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

APPLICATION OF STEWARD ENERGY II, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO.

**CASE NO. 25209 ORDER NO. R-23161** 

# **HEARING EXHIBITS**

Exhibit A	Self-Affirmed Statement of Cooper Newlan
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-23161
Exhibit B	Self-Affirmed Statement of Dana S. Hardy
B-1	Sample Notice Letter sent February 20, 2025
B-2	Postal Delivery Report
B-3	Electronic Return Receipt
B-4	Affidavit of Publication for February 26, 2025

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

APPLICATION OF STEWARD ENERGY II, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 25209 ORDER NO. R-23161

# SELF-AFFIRMED STATEMENT OF COOPER NEWLAN

- 1. I am employed by Steward Energy II, LLC ("Steward") as a Senior Landman. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum land matters were accepted and made a matter of record.
- 2. I am familiar with the land matters involved in the above-referenced case. Copies of Steward's application and proposed hearing notice are attached as **Exhibit A-1**.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit; therefore I do not expect any opposition at hearing.
- 4. On April 17, 2024, the Division entered Order No. R-23161 ("Order") in Case No. 24173.
- 5. The Order pooled uncommitted interests in San Andres formation underlying a 320-acre, more or less, standard, horizontal spacing unit comprised of the W/2 W/2 of Sections 10 and 15, Township 13 South, Range 38 East, Lea County New Mexico, and dedicated the Unit to the Blue Sky Fee 6H well ("Well"). A copy of the Order is attached as **Exhibit A-2**.
  - 6. The Order designated Steward as operator of the Unit and the Well.

Steward Energy II, LLC Case No. 25209 Exhibit A 7. The Order requires Steward to commence drilling the Well within one (1) year of

the date of the Order unless an extension of time is obtained from the Division Director for good

cause shown.

8. The spud date for the Well has been delayed to allow time for Steward to evaluate

drilling results from offset acreage so that it can determine optimal well spacing in this area.

9. Accordingly, Applicant requests a one (1) year extension of time commence

drilling the Well until April 17, 2026.

10. Good cause exists for the requested extension.

11. In my opinion, the granting of Steward's application would protect correlative

rights, serve the interests of conservation, and prevent waste.

12. The attached exhibits were either prepared by me or under my supervision or were

compiled from company business records.

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

case. I affirm that my testimony above is true and correct and is made under penalty of perjury

under the laws of the State of New Mexico. My testimony is made as of the date next to my

electronic signature below.

Copp r Newlan

3/3/2025

Date

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

APPLICATION OF STEWARD ENERGY II, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO

Case No. <u>25209</u> Order No. R-23161

#### **APPLICATION**

Steward Energy II, LLC (OGRID No. 371682) ("Steward" or "Applicant") files this application with the Oil Conservation Division ("Division") requesting a one-year extension of time to commence drilling the well authorized by Order No. R-23161 ("Order"). In support of its application, Applicant states the following.

- 1. The Division issued the Order in Case No. 24173 on April 17, 2024, pooling all uncommitted interests in the San Andres formation underlying a 320 acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 10 and 15, Township 13 South, Range 38 East, Lea County, New Mexico ("Unit"), dedicating the Unit to the **Blue Sky Fee 6H** well ("Well"), and designating Applicant as operator of the Unit and the Well.
- 2. The Order requires Applicant to commence drilling the Well within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.
- 3. Steward requests a one-year extension of time to commence drilling the Well to allow time for Steward to evaluate drilling results from offset acreage to determine optimal well spacing in this area.
  - 4. Good cause exists for the requested extension.

Steward Energy II, LLC Case No. 25209 Exhibit A-1 5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Well to April 17, 2026.

WHEREFORE, Steward requests that this application be set for hearing on March 13, 2025, and after notice and hearing, the Division extend the deadline for Steward to commence drilling the Well until April 17, 2026.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

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

Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

Counsel for Steward Energy II, LLC

Application of Steward Energy II, LLC to Extend Time to Commence Drilling Operations, Lea County, New Mexico. Steward Energy II, LLC ("Applicant") seeks an order extending the deadline to commence drilling the well authorized by Order No. R-23161 ("Order") until April 17, 2026. The Division issued the Order in Case No. 24173 on April 17, 2024. The Order: pooled all uncommitted interests in the San Andres formation, underlying a 320 acre, more or less, standard, horizontal spacing unit comprised of the W/2 W/2 of Sections 10 and 15, Township 13 South, Range 38 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Blue Sky Fee 6H well ("Well"); and designated Applicant as operator of the Unit and the Well. The Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests that the Division extend the deadline to commence drilling the Well until April 17, 2026. The Well is located approximately 13 miles southeast of Tatum, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY STEWARD ENERGY II, LLC

CASE NO. 24173 ORDER NO. R-23161

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on March 21, 2024, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### FINDINGS OF FACT

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

#### **CONCLUSIONS OF LAW**

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

Steward Energy II, LLC Case No. 25209 Exhibit A-2

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

# **ORDER**

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

CASE NO. 24173 ORDER NO. R-23161

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

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

CASE NO. 24173 ORDER NO. R-23161

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the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DYLAN M FUGE DIRECTOR (ACTING)

DMF/hat

Date: 4/17/24

Exhibit A

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ALL INFORMATION IN THE APPLICATION MUST BE	SLIDDODTED BY SIGNED AFFIDAVITS
Case: 24173	APPLICANT'S RESPONSE
Date	12
Applicant	March 21, 2024 Steward Energy II, LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID # 371682
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	THING STATION LET
	Application of Steward Energy II, LLC for Compulsory Pooling and Approval of Overlapping Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	Fasken Oil & Ranch Ltd. ; Mewbourne Oil Company
Well Family	Blue Sky
Formation/Pool	
Formation Name(s) or Vertical Extent:	San Andres
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	San Andres
Pool Name and Pool Code:	Bronco; San Andres South Pool (Code 7500)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acre
Building Blocks:	quarter-quarter
Orientation:	North/South
Description: TRS/County	W/2 W/2 of Sections 10 and 15, Township 13 South, Range 38 East, Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	No.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well#1	Blue Sky Fee 6H (API # pending) SHL: 1201' FSL & 351' FWL (Unit M), Section 3, T13S-R38E BHL: 100' FSL & 330' FWL (Unit M), Section 15, T13S-R38E Completion Target: San Andres (Approx. 5,357' TVD)
Horizontal Well First and Last Take Points	Exhibit A-2

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Received by OCD: 3/19/2024 4:02:31 PM	Page 3 of
Drilling Supervision/Month \$	\$7,000.00
Production Supervision/Month \$	\$700.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit C-2
Ownership Depth Severance (including percentage above & below	v)
	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-1
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-1
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-1
First Saction lincheding banding 4049) 16 AM	Exhibit B-2

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Received by OCD: 3/19/2024 4:02:31 PM	Page 4				
Additional Information					
Special Provisions/Stipulations					
CERTIFICATION: I hereby certify that the information provided	in this checklist is complete and accurate.				
Printed Name (Attorney or Party Representative):	Dana S. Hardy				
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy				
Date:	3/19/2024				

Released to Imaging: 3/20/2024 8:45:16 AM

CASE NO. 24173 ORDER NO. R-23161

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

APPLICATION OF STEWARD ENERGY II, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO.

**CASE NO. 25209 ORDER NO. R-23161** 

# SELF-AFFIRMED STATEMENT OF DANA S. HARDY

- 1. I am the attorney in fact and authorized representative of Steward Energy II, LLC, the Applicant herein.
- 2. I am familiar with the Notice Letter attached as **Exhibit B-1**, and caused the Notice Letter, along with the Application in this case, to be sent to the parties listed in the Postal Delivery Report attached as **Exhibit B-2**.
- 3. Exhibit B-2 also provides the date the Notice Letter was sent, along with the delivery status of each.
- 4. An electronic return receipt is attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.
- 5. On February 26, 2025, I caused a notice to be published in the Hobbs News Sun. An Affidavit of Publication from the legal clerk of the Hobbs News Sun along with a copy of the Notice Publication, is attached as **Exhibit B-4.**
- 6. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/Dana S. Hardy
Dana S. Hardy

March 3, 2025
Date

Steward Energy II, LLC Case No. 25209 Exhibit B



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

TO: ALL PARTIES ENTITLED TO NOTICE

Re: Case Nos. 25208 & 25209 – Applications of Steward Energy II, LLC to Extend Time to Commence Drilling Operations, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **March 13, 2025**, beginning at 9:00 a.m. The hearing will be conducted in a hybrid fashion, both virtually and 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. To participate virtually, see the instructions posted on the OCD Hearings website: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<a href="https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/">https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/</a>) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Cooper Newlan, Landman at Steward Energy II, LLC, via e-mail at cooper.newlan@stewardenergy.net.

Enclosure

Sincerely,
/s/ Jaclyn M. McLean
Jaclyn M. McLean

125 Lincoln Avenue, Suite 223 Santa Fe, NM 87501 505-230-4410

HardyMclean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymclean.com

Steward Energy II, LLC Case No. 25209 Exhibit B-1

# Steward Energy II, LLC Case No. 25209 POSTAL DELIVERY REPORT

RECIPIENT	CITY	ST	ZIP	SENT	USPS TRACKING NUMBER	RECEIVED	STATUS
David Essex Trust, f/b/o Pierce	Omaha	NE	68103	2/20/2025	9414836208551278587146	2/24/2025	Delivered
Dean Essex c/o SouthWest Bank,							
Trustee				- / /		- / /	
Allante Joint Venture	Midland	TX	79708	2/20/2025	9414836208551278587139	2/26/2025	Delivered
David Essex Trust, f/b/o Elliott	Omaha	NE	68103	2/20/2025	9414836208551278587153	2/24/2025	Delivered
Carter Essex c/o SouthWest Bank, Trustee							
Armstrong Energy Corporation	Roswell	NM	88202	2/20/2025	9414836208551278587160	2/28/2025	Delivered
Cinco Ranch Oil & Gas LLC	Katy	TX	77450	2/20/2025	9414836208551278587184	3/5/2025	In Transit
Chimney Rock Oil & Gas LLC	Roswell	NM	88202	2/20/2025	9414836208551278587177	2/28/2025	Delivered
G&M Oil, LLC	Midland	TX	79707	2/20/2025	9414836208551278587191	3/5/2025	Return to
Gal Oil, LLC	Milutariu	17	/9/0/	2/20/2025	9414636206551276567191	3/3/2023	Sender
Gunsight Limited Partnership	Roswell	NM	88202	2/20/2025	9414836208551278587207	2/28/2025	Delivered
HJJW Interests, LP c/o Valor Mineral	Fort Worth	TX	76147	2/20/2025	9414836208551278587221	2/25/2025	Delivered
Management							
Leon Jeffcoat	Midland	TX	79708	2/20/2025	9414836208551278587214	2/26/2025	Delivered
Occidental Permian Ltd.	Dallas	TX	75284	2/20/2025	9414836208551278587238	2/26/2025	Delivered
Plains Production, Inc.	Houston	TX	77055	2/20/2025	9414836208551278587269	2/27/2025	Delivered
Michael Lee Douglas	Missouri City	TX	77459	2/20/2025	9414836208551278587283	2/25/2025	Delivered
Davis Holdings L.P.	Houston	TX	77004	2/20/2025	9414836208551278587245	2/25/2025	Delivered
MEMO Interests, L.P. c/o Valor	Fort Worth	TX	76147	2/20/2025	9414836208551278587252	2/25/2025	Delivered
Mineral Management							
Kennedy Minerals, Ltd.	Midland	TX	79701	2/20/2025	9414836208551278587290	2/24/2025	Delivered
McCarthy Oil & Gas, LLC	Katy	TX	77494	2/20/2025	9414836208551278587276	3/5/2025	Return to
							Sender
Rio Potomac Investments, LLC	Roswell	NM	88202	2/20/2025	9414836208551278587306	2/28/2025	Delivered
Robert W. Palmer	Midland	TX	79702	3/5/2025	9414836208551278587313	3/5/2025	Return to Sender
Slash Exploration Limited Partnership	Roswell	NM	88202	2/20/2025	9414836208551278587320	2/28/2025	Delivered

Steward Energy II, LLC Case No. 25209 Exhibit B-2

# Steward Energy II, LLC Case No. 25209 POSTAL DELIVERY REPORT

William E. Gee and Carol E. Gee	Edmond	ОК	73012	2/20/2025	9414836208551278587344	2/27/2025	Delivered
Revocable Trust c/o Carol E. Gee,							
Co-Trustee							
Terra Nova Energy, LP	Midland	TX	79705	2/20/2025	9414836208551278587351	2/24/2025	Delivered
Suzanne Davis Working Interest, LP	Abilene	TX	79605	2/20/2025	9414836208551278587337	2/25/2025	Delivered



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5871 46**.

#### Item Details

Status: Delivered, Individual Picked Up at Postal Facility

Status Date / Time: February 24, 2025, 10:51 am

Location:OMAHA, NE 68108Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

Recipient Name: David Essex Trust f b o Pierce Dean Essex

# Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> David Essex Trust, f/b/o Pierce Dean Essex c/o SouthWest Bank, Trustee PO Box 3480 Omaha, NE 68103

Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5871 39**.

#### Item Details

Status: Delivered, PO Box

Status Date / Time: February 26, 2025, 1:56 pm

Location: MIDLAND, TX 79708

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

Address of Recipient:



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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Allante Joint Venture PO Box 9758 Midland, TX 79708 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5871 53**.

#### Item Details

Status: Delivered, PO Box

Status Date / Time: February 24, 2025, 7:25 am

Location:OMAHA, NE 68108Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

Recipient Name: David Essex Trust f b o Elliott Carter Essex

# Recipient Signature

Signature of Recipient:

Address of Recipient:

Dates Farmers No.

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> David Essex Trust, f/b/o Elliott Carter Essex c/o SouthWest Bank, Trustee PO Box 3480 Omaha, NE 68103 Item ID: Steward BlueSky

Released to Imaging: 3/6/2025 2:47:00 PM



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5871 77**.

#### Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: February 28, 2025, 10:31 am

Location: ROSWELL, NM 88201

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

Address of Recipient:

1/3

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Chimney Rock Oil & Gas LLC PO Box 1973 Roswell, NM 88202 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 07**.

#### Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: February 28, 2025, 10:31 am

Location: ROSWELL, NM 88201

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

Address of Recipient:

1/3

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Gunsight Limited Partnership PO Box 1973 Roswell, NM 88202 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 21**.

#### Item Details

Status: Delivered, PO Box

**Status Date / Time:** February 25, 2025, 9:39 am **Location:** FORT WORTH, TX 76147

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: HJJW Interests LP

# Recipient Signature

Signature of Recipient:

Address of Recipient:



Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> HJJW Interests, LP c/o Valor Mineral Management PO Box 470578 Fort Worth, TX 76147 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 14**.

#### Item Details

Status: Delivered, PO Box

Status Date / Time: February 26, 2025, 1:56 pm

Location: MIDLAND, TX 79708

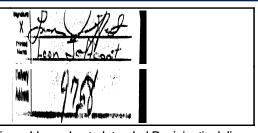
Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

Address of Recipient:



Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Leon Jeffcoat PO Box 9758 Midland, TX 79708 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 38**.

#### Item Details

Status: Delivered, Individual Picked Up at Postal Facility

Status Date / Time: February 26, 2025, 9:18 pm

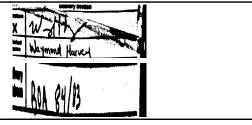
Location:DALLAS, TX 75284Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

### Recipient Signature

Signature of Recipient:

Address of Recipient:



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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Occidental Permian Ltd. PO Box 841803 Dallas, TX 75284 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 69**.

#### Item Details

Status:Delivered, Left with IndividualStatus Date / Time:February 27, 2025, 1:23 pm

Location: HOUSTON, TX 77055

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

### Recipient Signature

Signature of Recipient:



Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Plains Production, Inc. 1313 Campbell Road, Bldg. D Houston, TX 77055 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 83**.

#### Item Details

Status:Delivered, Left with IndividualStatus Date / Time:February 25, 2025, 1:16 pmLocation:MISSOURI CITY, TX 77459

Postal Product: First-Class Mail<sup>®</sup>
Extra Services: Certified Mail<sup>™</sup>

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

6140 HIGHWAY 6, MISSOURI

CITY, TX 77459

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Michael Lee Douglas 6140 Highway 6 #170 Missouri City, TX 77459 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 45**.

#### Item Details

Status: Delivered, Front Desk/Reception/Mail Room

Status Date / Time: February 25, 2025, 2:11 pm

Location: HOUSTON, TX 77004

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

1500 MCGOWEN ST, HOUSTON, TX 77004

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Davis Holdings L.P. 1500 McGowen Suite 200 Houston, TX 77004 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 52**.

#### Item Details

Status: Delivered, PO Box

**Status Date / Time:** February 25, 2025, 9:39 am **Location:** FORT WORTH, TX 76147

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: MEMO Interests L P

# Recipient Signature

Signature of Recipient:

Address of Recipient:

YMV 1709N

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> MEMO Interests, L.P. c/o Valor Mineral Management PO Box 470578 Fort Worth, TX 76147 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5872 90**.

#### Item Details

Status: Delivered, Front Desk/Reception/Mail Room

Status Date / Time: February 24, 2025, 3:00 pm

Location:MIDLAND, TX 79701Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

Address of Recipient:

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Kennedy Minerals, Ltd. 223 West Wall Street Suite 700 Midland, TX 79701 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5873 06**.

#### Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: February 28, 2025, 10:31 am

Location: ROSWELL, NM 88201

Postal Product: First-Class Mail<sup>®</sup>
Extra Services: Certified Mail<sup>™</sup>

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

Address of Recipient:

973

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Rio Potomac Investments, LLC PO Box 1973 Roswell, NM 88202 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5873 20**.

#### Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: February 28, 2025, 10:31 am

Location: ROSWELL, NM 88201

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

Address of Recipient:

(/)

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Slash Exploration Limited Partnership PO Box 1973 Roswell, NM 88202 Item ID: Steward BlueSky

Released to Imaging: 3/6/2025 2:47:00 PM



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5873 44**.

#### Item Details

Status: Delivered, Left with Individual Status Date / Time: February 27, 2025, 9:45 am

**Location**: EDMOND, OK 73012

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: William E Gee and Carol E Gee Revocable Trust

# Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> William E. Gee and Carol E. Gee Revocable Trust c/o Carol E. Gee, Co-Trustee 1401 NW 191st Street Edmond, OK 73012 Item ID: Steward BlueSky

Released to Imaging: 3/6/2025 2:47:00 PM



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5873 51**.

#### Item Details

Status: Delivered, Left with Individual Status Date / Time: February 24, 2025, 1:07 pm

**Location:** MIDLAND, TX 79705 **Postal Product:** First-Class Mail®

Extra Services: Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

242 SPRING PARK DR STE C, MIDLAND, TX 79705

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Terra Nova Energy, LP 242 Spring Park Drive Suite C Midland, TX 79705 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5873 37**.

#### Item Details

Status: Delivered, Front Desk/Reception/Mail Room

Status Date / Time: February 25, 2025, 9:59 am

Location:ABILENE, TX 79605Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

8011nF 330> > 16th

# Recipient Signature

Signature of Recipient:

Address of Recipient:

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Suzanne Davis Working Interest, LP 3300 South 14th Suite 206 Abilene, TX 79605 Item ID: Steward BlueSky



Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5871 60**.

#### Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: February 28, 2025, 10:31 am

Location: ROSWELL, NM 88201

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

# Recipient Signature

Signature of Recipient:

Address of Recipient:

1973

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Armstrong Energy Corporation PO Box 1973 Roswell, NM 88202 Item ID: Steward BlueSky

# Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated February 26, 2025 and ending with the issue dated February 26, 2025.

⊃ublisher

Sworn and subscribed to before me this 26th day of February 2025.

Business Manager

My commission expires

January 29, 2027

STATE OF NEW MEXICO (Seal) NOTARY PUBLIC GUSSIE RUTH BLACK **COMMISSION # 1087526** 

COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

#### LEGAL NOTICE February 26, 2025

This is to notify all interested parties, including Allante Joint Venture; Armstrong Energy Corporation; Chimney Rock Oil & Gas LLC; Cinco Ranch Oil & Gas LLC; David Essex Trust, f/b/o Elliot Carter Essex; David Essex Trust, f/b/o Pierce Dean Essex; Davis Holdings L.P.; G&M Oil, LLC; Gunsight Limited Partnership; HJJW Interests, LP; Kennedy Minerals, Ltd.; Leon Jeffcoat; McCarthy Oil & Gas, LLC; MEMO Interests, LP; Mewbourne Oil Company; Michael Lee Douglas; Occidental Permian Ltd.; Plains Production, Inc.; Rio Potomac Investments, LLC; Robert E. Landreth; Robert W. Palmer; Slash Exploration Limited Partnership; Suzanne Davis Working Interest, LP; Terra Nova Energy, LP; William E. Gee and Carol E. Gee Revocable Trust; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the applications submitted by Steward Energy II, LLC; ("Applicant") (Case Nos. 25208 and 25209). The hearing will be conducted on March 13, 2025, in a hybrid fashion, both virtually and in person at the Energy, Minerals, Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions p o s t e d on the OCD we b s it e inttps://www.emnrd.nm.gov/ocd/hearing-info/. In Case No. 25208, Applicant seeks an order extending the deadline to commence drilling the well authorized by Order No. R-23160 until April 17, 2026. The Division issued the Order in Case No. authorized by Order No. R-23160 until April 17, 2026. The Division issued the Order in Case No. 24172 on April 17, 2024. The Order: pooled all uncommitted interests in the San Andres formation, 24172 on April 17, 2024. The Order: pooled all uncommitted interests in the San Andres formation, underlying a 320 acre, more or less, standard, horizontal spacing unit comprised of the E/2 W/2 of Sections 10 and 15, Township 13 South, Range 38 East, Lea County, New Mexico; dedicated the Unit to the Blue Sky Fee 4H well; and designated Applicant as operator of the Unit and the Well. In Case No. 25209, Applicant seeks an order extending the deadline to commence drilling the well authorized by Order No. R-23161 until April 17, 2026. The Division issued the Order in Case No. 24173 on April 17, 2024. The Order: pooled all uncommitted interests in the San Andres formation, underlying a 320 acre, more or less, standard, horizontal spacing unit comprised of the W/2 W/2 of Sections 10 and 15, Township 13 South, Range 38 East, Lea County, New Mexico; dedicated the Unit to the Blue Sky Fee 6H well; and designated Applicant as operator of the Unit and the Well. Order Nos. R-23160 and R-23161 require Applicant to commence drilling the Blue Sky Fee 4H and 6H wells within one year of the date of the Orders. Applicant requests that the Division extend the deadline to commence drilling the wells until April 17, 2026. The wells are located approximately 13 miles southeast of Tatum, New Mexico.

#00298650 #00298650

67118479

00298650

HARDY MCLEAN LLC 125 LINCOLN AVE, STE, 223 SANTA FE, NM 87501

> Steward Energy II, LLC Case No. 25209 Exhibit B-4