BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING MARCH 21, 2024

CASE NO. 24230

TEA OLIVE 25-36-33 FED COM 104H WELL TEA OLIVE 25-36-33 FED COM 115H WELL TEA OLIVE 25-36-33 FED COM 124H WELL

LEA COUNTY, NEW MEXICO



Ameredev II, LLC

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

APPLICATION OF AMEREDEV OPERATING, LLC TO AMEND ORDER NO. R-21945, LEA COUNTY, NEW MEXICO.

CASE NO. 24230 ORDER NO. R-22864

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

APPLICATION OF AMEREDEV OPERATING, LLC TO AMEND ORDER NO. R-21945, LEA COUNTY, NEW MEXICO.

CASE NO. <u>24230</u> ORDER NO. R-22864

APPLICATION

Ameredev Operating, LLC ("Ameredev" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-22864 ("Order") to allow for an extension of time for completing the proposed initial wells drilled under the Order. In support of its application, Ameredev states:

1. Division Order No. R-22864, entered on September 11, 2023, in Case No. 23682, created a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 and W/2 E/2 of Sections 28 and 33, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Ameredev as operator of the Unit.

2. Order No. R-22864 further pooled the uncommitted interests in the Wolfcamp formation (Jal; Wolfcamp, West [33813]) in the Unit and dedicated the Unit to the proposed initial **Tea Olive Fed Com 25 36 33 104H** (API No. 30-025-50739), **Tea Olive Fed Com 25 36 33 104H** (API No. 30-025-50745), **Tea Olive Fed Com 25 36 33 105H** (API No. 30-025-50740), and **Tea Olive Fed Com 25 36 33 115H** (API No. 30-025-50742).

3. The **Tea Olive Fed Com 25 36 33 105H** (API No. 30-025-50740) was not drilled under the Order. The **Tea Olive Fed Com 25 36 33 104H** (API No. 30-025-50739) was drilled on April 27, 2023; the **Tea Olive Fed Com 25 36 33 115H** (API No. 30-025-50742) was drilled on <u>July 10, 2023;</u> and the **Tea Olive Fed Com 25 36 33 124H well** (API No. 30-025-50745) was drilled on <u>April 24, 2023</u>.

4. Applicant requests that Order No. R-22864 be re-opened and amended to allow Applicant additional time to complete the wells under the Order.

5. There is good cause for Applicant's request for an extension of time to complete the wells. Completion operations are delayed due to a force majeure event at the primary gas purchaser facility that the wells will tie into, thereby causing Ameredev to delay its intended plans to complete the wells as required by the Order.

6. Under the Order, Applicant would be required to complete each well no later than one year after the commencement of drilling the well; therefore, Ameredev asks for a year extension from the date of commencement of drilling each well.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 7, 2024, and, after notice and hearing as required by law, the Division enter an order extending the time for Ameredev to complete the proposed initial wells under the Order.

Respectfully submitted,

HOLLAND & HART LLP

attur By:

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208 Santa Fe, NM 87504 505-988-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com

ATTORNEYS FOR AMEREDEV OPERATING, LLC

CASE ____:

Application of Ameredev Operating, LLC to Amend Order No. R-23682, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of time to complete the wells drilled under Order No. R-22864. The Unit is comprised of the E/2 W/2 and W/2 E/2 of Sections 28 and 33, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Order No. R-22864 pooled the uncommitted interests in the Wolfcamp formation and dedicated the Unit to the proposed initial Tea Olive Fed Com 25 36 33 104H well (API No. 30-025-50739) to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 4, T26S-R36E, to a bottom hole location in the NE/4 NW/3 (Unit C) of Section 28, T25S-R36E; Tea Olive Fed Com 25 36 33 124H well (API No. 30-025-50745) to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 4, T26S-R36E, to a bottom hole location in the NE/4 NW/3 (Unit C) of Section 28, T25S-R36E; and Tea Olive Fed Com 25 36 33 115H well (API No. 30-025-50742) to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 4, T26S-R36E, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 28, T25S-R36E. Said area is located 5 miles southwest of Jal, New Mexico.

STATE OF NEW MEXICO Case No. 242 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY AMEREDEV OPERATING, LLC

CASE NO. 23682 ORDER NO. R-22864

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on August 17, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Ameredev Operating, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
- 22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 23. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

CASE NO. 23682 ORDER NO. R-22864 Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs that exceed the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

CASE NO. 23682 ORDER NO. R-22864

- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Date: 9/11/2023

DYLAN M FUGE DIRECTOR DMF/hat

CASE NO. 23682 ORDER NO. R-22864

Exhibit A

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS						
Case: 23682	APPLICANT'S RESPONSE					
Date	August 3, 2023					
Applicant	Ameredev Operating, LLC					
Designated Operator & OGRID (affiliation if applicable)	Ameredev Operating, LLC (OGRID No. 372224)					
Applicant's Counsel: Case Title:	Holland & Hart LLP APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.					
Entries of Appearance/Intervenors:	N/A					
Well Family	Tea Olive					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Wolfcamp Formation					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	N/A					
Pool Name and Pool Code:	Jal; Wolfcamp, West					
Well Location Setback Rules:	33813					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	640					
Building Blocks:	40 acres					
Orientation:	South to North					
Description: TRS/County	E/2 W/2 and W/2 E/2 of Sections 28 and 33, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico					
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes					
Other Situations						
Depth Severance: Y/N. If yes, description	No					
Proximity Tracts: If yes, description	Yes; the <u>Tea Olive Fed Com 25 36 33 124H</u> well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.					
Proximity Defining Well: if yes, description	See above BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Revised Exhibit No. A					
Applicant's Ownership in Each Tract	Exhibit C-2 Case No. 23862					

CASE NO. 23682 ORDER NO. R-22864

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	Tea Olive Fed Com 25 36 33 104H FTP: 100' FSL, 1,900' FWL (Unit N) of Section 33 LTP: 100' FNL, 1,900' FWL (Unit C) of Section 28 Target: Wolfcamp (oil) Orientation: South to North Completion: Standard Location
Well #2	Tea Olive Fed Com 25 36 33 124H FTP: 100' FSL, 2,545' FWL (Unit N) of Section 33 LTP: 100' FNL, 2,545' FWL (Unit C) of Section 28 Target: Wolfcamp (oil) Orientation: South to North Completion: Proximity Well
Well #3	Tea Olive Fed Com 25 36 33 105HFTP: 100' FSL, 2,125' FEL (Unit O) of Section 33LTP: 100' FNL, 2,125' FEL (Unit B) of Section 28Target: Wolfcamp (oil)Orientation: South to NorthCompletion: Standard Location
Well #4	Tea Olive Fed Com 25 36 33 115HFTP: 100' FSL, 1,500' FEL (Unit O) of Section 33LTP: 100' FNL, 1,500' FEL (Unit B) of Section 28Target: Wolfcamp (oil)Orientation: South to NorthCompletion: Non-Standard Location
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements	

CASE NO. 23682 ORDER NO. R-22864

Page 6 of 7

Pooled Parties (including ownership type)	Exhibit C-2
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-4
HSU Cross Section	Exhibit D-3, D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information prov	ided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	DAS 1

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CASE NO. 23682 ORDER NO. R-22864

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

APPLICATION OF AMEREDEV OPERATING, LLC TO AMEND ORDER NO. R-21945, LEA COUNTY, NEW MEXICO.

CASE NO. 24230 ORDER NO. R-22864

SELF-AFFIRMED STATEMENT OF LIZZY LAUFER

1. My name is Lizzy Laufer, and I am employed by Ameredev Operating, LLC ("Ameredev" or "Applicant") as a landman.

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

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

4. No party has indicated that it will oppose this case proceeding by self-affirmed statement and, therefore, I do not expect opposition at the hearing.

5. In **Case No. 24230**, Ameredev seeks an order to amend Order No. R-22864 ("Order") to allow for an extension of time for completing the proposed initial wells drilled under the Order. On September 11, 2023, the Division entered Order No. R-22864 in Case No. 23682 pooling the uncommitted interests in the Wolfcamp formation (Jal; Wolfcamp, West [33813]) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 and W/2 E/2 of Sections 28 and 33, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"). Ameredev is the designated operator under the Order and the pooled spacing

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: Ameredev Operating, LLC Hearing Date: March 21, 2024 Case No. 24230 unit is initially dedicated to the **Tea Olive Fed Com 25 36 33 104H** (API No. 30-025-50739), **Tea Olive Fed Com 25 36 33 #124H** (API No. 30-025-50745), **Tea Olive Fed Com 25 36 33 105H** (API No. 30-025-50740), and **Tea Olive Fed Com 25 36 33 115H** (API No. 30-025-50742).

6. The **Tea Olive Fed Com 25 36 33 105H** (API No. 30-025-50740) was not drilled under the Order. The **Tea Olive Fed Com 25 36 33 104H** (API No. 30-025-50739) was drilled on <u>April 27, 2023</u>; the **Tea Olive Fed Com 25 36 33 115H** (API No. 30-025-50742) was drilled on <u>July 10, 2023</u>; and the **Tea Olive Fed Com 25 36 33 124H** (API No. 30-025-50745) was drilled on April 24, 2023.

7. Applicant requests that Order No. R-22864 be re-opened and amended to allow Applicant additional time to complete the wells under the Order. There is good cause for Applicant's request for an extension of time to complete the wells. Completion operations are delayed due to a force majeure event at the primary gas treating facility that the wells will tie into, thereby causing Ameredev to delay its intended plans to complete the wells as required by the Order. Ameredev has been informed that the treating facility may return to service during the month of May 2024. Once the return to service date of the treating facility is known with certainty, Ameredev plans to contract with completion operations providers to begin completing the wells.

8. Under the Order, Applicant would be required to complete each well no later than one year after the commencement of drilling the well; therefore, Ameredev asks for a year extension from the date of commencement of drilling each well.

9. Ameredev Exhibit C-1 is an updated copy of the pooling exhibit from Case No. 23682. Ameredev reached voluntary agreement with Oxy Y-1 Company and Roy G. Barton Jr. and is no longer seeking to pool those parties. There are no other changes to the pooling exhibit.

10. The granting of this application will prevent waste and protect correlative rights.

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11. Ameredev Exhibit C-1 was either prepared by me or compiled under my direction and supervision, or contain company business records.

12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

E Jaufer

3/13/24

Date

Lizzy Laufer

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TEA OLIVE FED COM 25 36 33 124H- WOLFCAMP UNIT

W2E2 & E2W2 OF SECTIONS 28 & 33, T25S-R36E, LEA COUNTY, NM WELLS INCLUDED IN UNIT: TEA OLIVE FED COM 25 36 33 104H, 115H & 124H

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-1 Submitted by: Ameredev Operating, LLC Hearing Date: March 21, 2024 Case No. 24230

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LEASEHOLD OWNERSHIP IN TEA OLIVE FED COM 25 36 33 124H- WOLFCAMP UNIT W2E2 & E2W2 OF SECTIONS 28 &33, T25S-R36E, LEA COUNTY, NM						
LEASEHOLD OWNER	TR 1	TR 2	TR 3	TR 4	UNIT RECAP	
AMEREDEV NEW MEXICO, LLC	0.10924913	0.15800000	0.12500000	0.50000000	0.89224913	
TETON RANGE OPERATING, LLC	0.00436128	-	-	-	0.00436128	
CRP XII, LLC	0.00562136	-	-	-	0.00562136	
OXY Y-1 COMPANY	-	0.08000000	_	_	0.08000000	
WEST PECOS TRADING COMPANY, LLC	-	0.01200000	-	-	0.01200000	
ROY G. BARTON JR.	0.00260417	-	-	-	0.00260417	
JEREMY YOUNG (UMI)	0.00017857	-	-	-	0.00017857	
ANDREA NICHOLS (UMI)	0.00083705	-	-	-	0.00083705	
SUSAN R SAUNDERS (UMI)	0.00033482	-	-	-	0.00033482	
SANDRA RUTH KOVAL (UMI)	0.00027902	-	-	-	0.00027902	
SHERRIE LYNN PAYNE (UMI)	0.00027902	-	_	-	0.00027902	
DAVID NEWTON PAYNE, JR. (UMI)	0.00027902	-	-	-	0.00027902	
MARY KAY LUNDWALL (UMI)	0.00097656	-	-	-	0.00097656	

LEASEHOLD OWNERSHIP IN TEA OLIVE FED COM 25 36 33 124H- WOLFCAMP UNIT

1.00000000

PARTIES TO POOL	INTEREST TYPE
TETON RANGE OPERATING, LLC	
970 W Broadway Street E	
Jackson, WY 83002	WI
CRP XII, LLC	
6301 Waterford Blvd, Suite 215	
Oklahoma City, OK 73118	WI
JEREMY YOUNG	
2105 Kings Road	
Carrollton, TX 75007	UMI
JEREMY YOUNG	
1101 CherryTree Dr	
Arlington, TX 76001	UMI
ANDREA NICHOLS	
14100 Montford Drive Apt 1236	
Dallas, TX 75254	UMI
ANDREA NICHOLS	
1308 Francis Street	
Carrollton, TX 75006	UMI
SUSAN R. SAUNDERS	
9105 Shorelake Drive	
Missouri City, TX 77459	UMI

KEY: Parties highlighted in yellow remain pooled under NMOCD Order No. R-22864

SANDRA RUTH KOVAL	
16 Mangrove CT N	
Homosassa, FL 34446	UMI
SHERRIE LYNN PAYNE	
13051 Gran Bay Pkwy Unit 1101	
Jacksonville, FL 32258	UMI
SHERRIE LYNN PAYNE	
13290A Blueberry Lane Apt 101	
Fairfax, VA 22033	UMI
DAVID NEWTON PAYNE, JR.	
2300 Pimmit Drive Apt 404	
Falls Church, VA 22043	UMI
DAVIS NEWTON PAYNE, JR.	
2004 Macdowell Street	
Rockville, MD 20851	UMI
MARY KAY LUNDWALL	
2903 E 25th Ave Apt 402	
Spokane, WA 99223	UMI
MARY KAY LUNDWALL	
11222 WaterSpring Cir	
Jacksonville, FL 32256	UMI

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

APPLICATION OF AMEREDEV OPERATING, LLC TO AMEND ORDER NO. R-21945, LEA COUNTY, NEW MEXICO.

CASE NO. 24230 ORDER NO. R-22864

<u>SELF-AFFIRMED STATEMENT OF</u> <u>PAULA M. VANCE</u>

1. I am attorney in fact and authorized representative of Ameredev Operating, LLC ("Ameredev"), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of March 15, 2024.

5. I caused a notice to be published to all parties subject to this compulsory pooling proceeding. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below. BEFORE THE OIL CONSERVATION

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: Ameredev Operating, LLC Hearing Date: March 21, 2024 Case No. 24230

Pathur

Paula M. Vance

03/18/2024 Date



Paula M. Vance Associate Phone (505) 988-4421 Email pmvance@hollandhart.com

March 1, 2024

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Ameredev Operating, LLC to Amend Order No. R-22864, Lea County, New Mexico: *Tea Olive Fed Com 25 36 33 #104H, #115H, and #124H wells*

Ladies & Gentlemen:

This letter is to advise you that Ameredev Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on March 21, 2024, and the status of the hearing can be monitored through the Division's website at <u>https://www.emnrd.nm.gov/ocd/</u>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the 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 to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Lizzy Laufer at (737) 444-2997, or at llaufer@ameredev.com.

Sincerely,

Pathila

Paula M. Vance ATTORNEY FOR AMEREDEV OPERATING, 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

		Postal Delivery Report				
9414811898765404665521	Teton Range Operating, LLC	970 W Broadway Street E	Jackson	WY	83002	Your item was picked up at a postal facility at 11:00 am on March 6, 2024 in JACKSON, WY 83002.
9414811898765404665507	CRP XII, LLC	6301 Waterford Blvd Ste 215	Oklahoma City	ОК	73118-1126	Your item was delivered to an individual at the address at 2:53 pm on March 7, 2024 in OKLAHOMA CITY, OK 73118.
9414811898765404665545	Jeremy Young	2105 Kings Rd	Carrollton	ТХ	75007-3227	Your item was delivered to an individual at the address at 10:08 am on March 5, 2024 in CARROLLTON, TX 75007.
9414811898765404665583	Jeremy Young	1101 Cherrytree Dr	Arlington	ТХ	76001-7801	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765404665576	Andrea Nichols	14100 Montfort Dr Apt 1236	Dallas	TX	75254-3021	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765404662216	Andrea Nichols	1308 Francis St	Carrollton	тх	75006-7247	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.

Ameredev - Tea Olive Extension/Order R-22863 - Case no. 24230

Received by OCD: 3/19/2024 10:07:40 AM

	, includer	Postal Delivery Report		0		
9414811898765404662254	Susan R. Saunders	9105 Shorelake Dr	Missouri City	TX	77459-7561	Your item was delivered to an individual at the address at 1:25 pm on March 6, 2024 in MISSOURI CITY, TX 77459.
9414811898765404662261	Sandra Ruth Koval	16 Mangrove Ct N	Homosassa	FL	34446-4509	Your item was delivered to an individual at the address at 10:23 am on March 9, 2024 in HOMOSASSA, FL 34446.
9414811898765404662223	Sherrie Lynn Payne	13051 Gran Bay Pkwy Unit 1101	Jacksonville	FL	32258-6509	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765404662292	Sherrie Lynn Payne	13290A Blueberry Ln Apt 101	Fairfax	VA	22033-4143	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765404662247	Davis Newton Payne, Jr.	2300 Pimmit Dr Apt 404	Falls Church	VA	22043-2816	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

Ameredev - Tea Olive Extension/Order R-22863 - Case no. 24230

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Received by OCD: 3/19/2024 10:07:40 AM

		Postal Delivery Report	0.000			
9414811898765404662285	Davis Newton Payne, Jr.	2004 Macdowell St	Rockville	MD	20851-1574	Your item was delivered to an individual at the address at 11:34 am on March 6, 2024 in ROCKVILLE, MD 20851.
9414811898765404662230	Mary Kay Lundwall	2903 E 25th Ave Apt 402	Spokane	WA	99223-7602	Your item was delivered to the front desk, reception area, or mail room at 10:51 am on March 6, 2024 in SPOKANE, WA 99223.
9414811898765404662278	Mary Kay Lundwall	11222 Water Spring Cir	Jacksonville	FL	32256-9185	Your item was returned to the sender at 11:11 am on March 9, 2024 in JACKSONVILLE, FL 32256 because the forwarding order for this address is no longer valid.

Ameredev - Tea Olive Extension/Order R-22863 - Case no. 24230

Received by OCD: 3/19/2024 10:07:40 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 February 27, 2024 and ending with the issue dated February 27, 2024.

Publisher

Sworn and subscribed to before me this 27th day of February 2024.

eluthblack Business Manager

My commission expires January 29 2027 NEW MEXICO (Seal) NOTARY PUBLIC GUSSIE RUTH BLACK COMMISSION # 1087526 COMMISSION EXPIRES 01/29/2027

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 publication has been made. LEGAL NOTICE February 27, 2024

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. The hearings will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebExvirtual meeting platform (sign-in information below) on Thursday, March 21, 2024, beginning at 8:15 a.m. To participate in the hearings, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/cd/hearing-info/ or obtained from Sheila Apodaca, at Sheila.Apodaca@emnrd.nm.gov/Documents filed in these cases may be viewed at https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxillary aid or service to attend or participate in a hearing, contact Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than March 10, 2024.

> 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 affected interest owners, including: Teton Range Operating, LLC; CRP XII, LLC; Jeremy Young, his heirs and devisees; Andrea Nichols, her heirs and devisees; Susan R. Saunders, her heirs and devisees; Sandra Ruth Koval, her heirs and devisees; Sherrie Lynn Payne, her heirs and devisees; Davis Newton Payne, Jr., his heirs and devisees, and Mary Kay Lundwall, her heirs and devisees.

Case No. 24230: Application of Ameredev Operating, LLC to Amend Order No. R-23682, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of time to complete the wells drilled under Order No. R-22864. The Unit is comprised of the E/2 W/2 and W/2 E/2 of Sections 28 and 33, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Order No. R-22864 pooled the uncommitted interests in the Wolfcamp formation and dedicated the Unit to the proposed initial **Tea Olive Fed Com 25 36 33 104H** well (API No. 30-025-50739) to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 28, T25S-R36E; **Tea Olive Fed Com 25 36 33 124H** well (API No. 30-025-50745) to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 28, T25S-R36E; and **Tea Olive Fed Com 25 36 33 115H** well (API No. 30-025-50742) to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 24, T26S-R36E, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 28, T25S-R36E; and **Tea Olive Fed Com 25 36 33 115H well** (API No. 30-025-50742) to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 28, T25S-R36E; to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 28, T25S-R36E. Said area is located 5 miles southwest of Jal, New Mexico. #00287672

67100754

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208 00287672

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. E Submitted by: Ameredev Operating, LLC Hearing Date: March 21, 2024 Case No. 24230

Released to Imaging: 3/19/2024 12:01:07 PM