

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING NOVEMBER 04, 2021**

**CASE No. 22253**

*TOSTADA 7 STATE COM #601H-602H WELL*

**LEA COUNTY, NEW MEXICO**



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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.**

**CASE NO. 22253**

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# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case No. 22253	APPLICANT'S RESPONSE
Date: November 4, 2021	
Applicant	Centennial Resource Production LLC
Designated Operator & OGRID (affiliation if applicable)	Centennial Resource Production LLC (OGRID 372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	N/A
Well Family	Tostada 7 State Com wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	(Red Hills; Bone Spring, North Pool (Pool Code 96434)
Well Location Setback Rules:	Statewide oil
Spacing Unit Size:	240-acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240-acres
Building Blocks:	40-acre
Orientation:	Standup
Description: TRS/County	W/2 E/2 of Section 22, and the W/2 NE/4 of Section 27, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes, <b>Tostada 7 State Com #601H well</b> will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of Sections 7 and 18, to allow inclusion of this acreage into a standard horizontal well spacing unit
<p><b>BEFORE THE OIL CONSERVATION DIVISION</b>            Santa Fe, New Mexico            Exhibit No. A            Submitted by: Centennial Resource Production, LLC            Hearing Date: November 04, 2021            Case No. 22253</p>	

Proximity Defining Well: if yes, description	<b>Yes, Tostada 7 State Com #601H well</b> will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of Sections 7 and 18, to allow inclusion of this acreage into a standard horizontal well spacing unit
Applicant's Ownership in Each Tract	Yes
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<b>Tostada 7 State Com 601H well</b> , API No. 30-025-pending SHL:210 FNL and 1420 FEL (Unit B) of Section 7, Township 22 South, Range 35 East, NMPM. BHL:100 FSL and 1640 FEL (Unit O) of Section 18, Township 22 South, Range 35 East, NMPM.  Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: standard
Well #2	<b>Tostada 7 State Com 602H well</b> , API No. 30-025-pending SHL:210 FNL and 1390 FEL (Unit B) of Section 7, Township 22 South, Range 35 East, NMPM. BHL:100 FSL and 640 FEL (Unit P) of Section 18, Township 22 South, Range 35 East, NMPM.  Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: proximity tract well
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4, Exhibit D-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,500 (drilling) & \$850 (producing)/month
Production Supervision/Month \$	Exhibit C, C-4
Justification for Supervision Costs	Exhibit C, C-4
Requested Drilling Date	Exhibit C, C-4

<b>Notice of Hearing</b>	
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
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3, Exhibit E
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3, Exhibit E
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D-1
Target Formation	Exhibit D-2, D-3, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3, D-4
Cross Section (including Landing Zone)	Exhibit D-3, D-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A

**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):



**Date:**

2-Nov-21

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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.**

**CASE NO. 22253**

**APPLICATION**

Centennial Resource Production, LLC (“Centennial” or “Applicant”) (OGRID No. 372165), 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 interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 7 and 18, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Centennial 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 wells:
  - a. (1) the **Tostada 7 State Com #601H well**, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 7, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 18; and

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

**Submitted by: Centennial Resource Production, LLC  
Hearing Date: November 04, 2021  
Case No. 22253**

b. (2) the **Tostada 7 State Com #602H well**, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 7, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 18.

3. The completed interval for the proposed **Tostada 7 State Com #601H well** will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of Sections 7 and 18, to allow inclusion of this acreage into a standard horizontal well spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.

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 this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

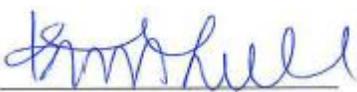
WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 4, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;

- D. 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 wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By:  \_\_\_\_\_

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Kaitlyn A. Luck  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mhfeldewert@hollandhart.com  
agrarkin@hollandhart.com  
jbroggi@hollandhart.com  
kaluck@hollandhart.com

**ATTORNEYS FOR  
CENTENNIAL RESOURCE PRODUCTION, LLC**

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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.**

**CASE NO. 22253**

**AFFIDAVIT OF GAVIN SMITH  
IN SUPPORT OF CASE NO. 22253**

Gavin Smith, of lawful age and being first duly sworn, declares as follows:

1. My name is Gavin Smith. I work for Centennial Resource Production, LLC (“Centennial”) as a Senior Landman.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials in petroleum land matters have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by Centennial in this case, and I am familiar with the status of the lands in the subject area.

4. None of the uncommitted parties in this case has indicated opposition to this pooling case proceeding by affidavits, and therefore I do not expect any opposition at the hearing.

5. In this case, Centennial seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 7 and 18, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico.

6. Centennial seeks to dedicate this spacing unit to the proposed initial wells:

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: Centennial Resource Production, LLC  
Hearing Date: November 04, 2021  
Case No. 22253

(1) the **Tostada 7 State Com #601H well**, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 7, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 18; and

(2) the **Tostada 7 State Com #602H well**, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 7, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 18.

7. **Centennial Exhibit C-1** is the Form C-102 for the proposed initial well for this horizontal spacing unit that reflects that the well is located in the Ojo Chiso; Bone Spring Pool (Pool Code 96553 ).

8. The completed interval for the **Tostada 7 State Com #601H well** will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of Sections 7 and 18, to allow inclusion of this acreage into a standard horizontal well spacing unit.

9. There are no depth severances in the Bone Spring formation in the proposed spacing unit.

10. **Centennial Exhibit C-2** contains a plat outlining the unit being pooled and identifies the tracts of land comprising the proposed spacing unit.

11. **Centennial Exhibit C-3** identifies the working interests in each tract, and their interest in the horizontal spacing unit. There are no unleased mineral interest owners. I have highlighted on this exhibit the parties that Centennial seeks to pool.

12. Centennial sent well proposal letters, together with corresponding AFEs, to the working interest owners. The costs reflected in the AFE are consistent with what other operators

have incurred for drilling similar horizontal wells in the area. A copy of the well proposal letters, along with the AFE, are included with my affidavit as **Centennial Exhibit C-4**.

13. Centennial seeks approval of overhead and administrative costs at \$8,500/month while drilling and \$850/month while producing. These costs are consistent with what Centennial and other operators are charging in this area for these types of wells. Centennial respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

14. Centennial has been able to locate contact information for all parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners. **Centennial Exhibit C-5** contains a chronology of the contacts with the working interest owners that Centennial seeks to pool in this case.

15. If Centennial reaches an agreement with any of the proposed pool parties before the Division enters any order, I will let the Division know that Centennial is no longer seeking to pool that party.

16. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on **Centennial Exhibit C-3**. In compiling these addresses, Centennial conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches. All parties were locatable.

17. **Centennial Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Gavin Smith  
GAVIN SMITH

STATE OF COLORADO            )  
  )  
COUNTY OF Denver            )

SUBSCRIBED and SWORN to before me this 2nd day of November  
2021 by Gavin Smith.

Frances M. Ivers  
NOTARY PUBLIC

My Commission Expires:  
October 7, 2025

Frances M. Ivers  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20214039707  
MY COMMISSION EXPIRES October 07, 2025

District I  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone: (575) 393-6161 Fax: (575) 393-0720  
 District II  
 811 S. First St., Artesia, NM 88210  
 Phone: (575) 748-1283 Fax: (575) 748-9720  
 District III  
 1000 Rio Brazos Road, Aztec, NM 87410  
 Phone: (505) 334-6178 Fax: (505) 334-6170  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505  
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
 Energy, Minerals & Natural Resources Department  
 OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name TOSTADA 7 STATE COM			<sup>6</sup> Well Number 601H
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC			<sup>9</sup> Elevation 3616.7'

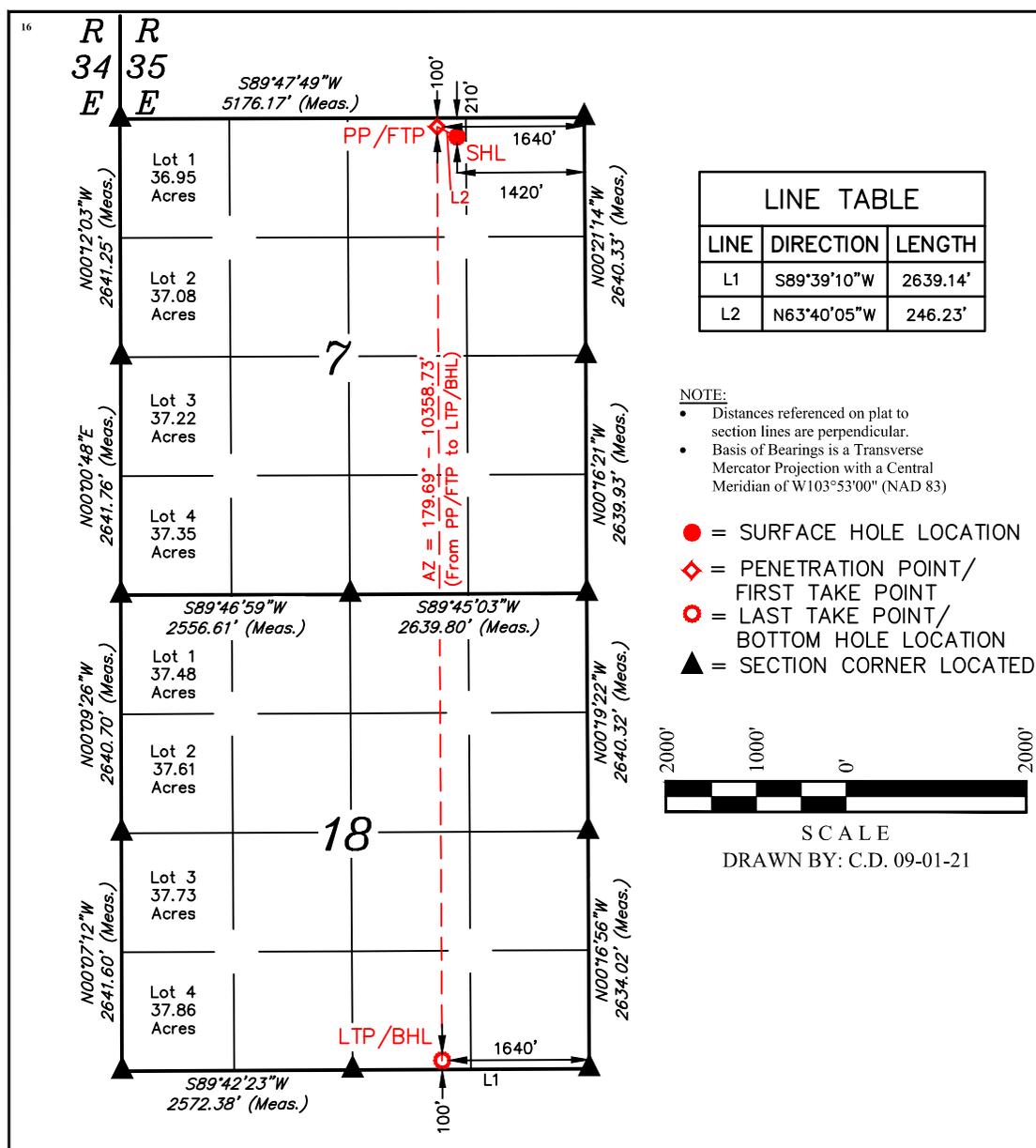
<sup>10</sup> Surface Location

UL or lot no. B	Section 7	Township 22S	Range 35E	Lot Idn	Feet from the 210	North/South line NORTH	Feet from the 1420	East/West line EAST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. O	Section 18	Township 22S	Range 35E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 1640	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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



**<sup>17</sup> OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Printed Name \_\_\_\_\_  
 E-mail Address \_\_\_\_\_

**<sup>18</sup> SURVEYOR CERTIFICATION**

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

August 24, 2021

Date of Survey  
 Signature and Seal of Professional Surveyor:

<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°24'46.42" (32.412896°) LONGITUDE = 103°24'10.23" (103.402841°) STATE PLANE NAD 83 (N.M. EAST) Y: 515192.54' X: 828484.27' UTM, NAD 83 (ZONE 13) Y: 11769417.97' X: 2133160.27'	<b>NAD 83 (PP/FTP)</b> LATITUDE = 32°24'47.51" (32.413198°) LONGITUDE = 103°24'12.80" (103.403555°) STATE PLANE NAD 83 (N.M. EAST) Y: 515300.81' X: 828263.17' UTM, NAD 83 (ZONE 13) Y: 11769524.85' X: 2132938.52'	<b>NAD 83 (LTP/BHL)</b> LATITUDE = 32°23'05.03" (32.384731°) LONGITUDE = 103°24'12.69" (103.403525°) STATE PLANE NAD 83 (N.M. EAST) Y: 504944.15' X: 828362.38' UTM, NAD 83 (ZONE 13) Y: 11759170.31' X: 2133102.30'
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Certificate Number: \_\_\_\_\_

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name TOSTADA 7 STATE COM		<sup>6</sup> Well Number 602H	
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC		<sup>9</sup> Elevation 3616.8'	

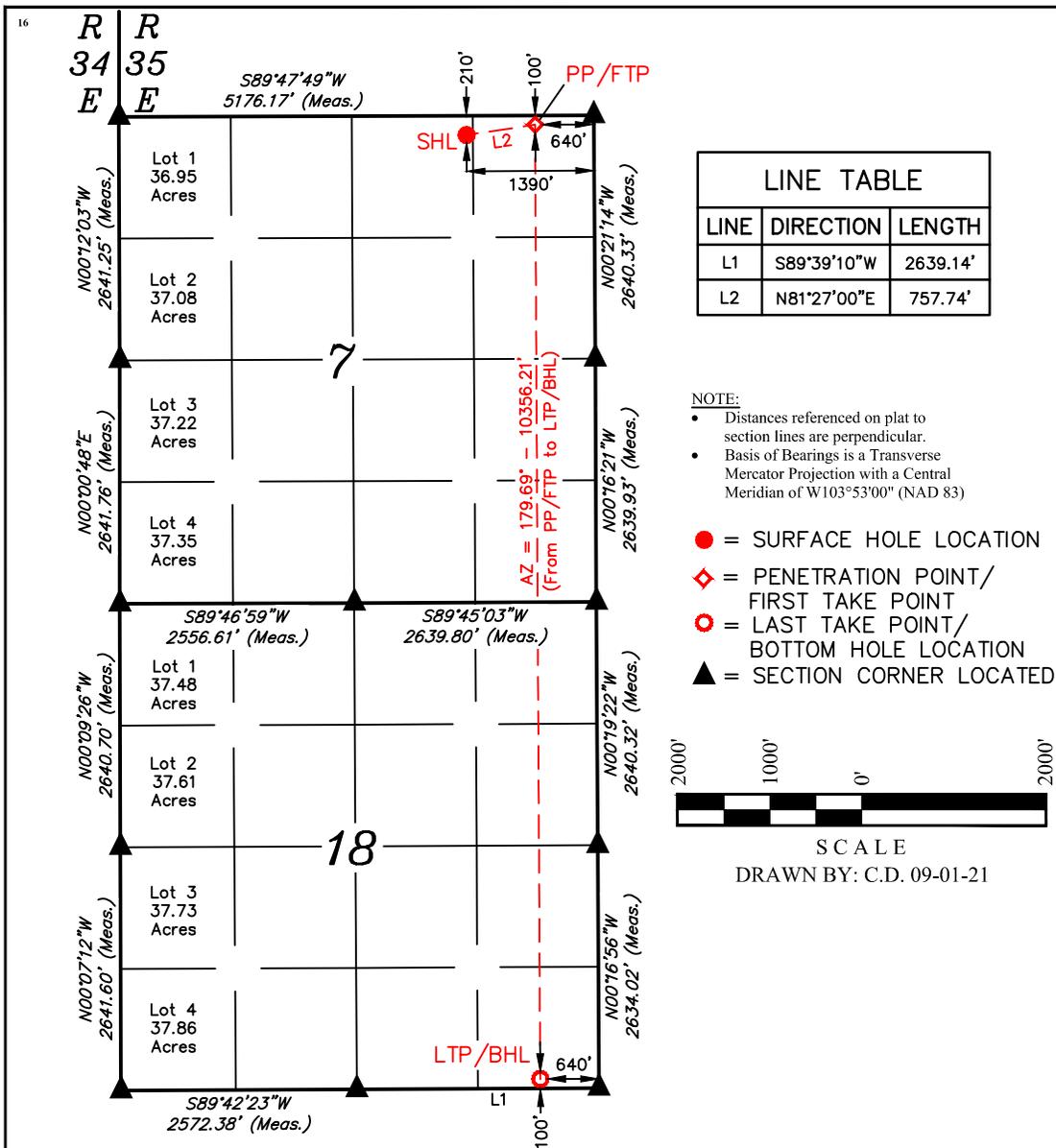
<sup>10</sup> Surface Location

UL or lot no. B	Section 7	Township 22S	Range 35E	Lot Idn	Feet from the 210	North/South line NORTH	Feet from the 1390	East/West line EAST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. P	Section 18	Township 22S	Range 35E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 640	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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



**<sup>17</sup> OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

**<sup>18</sup> SURVEYOR CERTIFICATION**

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

August 24, 2021

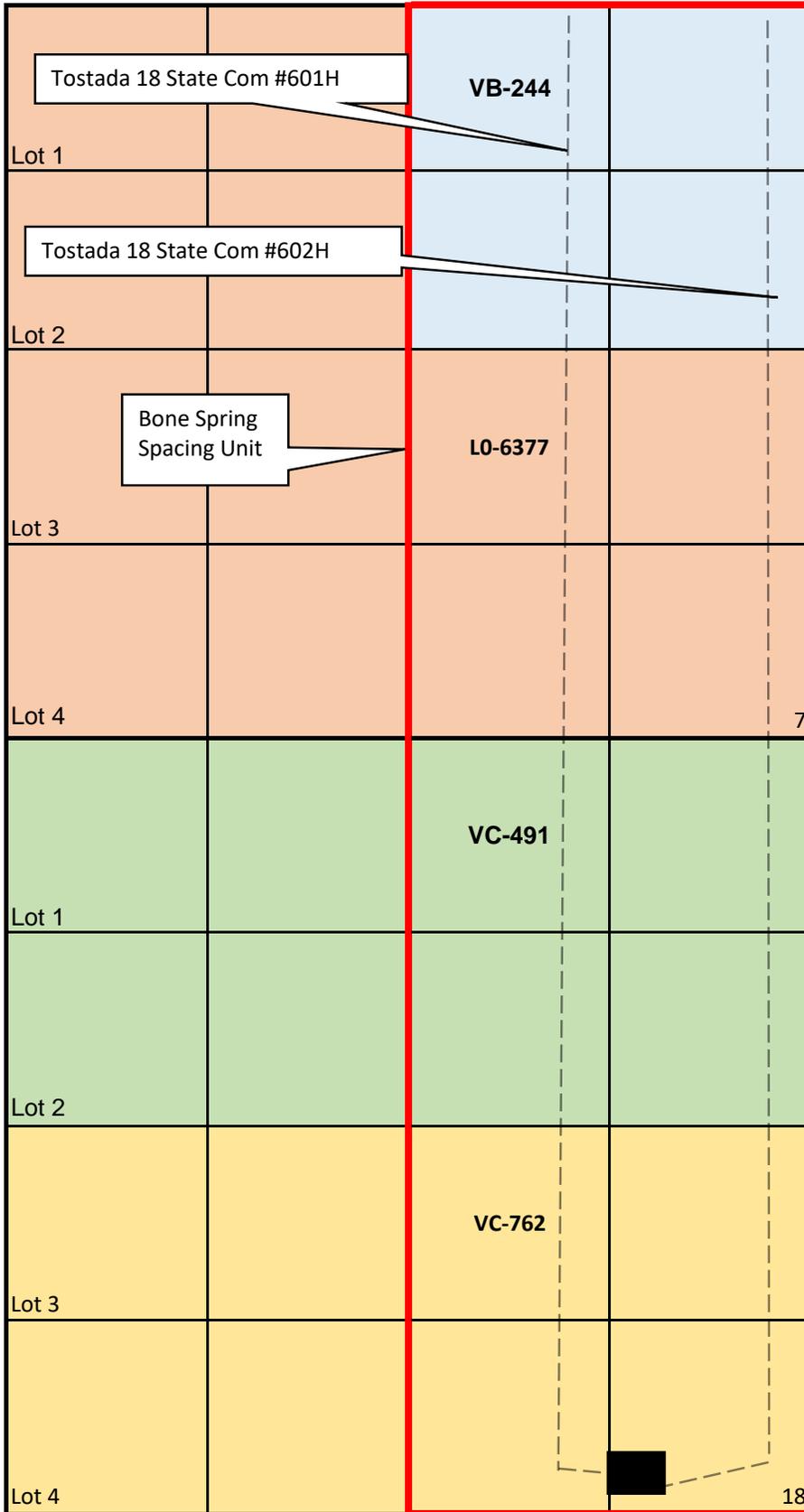
Date of Survey \_\_\_\_\_  
Signature and Seal of Professional Surveyor: \_\_\_\_\_

<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°24'46.42" (32.412896°) LONGITUDE = 103°24'09.88" (103.402744°) STATE PLANE NAD 83 (N.M. EAST) Y: 515192.77' X: 828514.26'	<b>NAD 83 (PP/FTP)</b> LATITUDE = 32°24'47.50" (32.413196°) LONGITUDE = 103°24'01.13" (103.400315°) STATE PLANE NAD 83 (N.M. EAST) Y: 515308.57' X: 829262.99'	<b>NAD 83 (LTP/BHL)</b> LATITUDE = 32°23'05.05" (32.384735°) LONGITUDE = 103°24'01.03" (103.400286°) STATE PLANE NAD 83 (N.M. EAST) Y: 504954.42' X: 829362.17'
<b>UTM, NAD 83 (ZONE 13)</b> Y: 11769418.39' X: 2133190.26'	<b>UTM, NAD 83 (ZONE 13)</b> Y: 11769538.84' X: 2133938.15'	<b>UTM, NAD 83 (ZONE 13)</b> Y: 11759186.81' X: 2134101.89'



Certificate Number: \_\_\_\_\_

Exhibit C-2  
Ownership Map  
Township 22 South, Range 35 East, Lea County, New Mexico



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## Exhibit C-3 Tostada 18 State Com Ownership Schedule

Name	Address	Interest Type	Working Interest
<b>Owners to be Pooled</b>			
Elk Range Royalties, LP	2850 N. Harwood Street, 19th Floor	ORRI	N/A
Legacy Reserves Operating, LP	303 W. Wall St., Ste. 1800 Midland, TX 79701	ORRI	N/A
Grewal (Royaly), LLC	45 Rockefeller Plaza, Ste. 2410 New York, NY 10111	ORRI	N/A
Pegasus Resources, LLC	P.O. Box 470698 Ft. Worth, TX 76147	ORRI	N/A
McMullen Minerals, LLC	P.O. Box 470857 Ft. Worth, TX 76147	ORRI	N/A
Leo K. Birkby	10432 E. Palo Brea Drive Scottsdale, AZ 85262	ORRI	N/A
Deets D. Justice	310 Pleasant Drive Austin, TX 78746	ORRI	N/A
YMC Royalty Company, LP	15603 Kuykendahl, Ste. 200 Houston, TX 77090	ORRI	N/A
Atlas OBO Energy, LP	1900 St. James Place, Suite 800 Houston, TX 77056	ORRI	N/A
David J. Darling	746 Palmer Avenue Glenwood Springs, CO 81601	ORRI	N/A
Amy Darling Wood	16602 Palm Royal Drive, Apt #1519	ORRI	N/A
Laurance Howard Merritt	221 S. Lomita Avenue Ojai, CA 93023	ORRI	N/A
Elodie Brown	15 Cypress Point Wimberely, TX 78676	ORRI	N/A
Pecas Management, LP	3138 Quail Valley East Drive Missouri City, TX 77489	ORRI	N/A
Karen Johnston	2017 Quail Hollow Run Carlsbad, NM 88220	ORRI	N/A
The Board of Regents of the Univeristy of Texas System for the use and benefit of The University of Texas M.D. Anderson Caner Center	P.O. Box 551 Midland, TX 79702	ORRI	N/A
Presbyterian Healthcare Foundation	8440 Walnut Hill Lane, Ste. 800 Dallas, TX 75231	ORRI	N/A
Presbyterian Village North Foundation	8440 Walnut Hill Lane, Ste. 800 Dallas, TX 75231	ORRI	N/A
Doil Oil & Gas Corporation	1536 Cole Blvd, Ste. 225 Golden, CO 80401	Working Interest	Pending Title
Atlas OBO Energy, LP	1900 St. James Place, Suite 800 Houston, TX 77056	Working Interest	0.02500000
MRC Permian Company	5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	Working Interest	0.09375000
<b>Total:</b>			<b>0.11875000</b>
ADD ORRI			
<b>Owners NOT being Pooled</b>			
Centennial Resource Production, LLC	1001 17th St., Suite 1800 Denver, CO 80202	Working Interest	0.88125000
<b>Total:</b>			<b>0.88125000</b>
Total Working Interest:			1.00000000

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C3  
Submitted by: Centennial Resource Production, LLC  
Hearing Date: November 04, 2021  
Case No. 22253



September 7, 2021

RE: Tostada 7 State Com #601H  
SHL: 210' FNL Sec. 7 & 1420' FEL Sec. 7 T22S R35E  
BHL: 100' FSL Sec. 18 & 1640' FEL Sec. 18 T22S R35E  
Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Tostada 7 State Com #601H as a horizontal well to test the Bone Spring Formation at a TVD of 10,900 feet. The E/2 of Section 7, Township 22 South, Range 35 East and the E/2 of Section 18, Township 22 South, Range 35 East, Lea County, New Mexico will be dedicated to the well as the proration unit being a total of 640.00 acres. Please see the enclosed AFE in the amount of \$8,726,301.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of September 1, 2021. The JOA contains a proposed overhead rate of \$8,000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at [gavin.smith@cdevinc.com](mailto:gavin.smith@cdevinc.com). Should you have any questions, please call me at (720) 499-1474.

Best Regards

A handwritten signature in blue ink that reads "Gavin Smith".

Gavin Smith, CPL  
Senior Landman

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C4  
Submitted by: Centennial Resource Production, LLC  
Hearing Date: November 04, 2021  
Case No. 22253



THE UNDERSIGNED HEREBY ELECTS **TO PARTICIPATE** IN THE CAPTIONED TOSTADA 7 STATE COM #601H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this \_\_\_\_ day of \_\_\_\_\_, 2021.

**Owner Name:** \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

THE UNDERSIGNED HEREBY ELECTS **NOT TO PARTICIPATE** IN THE CAPTIONED TOSTADA 7 STATE COM #601H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this \_\_\_\_ day of \_\_\_\_\_, 2021.

**Owner Name:** \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_



<b>AFE Number</b>	401843	Original
<b>Drilling Total (\$)</b>	\$3,154,283	
<b>Completion Total (\$)</b>	\$3,441,467	
<b>Facilities Total (\$)</b>	\$1,422,381	
<b>Flowback Total (\$)</b>	\$708,170	
<b>AFE Total (\$)</b>	\$8,726,301	

## Authorization for Expenditure

### AFE Description

<b>Property Name</b>	Well: Tostada 7 State Com 601H	<b>State</b>	New Mexico
<b>AFE Type</b>	Drill and Complete		
<b>Operator</b>	Centennial Resource Production, LLC	<b>Field</b>	Delaware Basin - NM
<b>Scheduled Spud Date</b>	Dec 14, 2021	<b>Estimated TVD (ft)</b>	
<b>Target Zone</b>	TBSG SAND	<b>Estimated MD (ft)</b>	

### Non Operator Approval

Company	
Approved By	
Title	
Date	

### Cost Estimate

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$336,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$0.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$300,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$0.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$70,000.00	8015.2300	IDC - FUEL / POWER	\$80,500.00
8015.2400	IDC - RIG WATER	\$17,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$165,000.00
8015.2600	IDC - MUD LOGGING	\$0.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$55,000.00
8015.2800	IDC - CORE ANALYSIS	\$0.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$0.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$195,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$44,000.00
8015.3700	IDC - DISPOSAL	\$105,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$0.00	8015.4100	IDC - RENTAL EQUIPMENT	\$45,000.00
8015.4200	IDC - MANCAMP	\$47,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$99,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$0.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$12,400.00
8015.4800	IDC - OVERHEAD	\$0.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$11,781.25
8015.5200	IDC - CONTINGENCY	\$130,960.88	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$0.00	8015.2150	IDC - DRILL BIT	\$84,000.00
8015.2350	IDC - FUEL/MUD	\$100,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$0.00	8020.1100	TDC - CASING - SURFACE	\$68,796.88
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$151,937.50	8020.1300	TDC - CASING - INTERMEDIATE 2	\$0.00
8020.1400	TDC - CASING - PRODUCTION	\$434,031.25	8020.1500	TDC - WELLHEAD EQUIPMENT	\$65,875.00
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$60,000.00	8020.1800	TDC - CONTINGENCY	\$0.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$0.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

8025.1200	ICC - COMPLETION RIG	\$ .00	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1500	ICC - FUEL / POWER	\$280,740.00	8025.1600	ICC - COILED TUBING	\$101,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$ .00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$15,435.00
8025.1900	ICC - INSPECTION & TESTING	\$ .00	8025.2000	ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$279,100.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$ .00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,830,482.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$150,298.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$ .00
8025.3300	ICC - COMMUNICATIONS	\$ .00	8025.3400	ICC - RENTAL EQUIPMENT	\$204,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$72,900.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$ .00	8025.4200	ICC - CONTINGENCY	\$ .00
8025.3050	ICC - SOURCE WATER	\$321,637.00	8025.4400	ICC - COMPANY LABOR	\$ .00
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8030.1000	TCC - CASING - PRODUCTION	\$ .00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$ .00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$ .00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8035.1400	FAC - ROAD LOCATIONS PITS	\$ .00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$177,500.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$ .00	8035.2900	FAC - TANK BATTERY	\$174,900.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$115,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$152,000.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$21,750.00	8035.3400	FAC - METER & LACT	\$136,250.00
8035.3600	FAC - ELECTRICAL	\$75,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$55,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$37,500.00	8035.4500	FAC - CONTINGENCY	\$67,732.43
8035.1300	FAC - SURFACE DAMAGE / ROW	\$ .00	8035.1500	FAC - MATERIALS & SUPPLIES	\$ .00
8035.1700	FAC - RENTAL EQUIPMENT	\$26,950.00	8035.1800	FAC - FUEL / POWER	\$ .00
8035.1900	FAC - WATER DISPOSAL / SWD	\$ .00	8035.2000	FAC - WASTE DISPOSAL	\$ .00
8035.2100	FAC - INSPECTION & TESTING	\$ .00	8035.2300	FAC - FRAC TANK RENTAL	\$ .00
8035.2500	FAC - CONSULTING SERVICES	\$ .00	8035.2600	FAC - INJECTION PUMP	\$ .00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$ .00	8035.3500	FAC - COMPRESSOR	\$ .00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$2,500.00	8035.4100	FAC - OVERHEAD	\$ .00
8035.4300	FAC - INSURANCE	\$ .00	8035.1310	FAC - PEMANENT EASEMENT	\$ .00
8035.4400	FAC - COMPANY LABOR	\$ .00			
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8036.1000	PLN - PERMITS LICENSES ETC	\$ .00	8036.1100	PLN - STAKING & SURVEYING	\$ .00
8036.1200	PLN - LEGAL TITLE SERVICES	\$ .00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$ .00
8036.1310	PLN - PEMANENT EASEMENT	\$24,000.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$ .00
8036.1500	PLN - MATERIALS & SUPPLIES	\$ .00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$ .00
8036.1700	PLN - RENTAL EQUIPMENT	\$ .00	8036.1900	PLN - WATER DISPOSAL / SWD	\$ .00
8036.2000	PLN - WASTE DISPOSAL	\$ .00	8036.2100	PLN - INSPECTION & TESTING	\$ .00
8036.2200	PLN - CONTRACT LABOR	\$ .00	8036.2300	PLN - FRAC TANK RENTAL	\$ .00
8036.2400	PLN - SUPERVISION	\$ .00	8036.2500	PLN - CONSULTING SERVICES	\$ .00
8036.2700	PLN - PIPELINE	\$313,632.00	8036.2800	PLN - FLOWLINE	\$ .00
8036.2900	PLN - TANK BATTERY	\$ .00	8036.3000	PLN - SEPARATOR / SCRUBBER	\$ .00
8036.3100	PLN - TREATING EQUIPMENT	\$ .00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$ .00
8036.3300	PLN - PUMP	\$ .00	8036.3400	PLN - METER	\$ .00
8036.3500	PLN - COMPRESSOR	\$ .00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$ .00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$8,333.33	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$8,333.33
8036.3700	PLN - AUTOMATION	\$ .00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$ .00
8036.4300	PLN - INSURANCE	\$ .00	8036.4400	PLN - COMPANY LABOR	\$ .00
8036.4500	PLN - CONTINGENCY	\$ .00			
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8040.1100	IFC - ROADS LOCATIONS / PITS	\$ .00	8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500	IFC - FUEL / POWER	\$ .00
8040.1600	IFC - COILED TUBING	\$ .00	8040.1700	IFC - CEMENTING & SERVICES	\$ .00
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28	8040.1900	IFC - INSPECTION & TESTING	\$ .00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00	8040.2200	IFC - ELECTRIC LOGGING/PERFORATING	\$ .00
8040.2300	IFC - COMPLETION FLUID	\$ .00	8040.2400	IFC - CASING CREW AND TOOLS	\$ .00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$ .00	8040.2800	IFC - MATERIAL & SUPPLIES	\$150,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$ .00	8040.3100	IFC - WELLHEAD/FRACT TREE REPAIR	\$ .00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$70,000.00	8040.3400	IFC - RENTAL EQUIPMENT	\$3,600.00
8040.3500	IFC - WELLSITE SUPERVISION	\$5,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$ .00
8040.4200	IFC - CONTINGENCY	\$ .00	8040.4400	IFC - COMPANY LABOR	\$ .00
8040.4500	IFC - SWABBING	\$ .00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$5,000.00
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$ .00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$ .00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$ .00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$ .00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,900.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASUREMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$ .00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$ .00	8045.4400	TFC - COMPANY LABOR	\$ .00



September 7, 2021

RE: Tostada 7 State Com #602H  
SHL: 210' FNL Sec. 7 & 1390' FEL Sec. 7 T22S R35E  
BHL: 100' FSL Sec. 18 & 640' FEL Sec. 18 T22S R35E  
Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Tostada 7 State Com #602H as a horizontal well to test the Bone Spring Formation at a TVD of 10,900 feet. The E/2 of Section 7, Township 22 South, Range 35 East and the E/2 of Section 18, Township 22 South, Range 35 East, Lea County, New Mexico will be dedicated to the well as the proration unit being a total of 640.00 acres. Please see the enclosed AFE in the amount of \$8,726,301.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of September 1, 2021. The JOA contains a proposed overhead rate of \$8,000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at [gavin.smith@cdevinc.com](mailto:gavin.smith@cdevinc.com). Should you have any questions, please call me at (720) 499-1474.

Best Regards

  
Gavin Smith, CPL  
Senior Landman



THE UNDERSIGNED HEREBY ELECTS **TO PARTICIPATE** IN THE CAPTIONED TOSTADA 7 STATE COM #602H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this \_\_\_\_ day of \_\_\_\_\_, 2021.

**Owner Name:** \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

THE UNDERSIGNED HEREBY ELECTS **NOT TO PARTICIPATE** IN THE CAPTIONED TOSTADA 7 STATE COM #602H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this \_\_\_\_ day of \_\_\_\_\_, 2021.

**Owner Name:** \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_



<b>AFE Number</b>	401844	Original
<b>Drilling Total (\$)</b>	\$3,154,283	
<b>Completion Total (\$)</b>	\$3,441,467	
<b>Facilities Total (\$)</b>	\$1,422,381	
<b>Flowback Total (\$)</b>	\$708,170	
<b>AFE Total (\$)</b>	\$8,726,301	

## Authorization for Expenditure

### AFE Description

<b>Property Name</b>	Well: Tostada 7 State Com 602H	<b>State</b>	New Mexico
<b>AFE Type</b>	Drill and Complete		
<b>Operator</b>	Centennial Resource Production, LLC	<b>Field</b>	Delaware Basin - NM
<b>Scheduled Spud Date</b>	Dec 29, 2021	<b>Estimated TVD (ft)</b>	
<b>Target Zone</b>	TBSG SAND	<b>Estimated MD (ft)</b>	

### Non Operator Approval

<b>Company</b>	
<b>Approved By</b>	
<b>Title</b>	
<b>Date</b>	

### Cost Estimate

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
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8015.1400	IDC - ROAD, LOCATIONS, PITS	\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$336,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$0.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$300,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$0.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$70,000.00	8015.2300	IDC - FUEL / POWER	\$80,500.00
8015.2400	IDC - RIG WATER	\$17,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$165,000.00
8015.2600	IDC - MUD LOGGING	\$0.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$55,000.00
8015.2800	IDC - CORE ANALYSIS	\$0.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$0.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$195,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$44,000.00
8015.3700	IDC - DISPOSAL	\$105,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$0.00	8015.4100	IDC - RENTAL EQUIPMENT	\$45,000.00
8015.4200	IDC - MANCAMP	\$47,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$99,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$0.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$12,400.00
8015.4800	IDC - OVERHEAD	\$0.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$11,781.25
8015.5200	IDC - CONTINGENCY	\$130,960.88	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$0.00	8015.2150	IDC - DRILL BIT	\$84,000.00
8015.2350	IDC - FUEL/MUD	\$100,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$0.00	8020.1100	TDC - CASING - SURFACE	\$68,796.88
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$151,937.50	8020.1300	TDC - CASING - INTERMEDIATE 2	\$0.00
8020.1400	TDC - CASING - PRODUCTION	\$434,031.25	8020.1500	TDC - WELLHEAD EQUIPMENT	\$65,875.00
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$60,000.00	8020.1800	TDC - CONTINGENCY	\$0.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$0.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

8025.1200	ICC - COMPLETION RIG	\$ .00	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1500	ICC - FUEL / POWER	\$280,740.00	8025.1600	ICC - COILED TUBING	\$101,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$ .00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$15,435.00
8025.1900	ICC - INSPECTION & TESTING	\$ .00	8025.2000	ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$279,100.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$ .00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,830,482.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$150,298.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$ .00
8025.3300	ICC - COMMUNICATIONS	\$ .00	8025.3400	ICC - RENTAL EQUIPMENT	\$204,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$72,900.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$ .00	8025.4200	ICC - CONTINGENCY	\$ .00
8025.3050	ICC - SOURCE WATER	\$321,637.00	8025.4400	ICC - COMPANY LABOR	\$ .00
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8030.1000	TCC - CASING - PRODUCTION	\$ .00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$ .00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$ .00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8035.1400	FAC - ROAD LOCATIONS PITS	\$ .00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$177,500.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$ .00	8035.2900	FAC - TANK BATTERY	\$174,900.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$115,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$152,000.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$21,750.00	8035.3400	FAC - METER & LACT	\$136,250.00
8035.3600	FAC - ELECTRICAL	\$75,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$55,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$37,500.00	8035.4500	FAC - CONTINGENCY	\$67,732.43
8035.1300	FAC - SURFACE DAMAGE / ROW	\$ .00	8035.1500	FAC - MATERIALS & SUPPLIES	\$ .00
8035.1700	FAC - RENTAL EQUIPMENT	\$26,950.00	8035.1800	FAC - FUEL / POWER	\$ .00
8035.1900	FAC - WATER DISPOSAL / SWD	\$ .00	8035.2000	FAC - WASTE DISPOSAL	\$ .00
8035.2100	FAC - INSPECTION & TESTING	\$ .00	8035.2300	FAC - FRAC TANK RENTAL	\$ .00
8035.2500	FAC - CONSULTING SERVICES	\$ .00	8035.2600	FAC - INJECTION PUMP	\$ .00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$ .00	8035.3500	FAC - COMPRESSOR	\$ .00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$2,500.00	8035.4100	FAC - OVERHEAD	\$ .00
8035.4300	FAC - INSURANCE	\$ .00	8035.1310	FAC - PEMANENT EASEMENT	\$ .00
8035.4400	FAC - COMPANY LABOR	\$ .00			
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8036.1000	PLN - PERMITS LICENSES ETC	\$ .00	8036.1100	PLN - STAKING & SURVEYING	\$ .00
8036.1200	PLN - LEGAL TITLE SERVICES	\$ .00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$ .00
8036.1310	PLN - PEMANENT EASEMENT	\$24,000.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$ .00
8036.1500	PLN - MATERIALS & SUPPLIES	\$ .00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$ .00
8036.1700	PLN - RENTAL EQUIPMENT	\$ .00	8036.1900	PLN - WATER DISPOSAL / SWD	\$ .00
8036.2000	PLN - WASTE DISPOSAL	\$ .00	8036.2100	PLN - INSPECTION & TESTING	\$ .00
8036.2200	PLN - CONTRACT LABOR	\$ .00	8036.2300	PLN - FRAC TANK RENTAL	\$ .00
8036.2400	PLN - SUPERVISION	\$ .00	8036.2500	PLN - CONSULTING SERVICES	\$ .00
8036.2700	PLN - PIPELINE	\$313,632.00	8036.2800	PLN - FLOWLINE	\$ .00
8036.2900	PLN - TANK BATTERY	\$ .00	8036.3000	PLN - SEPARATOR / SCRUBBER	\$ .00
8036.3100	PLN - TREATING EQUIPMENT	\$ .00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$ .00
8036.3300	PLN - PUMP	\$ .00	8036.3400	PLN - METER	\$ .00
8036.3500	PLN - COMPRESSOR	\$ .00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$ .00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$8,333.33	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$8,333.33
8036.3700	PLN - AUTOMATION	\$ .00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$ .00
8036.4300	PLN - INSURANCE	\$ .00	8036.4400	PLN - COMPANY LABOR	\$ .00
8036.4500	PLN - CONTINGENCY	\$ .00			
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8040.1100	IFC - ROADS LOCATIONS / PITS	\$ .00	8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500	IFC - FUEL / POWER	\$ .00
8040.1600	IFC - COILED TUBING	\$ .00	8040.1700	IFC - CEMENTING & SERVICES	\$ .00
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28	8040.1900	IFC - INSPECTION & TESTING	\$ .00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00	8040.2200	IFC - ELECTRIC LOGGING/PERFORATING	\$ .00
8040.2300	IFC - COMPLETION FLUID	\$ .00	8040.2400	IFC - CASING CREW AND TOOLS	\$ .00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$ .00	8040.2800	IFC - MATERIAL & SUPPLIES	\$150,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$ .00	8040.3100	IFC - WELLHEAD/FRAC TREE REPAIR	\$ .00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$70,000.00	8040.3400	IFC - RENTAL EQUIPMENT	\$3,600.00
8040.3500	IFC - WELLSITE SUPERVISION	\$5,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$ .00
8040.4200	IFC - CONTINGENCY	\$ .00	8040.4400	IFC - COMPANY LABOR	\$ .00
8040.4500	IFC - SWABBING	\$ .00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$5,000.00
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$ .00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$ .00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$ .00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$ .00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,900.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASUREMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$ .00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$ .00	8045.4400	TFC - COMPANY LABOR	\$ .00

Exhibit C-5

<b>Date</b>	<b>Action</b>
September 7, 2021	Discussed planned development with MRC Permian
September 8, 2021	Sent initial well proposals for Tostada 18 State Com #601H-#602H
September 10, 2021	Attempted to contact remaining principle owners of Doil Oil & Gas Corp.
September 29, 2021	Contacted by Tony James at Atlas OBO Energy, LP and answered various questions about planned development
October 5, 2021	Filed for compulsory pooling hearing
October 7, 2021	Sent Atlas OBO Energy, LP an Operating Agreement to review

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C5  
Submitted by: Centennial Resource Production, LLC  
Hearing Date: November 04, 2021  
Case No. 22253

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

APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

CASE NO. 22253

AFFIDAVIT OF ISABEL HARPER  
IN SUPPORT OF CASE NO. 22253

Isabel Harper, of lawful age and being first duly sworn, declares as follows:

1. My name is Isabel Harper. I work for Centennial Resource Production, LLC (“Centennial”) 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 Centennial in this case, and I have conducted a geologic study of the lands in the subject area.

4. Centennial is targeting the Third Bone Spring interval, within the Bone Spring formation, with the proposed **Tostada 7 State Com #601H well**, and **Tostada 7 State Com #602H well**.

5. **Centennial Exhibit D-1** are two project locator maps, reflecting the proposed spacing unit in Sections 7 and 18 in relation to the surrounding area. This map shows the proposed Third Bone Spring wells, depicted by dashed lines and the offsetting Third Bone Spring Sand producing wells.

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

Submitted by: Centennial Resource Production, LLC  
Hearing Date: November 04, 2021  
Case No. 22253

6. **Centennial Exhibit D-2** is a subsea structure map that I prepared for the Base of the Bone Spring formation and that is representative of the targeted intervals. The structure map shows that the formation is gently dipping to the Southwest in this area. I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted interval with horizontal wells in this area.

7. **Centennial Exhibit D-3** overlays a cross-section line in blue consisting of three wells penetrating the Bone Spring formation that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.

8. **Centennial Exhibit D-4** is a cross section using the representative wells depicted on Exhibit D-3. Each well in the cross-section contains gamma ray, resistivity, and porosity logs. The proposed targeted interval in the Bone Spring formations is labeled on the exhibit. The cross-section demonstrates that the targeted interval extends across the proposed spacing unit.

9. In my opinion, the stand-up orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage.

10. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells, and the acreage comprising the proposed spacing units will contribute more-or-less equally to the production from the wellbores.

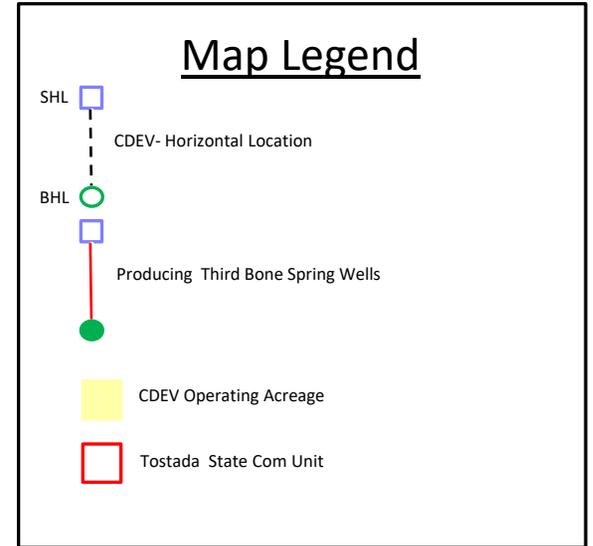
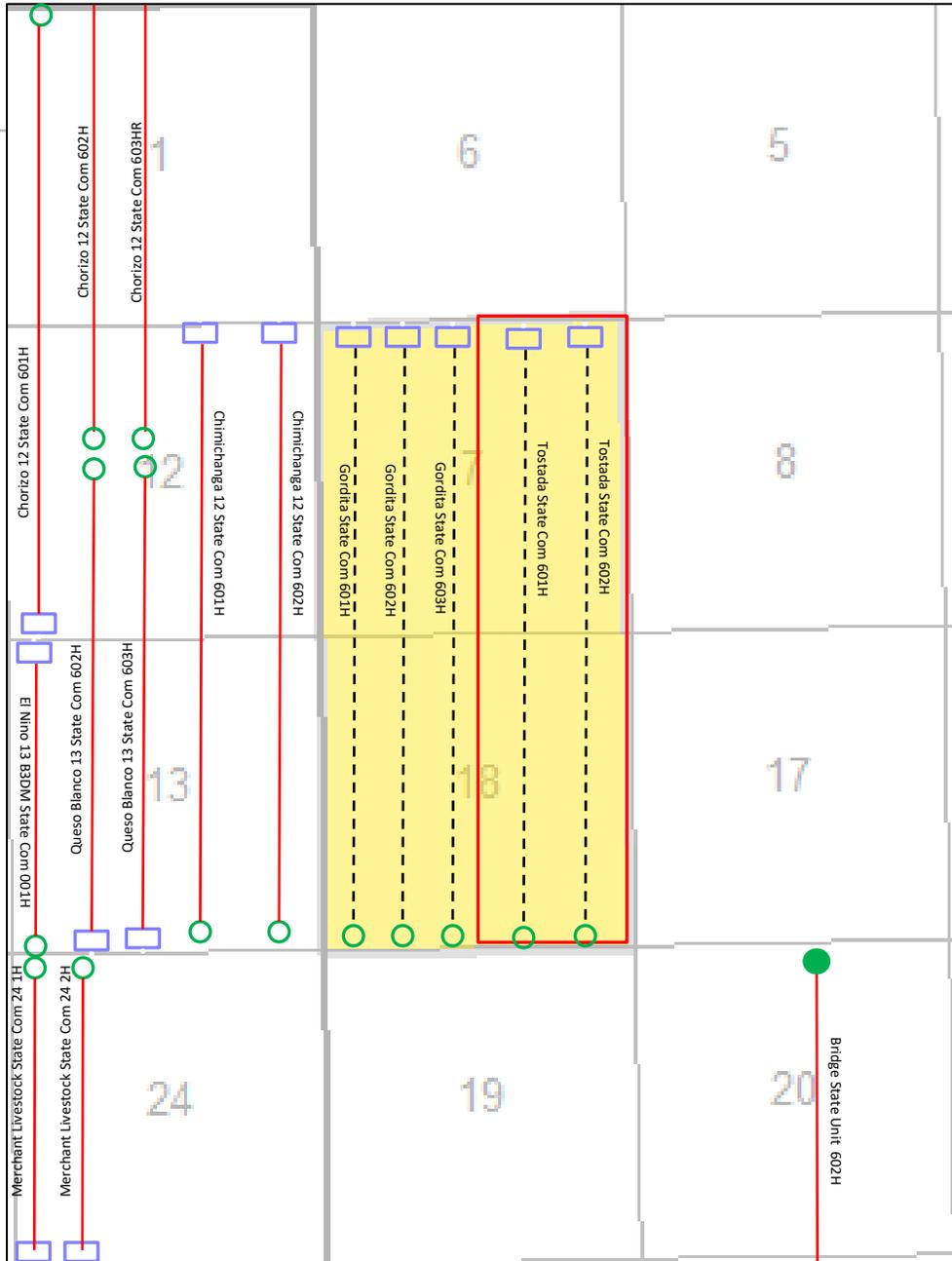
11. In my opinion, the granting of Centennial application in this case will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **Centennial Exhibits D-1** through **D-4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

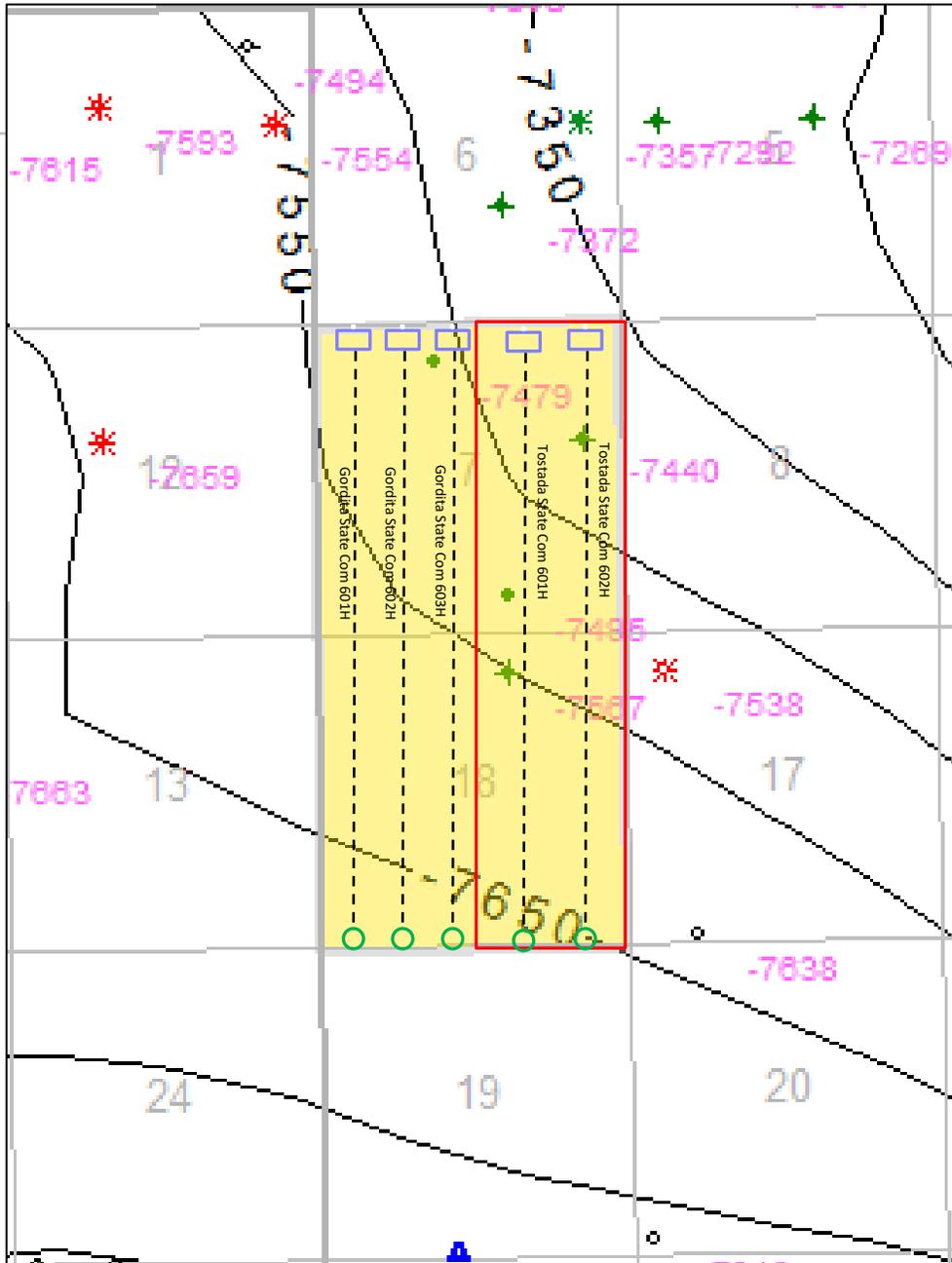


# Bone Spring Pool Tostada State Com 601H, 602H



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D1  
 Submitted by: Centennial Resource Production, LLC  
 Hearing Date: November 04, 2021  
 Case No. 22253

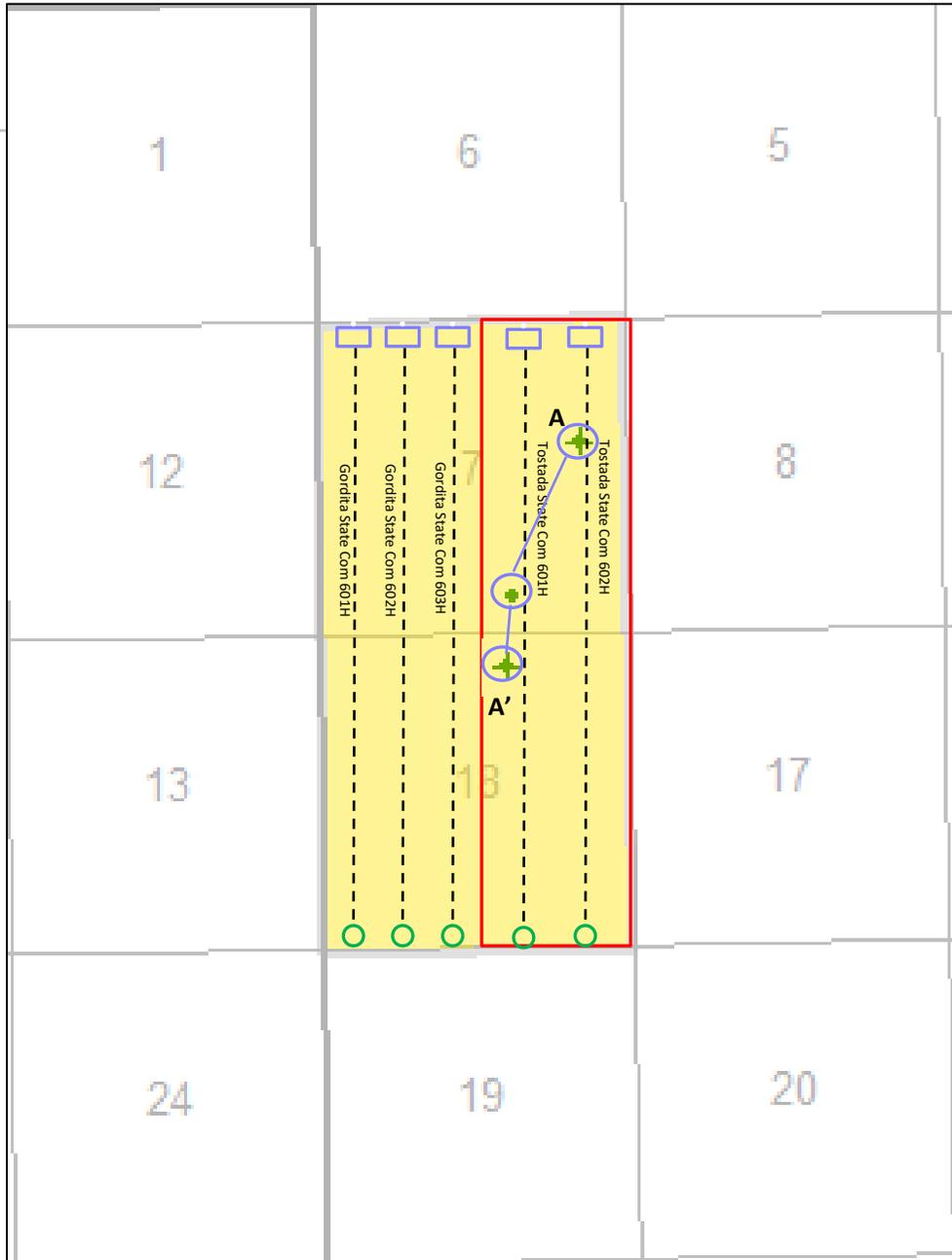
# Bone Spring Pool WFMP Structure Grid



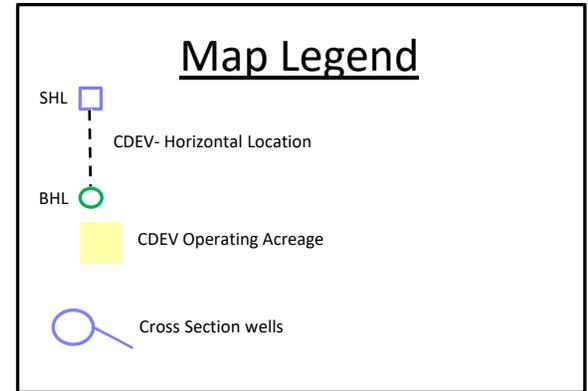
### Map Legend

- SHL □ CDEV- Horizontal Location
- BHL ○ Wolfcamp Structure
- (curved line) Wolfcamp Structure CI: 100'
- CDEV Operating Acreage

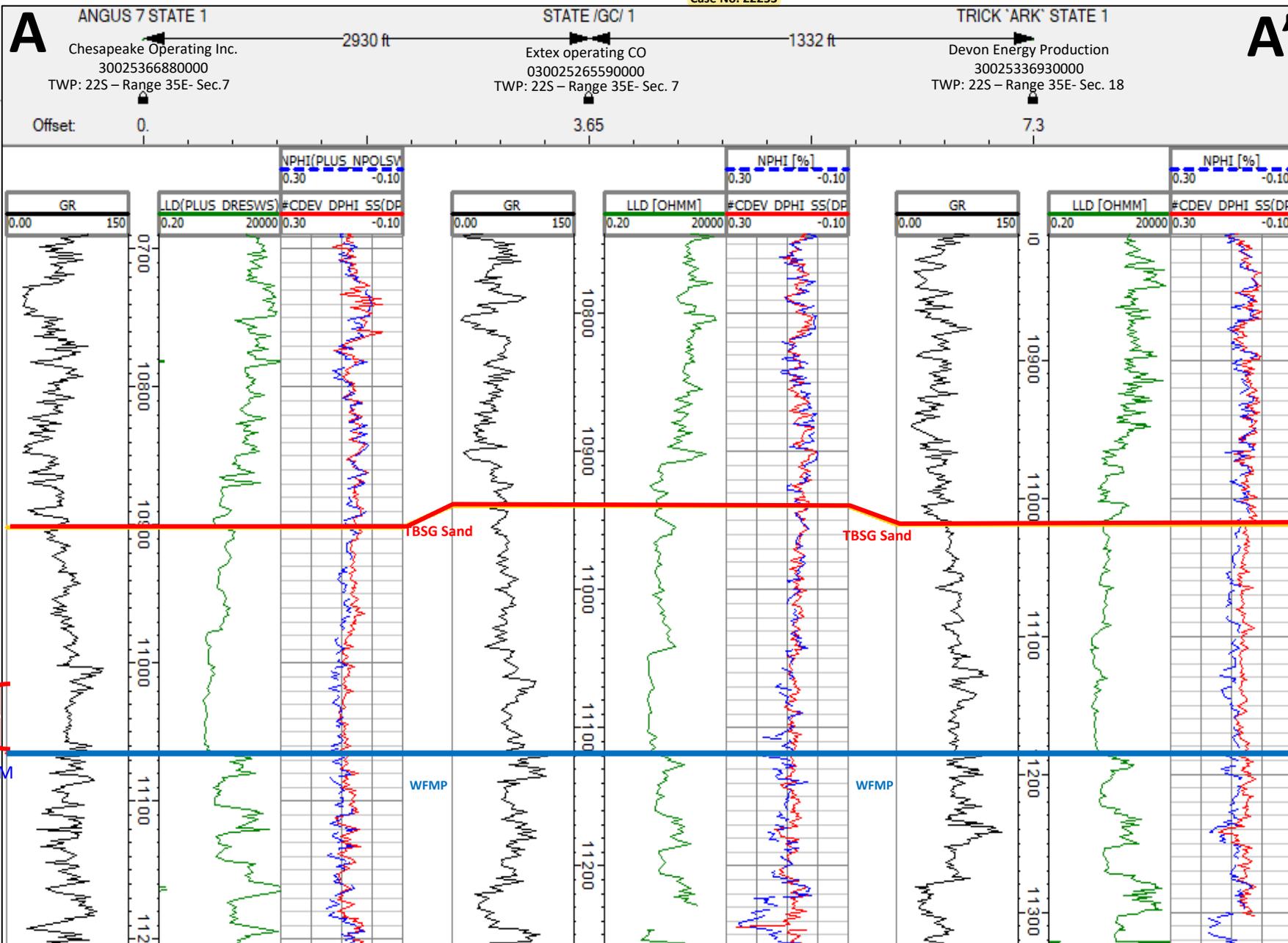
BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D2  
 Submitted by: Centennial Resource Production, LLC  
 Hearing Date: November 04, 2021  
 Case No. 22253



**Cross Section TBSG Pool**  
**Tostada State Com 601H, 602H**



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D3  
 Submitted by: Centennial Resource Production, LLC  
 Hearing Date: November 04, 2021  
 Case No. 22253



TD= 11,897.00

TD= 13,510.00

TD= 12,030.00

**CENTENNIAL**

4





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

October 15, 2021

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Centennial Resource Production, LLC for Compulsory Pooling, Lea County, New Mexico.  
Tostada 7 State Com #601H-602H well**

Ladies & Gentlemen:

This letter is to advise you that Centennial Resource Production, 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., until it is concluded. 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 online or in person at the Division’s Santa Fe office 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 Gavin Smith, at (720) 499-1474, or Gavin.Smith@cdevinc.com.

Sincerely,

Kaitlyn A. Luck  
**ATTORNEY FOR CENTENNIAL RESOURCE  
PRODUCTION, LLC**

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Centennial\_Tostada 601-602  
Case No. 22253 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765850138549	Doil Oil & Gas Corporation	1536 Cole Blvd Ste 225	Lakewood	CO	80401-3413	We attempted to deliver your package at 11:38 am on October 18, 2021 in GOLDEN, CO 80401 but could not access the delivery location. We will redeliver on the next business day.
9414811898765850137245	Grewal Royaly, LLC	45 Rockefeller Plz Ste 2410	New York	NY	10111-2493	Your item was delivered to the front desk, reception area, or mail room at 1:47 pm on October 25, 2021 in NEW YORK, NY 10111.
9414811898765850137283	Pegasus Resources, LLC	PO Box 470698	Ft Worth	TX	76147-0698	Your item was delivered at 9:29 am on October 18, 2021 in FORT WORTH, TX 76147.
9414811898765850137238	McMullen Minerals, LLC	PO Box 470857	Ft Worth	TX	76147-0857	Your item was delivered at 9:28 am on October 18, 2021 in FORT WORTH, TX 76147.
9414811898765850137276	McMullen Minerals, LLC	2821 W 7th St Ste 515	Ft Worth	TX	76107-8912	Your item was delivered to an individual at the address at 1:09 pm on October 18, 2021 in FORT WORTH, TX 76107.
9414811898765850137818	Leo K. Birkby	10432 E Palo Brea Dr	Scottsdale	AZ	85262-3332	Your item was delivered to an individual at the address at 1:01 pm on October 19, 2021 in SCOTTSDALE, AZ 85262.
9414811898765850137856	Deets D. Justice	310 Pleasant Dr	Austin	TX	78746-5519	Your item was delivered to an individual at the address at 4:26 pm on October 19, 2021 in AUSTIN, TX 78746.
9414811898765850137863	YMC Royalty Company, LP	15603 Kuykendahl Rd Ste 200	Houston	TX	77090-3655	Your item was delivered to an individual at the address at 11:20 am on October 19, 2021 in HOUSTON, TX 77090.
9414811898765850137801	Atlas OBO Energy	15603 Kuykendahl Rd Ste 200	Houston	TX	77090-3655	Your item was delivered to an individual at the address at 11:20 am on October 19, 2021 in HOUSTON, TX 77090.
9414811898765850137849	SBI West Texas I, LLC	6702 Broadway St	Galveston	TX	77554-8906	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765850137832	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to the front desk, reception area, or mail room at 11:07 am on October 18, 2021 in DALLAS, TX 75240.
9414811898765850138587	Doil Oil & Gas Corporation	12045 Tavel Cir	Dallas	TX	75230-2233	Your item was delivered to the front desk, reception area, or mail room at 6:09 pm on October 18, 2021 in DALLAS, TX 75230.
9414811898765850138532	Pioneer Exploration, LLC	15603 Kuykendahl Rd Ste 200	Houston	TX	77090-3655	Your item was delivered to the front desk, reception area, or mail room at 3:42 pm on October 21, 2021 in HOUSTON, TX 77056.
9414811898765850137214	Pioneer Exploration, LLC / Atlas Operating	3501 Allen Pkwy	Houston	TX	77019-1809	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765850137252	Saba Energy, Inc.	2112 Hurd Dr	Irving	TX	75038-4332	Your item departed our COPPELL TX DISTRIBUTION CENTER destination facility on October 28, 2021 at 8:52 am. The item is currently in transit to the destination.
9414811898765850137269	Saba Energy, Inc.	4500 W Illinois Ave Ste 213	Midland	TX	79703-5485	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 address.
9414811898765850137221	Saba Energy, Inc.	1603 E 19th St Ste 202	Edmond	OK	73013-6625	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 address.
9414811898765850137207	Legacy Reserves Operating, LP	303 W Wall St Ste 1800	Midland	TX	79701-5106	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765850137290	Legacy Reserves Operating, LP	15 Smith Rd Ste 3000	Midland	TX	79705-5461	Your item has been delivered to an agent for final delivery in MIDLAND, TX 79705 on October 18, 2021 at 11:05 am.

# Affidavit of Publication

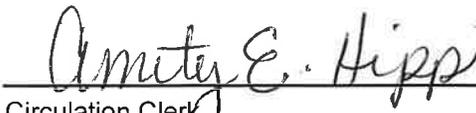
STATE OF NEW MEXICO  
COUNTY OF LEA

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).

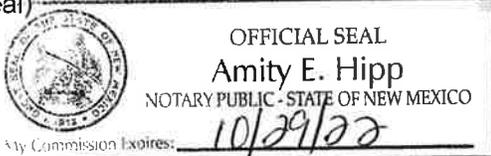
Beginning with the issue dated  
October 21, 2021  
and ending with the issue dated  
October 21, 2021.

  
\_\_\_\_\_  
Publisher

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

  
\_\_\_\_\_  
Circulation Clerk

My commission expires  
October 29, 2022  
(Seal)



This newspaper is duly qualified to publish 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](mailto: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](mailto: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: Doil Oil & Gas Corporation; Pioneer Exploration, LLC; Pioneer Exploration, LLC / Atlas Operating; Saba Energy, Inc.; Legacy Reserves Operating, LP; Grewal (Royalty), LLC; Pegasus Resources, LLC; McMullen Minerals, LLC; Leo K. Birkby, his heirs and devisees; Deets D. Justice, his or her heirs and devisees; YMC Royalty Company, LP; Atlas OBO Energy; SBI West Texas I, LLC; and MRC Permian Company.**

**Case No. 22253: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 7 and 18, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed wells: (1) the **Tostada 7 State Com #601H well**, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 7, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 18; and (2) the **Tostada 7 State Com #602H well**, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 7, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 18. The completed interval of the proposed **Tostada 7 State Com #601H well** will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of Sections 7 and 18, to allow inclusion of this acreage into a standard horizontal well spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles west of Eunice, New Mexico.

#36950

67100754

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

00259753

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. F  
Submitted by: Centennial Resource Production, LLC  
Hearing Date: November 04, 2021  
Case No. 22253