

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

**APPLICATION OF PBEX OPERATIONS, LLC
TO POOL ADDITIONAL INTERESTS UNDER
ORDER NO. R-23782,
LEA COUNTY, NEW MEXICO**

**CASE NO. 25419
ORDER NO. R-23782**

EXHIBIT INDEX

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

**APPLICATION OF PBEX OPERATIONS, LLC
TO POOL ADDITIONAL INTERESTS UNDER
ORDER NO. R-23782,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25419
ORDER NO. R-23782**

**SELF-AFFIRMED STATEMENT
OF RUTH PELZEL**

1. I am employed by PBEX Operations, LLC ("PBEX") ("Applicant") as a 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 PBEX'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 23, 2025, the Division entered Order No. R-23782 ("Order") in Case No. 25154. The Order pooled uncommitted interests in the Second and Third Bone Spring intervals of 10,770' TVD, underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County ("Unit"). The Order dedicated the Unit to the Moonraker 15-27 Fed Com 201H, Moonrakcr 15-27 Fed Com 203H, and Moonraker Fed Com 205H wells ("Wells") and designated Applicant as operator of the Unit and the Wells.

5. A copy of the Order is attached as **Exhibit A-2**.

**PBEX Operations, LLC
Case No. 25419
Exhibit A**

6. Since the Order was entered, PBEX has determined that additional uncommitted overriding royalty interests in the Unit should be pooled under the terms of the Order.

7. **Exhibit A-3** provides a plat of the tracts included in the Unit, identifies the interests in each tract, and identifies the additional uncommitted interests to be pooled under the terms of the Order, which are highlighted in yellow.

8. **Exhibit A-4** is a sample ratification letter that I sent to the additional parties to be pooled under the terms of the Order.

9. PBEX has conducted a diligent search of county public records, including phone directories, computer databases, and internet searches, to identify addresses and contact information for each interest owner it seeks to pool.

10. In my opinion, PBEX has made a good-faith effort to reach voluntary joinder as indicated by the chronology of contact described in **Exhibit A-5**.

11. PBEX requests the additional uncommitted interests be pooled under the terms of the Order.

12. In my opinion, the granting of PBEX's application would serve the interests of conservation and prevention of waste.

13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

14. 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 it 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 signature below.


Ruth Pelzel

6/24/25
Date

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

**APPLICATION OF PBEX OPERATIONS, LLC
TO POOL ADDITIONAL INTERESTS UNDER
ORDER NO. R-23782,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25419
ORDER NO. R-23782**

APPLICATION

Pursuant to NMSA § 70-2-17, PBEX Operations, LLC (“PBEX” or “Applicant”) (OGRID No. 332544) files this application with the Oil Conservation Division (“Division”) seeking to pool additional uncommitted interests under the terms of Division Order No. R-23782. Applicant states the following in support of its application.

1. On April 23, 2025, the Division entered Order No. R-23782 (“Order”) in Case No. 25154. The Order pooled uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600’ and 10,770’ TVD, underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County (“Unit”). The Order dedicated the Unit to Moonraker 15-27 Fed Com 201H, Moonraker 15-27 Fed Com 203H, and Moonraker 15-27 Fed Com 205H wells (“Wells”) and designated Applicant as operator of the Unit and Wells.

2. Since the Order was entered, Applicant has identified additional interests in the Unit that have not been pooled under the terms of the Order.

3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.

**PBEX Operations, LLC
Case No. 25419
Exhibit A-1**

4. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled into the Unit pursuant to the terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on July 10, 2025, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-23782.

Respectfully submitted,

/s/ Dana S. Hardy
Hardy McLean LLC
Dana S. Hardy
Jaclyn M. McLean
Daniel Goldberg
125 Lincoln Ave., Suite 223
Santa Fe, NM 87501
505-230-4410
dhardy@hardymclean.com
jmclean@hardymclean.com
dgoldberg@hardymclean.com

ATTORNEYS FOR PBEX OPERATIONS, LLC

Application of PBEX Operations, LLC to Pool Additional Interests Under Order No. R-23782, Lea County, New Mexico. Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-23782 (“Order”). The Order pooled uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600’ and 10,770’ TVD, underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County (“Unit”). The Order dedicated the Unit to the Moonraker 15-27 Fed Com 201H, Moonraker 15-27 Fed Com 203H, and Moonraker 15-27 Fed Com 205H wells (“Wells”) and designated Applicant as operator of the Unit and the Wells. Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Wells are located approximately 29.8 miles west of Hobbs, 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
PBEX OPERATIONS, LLC**

**CASE NO. 25154
ORDER NO. R-23782**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on March 13, 2025, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

1. PBEX Operations, 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

**PBEX Operations, LLC
Case No. 25419
Exhibit A-2**

depth(s) and location(s) in the Unit described in Exhibit A.

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 the Operator fails to comply with the preceding paragraph unless the Operator requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and the Operator must set the case for a hearing.
22. Operator may propose reasonable deviations from the development plan via notice to the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and the Operator must set the case for a hearing.

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ORDER NO. R-23782

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23. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
24. 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").
25. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall 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."
26. 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.
27. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
28. 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."
29. 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.

30. 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.
31. 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.
32. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to the preceding paragraph to each Pooled Working Interest that paid its share of the Estimated Well Costs.
33. 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.
34. 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.
35. 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.*
36. 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.
37. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**GERASIMOS RAZATOS
DIRECTOR (Acting)**

GR/jag

Date: 4/23/2025

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Exhibit A

| COMPULSORY POOLING APPLICATION CHECKLIST | |
|--|---|
| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | |
| Case: 25154 | APPLICANT'S RESPONSE |
| Hearing Date: March 13, 2025 | |
| Applicant | PBEX Operations, LLC |
| Designated Operator & OGRID (affiliation if applicable) | PBEX Operations, LLC (OGRID No. 332544) |
| Applicant's Counsel: | Hardy McLean LLC |
| Case Title: | Application of PBEX Operations, LLC for Compulsory Pooling, Lea County, New Mexico. |
| Entries of Appearance/Intervenors: | None |
| Well Family | Moonraker |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Second Bone Spring and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD as shown on the Lowell Federal #001 (API No. 30-025-31008) well log. |
| Pool Name and Pool Code: | Tonto; Bone Spring (59475) |
| Well Location Setback Rules: | Statewide |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 960 acres |
| Building Blocks: | quarter-quarter |
| Orientation: | North to South |
| Description: TRS/County | W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County |
| 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 | Yes. Applicant seeks to pool uncommitted interests in the Second Bone Spring and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log. |
| Proximity Tracts: If yes, description | Yes. The Moonraker 15-27 Fed Com 203H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 480-acre standard, overlapping horizontal spacing unit. |
| Proximity Defining Well: if yes, description | Moonraker 15-27 Fed Com 203H |
| Applicant's Ownership in Each Tract | Exhibit A-4 |
| 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 | Moonraker 15-27 Fed Com 201H (API # pending) SHL: 703' FNL & 1,326' FWL (Unit C), Section 15, T19S-R33E BHL: 10' FSL & 330' FWL (Unit M), Section 27, T19S-R33E Completion Target: Second Bone Spring (Approx. TVD: 10,100') |
| Well #2 | Moonraker 15-27 Fed Com 203H (API # pending) SHL: 704' FNL & 1,366' FWL (Unit C), Section 15, T19S-R33E BHL: 10' FSL & 1,310' FWL (Unit M), Section 27, T19S-R33E Completion Target: Second Bone Spring (Approx. TVD: 10,100') |

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| | | |
|--|---|---------------------|
| Well #3 <i>Received by OCD: 3/6/2025 4:01:45 PM</i> | Moonraker 15-27 Fed Com 205H (API # pending) SHL: 704' FNL & 1,386' FWL (Unit C), Section 15, T19S-R33E BHL: 10' FSL & 2,310' FWL (Unit N), Section 27, T19S-R33E Completion Target: Second Bone Spring (Approx. TVD: 10,100') | <i>Page 3 of 4:</i> |
| 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 \$ | \$10,000 | |
| Production Supervision/Month \$ | \$1,000 | |
| Justification for Supervision Costs | Exhibit A | |
| Requested Risk Charge | 200% | |
| Notice of Hearing | | |
| Proposed Notice of Hearing | Exhibit A-1 | |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibits C-1, C-2, C-3 | |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit C-4 | |
| Ownership Determination | | |
| Land Ownership Schematic of the Spacing Unit | Exhibit A-3 | |
| Tract List (including lease numbers and owners) | Exhibit A-3 | |
| If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | N/A | |
| Pooled Parties (including ownership type) | Exhibit A-3 | |
| Unlocatable Parties to be Pooled | N/A | |
| Ownership Depth Severance (including percentage above & below) | Exhibit A-3 | |
| Joinder | | |
| Sample Copy of Proposal Letter | Exhibit A-4 | |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit A-3 | |
| Chronology of Contact with Non-Joined Working Interests | Exhibit A-5 | |
| Overhead Rates In Proposal Letter | Exhibit A-4 | |
| Cost Estimate to Drill and Complete | Exhibit A-4 | |
| Cost Estimate to Equip Well | Exhibit A-4 | |
| Cost Estimate for Production Facilities | Exhibit A-4 | |
| Geology | | |
| Summary (including special considerations) | Exhibit B | |
| Spacing Unit Schematic | Exhibit B-1 | |
| Gunbarrel/Lateral Trajectory Schematic | N/A | |
| Well Orientation (with rationale) | Exhibit B | |
| Target Formation | Exhibit B | |
| HSU Cross Section | Exhibit B-3 | |
| Depth Severance Discussion | Exhibit A | |
| Forms, Figures and Tables | | |
| C-102 | Exhibit A-2 | |
| Tracts | Exhibit A-3 | |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit A-3 | |
| General Location Map (including basin) | Exhibit B-1 | |
| Well Bore Location Map | Exhibit B-1 | |
| Structure Contour Map - Subsea Depth | Exhibit B-2 | |
| Cross Section Location Map (including wells) | Exhibit B-3 | |
| Cross Section (including Landing Zone) | Exhibit B-4 | |
| Additional Information | N/A | |

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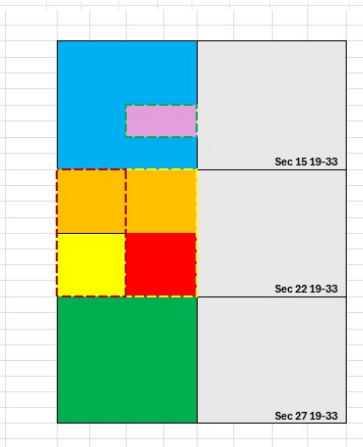
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| | |
|---|-------------------|
| Special Proceedings/Civil Matters | N/A |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Dana S. Hardy |
| Signed Name (Attorney or Party Representative): | /s/ Dana S. Hardy |
| Date: | 3/5/2025 |

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Moonraker 201H, 103H,205H
W2 Sections 15,22,27
T19S-R33E
Lea County, NM
2 Bone Spring



| Overlapping Spacing Units | |
|--|---|
| Malachite 22 Fed 001H Sec 22 W2W2 19S-33E Lea County, NM Operator Raybaw | Malachite 22 Fed 002H Sec 22 E2W2 19S-33E Lea County, NM Operator Raybaw |
| Lowell Federal 1 Sec 15 NESW 19S-33E Lea County, NM Operator: G and C Operating LLC | |

* Notice of Overlapping Spacing Units sent 11/26/24

| Tract Ownership | |
|---|---------|
| W2SW4 Sec 22 19-33 NMNM 034850 | |
| Occidental Permian Limited Partnership | 100% |
| E2SW4 Sec 22 19-33 NMNM 034850 | |
| PBEX LLC | 100% |
| NW 4 Sec 22 19-33 NMNM 034850 | |
| PBEX LLC | 100% |
| W2 Sec 27 19-33 NMNM 092774 | |
| EOG Resources, Inc | 100% |
| W2W2; E2NW; SESW Sec 15 19-33 NMNM 036915 | |
| Pbex LLC | 100% |
| NE4SW4 Sec 15 19-33 below 9244' NMNM 036915 | |
| Pbex LLC | 100.00% |

| DOCUMENTS SENT |
|---------------------------------|
| Well Proposals - Yes |
| JOA - Yes |
| Communitization Agreement - Yes |

| Unit Ownership | |
|--|-------------|
| EOG Resources, Inc | 33.333333% |
| Occidental Permian Limited Partnership | 16.666667% |
| Pbex LLC | 50.000000% |
| | 100.000000% |

| PARTIES TO POOL | | | |
|---|---|-------------------|-------|
| WI | | | |
| Occidenatal Permian Limited Partnership | 5 Greenway Plaza, Suite 110 | Houston , TX | 77046 |
| ORRI | | | |
| ORRI | | | |
| BriLI LLC | 2135 Sedona Hills Parkway | Las Cruces, NM | 80202 |
| Daniel Brady Living Trust | Daniel Brady, Trustee, 518 Pier Ave #7 | Santa Monica, CA | 88011 |
| Erin E. Brady Living Trust | Erin E. Brady, Trustee, 4629 Clybourn Ave | Toluca Lake, CA | 80202 |
| Nortex Corporation | 1415 Louisiana St, Suite 3100 | Houston, TX | 85068 |
| Occidental Permian Limited Partnership | 5 Greenway Plaza, Suite 110 | Houston, TX | 77002 |
| Patrick Brady and Kimberly Brady Living Trust | 330 Cherry Hill Ct | Thousand Oaks, CA | 77046 |

PBEX Operations, LLC
Case No. 25419
Exhibit A-3

RATIFICATION OF COMMUNITIZATION AGREEMENT

2BSS Chronology of Contact

11/26/2024 Initial Proposals to WI owners mailed out via certified mail.

12/11/2024 Proposal with updated address to Oxy is sent out via certified mail.

12/11/2024 Communicated through email with Oxy about their interests in the wells.

12/11/2024 Phone call with Oxy about interest.

1/15/2025 OA's and Com Agreements are sent to WI owners via certified mail.

1/15/2025 BS Com Agreements are sent to RT owners via certified mail.

1/23/2025 Ratification of BS Com agreements are sent to ORRI via certified mail.

1/28/2025 Phone call and follow up with Nadel Gussman. Proposed an offer to purchase the interest.

1/30/2025 Phone call with Jim Ball with Ball Oil and Gas, LLC, had some minor corrections on documents to request.

2/4/2025 Ball Oil and Gas, LLC emailed confirming participation in units.

1/30/2025 Email from Oxy explaining they will not sign CA's until the API number is provided.

2/10/2025 Email from Escondido confirming they the signed CA.

2/12/2025 McMullen Minerals emailed with deed updating title info to Sidecar et al. Ratifications sent to

2/27/2025 Messaged Sam at Oxy about status of the OA.

6/25/2025 Ratifications for outstanding ORRI owners resent in hopes they will sign.

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

**APPLICATION OF PBEX OPERATIONS, LLC
TO POOL ADDITIONAL INTERESTS UNDER
ORDER NO. R-23782,
LEA COUNTY, NEW MEXICO**

**CASE NO. 25419
ORDER NO. R-23782**

SELF-AFFIRMED STATEMENT OF JACLYN M. MCLEAN

1. I am attorney in fact and authorized representative PBEX Operations, 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. Electronic return receipts are attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.
5. On June 18, 2025, I caused a notice to be published in the Hobbs News-Sun. An Affidavit of Publication from the legal clerk of the Hobbs News-Sun, along with a copy of the Notice Publication, is attached as **Exhibit B-4**.
6. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/Jaclyn M. McLean
Jaclyn M. McLean

June 26, 2025
Date

**PBEX Operations, LLC
Case No. 25419
Exhibit B**



June 3, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL PARTIES ENTITLED TO NOTICE

Re: Case Numbers 25418 & 25419 - Applications of PBEX Operations LLC for Compulsory Pooling, Lea County, New Mexico.

To whom it may concern:

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 **July 10, 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. The hearing may be held only virtually at the discretion of the Division. To confirm the manner in which the hearing will be held, and to participate virtually, please visit the OCD Hearings website at the following link: <https://www.emnrd.nm.gov/oed/hearing-info/>. 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 prior to the scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. If you are not registered with the OCD's E-Permitting system, you must submit the statement via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties; whether or not the parties are represented by counsel; a concise statement of the case; the names of witnesses anticipated to be called to testify at the hearing; the approximate amount of time needed to present the case; and an identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Ruth Pelzel, Landman for PBEX Operations LLC at ruth@pbex.com or 432-894-4625.

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

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymc Clean.com

PBEX Operations, LLC
Case No. 25419
Exhibit B-1

Hardy McLean LLC
June 23, 2025

Page 2

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

Postal Delivery Report
PBEX Moonraker Case Nos. 25418-25419

| Recipient | Date Mailed | USPS Tracking Number | Date Delivered | Status |
|--|-------------|------------------------|----------------|---|
| Daniel Brady Living Trust, Daniel Brady, Trustee | 6/3/2025 | 9414836208551283236114 | 6/10/2025 | Delivered, Left with Individual |
| Avant Operating LLC | 6/3/2025 | 9414836208551283236145 | 6/10/2025 | Delivered, Left with Individual |
| Double Cabin Minerals LLC | 6/3/2025 | 9414836208551283236121 | 6/12/2025 | Delivered, Left with Individual |
| BriLi LLC | 6/3/2025 | 9414836208551283236138 | 6/17/2025 | Delivered, To Original Sender |
| Nortex Corporation | 6/3/2025 | 9414836208551283236176 | 1/1/1900 | In Transit to Next Facility, Arriving Late |
| Erin E Brady Living Trust, Erin Brady, Trustee | 6/3/2025 | 9414836208551283236169 | 1/1/1900 | In Transit to Next Facility, Arriving Late |
| Occidental Permian Limited Partnership | 6/3/2025 | 9414836208551283236190 | 6/11/2025 | Delivered to Agent, Picked up at USPS |
| Legion Production Partners LLC | 6/3/2025 | 9414836208551283236183 | 6/10/2025 | Delivered, Left with Individual |
| Patrick and Kimberly Brady Living Trust | 6/3/2025 | 9414836208551283236206 | 6/9/2025 | Delivered, Left with Individual NEWBURY PARK, CA 91320 |

PBEX Operations, LLC
Case No. 25419
Exhibit B-2



June 10, 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 1283 2361 14.

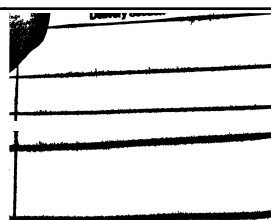
Item Details

| | |
|----------------------------|--|
| Status: | Delivered, Left with Individual |
| Status Date / Time: | June 10, 2025, 4:28 pm |
| Location: | SANTA MONICA, CA 90405 |
| Postal Product: | First-Class Mail® |
| Extra Services: | Certified Mail™ Return Receipt Electronic |
| Recipient Name: | Daniel Brady Living Trust |

Recipient Signature

Signature of Recipient:

Address of Recipient:



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

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

Daniel Brady Living Trust
Daniel Brady, Trustee,
518 Pier Ave #7
Santa Monica, CA 90405
Reference #: PBEX Moonshaker 25418 & 25419
Item ID: PBEX Moonshaker 25418 & 25419

PBEX Operations, LLC
Case No. 25419
Exhibit B-3



June 10, 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 1283 2361 45.

Item Details

| | |
|----------------------------|--|
| Status: | Delivered, Left with Individual |
| Status Date / Time: | June 10, 2025, 11:01 am |
| Location: | DENVER, CO 80202 |
| Postal Product: | First-Class Mail® |
| Extra Services: | Certified Mail™ Return Receipt Electronic |
| Recipient Name: | Avant Operating LLC |

Recipient Signature

Signature of Recipient:

Address of Recipient:

Jodie Bodvake
Jodie Bodvake
515 Wynkoop 700

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

Avant Operating LLC
1515 Wynkoop St
Suite 700
Denver, CO 80202
Reference #: PBEX Moonshaker 25418 & 25419
Item ID: PBEX Moonshaker 25418 & 25419



June 12, 2025

Dear Simple Certified:

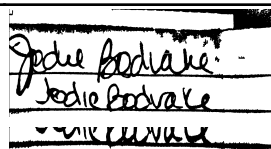
The following is in response to your request for proof of delivery on your item with the tracking number:
9414 8362 0855 1283 2361 21.

Item Details

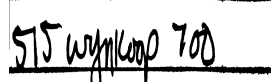
| | |
|----------------------------|--|
| Status: | Delivered, Left with Individual |
| Status Date / Time: | June 12, 2025, 10:55 am |
| Location: | DENVER, CO 80202 |
| Postal Product: | First-Class Mail® |
| Extra Services: | Certified Mail™ Return Receipt Electronic |
| Recipient Name: | Double Cabin Minerals LLC |

Recipient Signature

Signature of Recipient:



Address of Recipient:



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

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

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

Double Cabin Minerals LLC
1515 Wynkoop St
Suite 700
Denver, CO 80202
Reference #: PBEX Moonshaker 25418 & 25419
Item ID: PBEX Moonshaker 25418 & 25419



June 17, 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 1283 2361 38.

Item Details

| | |
|----------------------------|--|
| Status: | Delivered, To Original Sender |
| Status Date / Time: | June 17, 2025, 3:51 pm |
| Location: | LAS CRUCES, NM 88011 |
| Postal Product: | First-Class Mail® |
| Extra Services: | Certified Mail™ Return Receipt Electronic |
| Recipient Name: | BriLi LLC |

Recipient Signature

Signature of Recipient:

BriLi
BriLi:

Address of Recipient:

2135
S Hills

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

BriLi LLC
2135 Sedona Hills Parkway
Las Cruces, NM 88011
Reference #: PBEX Moonshaker 25418 & 25419
Item ID: PBEX Moonshaker 25418 & 25419



June 11, 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 1283 2361 90.

Item Details

| | |
|----------------------------|--|
| Status: | Delivered to Agent, Picked up at USPS |
| Status Date / Time: | June 11, 2025, 10:58 am |
| Location: | HOUSTON, TX 77046 |
| Postal Product: | First-Class Mail® |
| Extra Services: | Certified Mail™ Return Receipt Electronic |
| Recipient Name: | Occidental Permian |

Recipient Signature

Signature of Recipient:
(Authorized Agent)

Address of Recipient:

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

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

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

Occidental Permian
Limited Partnership
5 Greenway Plaza
Suite 110
Houston, TX 77046
Reference #: PBEX Moonshaker 25418 & 25419
Item ID: PBEX Moonshaker 25418 & 25419



June 10, 2025

Dear Simple Certified:

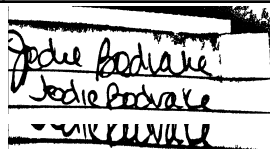
The following is in response to your request for proof of delivery on your item with the tracking number:
9414 8362 0855 1283 2361 83.

Item Details

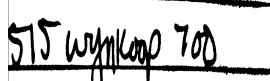
| | |
|----------------------------|--|
| Status: | Delivered, Left with Individual |
| Status Date / Time: | June 10, 2025, 11:01 am |
| Location: | DENVER, CO 80202 |
| Postal Product: | First-Class Mail® |
| Extra Services: | Certified Mail™ Return Receipt Electronic |
| Recipient Name: | Legion Production |

Recipient Signature

Signature of Recipient:



Address of Recipient:



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

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

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

Legion Production
Partners LLC
1515 Wynkoop St
Suite 700
Denver, CO 80202
Reference #: PBEX Moonshaker 25418 & 25419
Item ID: PBEX Moonshaker 25418 & 25419



June 9, 2025

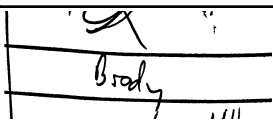
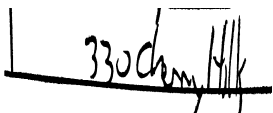
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:
9414 8362 0855 1283 2362 06.

Item Details

| | |
|----------------------------|--|
| Status: | Delivered, Left with Individual |
| Status Date / Time: | June 9, 2025, 1:57 pm |
| Location: | NEWBURY PARK, CA 91320 |
| Postal Product: | First-Class Mail® |
| Extra Services: | Certified Mail™ Return Receipt Electronic |
| Recipient Name: | Patrick and Kimberly Brady |

Recipient Signature

| | |
|-------------------------|--|
| Signature of Recipient: |  |
| Address of Recipient: |  |

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

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

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

Patrick and Kimberly Brady
Living Trust
330 Cherry Hill Ct
Thousand Oaks, CA 91320
Reference #: PBEX Moonshaker 25418 & 25419
Item ID: PBEX Moonshaker 25418 & 25419

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
June 18, 2025
and ending with the issue dated
June 18, 2025.



Publisher

Sworn and subscribed to before me this
18th day of June 2025.



Business Manager

My commission expires

January 29, 2027



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

LEGAL NOTICE June 18, 2025

This is to notify all interested parties, including, Avant Operating LLC; BriLi LLC; Daniel Brady Living Trust; Double Cabin Minerals LLC; Erin E. Brady Living Trust; Legion Production Partners LLC; GR-Widener O&G, LLC; Nortex Corporation; Occidental Permian Limited Partnership; Patrick Brady and Kimberly Brady Living Trust; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the applications submitted by PBEX Operations, LLC (Case Nos. 25418, 25419). The hearing will be conducted on July 10, 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.mt-rs-w.wv.gov/mnL&mi.goy/pcd/hearing-info/>. In Case No. 25418, Applicant seeks an order pooling additional uncommitted Interests under the terms of Division Order No. R-23783. The Order pooled uncommitted Interests in the First Bone Spring Interval of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,115' and 9,244' TVD, underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County. The Order dedicated the Unit to the Moonraker 15-27 Fed Com 101H and Moonraker 15-27 Fed Com 102H wells and designated Applicant as operator of the Unit and the Wells. In Case No. 25419, Applicant seeks an order pooling additional uncommitted Interests under the terms of Division Order No. R-23782. The Order pooled uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County. The Order dedicated the Unit to the Moonraker 15-27 Fed Com 201H, Moonraker 15-27 Fed Com 203H, and Moonraker 15-27 Fed Com 205H wells and designated Applicant as operator of the Unit and the Wells. Applicant has identified additional interests in the Units that should be pooled under the terms of the Orders. The Wells are located approximately 29.8 miles west of Hobbs, New Mexico. #00301888

67118479

00301888

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

PBEX Operations, LLC
Case No. 25419
Exhibit B-4