259	currently in transit to the next facility.
						Your item was picked up at the post office at 12:46 pm on October 20, 2021
9414811898765850503460	Sharon E. Blackmar	PO Box 3967	Lake Jackson	TX	77566-3967	in LAKE JACKSON, TX 77566.
						This is a reminder to arrange for redelivery of your item or your item will be
9414811898765850503330	Allison Blackmar Hunt And William P. Hunt, Jr.	9 Imperial Dr	Hamilton	NJ	08690-3100	returned to sender.
						Your item was delivered to an individual at the address at 11:53 am on
9414811898765850503378	Amy Blackmar Koos	26 Dickerson Ln	Napa	CA	94558-2577	October 21, 2021 in COLBERT, WA 99005.
						Your package will arrive later than expected, but is still on its way. It is
9414811898765850503019	Bruce Patrick Blackmar	4210 Olive Oak Ct	Houston	TX	77059-3300	currently in transit to the next facility.
						Your item was returned to the sender on October 27, 2021 at 4:00 pm in
						SANTA FE, NM 87501 because the addressee moved and left no forwarding
9414811898765850503057	Cary Blackmar-Fischer	184 Regier Rd	Smithville	TX	78957-5021	address.
						Your item was picked up at a postal facility at 10:20 am on October 19, 2021
9414811898765850503064	Good News Minerals, LLC	PO Box 50820	Midland	TX	79710-0820	in MIDLAND, TX 79705.
						Your item was returned to the sender on October 27, 2021 at 4:00 pm in
						SANTA FE, NM 87501 because the addressee moved and left no forwarding
9414811898765850503026	Guy Elliott Blackmar, II	4007 Westchester Cir	Riverton	WY	82501-5457	
						Your item was delivered to an individual at the address at 2:09 pm on
9414811898765850503002	Jefferson Keith Blackmar	8941 County Road 505	Brazoria	TX	77422-6993	October 21, 2021 in BRAZORIA, TX 77422.
						Your item was delivered to an individual at the address at 11:51 am on
0414011000765050505005	KBL Mineral Company, LLC	410 17th St Ste 1150	Denver	co	80202-4414	October 18, 2021 in DENVER, CO 80202.

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated October 21, 2021 and ending with the issue dated October 21, 2021.

Publisher

Sworn and subscribed to before me this 21st day of October 2021.

Circulation Clerk

My commission expires October 29, 2022



My Commission Expires:

OFFICIAL SEAL
Amity E. Hipp
NOTARY PUBLIC - STATE OF NEW MEXICO

This newspaper is duly qualified to publish legal notices or advertisements within the

legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE October 21, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, November 4, 2021, beginning at 8:15** a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than October 24, 2021.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12bd776b32e14edf7deee3425ea99347 Event number: 2497 665 1056 Event password: JYvf8wjp55w

Join by video: 24976651056@nmemnrd.webex.com Numeric Password: 256526 You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 2497 665 1056

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

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

To: All overriding royalty interest owners and pooled parties, including: Allison Blackmar Hunt, her heirs and devisees; Allison Blackmar Hunt And William P. Hunt, Jr., their heirs and devisees; Amy Blackmar Koos, her heirs and devisees; Bruce Patrick Blackmar, his heirs and devisees; Cary Blackmar-Fischer, his or her heirs and devisees; Good News Minerals, LLC; Guy Elliott Blackmar, II, his heirs and devisees; Jefferson Keith Blackmar, his heirs and devisees; KBL Mineral Company, LLC; Kurt Wayne Blackmar, his heirs and devisees; Mavros Oil Company, LLC; Michael K. And Dawn Blackmar, Life Estate, their heirs and devisees; Michael Kavanaugh Blackmar, his heirs and devisees; Philip Arnold Blackmar, his heirs and devisees; and Sharon E. Blackmar, her heirs and devisees.

Case No. 22248: Application of Ameredev Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 30 and 31, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico. Said unit is to be dedicated to the proposed initial Nandina Fed Com 25 36 31 #097H well to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 6, Township 26 South, Range 36 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 30. The completed interval for the well will comply with statewide setbacks for oil wells. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles west of Jal, New Mexico. Said area is located approximately 7 miles southwest of Jal, New Mexico.

67100754

00259688

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Ameredev Operating, LLC
Hearing Date: November 04, 2021
Case No. 22248