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

APPLICATIONS OF ALPHA ENERGY PARTNERS, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-23005, EDDY COUNTY, NEW MEXICO.

CASE NO. 24826 ORDER NO. R-23005

APPLICATIONS OF ALPHA ENERGY PARTNERS, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-23006, EDDY COUNTY, NEW MEXICO.

CASE NO. 24827 ORDER NO. R-23006

<u>REPLY MOTION TO DISMISS AND</u> <u>TERMINATE ORDERS</u>

Permian Resources Operating, LLC ("Permian"), through undersigned attorneys, hereby submits this reply in support of its Motion. For the reasons stated in the Motion and outlined in this reply, Alpha Energy Partners, LLC's ("Alpha") applications should be dismissed and their orders terminated.

ARGUMENT

Alpha's 21-page response raises a range of irrelevant rhetorical and argumentative issues but admits the dispositive facts that mandate dismissal and confirm Permian has standing to seek dismissal.¹ In addition, Alpha's applications should be dismissed for a second independent reason.

¹ In its response, Alpha concedes Permian is a party subject to the Division's notice requirements in both Case Nos. 23005 and 23006. *See* Alpha Response ¶ 11-12 (". . . Permian with approximately 9.6% of unpooled working interest in the N/2 Unit." and "Permian Resources was able to track down and obtain a miniscule 0.13% working interest in the S/2 Unit,"). Permian therefore has a right to object to both cases proceeding to hearing by affidavit and to seek dismissal of the applications and termination of the existing orders on the grounds that they suffer from material defects. To perfect any technical requirements to formally appear and object, Permian has filed a written entry of appearance and objection in Case No. 24827.

First, as Alpha concedes, the applications are defective because they do not correctly designate the intended operator of either spacing unit. The New Mexico Oil and Gas Act ("the Act") requires that "each order shall describe the lands included in the unit designated thereby, identify the pool or pools to which it applies and designate an operator for the unit." NMSA § 70-2-17 (emphasis added). By its own admission, Alpha intends Paloma Permian Asset Co, LLC ("Paloma") to be the designated operator of these spacing units. See Alpha Response ¶ 31 (acknowledging Alpha's farmout grants Paloma "the drilling and operation of the wells on the Subject Lands[,]" which rights revert to Alpha only if "Paloma does not comply with the specifications" of the farmout agreement). Alpha made that decision before it even filed its applications; the Memorandum of Agreement ("MOA") was fully executed on July 11, 2024 and the applications were not filed until August 30, 2024. Plus, Alpha's intent is confirmed by the fact that Paloma-not Alpha-filed C-102s and APDs in October and November 2024 for the wells proposed in the spacing units. See Exhibit A. This type of material deficiency, i.e., "Change of Operator Name" and "Change in Operator OGRID Number," is literally identified verbatim in the OCD Notice: Material Changes or Deficiencies in Applications Submitted to the OCD Engineering Bureau (Effective June 11, 2020) ("OCD Material Changes Notice"). See Exhibit B. It is clearly a material deficiency with Alpha's applications—as clear as Alpha's intent is to make Paloma the operator of the units.²

More astonishing than Alpha's inability to own up to its materially deficient applications are the assumptions it makes about what it believes Permian would have done had it come to an agreement with Alpha. *See* Alpha Response ¶ 34-38. Alpha completely misconstrues the communications between the parties. *See id.*; *see also* Alpha Response Exhibit 6. Rather than point out all the misstatements it is sufficient to point to one. Had Permian and Alpha come to an agreement, Permian

² Note, that in Alpha's Response it concedes this deficiency by confirming it will refile its applications. *See* Alpha Response \P 46.

would have reopened the pooling orders to designate itself as operator, just like it did in Case No. 24340.³ Alpha is completely off the mark.

Second, and more importantly, and contrary to its assertion, Alpha is <u>unqualified</u> to be operator of the units—farmout agreement or not—because it is out of compliance with the Division's inactive well rules. *See* 19.15.5.9(A)(4)(a) and (B)(1)(a) NMAC. At the time the Division issued Order Nos. R-23005 and R-23006, the Division may have determined Alpha was at least nominally "qualified" to operate its proposed wells. *See* Alpha Response ¶ 42. But that finding is no longer supported by the facts.

Alpha operates four wells in New Mexico—total. Of those wells, three are inactive. *See* Exhibit C. To be in compliance, Alpha can have no more than two wells, or 50%, of the wells it operates out of compliance. 19.15.5.9(A)(4)(a) NMAC. Here, 75% of Alpha's wells are out of compliance. Non-compliance as an operator is "of consequence" to the status of its applications. *See* Exhibit B. "A change or deficiency is material if its existence or nonexistence is of consequence to the public notice or <u>substantive rules for the application</u>." *Id.* The fact that Alpha is out of compliance with the Divistion rules for inactive wells is yet another material deficiency with their applications, *and* this particular material deficiency makes Alpha subject to sanctions for non-compliance. *See* 19.15.5.10 NMAC. Alpha's applications should be dismissed for this independent reason.

CONCLUSION

Permian has standing in both cases; it owns an interest in the units, Alpha is reopening the cases and the Division retains jurisdiction, and there are material deficiencies with the applications that impact not only Permian but the other interest owners in these cases. Ironically, it is Alpha, with its materials deficiencies, that does not have a leg to stand on in these cases.

³ In Case No. 24340, SPC Resources, LLC reopened its existing Pooling Order, OCD Order R-21096, to, among other things, designate Permian as operator after being wholly acquired by Permian. Proper notice was provided to all previously pooled interests owners of the same.

WHEREFORE, Permian respectfully requests that Alpha's Case Nos. 24826 and 24827 be

dismissed and Order No. R-23005 and No. R-23006 be terminated.

Respectfully submitted,

HOLLAND & HART, LLP

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

ATTORNEYS FOR PERMIAN RESOURCES OPERATING, LLC

CERTIFICATE OF SERVICE

I hereby certify that on January 7, 2025, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Darin Savage Andrew D. Schill William E. Zimsky 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com andrew@abadieschill.com

Attorneys for Alpha Energy Partners, LLC

Sharon T. Shaheen P.O. Box 2307 Santa Fe, NM 87504-2307 (505) 986-2678 <u>sshaheen@spencerfane.com</u> ec: <u>dortiz@spencerfane.com</u> *Attorneys for Eagle Natural Resources, LLC*

Paula M. Vance

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Page 6 of 28

Form C-101 August 1, 2011 Permit 375496

APPLICATION FOR PERMIT TO DRILL		DEEDEN	DILICDACK	
APPLICATION FOR PERIVIT TO DRILL	, RE-ENTER,	DEEPEN,	FLUGDACK,	UK ADD A ZUNE

	ame and Address Ioma Permian Asset										2. OGI	RID Number 33244			
	00 Louisiana, Ste. 51										3 API	Number	9		
	uston, TX 77002	00									5. Al 1		5-55727		
4. Property Co			5. Property	Name							6. Wel				
	6494			The Dude	Fee 20	-19						701H			
						7. Surfa	ce Location	1							
UL - Lot	Section	Township	R	ange		Lot Idn F	eet From		N/S Line	Feet From	n	E/W Line		County	
Н	20	22	2S	27	Έ		191	12	Ν		184		Е		Eddy
						8. Proposed Bo	ttom Hole L	ocation							
UL - Lot	Section	Township	Ran	0		ot Idn	Feet From		N/S Line	Feet Fro		E/W Line		County	
М	19	223	S	27E		LOT 4		880	S		200		W		Eddy
						9. Pool	Information								
PURPLE SA	GE;WOLFCAMP (GA	S)										98	220		
						Additional \	Vell Informa	tion							
11. Work Type		12. Well Typ			13. Ca	ble/Rotary		14. Lea	se Type	15		Level Elevat	ion		
	w Well		GAS						Private			123			
16. Multiple N		17. Propose	d Depth 9783		18. Foi	rmation Wolfcamp		19. Con	tractor	20). Spud Da	ite 1/18/2024			
Depth to Grou	nd water		9703		Distanc	ce from nearest fres	h water well			Di		1/10/2024 nearest surfac	re water		
Deptil to Glou					Distant		in water wen				stance to n		oc water		
X We will be	using a closed-loop	system in lie	eu of lined	pits	•					•					
					21.	Proposed Casir	a and Cem	ent Prog	ıram						
Туре	Hole Size	Casing	g Size			Weight/ft		tting Dep		Sacks of	of Cement			Estimated T	C
Surf	17.5	13.3				4.5		654			05			0	
Int1	12.25	9.6				40		3184			045			0	
Prod	8.5	5.	5			23		19773		3	055			0	
					-	g/Cement Progr			ments						
Plan to use	DV tool in the top of	he Bone Spr	ing ~5400	ft and do	2 stage	cement job on p	roduction ca	asing.							
					22.	Proposed Blow	out Preventi	ion Prog	Iram						
	Туре				Working	Pressure			Test Pressur	е			Manu	facturer	
	Double Ram				10	000			10000				A	xon	
	Pipe				100	000			10000				A	xon	
	Annular				50	00			5000				A	xon	
23. I hereby knowledge a	certify that the inform	ation given a	bove is tru	e and com	iplete to	o the best of my			O	L CONSEF	RVATION	DIVISION			
	tify I have complied	with 19.15.14	4.9 (A) NM	AC 🛛 and	l/or 19.4	15.14.9 (B) NMA	c .								
🗙, if applica															
Signature:															
Printed Name:	,	filed by Britt	ney Brunne	er			Approved	By:	Ward Rikala						
Title:	OpAdmin						Title:		Petroleum S	pecialist S					
Email Address	0	alomaresou		- / -			Approved		11/13/2024		E	xpiration Da	te: 11/13	3/2026	
Date:	10/24/2024		P	hone: 713-	654-85	34	Condition	ns of App	proval Attached						



Received by OCD: 1/7/2025242114144PM

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	15 55303		2. Pool Code		3. Pool Name PURPLE SAGE;WOLFCAMP (GAS)						
	15-55727			3220				RPLE SAGE;WOLFC	AIVIP (GAS)		
4. Property Code			5. Property N		10		6. Well No.				
3364	.94			ne Dude Fee 20	-19		701	H			
7. OGRID No.	10		8. Operator N				9. Elevation	0			
3324	49		Pa	aloma Permian	AssetCo, LLC		312	3			
					10	. Surface Location					
UL - Lot	Section	Towns	ship	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
Н	20		22S	27E		1912	N	184	E	Eddy	
				11	. Bottom Hole	Location If Different Fro	om Surface				
UL - Lot	Section	Tov	wnship	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
12. Dedicated Ad				13. Joint or In	ill	14. Consolidatio			15. Order No.		
634.3	36					Force	ed Pooling				
NO ALLOWAE	LE WILL BE ASSI	GNED TO	O THIS COMF			HAVE BEEN CONSOLI	OPERATOR C	RTIFICATION		· · · · · · · · · · · · · · · · · · ·	
NO ALLOWAE	LE WILL BE ASSI	<u>GNED T</u>	<u>O THIS COMF</u>	l here organ a righ agree	by certify that the zation either own to drill this well a nent or a compul:	A HAVE BEEN CONSOLI information contained here s a working interest or unle at this location pursuant to sory pooling order heretofor Brittney Brunner	OPERATOR CI in is true and comp ased mineral intere a contract with an o	ERTIFICATION lete to the best of my k st in the land including wner of such a mineral	nowledge and belies the proposed botto	f, and that this m hole location(s) or ha	
NO ALLOWAE	<u>LE WILL BE ASSI</u>	<u>GNED T</u>	<u>O THIS COMF</u>	l here organ a righ agree	by certify that the zation either own to drill this well a ment or a compuls ned By:	information contained here s a working interest or unle at this location pursuant to sory pooling order heretofor	OPERATOR CI in is true and comp ased mineral intere a contract with an o	ERTIFICATION lete to the best of my k st in the land including wner of such a mineral	nowledge and belies the proposed botto	f, and that this m hole location(s) or ha	
NO ALLOWAE	<u>LE WILL BE ASSI</u>	<u>GNED T</u>	<u>O THIS COMF</u>	l here organ a righ agree E-Sig	by certify that the zation either own to drill this well a nent or a compuls ned By:	information contained here s a working interest or unle at this location pursuant to sory pooling order heretofor Brittney Brunner	OPERATOR CI in is true and comp ased mineral intere a contract with an o	ERTIFICATION lete to the best of my k st in the land including wner of such a mineral	nowledge and belies the proposed botto	f, and that this m hole location(s) or ha	
NO ALLOWAE	<u>LE WILL BE ASSI</u>	GNED T	<u>O THIS COMF</u>	l here organ a righ agree E-Sig Title:	by certify that the zation either own to drill this well a nent or a compuls ned By:	information contained here s a working interest or unle at this location pursuant to sory pooling order heretofor Brittney Brunner OpAdmin	OPERATOR CI in is true and comp ased mineral intere a contract with an o	ERTIFICATION lete to the best of my k st in the land including wner of such a mineral	nowledge and belies the proposed botto	f, and that this m hole location(s) or ha	
NO ALLOWAE	<u>LE WILL BE ASSI</u>	GNED T	<u>O THIS COMF</u>	I here organ a righ agree E-Sig Title: Date: I here	by certify that the zation either own to drill this well a ment or a compul: ned By: (()))))))))))))))))	information contained here s a working interest or unle at this location pursuant to sory pooling order heretofor Brittney Brunner OpAdmin	OPERATOR CL in is true and comp ased mineral intere a contract with an o e entered by the div e entered by the div SURVEYOR CL s plat was plotted fr	ERTIFICATION lete to the best of my k st in the land including wher of such a mineral ision.	nowledge and belie the proposed botto or working interest	f, and that this m hole location(s) or ha , or to a voluntary poolin	
NO ALLOWAE	<u>LE WILL BE ASSI</u>	<u>GNED T</u>	<u>O THIS COMF</u>	I here organ a righ agree E-Sig Title: Date: I here and th	by certify that the zation either own to drill this well a ment or a compul: ted By:	information contained here s a working interest or unle at this location pursuant to sory pooling order heretofor Brittney Brunner OpAdmin 10/24/2024 well location shown on this	OPERATOR CL in is true and comp ased mineral intere a contract with an o e entered by the div e entered by the div SURVEYOR CL s plat was plotted fr	ERTIFICATION lete to the best of my k st in the land including wher of such a mineral ision.	nowledge and belie the proposed botto or working interest	f, and that this m hole location(s) or ha , or to a voluntary poolir	
NO ALLOWAE	<u>LE WILL BE ASSI</u>	<u>GNED T</u>	<u>O THIS COMF</u>	I here organ a righ agree E-Sig Title: Date: I here and th Surve	by certify that the zation either own to drill this well a ment or a compul: hed By: by certify that the at the same is tru yed By:	information contained here s a working interest or unle at this location pursuant to sory pooling order heretofor Brittney Brunner OpAdmin 10/24/2024 well location shown on this e and correct to the best of	OPERATOR CL in is true and comp ased mineral intere a contract with an o e entered by the div e entered by the div SURVEYOR CL s plat was plotted fr	ERTIFICATION lete to the best of my k st in the land including wher of such a mineral ision.	nowledge and belie the proposed botto or working interest	f, and that this m hole location(s) or ha , or to a voluntary poolin	

Form C-102 August 1, 2011 Permit 375496

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Page 8 of 28

Form C-101 August 1, 2011 Permit 375599

1. Operator Nar	me and Address oma Permian Asse										2. OGRI	D Number 332449		
	0 Louisiana, Ste. 5	,									3. API N			
	ston, TX 77002	100									J. AFTN	30-015-55728	}	
4. Property Cod	le	1	5. Property	y Name							6. Well	No.		
336	494			The Dude F	ee 20	-19						702H		
						7. Sur	face Location							
UL - Lot	Section	Township	F	Range		Lot Idn	Feet From		N/S Line	Feet Fro	om	E/W Line	County	
Н	20	22	S	27E			189	2	N		184	E	Edo	dy
						8. Proposed E	Bottom Hole L	ocation	1					
UL - Lot	Section	Township	Ran		Lo	t Idn	Feet From		N/S Line	Feet I		E/W Line	County	
L	19	22S		27E		LOT 3		2200	S		200	W	Ed	ldy
						9. Poo	Information							
PURPLE SAG	SE;WOLFCAMP (GA	AS)										98220		
						Additional	Well Informa	tion						
11. Work Type		12. Well Type			13. Cal	ble/Rotary		14. Lea	ase Type		15. Ground Le	vel Elevation		
	/ Well	GA							Private		312	-		
16. Multiple N		17. Proposed	Depth 9527		18. For	mation Wolfcamp		19. Co	ntractor	2	20. Spud Date	18/2024		
Depth to Groun	d water	13	1521		Distanc	e from nearest fre	esh water well					arest surface water		
≤ We will be u	ising a closed-loop	o system in lie	u of lined	d pits										
					21.	Proposed Cas	ing and Ceme	ent Prog	gram					
Туре	Hole Size	Casing				Weight/ft	Se	tting Dep	oth		s of Cement		Estimated TOC	
Surf	17.5	13.3		-		4.5		654			505		0	
Int1 Prod	12.25 8.5	9.62 5.5		-		40 23		3126 19526			1035 3005		0	
TIOU	0.0	0.0	,	I		-					3003		0	
					Casin	g/Cement Prog	gram: Additio	nal Con	nments					
						Proposed Blov	wout Preventi	on Prog			<u> </u>			
	Туре			W	-	Pressure			Test Pressur	e			facturer	
	Double Ram					000			10000				xon	
	Pipe					000			10000			A	xon	
	Annular				50	00			5000			A	xon	
22 Lboroby o	ertify that the inform	nation divor ab	ovo is tr	up and comm	loto to	the best of m	,				ERVATION D			
knowledge ar		nation given ab		ue and comp	nete to	the best of my	·		0	LCONSE				
	fy I have complied	with 19.15.14.	.9 (A) NM	IAC 🛛 and/	or 19.1	15.14.9 (B) NM	AC							
⊠, if applicab			. ,			. ,								
Signature:														
Printed Name:	Electronicall	y filed by Brittne	ey Brunn	ner			Approved	By:	Ward Rikala					
Title [.]	OnAdmin						Title	-	Petroleum S		Supervisor			

Approved Date:

Conditions of Approval Attached

11/13/2024

Expiration Date: 11/13/2026

bbrunner@palomaresources.com

10/24/2024

Phone: 713-654-8534

Email Address:

Date:

Received by OCD: 1/7/20252421146143PM

<u>C-1(</u>			En		nerals & Nat	ew Mexico ural Resources Dep				Revised July 9, 2024	
	Electronical			OIL	CONSERVA	ATION DIVISIO	N		□ Initial Su	bmittal	
								Submittal Type:	Amended	l Report	
								1 Jpon	□ As Drille	d	
	30-015-	55728			WELL LOC	ATION INFORMATIC	DN				
API Nı	umber	NDING	Pool Code	00000		Pool Name					
Proper	ty Code	DING	Property Na	98220		PURF	PLE SAGE V	VOLFCAN	Well Number	ar	
	336494			line	THE DU	DE FEE COM 20-19 #702H					
OGRII	^{O No.} 332	449	Operator Na	ame	PALOMA PE	RMIAN ASSETCO, I	LC		Ground Lev	el Elevation 3123'	
Surface	e Owner: 🗆 S	State 🛛 Fee 🗆	🛛 Tribal 🗆 Fe	deral		Mineral Owner:	State 🛛 Fee	🗆 Tribal 🗆	Federal		
					Su	rface Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude]	Longitude	County	
Н	20	22 S	27 E		1892' FNI	184' FEL	32.380	372° -	104.203592°	EDDY	
					Botto	m Hole Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude]	Longitude	County	
	19	22 S	27 E	LOT 3	2200' FSI	200' FWL	32.376	410° -	104.236965°	EDDY	
	ted Acres 34.36	Infill or Defin	ning Well	Defining	Well API	Overlapping Spacing	g Unit (Y/N)	Consolida	tion Code		
Order	Numbers.					Well setbacks are	under Commo	n Ownershi	ip: □Yes □No	•	
					17:-1-						
UL	Section	Township	Range	Lot	Ft. from N/S	Off Point (KOP) Ft. from E/W	Latitude		Longitude	County	
L	21	22 S	27 E		2200' FSI		32.376		104.202135°	EDDY	
-						Take Point (FTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude]	Longitude	County	
Ι	20	22 S	27 E		2200' FSI	330' FEL	32.376	825° -	104.204078°	EDDY	
			1	1	Last	Fake Point (LTP)		I			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude]	Longitude	County	
	19	22 S	27 E	LOT 3	2200' FSI	330' FWL	32.376	420° -	104.236544°	EDDY	
Unitize	ed Area or Ar	ea of Uniform I	nterest	Spacing V	Unit Type 🗆 Ho	rizontal 🗆 Vertical	Grou	nd Floor Ele	evation: 3123'		
OPERATOR CERTIFICATIONS 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. 10/21/2024						SURVEYOR CERTI I hereby certify that the w surveys made by me or un of my belief.	ell location shown				
Signatu	re		Date			Signature and Seal of Pr	rofessional Surve	eyor			
Lelan	J Anders					21209	OCTOBE	ER 10, 202	24		
Printed	Name					Certificate Number	Date of Sur	vey			
LAnde	rs@Paloma	Resources.co	m								
Email A	_					-					

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. **Released to Imaging: 1/7/2025 3:02:45 RMM**

12	07	07	08	08	09	09	10
13	18	18	17	17	16	16	15
R.26E	R.27E						
13	18	18	17	17	16	16	15
24	19	19	20	1892'	21	21	22
= 570891' = 501182'	X = 573573' Y = 501240'	X = 576257' Y = 501299'	X = 578915' Y = 501318'	AZ = 269.93° 600.0'	SHL 	X = 586807' Y = 501324' 71°)
200'	LTP AZ = 268.13°	5043.5'	AZ = 270.07	°, 4981.6'	KOP 1306.6		
130.1 24	19 19	19			» p	21	22
25 = 570874' = 498476'	<i>30</i> X = 573564' Y = 498554'	<i>30</i> X = 576265' Y = 498651'	29	X = 578901' 29 Y = 498648'	28 X = 581567' Y = 498644'	X = 584191' Y = 498655' X = 586816' Y = 498664'	27
 			APPROXIMATE DISTANCE FRO SECTION 20 SECTION 19 TOTAL	WELL BORE M FTP TO LTP 4981.63' 5043.51' 10025.14'			
25	30	30	29	29	28	28	27
36	31		32	- $ 32$	33	33	34

WELL NAME: THE DUDE FEE COM 20-19 #702H ELEVATION: <u>3123'</u>

NAD 83 (SHL) 1892' FNL & 184' FEL	NAD 83 (KOP) 2200' FSL & 270' FWL	NAD 83 (FTP) 2200' FSL & 330' FEL
LATITUDE = 32.380372° LONGITUDE = -104.203592°	LATITUDE = 32.376825° LONGITUDE = -104.202135°	LATITUDE = 32.376825° LONGITUDE = -104.204078°
NAD 27 (SURFACE HOLE LOCATION)	NAD 27 (KOP)	NAD 27 (FTP)
LATITUDE = 32.380253°	LATITUDE = 32.376706°	LATITUDE = 32.376706°
LONGITUDE = -104.203090°	LONGITUDE = -104.201633°	LONGITUDE = -104.203576°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 502135.18' E: 581388.82'	N: 500845.30' E: 581840.24'	N: 500844.61' E: 581240.24'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 502075.64' E: 540207.26'	N: 500785.79' E: 540658.65'	N: 500785.11' E: 540058.66'

NAD 83 (LTP) 2200' FSL & 330' FWL	NAD 83 (BHL) 2200' FSL & 200' FWL
LATITUDE = 32.376420°	LATITUDE = 32.376410°
LONGITUDE = -104.236544°	LONGITUDE = -104.236965°
NAD 27 (LTP)	NAD 27 (BHL)
LATITUDE = 32.376302°	LATITUDE = 32.376292°
LONGITUDE = -104.236041°	LONGITUDE = -104.236462°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 500686.62' E: 571217.79'	N: 500682.86' E: 571087.77'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 500627.24' E: 530036.33'	N: 500623.48' E: 529906.31'

NOTES

O FOUND MONUMENT CALC. CORNER

Г

O SHL/ KOP/ FTP / PPP/ LTP / BHL HORIZONTAL SPACING UNIT STATE OIL & GAS LEASE

BLM OIL & GAS LEASE

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

2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2024. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.

3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

0'	25	00'	5000'
and the second second			
	SCALE: 1"	= 2500'	

Released to Imaging: 1/17/2025 3:02:45 IBM M

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Page 41 of 28

.

Form C-101 August 1, 2011 Permit 376175

APPLICATION FOR PERMIT TO DRILL. R	PE-ENTER DEEDEN	
AFFLICATION FLINNIT TO DIVILL, IN	L"LINI LIN, DLLF LIN	, FLOGDACK, OKADDAZONL

									,	· ·				
	me and Address										2. OG	RID Number		
	oma Permian Asse											332449		
	0 Louisiana, Ste. 5	100									3. AP	I Number		
-	uston, TX 77002											30-015-55	729	
4. Property Co			5. Property		20.40						6. We			
330	\$494			The Dude	20-19							703H		
						7. Surfa	ace Location	ı						
UL - Lot	Section	Township	F	lange		Lot Idn	Feet From		N/S Line	Feet Fro	m	E/W Line	Cou	unty
A	20	22	S	2	7E		79	8	N		460	E		Eddy
						8. Proposed B	ottom Hole I	ootior					-	
UL - Lot	Section	Township	Ran	ne er		t Idn	Feet From		N/S Line	Feet	From	E/W Line	0	ounty
E	19	22S		27E	LU	LOT 2	rectron	1865	N	1001	200	L/W Line		Eddy
	10	220				2012	I				200			Ludy
						9. Poo	Information							
PURPLE SAG	GE;WOLFCAMP (G	AS)										98220		
						Additional	Well Informa	tion						
11. Work Type		12. Well Typ	e		13 Ca	ble/Rotary	wen morma		ase Type		15 Ground	Level Elevation		
	w Well		AS						Private			122		
16. Multiple		17. Proposed	d Depth		18. Fo	rmation		19. Co	ntractor	:	20. Spud Da	ate		
N		19	9453			Wolfcamp					1	1/25/2024		
Depth to Grour	nd water				Distanc	ce from nearest fre	sh water well			1	Distance to r	nearest surface w	ater	
🛛 We will be	using a closed-loo	p system in lie	u of lined	pits										
					21.	Proposed Casi	ng and Cem	ent Pro	aram					
Туре	Hole Size	Casing	Size			Weight/ft		tting De		Sacks	s of Cement		Estin	nated TOC
Surf	17.5	13.3	75		5	4.5		654			540			0
Int1	12.25	9.62	25			40		3121			895			0
Prod	8.75	5.5	5			23		19453			2950			0
					Casin	g/Cement Prog	ram: Additio	nal Con	nmonte					
Our 9-5/8" 40	0# L-80 casing is sp	pecial drift to 8	75"		Casili	g/Gement Prog			linents					
Our 5-5/6 40	0# E-00 casing is sp		.10.											
					22.	Proposed Blow	out Preventi	ion Pro						
	Туре				Working	Pressure			Test Pressu	re		N	anufactu	irer
	Double Ram				10	000			10000				AXON	
	Pipe				10	000			10000				AXON	
	Annular				50	00			5000				AXON	
23. I hereby o	certify that the inform	mation given at	oove is tru	e and con	nplete to	the best of my			0	IL CONSE	ERVATION	DIVISION		
knowledge a														
	ify I have complied	d with 19.15.14	.9 (A) NM	AC 🛛 and	d/or 19.	15.14.9 (B) NMA	C							
⊠, if applical	ble.													
Signatura														
Signature:	Electronical	ly filed by D-	OV Pruss	~ r			A	Duu	Mard Dile					
Printed Name:		ly filed by Brittn	ey Brunn	31			Approved	ву:	Ward Rikala		<u> </u>			
Title:	OpAdmin						Title:		Petroleum S	pecialist	<u> </u>			
Email Address:		palomaresour					Approved		11/13/2024		E	Expiration Date: 1	1/13/20	26
Date:	11/1/2024		Pł	one: 713-	654-853	34	I Condition	ns of Ap	proval Attached					

Received by OCD: 1//7/202542:11:14 PM

<u>C-102</u>		En			aral Resources Depa				Revised July 9, 2024	
Submit Electron Via OCD Permi			OIL	CONSERVA	TION DIVISION	1		□ Initial Su	bmittal	
							Submittal Type:		l Report	
							Type.	□ As Drille		
30-01	5-55729	1		WELL LOCA	TION INFORMATIO	N	1			
API Number		Pool Code	00000		Pool Name					
Property Code		Property Na	98220		PURP	LE SAGE W	OLFCAM	Well Numbe	2 #	
33649	4	1 5		THE DUD	DE FEE COM 20-19 #703H					
OGRID No.	32449	Operator N	ame	PALOMA PER	RMIAN ASSETCO, L	LC		Ground Lev	el Elevation 3122'	
Surface Owner:	🗆 State 🛛 Fee 🗆	🛛 Tribal 🗆 Fe	deral		Mineral Owner: 🗆	State 🛛 Fee	🗆 Tribal 🗆	Federal		
				Sur	face Location					
UL Section	n Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	ongitude	County	
A 20	22 S	27 E		798' FNL	460' FEL	32.383	369° -1	04.204477°	EDDY	
I				Bottor	n Hole Location					
UL Section	n Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	ongitude	County	
19	22 S	27 E	LOT 2	1865' FNL	200' FWL	32.379	871° -1	04.236940°	EDDY	
Dedicated Acres 634.28	Infill or Defi	ning Well	Defining	Well API	Overlapping Spacing	Unit (Y/N)	Consolidat	ion Code		
Order Numbers					Well setbacks are u	Inder Commo	n Ownershi	p: □Yes □No		
					I					
UL Section	n Township	Range	Lot	Kick (Ft. from N/S	Dff Point (KOP) Ft. from E/W	Latitude	T	ongitude	County	
E 21	22 S	27 E		1865' FNL		32.380		04.202123°	EDDY	
	22.0				Take Point (FTP)					
UL Section	1 Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	ongitude	County	
Н 20	22 S	27 E		1865' FNL	330' FEL	32.380	441° -1	04.204066°	EDDY	
					ake Point (LTP)					
UL Section	1 Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	ongitude	County	
19	22 S	27 E	LOT 2	1865' FNL	330' FWL	32.379	881° -1	04.236519°	EDDY	
		1					I			
Unitized Area of	Area of Uniform l	Interest	Spacing V	Unit Type 🗆 Hori	zontal 🗆 Vertical	Grou	nd Floor Ele	vation: 3122'		
OPERATOR C	ERTIFICATIONS	5			SURVEYOR CERTI	FICATIONS				
my knowledge and organization either including the prope location pursuant t	t the information cont belief, and, if the well owns a working inter osed bottom hole locat o a contract with an o funtary pooling agreen sion.	is a vertical or est or unleased tion or has a rig wner of a worki	directional we mineral intere ht to drill this ng interest or	ell, that this est in the land well at this unleased mineral	I hereby certify that the we surveys made by me or und of my belief.					
consent of at least in each tract (in the	izontal well, I further one lessee or owner oj e target pool or forma ated or obtained a con	f a working inter tion) in which ar npulsory pooling	rest or unlease ny part of the g order from t	ed mineral interest well's completed	Im	_ 18 00	汁202	4 RorEssi	DNAL SURVEYOR	
Signature //		Date	21/2024 e		Signature and Seal of Pro	ofessional Surve	eyor			
Lelan J Anders					21209	OCTOBE	ER 10, 202	4		
Printed Name	,				Certificate Number	Date of Surv	-			
LAnders@Palc Email Address	maResources.co	m								

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. **Released to Imaging: 1/7/2025 3:02:45 PMM**

12	07	07	08			08	09	09	10
13	18	18	17			17	16	16	15
R.26E	R.27E								
x = 570903' Y = 503803' <i>13</i>	X = 573583' 18 Y = 503876'	X = 576258' Y = 503952' 18	17	X = 578929' Y = 503997'	7	17	$\begin{array}{c} X = 581576' \\ Y = 504029' \\ 16 \\ Y = 504007' \\ \end{array}$	X = 586798' Y = 503984' 16	15
	3 1865' 1865'	19	20	AZ =	269.82° 600.0'	798' 1865'	AZ = 145	.59°21	22
330'	AZ = 268.3	9°, 5035.3'		AZ = 269.16	FTP · °, 4985.3'	330'	1288.7'	X = 586807'	
(= 570891' (= 501182'	X = 573573' Y = 501240' AZ = 268.44°	X = 576257' Y = 501299' HZ SPACING UNIT		X = 578915' Y = 501318'			X = 581571' Y = 501337'	Y = 501324' -©	
24	130.1' 19	19	20			20	21	21	22
25	30	30	29			29	28	28	27
				APPROXIMATE DISTANCE FROM ECTION 20	V FTP TO L	TP			
				ECTION 20 ECTION 19 TOTAL	4985.3 5035.3 10020.	30'			
25	30	30	29			29	28	28	27
	31	31	32			32	33	33	34

WELL NAME: THE DUDE FEE COM 20-19 #703H ELEVATION: <u>3122'</u>

NAD 83 (SHL) 798' FNL & 460' FEL	NAD 83 (KOP) 1865' FNL & 270' FWL	NAD 83 (FTP) 1865' FNL & 330' FEL
LATITUDE = 32.383369° LONGITUDE = -104.204477°	LATITUDE = 32.380444° LONGITUDE = -104.202123°	LATITUDE = 32.380441° LONGITUDE = -104.204066°
NAD 27 (SURFACE HOLE LOCATION)	NAD 27 (KOP)	NAD 27 (FTP)
LATITUDE = 32.383251° LONGITUDE = -104.203975°	LATITUDE = 32.380325° LONGITUDE = -104.201621°	LATITUDE = 32.380323° LONGITUDE = -104.203564°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 503225.29' E: 581114.27'	N: 502162.04' E: 581842.43'	N: 502160.18' E: 581242.43'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 503165.73' E: 539932.74'	N: 502102.50' E: 540660.87'	N: 502100.64' E: 540060.88'

NAD 83 (LTP) 1865' FNL & 330' FWL	NAD 83 (BHL) 1865' FNL & 200' FWL
LATITUDE = 32.379881°	LATITUDE = 32.379871°
LONGITUDE = -104.236519°	LONGITUDE = -104.236940°
NAD 27 (LTP)	NAD 27 (BHL)
LATITUDE = 32.379763°	LATITUDE = 32.379753°
LONGITUDE = -104.236016°	LONGITUDE = -104.236437°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 501945.63' E: 571224.34'	N: 501942.08' E: 571094.32'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 501886.21' E: 530042.90'	N: 501882.66' E: 529912.88'

O FOUND MONUMENT CALC. CORNER

O SHL/ KOP/ FTP / PPP/ LTP / BHL HORIZONTAL SPACING UNIT STATE OIL & GAS LEASE

BLM OIL & GAS LEASE

NOTES

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

2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2024. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.

3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

0'		25	00'	5000'
	and the second			
and the second		COALE: 15	/	
and the second second		SCALE: 1"	' = 2500'	

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Page 14 of 28

.

Form C-101 August 1, 2011 Permit 376184

APPLICATION FOR PERMIT TO DRILL.	RE-ENTER DEEPEN	J PLUGBACK OR ADD A ZONI	F
AITEOATION ON ENTITIE DUEL,			

	ame and Address Ioma Permian Asset(2. C	GRID Numb 3324								
	00 Louisiana, Ste. 51							3. API Number							
Ho	uston, TX 77002											30-0	15-55730)	
4. Property Code 5. Property Name										6. V	6. Well No.				
33	6494			The Dude	20-19							7041	1		
						7. Surfa	ce Location								
UL - Lot	Section	Township		ange		Lot Idn	Feet From		N/S Line	Feet F		E/W Li		County	
A	20	22	2S	2	7E		77	8	N		460		E	E	ddy
						8. Proposed B									
UL - Lot D	Section 19	Township 225	Ran			t Idn LOT 1	Feet From		N/S Line N	Feet	From 200	E/W L	ine. W	County	Eddy
D	19	223		27E		LOT I		556	IN		200		VV		Eddy
						9. Pool	Information								
PURPLE SA	GE;WOLFCAMP (GA	S)										1	98220		
						Additional	Well Informa	tion							
11. Work Type		12. Well Typ			13. Cab	le/Rotary		14. Lea:	se Type		15. Groun	d Level Elev	/ation		
-	w Well	-	AS						Private			3122			
16. Multiple N		17. Proposed	d Depth 9375		18. Fori	mation Wolfcamp		19. Con	tractor		20. Spud I	Date 11/25/202	4		
Depth to Grou	ind water	1	5575		Distance	e from nearest fre	sh water well								
We will be	using a closed-loop	system in lie	eu of lined	pits	-										
					21. F	Proposed Casi	ng and Ceme	ent Prog	ram						
Туре	Hole Size	Casing			-	Weight/ft	Se	tting Dept	th	Sac	ks of Cemer	nt		Estimated TC)C
Surf	17.5	13.3		-		4.5		654			540			0	
Int1 Prod	12.25 8.75	9.6 5.				10 23		3100 19375		895 2940			0		
TIOU	0.75	0.	5				I				2340			0	
					Casing	J/Cement Prog	am: Additio	nal Com	ments						
Our 9-5/8" 4	0# L-80 casing is spe	ecial drift to 8	.75".												
					22. F	Proposed Blow	out Preventi	on Prog	ram						
	Туре				Working F				Test Press	ure				facturer	
	Double Ram				100				10000			AXON			
	Pipe				100				10000)		AXON			
	Annular				500	00			5000				A	KON	
22 Lboroby	certify that the inform	ation aivon a	hovo is tru	and com	nloto to	the best of my						N DIVISION			
knowledge a		allon given a			ipiete to	the best of my			,		DERVATIO		4		
	tify I have complied	with 19.15.14	.9 (A) NM	AC 🛛 and	l/or 19.1	5.14.9 (B) NMA	с								
🛛, if applica	ible.														
Signature:															
Printed Name	Electronically	filed by Brittr	nev Brunne	er			Approved	Bv:	Ward Rikal	а					
Title:	OpAdmin		, 2. a.m.	-			Title:	-,.	Petroleum		t Supervis	sor			
Email Address		alomaresour	ces.com				Approved	Date:	11/13/2024			Expiration	Date: 11/1	3/2026	
Date:	11/1/2024			one: 713-6	654-853	4		Conditions of Approval Attached							

Received by OCD: 1//7/2025412:11:14 RM

			1					1				
<u>C-1(</u>			En		nerals & Nat		ew Mexico Revised aral Resources Department ATION DIVISION					
	Electronical			OIL C	JUNSERV	ATION DIVISION	l		Initial Sul	bmittal		
		>						Submittal Type:	Amended	Report		
								□ As Drille	-			
	30-015-	55730			WELL LOC	ATION INFORMATIO	TION INFORMATION					
API N	umber	NDING	Pool Code			Pool Name						
Proper	ty Code	IDING	Property Na	98220		PURPI	LE SAGE W	OLFCAN	IP (GAS)	1 17		
	336494				THE DU	DE FEE COM 20-19				#704H		
OGRII	^{O No.} 332	449	Operator Na	ame	PALOMA PE	RMIAN ASSETCO, L	LC		Ground Leve	el Elevation 3122'		
Surface	e Owner: 🗆 S	State ⊠ Fee □] Tribal 🗆 Fe	deral		Mineral Owner:	State 🛛 Fee	🗆 Tribal 🗆	Federal			
					Su	rface Location						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	1	Longitude	County		
А	20	22 S	27 E		778' FNL	460' FEL	32.383	424° -	104.204477°	EDDY		
		I			Botto	om Hole Location	1					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County		
	19	22 S	27 E	LOT 1	556' FNL	200' FWL	32.383	471° -'	104.236918°	EDDY		
	licated Acres Infill or Defining Well Defining Well API 634.28				Overlapping Spacing	Overlapping Spacing Unit (Y/N) Consolidation Code						
Order	Order Numbers.				Well setbacks are u	Well setbacks are under Common Ownership: □Yes □No						
					IZ:-L				-			
UL	Section	Township	Range	Lot	Ft. from N/S	Off Point (KOP) Ft. from E/W	Latitude		Longitude	County		
D	21	22 S	27 E	Lot	556' FNL		32.384		104.202110°	EDDY		
						Take Point (FTP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude]	Longitude	County		
А	20	22 S	27 E		556' FNL	330' FEL	32.384	040° -	104.204054°	EDDY		
			1		Last	Take Point (LTP)		I				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude]	Longitude	County		
	19	22 S	27 E	LOT 1	556' FNL	. 330' FWL	32.383	481° -'	104.236496°	EDDY		
Unitize	ed Area or Ar	ea of Uniform I	nterest	Spacing U	Unit Type 🗆 Ho	rizontal 🗆 Vertical	Grou	nd Floor Ele	evation: 3122'			
OPERATOR CERTIFICATIONS 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. 10/21/2024 Signature Date Lelan J Anders Printed Name LAnders@PalomaResources.com				SURVEYOR CERTIF I hereby certify that the we surveys made by me or und of my belief. Signature and Seal of Pro 21209 Certificate Number	Il location shown ler my supervisio - 18 OC	n, and that th 77 202 2yor ER 10, 202	e same is true and C N N N N N N N N N N N N N N N N N N					
LAnde Email A	-	Resources.co	m			-						

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. Released to Imaging: 1/7/2025 3:02:45 RMM

12	07		07	08			08	09	09	10
13	18		18	17			17	16	16	15
R.26E	R.27E							Y 50 (570)		
X = 570903' Y = 503803' <i>13</i>			Х = 576258' Y = 503952' 18	17	X = 578929' Y = 503997'	FTI	₽~ 17	$ \begin{array}{c} x = 581576' \\ y = 504029' \\ 16 \\ y = 504007' \\ \hline \end{array} $	X = 586798' Y = 503984' 16	15
24		S' AZ = 268.39°, 5	042.8'		AZ = 269.16°,		/8'	330' 556' KOP AZ = 269.83°	21	22
330' —	AZ = 268 130.1'	.44°		۲ ^н	Z SPACING UNIT		270' -	600.0' AZ = 72.82° 764.5'		
(= 570891' (= 501182'	» X =	⊠ = 573573' = 501240'	X = 576257' Y = 501299'		× = 578915' Y = 501318'			X = 581571' Y = 501337'	X = 586807' Y = 501324' -@	
24	19		19	20			20	21	21	22
25	30		30	29			29	28	28	27
				D	APPROXIMATE V ISTANCE FROM	FTP TO LTF				
					CTION 20 CTION 19 TOTAL	4974.17 5042.81 10016.98	,			
25	30		30	29			29	28	28	27
	31			$\overline{32}$	+ +		32	33	33	34

WELL NAME: THE DUDE FEE COM 20-19 #704H ELEVATION: <u>3122'</u>

NAD 83 (SHL) 778' FNL & 460' FEL	NAD 83 (KOP) 556' FNL & 270' FWL	NAD 83 (FTP) 556' FNL & 330' FEL
LATITUDE = 32.383424° LONGITUDE = -104.204477°	LATITUDE = 32.384043° LONGITUDE = -104.202110°	LATITUDE = 32.384040° LONGITUDE = -104.204054°
NAD 27 (SURFACE HOLE LOCATION)	NAD 27 (KOP)	NAD 27 (FTP)
LATITUDE = 32.383306° LONGITUDE = -104.203975°	LATITUDE = 32.383924° LONGITUDE = -104.201608°	LATITUDE = 32.383922° LONGITUDE = -104.203552°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 503245.29' E: 581114.28'	N: 503471.07' E: 581844.68'	N: 503469.31' E: 581244.68'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 503185.73' E: 539932.75'	N: 503411.49' E: 540663.15'	N: 503409.74' E: 540063.15'

NAD 83 (LTP) 556' FNL & 330' FWL	NAD 83 (BHL) 556' FNL & 200' FWL
LATITUDE = 32.383481°	LATITUDE = 32.383471°
LONGITUDE = -104.236496°	LONGITUDE = -104.236918°
NAD 27 (LTP)	NAD 27 (BHL)
LATITUDE = 32.383363°	LATITUDE = 32.383353°
LONGITUDE = -104.235993°	LONGITUDE = -104.236415°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 503255.28' E: 571230.21'	N: 503251.73' E: 571100.19'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 503195.83' E: 530048.79'	N: 503192.28' E: 529918.78'

NOTES

FOUND MONUMENT CALC. CORNER

O SHL/ KOP/ FTP / PPP/ LTP / BHL HORIZONTAL SPACING UNIT STATE OIL & GAS LEASE BLM OIL & GAS LEASE 1. ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).

2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2024. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.

3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

0'	25	00'	5000'
and a second second second			
	SCALE: 1"	' = 2500'	

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Page 17 of 28

.

Form C-101 August 1, 2011 Permit 375689

APPLICATION FOR PERMIT TO DRILL	DEEDEN	DILICBACK	
AFFLICATION I ON FLIMITI TO DINLL		FLUGDACK,	UNADDAZUNL

	ame and Address										2. OGF	RID Number		
	loma Permian Asse											332449		
	0 Louisiana, Ste. 5	100									3. API	Number		
	uston, TX 77002											30-015-5573	1	
4. Property Co	de 6494		5. Property T	Name he Dude	Fee 20-1	a		6. Well No. 801H						
	5101			no Duuo	10020	-						00111		
	1	1					ace Locatio	n		1		1	1	
UL - Lot H	Section 20	Township	Ra 2S	inge 27	۱ Έ	Lot Idn	Feet From	72	N/S Line N	Feet Fro	m 184	E/W Line E	County Eddy	
п	20	2.	25	21					ļ		104		Eddy	
						. Proposed B				1				
UL - Lot L	Section 20	Township 225	Rang	e 27E	Lot I	dn LOT 3	Feet Fro	n 1540	N/S Line S	Feet F	rom 200	E/W Line W	County Eddv	
	20	220	,	216		LOTO		1040	0		200		Eddy	
						9. Poo	I Informatio	n						
PURPLE SA	GE;WOLFCAMP (GA	AS)										98220		
						Additional	Well Inform	ation						
11. Work Type		12. Well Typ			13. Cabl	e/Rotary		14. Lea	ase Type	1		evel Elevation		
	w Well	-	BAS		10 5			10.0	Private			123		
16. Multiple 17. Proposed Depth 18. Formation N 20244 Wolfcamp						19. Contractor 20. Spud Date 11/18/2024								
Depth to Grou	nd water	2	0244		Distance	from nearest fre	esh water well			D		earest surface wate	r	
🛛 We will be	using a closed-loop	o system in li	eu of lined	pits						·				
					21. P	roposed Casi	ng and Cen	ent Pro	aram					
Туре	Hole Size	Casing	g Size		Casing V			etting Dep		Sacks	of Cement		Estimated TOC	
Surf	17.5	13.3	375		54	.5		654			505		0	
Int1	12.25	9.6			40		_				040		0	
Prod	8.5	5.	5		23	3		20244		3	105		0	
					Casing/	Cement Prog	ram: Additio	onal Con	nments					
					22. P	roposed Blov	vout Preven	tion Pro	aram					
	Туре				Working P				Test Pressu	re		Man	ufacturer	
	Double Ram				1000	00			10000			A	XON	
	Pipe				1000	00			10000			AXON		
	Annular				500	0			5000			A	XON	
r														
	certify that the inforn	nation given a	bove is true	e and com	plete to t	he best of my			O	L CONSE	RVATION	DIVISION		
knowledge a	tify I have complied	with 19 15 1		C Mand	1/or 19 15	14 9 (B) NM	NC							
X, if applica		WILL 15.15.1	+.5 (A) NINA		1/01 13.10	. 14.3 (D) 1414/	-0							
Signature:														
Printed Name:	Electronical	y filed by Britt	ney Brunne	r			Approved	d By:	Ward Rikala					
Title:	OpAdmin						Title:		Petroleum S	pecialist \$				
Email Address	0	palomaresou					Approved		11/13/2024		E	xpiration Date: 11/	13/2026	
Date:	10/24/2024		Ph	one [.] 713-	654-853	4	Conditio	ons of Ap	proval Attached					

Received by OCD: 1/7/2025242114714 PM

C 10)				State of N	ew Mexico				Revised July 9, 2024	
<u>C-1(</u>	<u>JZ</u> t Electronical	v	En		nerals & Nat	ural Resources Depa ATION DIVISION				Kevised July <i>9</i> , 2024	
	CD Permitting			OIL					🗆 Initial Su	bmittal	
								Submittal Type:	□ Amended	l Report	
									□ As Drille	d	
	30-015	5-55731			WELL LOC	ATION INFORMATIO	N				
API Nı	umber	NDING	Pool Code	98220		Pool Name PURPLE SAGE WOLFCAMP (GAS)					
Proper	ty Code 33649	4	Property Na	me	THE DU	DE FEE COM 20-19			Well Numbe	er #801H	
OGRII			Operator Na	ime	PALOMA PE	RMIAN ASSETCO, L	LC		Ground Lev		
Surface	e Owner: 🗆 S	State 🛛 Fee 🗆	I Tribal □ Fe	leral		Mineral Owner:	State 🛛 Fee	🗆 Tribal 🗆	Federal	5125	
					Sui	face Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Ι	Longitude	County	
Н	20	22 S	27 E		1872' FNI	184' FEL	32.380	427° -1	04.203592°	EDDY	
					Botto	m Hole Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Ι	Longitude	County	
	19	22 S	27 E	LOT 3	1540' FSI	200' FWL	32.374	594° -1	04.236981°	EDDY	
	Dedicated Acres Infill or Defining Well Defining Well API 634.36					Overlapping Spacing	Unit (Y/N)	Jnit (Y/N) Consolidation Code			
Order	Numbers.					Well setbacks are u	Inder Commo	n Ownershi	p: □Yes □No		
					Kick	Off Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	Longitude	County	
L	21	22 S	27 E		1540' FSI	270' FWL	32.375		104.202141°	EDDY	
					First	Take Point (FTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Ι	Longitude	County	
Ι	20	22 S	27 E		1540' FSI	330' FEL	32.375	011° -1	04.204084°	EDDY	
					Last	Fake Point (LTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County	
	19	22 S	27 E	LOT 3	1540' FSI	330' FWL	32.374	604° -1	04.236560°	EDDY	
Unitize	ed Area or Ar	ea of Uniform I	nterest	Spacing U	Unit Type 🗆 Ho	rizontal 🗆 Vertical	Grou	nd Floor Ele	vation: 3123'		
I hereby my know organiza includin location interest, entered If this w consent	certify that the wledge and beli ation either own go the proposed pursuant to a co or to a volunta by the division. cell is a horizon. of at least one	tal well, I further c	ained herein is the is a vertical or c est or unleased r ion or has a righ wher of a workin eent or a compu- certify that this of a working inter	lirectional we nineral intere to drill this g interest or sory pooling rganization h est or unlease	ell, that this est in the land well at this unleased mineral order heretofore has received the ed mineral interest	SURVEYOR CERTIF I hereby certify that the we surveys made by me or una of my belief.	ll location shown			PADD MELCO 1209	
interval	will be located	or obtained a con	npulsory pooling 10/2	order from t		Im		ot 202	24 ROFESSIC	DNAL SURVEYOF	
Signatu	ire		Date	1		Signature and Seal of Pro					
	J Anders					21209	_ 1	ER 10, 202	4		
Printed						Certificate Number	Date of Sur	vey			
	ers@Paloma Address	Resources.co	m								

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. **Released to Imaging: 1/7/2025 3:02:45 PMM**

12	07	07	08	08 09)	09 10
13	18	18	17	17 16		16 15
R.26E	R.27E	Ĩ				
13	18	18	17	17 16	3	16 15
24	19	19	20	20 21 1872'		21 22
(= 570891' (= 501182'	X = 573573' Y = 501240'	X = 576257' Y = 501299'	X = 578915' Y = 501318'	SHL - X = Y =	501337	36807')1324'
200' —	BHL AZ = 268.34° 130.1' LTP AZ = 268.13°,	5049.6'	AZ = 270.07°, 49		AZ = 167.12° 2020.7'	
330'	1540' 1540' 19	19	20 THZ SPACING UNIT	1540' 1540 20		21 22
25 (= 570874' (= 498476'	30 X = 573564' Y = 498554'	30 X = 576265' Y = 498651'		578901' 29 26 498648' 29	X = 581567' Y = 498644' X = 584191' Y = 498655' X = 58 Y = 498655' X = 584191' Y = 498655'	28 36816' 27
			APPROXIMATE WEL DISTANCE FROM FT SECTION 20	L BORE P TO LTP 4978.66'		
			SECTION 19	5049.63' 10028.29'		
25	30	30	29	29 28	3	28 27
36	31	31	32	32 33	3	33 34

WELL NAME: THE DUDE FEE COM 20-19 #801H ELEVATION: <u>3123'</u>

NAD 83 (SHL) 1872' FNL & 184' FEL	NAD 83 (KOP) 1540' FSL & 270' FWL	NAD 83 (FTP) 1540' FSL & 330' FEL
LATITUDE = 32.380427°	LATITUDE = 32.375011°	LATITUDE = 32.375011°
LONGITUDE = -104.203592°	LONGITUDE = -104.202141°	LONGITUDE = -104.204084°
NAD 27 (SURFACE HOLE LOCATION)	NAD 27 (KOP)	NAD 27 (FTP)
LATITUDE = 32.380308°	LATITUDE = 32.374892°	LATITUDE = 32.374892°
LONGITUDE = -104.203090°	LONGITUDE = -104.201639°	$LONGITUDE = -104.203582^{\circ}$
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 502155.18' E: 581388.83'	N: 500185.30' E: 581839.21'	N: 500184.61' E: 581239.21'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 502095.64' E: 540207.27'	N: 500125.81' E: 540657.61'	N: 500125.13' E: 540057.62'

NAD 83 (LTP) 1540' FSL & 330' FWL	NAD 83 (BHL) 1540' FSL & 200' FWL
LATITUDE = 32.374604°	LATITUDE = 32.374594°
LONGITUDE = -104.236560°	LONGITUDE = -104.236981°
NAD 27 (LTP)	NAD 27 (BHL)
LATITUDE = 32.374486°	LATITUDE = 32.374469°
LONGITUDE = -104.236057°	LONGITUDE = -104.236802°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 500026.22' E: 571213.62'	N: 500022.46' E: 571083.59'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 499966.85' E: 530032.14'	N: 499963.09' E: 529902.11'

O FOUND MONUMENT



NOTES

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

2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2024. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.

3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

0'		25	00'	5000'
and the second sec	a and a second			
		SCALE: 1"	= 2500'	

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Page 20 of 28

Form C-101 August 1, 2011 Permit 376188

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

	me and Address									2. OGI	RID Number		
	oma Permian Asset										332449		
	0 Louisiana, Ste. 5	100								3. API	Number		
	uston, TX 77002										30-015-5573	32	
4. Property Coo		:	5. Property N		20.40					6. Wel			
336	6494		I	he Dude 2	20-19						802H		
					7. Surface	e Location							
UL - Lot	Section	Township	Ra	inge	Lot Idn F	eet From	1	N/S Line	Feet From	1	E/W Line	County	
A	20	22	S	27	E	83	8	N		460	E		Eddy
					8. Proposed Bott	om Hole I	ocation						
UL - Lot	Section	Township	Range	9	Lot Idn	Feet From	ocation	N/S Line	Feet Fr	om	E/W Line	County	
E	19	22S	. tunge	27E	LOT 2		2357	N		200	W	obuility	Eddy
								•			•		
		2			9. Pool In	formation							
PURPLE SAC	GE;WOLFCAMP (GA	AS)									98220		
					Additional W	ell Informa	tion						
11. Work Type		12. Well Type)		13. Cable/Rotary		14. Leas	se Туре	15	i. Ground I	evel Elevation		
New Well GAS						Private			121				
16. Multiple 17. Proposed Depth 18. Formation						19. Contractor 20. S). Spud Da				
N 20093 Wolfcamp						Dista				11/25/2024 ance to nearest surface water			
Depth to Grour	nd water				Distance from nearest fresh	water well			DI	stance to n	earest surface wate	er	
X We will be i	using a closed-loop	svetom in lie	u of lined r	nite									
	aoing a clobba loop	o gotoin in no		5110									
					21. Proposed Casing								
Type Surf	Hole Size 17.5	Casing 13.3			Casing Weight/ft 54.5	Se	ting Dept 654	h		of Cement 40		Estimated 0	TOC
Int1	12.25	9.62			40		3135			95		0	
Prod	8.75	5.5			23		20093		-	070		0	
											1	-	
					Casing/Cement Program	n: Additior	nal Comi	ments					
Our 9-5/8" 40	0# L-80 casing is sp	ecial drift to 8.	75".										
					22. Proposed Blowou	ut Preventi	on Proa	ram					
	Туре			١	Norking Pressure			Test Pressur	re		Mar	nufacturer	
	Double Ram				10000			10000			1	AXON	
	Pipe				10000			10000			1	AXON	
	Annular				5000			5000			/	AXON	
23. I hereby c	certify that the inform	nation given ab	ove is true	and com	plete to the best of my			OI	L CONSEP	RVATION	DIVISION		
knowledge a													
		with 19.15.14	9 (A) NMA	CXand	or 19.15.14.9 (B) NMAC								
⊠, if applical	ble.												
Signature:													
Printed Name:	Flectronically	y filed by Brittn	ev Brunner			Approved	Bv:	Ward Rikala					
Title:	OpAdmin	,				Title:		Petroleum S		unerviso	r		
Email Address:		alomaresourd	es com			Approved	Date:	11/13/2024			xpiration Date: 11/	13/2026	
Date:		aloniaresourc		ne: 713-6	54-8534			oroval Attached			Apriation Date. 11/	10/2020	
Date.	11/1/2024		1.110	10.110-0	0 000	Jonandor	is or App	A CONTRACTION					

Received by OCD: 1//7/202542:11:14 RM

<u>C-10</u>			State of New Mexico Energy, Minerals & Natural Resources Departmen OIL CONSERVATION DIVISION							Revised July 9, 2024	
	Electronicall D Permitting								□ Initial Su	bmittal	
								Submittal Type:	Amended	l Report	
								rype.	□ As Drille	d	
	30-015	-55732			WELL LOC.	ATION INFORMATION					
API Nu	umber PEN	IDING	Pool Code	98220		Pool Name PURPLE SAGE WOLFCAMP (GAS)					
Propert	y Code 336494		Property Na	ame	THE DU	DE FEE COM 20-19			Well Numbe	er #802H	
OGRIE			Operator Na	ame	PALOMA PE	RMIAN ASSETCO, LI	LC		Ground Lev		
Surface	e Owner: 🗆 S	State 🛛 Fee 🗆	I Tribal □ Fe	deral		Mineral Owner:		🗆 Tribal 🗆	Federal	5121	
					Su	rface Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	1	Longitude	County	
А	20	22 S	27 E		838' FNL	460' FEL	32.383	260° -	104.204477°	EDDY	
	1	1	1	I	Botto	m Hole Location	1				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County	
	19	22 S	27 E	LOT 2	2357' FNI	_ 200' FWL	32.378	518° -	104.236949°	EDDY	
Dedicated Acres Infill or Defining Well Defining Well API 634.28					Overlapping Spacing	Unit (Y/N)	it (Y/N) Consolidation Code				
Order]	Numbers.					Well setbacks are u	nder Commo	n Ownershi	ip: □Yes □No		
					Kick	Off Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude]	Longitude	County	
Е	21	22 S	27 E		2357' FNI	270' FWL	32.379	092° -	104.202127°	EDDY	
					First	Take Point (FTP)		I			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude]	Longitude	County	
Н	20	22 S	27 E		2357' FNI	330' FEL	32.379	089° -	104.204071°	EDDY	
						Take Point (LTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County	
	19	22 S	27 E	LOT 2	2357' FNI	330' FWL	32.378	527° -	104.236528°	EDDY	
Unitize	d Area or Ar	ea of Uniform I	nterest	Spacing U	Unit Type 🗆 Ho	rizontal 🗆 Vertical	Grou	nd Floor Ele	evation: 3121'		
I hereby my know organize includim location interest, entered I If this we consent in each t interval Signatur Lelan J Printed	certify that the vedge and beli tition either own g the proposed pursuant to a co or to a volunta by the division. ell is a horizone of at least one to react (in the tar will be located tree D Anders Name	tal well, I further c	nined herein is t is a vertical or a est or unleased ion or has a rigil wner of a workin ient or a compu- vertify that this of a working inter ion) in which an apulsory pooling 10/2 Date	directional we mineral intere- to to drill this g interest or lsory pooling organization h est or unlease ny part of the g order from the 21/2024	ell, that this est in the land well at this unleased mineral order heretofore has received the ed mineral interest well's completed	SURVEYOR CERTIF I hereby certify that the web surveys made by me or und of my belief. Signature and Seal of Pro 21209 Certificate Number	ll location shown ler my supervisio - 18 00	n, and that th t 2024 ER 10, 202	e same is true and		
Email A	-					-					

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. Released to Imaging: 1/7/2025 3:02:45 PMM



WELL NAME: THE DUDE FEE COM 20-19 #802H ELEVATION: <u>3121'</u>

NAD 83 (SHL) 838' FNL & 460' FEL	NAD 83 (KOP) 2357' FNL & 270' FWL	NAD 83 (FTP) 2357' FNL & 330' FEL
LATITUDE = 32.383260° LONGITUDE = -104.204477°	LATITUDE = 32.379092° LONGITUDE = -104.202127°	LATITUDE = 32.379089° LONGITUDE = -104.204071°
NAD 27 (SURFACE HOLE LOCATION)	NAD 27 (KOP)	NAD 27 (FTP)
LATITUDE = 32.383142° LONGITUDE = -104.203975°	LATITUDE = 32.378973° LONGITUDE = -104.201625°	LATITUDE = 32.378970° LONGITUDE = -104.203569°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 503185.29' E: 581114.25'	N: 501670.03' E: 581841.58'	N: 501668.13' E: 581241.58'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 503125.73' E: 539932.72'	N: 501610.50' E: 540660.01'	N: 501608.61' E: 540060.02'

NAD 83 (LTP) 2357' FNL & 330' FWL	NAD 83 (BHL) 2357' FNL & 200' FWL
LATITUDE = 32.378527°	LATITUDE = 32.378518°
LONGITUDE = -104.236528°	LONGITUDE = -104.236949°
NAD 27 (LTP)	NAD 27 (BHL)
LATITUDE = 32.378409°	LATITUDE = 32.378400°
LONGITUDE = -104.236025°	LONGITUDE = -104.236446°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 501453.39' E: 571222.13'	N: 501449.84' E: 571092.12'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 501393.98' E: 530040.68'	N: 501390.44' E: 529910.67'

Released to Imaging: 1/7/20253402345 PMM

NOTES

FOUND MONUMENT
CALC. CORNER
SHL/ KOP/ FTP / PPP/ LTP / BHL
HORIZONTAL SPACING UNIT
STATE OIL & GAS LEASE
BLM OIL & GAS LEASE

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

2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2024. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.

3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

0'	25	00'	5000
and the second se			
	SCALE: 1	= 2500'	

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Page 23 of 28

.

Form C-101 August 1, 2011 Permit 376190

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD	AZONE
1. Operator Name and Address	2. OGRID Number
Paloma Permian AssetCo, LLC	332449

Paloma Permian AssetCo, LLC													332449				
	0 Louisiana, Ste.	5100										3.	API N	lumber			
	iston, TX 77002			rty Name										30-015-5573	3		
4. Property Cod							6.	. Well I									
336	494								803H								
						7. Surf	face Lo	ocation									
UL - Lot	Section	Township		Range		Lot Idn	Feet I		N/S Line		Feet Fr	om	1	E/W Line	County		
А	20	22	S	27E				818		N		460		E		Eddy	
	•	•			8	Proposed B	ottom	Hole Locatio	n		•				÷		
UL - Lot	Section	Township	R	ange	Lot I			eet From	N/S Lir	e	Feet	From		E/W Line	County		
D	19	22S		27E	2011	LOT 1		1139		N		20	00	W	obuility	Eddy	
	•				1	9 Boo	Infor	mation									
PURPLE SAG	GE;WOLFCAMP (G	SAS)				9. POU		mation						98220			
	2,1102.0,411.(0	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,												00220			
r							Well I	nformation									
11. Work Type		12. Well Type		13	3. Cable	/Rotary		14. Le	ease Type Private			15. Grou		vel Elevation			
16. Multiple	v Well	17. Proposed	AS	40	3. Form	- 41		40.0		20. Spu	312						
N			9946	16	5. Form	Wolfcamp		19. Contractor				20. Spu		25/2024			
Depth to Groun	d water		010	Di	istance	from nearest fre	esh wate	water well Dist					Distance to nearest surface water				
We will be u	using a closed-loo	op system in lie	u of lin	ed pits													
					21 Pr	onosod Casi	ina an	d Cement Pro	aram								
Туре	Hole Size	Casing	Size	C		eight/ft	ling an	Setting De			Sack	s of Cem	nent		Estimated	тос	
Surf	17.5	13.3			54.	-		654			540				0		
Int1	12.25	9.62			40			3100			895			1	0		
Prod	8.75	5.5	5		23			19946	6			3050 0					
				C	acina/	Comont Prog	iram· /	Additional Co	mmonte								
Our 9-5/8" 40	# L-80 casing is s	special drift to 8	75"	0	asing/	Sement Flog			linents								
00100/0010																	
							vout P	revention Pro									
	Туре			Wo	rking Pr	essure		Test Pressure				Manufacturer					
	Double Ram				10000			10000)			A	AXON		
	Pipe				10000			10000				AXON					
	Annular				5000)		5000 AXON					XON				
	ertify that the infor	mation given ab	ove is t	rue and comple	ete to t	ne best of my	'			O	IL CONS	ERVAT	ION D	IVISION			
knowledge ar																	
	ify I have complie	d with 19.15.14	.9 (A) N	MAC 🛛 and/or	r 19.15	.14.9 (B) NM/	AC										
⊠, if applicab	Die.																
Signature:																	
Printed Name:	Flectronica	Ily filed by Brittn	ev Brur	iner			Δr	pproved By:	Ward F	Rikala							
Title:	OpAdmin	,	ej biul				Title: Petroleum Specialist Supervisor										
Email Address:		palomaresour		2			Approved Date: 11/13/2024 Expiration Date: 11/13/2026										
	,	paiomaresour			9524					-			Ext	onauon Date. 11/	13/2020		
Date: 11/1/2024 Phone: 713-654-8534								Conditions of Approval Attached									

Received by OCD: 1//7/202542:11:14 RM

<u>C-1(</u>			En		nerals & Nat	-	ral Resources Department					
Submit Electronically OIL CONSER Via OCD Permitting						ATION DIVISION			□ Initial Su	bmittal		
via ov		>						Submittal Type:		Report		
								Type.	□ As Drilled			
	30-015-	55733			WELL LOCA	ATION INFORMATIO	N					
API N	umber		Pool Code			Pool Name						
Duran		NDING	Property Na	98220		PURPI	E SAGE W	OLFCAN	, ,			
	ty Code 336494		Property Na	ame	THE DU	DE FEE COM 20-19			Well Numbe	^{ег} #803Н		
OGRII		449	Operator Na	ame	PALOMA PE	RMIAN ASSETCO, LI	LC		Ground Leve	el Elevation 3121'		
Surface	e Owner: 🗆 S	State 🛛 Fee 🗆	Tribal 🗆 Fe	deral		Mineral Owner: 🗆 S	State 🛛 Fee	🗆 Tribal 🗆	Federal			
					Sur	rface Location						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	1	Longitude	County		
А	20	22 S	27 E		818' FNL	460' FEL	32.383	315° -′	104.204477°	EDDY		
		I	1	1	Botto	m Hole Location	1					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	Longitude	County		
	19	22 S	27 E	LOT 1	1139' FNL	200' FWL	32.381	868° -´	104.236928°	EDDY		
	ited Acres 34.28	Infill or Defin	ning Well	Defining	Well API	Overlapping Spacing	Overlapping Spacing Unit (Y/N) Consolidation Code					
Order	Numbers.					Well setbacks are u	nder Commo	n Ownershi	p: □Yes □No			
					Kiak	Off Doint (KOD)						
UL	Section	Township	Range	Lot	Ft. from N/S	Off Point (KOP) Ft. from E/W	Latitude	1	Longitude	County		
D	21	22 S	27 E		1139' FNL	270' FWL	32.382		104.202116°	EDDY		
					First '	Take Point (FTP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Latitude Lo		County		
А	20	22 S	27 E		1139' FNL	330' FEL	32.382	437° -´	104.204059°	EDDY		
		1	I	1	Last	Fake Point (LTP)	1	I				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County		
	19	22 S	27 E	LOT 1	1139' FNL	330' FWL	32.381	877° -′	104.236507°	EDDY		
Unitize	ed Area or Ar	ea of Uniform I	nterest	Spacing V	Unit Type 🗆 Hoi	rizontal 🗆 Vertical	Grou	nd Floor Ele	vation: 3121'			
I hereby my knov organiz- includin location interest, entered If this w consent in each interval Signath Lelan C Printed	y certify that the wiedge and beli ation either own g the proposed or to a volunta by the division. vell is a horizon of at least one tract (in the tar will be located y the division of at least one tract (in the tar will be located y data the tar will be located y data the tar	tal well, I further of lessee or owner of get pool or format or obtained a con	ained herein is ta is a vertical or e est or unleased i ion or has a rig wher of a workin ion or a compu- certify that this of a working inter ion) in which ar apulsory pooling 10/2 Date	directional we mineral intere- th to drill this g interest or lsory pooling organization h est or unlease ny part of the g order from the 21/2024	ell, that this est in the land well at this unleased mineral order heretofore has received the ed mineral interest well's completed	SURVEYOR CERTIF I hereby certify that the wet surveys made by me or und of my belief. Signature and Seal of Pro 21209 Certificate Number	ll location shown er my supervisio 	77 202 Tyor ER 10, 202	e same is true and C N C R O T S S C C C C C C C C C C C C C			
-	s@Palomal Address	Resources.con	1			-						

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. **Released to Imaging: 1/7/2025 3:02:45 PMM**

12	07			07	08			08		09	10
13	18			18	17			17	16	16	15
R.26E	R.27E								V - 50/570		
x = 570903' y = 503803' 13		X = 573583' Y = 503876'	X = 576 Y = 503	^{258'} 18	17	X = 578929' Y = 503997'	2	17	X = 581576' Y = 504029' 16 X = 584186' Y = 504007'	X = 586798' Y = 503984' 16	15
24	1139'113	39'		19	20			SHL -	460' ^{1139'} AZ = 113	3.50°	22
200' —> 330' —> BHL	AZ = 130.1	AZ = 268. 268.44°	39°, 5032.3' -	NG UNIT		AZ = 269.16	°, 4986.3' —	FTP	AZ = 269.83° 600.0'		
(= 570891' (= 501182'		× = 573573' Y = 501240'		576257' 501299')	X = 578915' Y = 501318']	(≫ X = 581571' Y = 501337'	X = 586807' Y = 501324'	
24	19			19	20			20	21	21	22
25	30			30	29			29	28	28	27
						APPROXIMATE DISTANCE FROM	WELL BORE	P			
						SECTION 20 SECTION 19 TOTAL	4986.2 5032.3 10018.6	5'			
	 				I 						
25	30			30	29			29	28	28	27

WELL NAME: THE DUDE FEE COM 20-19 #803H ELEVATION: 3121'

NAD 83 (SHL) 818' FNL & 460' FEL	NAD 83 (KOP) 1139' FNL & 270' FWL	NAD 83 (FTP) 1139' FNL & 330' FEL
LATITUDE = 32.383315° LONGITUDE = -104.204477°	LATITUDE = 32.382440° LONGITUDE = -104.202116°	LATITUDE = 32.382437° LONGITUDE = -104.204059°
NAD 27 (SURFACE HOLE LOCATION)	NAD 27 (KOP)	NAD 27 (FTP)
LATITUDE = 32.383197° LONGITUDE = -104.203975°	LATITUDE = 32.382321° LONGITUDE = -104.201614°	LATITUDE = 32.382319° LONGITUDE = -104.203557°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 503205.29' E: 581114.26'	N: 502888.06' E: 581843.68'	N: 502886.25' E: 581243.67'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 503145.73' E: 539932.73'	N: 502828.50' E: 540662.13'	N: 502826.70' E: 540062.13'

	NAID 02 (DUIL) 11201 ENV. 0.2001 ENV.
NAD 83 (LTP) 1139' FNL & 330' FWL	NAD 83 (BHL) 1139' FNL & 200' FWL
LATITUDE = 32.381877°	LATITUDE = 32.381868°
LONGITUDE = -104.236507°	LONGITUDE = -104.236928°
NAD 27 (LTP)	NAD 27 (BHL)
LATITUDE = 32.381759°	LATITUDE = 32.381750°
LONGITUDE = -104.236004°	LONGITUDE = -104.236425°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 502671.99' E: 571227.59'	N: 502668.44' E: 571097.58'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 502612.55' E: 530046.16'	N: 502609.00' E: 529916.15'

Released to Imaging: 1//7/2025/3:02:45 (PMM)

NAD 83 (FTP) 1139' FNL & 330' FEL	
LATITUDE = 32.382437°	
LONGITUDE = -104.204059°	
NAD 27 (FTP)	
LATITUDE = 32.382319°	
LONGITUDE = -104.203557°	
STATE PLANE NAD 83 (N.M. EAST)	
N: 502886.25' E: 581243.67'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 502826.70' E: 540062.13'	

NOTES

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

2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2024. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.

3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

0'		25	00'	5000'		
and the second	and the second					
		SCALE: 1	' = 2500'			

.



CALC. CORNER O SHL/ KOP/ FTP / PPP/ LTP / BHL HORIZONTAL SPACING UNIT STATE OIL & GAS LEASE BLM OIL & GAS LEASE

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Director Oil Conservation Division



NOTICE

MATERIAL CHANGES OR DEFICIENCIES IN APPLICATIONS SUBMITTED TO THE OCD ENGINEERING BUREAU

EFFECTIVE June 11, 2020

The OCD Engineering Bureau (OCD) gives notice that it intends to deny applications for which the applicant proposes a material change during the review process or when a material deficiency is identified during the administrative or technical review process. A change or deficiency is material if its existence or nonexistence is of consequence to the public notice or substantive rules for the application. If OCD denies an application, the applicant may refile through the fee portal.

OCD provides the following non-exclusive list of common material changes and deficiencies:

Compulsory Pooling

- Change to horizontal spacing unit
- Change to financial evidence, including expenditures or risk charge
- Failure to completely and accurately notice as required by 19.15.4.12 NMAC

• Authorization to Inject

- Change to surface or bottom-hole location that results in a new "affected person" as defined in 19.15.2.7(A)(8) NMAC. [Note: If the change of location does not result in a new "affected person", the applicant must renotice the application to all previously identified "affected persons."].
- Change to injection interval
- Failure to completely and accurately provide notice as required by 19.15.26.8(C) NMAC
- Non-Standard Location
 - Change to first or last take point resulting in increased encroachment
 - Failure to completely and accurately provide notice as required by 19.15.4.12 NMAC for hearings and 19.15.15.13 NMAC for administrative applications

1220 South St. Francis Drive • Santa Fe, New Mexico 87505
(505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

EXHIBIT

Β

Notice – Material Changes or Deficiencies in Applications Page 2

• Downhole Commingling

- Change or addition of pool
- Changes to allocation method made by the applicant
- Failure to completely and accurately provide notice as required by 19.15.12.11(C) NMAC

• Surface Commingling

- Change or addition of lease
- Change or addition of pool
- o Change to allocation method made by the applicant
- Failure to completely and accurately provide notice as required by 19.15.12.10(C)(4) NMAC

• Off-Lease Storage and Measurement

- Change or addition of lease
- Change or addition of pool
- Change to location of storage facility or measurement configuration
- Failure to completely and accurately provide notice as required by 19.15.23.9(A)(5) NMAC

• OCD Hearing Applications

- o Change of Operator Name
- o Change in Operator OGRID Number

District	ΑΡΙ	Well	ULSTR	OCD Unit	Ogrid	Operator	Lease Type	Surface Owner	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
2	30-015-21593	COLONIA A COM #001	K-18-22S-27E	к	330859	Alpha Energy Partners LLC	Р	Р	G	03/2023			
2	30-015-33962	KODIAK #002	0-17-22S-27E	0	330859	Alpha Energy Partners LLC	Ρ	Ρ	G	02/2014	S CARLSBAD MORROW 73960 S/2		
2	30-015-21416	TRACY B COM #001	I-18-22S-27E	I	330859	Alpha Energy Partners LLC	Ρ	Ρ	G	07/2022			

WHERE Operator:330859, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period