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

APPLICATION OF TASCOSA ENERGY PARTNERS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 23435

#### **EXHIBIT INDEX**

#### Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of John Shoberg
A-1	Application & Proposed Notice of Hearing
A-2	C-102s
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE(s)
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Helder Alvarez
B-1	Regional Locator Map
B-2	Cross Section Location Map
B-3	Third Bone Spring Sand Structure Map
B-4	Structural Cross-Section
B-5	Stratigraphic Cross-Section
B-6	Gun Barrel Diagram
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Sample Notice Letter to All Interested Parties
C-2	Chart of Notice to All Interested Parties
C-3	Copies of Certified Mail Green Cards and White Slips
C-4	Affidavit of Publication for March 17, 2023

## COMPULSORY POOLING APPLICATION CHECKLIST

Page 2 of 4

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

Case: 23435	APPLICANT'S RESPONSE
Date	May 18, 2023
Applicant	Tascosa Energy Partners, LLC
Designated Operator & OGRID (affiliation if applicable)	OGIRD # 329748
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Tascosa Energy Partners, LLC for Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	COG Operating LLC; Fasken Oil & Ranch, Ltd.
Well Family	Ventura
Formation/Pool	
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:	Avalon; Bone Spring Pool (Code 96381)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres
Building Blocks:	quarter-quarter
Orientation:	West/East
Description: TRS/County	N/2 of Sections 32 and 33, Township 20 South, Range 27 East, Eddy County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	Yes. The completed interval of the Ventura 3233 Fed Com #602H well will be located within 330'of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 32 and 33, Township 20 South, Range 27 East, to allow for the creation of a 640-acre standard horizontal spacing unit.
Proximity Defining Well: if yes, description	Ventura 3233 Fed Com #602H
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Ventura 3233 Fed Com #301H (API # pending) SHL: 1436' FNL & 256' FWL (Unit E), Section 32, T20S-R27E BHL: 440' FNL & 100' FEL (Unit A), Section 33, T20S-R27E Completion Target: Third Bone Spring (Approx. 8050' TVD)

Ventura 3233 Fed Com #602H (API # pending) SHL: 1496' FNL & 255' FWL (Unit E), Section 32, T20S-R27E BHL: 1310' FNL & 100' FEL (Unit A), Section 33, T20S-R27E Completion Target: Third Bone Spring (Approx. 8200' TVD)	
1	
Ventura 3233 Fed Com #202H (API # pending) SHL: 1526' FNL & 255' FWL (Unit E), Section 32, T20S-R27E BHL: 1980' FNL & 100' FEL (Unit H), Section 33, T20S-R27E Completion Target: Second Bone Spring (Approx. 6810' TVD)	
Ventura 3233 Fed Com #303H (API # pending) SHL: 1556' FNL & 255' FWL (Unit E), Section 32, T20S-R27E BHL: 2200' FNL & 100' FEL (Unit H), Section 33, T20S-R27E Completion Target: Third Bone Spring (Approx. 8050' TVD)	
Exhibit A-2	
Exhibit A-4	
\$8,000.00	
\$800.00	
Exhibit A	
200%	
Exhibit A-1	
Exhibit C-1, Exhibit C-2, Exhibit C-3	
Exhibit C-4	
Exhibit A-3	
Exhibit A-3	
N/A	
Exhibit A-3	
None.	
N/A	
Folibit A A	
	-
	SHL: 1526' FNL & 255' FWL (Unit E), Section 32, T20S-R27E BHL: 1980' FNL & 100' FEL (Unit H), Section 33, T20S-R27E Completion Target: Second Bone Spring (Approx. 6810' TVD)  Ventura 3233 Fed Com #303H (API # pending) SHL: 1556' FNL & 255' FWL (Unit E), Section 32, T20S-R27E BHL: 2200' FNL & 100' FEL (Unit H), Section 33, T20S-R27E Completion Target: Third Bone Spring (Approx. 8050' TVD)  Exhibit A-2 Exhibit A-4  \$8,000.00 Exhibit A 200%  Exhibit A-1 Exhibit C-1, Exhibit C-2, Exhibit C-3 Exhibit A-3  Exhibit A-3  Exhibit A-3  Exhibit A-3

G&16giyed by OCD: 5/16/2023 4:02:05 PM	Page 4	of 4
Summary (including special considerations)	Exhibit B	i
Spacing Unit Schematic	Exhibit B-1	i
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6	i
Well Orientation (with rationale)	Exhibit B	i
Target Formation	Exhibit B	i
HSU Cross Section	Exhibit B-2	ı
Depth Severance Discussion	N/A	i
Forms, Figures and Tables		i
C-102	Exhibit A-2	ı
Tracts	Exhibit A-3	i
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3	i
General Location Map (including basin)	Exhibit B-1	i
Well Bore Location Map	Exhibit B-2	i
Structure Contour Map - Subsea Depth	Exhibit B-3	ı
Cross Section Location Map (including wells)	Exhibit B-4	i
Cross Section (including Landing Zone)	Exhibit B-5	i
Additional Information		ı
Special Provisions/Stipulations		ı
CERTIFICATION: I hereby certify that the information prov	vided in this checklist is complete and accurate.	ı
Printed Name (Attorney or Party Representative):	Dana S. Hardy	ı
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy	ı
Date:	5/16/2023	ı

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

APPLICATION OF TASCOSA ENERGY PARTNERS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

**CASE NO. 23435** 

## SELF-AFFIRMED STATEMENT OF JOHN SHOBERG

- 1. I am the contract Landman for Tascosa Energy Partners, LLC ("Tascosa") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record.
- 2. I am familiar with the land matters involved in the above-referenced case. Copies of Tascosa's Application and Proposed Hearing Notice are attached as **Exhibit A-1**.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.
- 4. Tascosa applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 32 and 33, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit").
- 5. The Unit will be dedicated to the following wells ("Wells"), which will be completed in the Avalon; Bone Spring Pool (Code 96381):
  - Ventura 3233 Fed Com #301H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 32, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 33;

    Tascosa Energy Partners

Tascosa Energy Partners, LLC Case No. 23435 Exhibit A

- Ventura 3233 Fed Com #201H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 32, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 33;
- Ventura 3233 Fed Com #602H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 32, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 33;
- Ventura 3233 Fed Com #202H well, to be drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 32, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 33; and
- Ventura 3233 Fed Com #303H well to be drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 32, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 33.
- 6. The completed interval of the Ventura 3233 Fed Com #602H well will be located within 330'of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 32 and 33, Township 20 South, Range 27 East, to allow for the creation of a 640-acre standard horizontal spacing unit.
  - 7. The completed intervals of the Wells will be orthodox.
  - 8. **Exhibit A-2** contains the C-102s for the Wells.
- 9. **Exhibit A-3** contains a plat that identifies ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Tascosa seeks to pool highlighted in yellow.
- 10. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to the working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable

and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

- 11. Tascosa has conducted a diligent search of all county public records including phone directories and computer databases.
- 12. In my opinion, Tascosa made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit** A-5.
- 13. Tascosa requests overhead and administrative rates of \$8,000.00 per month while the Wells are being drilled and \$800.00 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by Tascosa and other operators in the vicinity.
- 14. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.
- 15. In my opinion, the granting of Tascosa's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 16. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

John Shoberg

4/28/2023 Date

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

APPLICATION OF TASCOSA ENERGY PARTNERS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 23435

#### **APPLICATION**

In accordance with NMSA 1978, § 70-2-17, Tascosa Energy Partners, LLC ("Tascosa" or "Applicant"), through its undersigned attorneys, files this application with the Oil Conservation Division ("Division") seeking an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 32 and 33, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). In support of this application, Tascosa states the following.

- 1. Applicant (OGRID No. 329748) is a working interest owner in the Unit and has the right to drill wells thereon.
  - 2. Applicant seeks to dedicate the Unit to the following proposed wells:
    - a. The Ventura 3233 Fed Com #301H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 32, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 33;
    - b. The **Ventura 3233 Fed Com #201H well**, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 32, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 33;
    - c. The **Ventura 3233 Fed Com #602H well**, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 32, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 33;

Tascosa Energy Partners, LLC Case No. 23435 Exhibit A-1

- d. The **Ventura 3233 Fed Com #202H well**, to be drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 32, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 33; and
- e. The **Ventura 3233 Fed Com #303H well** to be drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 32, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 33.
- 3. The completed intervals of the wells will be orthodox.
- 4. The completed interval of the Ventura 3233 Fed Com #602H well will be located within 330'of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 32 and 33, Township 20 South, Range 27 East, to allow for the creation of a 640-acre standard horizontal spacing unit.
- 5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the Unit.
- 6. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 7. 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 Unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 6, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the initial wells in the Unit;

- C. Designating Applicant as the operator of the Unit and the horizontal wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. 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,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean Yarithza Pena P.O. Box 2068 Santa Fe. NM 87504-2068

Santa Fe, NM 87504-2068 Phone: (505) 982-4554

Facsimile: (505) 98208623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com

Counsel for Tascosa Energy Partners, LLC

Application of Tascosa Energy Partners, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 32 and 33, Township 20 South, Range 27 East, Eddy County, New Mexico. Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): Ventura 3233 Fed Com #301H, #201H, and #602H wells, to be drilled from surface hole locations in the NW/4 NW/4 (Unit D) of Section 32, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 33, and the Ventura 3233 Fed Com #202H and 303H wells, to be drilled from surface hole locations in the SW/4 NW/4 (Unit E) of Section 32, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 33. The completed intervals of the wells will be orthodox. The completed interval of the Ventura 3233 Fed Com #602H well will be located within 330' of the quarter-quarter section line separating the N/2 N/2 and S/2 N/2 of Sections 32 and 33, Township 20 South, Range 27 East to allow for the creation of a 640-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 7 miles North-Northwest from Carlsbad, New Mexico.

32

20 S

1625 N. French Dr., Hobbs, NM 88240

811 S. First St., Artesia, NM 88210

District II

District III

District IV

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

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

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

Ε

#### Tascosa Energy Partners, LLC<sub>Page 12 of 42</sub> **Case No. 23435 - Exhibit A-2** Form C-102

State of New Mexico

Submit one copy to appropriate

WEST

# District Office

Revised August 1, 2011

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

☐ AMENDED REPORT

**EDDY** 

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 96381	g Pool	
Property Code	Propert VENTURA 32	y Name 33 FED COM	Well Number #301H
OGRID No. 329748	1	or Name Y PARTNERS, LLC	Elevation 3218'

Surface Location

1436

Range

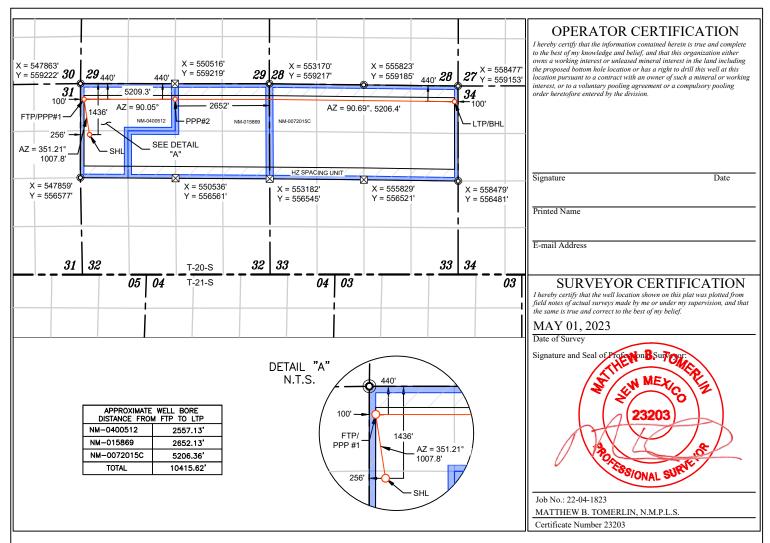
27 E

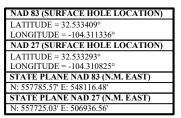
**NORTH** 

256

				Bott	tom Ho	le Location If Dif	ferent From Surfa	ice		
UL or lot no.	Section	Townsh	nip Ran	ge	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	33	20 S	3 27	E		440	NORTH	100	EAST	EDDY
Dedicated Acres	Joint or	Infill	Consolida	tion Co	de	Order No.	•	•	•	
640.00										

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



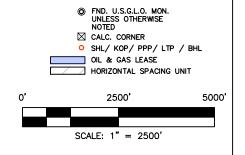


NAD 83 (FTP/PPP #1)
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LONGITUDE = -104.311836°
NAD 27 (FTP/PPP #1)
LATITUDE = 32.536031°
LONGITUDE = -104.311325°
STATE PLANE NAD 83 (N.M. EAST)
N: 558781.49' E: 547962.42'
STATE PLANE NAD 27 (N.M. EAST)
N: 558720.92' E: 506782.51'

N 4 D 02 (DDD #2)
NAD 83 (PPP #2)
LATITUDE = 32.536139°
LONGITUDE = -104.303538°
NAD 27 (PPP #2)
LATITUDE = 32.536023°
LONGITUDE = -104.303028°
STATE PLANE NAD 83 (N.M. EAST)
N: 558779.28' E: 550519.55'
STATE PLANE NAD 27 (N.M. EAST)
N: 558718.67' E: 509339.58'

NAD 83 (LTP/BHL)
LATITUDE = 32.535952°
LONGITUDE = -104.278039°
NAD 27 (LTP/BHL)
LATITUDE = 32.535835°
LONGITUDE = -104.277530°
STATE PLANE NAD 83 (N.M. EAST)
N: 558714.47' E: 558377.67'
STATE PLANE NAD 27 (N.M. EAST)
N: 558653.75' E: 517197.50'

- ALL COORDINATES, BEARINGS, AND DISTANCES
  CONTAINED HEREIN ARE GRID, BASED UPON THE NEW
  MEXICO STATE PLANE COORDINATES SYSTEM, NORTH
  AMERICAN DATUM 83, NEW MEXICO EAST (3001), NAVD 88.
- 2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING MAY, 2023. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.
- 3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.



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
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District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

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

District IV

# 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

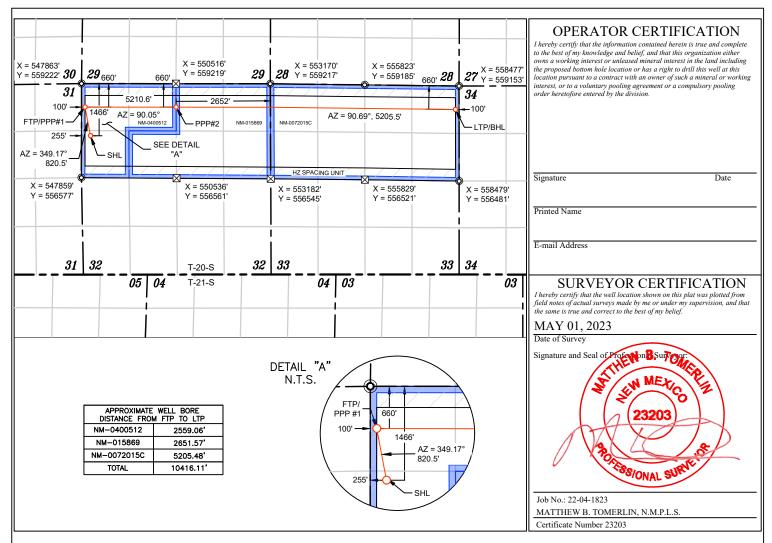
API Number	Pool Code ; 85: 3			
Property Code		roperty Name A 3233 FED COM	Well Number #201H	
OGRID No. 54; 96:		Perator Name ERGY PARTNERS, LLC	Elevation 3217'	
	Surf	ace Location		

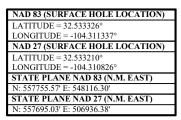
Feet from the

Range

20 S 27 E 1466 **NORTH** 255 WEST **EDDY** Ε 32 Bottom Hole Location If Different From Surface UL or lot no East/West line 33 20 S 27 E **NORTH EAST EDDY** 100 Dedicated Acres Joint or Infill Order No. solidation Code 640.00

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.



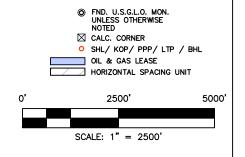


NAD 83 (FTP/PPP #1)
LATITUDE = 32.535542°
LONGITUDE = -104.311837°
NAD 27 (FTP/PPP #1)
LATITUDE = 32.535426°
LONGITUDE = -104.311326°
STATE PLANE NAD 83 (N.M. EAST)
N: 558561.49' E: 547962.09'
STATE PLANE NAD 27 (N.M. EAST)
N: 558500.93' E: 506782.18'

NAD 8	33 (PPP #2)
	TUDE = 32.535534° ITUDE = -104.303533°
	27 (PPP #2)
	TUDE = 32.535418° ITUDE = -104.303023°
STAT	E PLANE NAD 83 (N.M. EAST)
	559.28' E: 550521.15' E PLANE NAD 27 (N.M. EAST)
	498.68' E: 509341.18'

NAD 02 (LED/DIA)
NAD 83 (LTP/BHL)
LATITUDE = 32.535347°
LONGITUDE = -104.278039°
NAD 27 (LTP/BHL)
LATITUDE = 32.535230°
LONGITUDE = -104.277530°
STATE PLANE NAD 83 (N.M. EAST)
N: 558494.45' E: 558377.82'
STATE PLANE NAD 27 (N.M. EAST)
N: 558433.73' E: 517197.64'

- 1. ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001), NAVD 88.
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District IV

# 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

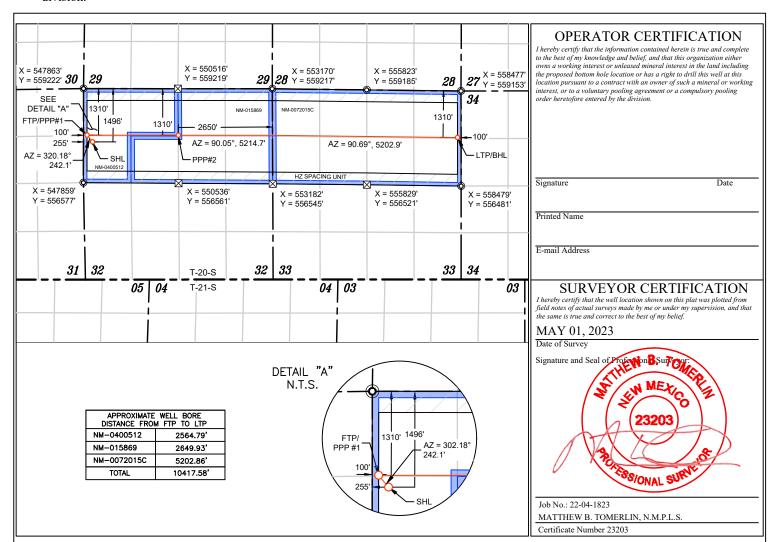
#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code ; 85: 3	Cxcmp="Dqpg"Urtkpi "Rqqn	
Property Code	Property Name VENTURA 3233 FED COM		Well Number #602H
OGRID No. 54; 96:	Operator Name TASCOSA ENERGY PARTNERS, LLC		Elevation 3217'
	Surface	Location	

Range

32 20 S 27 E 1496 NORTH 255 WEST **EDDY** Ε Bottom Hole Location If Different From Surface UL or lot no East/West line 33 20 S 27 E **NORTH EAST EDDY** 100 Dedicated Acres Joint or Infill olidation Code Order No. 640.00

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.



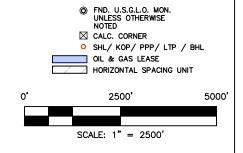
NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32.533244°
LONGITUDE = -104.311338°
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32.533128°
LONGITUDE = -104.310827°
STATE PLANE NAD 83 (N.M. EAST)
N: 557725.57' E: 548116.12'
STATE PLANE NAD 27 (N.M. EAST)
N: 557665.03' E: 506936.20'

_	
Ì	NAD 83 (FTP/PPP #1)
]	LATITUDE = 32.533755°
]	LONGITUDE = -104.311841°
1	NAD 27 (FTP/PPP #1)
]	LATITUDE = 32.533639°
	LONGITUDE = -104.311330°
5	STATE PLANE NAD 83 (N.M. EAST)
]	N: 557911.49' E: 547961.09'
	STATE PLANE NAD 27 (N.M. EAST)
]	N: 557850.95' E: 506781.17'

N + D 03 (DDD #4)
NAD 83 (PPP #2)
LATITUDE = 32.533747°
LONGITUDE = -104.303518°
NAD 27 (PPP #2)
LATITUDE = 32.533631°
LONGITUDE = $-104.303008^{\circ}$
STATE PLANE NAD 83 (N.M. EAST)
N: 557909.28' E: 550525.88'
STATE PLANE NAD 27 (N.M. EAST)
N: 557848.70' E: 509345.90'

NAD 83 (LTP/BHL)	1
LATITUDE = 32.533560°	1
LONGITUDE = -104.278038°	J
NAD 27 (LTP/BHL)	]
LATITUDE = 32.533443°	1
LONGITUDE = -104.277529°	ı
STATE PLANE NAD 83 (N.M. EAST)	1
N: 557844.40' E: 558378.29'	1
STATE PLANE NAD 27 (N.M. EAST)	1
N: 557783.70' E: 517198.10'	1

- 1. ALL COODINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001), NAVD 88.
- 2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING MAY, 2023. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.
- 3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.



DISTRICT 1
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

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

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

District IV

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

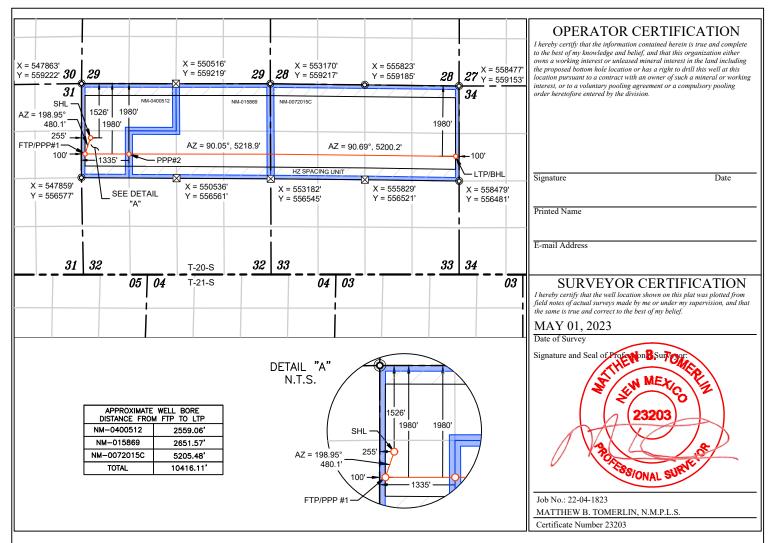
#### WELL LOCATION AND ACREAGE DEDICATION PLAT

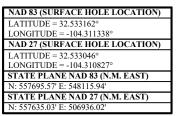
API Number	Pool Code ; 85: 3	Cxcmp=Dqpg'Urtkpi 'Rqqn	
Property Code	Property Name VENTURA 3233 FED COM		Well Number #202H
ogrid No. 54; 96:	Operator Name TASCOSA ENERGY PARTNERS, LLC		Elevation 3217'
	Surfac	e Location	

Range

32 20 S 27 E 1526 **NORTH** 255 WEST **EDDY** Ε Bottom Hole Location If Different From Surface East/West line UL or lot no 33 20 S 27 E 1980 **NORTH EAST EDDY** 100 Dedicated Acres Joint or Infill Order No. solidation Code 640.00

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.



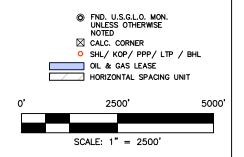


NAD 83 (FTP/PPP #1)
LATITUDE = 32.531914°
LONGITUDE = -104.311844°
NAD 27 (FTP/PPP #1)
LATITUDE = 32.531798°
LONGITUDE = -104.311333°
STATE PLANE NAD 83 (N.M. EAST)
N: 557241.49' E: 547960.06'
STATE PLANE NAD 27 (N.M. EAST)
N: 557180.96' E: 506780.14'

NAD 83 (PPP #2)
LATITUDE = 32.531910°
LONGITUDE = -104.307836°
NAD 27 (PPP #2)
LATITUDE = 32.531794°
LONGITUDE = -104.307325°
STATE PLANE NAD 83 (N.M. EAST)
N: 557240.43' E: 549195.43'
STATE PLANE NAD 27 (N.M. EAST)
N: 557179.88' E: 508015.47'

NAD 83 (LTP/BHL)	1
LATITUDE = 32.531719°	1
LONGITUDE = -104.278038°	1
NAD 27 (LTP/BHL)	1
LATITUDE = 32.531602°	ı
LONGITUDE = -104.277529°	1
STATE PLANE NAD 83 (N.M. EAST)	1
N: 557174.34' E: 558378.77'	1
STATE PLANE NAD 27 (N.M. EAST)	1
N: 557113.65' E: 517198.58'	1

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Form C-102
Revised August 1, 2011
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District Office

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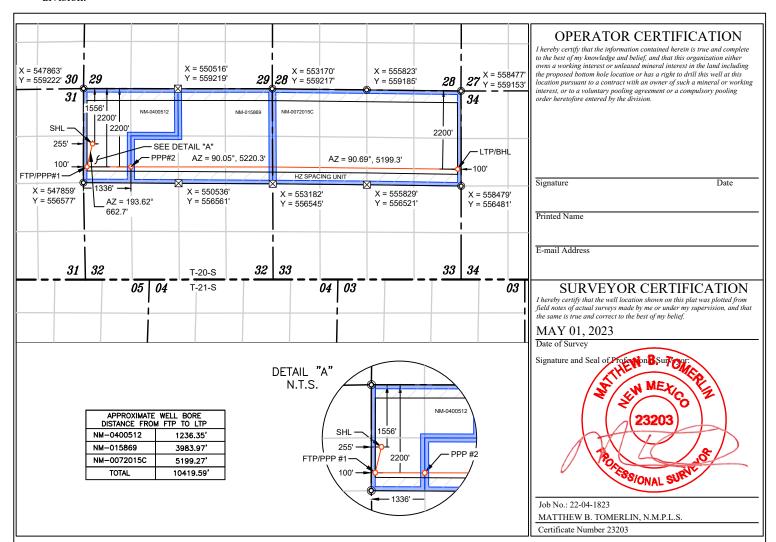
#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code ; 85: 3	Cxcmp=Dqpg'Urtkpi 'Rqqn	
Property Code	Property Name VENTURA 3233 FED COM		Well Number #303H
ogrid №. 54; 96:	Operator Name TASCOSA ENERGY PARTNERS, LLC		Elevation 3216'
	Surfac	e Location	

Range

32 20 S 27 E 1556 **NORTH** 255 WEST **EDDY** Ε Bottom Hole Location If Different From Surface East/West line UL or lot no 33 20 S 27 E 2200 **NORTH EAST EDDY** 100 Dedicated Acres Joint or Infill Order No. olidation Code 640.00

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.



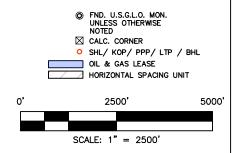
NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32.533079°
LONGITUDE = -104.311339°
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32.532963°
LONGITUDE = -104.310828°
STATE PLANE NAD 83 (N.M. EAST)
N: 557665.57' E: 548115.76'
STATE PLANE NAD 27 (N.M. EAST)
N: 557605.03' E: 506935.84'

NAD 83 (FTP/PPP #1)
LATITUDE = 32.531309°
LONGITUDE = -104.311846°
NAD 27 (FTP/PPP #1)
LATITUDE = 32.531193°
LONGITUDE = -104.311335°
STATE PLANE NAD 83 (N.M. EAST)
N: 557021.49' E: 547959.72'
STATE PLANE NAD 27 (N.M. EAST)
N: 556960.97' E: 506779.79'

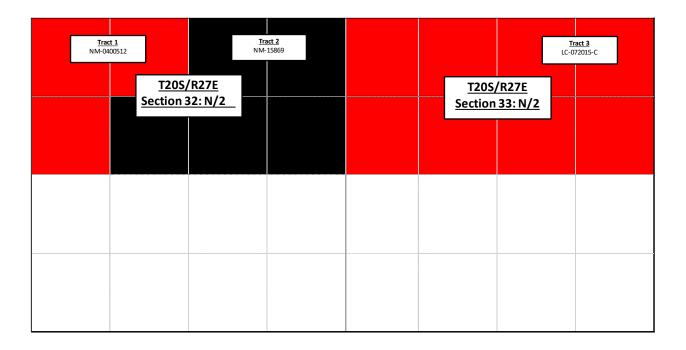
NA	D 83 (PPP #2)
	FITUDE = 32.531305° NGITUDE = -104.307834°
NA	D 27 (PPP #2)
LA	FITUDE = 32.531189°
LO	NGITUDE = -104.307323°
STA	TE PLANE NAD 83 (N.M. EAST)
N: :	57020.43' E: 549196.07'
	TE PLANE NAD 27 (N.M. EAST)
N: :	556959.89' E: 508016.11'

NAD 83 (LTP/BHL)	٦
LATITUDE = 32.531114°	1
LONGITUDE = -104.278038° NAD 27 (LTP/BHL)	4
LATITUDE = 32.530997°	┨
LONGITUDE = -104.277529°	ı
STATE PLANE NAD 83 (N.M. EAST)	
N: 556954.32' E: 558378.93'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 556893.64' E: 517198.73'	1

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# Ventura 3233 State Com N/2 Unit The North Half (N/2) of Section 32 & 33, Township 20 South, Range 27 East Eddy County, New Mexico



Tascosa Energy Partners, LLC Case No. 23435 Exhibit A- 3

#### Le Mans 3233 State Com N/2 Unit The North Half (N/2) of Section 32 & 33, Township 20 South, Range 27 East Eddy County, New Mexico

#### N/2 Unit Working Interest

Total	100.000000%
Brooks Oil &Gas Interest, Ltd.	<u>0.112500%</u>
Tascosa Energy Partners, LLC	6.666797%
Robertson Resources, Inc.	5.484375%
Fasken Land and Minerals, Ltd.	5.512500%
Canyon Draw Resources, LLC	82.223828%

#### Tract 1 - N/2NW/4 & SW/4NW/4 of Section 32-T20S-R27E

Total	100.000000%
Brooks Oil &Gas Interest, Ltd.	<u>0.600000%</u>
Tascosa Energy Partners, LLC	3.056250%
Robertson Resources, Inc.	29.250000%
Fasken Land and Minerals, Ltd.	29.400000%
Canyon Draw Resources, LLC	37.693750%

#### Tract 2 - NE/4 & SE/4NW/4 of Section 32-T20S-R27E

Total	100.000000%
Tascosa Energy Partners, LLC	<u>7.500000%</u>
Canyon Draw Resources, LLC	92.500000%

#### Tract 33- N/2 of Section 33-T20S-R27E

Canyon Draw Resources, LLC	92.500000%
Tascosa Energy Partners, LLC	7.500000%

Total 100.000000%

#### **Pooling Notification list**

#### **Working Interest Owners**

Brooks Oil & Gas Interest Ltd. 2100 Castleford Rd., Apt. 312 Midland, Texas 79705

Robertson Resources, Inc. P.O. Box 9415 Midland, Texas 79708

Fasken Land and Minerals, Ltd. 6101 Holiday Hill Rd. Midland, Texas 79707

Canyon Draw Resources, LLC 1999 Bryan St., Suite 900 Dallas, Texas 75201

Tascosa Energy Partners, LLC 901 W. Missouri Avenue Midland, Texas 79701

<sup>\*\*</sup>Parties seeking to be pooled are highlighted in yellow.



PERMIAN OFFICE P.O. BOX 11231 • MIDLAND, TX 79702 (432) 413-9218

MID-CONTINENT OFFICE P.O. BOX 134 • AMARILLO, TX 79105 (806) 358-3648

TASCOSA-LAND.COM

December 19, 2022

VIA CERTIFIED MAIL, RETURN RECEIPT ARTICLE # 7021 2720 0002 6546 1199

Brooks Oil & Gas Interest Ltd. 2100 Castleford Rd., Apt. 312 Midland, Texas 79705

#### RE: WELL PROPOSALS

Ventura 3233 Fed Com #301H Ventura 3233 Fed Com #201H Ventura 3233 Fed Com #602H Ventura 3233 Fed Com #202H Ventura 3233 Fed Com #303H Eddy County, New Mexico

Dear Working Interest Owner,

On behalf of Tascosa Energy Partners, LLC (herein referred to as "Tascosa"), we would like to inform you that Tascosa proposes to drill the following wells located in the referenced sections in order to sufficiently and effectively test the 2nd Bone Spring and 3rd Bone Spring formations. Further, the details and specifications of the herein proposed 2nd Bone Spring and 3rd Bone Spring wells are as follows:

#### Well Name:

Approx. Surface Location: Approx. Terminus:

Objective:

Approx. Total Vertical Depth:
Approx. Total Measured Depth:

Dry Hole Costs:

Completed Well Costs:

Total Well Costs:

#### Well Name:

Approx. Surface Location: Approx. Terminus:

#### Ventura 3233 Fed Com #301H

1,260 FNL & 250 FWL (D-32-20S-27E) 440 FNL & 100 FEL (A-33-20S-27E)

3rd Bone Spring

8,050'

18,008'

\$3,408,836.00 \$11,578,889.00

\$15,285,258.00

#### Ventura 3233 Fed Com #201H

1,290 FNL & 250 FWL (D-32-20S-27E) 660 FNL & 100 FEL (A-33-20S-27E)

> Tascosa Energy Partners, LLC Case No. 23435 Exhibit A-4

Objective: 2nd Bone Spring

Approx. Total Vertical Depth: 6,810'
Approx. Total Measured Depth: 16,722'

 Dry Hole Costs:
 \$3,408,836.00

 Completed Well Costs:
 \$11,578,889.00

 Total Well Costs:
 \$15,285,258.00

Well Name: Ventura 3233 Fed Com #602H

 Approx. Surface Location:
 1,320 FNL & 250 FWL (E-32-20S-27E)

 Approx. Terminus:
 1,320 FNL & 100 FEL (H-33-20S-27E)

Objective: 3rd Bone Spring

Approx. Total Vertical Depth: 8,200 Approx. Total Measured Depth: 17,923'

 Dry Hole Costs:
 \$3,408,836.00

 Completed Well Costs:
 \$11,578,889.00

 Total Well Costs:
 \$15,285,258.00

Well Name: Ventura 3233 Fed Com #202H

 Approx. Surface Location:
 1,350 FNL & 250 FWL (E-32-20S-27E)

 Approx. Terminus:
 1,980 FSL & 100 FEL (H-33-20S-27E)

Objective: 2nd Bone Spring

Approx. Total Vertical Depth: 6,810'
Approx. Total Measured Depth: 16,739'

 Dry Hole Costs:
 \$3,408,836.00

 Completed Well Costs:
 \$11,578,889.00

 Total Well Costs:
 \$15,285,258.00

Well Name: Ventura 3233 Fed Com #303H

 Approx. Surface Location:
 1,380 FSL & 250 FWL (E-32-20S-27E)

 Approx. Terminus:
 2,200 FNL & 100 FEL (H-33-20S-27E)

Objective: 3rd Bone Spring

Approx. Total Vertical Depth: 8,050'
Approx. Total Measured Depth: 18,002'

 Dry Hole Costs:
 \$3,408,836.00

 Completed Well Costs:
 \$11,578,889.00

 Total Well Costs:
 \$15,285,258.00

Enclosed, please find in duplicate our detailed AFEs for your review. Should you wish to participate in Tascosa's proposed tests, please signify your acceptance by returning (1) copy of each executed election ballot and (1) copy of each executed AFE, along with your well information requirement form. If you do not wish to participate in the proposed wells, Tascosa is willing to discuss an acquisition of your interest, subject to final management approval and contingent on reaching mutually satisfactory terms.

If we do not reach an agreement within thirty (30) days from the date of this letter, Tascosa will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well(s). Please reach out to me at the email address below if you are interested in this option.

Should you have any further questions, please contact me at <u>j.shoberg@tascosa-land.com</u>. Sincerely,

TASCOSA LAND RESOURCES, LLC

John Shoberg Landman

#### Tascosa Energy Partners, LLC.

		ION FOR EXPENDI			
AFE Title/Number					
Well Name & No: Ventura DSU #301, #602, #303, #604, #305, #606, #201H, #202H, #203H		, #204 & #205	Field: Avalon Bone Springs		
State: New Mexico		******	County: Eddy	*****	
Exploratory:	Devel	opment: X	Oil: X	GAS	
Proposed Formation: 3rd BS & 2nd BS (2.0 mile)			Proj TD: 17500' MD;	± 7,566'-7,806 TVD	
Description:					
*****************	* **** *	******	* *******	*******	
INTANGIBLE COSTS		BCP	ACP	TOTAL COST	
		Dry Hole	Completion	60	
TITLE OPINION/CURATIVE/LAND/LEGAL	++	\$50,000	\$0	\$0 \$50,000	
SURVEYING / STAKE LOCATION		\$10,000	\$0	\$10,000	
CONTRACT SERVICES & EQUIPMENT		\$0 \$23,545	\$514,000 \$15,000	\$514,000 \$38,545	
ROADS, LOCATION, PITS, LINERS, DAMAGES  DRILLING - FOOTAGE or TURNKEY	+-+	\$23,343	\$13,000	\$0	
DRILLING/COMPLETION - DAYWORK		\$800,000	\$0	\$800,000	
RIG MOVE-IN & RIG MOVE OUT  DRILLING MUD, CHEMICALS, COMPLETION FLUID	+-+	\$77,273 \$460,200	\$662,500	\$77,273 \$1,122,700	
WATER		\$6,750	\$0	\$6,750	
BITS	1	\$80,000 \$450,000	\$0 \$0	\$80,000 \$450,000	
DIRECTIONAL DRILLING SERVICES FUEL		\$243,000	\$344,500	\$587,500	
CEMENT-MISCELLANEOUS		\$0	\$0	\$0	
CEMENTING SURFACE	+	\$29,960 \$32,100		\$29,960 \$32,100	
CEMENTING INTERMEDIATE CEMENTING PRODUCTION	+	\$0	\$110,000	\$110,000	
TUBULAR SERVICES INSPECT AND TOOLS		\$30,000	\$10,000 \$20,000	\$40,000 \$40,000	
CASING CREWS / PU LD MACHINE TESTING: DST & COMPLETION	+	\$20,000 \$0	\$20,000	\$0	
OPEN HOLE LOGGING / CORES		\$0		\$0	
MUD LOGGING		\$30,000 \$78,500	\$337,200	\$30,000 \$415,700	
WELDING _CONTRACT LABOR EQUIPMENT RENTAL		\$279,100	\$757,500	\$1,036,600	
CLOSED LOOP MUD SYSTEM		\$94,500	205.000	\$94,500 \$170,000	
TRUCKING, TRANSPORTATION, FORKLIFT COMPLETION UNIT/REVERSE PKG/Snubbing unit	+-+	\$75,000	\$95,000 \$231,000	\$231,000	
FORMATION STIMULATION			\$2,120,000	\$2,120,000	
WIRELINE SERVICES		\$15,000 \$26,500	\$265,000 \$10,000	\$280,000 \$36,500	
GEOLOGIC / ENGINEERING/SERVICES WELL SITE CONSULTANT	+	\$96,100	\$236,500	\$332,600	
INSURANCE		\$5,000	\$0	\$5,000 \$30,000	
MISCELLANEOUS MUD DISPOSAL/HAULOFF	+	\$30,000 \$100,000	\$0 \$65,000	\$165,000	
PLUGGING			\$0	\$0	
SPECIAL SERVICES		\$33,500	\$4,050 \$3,500	\$37,550 \$3,500	
PERMANENT PACKER/CASING PACKERS  ADMINISTRATIVE OVERHEAD	+-	\$9,800	\$9,800	\$19,600	
CONTINGENCY 7%		\$223,008	\$406,739	\$9,626,125	
TOTAL INTANGIBLES		\$3,408,836	\$6,217,289	\$3,020,120	
TANGIBLE COSTS					
		BCP	ACP	\$26,500.00	
CONDUCTOR CASING SURFACE CASING	+-	\$26,500 \$34,240		\$34,240.00	
ELECTRIFYING WELL			\$150,000	\$150,000.00	
INTERMEDIATE CASING		\$182,328 \$0	\$0	\$182,328.00 \$0.00	
LINER HANGER & ACCESSORIES COMPRESSOR	+	\$0	\$0	\$0.00	
CONSTRUCTION LABOR CAPITALIZED			\$0	\$0.00 \$687,582,00	
PRODUCTION CASING / LINER	+-		\$687,582 \$105,000	\$105,000.00	
METER STATION _Metering equipment_LACT TUBING			\$84,622	\$84,621.60	
WELLHEAD EQUIPMENT		\$20,000	\$25,000 \$30,000	\$45,000.00 \$30,000.00	
SURFACE LIFT & PRIME MOVER & Engines RODS AND PUMP-subsurface equipment	+-		\$30,000	\$0.00	
PACKERS, BP'S, DOWNHOLE EQUIPMENT "Sales"		\$0	\$66,250	\$66,250.00	
GAS PRODUCTION EQUIPMENT SEPARATOR, Free Wtr KO	+		\$0 \$638,582	\$0.00 \$638,581.58	
FLOWLINES, VALVES, CONNECTIONS		\$5,000	\$0	\$5,000.00	
TANKS (Water and Production)			\$700,000 \$0	\$700,000.00 \$0.00	
DEHYDRATORS/COALESCERS PIPELINES OIL,WTR,GAS	+		\$1,450,000	\$1,450,000.00	
MISCELLANEOUS EQUIPMENT		\$0	\$896,500	\$896,500.00 \$15,000.00	
TREE & PUMPING TEE EQUIPMENT HEATER/HTRTRTR/COMBUSTER	+		\$15,000 \$137,306	\$137,306.12	
Float Equipment, Casing Hardware, ECP, Stg tools		\$10,000	\$25,000		
CONTINGENCY (7%)	-	\$19,465 \$297,533	\$350,759 \$5,361,600	\$5,659,132.95	
SINGLE HZ WELL: D&C ONLY	+	\$237,555	\$0,001,000	\$10,370,868	
SINGLE HZ WELL + CTB TOTAL	_	\$3,706,369	\$11,578,889	\$15,285,258	
TOTAL AFE: 11 WELLS + CTB	*	\$6,766,666	<b>VIII, SI SI SI</b>	\$118,993,935	
Tascosa Energy Partners, LLC		Date Prepared:	11/30/2022	_	
		200000000000000000000000000000000000000			
We approve / disapprove:		Company: Brooks Oil	& Gas Interest, Ltd.		
		Ву:			
TEP Approval					
Land:					

Pres.:\_

Name/Address	<u>Date</u> <u>Mailed</u>	<u>Date</u> <u>Delivered</u>	<u>30</u> Calendar Days	<u>Comments</u>	<u>Election</u>
Brooks Oil & Gas Interest Ltd. 2100 Castleford Rd., Apt. 312 Midland, Texas 79705	12/19/2022	12/23/2022	1/22/2023	Harry Ramsey-President bogilpaz@gmail.com 970-284-2970 (summer) 970-775-8784 (winter) 1/9/2023 submitted well proposal ballot choosing to NOT participate	Elected not to Participate/ Pool
Robertson Resources, Inc. P.O. Box 9415 Midland, Texas 79708	12/19/2022	12/23/2022	1/22/2023	Phillip Robertson phillip@rresources.net 432-688-5106 1/6/2023 submitted executed AFEs	Participate
Fasken Land and Minerals, Ltd. 6101 Holiday Hill Rd. Midland, Texas 79707	12/19/2022	12/23/2022	1/22/2023	Mike Wallace - 432-687-1777 mwallace@forl.com  12/21/2022 Replied to initial email from Mike Wallace. 1/4/2023 Replied to email requesting additional AFE information and clarification. 1/10/2023 Additional reply to clarification on proposals. 3/13/2023 Correspondence from Mike Wallace stating they do not want to be pooled and requested JOA. 3/22/2023 emailed JOA to Mike Wallace. 3/23/2023 Clarification on Exhibit A of JOA. 4/6/2023 Emailed w/ Mike discussing proposed changes to JOA. 4/17/2023 Emailed about proposed changes to JOA. 4/27/2023 Proposed new JOA agreed to by other interest owner. 5/1/2023 Mike reviewing new JOA. 5/10/2023 Clarified points of the JOA. Mike believed they would execute. 5/15/2023 Followed up on JOA execution/ will likely execute JOA. 5/16/2023 Executed JOA	Particiapte
Tascosa Energy Partners, LLC 901 W. Missouri Ave. Midland, Texas 79701	N/A	N/A	N/A	Operator	Participate

Tascosa Energy Partners, LLC Case No. 23435 Exhibit A-5 Canyon Draw Resources, LLC 1999 Bryan St., Suite 900 Dallas, Texas 75201

N/A N/A N/A

Participate

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

APPLICATION OF TASCOSA ENERGY PARTNERS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

**CASE NO. 23435** 

#### SELF-AFFIRMED STATEMENT OF HELDER ALVAREZ

- 1. I am the Geological Consultant at Tascosa Energy Partners, LLC ("Tascosa") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record.
  - 2. I am familiar with the geological matters that pertain to the above-referenced case.
- 3. **Exhibit B-1** is a regional locator map that identifies the Ventura project area for the Bone Spring horizontal spacing unit that is the subject of this application.
- 4. Exhibit B-2 is a cross section location map for the proposed horizontal spacing unit within the Bone Spring formation. The approximate wellbore paths for the proposed Ventura 3233 Fed Com #301H, Ventura 3233 Fed Com #201H, Ventura 3233 Fed Com #602H, Ventura 3233 Fed Com #202H, and Ventura 3233 Fed Com #303H wells ("Wells") are represented by dashed lines. This map identifies a line of cross-section running from A-A' and includes the cross-section well names.
- 5. Exhibit B-3 is a Bone Spring Structure map in TVD subsea with a contour interval of 50 ft. The map identifies the approximate wellbore path for the Ventura 3233 Fed Com #301H, Ventura 3233 Fed Com #201H, Ventura 3233 Fed Com #602H, Ventura 3233 Fed Com #202H, and Ventura 3233 Fed Com #303H proposed Bone Spring wells. It also identifies the

Tascosa Energy Partners, LLC Case No. 23435

location of the cross-section running from A-A' in proximity to the proposed wells. The map demonstrates the formation is gently dipping to the east-southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

- 6. **Exhibit B-4** is a structural cross-section that identifies four wells penetrating the targeted interval that I used to construct a structural cross-section from A to A'. The structural cross section from north to south shows the regional dip to the East-Southeast for Third Bone Spring Sand. I used these well logs because they penetrate the targeted interval, are of good quality, and are representative of the geology in the area. The target zone for the proposed wells is the Third Bone Spring formation, which is consistent across the units. The approximate well-path for the proposed wells is indicated by dashed line to be drilled from north to south across the units.
- 7. **Exhibit B-5** is a stratigraphic cross-section from A to A' using the representative wells identified on **Exhibit B-4**. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from north to south and is hung on the top of the Wolfcamp formation. The proposed landing zone for the Well is labeled on the exhibit. The approximate well-path for the proposed wells is indicated by a red dashed line to be drilled from north to south across the units. This cross-section demonstrates the target interval is continuous across the Unit.
- 8. Exhibit B-6 is a gun barrel diagram that shows the Ventura 3233 Fed Com #301H, Ventura 3233 Fed Com #201H, Ventura 3233 Fed Com #602H, Ventura 3233 Fed Com #202H, and Ventura 3233 Fed Com #303H well in the Bone Spring formation, along with wells that currently exist.

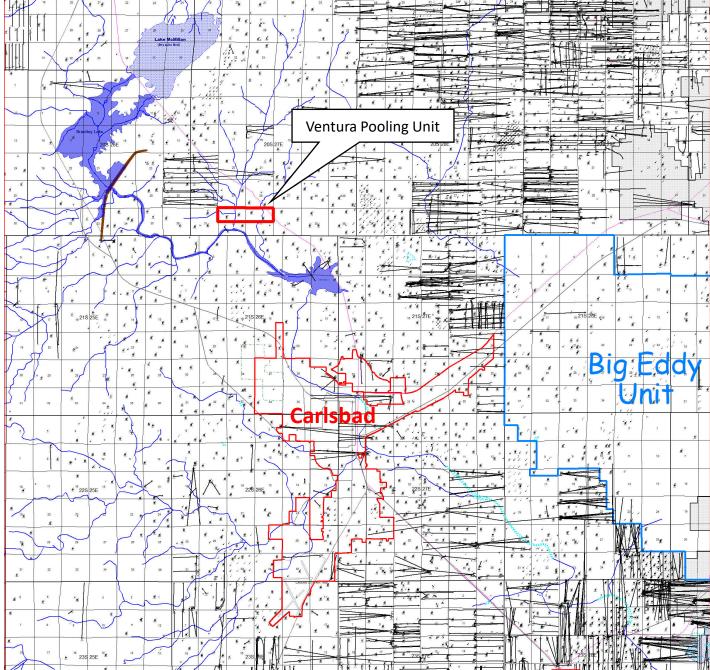
- 9. In my opinion, a laydown orientation for the Wells is appropriate to properly develop the subject acreage due to consistent rock properties throughout the Unit and the preferred fracture orientation in this portion of the trend.
- 10. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.
- 11. In my opinion, the granting of Tascosa's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 12. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.
- 13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.

Helder Alvarez

Date

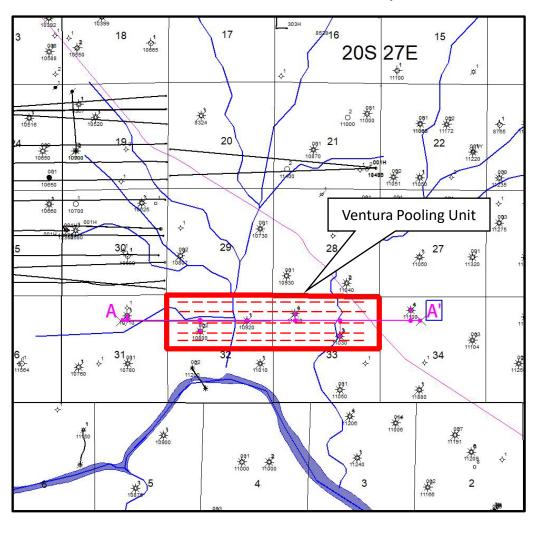
1/28/23

## Regional Locator Map



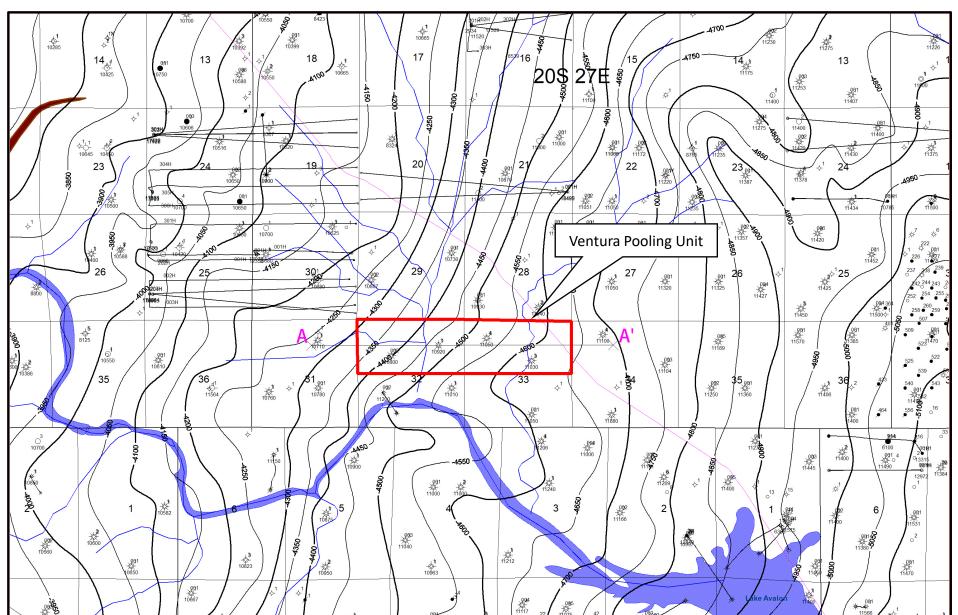
Tascosa Energy Partners, LLC Case No. 23435 Exhibit B-1

## **Cross Section Location Map**



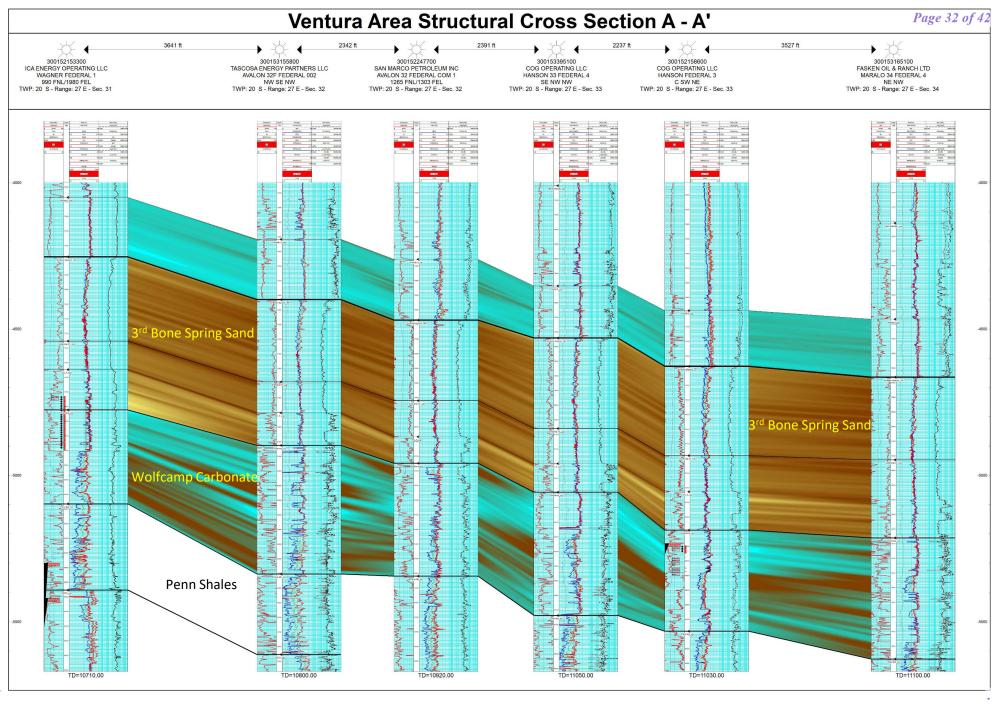
Tascosa Energy Partners, LLC Case No. 23435 Exhibit B-2

## 3<sup>rd</sup> Bone Spring Sand Structure Map



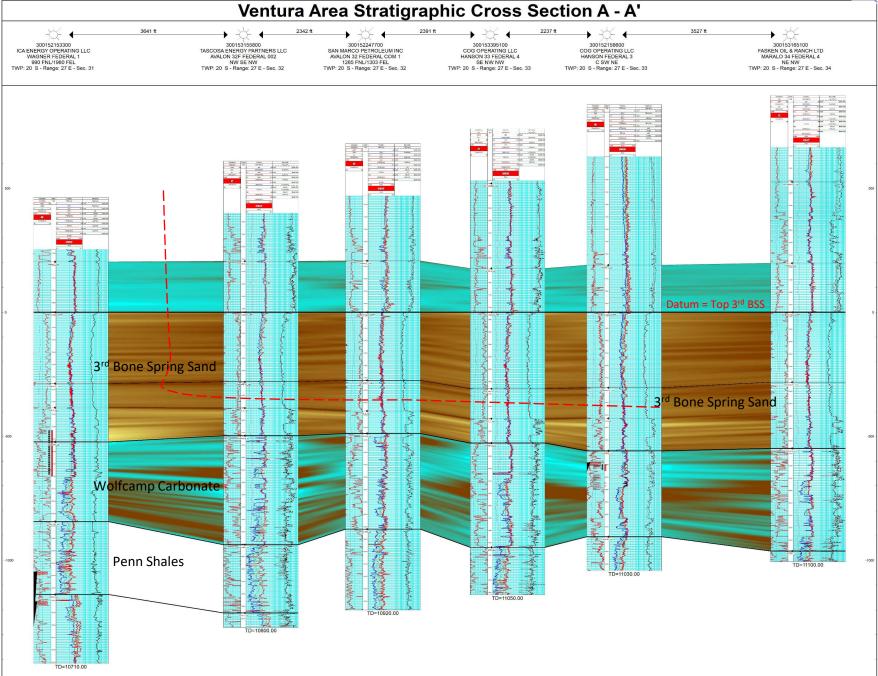
Tascosa Energy Partners, LLC Case No. 23435 Exhibit B-3

#### **Structural Cross Section**



Tascosa Energy Partners, LLC Case No. 23435 Exhibit B-4

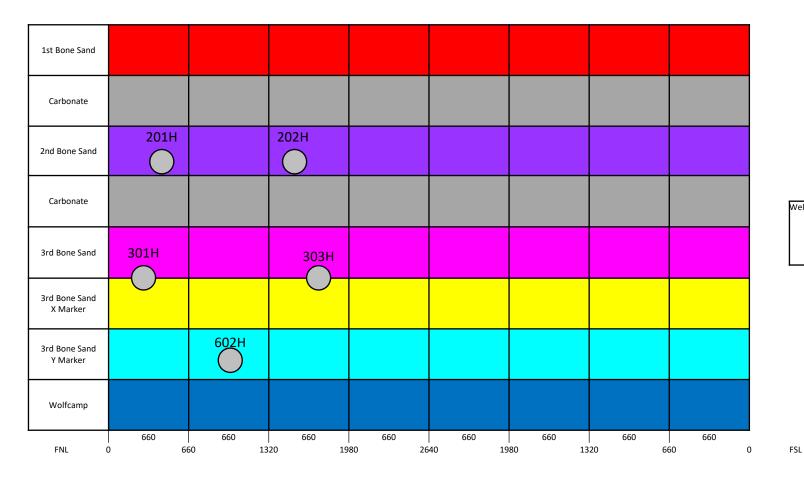
### Stratigraphic Cross Section



Tascosa Energy Partners, LLC Case No. 23435 Exhibit B-5

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## Gun Barrel Diagram



Well Spud Not Spud

Tascosa Energy Partners, LLC Case No. 23435 Exhibit B-6

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

APPLICATION OF TASCOSA ENERGY PARTNERS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

**CASE NO. 23435** 

#### SELF-AFFIRMED STATEMENT OF DANA S. HARDY

- I am attorney in fact and authorized representative of Tascosa Energy Partners,
   LLC, the Applicant herein.
- 2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit C-2**.
- 3. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received.
- 4. Copies of the certified mail green cards and white slips are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
- 5. On March 17, 2023, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit C-4**.
- 6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dana S. Hardy Dana S. Hardy May 16, 2023

Date

Tascosa Energy Partners, LLC Case No. 23435 Exhibit C



#### HINKLE SHANOR LLP

## P.O. BOX 2068

SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

March 10, 2023

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

#### TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 23435 – Application of Tascosa Energy Partners, LLC for Compulsory Pooling, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **April 6**, **2023** beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. 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.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<a href="https://www.apps.emnrd.nm.gov/OCD/OCDPermitting">https://www.apps.emnrd.nm.gov/OCD/OCDPermitting</a>) or via e-mail to ocd.hearings@emnrd.nm.gov 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.

Please contact John Shoberg, Landman for Tascosa Energy Partners, LLC, by phone at (432) 413-9218 if you have questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

Tascosa Energy Partners, LLC Case No. 23435 Exhibit C-1

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

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

APPLICATION OF TASCOSA ENERGY PARTNERS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

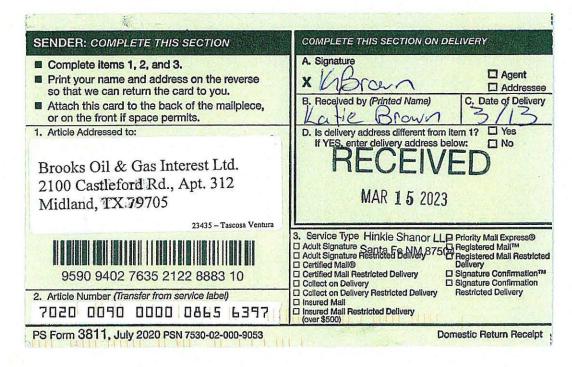
**Case No. 23435** 

#### **NOTICE LETTER CHART**

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Brooks Oil & Gas Interest Ltd.	03/10/23	03/15/23
2100 Castleford Rd., Apt. 312		
Midland, TX 79705		
COG Operating, LLC	03/10/23	03/21/23
600 W. Illinois Ave.		
Midland, TX 79701		
Fasken Land and Minerals, Ltd.	03/10/23	03/15/23
6101 Holiday Hill Rd.		
Midland, TX 79707		
Robertson Resources, Inc.	03/10/23	03/21/23
P.O. Box 9415		
Midland, TX 79708		

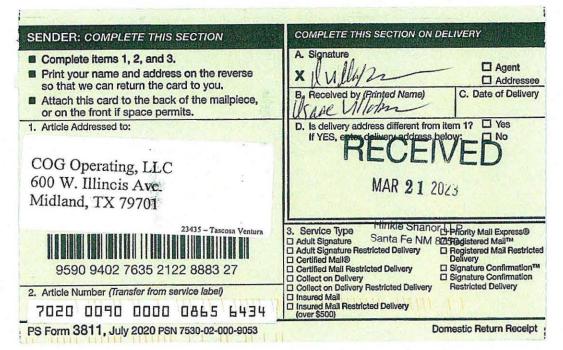
Tascosa Energy Partners, LLC Case No. 23435 Exhibit C-2



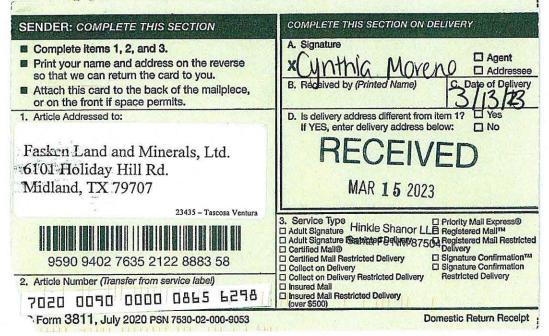


Tascosa Energy Partners, LLC Case No. 23435 Exhibit C-3













## Carlsbad Current Argus.

# Affidavit of Publication Ad # 0005628589 This is not an invoice

HINKLE SHANOR, LLP POBOX 2068

SANTA FE, NM 87504

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

03/17/2023

Subscribed and sworn before me this March 17, 2023:

Legal Clerk

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005628589 PO #: Tascosa OCD Case 23435 # of Affidavits 1

This is not an invoice

This is to notify all interested parties, including Brooks Oil & Gas Interest Ltd., Robertson Resources, Inc., Fasken Land and Minerals, rasken Land and Minerals, Ltd., COG Operating, LLC; and their successors and as-signs, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Tascosa Energy Partners, LLC (Case No. 23435). The hear-ing will be conducted remotely on April 6, 2023, beginning at 8:15 a.m. To par-ticipate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: https //www.emnrd.nm.gov/ocd/h earing-info/. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 640 -acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 32 and 33, Township 20 South, 33, Township 20 South, Range 27 East, Eddy County, Mexico. Applicant seeks to dedicate the Unit to seeks to dedicate the Unit to the following proposed wells ("Wells"): Ventura 3233 Fed Com #301H, #201H, and #602H wells, to be drilled from surface hole locations in the NW/4 NW/4 (Unit D) of Section 32, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 33, and the Ventura 3233 Fed Com #202H and #303H wells, to be drilled from sur-SW/4 NW/4 (Unit E) of Section 32, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 33. The completed intervals of the wells will be orthodox. The wells will be orthodox. The completed interval of the Ventura 3233 Fed Com #602H well will be located within 330' of the quarter-quarter section line separating the N/2 N/2 and 5/2 N/2 of Sections 32 and 33, Township 20 South, Range 27 East to allow for the creation of a 6/40-acre standard ation of a 640-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the alloca-tion of the costs, the desig-nation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 7 miles North-Northwest from Carlsbad, New Mexico. 562, Current Argus, 03/16/2023

Tascosa Energy Partners, LLC Case No. 23435 Exhibit C-4