

IN THE MATTER OF THE APPLICATION OF TEXAS STANDARD OPERATING NM LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 25219

BULLDOG STATE COM #2H WELL

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

IN THE MATTER OF THE APPLICATION OF TEXAS STANDARD OPERATING NM LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 25219

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COMPULSORY POOLING APPLICATION CHECKLIST

Case: 25219	APPLICANT'S RESPONSE
Date	April 10, 2025
Applicant	Texas Standard Operating NM LLC
Designated Operator & OGRID (affiliation if applicable)	Texas Standard Operating NM LLC OGRID No. 329818
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.
Case Title:	Application of Texas Standard Operating NM LLC for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	Bulldog State Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Pennsylvanian Shale
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Pennsylvanian Shale
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
Spacing Unit	
Type (Horizontal/Vertical)	Horizonal
Size (Acres)	320-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is</u> approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
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) Well #1: Bulldog State Com 2H	Add wells as needed
	API No. <i>Pending</i> SHL: 2140' FNL & 1310' FEL, (Unit H), Section 10, T17S, R36E BHL: 2590' FSL & 660' FEL, (Unit I) Section 34, T16S, R65E Completion Target: Upper Penn (Approx. 11,800' TVD) Orientation: North/South
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-5
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$13,250.00
ReductionSprachen 4/392028 4:34:53 PM	\$1,325.00

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Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2 and 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-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B-5
HSU Cross Section	Exhibits B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4
General Location Map (including basin)	Exhibit B-2
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-5
	Exhibit B-3; B-4
Cross Section Location Map (including wells)	
Cross Section (including Landing Zone) Additional Information	Exhibit B-3; B-4
Special Provisions/Stipulations	None.
CERTIFICATION: I hereby certify that the information provided in	
Printed Name (Attorney or Party Representative): Signed Name (Attorney or Party Representative):	Deana M. Bennett
Date: <i>Released to Imaging: 4/3/2025 4:34:53 PM</i>	/s/ Deana M. Bennett 4/3/2025

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

APPLICATION OF TEXAS STANDARD OPERATING NM LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 25219

SELF-AFFIRMED STATEMENT OF MATT ROBERSON

Matt Roberson hereby states and declares as follows:

1. I am over the age of 18, I am a landman for Texas Standard Operating NM LLC ("Texas Standard") and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum landman were accepted by the Division as a matter of record.

I am familiar with the land matters involved in the above reference case and I am familiar with the application filed by Texas Standard in this case, which is attached as Exhibit A-1.

3. I am familiar with the status of the lands that are subject to the application.

4. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling application.

5. The purpose of the application is to force pool all uncommitted interests into the horizontal spacing unit described below, and in the well to be drilled in the unit.

6. In this case, Texas Standard seeks to dedicate the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit.

> Texas Standard Operating NM LLC Case No. 25219 Exhibit A

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7. Texas Standard seeks to dedicate the spacing unit to the **Bulldog State #2H well**, to be horizontally drilled with a proposed first take point in the SE/4SE/4 (Unit H) of Section 10, Township 17 South, Range 36 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East.

8. Attached as **Exhibit A-2** is the proposed C-102 for the well.

9. The C-102 identifies the proposed surface hole location and bottom hole location, and the first and last take points. The C-102 also identifies the pool and pool code.

10. The well will develop the WC-025 G-09 S173615C; Upper Penn Pool (Code 98333).

11. The WC-025 G-09 S173615C; Upper Penn Pool is an oil pool with 40-acre building blocks.

12. The pool is governed by the state-wide horizontal well rules.

13. There are no depth severances within the proposed spacing unit.

14. **Exhibit A-3** includes a lease tract map outlining the unit being pooled.

15. **Exhibit A-4** is a unit recapitulation with a list of the parties to be pooled. Parties to be pooled are highlighted in yellow.

16. **Exhibit A-5** contains a sample well proposal letter and Authorization for Expenditure ("AFE") sent to all working interest owners. The date in the proposal letter should be 1/8/2025. The estimated costs of the well set forth in the AFE are fair and reasonable and comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

17. Texas Standard requests overhead and administrative rates of \$13,250.00/month for drilling a well and \$1325.00/month for a producing well. These rates are fair, and comparable

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to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Texas Standard requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

18. Texas Standard requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

19. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed the working interest owners well proposals, including an Authorization for Expenditure.

20. In my opinion, Texas Standard has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well as demonstrated by the chronology of contact in **Exhibit A-6**.

21. Texas Standard requests that it be designated operator of the well.

22. The parties Texas Standard is seeking to pool were notified of this hearing.

23. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests in the well.

24. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

25. The exhibits to my self-affirmed statement were prepared by me, or compiled from company business records, or were prepared at my direction or supervision.

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26. I attest under penalty of perjury the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

[Signature Page Follows]

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3/27/2025

Date

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Matt Roberson

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

APPLICATION OF TEXAS STANDARD OPERATING NM LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 25219

APPLICATION

Texas Standard Operating NM LLC (OGRID No. 329818) ("Texas Standard"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit comprised of the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico. In support of this application, Texas Standard states as follows:

1. Texas Standard has an interest in the subject lands and has a right to drill and operate a well thereon.

2. Texas Standard seeks to dedicate the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit.

3. Texas Standard seeks to dedicate the spacing unit to the **Bulldog State #2H well**, to be horizontally drilled with a proposed first take point in the SE/4SE/4 (Unit H) of Section 10, Township 17 South, Range 36 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East.

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

5. Texas Standard sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Pennsylvanian Shale formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

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

7. In order to allow Texas Standard to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interest in the unit should be pooled and Texas Standard should be designated operator of the well and the unit.

WHEREFORE, Texas Standard requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 13, 2025 and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a horizontal spacing unit within the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico;

B. Designating Texas Standard as operator of this unit and the well to be drilled thereon;

C. Authorizing Texas Standard to recover its costs of drilling, equipping and completing the well;

D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr. Deana M. Bennett Yarithza Peña Post Office Box 2168 500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168 Telephone: 505.848.1800 edebrine@modrall.com deana.bennett@modrall.com yarithza.pena@modrall.com Attorneys for Texas Standard Operating NM LLC CASE NO. 25219 : Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit comprised of the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Bulldog State #2H well, to be horizontally drilled with a proposed first take point in the SE/4SE/4 (Unit H), Township 17 South, Range 36 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East. The producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of Texas Standard Operating NM LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 3.25 miles south of Lovington, New Mexico.

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<u>C-10</u>	_	ronically State of New Energy, Minerals & Natural OIL CONSERVAT				al Resources Department		Revised J	Revised July 9, 2024				
	CD Permitti			OIL	CONSER	(VAI	ION DIV	ISION				□ Initial Submit	tal
										Subm Type		Amended Rep	ort
										As Drilled			
			1		WELL L	.OCATI	ION INFOF	RMATIC	DN				
API Nu	umber		Pool Code	98333		P	ool Name	WC-	025 G-09 S	17361:	5C;U	PPER PENI	N
Propert	ty Code		Property N	ame	BUI	LLDO	G STAT	TE CO	OM		Well	Number	2H
OGRIE	^{D No.} 329	9818	Operator N	TEXAS	STAN	DARD	OPER	ATIN	G N.M, LL	c.	Grour	nd Level Elevation	3855
Surface	e Owner: 🕱	State Fee	⊥ □ Tribal □ F	ederal			Mineral	Owner:	X State Fee	🗆 Tribal	Fed	eral	
						Surfa	ce Location						
UL	Section	Township	Range	Lot	Ft. from I	N/S	Ft. from	E/W	Latitude		Longi	tude	County
н	10	17S	36E		2140	FNL	1310	FEL	32.85097	11°N	103.	3380593 °W	LEA
					ŀ	Bottom 2	Hole Locati	on					
UL	Section	Township	Range	Lot	Ft. from l		Ft. from		Latitude		Longi		County
Ι	34	16S	36E		2590	FSL	660	FEL	32.87842	61°N	103.	3359201°W	LEA
	ted Acres 320	Infill or Def	ining Well	Defining	Well API		Overlap	ping Spa	cing Unit (Y/N)	Consoli	dation (Code	
Order 1	Numbers.						Well set	backs ar	e under Commor	n Owners	hip: 🗖	Yes 🗌 No	
					ł	Kick Of	f Point (KO	P)					
UL	Section	Township	Range	Lot	Ft. from 1		Ft. from	-	Latitude		Latitud	e	County
Η	10	178	36E		2540	FNL	660 FI	EL	32.849876	8°N	103.	3359424°W	LEA
					F	First Tal	ke Point (FT	TP)	54.017070	0 11	1		
UL	Section	Township	Range	Lot	Ft. from l	N/S	Ft. from	E/W	Latitude		Longi	tude	County
Η	10	17S	36E		2540				32.84987	68°N	103.	3359424°₩	LEA
		1	1	1			te Point (LT	-			1		
UL	Section	Township	Range	Lot	Ft. from 1		Ft. from		Latitude	0.000.1	Longi		County
Ι	34	16S	36E		2540	FSL	660	FEL	32.87828	87°N	103.	3359207°W	LEA
Unitize	ed Area or A	rea of Uniforn	n Interest	Spacing	Unit Type	🗆 Horiz	zontal 🗌 V	ertical	Grou	nd Floor	Elevatio	on:	
ODED		TIEICATION	<u>c</u>				CUDVEN		TIEICATIONS				
		RTIFICATION			1				TIFICATIONS		1.4		((
my knov	vledge and bel	e information con ief, and , if the we	ell is a vertical of	r directional w	ell, that this	<i>.</i>	surveys maa					plotted from field no e is true and correct i	
includin	ng the proposed	ns a working inte d bottom hole loca	tion or has a rig	ght to drill this	well at this		my belief.					NEE.B	E
interest,	or to a volunt	contract with an ary pooling agree									/		
	by the division										/	WN MEX	$\frac{1}{6}$
consent in each	of at least one tract (in the ta	ntal well, I further lessee or owner o rget pool or formo d or obtained a co	of a working inte ation) in which a	rrest or unlease any part of the	ed mineral in well's comple	terest					PRO	03/31/2025) g
Signature	;		Date				Signature and	Seal of Prof	fessional Surveyor			6/ONAL S	UP-
Printed N	lame						Certificate Nur	mber	Date of Surv	ey			
							14	400		ſ)5/2	1/2024	
Email Ad	Idress					_	17	100		C		-/ NUNT	

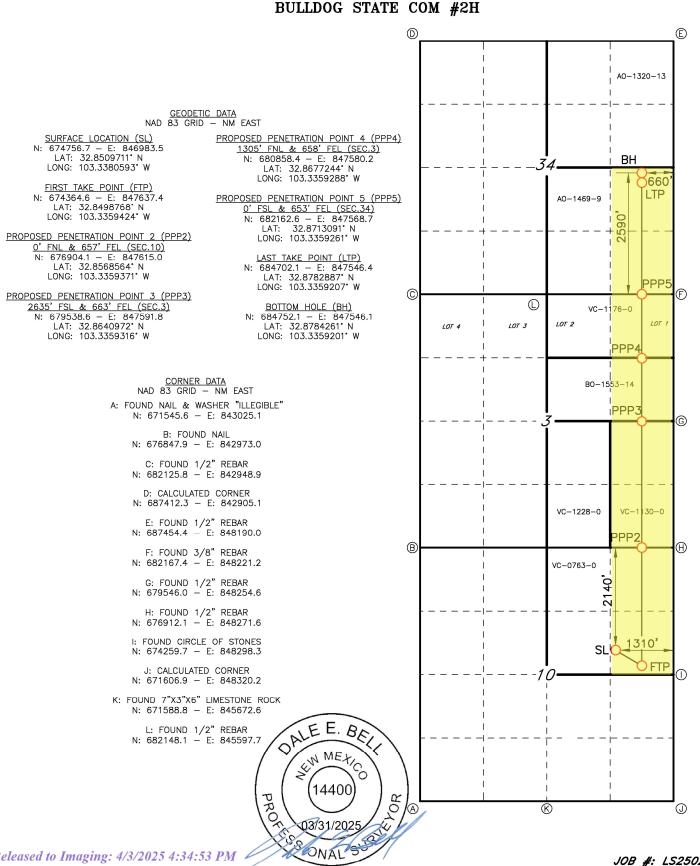
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. Released to Imaging: 4/3/2025 4:34:53 PM JOB #: LS23070618R2

Texas Standard Operating NM LLC

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

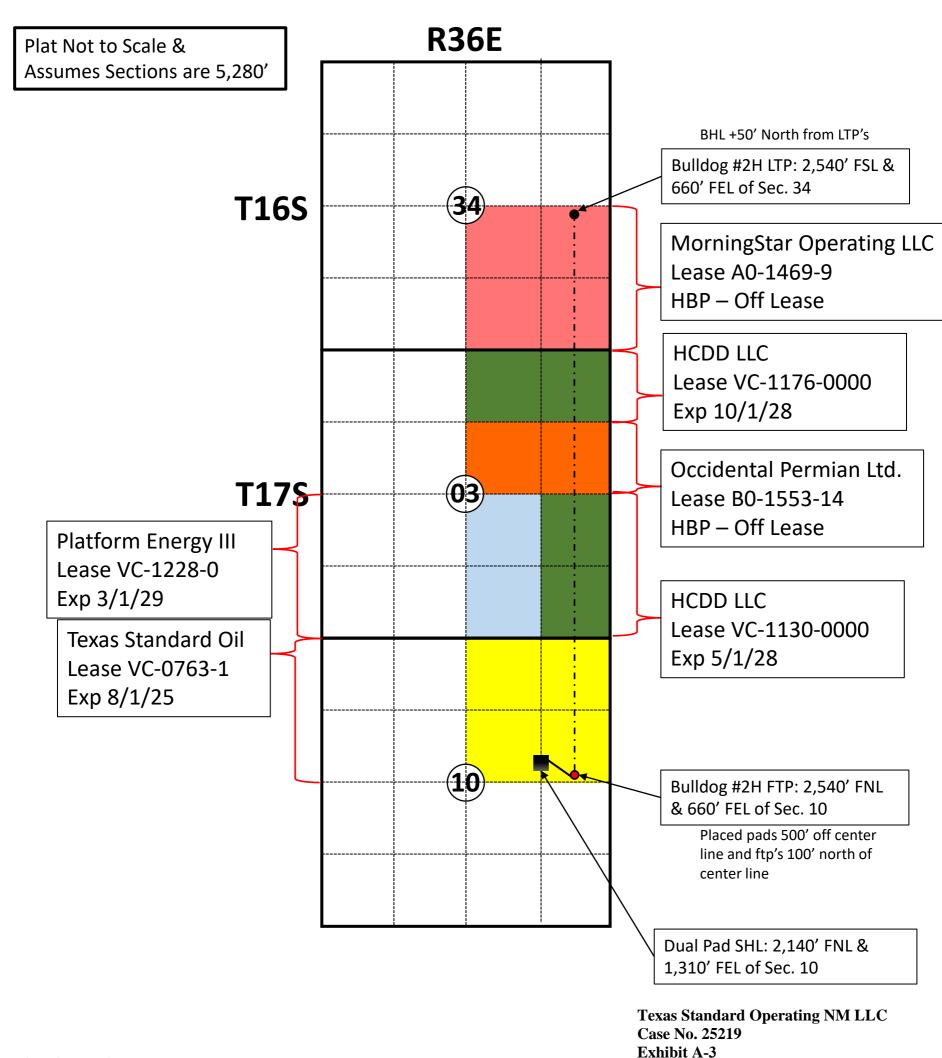


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Texas Standard Operating NM LLC Proposes 10,360' Lateral Drilling Unit in T16S-R36E and T17S-R36E, Sections 34, 3 and 10, Targeting the Upper Penn Shale Formation



BULLDOG STATE COM 2H				
Owner	Lease	Lease Gross	Lease WI	Unit WI
TXO Partners LP	A0-1469-0009	80.00	100.000000%	25.037556%
HCDD, LLC	VC-1176-0000	39.52	100.000000%	12.368553%
Occidental Permian, Ltd.	B0-1553-0014	40.00	100.000000%	12.518778%
HCDD, LLC	VC-1228-0000	80.00	100.000000%	25.037556%
Texas Standard Oil LLC	VC-0763-0001	80.00	100.00000%	25.037556%
TOTAL:	-	319.52	-	100.00000%

*Parties to be pooled are highlighted in yellow.

Texas Standard Operating NM LLC Case No. 25219 Exhibit A-4

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TEXAS STANDARD Oil

January 8, 2023

Re: Well Proposal Bulldog State #2H
SHL: 2,140' FSL & 660' FEL Sec. 10, T17S, R36E
BHL: 2,590' FSL & 660' FEL Sec. 34, T17S, R36E
Lea County, New Mexico

Occidental Permian, Ltd. 5 Greenway Plaza, Ste. 110 Houston, Texas 77046 Attn: Alex Pearson

Mr. Pearson,

Texas Standard Oil LLC ("TXS") through its wholly owned subsidiary, Texas Standard Operating NM LLC, proposes to drill the Bulldog State #2H (the "Well"), horizontal, Pennsylvanian Shale Well with a TVD of approximately 11,800' and a MD of approximately 23,100'. The Well will be drilled as a two mile horizontal Well at the above captioned locations (the "Operation"). The cumulative well costs of the Operation are estimated to be \$12,501,000 as described in our enclosed Authority for Expenditure ("AFE"). The Well will be drilled on a dual completion pad with the additional drilling of a pilot hole for operational accuracy.

TXS proposes drilling the Well under the terms of a modified AAPL Form 610–1989 Model Form Operating Agreement with Horizontal Modifications with the following general provisions:

- 300% non-consent penalty
- \$13,250.00 / \$1,325.00 drilling and producing rates
- Contract area of 320 acres, being the E2SE4 of Sec. 34, T16S, R36E, E2E2 of Sec. 3 and E2NE4 of Sec. 10, T17S, R36E, Limited to the Pennsylvanian Shale Formation
- Texas Standard Operating NM LLC as designated operator

Find enclosed a copy of our AFE for the drilling of the Bulldog State #2H Well. If you elect to participate in the drilling of the Well, please indicate this by returning a signed copy of this letter along with a signed copy of the AFE to the office address shown below. Please note that the Well are horizontal Well and there will be no casing point election.

Your election must be received by TXS within 30 days of your receipt of this letter. In the event that there has been no election after 30 days from your receipt of this letter, TXS will submit an application for a Compulsory Pooling Order with the New Mexico Oil Conservation Division.

If you have any questions or would like to discuss this proposal, please call me directly at 713-828-9306 or email me at Matt@TxsOil.com. Thank you in advance for your careful consideration of this proposal.

Sincerely,

Matt Roberson, CPL Land Manager

Texas Standard Operating NM LLC Case No. 25219 Exhibit A-5

Fax (713) 655-1197

(432) 219-6710

One Petroleum Center, Building One, 3300 North A Street, Suite 105, Midland, Texas 79705

_____ Elect to Participate in the Well (send well information requirements to TXS)

_____ Elect not to Participate in the Well

Platform Energy III, LLC

By:_____

Title:_____

Date:_____

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TEXAS STANDARD OPERATING NM LLC

AUTHORITY FOR EXPENDITURE

WELL NAME:	F	PROPOSED TD):	AFE NUMBER:
Bulldog State Com No. 2H	11,8	800' TVD, 23,100'	MD	2024-04
Field	PROJECT DE	ESCRIPTION &	OBJECTIVE:	PREPARED BY:
Upper Penn / Pool Code 98333				Craig Young
LOCATION:	10,360' Perforat	DATE:		
E2NE4 Section 10 & E2E2 Section 3, T17S-	2,500 lbs/ft prop	01/01/25		
R36E, E2SE4 Section 34, T16S-R36E.	Frac Water			REVISED:
COUNTY/PARISH, STATE:				
Lea County, New Mexico		Workover:	Original: X	Supplemental:

DETAIL OF EXPENDITURES	ACCT CODE	DRY HOLE	COMPLETION	TOTAL
LOCATION				
Survey & Staking		\$7,500		\$7,500
Permitting & Legal Title Opinion		\$25,000		\$25,000
Surface Damages		\$12,500		\$12,500
Location & Roads (Initial)		\$75,000		\$75,000
Rathole/Mousehole/Conductor		\$15,000		\$15,000
Clean-Up & Restoration		\$5,000	\$5,000	\$10,000
TOTAL LOCATION COSTS		\$140,000	\$5,000	\$145,000
CONTRACT DRILLING				
Turnkey				
Footage				
Daywork - 39 Days @ \$30,000/Day		\$1,170,000		\$1,170,000
Rig Mob & De-mob		\$240,000		\$240,000
TOTAL RIG COSTS		\$1,410,000		\$1,410,000
COMPLETION RIG COST				
Daywork -				
Daywork - Completion Rig 3 days			\$20,000	\$20,000
Completion Rig Move				
TOTAL COMPLETION RIG COSTS			\$20,000	\$20,000
WATER WELL/ DRILL WATER		\$77,400	\$975,000	\$1,052,400
FUEL & POWER		\$295,000	\$17,000	\$312,000
BITS, MILLS, REAMERS		\$165,000	\$10,000	\$175,000
MUD, COMPLETION FLUIDS & CHEMICALS				· · ·
Mud & Completion Fluid		\$230,000	\$20,000	\$250,000
LCM				
Surfactants - Misc. frac needs				
TOTAL MUD & COMPLETION FLUIDS		\$230,000	\$20,000	\$250,000
CEMENTING SERVICES				. ,
Conductor				
Surface - Primary 13 3/8"		\$45,000		\$45,000
Surface - Squeeze		· · · · - · - ·		· · · · · · ·
Intermediate 1		\$75,000		\$75,000
Intermediate 1 - Squeeze		, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		+,
Intermediate 2				
Intermediate 2 - Squeeze				
Production - Primary 5 1/2"		\$100,000		\$100,000
Production - Squeeze		+ 100,000		÷.00,000
Miscellaneous Pumping or plug.				
TOTAL CEMENT SERVICES		\$220,000		\$220,000

Surface Hole			
Intermediate Hole			
Liner Hole			
Total Depth	\$50,000		\$50,00
RFT's/ Included in Logging Cost	φ30,000		\$30,00
SWC's Analysis 100 x \$40	¢50.000		¢50.00
TOTAL OPEN HOLE LOGGING	\$50,000		\$50,00
CASED HOLE LOGGING SERVICES		# 45.000	* 45.00
Cased Hole Logging & Shale Evaluation Log		\$15,000	\$15,000
52 Perforating & Plug Setting		\$275,000	\$275,000
1 Pkr/CBP & Setting Charges		\$12,000	\$12,000
Miscellaneous			
TOTAL CASED HOLE LOGGING SERVICES		\$302,000	\$302,000
DRILL STEM TEST			
COIL TUBING UNIT		\$250,000	\$250,000
Frac Stack		\$100,000	\$100,000
WELL TEST/ FLOWBACK		\$65,000	\$65,000
STIMULATION 52 Stages, 200', 2500 lbs/ft		\$3,000,000	\$3,000,000
RENTAL EQUIPMENT & SERVICES			
Automatic Driller			
BOP Equipment		\$7,500	\$7,500
Closed Loop System	\$160,000		\$160,000
DC, DP, Kelly, Handling Tools, etc.			
Agitator	\$33,700		\$33,700
Drill Time Recorder			
Drilling Jars	\$7,900		\$7,900
Fork Lift	\$27,500	\$7,500	\$35,000
Gas Detector			
Generator		\$14,000	\$14,000
HWDP			
Hydraulic Choke	\$6,500		\$6,500
Insp / Damages / Repair	\$32,200		\$32,200
Living Quarters, Trailers, Septic Systems, etc.	\$48,000	\$15,000	\$63,000
Frac Tanks	\$5,000	\$25,000	\$30,000
H2S Safety Equipment and Training	\$6,000		\$6,000
Mud Cleaner	\$16,000		\$16,000
Phone & Fax	\$12,500	\$1,500	\$14,000
PVT Equipment	\$17,500		\$17,500
Rig Communication - Intercoms	\$6,000	\$4,000	\$10,000
Rotating Head / Wear Bushing	\$30,000		\$30,000
Shale Shaker & Screens	\$6,000		\$6,000
Spacer Spool/ DSA			+ - ,
Stabilizers	\$19,350		\$19,35
Steam Cleaner	\$25,000		\$25,000
Teledrift Survey Tools	\$10,000		\$10,000
Vac System	\$10,000		\$10,00
Transfer Pumps/Water Transfer	\$6,000	\$150,000	\$156,00
Trash Trailer	\$6,000	\$1,500	\$130,00
	\$4,500	\$1,500	\$6,00
Water Line, Pumps, Air Compressors, etc.		φ1,500	
Miscellaneous (Frac Tanks/Tank Covers) TOTAL RENTAL EQUIPMENT & SERVICES	\$25,000 \$520,650	\$227,500	\$25,00 \$748,15

BHA Inspection	\$5,000		\$5,00
BOP Testing	\$7,000		\$7,00
Casing Crew - Surface	\$11,000		\$11,00
Casing Crew - Intermediate 1	\$25,000		\$25,00
Casing Crew - Intermediate 2	\$20,000		φ <u>2</u> 0,0
Casing Crew - Production	\$50,000		\$50,00
Casing Crew - Liner	\$00,000		φ00,00
Crane		\$50,000	\$50,00
Csg / Tbg Inspection & 3rd Party	\$25,000	φ00,000	\$25,00
Gate Guard	φ20,000		φ20,00
Mud Logger	\$30,000		\$30,0
PU/ LD Machine	400,000		φ00,0
Roustabout / Lease Crew	\$3,500	\$2,538	\$6,0
Slick Line Services	φ3,500	\$5,000	\$5,00
Tubing Testing		\$3,000	φ3,00
Welding Services	\$2,500	\$2,700	\$5,20
Welding Services Wellhead Serviceman	\$2,500	φ2,700	\$5,0
	\$120,000		\$120,00
Miscellaneous (OB Cuttings Disposal)		¢c0 029	
	\$284,000	\$60,238	\$344,23
DIRECTIONAL DRILLING SERVICES			
OH Whipstock	¢250.000		¢250.00
Mud Motors/Steering Tool / MWD	\$250,000		\$250,00
Gyro/ Multi-Shot Surveys			¢20.0
Remaining Directional - Mob & De-mob	\$30,000		\$30,0
TOTAL DIRECTIONAL DRILLING SERVICES	\$280,000		\$280,0
FISHING TOOLS & SERVICE			
F. T. Supervisor & Tools			
Wireline (FP & BO) TOTAL FISHING TOOLS & SERVICE			
	\$160,000	\$20,000	\$180,0
Trucking	\$100,000	φ20,000	φ100,0
Pipe Hauling	¢22.500	¢25.000	¢47 E
Vacuum Truck Service	\$22,500	\$25,000	\$47,5
Supply & Crew Boats			
Aircraft	<u> </u>	¢ 45 000	\$007 F
TOTAL TRANSPORTATION	\$182,500	\$45,000	\$227,5
DOCK SERVICE & DISPATCHER			
SUPERVISION (MAN & EXPENSES)	* 405.000	A75.000	
Drilling/ Completion Consultant	\$125,000	\$75,000	\$200,0
Mud Consultant			
Geologist - Geosteering	\$15,000		\$15,0
Other Consulting Services	\$5,000	\$30,000	\$35,0
TOTAL SUPERVISION	\$145,000	\$105,000	\$250,0
DRILLING & COMPLETION OVERHEAD	\$7,000	\$3,000	\$10,0
INSURANCE			
Well Control	\$35,000		\$35,0
Workman's Comp. Gen Liab & Umbrella			
TOTAL INSURANCE	\$35,000		\$35,0
CONTINGENCIES @ 5%	\$202,078	\$260,237	\$462,3
L INTANGIBLES	\$4,243,598	\$5,464,975	\$9,708,5
CASING, TUBING, RODS			
Conductor Casing 20" X 40'	\$5,000		\$5,0
Surface Casing 2100' X 13 3/8"	\$162,000		\$162,0

Intermediate Casing 1 - 12,000' X 9 5/8"	\$805,000		\$805,000
Intermediate Casing 2	¢005.000		<u>фол</u> е од
Production Casing 23,100' X 51/2"	\$995,000		\$995,00
Drilling Liner			
Sucker Rods		¢405.000	¢405.00
Tubing 11,000' 2 7/8"	¢4 007 000	\$105,000	\$105,00
TOTAL CASING, TUBING & RODS	\$1,967,000	\$105,000	\$2,072,00
VELLHEAD & TREE	#05.000		* 05.00
Intermediate Casing Spool	\$35,000		\$35,00
Bradenhead			
Tubing Head			
Upper Tree- 5 1/8" 10K		\$35,000	\$35,00
Miscellaneous			
TOTAL WELLHEAD & TREE	\$35,000	\$35,000	\$70,00
Downhole Pump			
Drilling Liner Accessories			
Drive Shoe & Conductor Accessories			
Flow Nipples, GL Valves, Etc.		\$40,000	\$40,00
Intermediate Casing Accessories	\$8,000		\$8,00
Liner Hangers (Drlg & Prod)			
Production Casing Accessories	\$35,000		\$35,00
Production Packers		\$15,000	\$15,00
Surface Casing Accessories	\$5,000		\$5,00
Miscellaneous	\$2,000	\$5,000	\$7,00
TOTAL SUBSURFACE EQUIPMENT	\$50,000	\$60,000	\$110,00
SURFACE FACILITIES	· · ·		· · · ·
48" X 10' 2 Phase		\$10,000	\$10,00
Contract Labor		\$75,000	\$75,00
36" X 10' Gas Scrubber		\$7,750	\$7,75
Facility Installation		\$7,500	\$7,50
Flowline + Installation		\$50,000	\$50,00
Flowline Tap		\$12,500	\$12,50
3 Phase 4 X 20		\$25,000	\$25,00
Instrumentation / Electrical		\$25,000	\$25,00
Lease Meters & Accessories		\$3,750	\$3,75
		\$25,000	\$25,00
Flare,		\$25,000	\$25,00
Miscellaneous Equipment & Fittings			\$25,00
Pumping Unit & Equipment		<u>Φ</u> Γ 000	¢г. ОО
Safety Systems		\$5,000	\$5,00
Sales Line & Meter & Connections		\$15,000	\$15,00
Sales Line & Meter Installation		\$17,500	\$17,50
Salt Water Disposal Pump & Equipment			.
Separators		\$22,500	\$22,50
VRT Tower		\$11,000	\$11,00
Tanks		\$60,000	\$60,00
Transportation - Equipment		\$10,000	\$10,00
TOTAL SURFACE FACILITIES		\$407,500	\$407,50
CONTINGENCIES @ 5%	\$102,600	\$30,375	\$132,97
_ TANGIBLES	\$2,154,600	\$637,875	\$2,792,47
L THIS AFE	\$6,398,198	\$6,102,850	\$12,501,04

TEXAS STANDARD OPERATING NM LLC

SUMMARY OF CONTACTS CASE NO. 25219

TXO Partn	TXO Partners				
1/8/2025	Sent proposal and AFE to Law Armstrong				
1/24/2025	Sent a follow up email to Law to gauge progress in reviewing material. Received a request for a cash offer for Term Assignment				
2/11/2025	Sent correction email to Law A. Sent our \$200/ac offer to Law A.				
2/21/2025	Called Law A. no answer, left VM.				
2/28/2025	Heard back from Law. Asked if he'd reviewed my offer from 2/11. Had not reviewed offer and said he would do so in the coming week.				

Platform Energy

1/8/2025	Sent proposal and AFE to Cameron Kulbeth
1/12/2025	Emailed me back with questions
1/13/2025	More questions and request for additional information - required NDA
1/14/2025	Emailed back and forth - clerical items
1/17/2025	Sent Cameron detailed economic data
1/26/2025	Answered some questions from Cameron K.
2/11/2025	Called Cameron K. to discuss status. Left VM.
2/13/2025	Cameron K. requested information about pooling process, surveys, access, spud
	date, etc. I returned an email with details a week later.
3/4/2025	Followed up on last email received from Cameron K. to get a progress update.

MCM Energy/HCDD

1/8/2025	Sent proposal and AFE to Lawson Mertz						
1/23/2025	Received request from Hunter Cardwell to have a video call and discuss in detail						
	the new proposals. Discussed updating our prior agreement.						
1/24/2025	Zoom conference call between HCDD's Hunter Cardwell and several TXS						
	employees. Will work to amend existing agreement for extended time and terms.						
2/10/2025	Correspondence with Hunter C. about agreement details.						
2/11/2025	Correspondence with Hunter C. about agreement details.						
2/17/2025	Responded to Hunter C. email with questions for development planning.						
3/4/2025	Hunter C. called Tim Roberson to discuss and renegotiate expired agreement.						
	Follow up email was sent to Hunter C.						

Оху	
1/8/2025	Sent proposal and AFE to Alex Pearson
1/9/2025	Confirmation that documents were received. Request for additional information.
1/22/2025	Questions about the JOA which was provided with the proposal documents

Texas Standard Operating NM LLC Case No. 25219 Exhibit A-5

1/23/2025	Received phone call from Alex about possibly skipping the drilling evaluation and going straight to an acreage assignment deal
1/27/2025	Received offer extension for \$200/acre from Alex Pearson.
1/28/2025	Followed up on Oxy offer to extend former TA.
2/3/2025	Communication with Alex P.
2/5/2025	Communication with Alex P.
2/11/2025	Communication with Alex P.

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

APPLICATION OF TEXAS STANDARD OPERATING NM LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 25219

SELF-AFFIRMED STATEMENT OF DAVID ENTZMINGER

David Entzminger hereby states and declares as follows:

1. I am over the age of 18, I am a geologist for Texas Standard Operating NM LLC ("Texas Standard") and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert in petroleum geology matters were accepted by the Division as a matter of record.

2. I am familiar with the application filed by Texas Standard and the geologic matters involved in this case.

3. Exhibit B-1 through Exhibit B-6 are the geology study I prepared for Bulldog State #2H well, which will target the Upper Penn Shale formation.

4. **Exhibit B-1** is a Type Log showing the Penn Shale interval that is being targeted by the Bulldog wells.

5. **Exhibit B-2** is the Base Map showing the locations o the Bull Dog State #2H & #2H wells along with the cross sections prepared for Exhibits B-3 & B-4. The Penn Horizontal producers are visible on the map along with the Type Log from Exhibit B-1.

6. **Exhibit B-3** is A-A' stratigraphic, North-South cross-section. **Exhibit B-4** is B-B' stratigraphic, West-East cross-section. The well logs shown on the cross-sections give a representative sample of the Penn Shale formation in the area. Each exhibit includes a reference

Texas Standard Operating NM LLC Case No. 25219 Exhibit B locator map identifying the wells I used to create the cross-section. In my opinion, the Penn Shale is relatively consistent in thickness along the wellbore path.

7. **Exhibit B-5** is a structure map on the top of the Strawn formation. The proposed spacing unit is identified by a red box. The Bulldog State #2H well proposed in this case is identified by the black-dashed line. This exhibit shows that the wellbore will mostly parallel the Strawn structure slightly gaining elevation from South to North.

8. **Exhibit B-6** is an Isopach map of the Penn Shale formation. The gross interval thickness shows that the toe of the well will be thinness at the toe of the wellbore and will be the thickest at the heel of the wellbore.

9. I conclude from the geology study referenced above that:

- a. The horizontal spacing unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter-quarter section in the proposed unit will contribute more or less equally to production.

10. The preferred well orientation in this area is either north/south or south/north, nearly orthogonal to S_{Hmax} , optimal for inducted fracture propagation. This is because the S_{Hmax} is at approximately 265 degrees ENE in this area of Lea County.

11. In my opinion, the granting of Texas Standard's application is in the interests of conservation and the prevention of waste.

12. The exhibits to my self-affirmed statement were prepared by me, or compiled from company business records, or were prepared at my direction or supervision.

Texas Standard Operating NM LLC Case No. 25219 Exhibit B -----

13. I attest under penalty of perjury the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

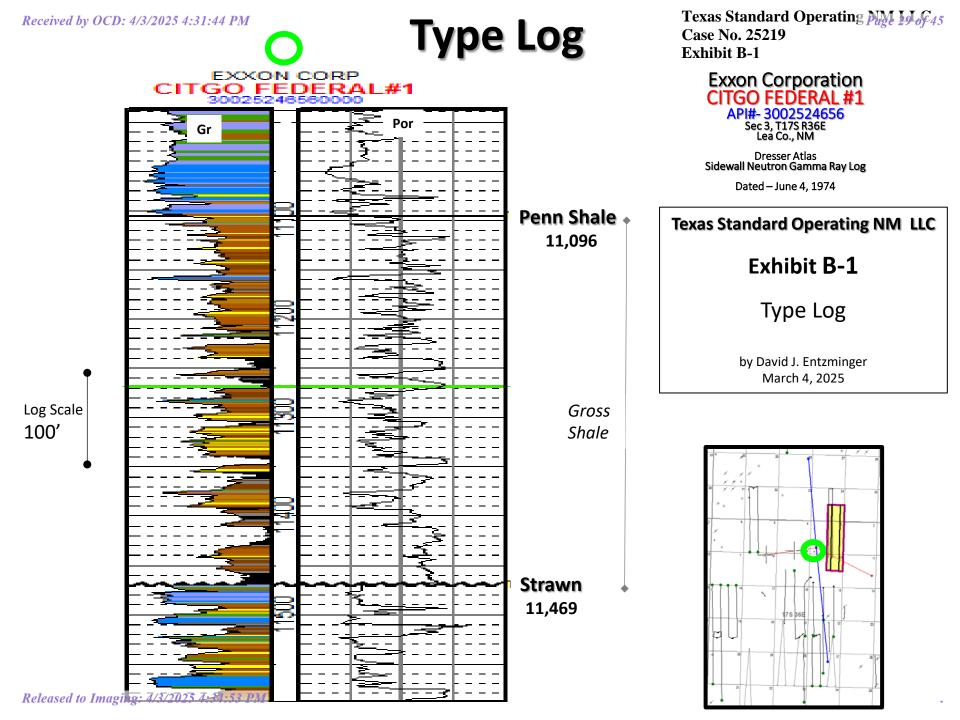
[Signature page follows]

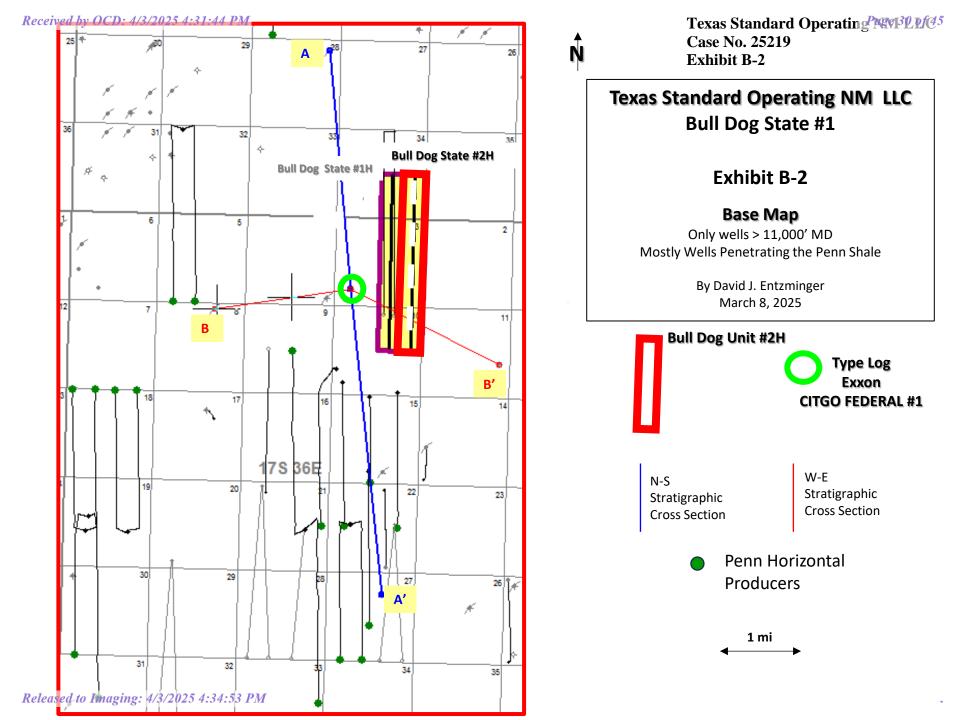
3/27/2025

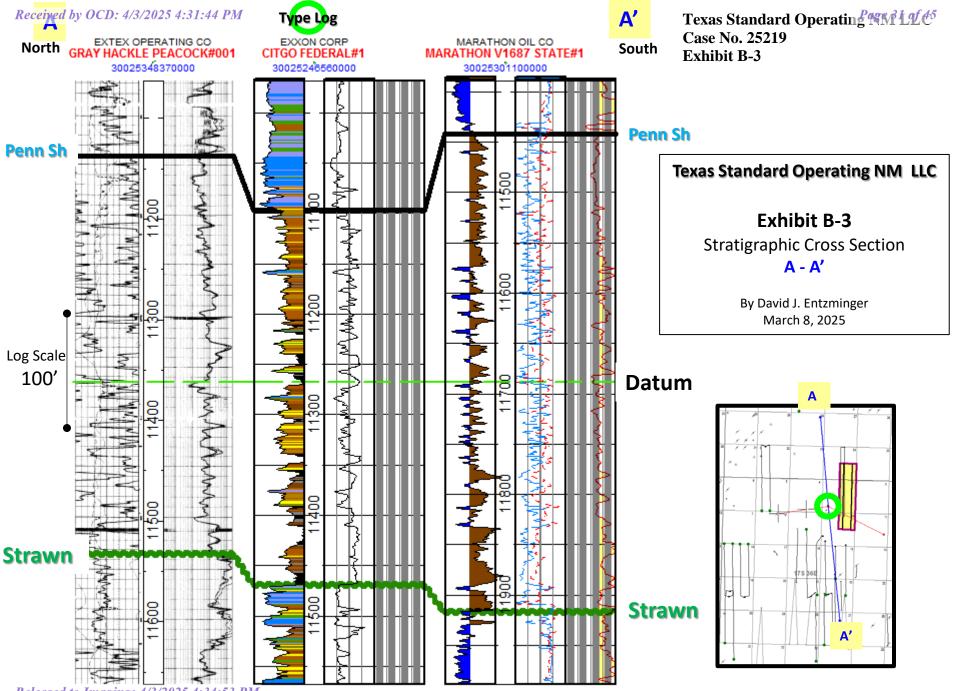
Date

David Entzminger

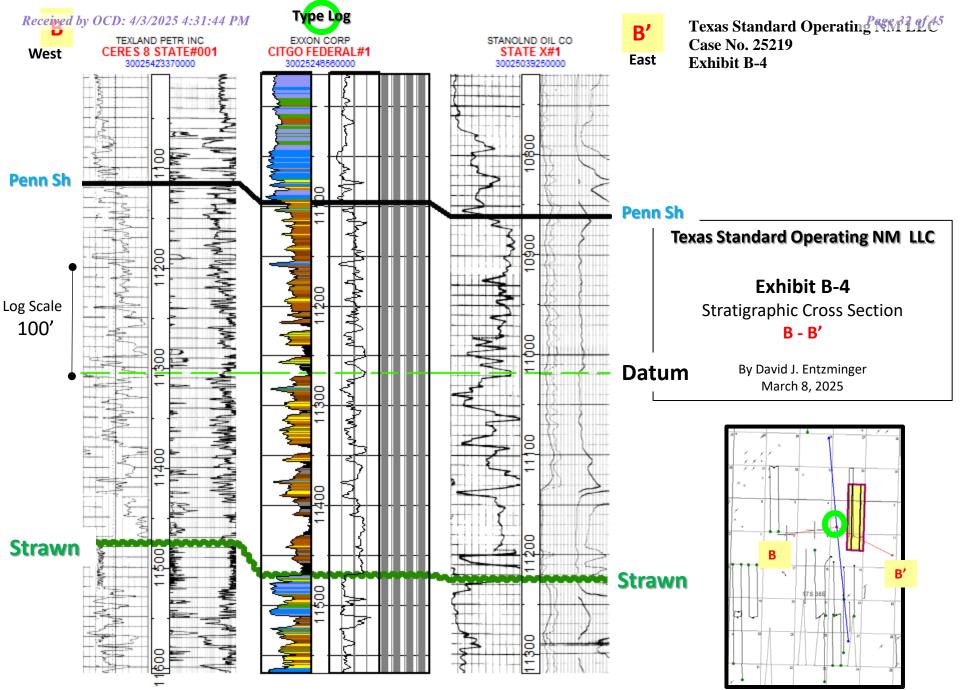
Texas Standard Operating NM LLC Case No. 25219 Exhibit B



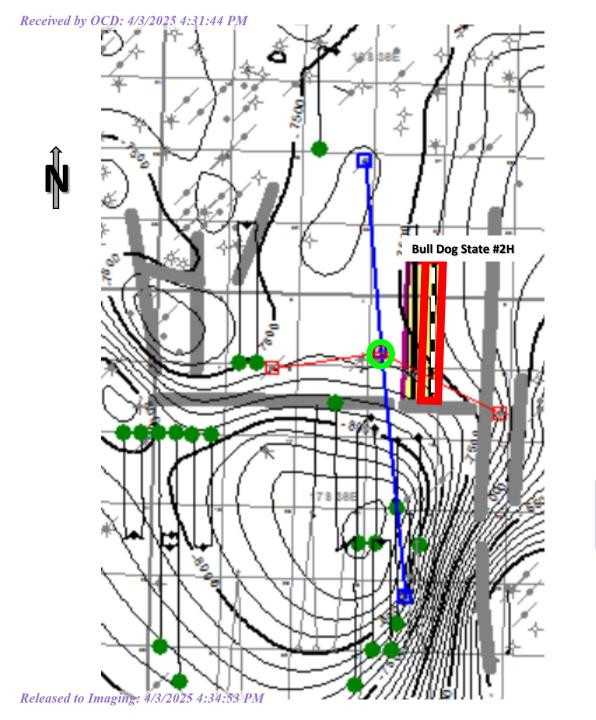




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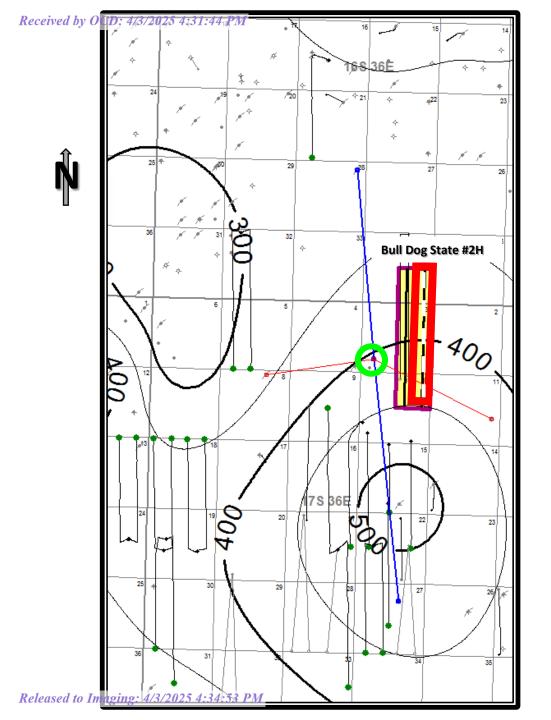


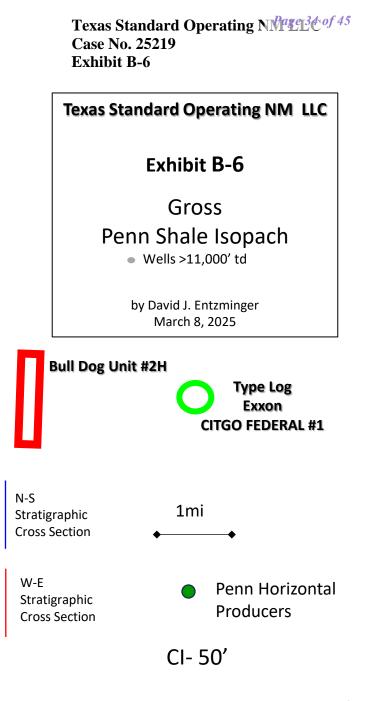
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Texas Standard Operating Refet 45 Case No. 25219 Exhibit B-5 **Texas Standard Operating NM LLC** Exhibit B-5 Structure (ss)-Top of Strawn • Wells >11,000' td by David J. Entzminger March 8, 2025 Bull Dog State #2H Type Log Exxon **CITGO FEDERAL #1** 1mi Stratigraphic **Cross Section** Deep Fault W-E Penn Horizontal Stratigraphic Producers **Cross Section** CI- 100'

N-S





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

APPLICATION OF TEXAS STANDARD OPERATING NM LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 25219

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Texas Standard Operating NMLLC, the Applicant herein, declares as follows:

 The above-referenced Application was provided under notice letter, dated February 21, 2025, attached hereto, labeled Exhibit C.1.

2) Exhibit C.2 is the mailing list, which show the notice letters were delivered to the USPS for mailing February 21, 2025.

3) Exhibit C.3 is the certified mailing tracking information, which is automatically compiled by CertifiedPro, the software Modrall uses to track the mailings. This spreadsheet shows the names and addresses of the parties to whom notice was sent and the status of the mailing.

4) Exhibit C.4 is the Affidavit of Publication from the Hobbs News Sun, confirming that notice of the March 13, 2025 hearing was published on February 25, 2025.

5) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Texas Standard Operating NM LLC No. 25219 Exhibit C

Dated: April 2, 2025

By: Dema M. Bennett

Deana M. Bennett



February 21, 2025

Deana M. Bennett 505.848.1834 dmb@modrall.com

VIA CERTIFIED MAIL **RETURN RECEIPT REQUESTED**

APPLICATION OF TEXAS STANDARD Re: **OPERATING NM LLC FOR COMPULSORY POOLING,** LEA COUNTY, NEW MEXICO

CASE NO. 25219

TO: AFFECTED PARTIES

This letter is to advise you that Texas Standard Operating NM LLC ("Texas Standard Operating") has filed the enclosed application.

In Case No. 25219, Texas Standard Operating seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit comprised of the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Bulldog State #2H well, to be horizontally drilled with a proposed first take point in the SE/4SE/4 (Unit H), Township 17 South, Range 36 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East. The producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Texas Standard Operating NM LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 3.25 miles south of Lovington, New Mexico.

The hearing is set for March 13, 2025 beginning at 9:00 a.m. The hearing 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 participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/.

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque,

Texas Standard Operating NM Lexico 87103-2168 No. 25219 Exhibit C-1

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Tel: 505.848.1800 www.modrall.com

Page 2

As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

Deona M. Bennett

Deana M. Bennett Attorney for Applicant

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

APPLICATION OF TEXAS STANDARD OPERATING NM LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 25219

APPLICATION

Texas Standard Operating NM LLC (OGRID No. 329818) ("Texas Standard"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit comprised of the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico. In support of this application, Texas Standard states as follows:

1. Texas Standard has an interest in the subject lands and has a right to drill and operate a well thereon.

2. Texas Standard seeks to dedicate the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit.

3. Texas Standard seeks to dedicate the spacing unit to the **Bulldog State #2H well**, to be horizontally drilled with a proposed first take point in the SE/4SE/4 (Unit H) of Section 10, Township 17 South, Range 36 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East.

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

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5. Texas Standard sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Pennsylvanian Shale formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

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

7. In order to allow Texas Standard to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interest in the unit should be pooled and Texas Standard should be designated operator of the well and the unit.

WHEREFORE, Texas Standard requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 13, 2025 and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a horizontal spacing unit within the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico;

B. Designating Texas Standard as operator of this unit and the well to be drilled thereon;

C. Authorizing Texas Standard to recover its costs of drilling, equipping and completing the well;

D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

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Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr. Deana M. Bennett Yarithza Peña Post Office Box 2168 500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168 Telephone: 505.848.1800 <u>edebrine@modrall.com</u> <u>deana.bennett@modrall.com</u> <u>yarithza.pena@modrall.com</u> *Attorneys for Texas Standard Operating NM LLC*

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CASE NO. 25219 : Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit comprised of the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Bulldog State #2H well, to be horizontally drilled with a proposed first take point in the SE/4SE/4 (Unit H), Township 17 South, Range 36 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East. The producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of Texas Standard Operating NM LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 3.25 miles south of Lovington, New Mexico.

Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL 02/21/2025

Firm Mailing Book ID: 282907

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0131 8960 40	HCDD, LLC Attn: Hunter Cardwell 600 E. Las Colinas Blvd., Suite 1900 Irving TX 75039	\$1.77	\$4.85	\$2.62	\$0.00	13027.02.bulldog2. Notice
2	9314 8699 0430 0131 8960 57	Occidental Permian, Ltd Attn: Alex Pearson 5 Greenway Plaza, Suite 110 Houston TX 77046	\$1.77	\$4.85	\$2.62	\$0.00	13027.02.bulldog2. Notice
3	9314 8699 0430 0131 8960 64	TXO Partners, L.P. Attn: Allen Armstrong UQUERQUE, Nu 400 W. 7th Street Fort Worth TX 76192	\$1.77	\$4.85	\$2.62	\$0.00	13027.02.bulldog2. Notice
4	9314 8699 0430 0131 8960 71	State of New Mexico 310 Old Santa Fe Trail Santa Fe NM 87501 FEB 21 2025	\$1.77	\$4.85	\$2.62	\$0.00	13027.02.bulldog2. Notice
		Total	s: \$7.08	\$19.40	\$10.48	\$0.00	
		14		Grand	Total:	\$36.96	
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Texas Standard Operating NM LLC No. 25219 Exhibit C-2

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Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 282907 Generated: 3/5/2025 2:50:37 PM										
USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300131896071	2025-02-21 9:34 AM	13027.02.bulldog2.	State of New Mexico		Santa Fe	NM	87501	Delivered	Return Receipt - Electronic, Certified Mail	2025-02-25 7:44 AM
9314869904300131896064	2025-02-21 9:34 AM	13027.02.bulldog2.	TXO Partners, L.P.	Attn: Allen Armstrong	Fort Worth	тх	76102	Delivered	Return Receipt - Electronic, Certified Mail	2025-02-26 9:10 AM
9314869904300131896057	2025-02-21 9:34 AM	13027.02.bulldog2.	Occidental Permian, Ltd	Attn: Alex Pearson	Houston	тх	77046	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300131896040	2025-02-21 9:34 AM	13027.02.bulldog2.	HCDD, LLC	Attn: Hunter Cardwell	Irving	ТΧ	75039	Delivered	Return Receipt - Electronic, Certified Mail	2025-02-26 12:16 PM

Texas Standard Operating NM LLC No. 25219 Exhibit C-3

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 25, 2025 and ending with the issue dated February 25, 2025.

Publisher

Sworn and subscribed to before me this 25th day of February 2025.

Business Manager

My commission expires January 29, 2027 (Seal) NOTARY PUBLIC GUSSIE RUTH BLACK COMMISSION # 1087526 COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish egal 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 25, 2025 CASE NO. 25216: Notice to all affected parties, as well as heirs and devisees of: HCDD, LLC; Platform Energy III, LLC; Occidental Permian, Ltd.; TXO Partners, L.P.; State of New Mexico of the Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a status conference at 9:00 a.m. on March 13, 2025 to consider this application. The conference 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 a virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320acre, more or less, Pennsylvanian Shale horizontal spacing unit comprised of the W/2SE/4 of Section 34, Township 16 South, Range 36 East, and the W/2E/2 of Section 3 and the W/2NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Buildog State #1H well, to be horizontally drilled with a proposed first take point in the SW/4SE/4 (Unit 4) of Section 10, Township 17 South, Range 36 East, to a bottom hole location in the NW/4SE/4 (Unit J) of Section 34, Township 16 South, Range 36 East. The producing area for the well is expected to be orthodox. Also a be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating NM LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 3.25 miles south of Lovington, New Mexico.

located approximately 3.25 miles south of Lovington, New Mexico. CASE NO. 25219: Notice to all affected parties, as well as heirs and devisees of: HCDD, LLC; Occidental Permian, Ltd.; TXO Partners, L.P.; State of New Mexico of the Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a status conference at 9:00 a.m. on March 13, 2025 to consider this application. The conference 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 a virtual meeting platform. To participate in the electronic hearing, see the instructions' posted on the docket for the hearing date: https://www.emrd.nm.gov/ocd/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Pennsylvanian Shale horizontal spacing unit comprised of the E/2SE/4 of Section 34, Township 16 South, Range 36 East, and the E/2E/2 of Section 3 and the E/2NE/4 of Section 10. Township 17 South, Range 36 East, N.M.P.M., Lea Gounty, New Mexico. This spacing unit will be dedicated to the Buildog State #2H well, to be horizontally drilled with a proposed first take point in the SE/4SE/4 (Unit H), Township 17 South, Range 36 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East, to abottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East, to abottom hole location in the NE/4 SE/4 (Unit I) of Section 34, Township 16 South, Range 36 East, the producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating NM LLC as operator of the well, and a 200% ch

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Texas Standard Operating NM LLC No. 25219 Exhibit C-4