

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

**APPLICATION OF NEWTEX PARTNERS
LLC FOR A NON-STANDARD SPACING
AND PRORATION UNIT, CHAVES
COUNTY, NEW MEXICO**

Case No. 15902

**SELF-AFFIRMED STATEMENT
OF DIANA MILLSAP**

1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.
2. I am a Registered Professional Landman, and am employed as a landman at NewTex Partners LLC. ("NewTex") in Dallas, Texas. My responsibilities include all land issues that pertain to NewTex's New Mexico assets.
3. I've had direct involvement with NewTex's development of the proposed 320-acre, non-standard spacing and proration unit (project area) comprising the E/2 of Section 13, Township 8 South, Range 28 East in Chaves County.
4. NewTex seeks to develop the San Andres formation in the proposed project area. There are no depth exceptions in the San Andres within the project area.
5. NewTex has 96.875% of the acreage in the proposed project area under lease. Chisos, Ltd. is the mineral interest owner of the remaining 3.125% of the acreage in the project area, and has elected to join the Warthog #2H well that NewTex intends to drill.
6. I identified five (5) offset interests entitled to receive notice of the hearing on NewTex's application. Under my direction, NewTex's counsel timely sent hearing notice letters

OCD Case No. 15902

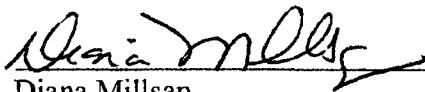
**NEWTEX PARTNERS
Exhibit #1**

to each of the offset interests, and has received return green cards from all of the individuals and entries except Bellwether Exploration Company ("Bellwether"). Attached as Exhibit A are a listing of the offset interests and true and correct copies of one of the identical hearing notice letters sent to the offset interests and the return green cards that NewTex's counsel has received.

7. I made a good faith effort to obtain a good address for Bellwether. NewTex's counsel sent a hearing notice letter to that address, but the USPS returned the letter with a notation that it was undeliverable.

8. A notice of the Division hearing, which individually identified the five (5) offset interests, was published in the Roswell Daily Record on November 22, 2017. Attached hereto as Exhibit B is a true and correct copy of the newspaper's Affidavit of Publication.

9. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in Paragraphs 1 – 8 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.


Diana Millsap

12/20/17
Date

E2 Sec 13-8S-28E , Chaves County, NM
WARTHOG 2H
offset / adjoining 40-acre spacing (320-acre project area)

<u>Name</u>	<u>Address 1</u>	<u>City</u>	<u>State</u>	<u>Zip</u>
Michelle M. McDonnell, Personal Rep. Mabel L. McDermott	113 Bridgeway Circle	Longwood	FL	32779
K.C. Operating Company	P. O. Box 950	Midland	TX	79702
Bellwether Exploration Company	1221 Lamar, Suite 1600	Houston	TX	77010
Charles A. Kelly	1 W Bay Lane	St Paul	MN	55127
Charles A. Kelly	6760 E Speedway Blvd	Tucson	AZ	85710
Manix Energy, Ltd	P. O. Box 2818	Midland	TX	79702

NewTex Partners, LLC
Moose Prospect

Prepared by: D Millsap 11/14/2017





HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER

Gary W. Larson,
Partner

glarson@hinklelawfirm.com

hinklelawfirm.com

November 16, 2017

VIA CERTIFIED MAIL

Charles A. Kelly
6760 E. Speedway Blvd.
Tucson, AZ 85710

Re: NewTex Partners LLC NMOCD Application

Dear Mr. Kelly:

Enclosed is a copy of an application for approval of a 320-acre, non-standard spacing and proration unit that NewTex Partners LLC ("NewTex") has filed with the New Mexico Oil Conservation Division ("the Division").

The proposed non-standard spacing and proration unit is comprised of the E/2 of Section 13, Township 8 South, Range 28 East, NMPM, Chaves County, New Mexico. The location of the proposed project area is orthodox. Your interests are not being pooled, but as the owner of an interest in an offsetting tract, you are entitled to receive notice of NewTex's application.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, December 21, 2017 in Porter Hall at the Division's offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest in an offset tract, you have the right to appear at the hearing and present testimony. If you do not appear at the hearing, you will be precluded from contesting the matter at a later date.

A party appearing in the case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, December 14, 2017. The Pre-Hearing Statement must be filed with the Division's Santa Fe office at the address above, and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

Very truly yours,

Gary W. Larson

GWL:sm
Enclosure

PO BOX 10
ROSWELL, NEW MEXICO 88202
575-622-6510
(FAX) 575-623-9332

PO BOX 1720
ARTESIA, NEW MEXICO 88211
575-622-6510
(FAX) 575-746-6316

PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554
(FAX) 505-982-8623

7601 JEFFERSON ST NE - SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Charles A. Kelly
6760 E. Speedway Blvd.
Tucson, AZ 85710



9590 9402 3019 7124 7187 40

2. Article Number (Transfer from service label)

7017 0660 0000 6478 3142

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Charles Kelly*☐ Agent☒ Addressee

B. Received by (Printed Name)

Charles Kelly

C. Date of Delivery

11/18/17

D. Is delivery address different from item 1?

If YES, enter delivery address below: ☒ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Restricted Delivery

(over \$500)

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Charles A. Kelly
1 W. Bay Lane
St. Paul, MN 55127



9590 9402 3019 7124 7187 26

2. Article Number (Transfer from service label)

7015 0640 0001 6339 3325

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Charles Kelly*☐ Agent☒ Addressee

B. Received by (Printed Name)

Charles Kelly

C. Date of Delivery

11/18/17

D. Is delivery address different from item 1?

If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Michelle M. McDonnell,
P.R. of McDermott Estate
113 Bridgeway Circle
Longwood, FL 32749



9590 9402 3019 7124 7221 12

2. Article Number (Transfer from service label)

7010 3090 0000 2340 2959

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Michelle McDonnell*☐ Agent☒ Addressee

B. Received by (Printed Name)

M. McDONNELL

C. Date of Delivery

11/20/17

D. Is delivery address different from item 1?

If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X <u>[Signature]</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>Holt Cowles</u> C. Date of Delivery <u>11/27/17</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to: K.C. Operating Company P.O. Box 950 Midland, TX 79702</p>	<p>3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>2. Article Number (Transfer from service label) 7015 0640 0001 6339 3332</p>	<p>1 Restricted Delivery</p>

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X <u>[Signature]</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>TYLER WESLEY</u> C. Date of Delivery <u>12-4-17</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to: Manix Energy, Ltd. P.O. Box 2818 Midland, TX 79702</p>	<p>3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>2. Article Number (Transfer from service label) 7015 0640 0001 6339 3349</p>	<p>11 Restricted Delivery</p>

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com	
OFFICIAL RECEIPT	
Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	\$
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$
Sent To	Bellwether Exploration Co.
Street and Apt. No., or PO Box No.	1221 Lamar, Ste 1600
City, State, ZIP+4®	Houston, TX 77010

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

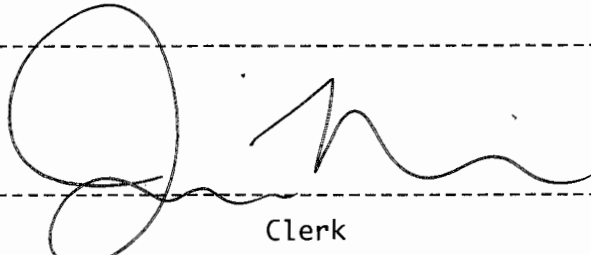
AFFIDAVIT OF PUBLICATION
STATE OF NEW MEXICO

I, Jenny Martinez
Legals Clerk

Of the Roswell Daily Record, a daily newspaper published at Roswell, New Mexico do solemnly swear that the clipping hereto attached was published in the regular and entire issue of said paper and not in a supplement thereof for a period of:

One time with the issue dated

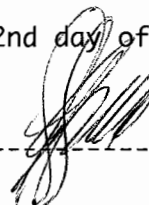
November 22nd, 2017



Clerk

Sworn and subscribed to before me

this 22nd day of November, 2017



Notary Public

My Commission expires
June 13th, 2018

Publication Notice...

Publish November 22, 2017

This is to notify all interested parties, including Michelle M. McDonnell, Personal Representative of the Estate of Mabel L. McDermott, K.C. Operating Company, Bellwether Exploration Company, Charles A. Kelly, Manix Energy, LTD and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by NewTex Partners LLC at 8:15 a.m. on December 21, 2017 in Porter Hall at 1220 South St. Francis Drive, Santa Fe, New Mexico. NewTex Partners LLC seeks an order approving a 320-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 of Section 13, Township 8 South, Range 28 East, NMPM, in Chaves County. The project area is to be dedicated to the Warthog #2H well, which will be horizontally drilled from a surface location in Unit A to a bottom hole location in Unit P of Section 13, Township 8 South, Range 28 East. Also to be considered be the designation of Hadaway Consulting and Engineering, LLC as the operator of the project area and the Warthog #2H well. The proposed project area is located approximately thirty-two (32) miles northeast of Roswell, New Mexico.

**Exhibit
B**

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

□ AMENDED REPORT

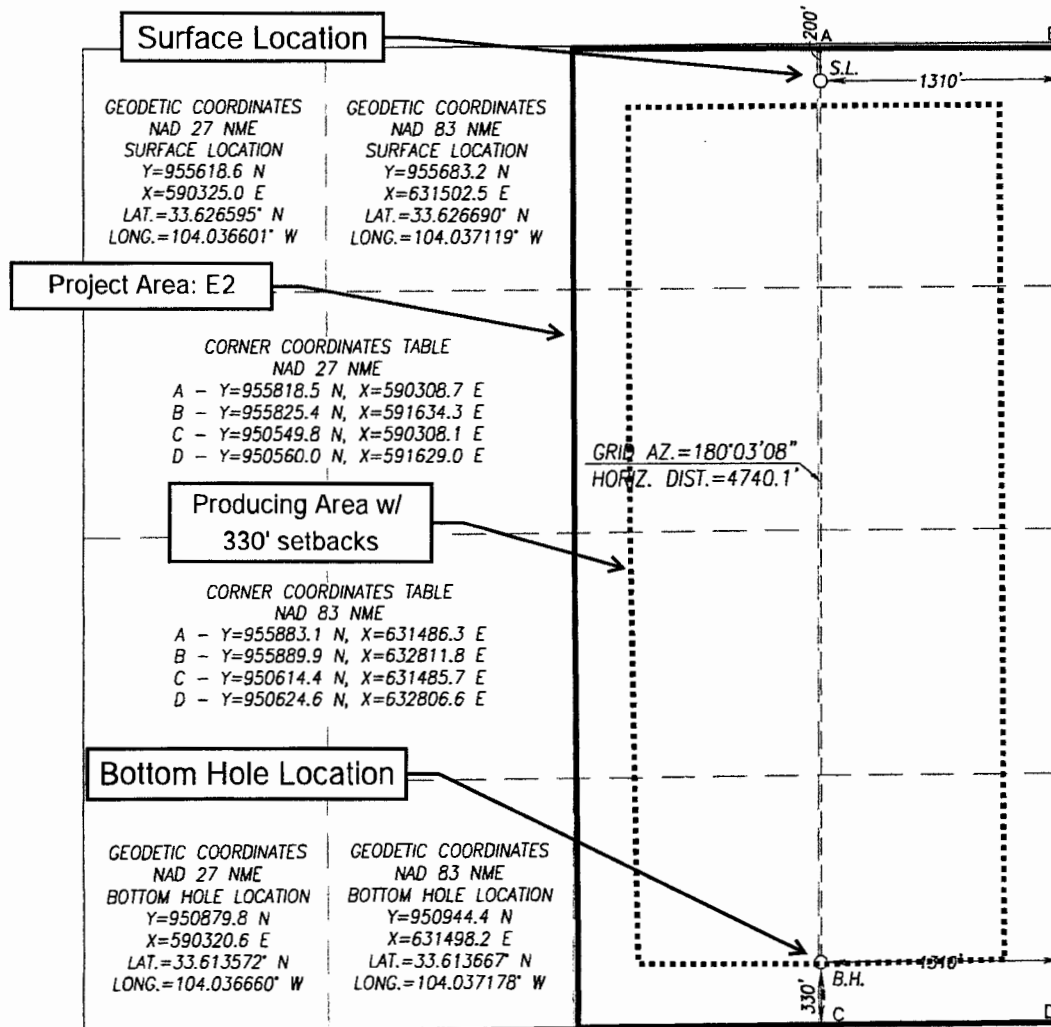
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name WARTHOG	Well Number 2H
OGRID No.	Operator Name HADAWAY CONSULTING & ENGINEERING, LLC	Elevation 4099'

Surface Location									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	8-S	28-E		200	NORTH	1310	EAST	CHAVES

Bottom Hole Location If Different From Surface									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	13	8-S	28-E		330	SOUTH	1310	EAST	CHAVES
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
320									

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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unCHAVESsed mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

John C Maxey

12/12/2017
Date

John C Maxey

Printed Name

jcm@maxeyengineering.com

E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 14, 2017

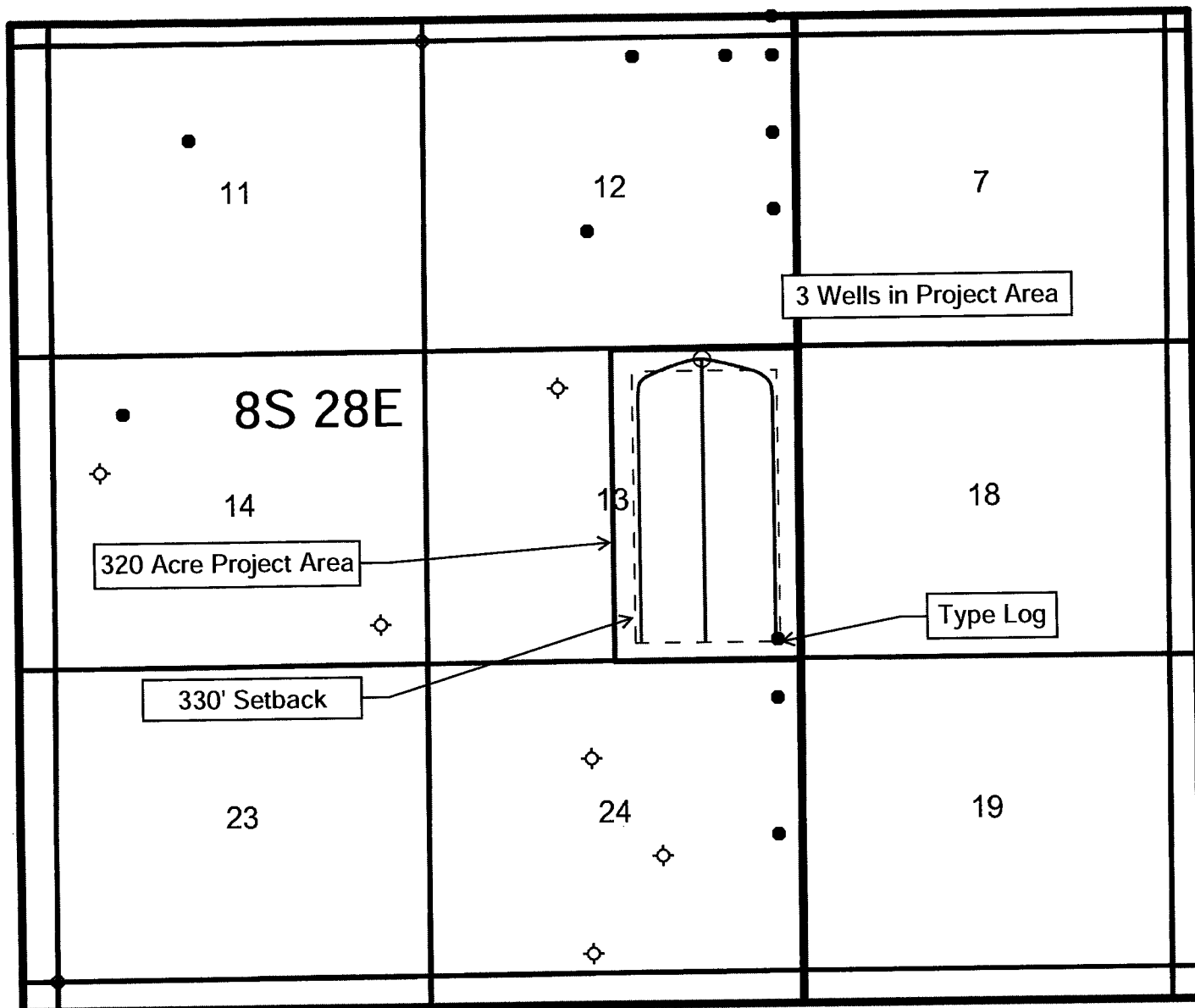
Date of Survey
Signature & Seal of Professional Surveyor:

RONALD J. EIDSON
NEW MEXICO
REGISTERED SURVEYOR
3239

Certificate Number: CSI Gary S. Eidson 12641
Ronald J. Eidson 3239

ACK

JWSC W.O.: 17.11.0768



NewTex Partners LLC
 Application for NSP
 Warthog 2H
 SHL 200' FNL & 1310' FEL
 Sec 13 T8S R28E
 Chaves Co., NM

12/12/2017

JCM

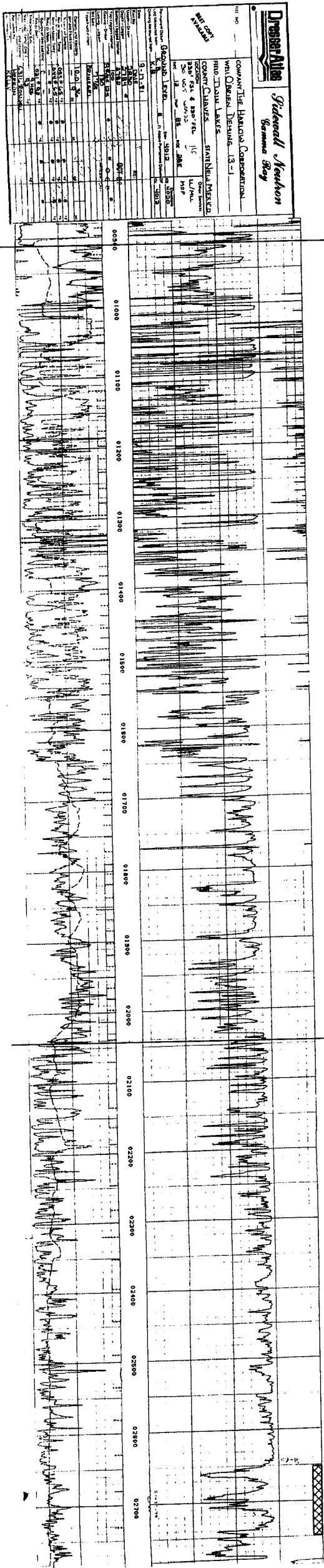
OCD Case No. 15902

NEWTEX PARTNERS
Exhibit #3

Type Log
O'Brien Deming 13 #1
330' FS & 330' FEL
Sec 13 T8S R28E

Log Depths
T/ Yates 912'

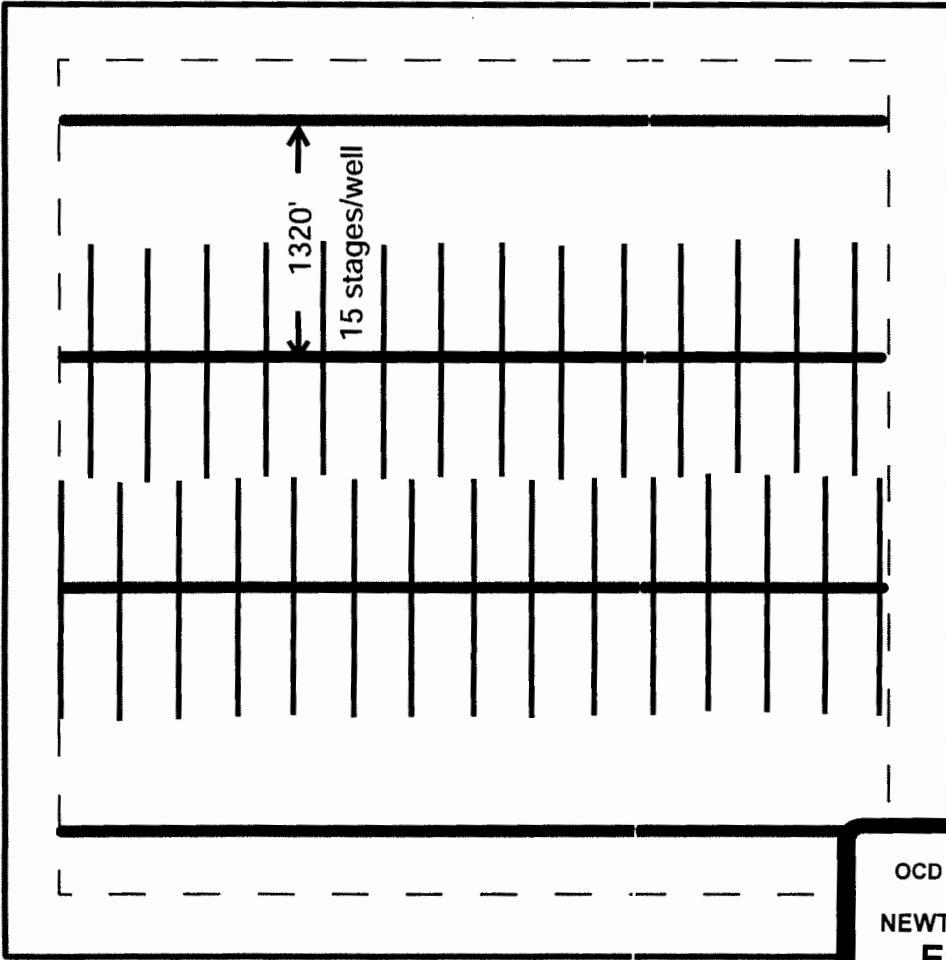
OCD Case No. 15902
NEWTEX PARTNERS
Exhibit #4



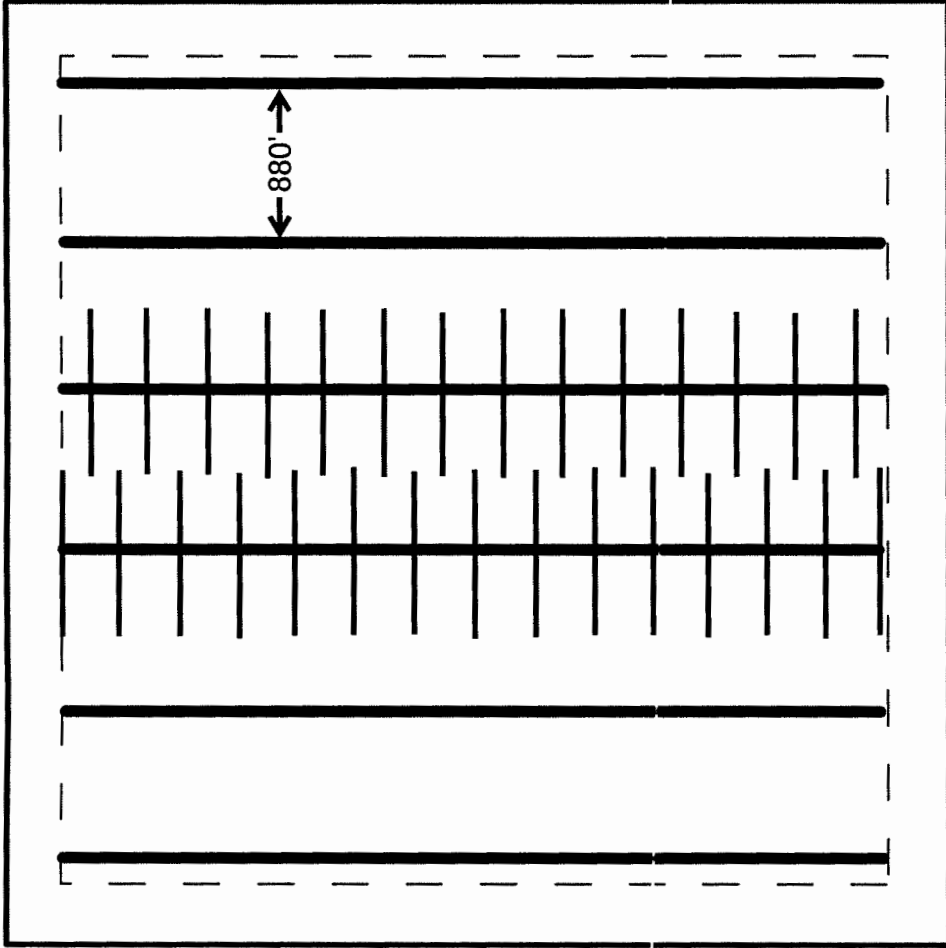
T/San Andres 2,034'

NewTex Partners LLC
Application for NSP
Warthog 2H
SHL 200' FNL & 1310' FEL
Sec 13 T8S R28E
Chaves Co., NM
12/12/2017 JCM

San Andres Target



4 wells/sec - 1320' between wells
dashed line is 330' setback



6 wells/sec - 880' between wells
dashed line is 330' setback

OCD Case No. 15902

**NEWTEX PARTNERS
Exhibit #5**

For the same stage count, 6 wells/section reduces the needed stim amount/stage by roughly 1/3. Tighter spacing equates to a higher probability of desired in zone SRV placement and aerial extent.

NewTex Properties LLC

Application for NSP

Warthog 2H

SHL 200' FNL & 1310' FEL

Sec 13 T8S R28E

Chaves Co., NM

12/12/2017

JCM