

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

**APPLICATION OF CIVITAS PERMIAN OPERATING,
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 24842

NOTICE OF AMENDED EXHIBITS

Civitas Permian Operating, LLC submits the attached amended exhibit packet which includes:

- Exhibit C – revised to address Exhibit C-4,
- Exhibit C-4 – additional affidavit of publication directed to Donald Woods and Nancy Carolyn Haley.

Respectfully submitted,

Civitas Permian Operating, LLC



Ocean Munds-Dry

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Attorneys for Civitas Permian Operating, LLC

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

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

CASE NO. 24842


EXHIBIT INDEX

Compulsory Pooling Checklist	
Exhibit A	Self-Affirmed Statement of Chad Matney
A-1	Application and Proposed Notice of Hearing
A-2	C-102s
A-3	Plat of Tracts, Ownership Interests, Applicable Lease Numbers, Unit Recapitulation
A-4	Sample Well Proposal Letter
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Shane Finegan
B-1	Regional Locator Map
B-2	Subsea Structure Map
B-3	Structural Cross-Section
Exhibit C	Self-Affirmed Statement of Michael Rodriguez
C-1	Sample Notice Letter to All Interested Parties sent on September 13, 2024
C-2	Chart of Notice to All Interested Parties
C-3	Affidavit of Publication from September 15, 2024
C-4	Affidavit of Publication from October 9, 2024

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

Case: 24842	APPLICANT'S RESPONSE
Date	October 31, 2024
Applicant	Civitas Permian Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Civitas Permian Operating, LLC (332195)
Applicant's Counsel:	Ocean Munds-Dry & Michael Rodriguez
Case Title:	APPLICATION OF CIVITAS PERMIAN OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	None
Well Family	Blue Marlin Fed Com
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 (Only if NSP is requested):	WC-025 G-08 S2535340;BONE SPRING [97088]
Well Location Setback Rules (Only if NSP is Requested):	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks:	quarter-quarter
Orientation:	Standup
Description: TRS/County	W/2 of Sections 18 and 19, Township 25 South, Range 36 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Y
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	Yes, the completed interval of the Blue Marlin Fed Com 112H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit.
Proximity Defining Well: if yes, description	Blue Marlin Fed Com 112H
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

	Blue Marlin Fed Com 111H (API # Pending) SHL: 258 FSL & 693 FWL (Unit M), S19-T25S-R36E BHL: 5 FNL & 330 FWL (Unit D), S18-T25S-R36E Completion Target: Bone Spring Completion status: Standard
Well 2	Blue Marlin Fed Com 112H (API # Pending) SHL: 283 FSL & 693 FWL (Unit M), S19-T25S-R36E BHL: 5 FNL & 1649 FWL (Unit C), S18-T25S-R36E Completion Target: Bone Spring Completion status: Standard
Horizontal Well First and Last Take Points	Exhibit A-4
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	8,500
Production Supervision/Month \$	850
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit A-3
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4

Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Michael Rodriguez
Signed Name (Attorney or Party Representative):	
Date:	October 3, 2024

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

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

CASE NO. 24842

SELF-AFFIRMED STATEMENT OF
CHAD MATNEY

1. I am employed by Civitas Permian Operating, LLC ("Civitas") as a Landman. I am over 18 years of age, 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 as an expert witness in petroleum land matters and my credentials were accepted as a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of the subject application and proposed hearing notice are attached as **Exhibit A-1**.

3. Civitas seeks an order pooling all uncommitted interests in the Bone Spring formation (WC-025 G-08 S2535340;BONE SPRING [97088]) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 18 and 19, Township 25 South, Range 36 East, Lea County, New Mexico (the "Unit").

4. Civitas is a working interest owner in the Unit and has the right to drill a well thereon.

5. Civitas seeks to dedicate the Unit to the following wells (the "Wells"):

a. Blue Marlin Fed Com 111H to be horizontally drilled with the first take point in the SW/4SW/4 (Unit M) of Section 19 and last take point in the NW/4NW/4 (Unit D) of Section 18, and

b. Blue Marlin Fed Com 112H to be horizontally drilled with the first take point in the SE/4SW/4 (Unit N) of Section 19 and last take point in the NE/4NW/4 (Unit C) of Section 18.

6. The producing area for the well is expected to be orthodox.

7. The completed interval for the Blue Marlin Fed Com 112H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit under Rule 19.15.16.15(B)(1)(b) NMAC.

8. **Exhibit A-2** contains the C-102 for the Well.

9. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also identifies any applicable lease numbers, a unit recapitulation, any unlocatable parties, and the interests Civitas seeks to pool highlighted in yellow.

10. Civitas conducted a diligent search of all county public records including phone directories and computer databases. Civitas also conducted internet searches to identify all potential addresses and contact information for each interest owner it seeks to pool.

11. Civitas has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but was unable to obtain voluntary agreements from all interest owners.

12. **Exhibit A-4** contains a sample well proposal letter that was sent to interest owners for the Well. The estimated costs reflected on the AFEs are fair, reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

13. In my opinion, Civitas 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**.


14. To allow Civitas 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 Civitas should be designated as operator of the Well and the Unit.

15. Civitas requests overhead and administrative rates of \$8,500 per month while the Well is being drilled, and \$850 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Civitas and other operators in the vicinity.

16. The attached exhibits were prepared by me or under my supervision or were compiled from company business records.

17. In my opinion, the granting of Civitas's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

18. I understand this Self-Affirmed Statement will be used as written testimony in this case. 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 next to my signature below.


Chad Matney

10/2/24
Date

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

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

CASE NO. 24842

APPLICATION

Civitas Permian Operating, LLC (“Civitas”), OGRID Number 332195, through its undersigned attorneys, submits to the Oil Conservation Division this application pursuant to the provisions of NMSA 1978, § 70-2-17 for an order pooling all uncommitted interests in the Bone Spring formation (WC-025 G-08 S253534O;BONE SPRING [97088]) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 18 and 19, Township 25 South, Range 36 East, Lea County, New Mexico (the “Unit”). In support of this application, Civitas states as follows:

1. Civitas is a working interest owner in the Unit and has the right to drill a well thereon.
2. Civitas seeks to dedicate the Unit to the following wells (the “Wells”):
 - a. Blue Marlin Fed Com 111H to be horizontally drilled with the first take point in the SW/4SW/4 (Unit M) of Section 19 and last take point in the NW/4NW/4 (Unit D) of Section 18, and
 - b. Blue Marlin Fed Com 112H to be horizontally drilled with the first take point in the SE/4SW/4 (Unit N) of Section 19 and last take point in the NE/4NW/4 (Unit C) of Section 18.
3. The producing area for the wells is expected to be orthodox.
4. The completed interval for the Blue Marlin Fed Com 112H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit under Rule 19.15.16.15(B)(1)(b) NMAC.
5. Civitas has sought and been unable to obtain voluntary agreement for the development

of these lands from all the interest owners in the Unit.

6. The pooling of all interests in the Unit will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

7. Approval of this application will allow Civitas to obtain its just and fair share of the oil and gas underlying the subject lands.

WHEREFORE, Civitas requests this application be set for hearing before an Examiner of the Oil Conservation Division on October 10, 2024, and after notice and hearing, the Division enter its order:

- a. Pooling all uncommitted interests in the Unit;
- b. Approving the Wells in the Unit;
- c. Designating Civitas as operator of the Unit and the Wells to be drilled thereon;
- d. Authorizing Civitas to recover its costs of drilling, equipping and completing the Wells;
- e. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- f. Setting a 200% charge for the risk involved in drilling and completing the Wells in the event a working interest owner elects not to participate in the Wells.

Respectfully submitted,

Civitas Permian Operating, LLC



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Attorneys for Civitas Permian Operating, LLC

CASE NO. _____: Application of Civitas Permian Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 18 and 19, Township 25 South, Range 36 East, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to Blue Marlin Fed Com 111H to be horizontally drilled with the first take point in the SW/4SW/4 (Unit M) of Section 19 and last take point in the NW/4NW/4 (Unit D) of Section 18, and Blue Marlin Fed Com 112H to be horizontally drilled with the first take point in the SE/4SW/4 (Unit N) of Section 19 and last take point in the NE/4NW/4 (Unit C) of Section 18. The completed interval for the Blue Marlin Fed Com 112H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs and the actual operating costs and charges for supervision, designation of Civitas as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 11 miles southwest of Jal, New Mexico.

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
	API Number	Pool Code	
	Property Code	Well Number	

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	97088	WC-025 G-08 S2535340;BONE SPRING
Property Code	Property Name	Well Number
	BLUE MARLIN FED COM	111H
OGRID No.	Operator Name	Ground Level Elevation
332195	CIVITAS PERMIAN OPERATING, LLC.	3074'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
M	19	25-S	36-E	-	258' S	693' W	N 32.1093170	W 103.3104799	LEA

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
D	18	25-S	36-E	-	5' N	330' W	N 32.1376678	W 103.3116542	LEA

Dedicated Acres	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidated Code
320	-	-	N	-
Order Numbers			Well Setbacks are under Common Ownership: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Kick Off Point (KOP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
M	19	25-S	36-E	-	50' S	330' W	N 32.1087415	W 103.3116540	LEA

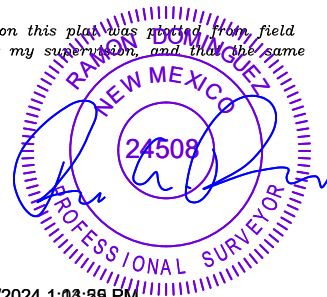
First Take Point (FTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
M	19	25-S	36-E	-	100' S	330' W	N 32.1088789	W 103.3116538	LEA

Last Take Point (LTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
D	18	25-S	36-E	-	100' N	330' W	N 32.1374066	W 103.3116541	LEA

Unitized Area or Area of Uniform Interest	Spacing Unity Type	Ground Floor Elevation
	<input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	3099'

OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		SURVEYORS CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
Signature	Date	9/19/2024 1:08:29 PM 	
Print Name	E-mail Address	Signature and Seal of Professional Surveyor	Date
		Certificate Number	Date of Survey
			05/05/2020

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
	Submittal Type:	<input type="checkbox"/> Initial Submittal		
		<input type="checkbox"/> Amended Report		
			<input type="checkbox"/> As Drilled	

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 97088	Pool Name WC-025 G-08 S2535340;BONE SPRING
Property Code	Property Name BLUE MARLIN FED COM	Well Number 112H
OGRID No. 332195	Operator Name CIVITAS PERMIAN OPERATING, LLC.	Ground Level Elevation 3074'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
M	19	25-S	36-E	-	283' S	693' W	N 32.1093856	W 103.3104795	LEA

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
C	18	25-S	36-E	-	5' N	1649' W	N 32.1376520	W 103.3073933	LEA

Dedicated Acres 320	Infill or Defining Well Y	Defining Well API -	Overlapping Spacing Unit (Y/N) N	Consolidated Code -
Order Numbers			Well Setbacks are under Common Ownership: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Kick Off Point (KOP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
N	19	25-S	36-E	-	50' S	1649' W	N 32.1087509	W 103.3073945	LEA

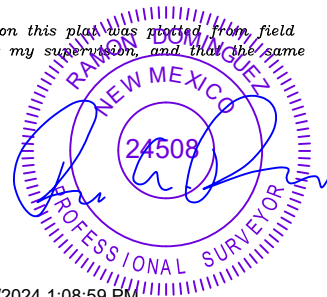
First Take Point (FTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
N	19	25-S	36-E	-	100' S	1649' W	N 32.1088883	W 103.3073943	LEA

Last Take Point (LTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
C	18	25-S	36-E	-	100' N	1649' W	N 32.1373908	W 103.3073932	LEA

Unitized Area or Area of Uniform Intrest	Spacing Unity Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation 3099'
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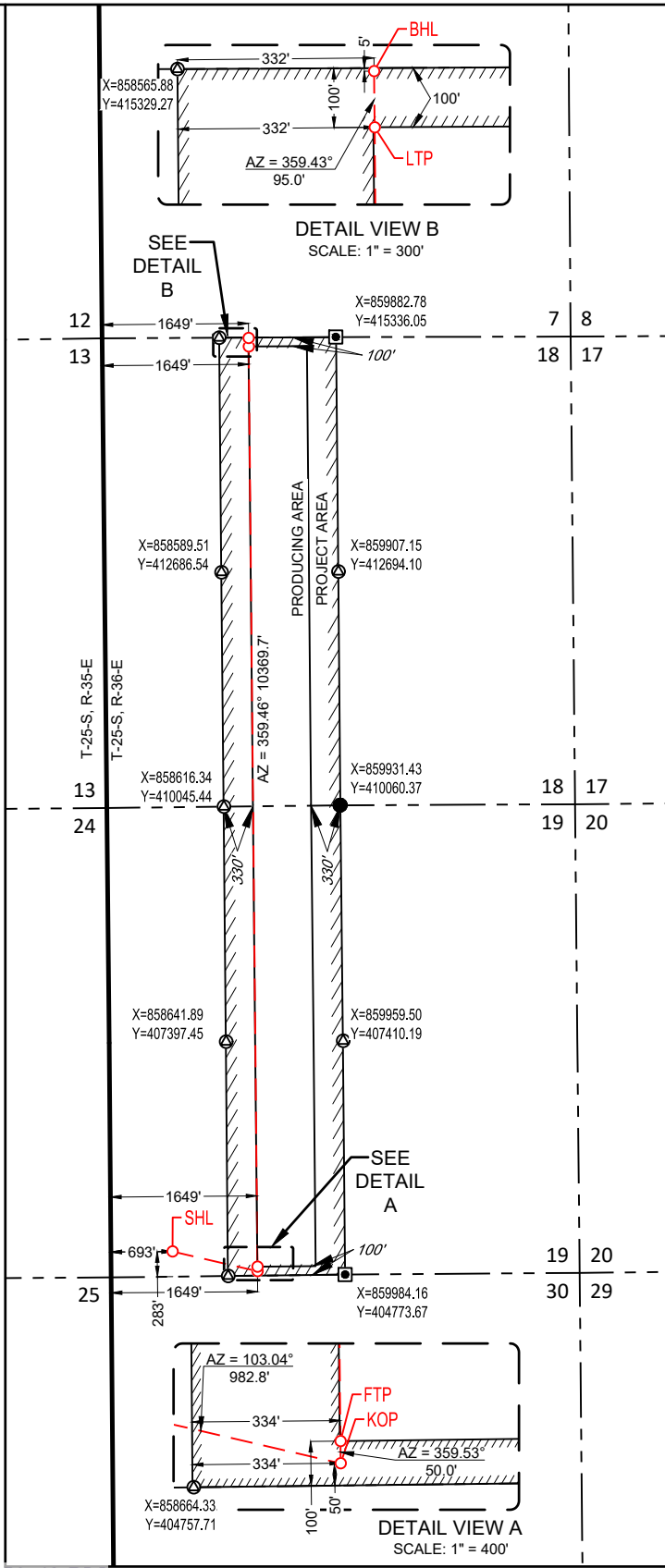
OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYORS CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>	
Signature _____ Date _____			
Print Name _____		Signature and Seal of Professional Surveyor _____ Date _____	
E-mail Address _____		Certificate Number _____ Date of Survey 05/05/2020	

<p>C-102</p> <p>Submit Electronically Via OCD Permitting</p>	<p>State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION</p>	<p>Revised July 9, 2024</p>		
		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%; vertical-align: top;"> <p>Submittal Type:</p> </td> <td> <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled </td> </tr> </table>	<p>Submittal Type:</p>	<input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
<p>Submittal Type:</p>	<input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled			
<p>Property Name and Well Number</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">BLUE MARLIN FED COM 112H</p>				

SURFACE LOCATION (SHL)
 NEW MEXICO EAST
 NAD 1983
 X=858040 Y=405034
 LAT.: N 32.1093856
 LONG.: W 103.3104795
 NAD 1927
 X=816853 Y=404975
 LAT.: N 32.1092585
 LONG.: W 103.3100178
 283' FSL 693' FWL

KICK OFF POINT (KOP)
 NEW MEXICO EAST
 NAD 1983
 X=858998 Y=404812
 LAT.: N 32.1087509
 LONG.: W 103.3073945
 NAD 1927
 X=817810 Y=404754
 LAT.: N 32.1086238
 LONG.: W 103.3069329
 50' FSL 1649' FWL

FIRST TAKE POINT. (FTP)
 NEW MEXICO EAST
 NAD 1983
 X=858997 Y=404862
 LAT.: N 32.1088883
 LONG.: W 103.3073943
 NAD 1927
 X=817810 Y=404804
 LAT.: N 32.1087613
 LONG.: W 103.3069327
 100' FSL 1649' FWL



LAST TAKE POINT. (FTP)
 NEW MEXICO EAST
 NAD 1983
 X=858899 Y=415231
 LAT.: N 32.1373908
 LONG.: W 103.3073932
 NAD 1927
 X=817712 Y=415172
 LAT.: N 32.1372639
 LONG.: W 103.3069302
 100' FNL 1649' FWL

BOTTOM HOLE LOCATION (BHL)
 NEW MEXICO EAST
 NAD 1983
 X=858898 Y=415326
 LAT.: N 32.1376520
 LONG.: W 103.3073933
 NAD 1927
 X=817711 Y=415267
 LAT.: N 32.1375250
 LONG.: W 103.3069303
 5' FNL 1649' FWL

SURVEYORS CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
 05/05/2020
 Date of Survey
 Signature and Seal of Professional Surveyor:

RAMON DOMINGUEZ
 NEW MEXICO
 24508
 PROFESSIONAL SURVEYOR

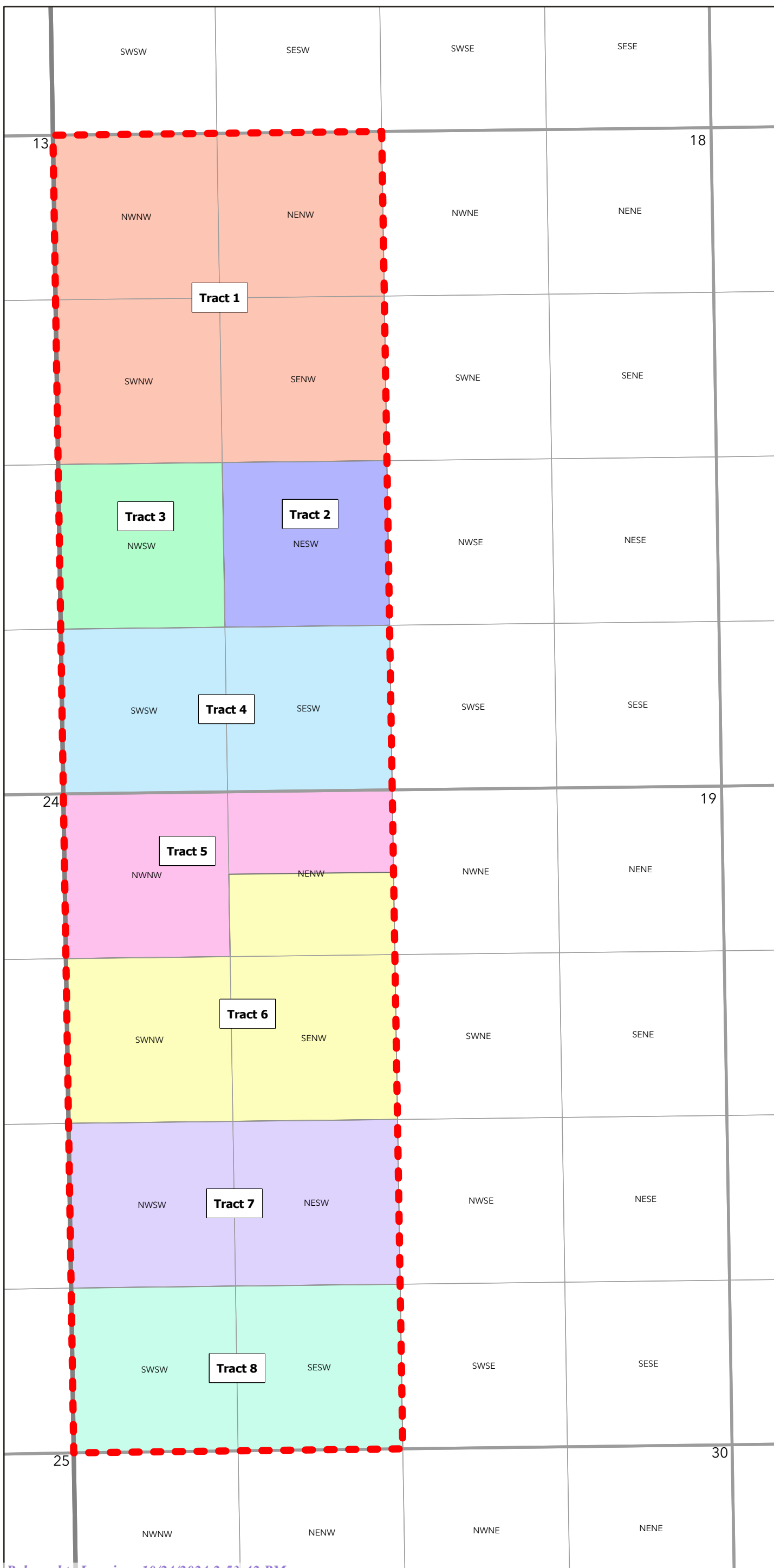
9/19/2024 1:10:10 PM

I:\SURVEY\OIL\RESOURCES\NEW MEXICO\BLUE MARLIN FED COM 112H\REV A\UPDATE\AM\BORNECK\9/19/2024\113.PLT

T25S - R36E - W/2 Sec 18 & 19

Civitas Permian Operating, LLC
Case No. 24842
Exhibit A-3

Blue Marlin



Tract 1
NMNM-127448
159.70 acres

Tract 2
Fee
40 acres

Tract 3
Fee
39.86 acres

Tract 4
Fee
79.88 acres

Tract 5
Fee
59.88 acres

Tract 6
Fee
99.90 acres

Tract 7
Fee
79.90 acres

Tract 8
Fee
79.92 acres

Pending Spacing Unit
639.04 acres total:
479.34 acres (Fee)
159.70 acres (Fed)



Tract #	Legal	Mineral Ownership Type	Lease Number	Owners
1	<u>T25S-R36E</u> Sec. 18: NW/4 Lea County, New Mexico	Federal	NMNM-127448	Civitas DE Basin Resources II, LLC
2	<u>T25S-R36E</u> Sec. 18: NE/4SW/4 Lea County, New Mexico	Fee	Fee	Civitas DE Basin Resources II, LLC Allar Development, LLC
3	<u>T25S-R36E</u> Sec. 18: NW/4SW/4 Lea County, New Mexico	Fee	Fee	Civitas DE Basin Resources II, LLC BR2 Holdings, LLC Franklin Mountain Royalty Investments, LLC Cayuga Royalties, LLC Prevail Energy, LLC
4	<u>T25S-R36E</u> Sec. 18: S2/4SW/4 Lea County, New Mexico	Fee	Fee	Civitas DE Basin Resources II, LLC Chevron USA Inc. Douglas A. Denton The Ohio State University
5	<u>T25S-R36E</u> Sec. 19: NW/4NW/4, N/2NE/4NW/4 Lea County, New Mexico	Fee	Fee	Civitas DE Basin Resources II, LLC
6	<u>T25S-R36E</u> Sec. 19: S/2NE/4NW/4 and S/2NW/4 Lea County, New Mexico	Fee	Fee	Civitas DE Basin Resources II, LLC BR2 Holdings, LLC Franklin Mountain Royalty Investments, LLC Cayuga Royalties, LLC Prevail Energy, LLC Pegasus Resources II, LLC
7	<u>T25S-R36E</u> Sec. 19: N/2SW/4	Fee	Fee	Civitas DE Basin Resources II, LLC BR2 Holdings, LLC

Lea County, New Mexico

Franklin Mountain Energy, LLC

Burlington Resources Oil & Gas Company, LP
 Davis Exploration, LLC
 Ameredev New Mexico, LLC
 Ameredev Texas, LLC
 Theodore A. Dittmer, Jr.
 Cayuga Royalties, LLC
 James Albert Watts
 Kassandra Dawn Dittmer
 St. Joseph Residence
 Nathan Allen Dittmer
 Prevail Energy, LLC
 Rowena Lynn Doss
 *Donald Woods
 *Nancy Carolyn Haley

8 T25S-R36E
 Sec. 19: S/2SW/4
 Lea County, New Mexico

Fee

Fee

Civitas DE Basin Resources II, LLC
 BR2 Holdings, LLC
 Franklin Mountain Energy, LLC

Davis Exploration, LLC
 Ameredev New Mexico, LLC
 Ameredev Texas, LLC
 Theodore A. Dittmer, Jr.
 Cayuga Royalties, LLC
 Kassandra Dawn Dittmer
 St. Joseph Residence
 Nathan Allen Dittmer
 Prevail Energy, LLC
 Rowena Lynn Doss
 *Donald Woods
 *Nancy Carolyn Haley

*unlocatable parties

Pooled parties indicated in yellow

Entity	Interest Type	Approximate Percentage
Civitas DE Basin Resources II, LLC	Working Interest	85.861324%
Allar Development, LLC	Working Interest	1.173635%
BR2 Holdings, LLC	Committed Mineral Interest	0.044924%
Franklin Mountain Energy, LLC	Working Interest	1.325386%
Davis Exploration, LLC	Uncommitted Working Interest	0.416823%
Ameredev New Mexico, LLC	Uncommitted Working Interest	0.004825%
Ameredev Texas, LLC	Uncommitted Working Interest	0.003039%
Burlington Resources Oil & Gas Company, LP	Unleased Mineral Interest	6.251565%
Chevron USA Inc.	Unleased Mineral Interest	3.125000%
Franklin Mountain Royalty Investments, LLC	Unleased Mineral Interest	0.389843%
Cayuga Royalties, LLC	Unleased Mineral Interest	0.089172%
Prevail Energy, LLC	Unleased Mineral Interest	0.061461%
Douglas A. Denton	Unleased Mineral Interest	0.625000%
Pegasus Resources II, LLC	Unleased Mineral Interest	0.244263%
Kassandra Dawn Dittmer	Unleased Mineral Interest	0.001351%
St. Joseph Residence	Unleased Mineral Interest	0.114627%
Nathan Allen Dittmer	Unleased Mineral Interest	0.001351%
Rowena Lynn Doss	Unleased Mineral Interest	0.003474%
Theodore A. Dittmer, Jr.	Unleased Mineral Interest	0.004053%
The Ohio State University	Unleased Mineral Interest	0.025000%
*Donald Woods	Unleased Mineral Interest	0.129678%
*Nancy Carolyn Haley	Unleased Mineral Interest	0.104206%
TOTAL:		100.000000%



555 17th Street, Suite 3700
 Denver, CO 80202
 (303) 293-9100 phone

Civitas Permian Operating, LLC
Case No. 24842
Exhibit A-4

August 8, 2024

Chevron USA Inc.
 PO BOX 731670
 Dallas, TX 75373-1670

RE: Horizontal Well Proposal –Bonespring Formation-Blue Marlin Fed Com 111H and 112H;
Horizontal Spacing Unit – W/2 of Section 18 and W/2 of Section 19, T-25 South, R-36 East
Lea County, New Mexico

Ladies and/or Gentlemen:

Please be advised that Civitas Permian Operating, LLC (“Civitas”) hereby proposes to drill, complete and equip each of the above referenced horizontal wells at the locations so indicated below. Enclosed you will find a detailed cost AFE for each of the referenced wells.

Well Name	SHL	BHL	FTP	LTP	TVD	MD	Formation
Blue Marlin Fed Com 111H	SW/4 Section 19, T25S-R36E	330 FWL and 10FNL Section 19, T25S-R36E	330 FWL and 100 FSL Section 18, T25S-R36E	330 FWL and 100 FNL Section 18, T25S-R36E	9,680	20,130	BS1S
Blue Marlin Fed Com 112H	SW/4 Section 19, T25S-R36E	1,649 FWL and 10FNL Section 19, T25S-R36E	1,649 FWL and 100 FSL Section 18, T25S-R36E	1,649 FWL and 100 FNL Section 18, T25S-R36E	9,680	20,130	BS1S

For those who elect to participate in the captioned horizontal wells, Civitas will provide an A.A.P.L. Form 610 – 1989 Model Form Operating Agreement, Horizontal Modifications (“Operating Agreement”), designating Civitas Permian Operating, LLC as Operator, covering the W/2 of Section 18 and W/2 of Section 19, T-25 South, R-36 East, N.M.P.M, Lea County, New Mexico, containing approximately 640 acres, more or less, covering the Bone Spring formation (“Contract Area”) with the following general provisions:

- 100/300 Non-Consenting Penalty;
- \$8,500/\$850 Drilling and Producing Rate; and
- Civitas Permian Operating, LLC named Operator.

In the interest of time, if we do not reach an agreement within 30 days of the date of this letter, Civitas will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a horizontal spacing unit for the proposed wells.

Please indicate your intention to either **participate or not participate** in the drilling, completion and equipping of each of the above referenced wells by placing an “X” in the appropriate spaces provided



555 17th Street, Suite 3700
Denver, CO 80202
(303) 293-9100 phone

below, and return one (1) executed copy of this letter and one (1) executed AFE for each well you have elected **to participate**. If you should desire not to participate in the drilling and completion of the wells herein proposed, Civitas is willing to discuss an alternative proposal to acquire your oil and gas interests and or lease your interest. Should you have any questions regarding this matter, please do not hesitate to contact Chad Matney by phone at (303) 551-5094 or by email at cmatney@civiresources.com.

Best Regards,

Chad Matney
Landman IV

Chevron USA Inc. elects to:

_____ participate in Black Marlin Fed Com 111H

_____ non-consent Black Marlin Fed Com 111H

_____ participate in Black Marlin Fed Com 112H

_____ non-consent Black Marlin Fed Com 112H

By: _____

Name: _____

Title: _____

Date: _____

End of Elections



555 17th Street, Suite 3700
Denver, CO 80202
(303) 293-9100 phone

August 27, 2024

Chevron USA Inc.
PO BOX 731670
Dallas, TX 75373-1670

**RE: Horizontal Well Proposal –Bonespring Formation-Blue Marlin Fed Com 111H and 112H;
Horizontal Spacing Unit – W/2 of Section 18 and W/2 of Section 19, T-25 South, R-36 East
Lea County, New Mexico**

Ladies and/or Gentlemen:

On August 8, 2024, the subject well proposal was sent to your attention. It has since been noted that there was a typo in the description for the BHL and FTP’s in the well table. Please see below for the updated well table associated with the proposals.

Well Name	SHL	BHL	FTP	LTP	TVD	MD	Formation
Blue Marlin Fed Com 111H	SW/4 Section 19, T25S-R36E	330 FWL and 10FNL Section 18, T25S-R36E	330 FWL and 100 FSL Section 19, T25S-R36E	330 FWL and 100 FNL Section 18, T25S-R36E	9,680	20,130	BS1S
Blue Marlin Fed Com 112H	SW/4 Section 19, T25S-R36E	1,649 FWL and 10FNL Section 18, T25S-R36E	1,649 FWL and 100 FSL Section 19, T25S-R36E	1,649 FWL and 100 FNL Section 18, T25S-R36E	9,680	20,130	BS1S

Should you have any questions regarding this matter, please do not hesitate to contact Chad Matney by phone at (303) 551-5094 or by email at cmatney@civiresources.com.

Best Regards,

Chad Matney
Landman IV

CIVITAS		Civitas Permian Operating, LLC AUTHORIZATION FOR EXPENDITURE				Date	August 8, 2024				
Well Name	Blue Marlin Fed COM 111H				Location:						
Target	1BSS					State	NM				
Lateral Length	10,200					County	Lea				
TVD	9,684					Section	19, 18				
MD	20,039					Township	25S				
Pad Well Count	2					Range	36E				
CTB Well Count	8										
INTANGIBLE WELL COSTS											
	Account Code Major	Account Code Minor	Concat.	Category	Comments	Drilling	Completion	Production	Facility	Total	
DRILLING	8305	101	8305.101	Location, Clean Up & Damages		150,000				150,000	
	8305	102	8305.102	Rig Move - MIRU, RDMO		60,000				60,000	
	8305	103	8305.103	Rig Contractor-Daywork/FT		735,000				735,000	
	8305	104	8305.104	Rig Contractor-Turnkey		-				-	
	8305	105	8305.105	Power & Fuel		42,875				42,875	
	8305	106	8305.106	Drill Fluids & Chemicals		243,000				243,000	
	8305	107	8305.107	Bits, Reamer, Stabilizers		85,000				85,000	
	8305	108	8305.108	Cement & Cementing Services		180,000				180,000	
	8305	109	8305.109	Mud Logging		9,625				9,625	
	8305	110	8305.110	Open Hole Logging		-				-	
	8305	111	8305.111	Csg Crews & Tools-Drive Hammer		30,000				30,000	
	8305	112	8305.112	Directional Tools & Service		238,750				238,750	
	8305	115	8305.115	Tubular Inspection		25,000				25,000	
	8305	116	8305.116	Equipment Rentals		189,875				189,875	
	8305	117	8305.117	Production Labor, Maintenance		75,000				75,000	
	8305	118	8305.118	Wellsite Consultants		100,800				100,800	
	8305	119	8305.119	Company Supervision & Labor		-				-	
	8305	120	8305.120	Transportation		30,000				30,000	
	8305	121	8305.121	Mud Cuttings & Water Disposal		37,852				37,852	
	8305	122	8305.122	Insurance		6,356				6,356	
	8305	123	8305.123	Overhead		-				-	
	8305	124	8305.124	Water & Water Well		19,250				19,250	
	8305	125	8305.125	Unanticipated Major Expenses (Fishing)		-				-	
	8305	126	8305.126	Legal		30,000				30,000	
	8305	127	8305.127	Outside Operated Other		-				-	
	8305	128	8305.128	Regulatory Permits		5,000				5,000	
	8305	129	8305.129	Environmental & Safety		7,500				7,500	
	8305	130	8305.130	Plugging		-				-	
	8305	132	8305.132	Other Specialized Services		8,000				8,000	
	8305	190	8305.190	Miscellaneous		8,000				8,000	
8305	199	8305.199	Contingency		131,888				131,888		
8305	200	8305.200	Air Compliance & Design		-				-		
COMPLETION	8306	201	8306.201	Location & Cleanup			20,000			20,000	
	8306	202	8306.202	Power & Fuel			619,122			619,122	
	8306	203	8306.203	Compl Fluids & Chemicals			35,000	7,500		42,500	
	8306	204	8306.204	Bits, Reamer, Stabilizers			50,000			50,000	
	8306	205	8306.205	Cement & Cementing Svcs			-			-	
	8306	206	8306.206	Logging & Perforation Svcs			229,300			229,300	
	8306	207	8306.207	Csg Crews & Tools-Drive Hammer			-			-	
	8306	208	8306.208	Directional Tools & Svcs			-			-	
	8306	209	8306.209	Formation Stimulatr Acid Frac			2,557,798			2,557,798	
	8306	210	8306.210	Formation Evaluation			32,500	70,000		102,500	
	8306	211	8306.211	Tubular Inspection			-	5,000		5,000	
	8306	212	8306.212	Equipment Rentals			375,000	40,000		415,000	
	8306	213	8306.213	Contract Labor & Services			-			-	
	8306	214	8306.214	Wellsite Consultant			95,000	5,000		100,000	
	8306	215	8306.215	Company Supervision & Labor			5,000			5,000	
	8306	216	8306.216	Transportation			15,000			15,000	
	8306	217	8306.217	Mud Cuttings & Water Disposal			25,000	90,000		115,000	
	8306	218	8306.218	Insurance			-			-	
	8306	219	8306.219	Overhead			-			-	
	8306	220	8306.220	Water & Water Well			533,700	5,000		538,700	
	8306	221	8306.221	Unanticipated MajExp Fishing			-			-	
	8306	222	8306.222	Outside Operated Other			-			-	
	8306	223	8306.223	Misc Supplies & Materials			-			-	
	8306	224	8306.224	Legal			-			-	
	8306	225	8306.225	Regulatory Permits			-			-	
	8306	226	8306.226	Environmental & Safety Costs			-			-	
	8306	227	8306.227	Plugging			-			-	
	8306	228	8306.228	Completion Rig			165,000	50,000		215,000	
	8306	229	8306.229	Artificial Lift			-	70,000		70,000	
	8306	230	8306.230	Other Specialized Svcs			-			-	
8306	240	8306.240	Hopper Rig			-			-		
8306	290	8306.290	Miscellaneous			-			-		
8306	299	8306.299	Contingency			118,936			118,936		
8306	301	8306.301	Air Compliance & Design			-			-		
8306	950	8306.950	Allocation Contra Account			-			-		
8306	995	8306.995	AFE Accrual - Gross			-			-		
8306	999	8306.999	Net WIP Offset			-			-		
FACILITY	8311	540	8311.540	Permits / ROW / SUA / USR						-	
	8311	541	8311.541	Survey						-	
	8311	542	8311.542	Consultant(Eng,Env,Stty,Per,etc				23,556		23,556	
	8311	543	8311.543	Shipping/Transport/Freight				16,116		16,116	
	8311	544	8311.544	Taxes				-		-	
	8311	577	8311.577	Civil Labor & Contracts				39,400		39,400	
	8311	578	8311.578	Structural Steel Labor & Cntrct				-		-	
	8311	579	8311.579	Mechanical Labor & Contracts				24,633		24,633	
	8311	580	8311.580	Automate & Elec Labor & Cntrct				202,024		202,024	
	8311	581	8311.581	Pipeline Labor & Contracts				25,446		25,446	
	8311	582	8311.582	Shop & Skid Fab Labor & Cntrct				-		-	
	8311	583	8311.583	Insulation Labor & Contracts				-		-	
	8311	584	8311.584	Painting/Coating Labor & Cntrct				-		-	
	8311	585	8311.585	NDE Inspection				7,796		7,796	
	8311	586	8311.586	3rd Party Construct Inspection				11,924		11,924	
	8311	587	8311.587	Construct Equip & Svcs/Rental				15,003		15,003	
	8311	591	8311.591	Air Permits & Fees				-		-	
	8311	592	8311.592	Air Testing & Analysis				-		-	
	8311	593	8311.593	LDAR Costs				-		-	
	8311	594	8311.594	EHSRC Compliance Systems				-		-	
8311	599	8311.599	Contingency				-		-		
8311	600	8311.600	EHRSC COC Compliance				-		-		
Total Intangible Costs						\$ 2,448,771.00	\$ 4,876,355.61	\$ 342,500.00	\$ 365,897.07	\$ 8,033,523.68	
TANGIBLE WELL COSTS											
	Account Code Major	Account Code Minor	Concat.	Category	Comments	Drilling	Completion	Production	Facility	Total	
DRILLING	8308	301	8308.301	Drive Pipe Conductor Casing		30,000				30,000	
	8308	302	8308.302	Surface Casing		68,280				68,280	
	8308	303	8308.303	Intermediate Casing		401,625				401,625	
	8308	304	8308.304	Production Casing		801,560				801,560	
	8308	305	8308.305	Subs Fit Eqpt Centralizers Etc		59,875				59,875	
	8308	306	8308.306	Casinghead Drilling Spool		80,000				80,000	
	8308	307	8308.307	Sub Surface Equipment		-				-	
	8308	308	8308.308	Outside Operated Other		-				-	
	8308	390	8308.390	Miscellaneous		10,000				10,000	
	8308	399	8308.399	Contingency		-				-	
COMPLETION	8309	402	8309.402	Tubing				72,630		72,630	
	8309	403	8309.403	Subs Fit Eqpt Centralizers Etc				-		-	
	8309	404	8309.404	Sub Surface Equipment				40,000		40,000	
	8309	405	8309.405	Well Head Equipment				70,000		70,000	
	8309	406	8309.406	Outside Operated Other				-		-	
	8309	407	8309.407	Artificial Lift				75,000		75,000	
	8309	490	8309.490	Miscellaneous				-		-	
	8309	499	8309.499	Contingency				-		-	
	FACILITY	8311	547	8311.547	Concrete & Foundation Material						-
		8311	548	8311.548	Road Base,Gravel,Civil Fill						-
8311		549	8311.549	Structural Steel Material						-	
8311		550	8311.550	Buildings(GasLift,cmprsr, etc)						-	
8311		552	8311.552	Press Vessels/Filter/Heat Exc						-	
8311		553	8311.553	Separatrs/Heat Ttr/Fire Equip.				5,241		5,241	
8311		554	8311.554	Tanks				189,535		189,535	
8311		555	8311.555	Dehy Equipment				50,733		50,733	
8311		556	8311.556	Compressors				-		-	
8311		557	8311.557	Pumps				3,931		3,931	
8311		558	8311.558	ECD's/Flares				17,487		17,487	
8311		559	8311.559	Pipe, Valves & fittings				16,444		16,444	
8311		563	8311.563	Instrumentation / Automation				90,777		90,777	
8311		564	8311.564	Meters/Measurement				11,793		11,793	
8311		565	8311.565	Electrical/Power Equipment				36,560		36,560	
8311		566	8311.566	Instrument Air Systems				117,852		117,852	
8311		567	8311.567	LACT Systems				-		-	
8311											

CIVITAS		Civitas Permian Operating, LLC AUTHORIZATION FOR EXPENDITURE				Date	May 13, 2024				
Well Name	Blue Marlin Fed COM 112H				Location:	State	NM				
Target	1BSS					County	Lea				
Lateral Length	10,200					Section	19, 18				
TVD	9,684					Township	25S				
MD	20,217					Range	36E				
Pad Well Count	2										
CTB Well Count	8										
INTANGIBLE WELL COSTS											
	Account Code Major	Account Code Minor	Concat.	Category	Comments	Drilling	Completion	Production	Facility	Total	
DRILLING	8305	101	8305.101	Location, Clean Up & Damages		150,000				150,000	
	8305	102	8305.102	Rig Move - MIRU, RDMO		60,000				60,000	
	8305	103	8305.103	Rig Contractor-Daywork/FT		735,000				735,000	
	8305	104	8305.104	Rig Contractor-Turnkey		-				-	
	8305	105	8305.105	Power & Fuel		42,875				42,875	
	8305	106	8305.106	Drill Fluids & Chemicals		243,000				243,000	
	8305	107	8305.107	Bits, Reamer, Stabilizers		85,000				85,000	
	8305	108	8305.108	Cement & Cementing Services		180,000				180,000	
	8305	109	8305.109	Mud Logging		9,625				9,625	
	8305	110	8305.110	Open Hole Logging		-				-	
	8305	111	8305.111	Csg Crews & Tools-Drive Hammer		30,000				30,000	
	8305	112	8305.112	Directional Tools & Service		238,750				238,750	
	8305	115	8305.115	Tubular Inspection		25,000				25,000	
	8305	116	8305.116	Equipment Rentals		189,875				189,875	
	8305	117	8305.117	Production Labor, Maintenance		75,000				75,000	
	8305	118	8305.118	Wellsite Consultants		100,800				100,800	
	8305	119	8305.119	Company Supervision & Labor		-				-	
	8305	120	8305.120	Transportation		30,000				30,000	
	8305	121	8305.121	Mud Cuttings & Water Disposal		37,852				37,852	
	8305	122	8305.122	Insurance		6,356				6,356	
	8305	123	8305.123	Overhead		-				-	
	8305	124	8305.124	Water & Water Well		19,250				19,250	
	8305	125	8305.125	Unanticipated Major Expenses (Fishing)		-				-	
	8305	126	8305.126	Legal		30,000				30,000	
	8305	127	8305.127	Outside Operated Other		-				-	
	8305	128	8305.128	Regulatory Permits		5,000				5,000	
	8305	129	8305.129	Environmental & Safety		7,500				7,500	
	8305	130	8305.130	Plugging		-				-	
	8305	132	8305.132	Other Specialized Services		8,000				8,000	
	8305	190	8305.190	Miscellaneous		8,000				8,000	
8305	199	8305.199	Contingency		132,138				132,138		
8305	200	8305.200	Air Compliance & Design		-				-		
COMPLETION	8306	201	8306.201	Location & Cleanup			20,000			20,000	
	8306	202	8306.202	Power & Fuel			619,122			619,122	
	8306	203	8306.203	Compl Fluids & Chemicals			35,000	7,500		42,500	
	8306	204	8306.204	Bits, Reamer, Stabilizers			50,000			50,000	
	8306	205	8306.205	Cement & Cementing Svcs			-			-	
	8306	206	8306.206	Logging & Perforation Svcs			229,300			229,300	
	8306	207	8306.207	Csg Crews & Tools-Drive Hammer			-			-	
	8306	208	8306.208	Directional Tools & Svcs			-			-	
	8306	209	8306.209	Formation Stimulatr Acid Frac			2,557,798			2,557,798	
	8306	210	8306.210	Formation Evaluation			32,500	70,000		102,500	
	8306	211	8306.211	Tubular Inspection			-	5,000		5,000	
	8306	212	8306.212	Equipment Rentals			375,000	40,000		415,000	
	8306	213	8306.213	Contract Labor & Services			-			-	
	8306	214	8306.214	Wellsite Consultant			95,000	5,000		100,000	
	8306	215	8306.215	Company Supervision & Labor			5,000			5,000	
	8306	216	8306.216	Transportation			15,000			15,000	
	8306	217	8306.217	Mud Cuttings & Water Disposal			25,000	90,000		115,000	
	8306	218	8306.218	Insurance			-			-	
	8306	219	8306.219	Overhead			-			-	
	8306	220	8306.220	Water & Water Well			533,700	5,000		538,700	
	8306	221	8306.221	Unanticipated MajExp Fishing			-			-	
	8306	222	8306.222	Outside Operated Other			-			-	
	8306	223	8306.223	Misc Supplies & Materials			-			-	
	8306	224	8306.224	Legal			-			-	
	8306	225	8306.225	Regulatory Permits			-			-	
	8306	226	8306.226	Environmental & Safety Costs			-			-	
	8306	227	8306.227	Plugging			-			-	
	8306	228	8306.228	Completion Rig			165,000	50,000		215,000	
	8306	229	8306.229	Artificial Lift			-	70,000		70,000	
	8306	230	8306.230	Other Specialized Svcs			-			-	
8306	240	8306.240	Hopper Rig			-			-		
8306	290	8306.290	Miscellaneous			-			-		
8306	299	8306.299	Contingency			118,936			118,936		
8306	301	8306.301	Air Compliance & Design			-			-		
8306	950	8306.950	Allocation Contra Account			-			-		
8306	995	8306.995	AFE Accrual - Gross			-			-		
8306	999	8306.999	Net WIP Offset			-			-		
FACILITY	8311	540	8311.540	Permits / ROW / SUA / USR						-	
	8311	541	8311.541	Survey						-	
	8311	542	8311.542	Consultt(Eng,Env,Stty,Per,etc				23,556		23,556	
	8311	543	8311.543	Shipping/Transport/Freight				16,116		16,116	
	8311	544	8311.544	Taxes				-		-	
	8311	577	8311.577	Civil Labor & Contracts				39,400		39,400	
	8311	578	8311.578	Structural Steel Labor & Cntrt				-		-	
	8311	579	8311.579	Mechanical Labor & Contracts				24,633		24,633	
	8311	580	8311.580	Automate & Elec Labor & Cntrt				202,024		202,024	
	8311	581	8311.581	Pipeline Labor & Contracts				25,446		25,446	
	8311	582	8311.582	Shop & Skid Fab Labor & Cntrt				-		-	
	8311	583	8311.583	Insulation Labor & Contracts				-		-	
	8311	584	8311.584	Painting/Coating Labor & Cntrt				-		-	
	8311	585	8311.585	NDE Inspection				7,796		7,796	
	8311	586	8311.586	3rd Party Construct Inspection				11,924		11,924	
	8311	587	8311.587	Construct Equip & Svcs/Rental				15,003		15,003	
	8311	591	8311.591	Air Permits & Fees				-		-	
	8311	592	8311.592	Air Testing & Analysis				-		-	
	8311	593	8311.593	LDAR Costs				-		-	
	8311	594	8311.594	EHSRC Compliance Systems				-		-	
8311	599	8311.599	Contingency				-		-		
8311	600	8311.600	EHRSC COC Compliance				-		-		
Total Intangible Costs						\$ 2,449,021.00	\$ 4,876,355.61	\$ 342,500.00	\$ 365,897.07	\$ 8,033,773.68	
TANGIBLE WELL COSTS											
DRILLING	8308	301	8308.301	Drive Pipe Conductor Casing		30,000				30,000	
	8308	302	8308.302	Surface Casing		68,280				68,280	
	8308	303	8308.303	Intermediate Casing		401,625				401,625	
	8308	304	8308.304	Production Casing		808,680				808,680	
	8308	305	8308.305	Subs Fit Eqpt Centralizers Etc		59,875				59,875	
	8308	306	8308.306	Casinghead Drilling Spool		80,000				80,000	
	8308	307	8308.307	Sub Surface Equipment		-				-	
	8308	308	8308.308	Outside Operated Other		-				-	
	8308	390	8308.390	Miscellaneous		10,000				10,000	
	8308	399	8308.399	Contingency		-				-	
COMPLETION	8309	402	8309.402	Tubing				72,630		72,630	
	8309	403	8309.403	Subs Fit Eqpt Centralizers Etc				-		-	
	8309	404	8309.404	Sub Surface Equipment				40,000		40,000	
	8309	405	8309.405	Well Head Equipment				70,000		70,000	
	8309	406	8309.406	Outside Operated Other				-		-	
	8309	407	8309.407	Artificial Lift				75,000		75,000	
	8309	490	8309.490	Miscellaneous				-		-	
	8309	499	8309.499	Contingency				-		-	
	FACILITY	8311	547	8311.547	Concrete & Foundation Material						-
		8311	548	8311.548	Road Base,Gravel,Civil Fill						-
8311		549	8311.549	Structural Steel Material						-	
8311		550	8311.550	Buildings(GasLift,cmprsr, etc)						-	
8311		552	8311.552	Press Vessels/Filter/Heat Exc						-	
8311		553	8311.553	Separatrs/Heat Ttr/Fire Equip.				5,241		5,241	
8311		554	8311.554	Tanks				189,535		189,535	
8311		555	8311.555	Dehy Equipment				50,733		50,733	
8311		556	8311.556	Compressors				-		-	
8311		557	8311.557	Pumps				3,931		3,931	
8311		558	8311.558	ECD's/Flares				17,487		17,487	
8311		559	8311.559	Pipe, Valves & fittings				16,444		16,444	
8311		563	8311.563	Instrumentation / Automation				90,777		90,777	
8311		564	8311.564	Meters/Measurement				11,793		11,793	
8311		565	8311.565	Electrical/Power Equipment				36,560		36,560	
8311		566	8311.566	Instrument Air Systems				117,852		117,852	
8311		567	8311.567	LACT Systems				-		-	
8311		568	8311.568	Automation Bulk Materials				-		-	
8311		569									

Summary of Communication – Blue Marlin W2 Bone Spring

Civitas Permian Operating, LLC
Case No. 24842
Exhibit A-5

Owner	Communication
Franklin Mountain Energy, LLC	8/8/24: Sent Well Proposal 9/4/24: Reached out about amending an existing JOA to add the Bone Spring formation 9/10/24: Sent proposed amendment 10/1/24: Sent an email following up on the amendment
Franklin Mountain Royalty Investments, LLC	8/8/24: Sent Well Proposal 9/4/24: Reached out about amending an existing JOA to add the Bone Spring formation 9/10/24: Sent proposed amendment 10/1/24: Sent an email following up on the amendment
Davis Exploration, LLC	8/8/24: Sent Well Proposal 8/27/24: Davis sent elections to participate back. Working on a JOA now.
Ameredev New Mexico, LLC	8/8/24: Sent Well Proposal
Ameredev Texas, LLC	8/8/24: Sent Well Proposal
Burlington Resources Oil & Gas Company, LP	8/8/24: Sent Well Proposal 8/26/24: Burlington requested information associated with the drilling of the wells 8/27/24: I provided Burlington the information that they requested
Chevron USA Inc.	8/8/24: Sent Well Proposal 9/5/24: Chevron requested information associated with the drilling of the wells 9/6/24: I provided Chevron the information that they requested.
Cayuga Royalties, LLC	8/8/24: Sent Well Proposal
Prevail Energy, LLC	8/8/24: Sent Well Proposal
Douglas A. Denton	8/8/24: Sent Well Proposal
Pegasus Resources II, LLC	8/8/24: Sent Well Proposal 9/3/24: Pegasus inquired about leasing their interest 10/1/24: I sent an offer and lease form to Pegasus for their review.
Kassandra Dawn Dittmer	8/8/24: Sent Well Proposal
St. Joseph Residence	8/8/24: Sent Well Proposal
Nathan Allen Dittmer, Jr.	8/8/24: Sent Well Proposal
Rowena Lynn Doss	8/8/24: Sent Well Proposal
Theodore A. Dittmer, Jr.	8/8/24: Sent Well Proposal

Summary of Communication – Blue Marlin W2 Bone Spring

Owner	Communication
The Ohio State University	8/8/24: Sent Well Proposal

- * Final interest subject to division order title verification

Civitas Permian Operating, LLC
Case No. 24842
Exhibit B

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

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

CASE NO. 24842

SELF-AFFIRMED STATEMENT OF
SHANE FINEGAN

1. I am employed by Civitas Permian Operating, LLC ("Civitas") as a petroleum geologist. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters and my credentials were accepted as a matter of record.

3. I am familiar with the geological matters involved in the above-referenced case and have conducted a geologic study of the lands in the subject area.

4. **Exhibit B-1** is a regional locator map identifying the proposed horizontal spacing unit for the captioned case (the "Unit").

5. **Exhibit B-2** is a subsea structure map of the Bone Spring formation. The contour interval is 50 feet. The map demonstrates the formation is gently dipping to the west-southwest in this area. The structure appears consistent across the proposed wellbore path for the Blue Marlin 111H and Blue Marlin 112H wells (the "Wells"). I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

6. **Exhibit B-3** is a stratigraphic cross-section from A to A' using the representative wells identified on Exhibit B-2. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from southwest to northeast and is hung on the top of the 1st Bone Spring formation. The proposed landing zone for the Wells is labeled on the exhibit. This cross-section demonstrates the target interval is consistent in thickness across the Unit.

7. In my opinion, a standup orientation for the Wells is appropriate to properly develop the

subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.

8. 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 be productive and contribute more or less equally to the production of the Wells.

9. In my opinion, granting the application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

10. The attached exhibits were prepared by me or under my supervision or were compiled from company business records.

11. I understand this Self-Affirmed Statement will be used as written testimony in this case. 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 next to my signature below.

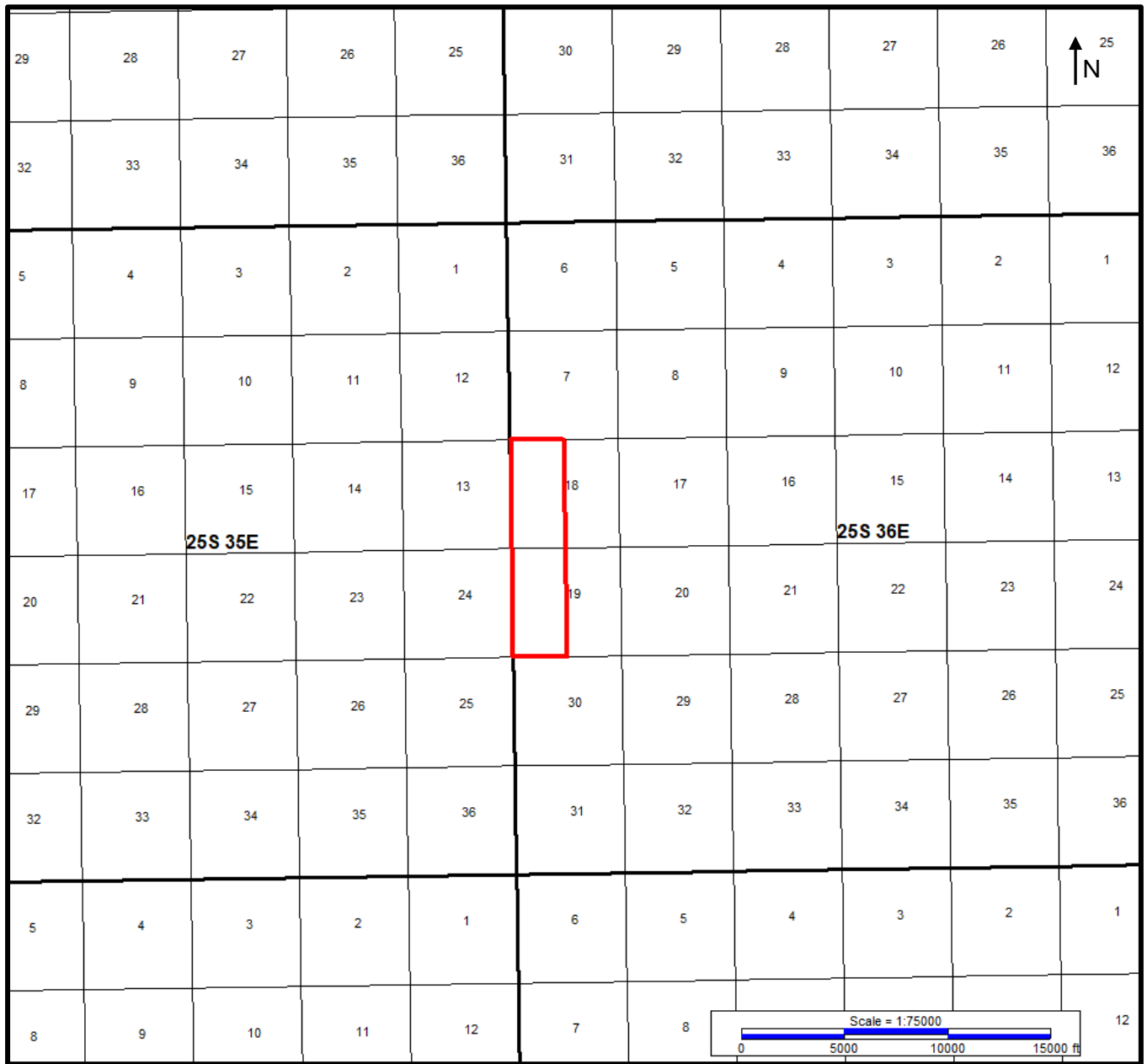
Shane Finegan

9/20/2024

Shane Finegan

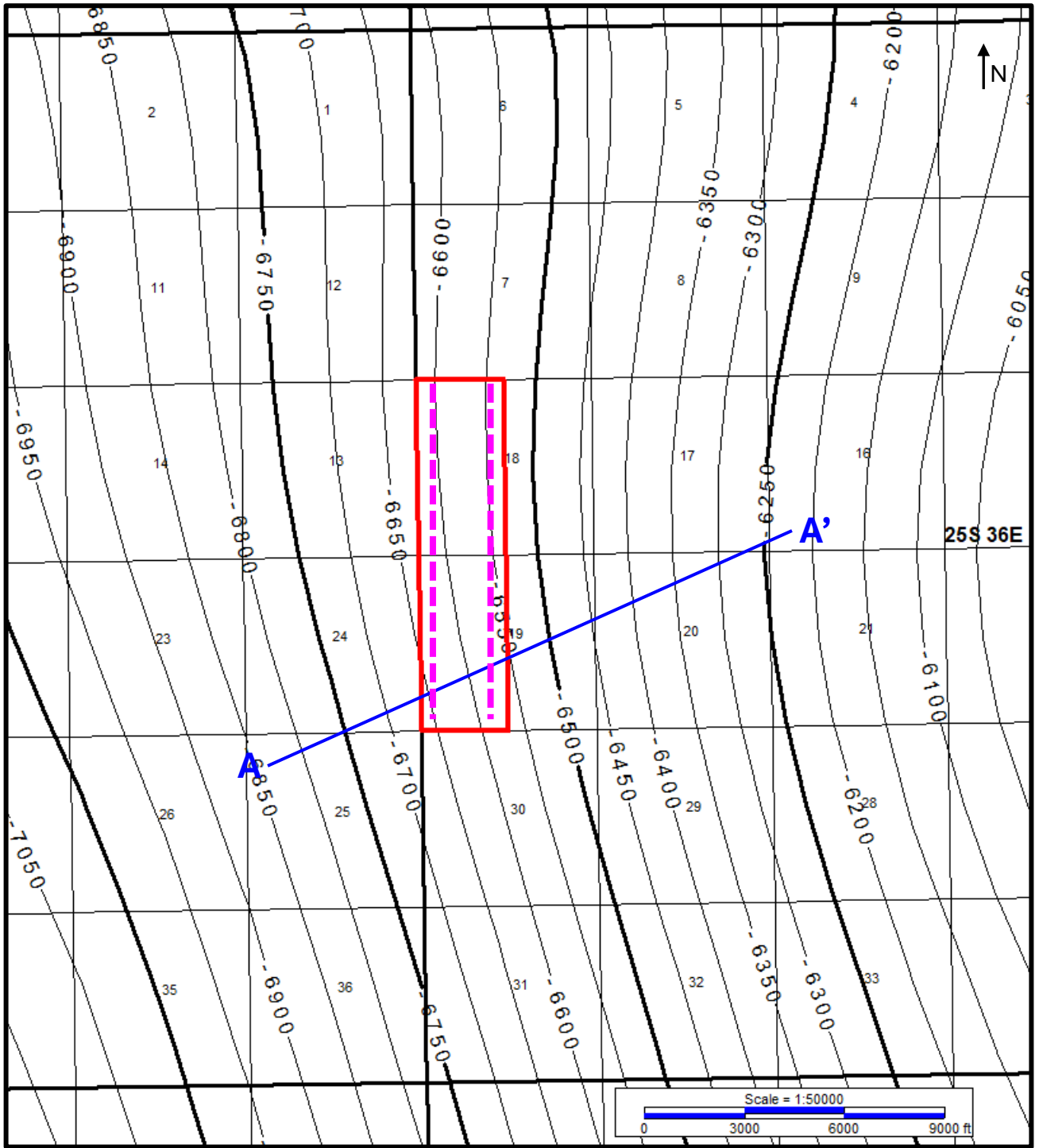
Date

Civitas Permian Operating, LLC
Case No. 24842
Exhibit B-1






Legend	
	Blue Marlin Unit





Top 1st Bone Spring Sand Depth Structure (SSTVD)
CI = 50'

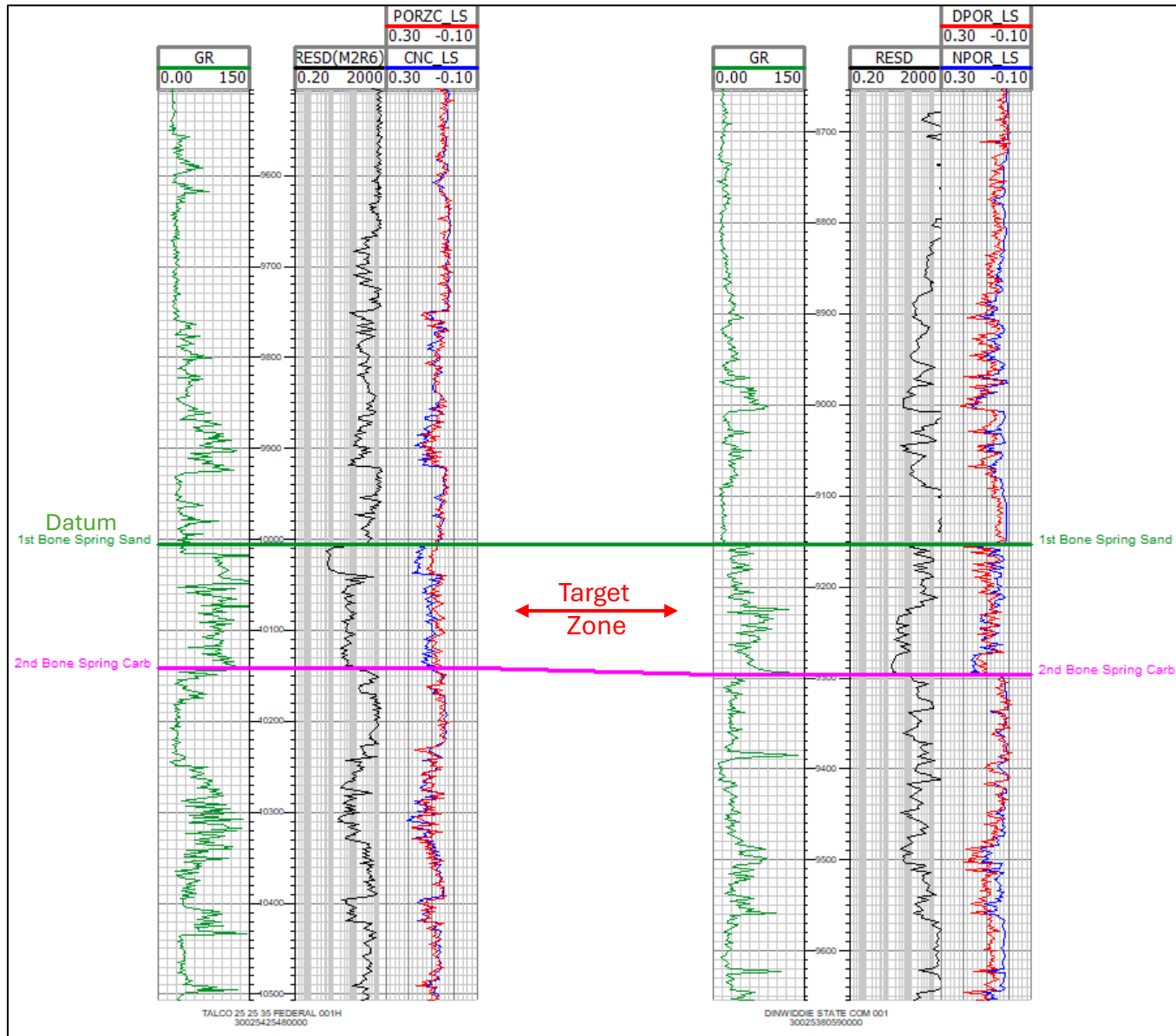
Civitas Permian Operating, LLC
Case No. 24842
Exhibit B-2

Legend	
	Blue Marlin Unit
	Blue Marlin Well
	Cross-Section



Civitas Permian Operating, LLC
Case No. 24842
Exhibit B-3

Stratigraphic Cross-Section



Civitas Permian Operating, LLC
Case No. 24842
Exhibit C

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

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

CASE NO. 24842

SELF-AFFIRMED STATEMENT OF
MICHAEL RODRIGUEZ

1. I am attorney in fact and authorized representative of Civitas Permian Operating, LLC. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement.
2. I caused the notice of hearing letter attached as **Exhibit C-1** and the application in this case to be sent by certified mail to the locatable affected parties on the date identified in the notice of hearing letter.
3. **Exhibit C-2** contains the names and addresses of the parties to whom notice was provided to and the status of delivery provided by the United States Postal Service as of the date identified therein.
4. On September 15, 2024, I caused a notice to be published to all affected parties subject to the application in this case. A copy of the Affidavit of Publication from the Legal Clerk of the publication and a copy of the legal notice are attached as **Exhibit C-3**.
5. On October 9, 2024, I caused an additional notice to be published to Donald Woods and Nancy Carolyn Haley who are unlocatable parties subject to the application in this case that were not included in the previous publication. A copy of the Affidavit of Publication from the Legal Clerk of the publication and a copy of the legal notice are attached as **Exhibit C-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in this case.

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 next to my signature below.



Michael Rodriguez

10/21/2024

Date



555 17th Street, Suite 3700
Denver, CO 80202
303-312-8518

September 13, 2024

Civitas Permian Operating, LLC
Case No. 24842
Exhibit C-1

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Case No. 24842 – Application of Civitas Permian Operating, LLC for
Compulsory Pooling, Lea 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. A hearing has been requested before a Division Examiner on **October 10, 2024**, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>.

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 Chad Matney at 303-551-5094 or cmatney@civiresources.com.

Thank you,

/s/ Michael Rodriguez

Michael Rodriguez

Attorney for Civitas Permian Operating, LLC

Civitas Permian Operating, LLC
Case No. 24842
Exhibit C-2

Class	TrackingNo	ToCompanyName	TOName	DeliveryAddressLine1	AddressLine2	City	State	Zip	MailDate	ERR_SigDt	ERR_FTPr	USPS_Status	StatusCode
Certified with Return Receipt (Signature)	94148118987	As An Heir Of The Estate Of C S Ham	The Heirs of Carl S Ham Jr.	4100 SE 1000		Andrews	TX	79714-6064	09/13/2024	09/17/2024 00:46:38	SUCCESS	Your item was picked up at a postal facility at 4:09 pm on September 16, 2024 in ANDREWS, TX 79714.	D
Certified with Return Receipt (Signature)	94148118987	Estate of Louise Heard Kincaid,	c/o Eileen Heard	9202 W County 14th St		Yuma	AZ	85365-9754	09/13/2024			Your item was returned to the sender on September 16, 2024 at 4:09 pm in YUMA, AZ 85365 because it could not be delivered as addressed.	I
Certified with Return Receipt (Signature)	94148118987	C/O Farmers National Company	The Ohio State University	15 W 6th St Ste 2700		Tulsa	OK	74119-5421	09/13/2024			Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.	I
Certified with Return Receipt (Signature)	94148118987		Northern Oil and Gas Inc.	4350 Baker Rd Ste 400		Minnerton	MIN	55343-8628	09/13/2024	09/18/2024 06:47:11	SUCCESS	Your item has been delivered to an agent at the front desk, reception, or mail room at 10:24 am on September 17, 2024 in HOPKINS, MN 55343.	D
Certified with Return Receipt (Signature)	94148118987	Lloyd Wayne Johnson as an Heir of The Estate	Heeter as an Heir of The Estate of	10412 Rogers Circle	of Shirley N Van Zandt Johnson as an Heir of	Sun City	AZ	85351	09/13/2024	09/24/2024 07:46:44	SUCCESS	Your item has been delivered to the original sender at 10:36 am on September 23, 2024 in DENVER, CO 80202.	D
Certified with Return Receipt (Signature)	94148118987	Estate of Louise Heard Kincaid,	c/o Eileen Heard	10317 S Del Rey Dr		Yuma	AZ	85367-7315	09/13/2024	09/19/2024 01:45:57	SUCCESS	Your item was picked up at the post office at 1:35 pm on September 18, 2024 in YUMA, AZ 85367.	D
Certified with Return Receipt (Signature)	94148118987	Estate of Louise Heard Kincaid,	c/o Eileen Heard	9202 W County 14th St		Yuma	AZ	85365-9754	09/13/2024			Your item was returned to the sender on September 16, 2024 at 4:09 pm in YUMA, AZ 85365 because it could not be delivered as addressed.	I
Certified with Return Receipt (Signature)	94148118987	C/O Farmers National Company	The Ohio State University	15 W 6th St Ste 2700		Tulsa	OK	74119-5421	09/13/2024			Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.	I

Affidavit of Publication

Civitas Permian Operating, LLC
Case No. 24842
Exhibit C-3

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
September 15, 2024
and ending with the issue dated
September 15, 2024.



Publisher

Sworn and subscribed to before me this
15th day of September 2024.



Business Manager

My commission expires
January 29, 2027
STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087528
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	LEGAL	LEGAL
LEGAL NOTICE September 15, 2024		
<p>This is to notify all interested parties, including: Ameredev New Mexico, LLC; Ameredev Texas, LLC; Davis Exploration, LLC; Burlington Resources Oil & Gas Company, LP; Cayuga Royalties, LLC; Chevron USA Inc.; Douglas A. Denton; Pegasus Resources II, LLC; Kassandra Dawn Dittmer; Nathan Allen Dittmer; Ohio State University c/o Real Estate & Property Management; Prevail Energy LLC; Rowena L. Oclon, aka Rowena Lynn Doss; St. Joseph Residence, Inc.; Theodore A. Dittmer, Jr.; and their respective successors and assigns, that Civitas Permian Operating, LLC ("Civitas") filed applications in Case No. 24842 with the New Mexico Oil Conservation Division ("Division"). A hearing has been requested before a Division Examiner on October 10, 2024. 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 these applications, 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. Civitas seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 18 and 19, Township 25 South, Range 36 East, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to Blue Marlin Fed Com 111H to be horizontally drilled with the first take point in the SW/4SW/4 (Unit M) of Section 19 and last take point in the NW/4NW/4 (Unit D) of Section 18, and Blue Marlin Fed Com 112H to be horizontally drilled with the first take point in the SE/4SW/4 (Unit N) of Section 19 and last take point in the NE/4NW/4 (Unit C) of Section 18. The completed interval for the Blue Marlin Fed Com 112H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs and the actual operating costs and charges for supervision, designation of Civitas as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 11 miles southwest of Jal, New Mexico.</p> <p>#00294109</p>		

67118016

00294109

MICHAEL RODRIQUEZ
CIVITAS RESOURCES
8100 Wyoming Blvd NE Ste M4 #463
ALBUQUERQUE, NM 87113

Affidavit of Publication

Civitas Permian Operating, LLC
Case No. 24842
Exhibit C-4

STATE OF NEW MEXICO
COUNTY OF LEA

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

Beginning with the issue dated
October 09, 2024
and ending with the issue dated
October 09, 2024.



Publisher

Sworn and subscribed to before me this
9th day of October 2024.



Business Manager

My commission expires
January 29, 2027

(Seal) **STATE OF NEW MEXICO**
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 LEGAL LEGAL

LEGAL NOTICE
October 9, 2024

This is to notify all interested parties, including: Donald Woods, Nancy Carolyn Haley, Ameredev New Mexico, LLC; Ameredev Texas, LLC; Davis Exploration, LLC; Burlington Resources Oil & Gas Company, LP; Cayuga Royalties, LLC; Chevron USA Inc.; Douglas A. Denton; Pegasus Resources II, LLC; Kassandra Dawn Dittmer; Nathan Allen Dittmer; Ohio State University c/o Real Estate & Property Management; Prevail Energy LLC; Rowena L. Oclon, aka Rowena Lynn Doss; St. Joseph Residence, Inc.; Theodore A. Dittmer, Jr.; and their respective successors and assigns, that Civitas Permian Operating, LLC ("Civitas") filed applications in **Case No. 24842** with the New Mexico Oil Conservation Division ("Division"). A hearing has been requested before a Division Examiner on **October 31, 2024**. 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 these applications, 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.

Civitas seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 18 and 19, Township 25 South, Range 36 East, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to Blue Marlin Fed Com 111H to be horizontally drilled with the first take point in the SW/4SW/4 (Unit M) of Section 19 and last take point in the NW/4NW/4 (Unit D) of Section 18, and Blue Marlin Fed Com 112H to be horizontally drilled with the first take point in the SE/4SW/4 (Unit N) of Section 19 and last take point in the NE/4NW/4 (Unit C) of Section 18. The completed interval for the Blue Marlin Fed Com 112H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs and the actual operating costs and charges for supervision, designation of Civitas as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 11 miles southwest of Jal, New Mexico.
#00294940

67118016

00294940

MICHAEL RODRIQUEZ
CIVITAS RESOURCES
8100 WYOMING BLVD NE STE M4 #463
ALBUQUERQUE, NM 87113