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

APPLICATION OF XTO PERMIAN OPERATING, LLC FOR APPROVAL OF NON-STANDARD HORIZONTAL SPACING UNIT, EDDY COUNTY, NEW MEXICO

CASE NO. 24991

NOTICE OF AMENDED EXHIBIT PACKET

XTO Permian Operating, LLC, ("XTO") provides notice that it is amending the evidentiary record in this case, pursuant to a request from Oil Conservation Division Technical Staff member, Mr. Dean McClure, with respect to the following application materials:

• Providing an amended Exhibit D notice spreadsheet that includes certified mail tracking numbers.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

Bv:

Miguel A. Suazo James P. Parrot Jacob L. Everhart Beatty & Wozniak, P.C. 500 Don Gaspar Ave., Santa Fe, NM 87505 (505) 946-2090 Fax: 800-886-6566 <u>msuazo@bwenergylaw.com</u> jparrot@bwenergylaw.com jeverhart@bwenergylaw.com

Attorneys for XTO Permian Operating, LLC

BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING FEBRUARY 13, 2025

Case No. 24991

Poker Lake 23 DTD Fed State Com #122H Poker Lake 23 DTD Fed State Com #171H Poker Lake 23 DTD Fed State Com #172H Poker Lake 23 DTD Fed State Com #107H Poker Lake 23 DTD Fed State Com #157H

Eddy County, New Mexico



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

APPLICATION OF XTO PERMIAN OPERATING, LLC FOR APPROVAL OF NON-STANDARD HORIZONTAL SPACING UNIT, EDDY COUNTY, NEW MEXICO

CASE NO. 24991

HEARING PACKAGE TABLE OF CONTENTS

XTO Exhibit A: Filed Application & Proposed Notice of Hearing

XTO Exhibit B: Prepared by Greg Davis, Senior Landman

- XTO Exhibit B-1: C-102(s)
- XTO Exhibit B-2: Depiction of Spacing Unit
- XTO Exhibit B-3: Map of Non-Standard Spacing Unit

XTO Exhibit C: Prepared by Nicholas McDaniel, Senior Geologist

- XTO Exhibit C-1: Resume of Nicholas McDaniel
- XTO Exhibit C-2: Base Map and Bone Spring Structure Map
- XTO Exhibit C-3: Stratigraphic and Cross Section Locator Maps
- XTO Exhibit C-4: Gunbarrel Diagram

XTO Exhibit D: Notice Affidavit

- Notice Letter to Interested Parties
- Certified Mail Receipts

XTO Exhibit E: Affidavit of Publication

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

APPLICATION OF XTO PERMIAN OPERATING, LLC FOR APPROVAL OF NON-STANDARD HORIZONTAL SPACING UNIT, EDDY COUNTY, NEW MEXICO

Case No.

APPLICATION

XTO Permian Operating, LLC, OGRID No. 5380 ("XTO" or "Applicant"), through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17 and 19.15.16.15(B)(5) NMAC, for an order (1) approving a 2,080.66-acre, more or less, non-standard horizontal spacing unit ("HSU") composed of all of Sections 2, 11, 14, and the N/2S/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M. (the "Application Lands")..

In support of its Application, XTO states the following:

1. XTO is a working interest owner in the Application Lands and has a right to drill wells thereon as the designated Operator of the Application Lands.

2. XTO seeks to dedicate all of the Application Lands to form a 2,080.66-acre, more or less, HSU.

3. XTO seeks to dedicate the above-referenced HSU to the following proposed wells:

A. **Poker Lake Unit 23 DTD Fed State Com #122H** (API No. 30-015-54414), which is a gas well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2, Township 24 South, Range 30 East; B. **Poker Lake Unit 23 DTD Fed State Com #171H** (API No. 30-015-54945), which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2, Township 24 South, Range 30 East;

C. **Poker Lake Unit 23 DTD Fed State Com #172H** (API No. 30-015-54421), which is a gas well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 3 (Unit C) of Section 2, Township 24 South, Range 30 East;

D. **Poker Lake Unit 23 DTD Fed State Com #107H** (API No. 30-015-54383), which is a gas well that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 1 (Unit A) of Section 2, Township 24 South, Range 30 East;

E. **Poker Lake Unit 23 DTD Fed State Com #157H** (API No. 30-015-49650), a gas well that will be horizontally drilled from a surface location in the NE/4NW/4 (Unit C) of Section 23, Township 24 South, Range 30 East, to a bottom hole location in Bone Spring Formation in Lot 2 (Unit B) of Section 2, Township 24 South, Range 30 East.

4. The wells are orthodox in their location as defined by 19.15.16.15.(C) NMAC, and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.(C) NMAC.

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5. Approval of a non-standard horizontal spacing unit is necessary to prevent waste and protect correlative rights.

6. To provide for its just and fair share of the oil and gas underlying the subject lands, XTO requests to be designated as the operator of the proposed horizontal wells and HSU.

WHEREFORE, XTO requests this Application be set for hearing on December 5th, 2024, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Approving the creation of an approximately 2,080.66-acre non-standard HSU, composed of the Application Lands, pursuant to 19.15.16.15(B)(5) NMAC;
- B. Approving the Poker Lake Unit 23 DTD Fed State Com #122H, Poker Lake Unit 23 DTD Fed State Com #171H, Poker Lake Unit 23 DTD Fed State Com #172H, Poker Lake Unit 23 DTD Fed State Com #107H, and Poker Lake Unit 23 DTD Fed State Com #157H as the wells for the HSU.
- C. Designating XTO as operator of the HSU and the horizontal wells to be drilled thereon;

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

James P. Parrot Miguel A. Suazo 500 Don Gaspar Ave., Santa Fe, NM 87505 (505) 946-2090 <u>msuazo@bwenergylaw.com</u> <u>jparrot@bwenergylaw.com</u> *Attorneys for XTO Energy, Inc.* Application of XTO Permian Operating, LLC for Approving a Non-Standard Horizontal Spacing Unit and, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 2,080.66-acre, more or less, non-standard horizontal spacing and proration unit composed of all of Sections 2, 11, 14, and the N/2 S/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M.. The proposed wells to be dedicated to the horizontal spacing unit are the: Poker Lake Unit 23 DTD Fed State Com #122H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2; Poker Lake Unit 23 DTD Fed State Com #171H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2; Poker Lake Unit 23 DTD Fed State Com #172H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 3 (Unit C) of Section 2; Poker Lake Unit 23 DTD Fed State Com #107H, which is an oil well that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 1 (Unit A) of Section 2; and Poker Lake Unit 23 DTD Fed State Com #157H, which is an oil well that will be horizontally drilled from a surface location in the NE/4NW/4 (Unit C) of Section 23 to a bottom hole location in Bone Spring Formation in Lot 2 (Unit B) of Section 2. The wells are orthodox in location, and the take points and laterals comply with Statewide Rules for setbacks. The wells and lands are located approximately 26 miles southeast from Carlsbad, New Mexico.

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

APPLICATION OF XTO PERMIAN OPERATING, LLC FOR APPROVAL OF NON-STANDARD HORIZONTAL SPACING UNIT, EDDY COUNTY, NEW MEXICO

CASE NO. 24991

AFFIDAVIT OF GREG DAVIS

Greg Davis, being first duly sworn upon oath, deposes and states as follows:

1. My name is Greg Davis and I am employed by XTO Permian Operating, LLC ("XTO") as a Commercial and Land Advisor.

2. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my qualifications as an expert in petroleum land matters were accepted and made a matter of record. I have several years of experience in petroleum land matters, and I have worked directly or in a supervisory role with the properties that are the subject of this matter.

3. I am familiar with the application filed by XTO in the above-referenced case and the status of the lands in the subject lands.

4. I am submitting this affidavit in support of XTO's application in the abovereferenced case, as required by the Pre-Hearing Order issued by the Division. I intend to present this case by affidavit pursuant to 19.15.4.12.(A)(1) NMAC.

5. Under Case No. 24991, XTO seeks an order (1) approving a non-standard 2,080.66acre, more or less, non-standard horizontal spacing unit ("HSU") underlying the Application Lands. 6. **XTO Exhibit B-1** contains the Form C-102s reflecting that the Bone Spring wells drilled and completed in the subject unit. The location of each well is orthodox and meets the Division's offset requirements except for the Poker Lake 23 DTD Fed State Com #122H.

7. The Oil Conservation Division has informed XTO that the Wildcat G-06 S243026M; Bone Spring Pool (Code 97798) and the WC-015 G-06 S233036D; Bone Spring Pool (Code 97944) are the only pools within the Bone Spring formation underlying the proposed non-standard horizontal spacing unit.

8. **XTO Exhibit B-2** also outlines the acreage comprising the non-standard horizontal well spacing unit. I have identified with different colors the two federal leases and one state lease covering this acreage. XTO and Chevron USA Inc., own all the working interests in the Bone Spring formation underlying this proposed non-standard horizontal well spacing unit. XTO has been in contact with Chevron, and they do not object to the proposed non-standard horizontal spacing unit.

9. **XTO Exhibit B-3** is a map depicting the non-standard spacing unit in relation to the outline of a standard spacing unit. The map also identified the interest owners in the tracts surrounding the proposed units, who were also provided notice of the applications.

10. XTO's request for approval of non-standard spacing unit will allow it to consolidate surface facilities and will consequently prevent surface, environmental, and economic waste. As a result, approval of the proposed non-standard spacing unit is necessary to prevent waste and protect correlative rights.

11. XTO intends to commingle production from the non-standard horizontal spacing unit in a single facility to reduce surface facilities and surface disturbance.

2

12. XTO seeks approval of the non-standard horizontal well spacing unit to allow corresponding Federal and State forms of Communitization Agreement within this subject area. If the Division approves the proposed non-standard horizontal well spacing unit, XTO understands that the BLM and the Commissioner of Public Lands of the State of New Mexico will issue corresponding Communitization Agreements for the federal and state leases to allow commingling and thereby a reduction in the necessary surface facilities.

13. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. All interest owners were locatable and noticed, and there are no unleased mineral interest owners. XTO caused notice to be published in the Carlsbad Current-Argus, a newspaper of general circulation in Eddy County, New Mexico. I provided the law firm Beatty & Wozniak, P.C., with the names and addresses for these mineral owners and instructed that each owner be provided notice of the hearing in these matters.

14. **Exhibit B-1** through **Exhibit B-3** were either prepared by me or compiled from XTO's company business records under my direction and supervision.

15. I hereby swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate.

[Remainder of page left intentionally blank]

FURTHER AFFIANT SAYETH NOT.

Dated this 6th day of February, 2025.

Greg Davis / XTO Permian Operating, LLC

STATE OF TEXAS

CITY OF HARRIS

The foregoing instrument was subscribed and sworn to before me this 6th day of February, 2025, by Greg Davis, Commercial and Land Advisor for XTO Permian Operating, LLC.

)) ss.

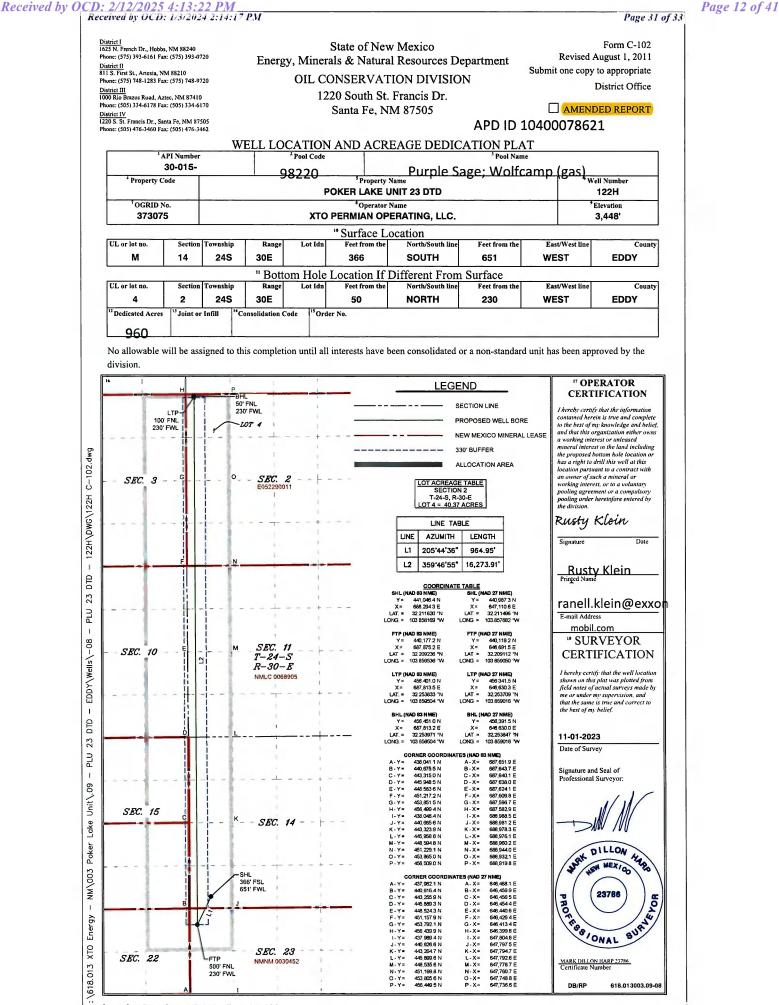
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Witness my hand and official seal.

My commission expires: 04-12-2026

CAROLINA HIDALGO Notary Public, State of Texas Comm. Expires 04-12-2026 Notary ID 12919295-1

NOTARY PUBLIC



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Page 13 of 41

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Ň				в			A-Y= 43/996.8 N B-Y= 440,636.8 N C-Y= 443,273.6 N D-Y= 445,909.9 N	B-X= 649,135.0 E C-X= 649,132.9 E D-X= 649,130.8 E	2	23786 F
z			1 1 1				E-Y= 448,546.9 N F-Y= 451,181.8 N	E-X= 649,130.8 E F-X= 649,094.9 E	ROF	
Т				FTP				G-X= 649 084 2 F		151
XTO Energy - N				FTP 500' FNL 2,030' FWL			G - Y = 453,819 1 N H - Y = 456,459.1 N I - Y = 437,989.4 N J - Y = 440,626.6 N	G-X= 649,084.2 E H-X= 649,073.5 E I-X= 647,804.6 E J-X= 647,797.5 E	158	ONAL SURVEY

625 N. French Dr., Hobb Phone: (575) 393-6161 Fa <u>District II</u> 811 S. First St., Artesia, N Burger (575) 748, 1282 Fa	ax: (575) 393-072(√M 88210		Energ		State of erals & Na	Form C-102 Revised August 1, 2011 Submit one copy to appropriate			
Phone: (575) 748-1283 Fa <u>District III</u> 000 Rio Brazos Road, Az	0				ATION DIVISI	JN		District Office	
Phone: (505) 334-6178 Fa District IV	ax: (505) 334-6170					e, NM 87505			NDED REPORT
220 S. St. Francis Dr., Sa Phone: (505) 476-3460 Fa		2		_					
	API Number		ELL LC	² Pool Cod	le	CREAGE DEDI	³ Pool Nan	ne	
+ Property C	30-015- 54	1383		98220		Purple Sa	ige; Wolfcamp (Well Number
					POKER LA	KE UNIT 23 DTD			107H
⁷ OGRID N 37307				хт		rator Name OPERATING, LLC.			'Elevation 3,444'
UL or lot no.	Contion T	Course de la	Damas	1 - 4 1 4		e Location			
P	Section T 14	24S	Range 30E	Lot Id	n Feet from 845	1 the North/South line SOUTH	Feet from the 608	East/West line EAST	County EDDY
						If Different From			
UL or lot no. 1	Section T 2	ownship 24S	Range 30E	Lot Id	n Feet fron 50	1 the North/South line	Feet from the 1,200	East/West line	County EDDY
¹² Dedicated Acres	¹³ Joint or In	nfill ¹⁴ Co	onsolidation	Code ¹⁵ O	rder No.				
960									
No allowable v division.	will be assig	gned to th	is comple	tion until a	all interests h	ave been consolidated	or a non-standar	d unit has been ap	pproved by the
16		1	Н	F	,	LEGI	END		PERATOR TIFICATION
		1	1	BHL 50' FNL 1,200' FE	L	;	SECTION LINE	I hereby cer	tify that the information
		- ¹		LOT 1			PROPOSED WELL BOR	to the best of	erein is true and complete f my knowledge and belief, organization either owns
	1	100' FN 1,200' FE					330' BUFFER	a working in mineral inte	nterest or unleased rest in the land including d bottom hole location or
	G FC 0		IG				ALLOCATION AREA	has a right to location pur	o drill this well at this suant to a contract with
(a) (a) (a) a (a) (a)	SEC. 2 E052290011			1-1		LOT ACREAG SECTIO	N 2	working inte	such a mineral or rest, or to a voluntary eement or a compulsory
	0 X					T-24-S, R LOT_1 = 39.94	-30-E 6 ACRES	pooling orde the division.	er heretofore entered by
	+		+ -			LINE TA	BLE LENGTH	Rusty	Kloin 12-4-23
	1	1				L1 208*45'22*		Signature	Date
		-				L2 00017'52	16,277.31'		isty Klein
	1		1			COORDINAT SHL (NAD 83 NME)	SHL (NAD 27 NME)	Printed Nat	me
				+		Y = 441,552.8 N X = 692,388.3 E LAT = 32.212962 *N	Y = 441,493.8 N X = 651,204.6 E LAT = 32.212838 °N	ranell,klein E-mail Add	@exxonmobil.com
	SEC. 11		1			LONG. = 103.844924 °W	LONG = 103.844438 *W		
+	_T-24-S R-30-E		E		A	Y = 440,20350 N X = 891,64790 E LAT. ≖ 32,209262 [*] N LONG. = 103,84734 [*] W	Y = 440,144.50 N X = 650,464.10 E LAT = 32.209138 °N LONG. = 103.84685 °W		RVEYOR
	NMLC 006890					LUNG = 103.84734 W LTP (NAD 83 NME) Y = 456,430.6 N	LTP (NAD 27 NME) Y = 456.371.2 N	I hereby cer	rtify that the well location
	+		- + + -			Y = 456,430.6 N X = 691,732.2 E LAT. = 32.253866 °N LONG. = 103.846828 °W	Y = 456,371,2 N X = 650,549.0 E LAT. = 32,253743 °N LONG. = 103,848340 °W	field notes of me or under	his plat was plotted from of actual surveys made by r my supervision, and
						BHL (NAD 83 NME) Y = 456,480 6 N	BHL (NAD 27 NME) Y = 456,421.2 N	that the san the best of n	ne is true and correct to my belief.
				÷	L	X = 691,732.5 E LAT. = 32.254004 N LONG. = 103.846826 W	X = 650,549.3 E LAT. = 32,253880 °N LONG = 103,846338 °W	11-01-20	023
	1					CORNER COORDINA A - Y = 438,055 8 N		Date of Su	
	+	-4.				A - T = 436,053 B N B - Y ≈ 440,695 B N C - Y ≈ 443,332.7 N D - Y = 445,982 B N	A-X= 060,3250 E B-X≖ 690,318.7 E C-X≖ 690,316.5 E D-X= 691,652.3 E		and Seal of al Surveyor:
	1					E-Y= 448,6174 N F-Y= 451,254.5 N G-Y= 453,8920 N	E-X≈ 691,632.3 E E-X≈ 691,633.4 E F-X= 691,614.2 E G-X= 691,604.4 E		1.17
	SEC. 14	_ <u>c</u>	ĸ			H-Y= 456,5295 N I-Y= 438,063 2 N J-Y= 440,703 6 N	H-X= 691,594.5 E I-X= 691,653.1 E J-X= 691,657.9 E		
		1				K-Y≕ 443,3415 N L-Y≡ 445,996 6 N M-Y≡ 448,628 6 N	K-X≖ 691,655.2 E L-X= 692,990.2 E M-X= 692,970.4 E		PAUN / V II
		1		SHL 845' FS 608' FE		N-Y= 451,268 D N O-Y= 453,905.4 N P-Y= 456,540.4 N	N-X= 692,950.1 E O-X= 692,950.1 E P-X= 692,941.2 E P-X= 692,932.3 E		DILLON HARD
	1					CORNER COORDINA A · Y = 437,996 8 N		*	EN MEXICO TAR
	T	в		1/5		B-Y= 440,6368 N C-Y= 440,6368 N C-Y= 443,2736 N D-Y= 445,9237 N	A-X= 5491411E B-X= 649135.0E C-X= 649132.9E D-X= 6504687E	(P)	(23786) <u>m</u>
		1	17			E-Y= 448,5581 N F-Y= 451,195.2 N	E-X= 650,4499E F-X= 650,430.8E	ROF	23786 E O
	-	TP				H-Y= 456,470 0 N	H-X= 650,411.3 E	680	ONAL SURVE
	500' F	NL	1			I-Y= 438,004 2 N	I-X= 650,4793 E		ONAL 9
	500' F 1,350' F	NL				I · Y = 438,004 2 N J · Y = 440,644 6 N K · Y = 443,282 4 N L · Y = 445,937 4 N M · Y = 448,569 4 N	I-X= 650,479.3 E J-X= 650,474.1 E K-X= 650,471.5 E L-X= 651,806.7 E M-X= 651,786.9 E		ONAL S

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District 1 (625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 11 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

		W	VELL LO	DCATIO	N AND ACR	EAGE DEDIC	CATION PLA	Т			
1	API Number 30-015- 4			² Pool Code 98319		³ Pool Name WC 015 G-06 S242630A; Bone Spring					
⁴ Property 0 33295				POKI		roperty Name 6 v 23 DTD FEDERAL COM					
⁷ OGRID 37307:				ХТ	⁸ Operator I O PERMIAN OP	tor Name ⁹ Elevation OPERATING, LLC 3,426'					
					¹⁰ Surface I	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
В	23	24 S	30 E		837	NORTH	1,743	EAST	EDDY		
"Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
2	2	24 S	30 E		200	NORTH	2,410	EAST	EDDY		
¹² Dedicated Acres 480.38	s ¹³ Joint o	r Infill ¹⁴ (Consolidation	Code ¹⁵ Or	rder No.						

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

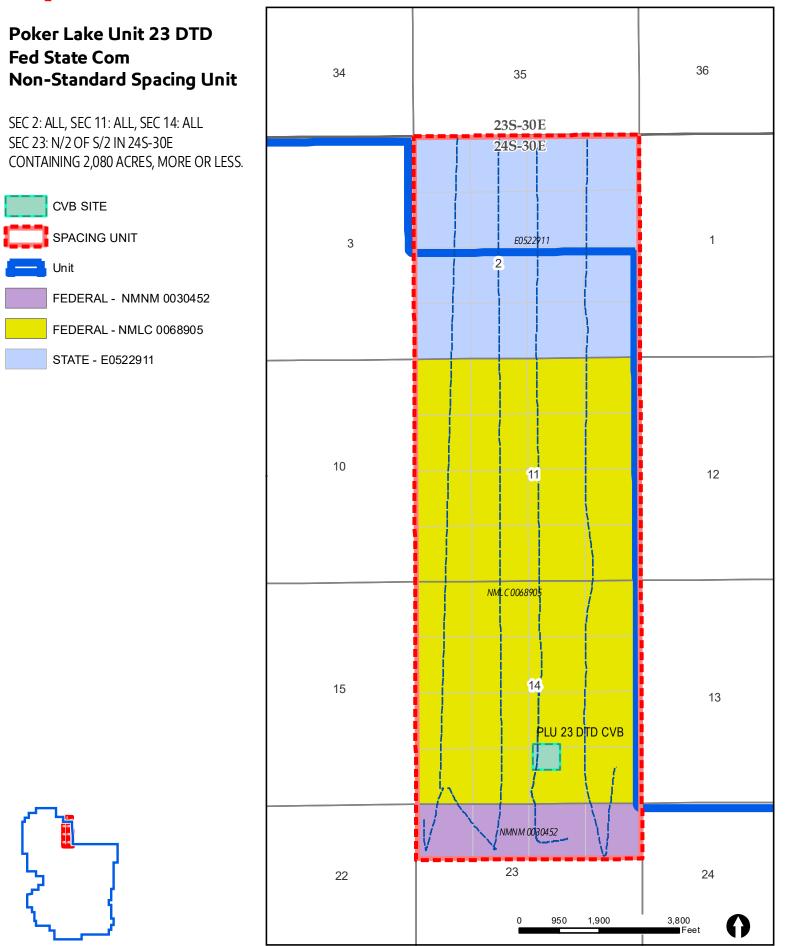
SHL (NAD	83 NME)	LTP (N	AD83 NME)			o o		¹⁷ OPERATOR CERTIFICATION
Y = 4	439,864.7	Y =	456,190.7		B.H.L.	S m		I hereby certify that the information contained herein is true and complete
X = 6	591,255.9	X =	690,523.5	SEC. 34	SEC. 35	11	SEC. 36	
LAT. = 3	2.208336 *N	LAT. =	32.253222 *N		T23S R30E G	N	0.110	to the best of my knowledge and belief, and that this organization either
LONG. = 10	3.848610 *W	LONG. =	103.850741 *W	SEC. 3	SEC. 2		2,410	owns a working interest or unleased mineral interest in the land includi
FTP (NAD	83 NME)	BHL (N	AD83 NME)		L.T.P.	LOT	-2,410	owns a working micresi or unleased mineral interesi in me tand includi
Y = 4	440,797.4	¥ =	456,320.7			1 2		the proposed bottom hole location or has a right to drill this well at this
X = 6	590,587.0	X =	690,523.0		CREAGE TABLE	1		
LAT. = 3	2.210908 °N	LAT. =	32.253579 *N	- sec. c		1		location pursuant to a contract with an owner of such a mineral or work
LONG. = 10	3.850759 "W	LONG. =	103.850741 *W	5	SECTION 2			interest, or to a voluntary pooling agreement or a compulsory pooling
COR	RNER COORDINATE	S (NAD83	NME)	LOT 2	- 40.1 ACRES	. M		
A - Y = 4	440,695.8 N ,	X =	690,318.7 E			1		order heretofore entered by the division.
B - Y = 4	443,332.7 N ,	X =	690,316.5 E			1		7/1//000
C-Y= 4	445,9 69 .1 N ,	X =	690,314.3 E				1	Jessica Dooling 7/11/2022
D-Y= 4	448,606.1 N ,	X =	690,296.3 E			+		Similar Dould
E-Y= 4	451,241.1 N ,	X =	690,278.3 E		1	1		Signature Date
F-Y= 4	453,878.5 N ,	X =	690,267.5 E				SEC. 11	Jacobian Decline
G-Y= 4	456,518.6 N	X =	690,256.7 E		E	· ·	SEC. II	Jessica Dooling
H-Y= 4	440,703.6 N ,	X =	691,657.9 E	SEC. 10	SEC. 11		SEC. 12	Printed Name
I-Y= 4	43,341.5 N ,	X =	691,655.2 E		T24S R30E V	330'		
J-Y= 4	445,982.8 N ,	X =	691,652.3 E					issaiss dealing@awanmahil.com
K - Y = 4	148,617.4 N ,	X =	691,633.4 E	GRID	AZ.=359 45'50"/			jessica.dooling@exxonmobil.com
L-Y= 4	451,254.5 N ,	X =	691,614.2 E	HORIZ D	IST.=15.523.51			E-mail Address
M - Y = 4	453,892.0 N ,	X =	691,604.4 E	HORAL D			1	
N - Y = 4	156,529.5 N ,	X =	691,594.5 E		D	K		
SHL (NAD	27 NME)	LTP (N	AD27 NME)					CUDUCXOD CEDEUCICATION
Y= 4	139,805.7	Y =	456,131.3		1			¹⁸ SURVEYOR CERTIFICATION
X = 6	550,072.1	X =	649,340.3		1			I hereby certify that the well location shown on this
LAT. = 3	2.208212 *N	LAT. =	32.253098 *N		+			Thereby certify that the well tocation shown on this
LONG. = 10	3.848124 *W	LONG. =	103.850253 *W			1		plat was plotted from field notes of actual surveys
FTP (NAD	27 NME)	BHL (N	AD27 NME)		1 1		1	plat was proned from field notes of definal surveys
Y= 4	440,738.3	Y =	456,261.3		C,	J		made by me or under my supervision, and that the
X = 6	549,403.2	X =	649,339.8	SEC. 15	SEC. 14		SEC. 13	
LAT. = 3	2.210784 °N	LAT. =	32.253456 *N	520. 10	1			same is true and correct to the best of my belief.
LONG. = 10	3.850273 *W	LONG. =	103.850253 *W			1		
COF	RNER COORDINATE	S (NAD27	NME)				- (0(20 2022
A - Y = 4	140,636.8 N ,	X =	649,135.0 E					Date of Survey Signatue and Seal of
B - Y = 4	443,273.6 N ,	X =	649,132.9 E					
C - Y = 4	445,909.9 N ,	X =	649,130.8 E		B	1 1		R W MEXIN P
D-Y= 4	448,546.9 N	X =	649,112.8 E					Signatue and Seal of
E-Y= 4	451,181.8 N ,	X =	649,094.9 E					Professional Surveyor:
F-Y= 4	453,819.1 N ,	X =	649,084.2 E		1			(23786)
G-Y= 4	456,459.1 N ,	X =	649,073.5 E					
H-Y= 4	440,644.6 N ,	X =	650,474.1 E			1.		
I-Y= 4	443,282.4 N ,	X =	650,471.5 E		F.T.P. 1	15		THE DILLON HARP 11266
J - Y = 4	445,923.7 N ,	X =	650,468.7 E			, «O	2.410	
	448,558.1 N ,	X =	650,449.9 E	-		N AH	SEC. 24	- WILL AND AND
	451,195.2 N ,	X =	650,430.8 E	SEC. 22	SEC. 23	S.H.L		Slower CUR
M-Y= 4	453,832.6 N ,	X =	650,421.1 E	GRI	AZ.=324'21'11"/	8	1,743'	MARK DILLON HARP 23786
		X =	650,411.3 E		. DIST.=1,147.74"			

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Date: 2/5/2025



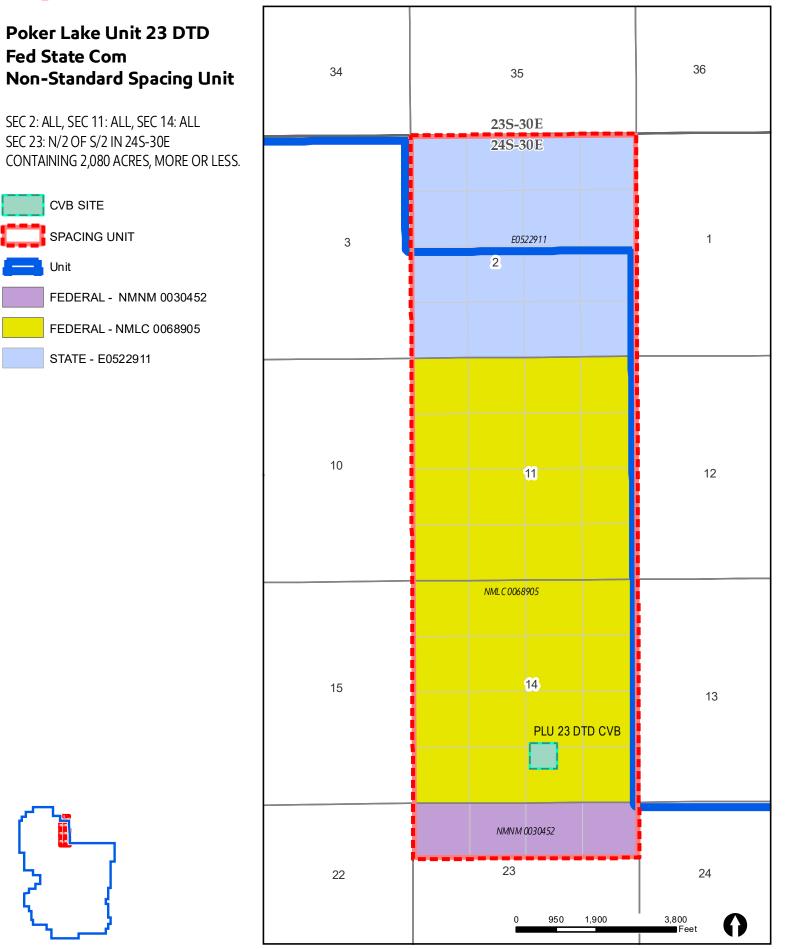
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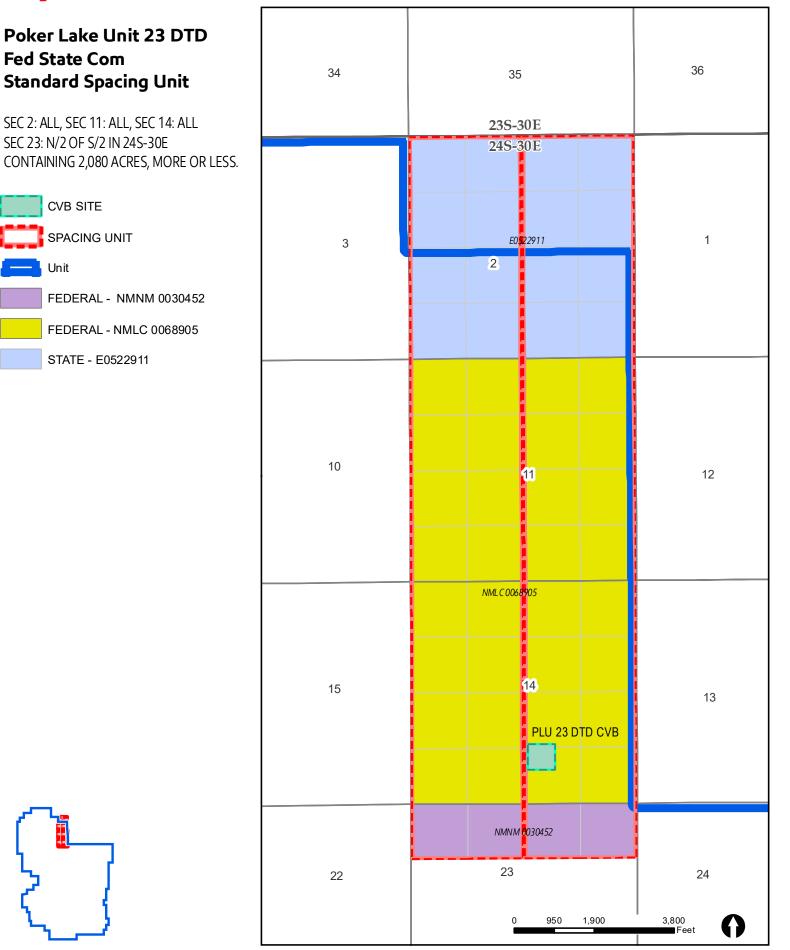
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Case No. 24991

XTO Permian Operating, LLC - Exhibit B-2

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Page 19 of 41

Date: 2/4/2025



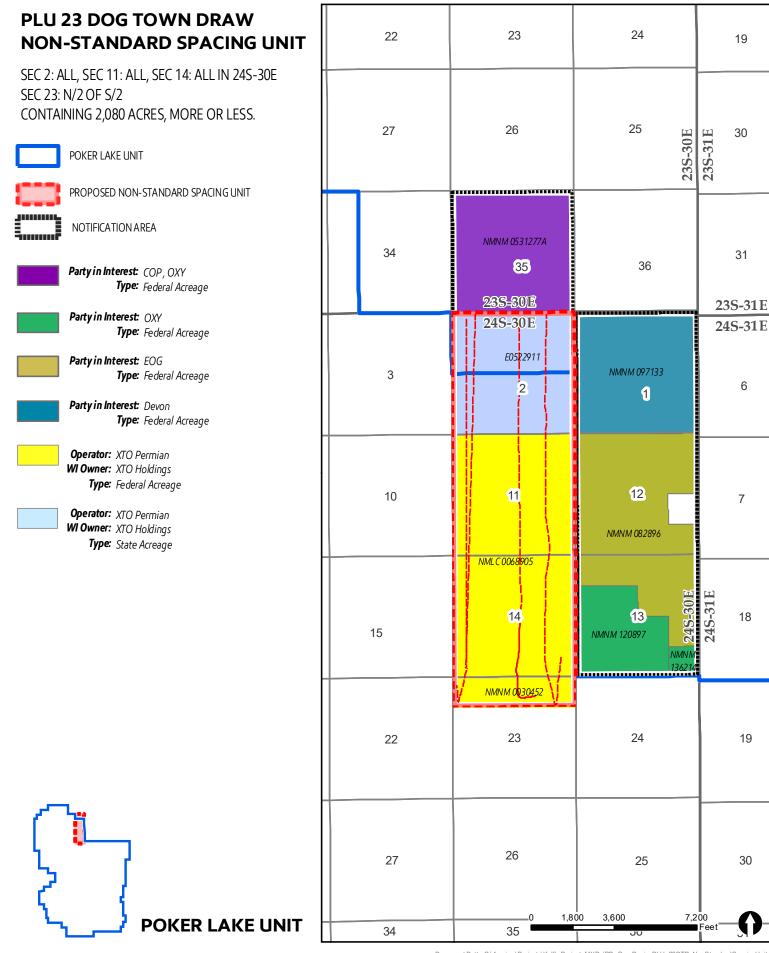
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XTO Permian Operating, LLC- Exhibit B-3

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Date: 10/21/2024



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Case No. 24991 XTO Permian Operating, LLC - Exhibit B-3

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

APPLICATION OF XTO OPERATING, LLC FOR APPROVAL OF NON-STANDARD HORIZONTAL SPACING UNIT, EDDY COUNTY, NEW MEXICO

CASE NO. 24991

AFFIDAVIT OF NICHOLAS McDANIEL

Nicholas McDaniel, being first duly sworn upon oath, deposes and states as follows:

1. My name is Nicholas McDaniel, and I am employed by XTO Permian Operating, LLC ("XTO") as a Operations and Development Geoscientist.

2. I have not previously testified before the New Mexico Oil Conservation Division ("Division"), and my qualifications as an expert in petroleum geology have not been accepted and made a matter of record. I have several years of experience in petroleum geological matters, and I have worked directly or in a supervisory role with the properties that are the subject of this matter. A copy of my resume is attached to the end of this Affidavit.

3. I am familiar with the applications filed by XTO in this case and the geology involved.

4. I am submitting this affidavit in support of XTO's application in the abovereferenced case, as required by the Pre-Hearing Order issued by the Division. I intend to present this case by affidavit pursuant to 19.15.4.12.(A)(1) NMAC.

5. **XTO Exhibit C-2** includes a base map of the lands showing the proposed Bone Spring formation spacing unit.

6. **Exhibit C-2** also depicts a subsea structure map that I prepared on the top of the Bone Spring formation, over the subject area, with a contour interval of 30 feet. The structure map shows the formation gently dipping to the East. The structure appears consistent across the non-standard horizontal spacing unit, and I do not observe any faulting, pinch outs, or other geologic impediments to development of this acreage with horizontal wells.

7. **Exhibit C-2** also shows the location of the wells utilized to construct a cross-section of the Bone Spring formation. I choose these wells because I consider them to be representative of the geology underlying the subject area.

8. **Exhibit C-3** is a cross-section I prepared for the Bone Spring formation using the logs from the wells depicted on Exhibit C-2. Each of these logs contain gamma ray, resistivity and porosity information. The logs demonstrate that the Bone Spring Formation is continuous across the proposed non-standard horizontal spacing unit and all quarter-quarter sections to be included in the non-standard horizontal spacing unit are expected to be productive.

9. **XTO Exhibit C-4** shows the gun barrel diagram within the Bone Spring formation in the vicinity of the proposed unit.

10. Based on the attached exhibits, I hereby conclude as follows:

(a) The target formation is present and continuous throughout the lands subject to the applications.

(b) The non-standard horizontal spacing and proration unit is justified from a geologic standpoint.

(c) There are no structural impediments or faulting that will interfere with horizontal development.

(d) Each quarter-quarter section in the unit will contribute more or less equally to production, and I can confirm each quarter section along the lateral will also contribute more or less equally to production.

(e) The proposed non-standard horizontal spacing unit will afford XTO the flexibility to match the well spacing over time to the targeted reservoir rather than individual standard spacing units and allow for more efficient and effective development since the internal setbacks required by standard spacing units will be eliminated.

11. **Exhibit C-1** through **Exhibit C-4** were prepared by me or compiled from XTO's company business records under my direct supervision.

12. The granting of these applications is in the best interest of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.

13. I hereby swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate.

[Remainder of page left intentionally blank]

FURTHER AFFIANT SAYETH NOT.

Dated this 6th day of February, 2025.

Nicholas McDaniel

XTO Operating, LLC

STATE OF TEXAS

COUNTY OF HARRIS

The foregoing instrument was subscribed and sworn to before me this 6th day of February, 2025, by Nichoals McDaniel, Operations and Development Geoscientist for XTO Operating, LLC.

)) ss.

)

Witness my hand and official seal.

My commission expires: 04/12/2024

CAROLINA HIDALGO otary Public, State of Texas Comm. Expires 04-12-2026 Notary ID 12919295-1

NOTARY PUBLIC

Nicholas "Nick" McDaniel

512.567.2279

NICHOLAS.C.MCDANIEL@EXXONMOBIL.COM

HOUSTON, TX

2019-Present

July '23 - Present

July '20 –July '23

February '20 – July '20

2015-2016

GEOSCIENTIST

Expert in data collection and analysis with 8+ years of experience delivering reservoir characterizations, seismic analysis, drilling prospects, and operations management in International Offshore, Permian (Midland and Delaware), and Gulf Coast Onshore Basins. Applies project management and communication skills, geophysical knowledge, and field geological operations experience to champion the digital transformation of operations geoscience, steward the acquisition of seismic data, devise drilling prospects in mature and undeveloped formations, optimize marine seismic acquisition, and manage ultra-deepwater drilling campaigns.

WORK EXPERIENCE

EXXONMOBIL, Houston, TX / Georgetown, Guyana

Operations and Development Geologist (XTO – Poker Lake)

Operations geoscientist stewarding XOM's Delaware Basin "Poker Lake Unit" (PLU) in Eddy County. Responsible for planning, staking, geo-prognoses, and coordinating horizontal development.

- Organized complex data collection program including vertical type log, pressure gauges, and time lapse geochemistry to quantify stimulated rock volume and parent – child depletion in frontier rock intervals leading to optimized greenfield cube development strategy
- Optimally planned 100+ horizontal wells in best bench and cube developments working cross-functionally with facilities, regulatory, technology, drilling, reservoir engineering, and completions engineering teams to maximize lateral length and minimize degradation from parent wells

Wellsite / Operations Geologist

Oversaw geologic operations and delivered optimizations that reduced time, cost, and/or risk by collaborating with all stakeholders in pursuit of safe, thorough, and efficient development of the Guyana Basin.

Operations Management

- Contributed to 20+ different exploration and development drilling operations across multiple drill ships and campaigns through management of wellsite geological operations including acquisition, QC, and transmission of data, pressure surveillance, documentation of learnings, communication with the Business Unit, mentorship of personnel, supervision of 3rd party vendors, and fostering unity among departments on the drillship
- Led the effort to digitally transform operations geoscience by implementing technology and processes to capture and analyze data, resulting in more effective data-driven decision making

Operations Geophysicist

Developed multiple guides for marine seismic acquisition pre-survey planning and real-time data QC with associated applications that reduced risk while increasing operational efficiency and saving money.

Marine Seismic Acquisition Pre-Survey and QC Guides

- Championed the ExxonMobil internal guide, "Infill Modeling (Pre-Survey) guide for marine seismic surveys", which included an application to model amplitude and time changes over various hole sizes when provided predefined geological inputs
- Contributed to the "Source and Streamer Tow Depth guide for marine seismic surveys" through the development of a Ghost Notch Calculator application to model the influence of ghost notches on frequency spectra of seismic products with varying acquisition parameters

APACHE CORPORATION, Midland, TX

Geophysics Intern

May '15 – Aug '15 / May '16 – Aug '16 Delivered reservoir characterization in 282 sq miles of Permian Basin and Gulf Coast Basin. Devised and conducted seismic interpretation and inversion study utilizing 3D seismic interpretation software to create synthetic seismograms, produce subsurface maps and frameworks, and to integrate seismic interpretations with geologic and engineering data to help identify key reservoirs and characterize reservoir models.

Permian Basin Drilling Prospects/Reservoir Characterization Models (2016)

- Developed a reservoir model and series of drilling prospects with 3 tiers (21-Tier 1, 6-Tier 2, 14-Tier 3) which were presented to senior management in Midland and Houston and subsequently added to the prospect portfolio Gulf Coast Exploration and Development (2015)
- Generated multiple drilling leads based upon amplitude analysis in Edwards rock formation and matured 2 identified leads to prospect status

Nick McDaniel

Master of Science in Geophysics, Summa Cum Laude (GPA: 3.9/4) • Geophysical Data Processing, Rock Physics, Seismic Wave and Ray Theory, Seismic Exploration, Petroleum Geology, Subsurface

- Geologic Mapping, Methods of Geophysical Exploration
- Thesis Topic: Seismic Survey Design: High Fidelity Low Frequency Data

TEXAS A&M UNIVERSITY

UNIVERSITY OF HOUSTON

Bachelor of Science in Geophysics, Summa Cum Laude (3.9/4)

TECHNICAL SKILLS

Geoscientist

EDUCATION

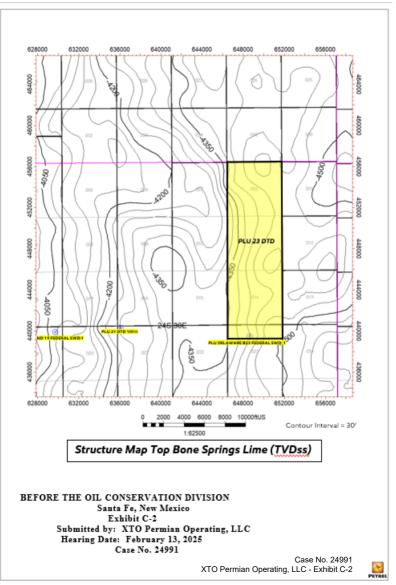
- Geoscience / Drilling Operations: Open Water Works, Landings, TD Hunts, Pressure Hunts, Logging While Drilling, Wireline Logging, TLC Logging, Coring, VSP, Geosteering
- Geophysical Tools: Seismic, Electromagnetic Induction, Gravity, Resistivity, Ground Penetrating Radar, Sonar
- Well Logs: Caliper, Resistivity, Density, Borehole Image, Density, Neutron, Sonic, Gamma Ray, Spontaneous Potential, Nuclear Magnetic Resonance, Fluid Sampling, Pressure Sampling, Ultra-Deep Resistivity
- Organizations: Society of Exploration Geophysics (SEG), American Association of Petroleum Geology (AAPG)

Page 2 of 2

Houston, TX

2020

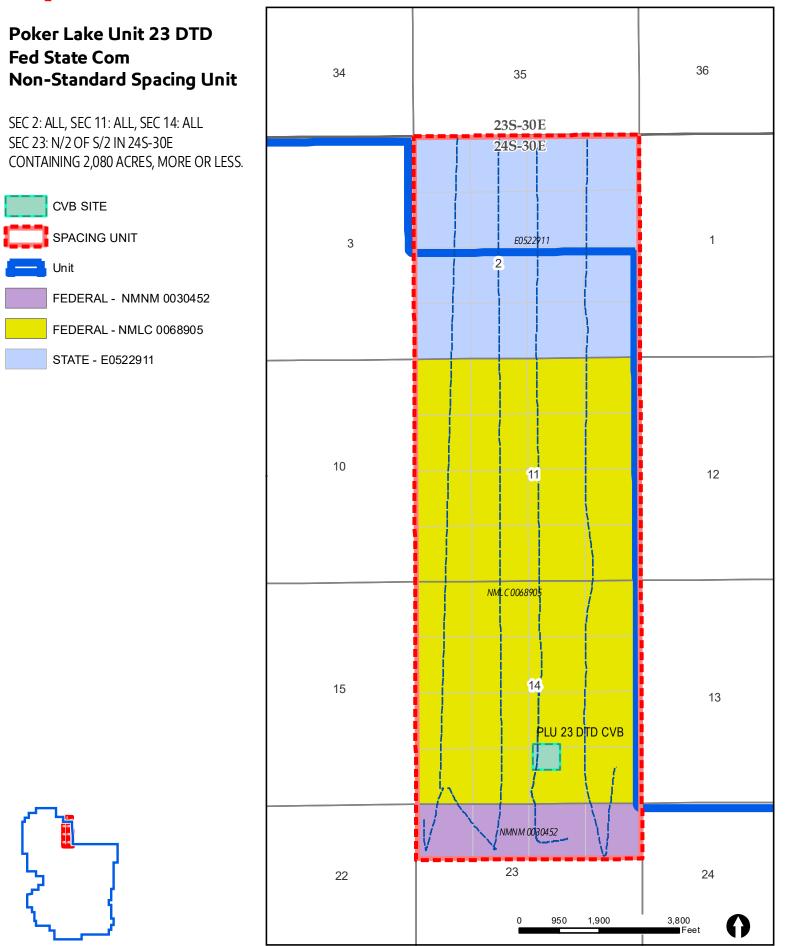
College Station, TX 2015



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Page 28 of 41

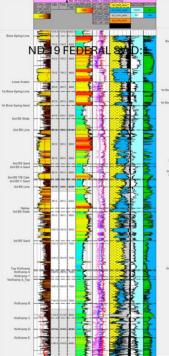
Date: 2/5/2025

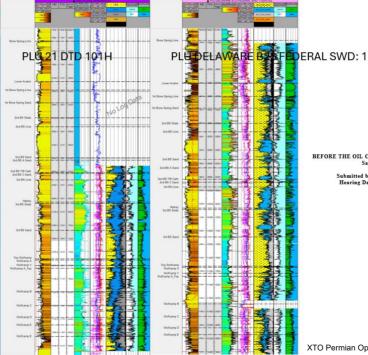


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Document Path: O:\Arcview\Projects\Kelii_Project_MXDs\PD_GregDavis_PLU_23DTD_NonStandardSpacingUnit_AreaOnly.mxd

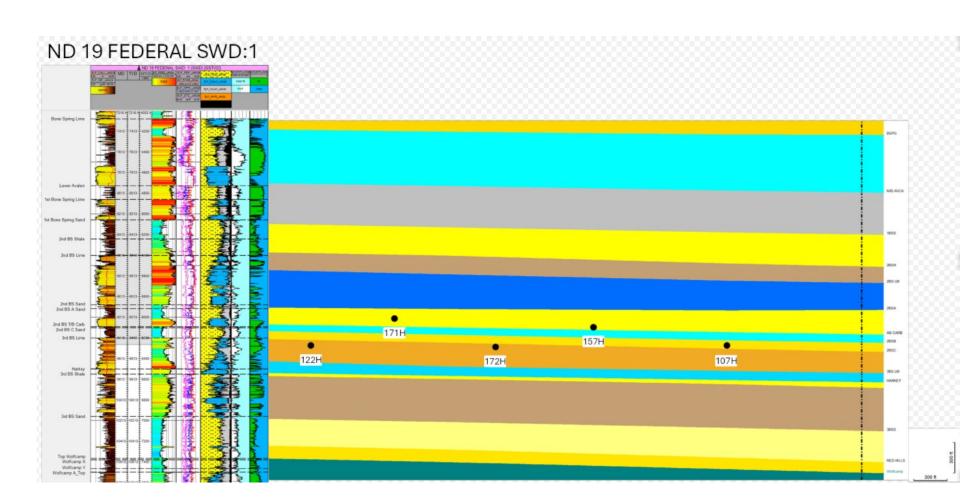
XTO Permian Operating, LLC - Exhibit C-2





BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit C-3 Submitted by: XTO Permian Operating, LLC Hearing Date: February 13, 2025 Case No. 24991

Case No. 24991 XTO Permian Operating, LLC - Exhibit C-3



Released to Imaging: 2/12/2025 4:41:23 PM

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

APPLICATION OF XTO PERMIAN OPERATING, LLC FOR APPROVAL OF NON-STANDARD HORIZONTAL SPACING UNIT, EDDY COUNTY, NEW MEXICO

CASE NO. 24991

AFFIDAVIT

)) ss.

)

STATE OF COLORADO CITY AND COUNTY OF DENVER

Rachael Ketchledge, legal assistant and authorized representative of XTO Permian Operating, LLC ("XTO"), the Applicant herein, being first duly sworn, upon oath, states that the abovereferenced Application has been provided under Notice Letters dated November 14, 2024, which the Applicant mailed via U.S. Postal Service Certified Mail. Notice was delivered to the interested parties on or about November 20, 2024, as shown on certified mail receipts attached as Exhibit D.

Applicant also published notice of the Application in the Carlsbad Current-Argus on November 21, 2024. Proof of receipts is shown on Exhibit E.

Rachael Ketchledge

Page 31 of 41

SUBSCRIBED AND SWORN to before me on January 9, 2025, by Rachael Ketchledge.

4

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NOTARY PUBLIC

3 My commission expires: C

SHANA JO PREISLER NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19924009418 MY COMMISSION EXPIRES MARCH 5, 2027

Received by OCD: 2/12/2025 4:13:22 PM

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW 500 DON GASPAR AVENUE SANTA FE, NEW MEXICO 87505 TELEPHONE 505-983-8545 FACSIMILE 800-886-6566 www.bwenergylaw.com

COLORADO NEW MEXICO WYOMING

MIGUEL SUAZO

505-946-2090 MSUAZO@BWENERGYLAW.COM

November 14, 2024

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES SUBJECT TO SPACING PROCEEDINGS

Re: Application of XTO Permian Operating, LLC for Approval of a Non-Standard Horizontal Spacing Unit in Eddy County, New Mexico (Case No. 24991)

Dear Affected Parties:

This letter is to advise you that XTO Permian Operating, LLC ("XTO") has filed the enclosed application, Case No. 24991, with the New Mexico Oil Conservation Division for Approval of a Non-Standard Spacing Unit in Eddy County, New Mexico.

In Case No. 24991, XTO seeks an Order from the Division to: approve a 2,080.66-acre, more or less, non-standard horizontal spacing and proration unit composed of all of Sections 2, 11, 14, and the N/2 S/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M.

A hearing has been requested before a Division Examiner on December 5, 2024, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 9:00 a.m. and will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To view the hearing docket and to determine how to participate in the electronic hearing, visit the Division's website at: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u> or call (505) 476-3441.

You are being notified as an interest owner and 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 contesting the matter at a later date.

Parties appearing in cases who intend to present evidence are required by Division Rule 19.15.4.13.B NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. This statement must be submitted through the OCD E-Permitting system (https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/) or via e-mail to ocd.hearings@emnrd.nm.gov should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing;

BEATTY & WOZNIAK, P.C.

November 14, 2024 Case No. 24991 Page 2

the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing. The statement must also be provided to the attorney for the applicant, Miguel Suazo at <u>msuazo@bwenergylaw.com</u>.

If you have any questions about this matter, please contact Greg Davis at <u>william.davis@exxonmobil.com</u>.

Sincerely,

Miguel Suazo

Attorney for XTO Permian Operating, LLC

Beatty & Wozniak, P.C. Energy in the Law[®]

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

APPLICATION OF XTO PERMIAN OPERATING, LLC FOR APPROVAL OF NON-STANDARD HORIZONTAL SPACING UNIT, EDDY COUNTY, NEW MEXICO

Case No.

APPLICATION

XTO Permian Operating, LLC, OGRID No. 5380 ("XTO" or "Applicant"), through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17 and 19.15.16.15(B)(5) NMAC, for an order (1) approving a 2,080.66-acre, more or less, non-standard horizontal spacing unit ("HSU") composed of all of Sections 2, 11, 14, and the N/2S/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M. (the "Application Lands")..

In support of its Application, XTO states the following:

1. XTO is a working interest owner in the Application Lands and has a right to drill wells thereon as the designated Operator of the Application Lands.

2. XTO seeks to dedicate all of the Application Lands to form a 2,080.66-acre, more or less, HSU.

3. XTO seeks to dedicate the above-referenced HSU to the following proposed wells:

A. **Poker Lake Unit 23 DTD Fed State Com #122H** (API No. 30-015-54414), which is a gas well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2, Township 24 South, Range 30 East; B. **Poker Lake Unit 23 DTD Fed State Com #171H** (API No. 30-015-54945), which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2, Township 24 South, Range 30 East;

C. **Poker Lake Unit 23 DTD Fed State Com #172H** (API No. 30-015-54421), which is a gas well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 3 (Unit C) of Section 2, Township 24 South, Range 30 East;

D. **Poker Lake Unit 23 DTD Fed State Com #107H** (API No. 30-015-54383), which is a gas well that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 1 (Unit A) of Section 2, Township 24 South, Range 30 East;

E. **Poker Lake Unit 23 DTD Fed State Com #157H** (API No. 30-015-49650), a gas well that will be horizontally drilled from a surface location in the NE/4NW/4 (Unit C) of Section 23, Township 24 South, Range 30 East, to a bottom hole location in Bone Spring Formation in Lot 2 (Unit B) of Section 2, Township 24 South, Range 30 East.

4. The wells are orthodox in their location as defined by 19.15.16.15.(C) NMAC, and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.(C) NMAC.

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5. Approval of a non-standard horizontal spacing unit is necessary to prevent waste and protect correlative rights.

6. To provide for its just and fair share of the oil and gas underlying the subject lands, XTO requests to be designated as the operator of the proposed horizontal wells and HSU.

WHEREFORE, XTO requests this Application be set for hearing on December 5th, 2024, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Approving the creation of an approximately 2,080.66-acre non-standard HSU, composed of the Application Lands, pursuant to 19.15.16.15(B)(5) NMAC;
- B. Approving the Poker Lake Unit 23 DTD Fed State Com #122H, Poker Lake Unit 23 DTD Fed State Com #171H, Poker Lake Unit 23 DTD Fed State Com #172H, Poker Lake Unit 23 DTD Fed State Com #107H, and Poker Lake Unit 23 DTD Fed State Com #157H as the wells for the HSU.
- C. Designating XTO as operator of the HSU and the horizontal wells to be drilled thereon;

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

James P. Parrot Miguel A. Suazo 500 Don Gaspar Ave., Santa Fe, NM 87505 (505) 946-2090 <u>msuazo@bwenergylaw.com</u> <u>jparrot@bwenergylaw.com</u> *Attorneys for XTO Energy, Inc.* Application of XTO Permian Operating, LLC for Approving a Non-Standard Horizontal Spacing Unit and, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 2,080.66-acre, more or less, non-standard horizontal spacing and proration unit composed of all of Sections 2, 11, 14, and the N/2 S/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M.. The proposed wells to be dedicated to the horizontal spacing unit are the: Poker Lake Unit 23 DTD Fed State Com #122H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2; Poker Lake Unit 23 DTD Fed State Com #171H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2; Poker Lake Unit 23 DTD Fed State Com #172H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 3 (Unit C) of Section 2; Poker Lake Unit 23 DTD Fed State Com #107H, which is an oil well that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 1 (Unit A) of Section 2; and Poker Lake Unit 23 DTD Fed State Com #157H, which is an oil well that will be horizontally drilled from a surface location in the NE/4NW/4 (Unit C) of Section 23 to a bottom hole location in Bone Spring Formation in Lot 2 (Unit B) of Section 2. The wells are orthodox in location, and the take points and laterals comply with Statewide Rules for setbacks. The wells and lands are located approximately 26 miles southeast from Carlsbad, New Mexico.

MAIL DATE	OWNER	ADDRESS	TYPE_INT	MAIL CLASS	TRACKING NUMBER
N		600 W Illinois Ave	11/1		
November 14, 2024	ConocoPhillips Company	Midland TX, 79701	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7127 91
		5 Greenway Plaza			
November 14, 2024	OXY USA Inc.	Suite 110	WI		
	Occidental Permian LP	Houston TX 77046		Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7127 84
N 1 14 2024		1400 Smith Street	11/1		
November 14, 2024	Chevron USA Inc.	Houston, TX 77002	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7127 77
N 1 14 2024	Devon Energy Production	333 West Sheridan Ave	11/1		
November 14, 2024	Company LP	Oklahoma City, OK 73102	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7127 60
N 1 14 2024		5509 Champions Dr.	11/1		
November 14, 2024	EOG Resources Inc.	Midland, TX 79706	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7127 53
N 1 14 2024		301 Dinosaur Trail	11/1		
November 14, 2024	Bureau of Land Management	Santa Fe, NM 87508	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7127 46

Case No. 24991 Certified Mailing Status



AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS PO BOX 507 HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS COUNTY OF EDDY }

Account Number: 96

Ad Number:	23160			
Description:	XTO Poker Lake			
Ad Cost:	\$209.81			

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

November 21, 2024

That said newspaper was regularly issued and circulated on those dates. SIGNED:

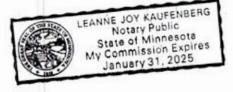
Sherry Dances

Agent

Subscribed to and sworn to me this 21th day of November 2024.

eu Kantenberg

Leanne Kaufenberg, Notary Public, Redwood County Minnesota



Beatty & Wozniak, P.C. 1675 Broadway # 600 Denver, CO 80202-4692

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LEGAL NOTICE NOVEMBER 21, 2024

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case.

The hearing will be conducted on Thursday, December 5, 2024, beginning at 9:00 A.M. in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the Microsoft Teams virtual meeting platform. To view the hearing docket and to determine how to participate in the electronic hearing, visit the Division's website at: http://www.emnrd.state.nm.us/OCD/hearing-info/ or contact Sheila Apodaca at Sheila.Apodaca@emnrd.nm.gov. Documents filed in the case may also be viewed at https://ocdimage.emnrd. state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Sheila Apodaca or the New Mexico Relay Network at 1-800-659-1779, no later than November 25, 2024.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

TO: All interested parties, including: ConocoPhillips Company; OXY USA Inc.; Occidental Permian LP; Chevron USA Inc.; Devon Energy Production Company LP; EOG Resources Inc.; Bureau of Land Management.

CASE NO. 24991: Application of XTO Permian Operating, LLC for Approving a Non-Standard Horizontal Spacing Unit, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 2,080.66-acre, more or less, non-standard horizontal spacing and proration unit composed of all of Sections 2, 11, 14, and the N/2 S/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M. The proposed wells to be dedicated to the horizontal spacing unit are the: Poker Lake Unit 23 DTD Fed State Com #122H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2: Poker Lake Unit 23 DTD Fed State Com #171H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2: Poker Lake Unit 23 DTD Fed State Com #171H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2: Poker Lake Unit 23 DTD Fed State Com #172H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 3 (Unit C) of Section 2: Poker Lake Unit 23 DTD Fed State Com #107H, which is an oil well that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 1 (Unit A) of Section 2; and Poker Lake Unit 23 DTD Fed State Com #157H, which is an oil well that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 23 to a bottom hole location in Bone Spring Formation in Lot 2 (Unit B) of Section 2. The wells are orthodox in location, and the take points and l

Published in the Carlsbad Current-Argus November 21, 2024. #23160