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. 25211 ORDER NO. R-23146

HEARING EXHIBITS

Exhibit A	Self-Affirmed Statement of Cooper Newlan
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-23146
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. 25211 ORDER NO. R-23146

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 12, 2024, the Division entered Order No. R-23146 ("Order") in Case No. 24171.

5. The Order pooled uncommitted interests in San Andres formation underlying a 320acre, more or less, standard, horizontal spacing unit comprised of the W/2 E/2 of Sections 15 and 22, Township 13 South, Range 38 East, Lea County New Mexico, and dedicated the Unit to the Walt Junior Fee 3H 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. 25211 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 12, 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.

Cooper Newlan

 $\frac{3/3/2025}{\text{Date}}$

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. 25211 Order No. R-23146

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-23146 ("Order"). In support of its application, Applicant states the following.

1. The Division issued the Order in Case No. 24171 on April 12, 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 E/2 of Sections 15 and 22, Township 13 South, Range 38 East, Lea County, New Mexico ("Unit"), dedicating the Unit to the **Walt Junior Fee 3H** 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. 25211 Exhibit A-1 5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Well to April 12, 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 12, 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-23146 ("Order") until April 12, 2026. The Division issued the Order in Case No. 24171 on April 12, 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 E/2 of Sections 15 and 22, Township 13 South, Range 38 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the **Walt Junior Fee 3H** 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 12, 2026. The Well is located approximately 14.1 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. 24171 ORDER NO. R-23146

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on March 7, 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. 25211 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

CASE NO. 24171 ORDER NO. R-23146 Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

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

CASE NO. 24171 ORDER NO. R-23146

- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 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

Date: <u>4/12/2024</u>

DYLAN MFUGE DIRECTOR (ACTING) DMF/hat

CASE NO. 24171 ORDER NO. R-23146

Exhibit A

ALL INFORMATION IN THE APPLICATION MUST BE	SUPPORTED BY SIGNED AFFIDAVITS
Case: 24171	APPLICANT'S RESPONSE
Date	March 7, 2024
Applicant	Steward Energy II, LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID # 371682
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Steward Energy II, LLC for Compulsory Pooling and Approval of Overlapping Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	Walt Junior
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 E/2 of Sections 15 and 22, Township 13 South, Range 38 East, Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	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 Released to Imaging: 3/5/2024 4:41:46 PM	Walt Junior Fee 3H (API # pending) SHL: 764' FSL & 2137' FEL (Unit O), Section 10, T13S-R38E BHL: 100' FSL & 2293' FEL (Unit O), Section 22, T13S-R38E Completion Target: San Andres (Approx. 5,357' TVD)

CASE NO. 24171 ORDER NO. R-23146

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eceived by OCD: 3/5/2024 10:55:30 AM Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7,000.00
Production Supervision/Month \$	\$700.00
ustification 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	
and Ownership Schematic of the Spacing Unit	Exhibit A-3
Fract List (including lease numbers and owners)	Exhibit A-3
f 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
Jnlocatable Parties to be Pooled	Exhibit C-2
Dwnership Depth Severance (including percentage above & below)	
	N/A
oinder	
Sample Copy of Proposal Letter	Exhibit A-4
ist 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
Nell Orientation (with rationale)	Exhibit B
Farget Formation	Exhibit B
HSU Cross Section	Exhibit B-1

CASE NO. 24171 ORDER NO. R-23146

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Received by OCD: 3/5/2024 10:55:30 AM	Page 4 of 24
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
Cross Section (including Landing Zone)	Exhibit B-2
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information pro	ovided 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:	3/4/2024

Released to Imaging: 3/5/2024 4:41:46 PM

CASE NO. 24171 ORDER NO. R-23146

Page 7 of 7

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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. 25211 ORDER NO. R-23146

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.

<u>/s/Dana S. Hardy</u> Dana S. Hardy March 3, 2025 Date

> Steward Energy II, LLC Case No. 25211 Exhibit B



February 20, 2025

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 25211 – Application of Steward Energy II, LLC to Extend Time to Commence Drilling Operations, Lea County, New Mexico.

This letter is to advise you that the enclosed application was 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: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>. 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 (https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/) 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.

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

Enclosure

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. 25211 Exhibit B-1

Released to Imaging: 3/6/2025 2:47:43 PM

Steward Energy II Case No. 25211 POSTAL DELIVERY REPORT

PARTY	CITY	ST	ZIP	SENT	USPS TRACKING NO.	RECEIVED	STATUS
DeBock, Kortney Williams	Floydada	TX	79235	2/20/2025	9414836208551278575068	2/24/2025	Delivered
Humphrey, Trevor Scott	Seguin	TX	78155	2/20/2025	9414836208551278575129	3/3/2025	Return to Sender
Estate of Ruth Lucille Terrell Smith	S Lake Tahoe	CA	95702	2/20/2025	9414836208551278575105	3/1/2025	In Transit
DRB Hard Rock Investments, LLC	Bellaire	TX	77401	2/20/2025	9414836208551278575099	2/28/2025	Delivered
Kennedy Minerals, Ltd.	Midland	TX	79701	2/20/2025	9414836208551278575112	2/24/2025	Delivered
Management Trust f/b/o Megan Elizabeth Humphrey% John S. Humphrey, Sole Trustee	New Braunfels	TX	78130	2/20/2025	9414836208551278575136	2/26/2025	Delivered
Eight Energy, Inc.	Midland	TX	79707	2/20/2025	9414836208551278575075	2/24/2025	Delivered
Helton, Janice S.	Sachse	TX	75048	2/20/2025	9414836208551278575082	2/26/2025	Delivered
Moore, Joyce E.	Richardson	TX	75082	2/20/2025	9414836208551278575143	2/26/2025	Delivered

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Steward Energy II Case No. 25211 POSTAL DELIVERY REPORT

McCarthy Oil & Gas, LLC	Katy	TX	77494	2/20/2025	9414836208551278575150	3/3/2025	Return to Sender
MQH Investments	Midland	TX	79705	2/20/2025	9414836208551278575174	3/3/2025	In Transit
OGTEE Consultants LLC	Midland	TX	79701	2/20/2025	9414836208551278575167	2/24/2025	Delivered
Randall, Joan	Bryan	TX	77082	2/20/2025	9414836208551278575181	3/3/2025	Return to Sender
Sands, Teryl Danielle	Phoenix	AZ	85013	2/20/2025	9414836208551278575198	2/27/2025	Delivered,
Whittington, Judith Hunt	Garland	TX	75044	2/20/2025	9414836208551278575235	2/25/2025	Delivered
Solis Resources Ltd.	Midland	TX	79710	2/20/2025	9414836208551278575211	2/24/2025	Delivered
Spradlin, Charles Andrew	Glen Rose	TX	76043	2/20/2025	9414836208551278575228	3/3/2025	Return to Sender
Williams, Kay Elkins Bingham	Matador	TX	79244	2/20/2025	9414836208551278575242	2/28/2025	Delivered
Sands, Brian Douglas	Alexandria	VA	22301	2/20/2025	9414836208551278575204	2/27/2025	Delivered
Woolsey, Leroy	Arlington	TX	76014	2/20/2025	9414836208551278575266	3/3/2025	Return to Sender
Williams, Kolby	Floydada	TX	79235	2/20/2025	9414836208551278575259	2/24/2025	Delivered



February 24, 2025

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 5750 68**.

Item Details			
Status:	Delivered, Individual Picked Up at Post Office		
Status Date / Time:	February 24, 2025, 3:36 pm		
Location:	FLOYDADA, TX 79235		
Postal Product:	First-Class Mail [®]		
Extra Services:	Certified Mail™		
	Return Receipt Electronic		
Recipient Signature			
Signature of Recipient:	La March		
	Lasey De Back		

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.

2561 Fm 28

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

Address of Recipient:

DeBock, Kortney Williams 2581 FM 28 Floydada, TX 79235 Item ID: Steward Walt Jr. 25211

Steward Energy II LLC Case No. 25211 Exhibit B-3



February 28, 2025

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 5750 99**.

Item Details	
Status:	Delivered, Front Desk/Reception/Mail Room
Status Date / Time:	February 28, 2025, 11:07 am
Location:	BELLAIRE, TX 77401
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail™
	Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	David Berthmid
Address of Recipient:	4535 Hally

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

> DRB Hard Rock Investments, LLC 4535 Holly St. Bellaire, TX 77401 Item ID: Steward Walt Jr. 25211



February 24, 2025

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 5751 12**.

Item Details		
Status: Status Date / Time:	Delivered, Front Desk/Reception/Mail Room February 24, 2025, 3:00 pm	
Location:	MIDLAND, TX 79701	
Postal Product:	First-Class Mail®	
Extra Services:	Certified Mail™	
	Return Receipt Electronic	
Recipient Signature		
Signature of Recipient:	I Ruth Ruth	

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127

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

Address of Recipient:

Kennedy Minerals, Ltd. 223 West Wall Street, Suite 700 Midland 79701-4695, TX 79701 Item ID: Steward Walt Jr. 25211



February 26, 2025

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 5751 36**.

Item Details	
Status:	Delivered, Left with Individual
Status Date / Time:	February 26, 2025, 2:40 pm
Location:	NEW BRAUNFELS, TX 78130
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail™
	Return Receipt Electronic
Recipient Name:	Management Trust f b o Megan Elizabeth Humphrey
Recipient Signature	
	Kidilla
Signature of Recipient:	Runn ULLES
Address of Recipient:	Rindilla Renn ULES 14 Moss Rock Ar

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

> Management Trust f/b/o Megan Elizabeth Humphrey % John S. Humphrey, Sole Trustee 16 Moss Rock Rd. New Braunfels, TX 78130 Item ID: Steward Walt Jr. 25211



February 24, 2025

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 5750 75**.

Item Details	
Status:	Delivered, Left with Individual
Status Date / Time:	February 24, 2025, 5:33 pm
Location:	MIDLAND, TX 79707
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail [™]
	Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	Egenjel
Address of Recipient:	3804 SAINT ANDREWS CT, MIDLAND, TX 79707

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

> Eight Energy, Inc. 3804 Saint Andrews Ct. Midland, TX 79707 Item ID: Steward Walt Jr. 25211



February 26, 2025

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 5750 82**.

Item Details	
Status: Status Date / Time: Location: Postal Product: Extra Services:	Delivered, Left with Individual February 26, 2025, 11:00 am SACHSE, TX 75048 First-Class Mail [®] Certified Mail [™] Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	Zar
Address of Recipient:	6570

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

> Helton, Janice S. 6520 Lake Forest Lane Sachse, TX 75048 Item ID: Steward Walt Jr. 25211



February 26, 2025

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 5751 43**.

Item Details	
Status:	Delivered, Left with Individual
Status Date / Time:	February 26, 2025, 1:28 pm
Location:	RICHARDSON, TX 75082
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail™
	Return Receipt Electronic
Recipient Signature	
Signature of Recipie	ent: Han Mon

Address of Recipient:

DORE

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

> Moore, Joyce E. 3404 Springbranch Drive Richardson, TX 75082 Item ID: Steward Walt Jr. 25211



February 24, 2025

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 5751 67**.

Item Details		
Status:	Delivered, Left with Individual	
Status Date / Time:	February 24, 2025, 1:13 pm	
Location:	MIDLAND, TX 79701	
Postal Product:	First-Class Mail [®]	
Extra Services:	Certified Mail™	
	Return Receipt Electronic	
Recipient Signature		
Signature of Recipient:		
Address of Recipient:	2905 SENTINEL DR, MIDLAND, TX 79701	

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

> OGTEE Consultants LLC 2905 Sentinel Drive Midland, TX 79701 Item ID: Steward Walt Jr. 25211



February 27, 2025

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 5751 98**.

Item Details	
Status:	Delivered, Left with Individual
Status Date / Time:	February 27, 2025, 11:06 am
Location:	PHOENIX, AZ 85013
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail™
	Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	TERY L-SANDS

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

Address of Recipient:

Sands, Teryl Danielle 5521 North 4th Avenue Phoenix, AZ 85013 Item ID: Steward Walt Jr. 25211



February 25, 2025

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 5752 35**.

Item Details	
Status:	Delivered, Left with Individual
Status Date / Time:	February 25, 2025, 4:59 pm
Location:	GARLAND, TX 75044
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail™
	Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	Judich II Athethington Sudich H. Whittington
Address of Recipient:	2605 Oak Point

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

> Whittington, Judith Hunt 2605 Oak Point Drive Garland, TX 75044 Item ID: Steward Walt Jr. 25211



February 24, 2025

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 5752 11**.

Item Details	
Status:	Delivered, PO Box
Status Date / Time:	February 24, 2025, 9:36 am
Location:	MIDLAND, TX 79705
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail™
	Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	X DY = Carrela Parla
Address of Recipient:	

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

> Solis Resources Ltd. PO Box 51451 Midland, TX 79710 Item ID: Steward Walt Jr. 25211



February 28, 2025

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 5752 42**.

Item Details	
Status:	Delivered, Individual Picked Up at Post Office
Status Date / Time:	February 28, 2025, 2:03 pm
Location:	MATADOR, TX 79244
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail™
	Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	Jay Williams
Address of Recipient:	Box-178 matrikenTx

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

> Williams, Kay Elkins Bingham PO Box 178 Matador, TX 79244 Item ID: Steward Walt Jr. 25211



February 27, 2025

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 5752 04**.

Item Details	
Status:	Delivered, Left with Individual
Status Date / Time:	February 27, 2025, 3:44 pm
Location:	ALEXANDRIA, VA 22301
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail [™]
	Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	Jun MOep"
Address of Recipient:	510 E. ALGHAN DRIF MM

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

> Sands, Brian Douglas 510 East Alexandria Avenue Alexandria, VA 22301 Item ID: Steward Walt Jr. 25211



February 24, 2025

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 5752 59**.

Item Details	
Status:	Delivered, Left with Individual
Status Date / Time:	February 24, 2025, 11:47 am
Location:	FLOYDADA, TX 79235
Postal Product:	First-Class Mail [®]
Extra Services:	Certified Mail™
	Return Receipt Electronic
Recipient Signature	
Signature of Recipient:	Kellie Greber
Address of Recipient:	2521 Fim 6=2 Finy 10-4 & Fig

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

> Williams, Kolby 2531 FM 602 Floydada, TX 79235 Item ID: Steward Walt Jr. 25211

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.

Publisher

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

Business Manager

My commission expires January 29, 2027 (Seal) STATE OF NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK COMMISSION # 1087528 COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made. 67118479

00298649

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

> Steward Energy II LLC Case No. 25211 Exhibit B-4

LEGAL LEGAL

LEGAL NOTICE February 26, 2025

February 26; 2025 This is to notify all interested parties, including; Kortney Williams DeBock; DRB Hard Rock Investments, LLC; Eight Energy, Inc.; Estate of Ruth Lucille Terrell Smith; Janice S. Helton; Trevor Scott, Humphrey; Kennedy Minerals, Ltd.; Management Trust f/b/o Megan Elizabeth Humphrey c/o John S. Humphrey, Sole Trustee; McCarthy Oil & Gas, LLC; Joyce E. Moore; MQH Investments; Ogtee Consultants LLC; Joan Randall; Brian Douglas Sands, Teryl Danielle Sands; Solis Resources Ltd.: Charles Andrew Spradlin; Judith Hunt Whitington; Kay Elkins Bingham Williams; Kolby Williams; Leroy Woolsey; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted by Steward Energy II LLC, ("Applicant") (Case No. 25211). 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 posted on the OCD website: https://www.emmrd.nm.gov/ocd/hearinginfo/. In Case No. 25211, Applicant seeks an order extending the deadline to commence drilling the well authorized by Order No. R-23146 ("Order") until April 12, 2026. The Division issued the Order in Case No. 24171 on April 12, 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 E/2 of Sections 15 and 22. Township 13 South, Range 38 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the **Walt Junior Fee 3H** 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 12, 2026. The Well is located approximately 14.1 miles southeast of Tatum, New Mexico.