

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

APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 20416

AFFIDAVIT OF BRANDON FORTEZA IN SUPPORT OF CASE NO. 20416

Brandon Forteza, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Brandon Forteza. I work for Ameredev Operating, LLC ("Ameredev") as a Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
- 3. I am familiar with the application filed by Ameredev in this case, and I am familiar with the status of the lands in the subject area.
- 4. None of the uncommitted parties has indicated opposition to this pooling application, and therefore I do not expect any opposition at the hearing.
- 5. Ameredev is seeking an order pooling all uncommitted interests in the Wolfcamp formation [JAL; Wolfcamp, West] in the 640-acre horizontal spacing unit comprised of the E/2 W/2 and W/2 E/2 of Sections 5 and 8 in Township 26 South, Range 36 East, NMPM, Lea County, New Mexico.
- 6. Ameredev seeks to dedicate the above horizontal spacing unit to the following proposed wells:

BEFORE THE OIL CONSERVATION DIVISION

Submitted by: Ameredev Operating LLC Hearing Date: May 2, 2019

- Holly Fed Com 26-36-05 124H Well, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8;
- Holly Fed Com 26-36-05 103H Well, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8; and
- Holly Fed Com 26-36-05 113H Well, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8.
- 7. Ameredev has prepared draft Form C-102s to file with the Division for these proposed wells. Those C-102s are attached hereto as **Ameredev Exhibit A-1**, **Ameredev Exhibit A-2**, and **Ameredev Exhibit A-3**. The C-102s show that Pool Code 33813 has been assigned.
- 8. The completed interval for the proposed Holly Fed Com 26-36-05 124H Well will be within 330' of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of Sections 5 and 8 to allow inclusion of this acreage into a standard 640-acre horizontal spacing unit. Incorporating the proximity tracts, the completed intervals for the proposed Holly Fed Com 26-36-05 124H Well, the Holly Fed Com 26-36-05 103H Well, and the Holly Fed Com 26-36-05 113H Well will comply with the Division's setback requirements.
- 9. Because the proposed wells will be simultaneously drilled and completed,
 Ameredev requests an extension of the time period to drill and complete the initial well from 120 days to 365 days.
 - 10. There are no depth severances in the Wolfcamp formation.

- 11. Ameredev **Exhibit A-4** is an exhibit prepared by me that identifies the tracts of land comprising the proposed spacing and proration unit. This proposed spacing and proration unit includes federal land only. This exhibit shows the interest owners and the percentage of their interest by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing and proration unit, is also included on the exhibit. Ameredev is seeking to pool the interest owners denoted by an asterisk.
 - 12. Ameredev is seeking to pool working interest owners.
- 13. A copy of the well proposal letter for the wells, along with the corresponding AFEs, is attached as **Ameredev Exhibit A-5**. The costs reflected in the AFEs are consistent with what Ameredev and other operators have incurred for drilling similar horizontal wells in the area.
- 14. Ameredev has been able to locate contact information for all of the parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.
- 15. Ameredev seeks approval of overhead and administrative costs at \$7,000/month while drilling and \$700/month while producing. These costs are consistent with what Ameredev and other operators are charging in this area for these types of wells. Ameredev respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.
- 16. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners. In compiling these addresses, Ameredev conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

17. Ameredev Exhibit A-1 through A-5 were either prepared by me or compiled under my direction and supervision.

BRANDON FORTEZA

STATE OF TEXAS

COUNTY OF Icaus

SUBSCRIBED and SWORN to before me this 30th day of April 2019 by Brandon Forteza.

My Commission Expires:

GORDON G. GALLET

Notary Public, State of Texas

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A-1 Case Nos. 20416

Submitted by: Ameredev Operating LLC

State of New Mexico

Hearing Date: May 2, 2019

FORM C-102

Energy, Minerals & Natural Resources

Revised August 1, 2011

Department

Submit one copy to appropriate

OIL CONSERVATION DIVISION

District Office

District II

1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

District I 1625 N. French Dr., Hobbs, NM 88240

811 S. First St., Artesia, NM 88210

Phone: (575) 393-6161 Fax: (575) 393-0720

Phone: (575) 748-1283 Fax: (575) 748-9720

1000 Rio Brazos Road, Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

	***************************************	THE RESIDENCE TO THE PARTY OF T	
TAPI Numb	er ² Pool Code	³ Pool Name	
30-025-	33813	Jal; Wolfcamp, West	
*Property Code	⁵ Pr	roperty Name	⁶ Well Number
	HOLLY FED	COM 26 36 05	103H
⁷ OGRID №.	*O ₁	perator Name	9Elevation
372224	AMEREDEV	OPERATING, LLC.	3001'

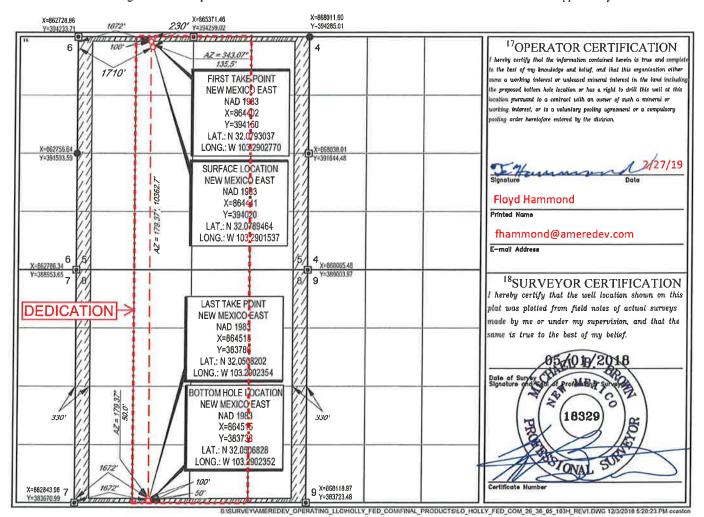
10 Surface Location

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
C	5	26-S	36-E	-	230'	NORTH	1710'	WEST	LEA
			44						

11Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Enst/West line	County
N	8	26-S	36-E	1500	50'	SOUTH	1672'	WEST	LEA
⁷² Dedicated Acres	¹³ Joint or 1	กถีH ¹⁴ Ce	onsolidation Co	de l ¹⁵ Ord	er No.		·	•	
040			U						

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.



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A-2 Case Nos. 20416

Submitted by: Ameredev Operating LLC

State of New Mexico

Hearing Date: May 2, 2019

FORM C-102

Energy, Minerals & Natural Resources

Revised August 1, 2011 Submit one copy to appropriate

Department

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

District I 1625 N. French Dr., Hobbs, NM 88240

District II

Phone: (575) 393-6161 Fax: (575) 393-0720

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

District Office

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

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

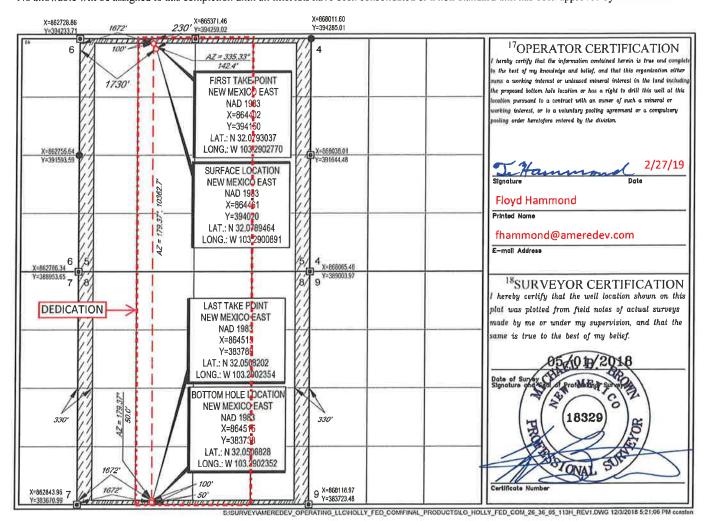
⁷ API Numbe 30-025-	r ³ Pool Code 33813	Jal; Wolfcamp, West	:8
*Property Code		roperty Name D COM 26 36 05	⁶ Well Number 113H
70GRID No. 372224		PPERATING, LLC.	SElevation 3001'

10 Surface Location

28	11Bottom Hole Location If Different From Surface									
	С	5	26-S	36-E	-	230'	NORTH	1730'	WEST	LEA
	UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	Enst/West line	County

UL or lot no.	Section	Township	Range	Lot Idu	Feet from the	North/South line	Feet from the	East/West line	County
N	8	26-S	36-E	-	50'	SOUTH	1672'	WEST	LEA
¹² Dedicated Acres 640	¹⁾ Joint or l	nfill ¹³ Cc	onsolidation Cod	le ¹⁵ Orde	er No.		<u>.</u>		

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.



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A-3

Case Nos. 20416

Submitted by: Ameredev Operating LLC

District 1 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

1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Hearing Date: May 2, 2019

FORM C-102

District Office

Energy, Minerals & Natural Resources

Department

Submit one copy to appropriate

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT

Revised August 1, 2011

WELL LOCATION AND ACREAGE DEDICATION PLAT

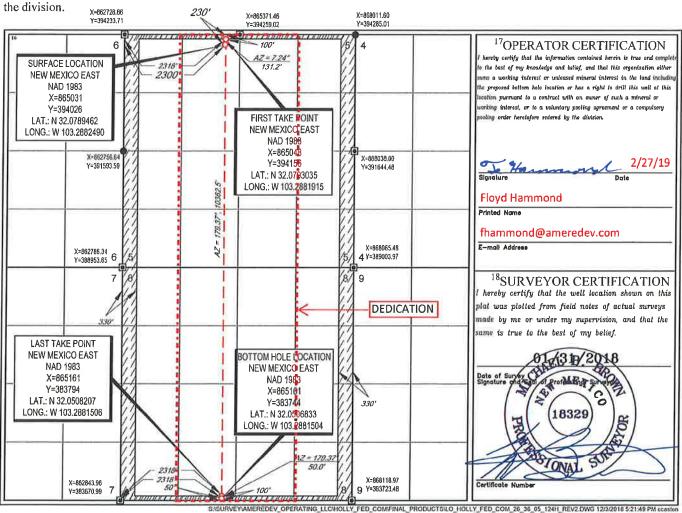
'API Numbe 30-025-			Jal; Wolfcamp, West		
⁴ Property Code			Operty Name OCOM 26 36 05	"Well Number 124H	
'ogrid no. 372224			operator Name OPERATING, LLC.	⁹ Elevation 3003'	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Enst/West line	County
C	5	26-S	36-E	-	230'	NORTH	2300'	WEST	LEA

UL or lot no.	Section 8	Township 26-S	36-E	Lot Idn	Feet from the 50'	North/South line SOUTH	Feet from the 2318'	Enst/West line WEST	LEA
Dedicated Acres 640	¹³ Joint or I		Consolidation Coc	le ¹⁵ Ord	er No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by



HOLLY FED COM 26-36-05 103H,113H,124H

T26S-R36E-SECTION 5, E2W2 and W2E2
T26S-R36E-SECTION 8, E2W2 and W2E2
LEA COUNTY, NEW MEXICO

Tract 1 W2NE4, E2NW4, NE4SW4 200 Acres Tract 2 W2SE4, SW4SE4 120 Acres		Sec 5
Tract 3 E2W2 160 Acres	Tract 4 W2E2 160 Acres	Sec 8

Santa Fe, New Mexico
Exhibit No. A-4
Case Nos. 20416

Submitted by: **Ameredev Operating LLC** Hearing Date: May 2, 2019

HOLLY FED COM 26-36-05 103H,113H,124H

T26S-R36E-SECTION 5, E2W2 and W2E2 T26S-R36E-SECTION 8, E2W2 and W2E2 LEA COUNTY, NEW MEXICO

TRACT 1: W2NE4, E2NW4, NE	4SW4 SECTION 5 T26S-R36E	
AMEREDEV NEW MEXICO, LLC		100.00000000%
Total		100.00000000%
	2	
TRACT 2: W2SE4, SW4SE4 SEC	TION 5 T26S-R36E	
XTO HOLDINGS, LLC		100.00000000%
Total		100.00000000%
TRACT 3: E2W2 SECTION 8 T2	6S-R36E	
AMEREDEV NEW MEXICO, LLC		100.00000000%
Total		100.00000000%
TRACT 4: W2E2 SECTION 8 T2	6S-R36E	
AMEREDEV NEW MEXICO, LLC		100.00000000%
Total		100.00000000%
	UNIT RECAPITULATION	
	T26S-R36E-SECTION 5, E2W2 and W2E2	
	T26S-R36E-SECTION 8, E2W2 and W2E2	
*XTO HOLDINGS, LLC		18.75000000%
AMEREDEV NEW MEXICO, LLC		81.25000000%
TOTAL		100.00000000%

*Interest Seeking to Compulsory Pool

Ameredev II, LLC 5707 Southwest Parkway Building 1, Suite 275 Austin, Texas 78735



March 7, 2019

VIA Certified Mail

XTO Holdings, LLC 22777 Springwoods Village Pkwy Spring, TX 77389

RE:

Holly Fed Com 26-36-05 #124H, #113H, #103H Well Proposals

Township 26 South, Range 36 East, N.M.P.M., Lea County, New Mexico

SHL: Section 5; BHL: Section 8

Dear Owner:

Ameredev Operating, LLC ("Ameredev"), as Operator, hereby proposes to commence to drill and complete the following wells on or about November 1, 2019, collectively referred to as "the Wells":

Holly Fed Com 26-36-05 #124H Well Proposal

Township 26 South, Range 36 East, N.M.P.M., Lea County, New Mexico

SHL: 230' FNL & 2,300' FWL Section 5; BHL: 50' FSL & 2,318' FWL Section 8

Formation: Wolfcamp MD: 22,889' TVD: 12,105'

Holly Fed Com 26-36-05 #113H Well Proposal

Township 26 South, Range 36 East, N.M.P.M., Lea County, New Mexico

SHL: 230' FNL & 1,730' FWL Section 5; BHL: 50' FSL & 1,672' FWL Section 8

Formation: Wolfcamp MD: 22,592' TVD: 11,767'

Holly Fed Com 26-36-05 #103H Well Proposal

Township 26 South, Range 36 East, N.M.P.M., Lea County, New Mexico

SHL: 230' FNL & 1,710' FWL Section 5; BHL: 50' FSL & 1,672' FWL Section 8

Formation: Wolfcamp MD: 22,411' TVD: 11,667'

Ameredev's records indicate XTO Holdings, LLC ("XTO") owns an 18.75% working interest in the Wells, and XTO's estimated costs associated with the operation are approximately \$2,407,750.80, per well as shown in the included AFE's.

In addition, Ameredev proposes the operation to be governed by the terms of the 2015 Horizontal AAPL Form 610 Operating Agreement ("OA") with the following terms:

- Contract Area consisting of Township 26 South, Range 36 East, Section 5 and Section 8: EW2 and W2E2 with Ameredev listed as the Operator ("Contract Area")
- 100%/300%/300% non-consent risk penalties
- \$7,000/\$700 drilling and producing overhead rates

Page 1

CONFIDENTIAL

Hearing Date: May 2, 2019

Ameredev looks forward to working with XTO on this matter. Please feel free to contact me at the information provided below with any questions. Please be advised that Ameredev may file for compulsory pooling in the near future, as such please indicate your election below and return to bforteza@ameredev.com at your earliest convenience.

Sincerely,

Brandon Forteza 737-300-4721

Election Ballot for the Holly Fed Com 26-36-05 #124H Well Proposal (AFE# 2019-011)

XTO elects to participate in the proposed Operation by paying in the AFE 2019-011.	its proportionate share of the costs outlined
XTO elects to not participate in the proposed Operation.	
XTO Holdings, LLC	
By:	
Its:	

Election Ballot for the Holly Fed Com 26-36-05 #113H Well Proposal (AFE# 2019-009)

	O elects to participate in the proposed Operation by paying its proportionate share of the costs outlined the AFE 2019-009.
XT	O elects to not participate in the proposed Operation.
XTO, Holdii	ngs, LLC
By:	
Its:	

Election Ballot for the Holly Fed Com 26-36-05 #103H Well Proposal (AFE# 2019-010)

XTO elects to p	participate in the proposed Operation by paying its proportionate share of the costs outlined -010.
XTO elects to n	not participate in the proposed Operation.
XTO Holdings, LLC	
By:	
Its:	



Ameredev II, LLC

Lea County, New Mexico

SHL: Sec. 5 26S-36E 230' FNL & 1730' FWL BHL: Sec. 8 26S-36E 50' FSL & 1026' FWL

Holly Fed Com 26-36-05 113H AFE # 2019-009 Capital Expenditure

March 7, 2019



Company Entity Ameredev Operating, LLC

Date Prepared March 7, 2019

AFE Type	Project	Well No.	Field Name	Cost Center	AFE No.
Capital	Holly Fed Com 26-36-05	113H	Delaware	40859	2019-009

Location	County	State	We	II Туре
SHL: Sec. 5 26S-36E 230' FNL & 1730' FWL	I Lea	NM	Oil	Expl
BHL: Sec. 8 26S-36E 50' FSL & 1026' FWL		INIVI	Gas	Prod

Estimate Type	Start Date	Completion Date	Formation	MD
Original		-		22,592'
Revised	November 5, 2019	January 4, 2020	Wolfcamp	TVD
Supplemental	,			11,767'

Project Description

Drill and Complete 2 Mile Wolfcamp Lateral and Tie In to Central Tank Battery.

Total Cost \$12,841,337.61

Comments on Associated Costs

Water disposal not included.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$250,000 (100% W.I.) retention.

Marketing Election

Ameredev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Ameredev, you will be subject to all of the terms of such contracts. Upon written request to Ameredev, we will share with you the terms and conditions pursuant to which gas will be sold.

I elect to take my gas in kind.

I elect to market my gas with Ameredev pursuant to the terms and conditions of its contracts.

Joint Interest Approval

Company	Approved By	Date



Intangibles Code		Dry Hole Cost	After Casing Point Cost	1	Total Cost	
MISC PREPARATION COSTS	0.004	\$	20,000.00	\$	\$	20,000.00
EASEMENT, ROW, AND ACQUISITION	0.006	\$	100,000.00	\$ -	S	100,000.00
ROAD / LOCATION PREP / RESTORATION	0.008	\$	100,000.00	\$ -	\$	100,000.00
DRILLING RIG	0.010	\$	950,003.04	\$ 90,200.00	\$	1,040,203.04
COIL TUBING	0.012	\$		\$ 130,000.00	\$	130,000.00
FUEL	0.016	\$	217,500.00	\$ 2,500.00	\$	220,000.00
TRAILER, CAMP, AND CATERING	0.018	\$	36,670.00	\$ 19,305.00	\$	55,975.00
WATER & SEPTIC	0.020	\$	68,850.00	\$	\$	68,850.00
SURFACE RENTALS	0.024	\$	86,630.00	\$ 73,020.00	\$	159,650.00
DRILL BITS	0.028	\$	87,000.00	\$ 3,500.00	\$	90,500.00
DOWNHOLE RENTALS	0.030	\$	17,775.00	\$ 81,700.00	\$	99,475.00
DIRECTIONAL DRILLING	0.032	\$	630,865.00	\$ -	\$	630,865.00
COMPOSITE PLUGS	0.034	\$	•	\$ 63,000.00	\$	63,000.00
TUBING & BHA INSPECT & REPAIR	0.042	\$	10,803.50	\$ -	\$	10,803.50
RENTAL TUBING	0.046	\$	•	\$ 32,500.00	\$	32,500.00
WELL CONTROL EQUIP / SERVICES	0.048	\$	91,519.60	\$ 216,048.00	\$	307,567.60
PUMP TRUCK / PRESSURE TESTING	0.054	\$	*	\$ 1,000.00	\$	1,000.00
MUD, ADDITIVES, AND CHEMICALS	0.060	\$	303,920.00	\$ 312,400.00	\$	616,320.00
FRAC PUMPING CHARGES	0.061	\$	*	\$ 3,500,000.00	\$	3,500,000.00
WATER RIGHTS / TRANSFER / STORAGE	0.062	\$	43,600.00	\$ 724,500.00	\$	768,100.00
SOLIDS CONTROL EQUIP / SERVICES	0.066	\$	102,072.00	\$ -	\$	102,072.00
MUD / FLUIDS DISPOSAL CHARGES	0.068	\$	106,000.00	\$ 28,430.00	5	134,430.00
CASING CREWS	0.070	\$	47,500.00	\$ -	\$	47,500.00
CEMENTING	0.072	\$	290,000.00	\$	\$	290,000.00
CASING / LINER / FLOAT EQUIPMENT	0.074	\$	41,500.00	\$ -	\$	41,500.00
MOBILIZE & DEMOBILIZE	0.086	\$	235,000.24	\$ 3,000.00	\$	238,000.24
SUPERVISION / CONTRACT	0.094	\$	198,000.00	\$ 141,750.00	\$	339,750.00
CONTRACT ROUSTABOUT	0.103	\$	•	\$ 10,000.00	\$	10,000.00
CONTRACT LANDWORK / SURVEY	0.114	\$	¥5	\$ 10,000.00	\$	10,000.00
REGULTRY / ENVIRON CONSULTANT	0.122	\$	10,050.00	\$ 5,000.00	\$	15,050.00
SAFETY AND EMERGENCY RESPONSE	0.124	\$	3,876.00	\$ 9,340.00	\$	13,216.00
GEOLOGY	0.186	\$	10,000.00	\$ -	\$	10,000.00
FLOW TESTING / EQUIP	0.194	\$	÷5	\$ 109,125.00	\$	109,125.00
MUD LOGGING	0.198	\$	100,000.00	\$	\$	100,000.00
WIRELINE / PERF / PUMPDOWN COSTS	0.200	\$	110,000.00	\$ 545,050.00	s	655,050.00
FACILITY ELECTRIC & AUTOMATION	0.258	\$	•	\$ 70,500.00	\$	70,500.00
Contingency	5.00%	\$	200,956.72	\$ 309,093.40	\$	510,050,12
Тах	6.25%	\$	251,195.90	\$ 386,366.75	\$	637,562.65
Total Intangible Cost		S	4,471,287.00	\$ 6,877,328.15	\$	11,348,615,15
Tangibles - Well Equipment						
PIPELINE MECH MATERIALS / EQUIP			Dry Hole Cost	After Casing Point Cost		Total Cost
	0.134	5		After Casing Point Cost	s	Total Cost
FACILITY MECH MATERIALS / EQUIP	0.134 0.136	5			s s	
				\$ -		
FACILITY MECH MATERIALS / EQUIP	0.136	\$	F	\$ -	\$	
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE	0.136 0.204	\$	F	\$ = = = = = = = = = = = = = = = = = = =	\$	2 2 2
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE	0.136 0.204 0.206	\$ \$ \$	8,400.00	\$ == 5 == 5 == 5	\$ \$ \$	2 2 2
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING	0.136 0.204 0.206 0.208	\$ \$ \$	8,400.00 74,400.00	\$ # # \$ # # \$ # # \$ # # \$ # # # # # # #	\$ \$ \$	8,400.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING	0.136 0.204 0.206 0.208 0.210	\$ \$ \$ \$	8,400.00 74,400.00	\$ = = = = = = = = = = = = = = = = = = =	\$ \$ \$ \$	8,400.00 74,400.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING	0.136 0.204 0.206 0.208 0.210 0.212	\$ \$ \$ \$ \$	8,400.00 - 74,400.00 386,500.00	\$ #4 \$ #4 \$ #4 \$ #4 \$ #4 \$ #4 \$ #4 \$ #4	\$ \$ \$ \$ \$ \$	8,400.00 - 74,400.00 386,500.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING	0.136 0.204 0.206 0.208 0.210 0.212 0.213	\$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00	\$	\$ \$ \$ \$ \$ \$	8,400.00 - 74,400.00 386,500.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214	\$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00	\$ -2 \$ -2 \$ -2 \$ -2 \$ -2 \$ -2 \$ -2 \$ -2	\$ \$ \$ \$ \$ \$ \$	8,400,00 74,400,00 386,500,00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIATE CASING DRILLING LINER PRODUCTION CASING	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216	\$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00	\$	\$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DILLING LINER PRODUCTION CASING TUBING	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217	\$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00	\$	\$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 - 74,400.00 386,500.00 - 486,500.00 69,000.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DEPRODUCTION CASING TUBING TUBING WELLHEAD / TREE / CHOKES	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217	\$ \$ \$ \$ \$ \$ \$ \$	8,400.00 - 74,400.00 386,500.00 - 486,500.00 65,173.00	\$ - 5 \$ - 7 \$ - 7	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER / CHOKES DRILLING LINER / CHOKES DRILLING LINER / CHOKES DRILLING LINER / CHOKES	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 	\$ - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400,00 74,400,00 386,500,00 486,500,00 69,000,00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00	\$ - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400,00 74,400,00 386,500,00 486,500,00 69,000,00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DILLING LINER PODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DILLING LINER SOLATION PACKER PUMPING UNIT, ENGINE	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.233	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 336,500.00 486,500.00 65,173.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400,00 74,400,00 386,500,00 486,500,00 69,000,00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ROGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.222 0.232 0.232	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00	\$ - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP MAINT TANK BATT / PROCESS EQUIP / MAINT	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.233	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00 12,000.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER SOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP / MAINT TANK BATT / PROCESS EQUIP / MAINT	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.222 0.232 0.233 0.234	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIPMENT TANK BATT / PROCESS EQUIP / MAINT TANK BATT / PROCESS EQUIP / MAINT TANGIBLES - Lease Equipment LINE PIPE	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.222 0.232 0.233 0.234 0.236	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 336,500.00 486,500.00 65,173.00 Dry Hole Cost	\$ - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 150,173.00 12,000.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP / MAINT TANK BATT / PROCESS EQUIP / MAINT	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.217 0.220 0.222 0.233 0.233 0.234 0.236	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400,00 74,400,00 386,500.00 486,500.00 69,000.00 160,173.00 12,000.00 10,000.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIPMENT TANK BATT / PROCESS EQUIP / MAINT TANGIBLES & SUBSTATION TANKS, TANKS STEPS, STAIRS	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.232 0.232 0.234 0.236	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00 12,000.00 10,000.00 Total Cost
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER SOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIPMENT TANK BATT / PROCESS EQUIP / MAINT TANGIBLES & SUBSTATION TANKS, TANKS STEPS, STAIRS BATTERY (HEATER TREATERS)	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.232 0.233 0.234 0.238 0.244	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00	\$ - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING BREMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER SOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP / MAINT TANK BATT / PROCESS EQUIP / MAINT TARGIBLES - Lease Equipment LINE PIPE POWERLINES & SUBSTATION TANKS, TANKS STEPS, STAIRS BATTERY (HEATER TREATERS) BATTERY (SEPARATOR)	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.220 0.222 0.233 0.233 0.234 0.236 0.238 0.242 0.244 0.244 0.246 0.248 0.248 0.250	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 336,500.00 486,500.00 65,173.00 Dry Hole Cost	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00 12,000.00 Total Cost
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP MAINT TANK BATT / PROCESS EQUIP / MAINT TANK BATT / PROCESS EQUIP / MAINT TANK BATT / PROCESS EQUIP / MAINT TANGINES & SUBSTATION TANKS, TANKS STEPS, STAIRS BATTERY (SEPARATOR) BATTERY (GAS TREATING EQUIP) BATTERY (GAS TREATING EQUIP) BATTERY (MISC EQUIP)	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.232 0.232 0.234 0.236 0.244 0.246 0.244 0.246 0.246 0.248 0.250 0.252	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00 Dry Hole Cost	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400,00 74,400,00 386,500,00 486,500,00 69,000,00 160,173,00 12,000,00 Total Cost 42,500,00 24,800,00 12,500,00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHAD / TREE / CHOKES DRILLING LINER HANGER SOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP TANK BATT / PROCESS EQUIP / MAINT TANGIBLES & SUBSTATION TANKS, TANKS STEPS, STAIRS BATTERY (SEPARATOR) BATTERY (GAS TREATING EQUIP) BATTERY (GMISC EQUIP) FLOW LINE (PIPE	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.227 0.222 0.232 0.232 0.233 0.234 0.236 0.244 0.246 0.248 0.250 0.250 0.250	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00	\$ - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER SOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIPMENT TANK BATT / PROCESS EQUIP / MAINT TARGIBLES - Lease Equipment LINE PIPE POWERLINES & SUBSTATION TANKS, STEPS, STAIRS BATTERY (HEATER TREATERS) BATTERY (HEATER TREATERS) BATTERY (GAS TREATING EQUIP) BATTERY (MISC EQUIP)	0.136 0.204 0.206 0.206 0.208 0.210 0.212 0.213 0.213 0.214 0.216 0.217 0.222 0.232 0.233 0.234 0.236 0.238 0.244 0.246 0.244 0.246 0.248 0.250 0.252 0.252 0.252 0.252 0.252 0.270	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00 Dry Hole Cost	\$	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 150,173.00 12,000.00 Total Cost 42,500.00 24,800.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP AND FIRE POWERLINES & SUBSTATION TANKS, TANKS STEPS, STAIRS BATTERY (SEPARATOR) BATTERY (SEPARATOR) BATTERY (SEPARATOR) BATTERY (GAS TREATING EQUIP) FIVELUME (PIPE WH TO FACILITY) PIPELINE TO SALES METERS AND METERING EQUIPMENT	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.220 0.222 0.233 0.234 0.236 0.236 0.242 0.244 0.246 0.248 0.250 0.252 0.252 0.266 0.270 0.274	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 336,500.00 486,500.00 65,173.00 Dry Hole Cost	\$ -5 -5 -5 -5 -5 -5 -5 -5 -5 -5 -5 -5 -5	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00 12,000.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP MAINT TANK BATT / PROCESS EQUIP / MAINT TANGEDIES & SUBSTATION TANKS, TANKS STEPS, STAIRS BATTERY (SEPARATOR) BATTERY (GAS TREATING EQUIP) BATTERY (MISC EQUIP) FLOW LINE (PIPE WH TO FACILITY) PIPPLINE TO SALES METERS AND METERING EQUIPMENT VALVES, FITTINGS, PROD INSTRUM	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.232 0.233 0.234 0.236 0.244 0.246 0.244 0.246 0.248 0.250 0.252 0.266 0.270 0.274 0.282	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00 Dry Hole Cost	\$	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 150,173.00 12,000.00 Total Cost 42,500.00 24,800.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP MAINT TANK BATT / PROCESS EQUIP / MAINT TANGIBLES & SUBSTATION PACKER BATTERY (SEPARATOR) BATTERY (GAS TREATING EQUIP) BATTERY (GAS TREATING EQUIP) FLOW LINE (PIPE WH TO FACILITY) PIPELINE TO SALES METERS AND METERING EQUIPMENT WETERS AND METERING EQUIPMENT JULIUS PIPE PLOW LINE (PIPE WH TO FACILITY) PIPELINE TO SALES METERS AND METERING EQUIPMENT VALVES, FITTINGS, PROD INSTRUM BUILDINGS	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.227 0.222 0.232 0.232 0.233 0.234 0.236 0.244 0.246 0.248 0.252 0.252 0.252 0.266 0.270 0.270	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00	\$	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00 12,000.00 10,000.00 Total Cost 42,500.00 24,800.00 12,500.00 30,000.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING BERMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHEAD / TREE / CHOKES DRILLING LINER HANGER SOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP MAINT TANK BATT / PROCESS EQUIP / MAINT TANK STEPS, STAIRS BATTERY (HEATER TREATERS) BATTERY (HEATER TREATERS) BATTERY (GAS TREATING EQUIP) BATTERY (MISC EQUIP) ELOW LINE (PIPE WH TO FACILITY) PIPELINE TO SALES METERS AND METERING EQUIPMENT VALVES, FITTINGS, PROD INSTRUM SULIDINGS Contingency	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.213 0.214 0.216 0.217 0.222 0.232 0.233 0.234 0.236 0.238 0.244 0.246 0.244 0.246 0.250 0.252 0.252 0.252 0.252 0.266 0.270 0.274 0.282 0.310 5.00%	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00 Dry Hole Cost	\$	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00 12,000.00
FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING SURFACE CASING INTERMEDIATE CASING REMEDIAL CASING DRILLING LINER PRODUCTION CASING TUBING WELLHAD / TREE / CHOKES DRILLING LINER HANGER ISOLATION PACKER PUMPING UNIT, ENGINE SURFACE LIFT EQUIP DOWNHOLE LIFT EQUIP DOWNHOLE LIFT EQUIP MAINT TANK BATT / PROCESS EQUIP / MAINT TANGIBLES & SUBSTATION PACKER BATTERY (SEPARATOR) BATTERY (GAS TREATING EQUIP) BATTERY (GAS TREATING EQUIP) FLOW LINE (PIPE WH TO FACILITY) PIPELINE TO SALES METERS AND METERING EQUIPMENT WETERS AND METERING EQUIPMENT JULIUS PIPE PLOW LINE (PIPE WH TO FACILITY) PIPELINE TO SALES METERS AND METERING EQUIPMENT VALVES, FITTINGS, PROD INSTRUM BUILDINGS	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.222 0.233 0.233 0.234 0.236 0.236 0.242 0.244 0.246 0.246 0.248 0.250 0.252 0.266 0.270 0.274 0.282 0.310 0.274 0.282 0.310	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 65,173.00 Dry Hole Cost	\$	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8,400.00 74,400.00 386,500.00 486,500.00 69,000.00 160,173.00 12,000.00 10,000.00 Total Cost 42,500.00 24,800.00 12,500.00 30,000.00 25,000.00



Ameredev II, LLC

Lea County, New Mexico

SHL: Sec. 5 26S-36E 230' FNL & 1710' FWL BHL: Sec. 8 26S-36E 50' FSL & 1672' FWL

Holly Fed Com 26-36-05 103H AFE # 2019-010 Capital Expenditure

March 7, 2019



Company Entity Ameredev Operating, LLC

Date Prepared	
March 7, 2019	

AFE Type	Project	Well No.	Field Name	Cost Center	AFE No.
Capital	Holly Fed Com 26-36-05	103H	Delaware	40852	2019-010

Location	County	State	We	ll Туре
SHL: Sec. 5 26S-36E 230' FNL & 1710' FWL	l lea	NM	Oil	Expl
BHL: Sec. 8 26S-36E 50' FSL & 1672' FWL		INIVI	Gas	Prod

Estimate Type	Start Date	Completion Date	Formation	MD
Original				22,411'
Revised	December 15, 2019	February 13, 2020	Wolfcamp	TVD
Supplemental				11,667'

Project Description

Drill and Complete 2 Mile Wolfcamp Lateral and Tie In to Central Tank Battery.

Total Cost \$12,841,337.61

Comments on Associated Costs

Water disposal not included.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$250,000 (100% W.I.) retention.

Marketing Election

Ameredev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Ameredev, you will be subject to all of the terms of such contracts. Upon written request to Ameredev, we will share with you the terms and conditions pursuant to which gas will be sold.

Ш	1	elect	το	таке	my	gas	IN	KING	•

I elect to market my gas with Ameredev pursuant to the terms and conditions of its contracts.

Joint Interest Approval

Company	Approved By	Date



Intangibles	Code	Dry Hole Cost	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	0,004	\$ 20,000.00	\$	\$ 20,000.00
EASEMENT, ROW, AND ACQUISITION	0.006	\$ 100,000.00	\$	\$ 100,000.00
ROAD / LOCATION PREP / RESTORATION	0.008	\$ 100,000.00	\$	\$ 100,000.00
DRILLING RIG	0.010	\$ 950,003.04	\$ 90,200.00	\$ 1,040,203.04
COIL TUBING	0.012	\$ -	\$ 130,000.00	\$ 130,000.00
FUEL	0.016	\$ 217,500.00		\$ 220,000.00
TRAILER, CAMP, AND CATERING	0.018	\$ 36,670.00		\$ 55,975.00
WATER & SEPTIC	0,020	\$ 68,850.00		\$ 68,850,00
SURFACE RENTALS	0.024	\$ 86,630,00		\$ 159,650.00
DRILL BITS	0.028	\$ 87,000.00		\$ 90,500.00
DOWNHOLE RENTALS	0.030	\$ 17,775.00		\$ 99,475.00
DIRECTIONAL DRILLING	0.032	\$ 630,865.00		\$ 630,865.00
COMPOSITE PLUGS	0,034	\$ -	\$ 63,000.00	\$ 63,000.00
TUBING & BHA INSPECT & REPAIR	0,042	\$ 10,803.50		\$ 10,803.50
RENTAL TUBING	0,046	\$ -	\$ 32,500.00	\$ 32,500.00
WELL CONTROL EQUIP / SERVICES	0.048	\$ 91,519.60		\$ 307,567.60
PUMP TRUCK / PRESSURE TESTING	0.054	\$.	\$ 1,000.00	\$ 1,000.00
MUD, ADDITIVES, AND CHEMICALS	0.060	\$ 303,920.00		\$ 616,320.00
RAC PUMPING CHARGES	0,061	\$ -	\$ 3,500,000.00	\$ 3,500,000.00
WATER RIGHTS / TRANSFER / STORAGE	0,062	\$ 43,600,00		\$ 768,100.00
SOLIDS CONTROL EQUIP / SERVICES	0,066	\$ 102,072.00		\$ 102,072.00
MUD / FLUIDS DISPOSAL CHARGES	0.068	\$ 106,000,00	Initial Control of the Control of th	\$ 134,430.00
CASING CREWS	0.070	\$ 47,500.00		\$ 47,500.0
CEMENTING	0.072	\$ 290,000.00		\$ 290,000.0
CASING / LINER / FLOAT EQUIPMENT	0.074	\$ 41,500.00		\$ 41,500.00
MOBILIZE & DEMOBILIZE	0.086	\$ 235,000.24		\$ 238,000.24
SUPERVISION / CONTRACT	0.094	\$ 198,000.00		\$ 339,750.00
CONTRACT ROUSTABOUT	0.103	s -	\$ 10,000.00	\$ 10,000.00
CONTRACT LANDWORK / SURVEY	0.114	\$ -	\$ 10,000.00	\$ 10,000.00
REGULTRY / ENVIRON CONSULTANT	0.122	\$ 10,050.00	100	\$ 15,050.00
AFETY AND EMERGENCY RESPONSE	0.124	\$ 3,876.00	14.	\$ 13,216.00
GEOLOGY	0.186	\$ 10,000.00		\$ 10,000.00
LOW TESTING / EQUIP	0.194	\$ -	\$ 109,125.00	\$ 109,125.00
AUD LOGGING	0.198	\$ 100,000.00	\$ -	\$ 100,000.00
VIRELINE / PERF / PUMPDOWN COSTS	0.200	\$ 110,000.00		\$ 655,050.00
ACILITY ELECTRIC & AUTOMATION	0.258	\$ -	\$ 70,500.00	\$ 70,500.00
Contingency	5.00%	\$ 200,956.72	\$ 309,093.40	\$ 510,050,12
ах	6.25%	\$ 251,195.90	\$ 386,366.75	\$ 637,562.65
Total Intangible Cost		\$ 4 471 287 00	\$ 6,877,328,15	11 3/12 615 15
Total Intangible Cost		\$ 4,471,287.00		
Tangibles - Well Equipment		Dry Hole Cost	After Casing Point Cost	Total Cost
Tangibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP	0.134	Dry Hole Cost	After Casing Point Cost	Total Cost
Tangibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP	0.136	Dry Hole Cost	After Casing Point Cost S - S -	Total Cost
Fangibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP FACILITY MECH MATERIALS / EQUIP DRIVE PIPE	0.136 0.204	Dry Hole Cost S - S - S -	After Casing Point Cost S - S - S -	Total Cost
angibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP BRIVE PIPE CONDUCTOR PIPE	0.136 0.204 0.206	Dry Hole Cost \$ - \$ - \$ - \$ - \$ 5 - \$ 8,400.00	After Casing Point Cost S S S S S S S S S S S S S S S S S S	Total Cost \$ - \$ - \$ - \$ - \$ - \$ - \$ -
Tangibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP FACILITY MECH MATERIALS / EQUIP FORIVE PIPE FONDUCTOR PIPE MATER STRING	0.136 0.204 0.206 0.208	Dry Hole Cost \$ - \$ - \$ - \$ 8,400.00 \$ -	After Casing Point Cost S S S S S S S S S S S S S S S S S S	Total Cost \$ - \$ - \$ - \$ - \$ 8,400.00 \$ -
Tangibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP CACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE MATER STRING SURFACE CASING	0.136 0.204 0.206 0.208 0.210	Dry Hole Cost \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	After Casing Point Cost S S S S S S S S S S S S S	Total Cost \$ - \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00
Fangibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP FACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING URFACE CASING NTERMEDIATE CASING	0.136 0.204 0.206 0.208 0.210 0.212	Dry Hole Cost \$ - \$ - \$ - \$ 3,400.00 \$ 74,400.00 \$ 386,500.00	After Casing Point Cost S - S - S - S - S - S - S - S - S - S	Total Cost \$ \$ \$ 8,400.00 \$ \$ 74,400.00 \$ 386,500.00
Angibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE VATER STRING URFACE CASING VTERMEDIATE CASING LEMEDIAL CASING	0.136 0.204 0.206 0.208 0.210 0.212 0.213	Dry Hole Cost \$ \$ - \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	After Casing Point Cost S S S S S S S S S S S S S	Total Cost \$ - \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ -
angibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP BRIVE PIPE CONDUCTOR PIPE WATER STRING URFACE CASING VIERMEDIATE CASING EMEDIAL CASING PRILLING LINER	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214	Dry Hole Cost \$ - \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ -	After Casing Point Cost S S S S S S S S S S S S S S S S S S	Total Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ -
Forgibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP PACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING UNFFACE CASING NTERMEDIATE CASING REMEDIAL CASING PRODUCTION CASING PRODUCTION CASING	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ 74,400.00 \$ 386,500.00 \$ - \$ - \$ 486,500.00	After Casing Point Cost \$ -	Total Cost \$ - \$ - \$ 8,400.00 \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00
angibles - Well Equipment IPPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP IRIVE PIPE ONDUCTOR PIPE VATER STRING URFACE CASING INTERMEDIATE CASING EMEDIAL CASING ROBULTION LINER RODUCTION CASING UBBING	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ -	After Casing Point Cost 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5	Total Cost \$
Angibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE VATER STRING URFACE CASING VTERMEDIATE CASING VERMEDIAL CASING PIRILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ 74,400.00 \$ 386,500.00 \$ 386,500.00 \$ - \$ - \$ 65,173.00	After Casing Point Cost \$ -	Total Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ 69,000.00 \$ 69,000.00
angibles - Well Equipment IPPLINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP RIVE PIPE ONDUCTOR PIPE VATER STRING URFACE CASING VTERMEDIATE CASING EMEDIAL CASING RILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES RILLING LINER HANGER	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220	Dry Hole Cost \$ - \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ 65,173.00	After Casing Point Cost \$ -	Total Cost \$ \$ \$ 8,400.00 \$ \$ 74,400.00 \$ 386,500.00 \$ \$ 486,500.00 \$ 69,000.00 \$ 160,173.00 \$
Angibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP DRIVE PIPE ONDUCTOR PIPE VATER STRING URFACE CASING NTERMEDIATE CASING EMEDIAL CASING SILLING LINER RODUCTION CASING UBING UBING VELLHEAD / TREE / CHOKES SILLING LINER HANGER SOLATION PACKER	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220	Dry Hole Cost \$	After Casing Point Cost \$ -	Total Cost \$
angibles - Well Equipment IPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP RIVE PIPE ONDUCTOR PIPE WATER STRING URFACE CASING ITERMEDIATE CASING EMEDIAL CASING RILLING LINER RODUCTION CASING UBING JELLHEAD / TREE / CHOKES RILLING LINER HANGER OLATION PACKER UMPING UNIT, ENGINE	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.214 0.216 0.217 0.218 0.220 0.222	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ 486,500.00 \$ - \$ 5 - \$ 5 - \$ 5 - \$ 5 - \$ 5 - \$ 65,173.00 \$ - \$ 5 - \$ 5 - \$ 65,173.00	After Casing Point Cost 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5	Total Cost \$
Ingibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE VATER STRING URFACE CASING VERMEDIATE CASING VERMEDIAL CASING UBING VERMEDIAL CASING UBING VERMEDIAL CASING VERMEDIAL CASING UBING VERMEDIAL CASING VERMEDIAL CASIN	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.222 0.222	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ 5 - \$ 65,173.00 \$ - \$ 65,173.00	After Casing Point Cost \$ -	Total Cost \$
Angibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP DRIVE PIPE DONDUCTOR PIPE VATER STRING URFACE CASING VTERMEDIATE CASING VERMEDIAL CHOKES VERMEDIAL CHOKE	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.233 0.234	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ - \$ 5 -	After Casing Point Cost \$ -	Total Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ 160,173.00 \$ 12,000.00 \$ - \$ 12,000.00
Angibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP DRIVE PIPE ONDUCTOR PIPE VATER STRING URFACE CASING NTERMEDIATE CASING EMEDIAL CASING SIRLLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES FIRLLING LINER HANGER SOLATION PACKER UMPING UNIT, ENGINE UMFACE LIFT EQUIP OWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIP	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.233 0.234	Dry Hole Cost \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	After Casing Point Cost \$ -	Total Cost \$ \$ \$ \$ \$ \$ \$ \$
angibles - Well Equipment IPPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP ONDUCTOR PIPE ONDUCTOR PIPE WATER STRING URFACE CASING NTERMEDIATE CASING SMEDIAL CASING SMEDIAL CASING WILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES WILLING LINER HANGER OLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.222 0.232 0.233	Dry Hole Cost S - S - S - S - S - S - S - S - S - S	After Casing Point Cost \$ -	Total Cost \$
angibles - Well Equipment IPPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP ONDUCTOR PIPE ONDUCTOR PIPE VATER STRING URFACE CASING VITERMEDIATE CASING EMEDIAL CASING RILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES RILLING LINER HANGER SOLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment NE PIPE	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.222 0.232 0.233 0.234 0.236	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ 5 - \$ 65,173.00 \$ - \$ 65,173.00 \$ - \$ 65,174.00 \$ 5 - \$ 65,175.00 \$ 65,175.00 \$ 65,175.0	### After Casing Point Cost S	Total Cost \$
angibles - Well Equipment IPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP RIVE PIPE ONDUCTOR PIPE URFACE CASING URFACE CASING VERMEDIATE CASING EMEDIAL CASING RILLING LINER RODUCTION CASING USING VEILHEAD / TREE / CHOKES RILLING LINER HANGER OLATION PACKER UMPING UNIT, ENGINE UMFACE LIFT EQUIP OWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIP / MAINT SING IDES - LOSSE EQUIP / MAINT SING IDES - LOS	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.220 0.222 0.232 0.233 0.234 0.236	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ 486,500.00 \$ - \$ - \$ 65,173.00 \$ - \$ 65,173.00 \$ - \$ 5 - \$ 75 -	After Casing Point Cost \$ -	Total Cost \$ - \$ - \$ 8,400.00 \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ 5,000.00 \$ 160,173.00 \$ 12,000.00 \$ - \$ 12,000.00 \$ - \$ 12,000.00 \$ - \$ 10,000.00 \$ - \$ 10,000.00
angibles - Well Equipment IPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP RIVE PIPE ONDUCTOR PIPE WATER STRING URFACE CASING ITERMEDIATE CASING EMEDIAL CASING EMEDIAL CASING RODUCTION CASING UBING FELLHEAD / TREE / CHOKES RILLING LINER HANGER OLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIP ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment NED OWERLINES & SUBSTATION ANKS, TANKS STEPS, STAIRS	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.232 0.232 0.234 0.236	Dry Hole Cost S	After Casing Point Cost \$ -	Total Cost \$ \$ \$ \$ \$ \$ \$ \$
angibles - Well Equipment IPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP RIVE PIPE ONDUCTOR PIPE WATER STRING URFACE CASING ITERMEDIATE CASING EMEDIAL CASING EMEDIAL CASING RODUCTION CASING UBING VEILHEAD / TREE / CHOKES RILLING LINER OLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment NE PIPE OWERLINES & SUBSTATION ANKS, TANKS STEPS, STAIRS ATTERY (HEATER TREATERS)	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.232 0.233 0.234 0.238 0.244 0.244	Dry Hole Cost S	After Casing Point Cost \$ -	Total Cost \$
angibles - Well Equipment IPPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP IRIVE PIPE ONDUCTOR PIPE VATER STRING URFACE CASING ITERMEDIATE CASING EMEDIAL CASING RILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES RILLING LINER HANGER OUATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment NE PIPE OWERLINES & SUBSTATION ANKS, TANKS STEPS, STAIRS ATTERY (HEATER TREATERS) ATTERY (HEATER TREATERS)	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.222 0.232 0.233 0.234 0.236 0.244 0.246 0.246	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ 5 - \$ 65,173.00 \$ - \$ 5 - \$ 65,174.00 \$ 5 - \$ 65,175.00 \$ - \$ 5 - \$ 6 - \$ 5 - \$ 6 - \$ 5 - \$ 6 - \$ 7 - \$ 7 - \$ 8 - \$ 8 - \$ 8 - \$ 9	### After Casing Point Cost S	Total Cost \$
angibles - Well Equipment IPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP RIVE PIPE ONDUCTOR PIPE JUREA C ASING URFACE CASING STERMEDIATE CASING ERMEDIAL CASING RILLING LINER RODUCTION CASING USING JUREA / TREE / CHOKES RILLING LINER HANGER OLATION PACKER JURPING UNIT, ENGINE JURPIACE LIFT EQUIP OWNHOLE LIFT EQUIP ANK BATT / PROCESS EQUIP / MAINT SINIBLES - LOSSE EQUIP / MAINT SINIBLES - LOSSE EQUIP MENT ANK STEPS, STAIRS ATTERY (HEATER TREATERS) ATTERY (SEPARATOR) ATTERY (SEPARATOR) ATTERY (GAS TREATING EQUIP)	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.220 0.222 0.233 0.233 0.234 0.236 0.238 0.242 0.244 0.244 0.246 0.248 0.250	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ - \$ 65,173.00 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	### After Casing Point Cost	Total Cost \$
angibles - Well Equipment IPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP RIVE PIPE ONDUCTOR PIPE WATER STRING URFACE CASING ITERMEDIATE CASING EMEDIAL CASING RILLING LINER RODUCTION CASING UBING FILLING LINER RODUCTION CASING UBING FILLING LINER HANGER OLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT SEQUIP / MAINT ANK BATT / PROCESS EQUIP / MAINT ANK BATT / PROCESS EQUIP / MAINT ANK STEPS, STAIRS ATTERY (HEATER TREATERS) ATTERY (JEPARATOR) ATTERY (GAS TREATING EQUIP) ATTERY (MISC EQUIP)	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.232 0.232 0.234 0.236 0.244 0.246 0.244 0.246 0.244 0.246 0.248 0.250 0.252	Dry Hole Cost \$	After Casing Point Cost \$ -	Total Cost \$
angibles - Well Equipment IPPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP ONDUCTOR PIPE ONDUCTOR PIPE WATER STRING URFACE CASING NTERMEDIATE CASING SIMILLING LINER RODUCTION CASING UBING VEILLHEAD / TREE / CHOKES IRILLING LINER HANGER OUATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment NE PIPE OWERLINES & SUBSTATION ANKS, TANKS STEPS, STAIRS ATTERY (HEATER TREATERS) ATTERY (GAS TREATING EQUIP) ATTERY (GAS TREATING EQUIP) ATTERY (MISC EQUIP) OW LINE (PIPE WH TO FACILITY)	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.232 0.233 0.234 0.236 0.238 0.244 0.246 0.248 0.250 0.252 0.252 0.266	Dry Hole Cost S	After Casing Point Cost \$ -	Total Cost \$
Angibles - Well Equipment Inpeline Mech Materials / Equip ACILITY MECH MATERIALS / EQUIP ONDUCTOR PIPE VATER STRING URFACE CASING VITERMEDIATE CASING EMEDIAL CASING WILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES RILLING LINER HANGER SOLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment NE PIPE OWERLINES & SUBSTATION ANKS, TANKS STEPS, STAIRS ATTERY (HEATER TREATERS) ATTERY (GAS TREATING EQUIP) ATTERY (MISC EQUIP) ATTERY (MISC EQUIP) PELINE TO SALES	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.222 0.232 0.233 0.234 0.236 0.244 0.246 0.244 0.246 0.248 0.250 0.256 0.270	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ 5 - \$ 65,173.00 \$ - \$ 5 - \$	After Casing Point Cost \$ -	Total Cost \$
angibles - Well Equipment IPPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP RIVE PIPE ONDUCTOR PIPE WATER STRING URFACE CASING WITERMEDIATE CASING FILLING LINER RODUCTION CASING WILLING LINER RODUCTION CASING WILLING LINER RODUCTION CASING WILLING LINER RODUCTION CASING WILLING LINER WILLING LINER HANGER FOLIATION PACKER UMPING UNIT, ENGINE UMFACE LIFT EQUIP OWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT ANK PROCESS EQUIP / MAINT ANTERY (HEATER TREATERS) ATTERY (HEATER TREATERS) ATTERY (GAS TREATING EQUIP) ATTERY (MISC EQUIP) OW LINE (PIPE WH TO FACILITY) PELLINE TO SALES LETERS AND METERING EQUIPMENT	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.222 0.232 0.232 0.233 0.234 0.236 0.242 0.244 0.246 0.248 0.250 0.252 0.266 0.252 0.2666 0.270	Dry Hole Cost \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	### After Casing Point Cost	Total Cost \$
angibles - Well Equipment IPPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP ONDUCTOR PIPE ONDUCTOR PIPE ONDUCTOR PIPE WATER STRING URFACE CASING NTERMEDIATE CASING EMEDIAL CASING WILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES RILLING LINER HANGER OLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment NE PIPE OWERLINES & SUBSTATION ANKS, TANKS STEPS, STAIRS ATTERY (SEPARATOR) ATTERY (SEPARATOR) ATTERY (GAS TREATING EQUIP) ATTERY (MISC EQUIP) OWN LINE (PIPE WH TO FACILITY) IPPELINE TO SALES IETERS AND METERING EQUIPMENT ALVES, FITTINGS, PROD INSTRUM	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.222 0.232 0.232 0.233 0.234 0.236 0.242 0.244 0.246 0.248 0.250 0.252 0.266 0.252 0.2666 0.270	Dry Hole Cost \$	### After Casing Point Cost S	Total Cost \$
Tangibles - Well Equipment: PIPELINE MECH MATERIALS / EQUIP ACCILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING UNFACE CASING NERMEDIATE CASING DRILLING LORING DRILLING LINER	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.222 0.232 0.232 0.233 0.234 0.236 0.242 0.244 0.246 0.248 0.250 0.252 0.266 0.252 0.2666 0.270	Dry Hole Cost \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	### After Casing Point Cost	Total Cost \$
angibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP PRIVE PIPE ONDUCTOR PIPE VATER STRING URFACE CASING NTERMEDIATE CASING SIMEDIAL CASING SIMEDIAL CASING WILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES WILLING LINER HANGER SOLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP UNFACE LIFT EQUIP OWWHOLDE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Lease Equipment INE PIPE OWERLINES & SUBSTATION ANKS, TANKS STEPS, STAIRS ATTERY (HEATER TREATERS) ATTERY (GAS TREATING EQUIP) LOW LINE (PIPE WH TO FACILITY) IPELINE TO SALES METERS AND METERING EQUIPMENT ALVES, FITTINGS, PROD INSTRUM UILLINGS	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.232 0.232 0.233 0.234 0.236 0.244 0.246 0.244 0.246 0.248 0.250 0.252 0.266 0.270 0.274 0.282	Dry Hole Cost \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	### After Casing Point Cost S	Total Cost \$
Angibles - Well Equipment: PIPPLINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE VATER STRING URFACE CASING NTERMEDIATE CASING SIEMEDIAL CASING PRILLING LINER RODUCTION CASING UBING VELLHEAD / TREE / CHOKES RILLING LINER HANGER SOLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP OWNHOLE LIFT EQUIPMENT ANK BATT / PROCESS EQUIP / MAINT angibles - Losse Equipment INE PIPE OWERLINES & SUBSTATION ANKS, TANKS STEPS, STAIRS ATTERY (HEATER TREATERS) ATTERY (GAS TREATING EQUIP) ATTERY (MISC EQUIP) LOW LINE (PIPE WH TO FACILITY) IPELINE TO SALES INTERIOR ON THE METERING EQUIPMENT ALVES, FITTINGS, PROD INSTRUM UILDINGS ontingency	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.218 0.220 0.222 0.232 0.233 0.234 0.236 0.238 0.244 0.246 0.248 0.252 0.252 0.252 0.266 0.270 0.274 0.282 0.331	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ 65,173.00 \$ - \$ 65,173.00 \$ - \$ - \$ 65,173.00 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	After Casing Point Cost \$ -	Total Cost \$
Fangibles - Well Equipment PIPELINE MECH MATERIALS / EQUIP ACILITY MECH MATERIALS / EQUIP DRIVE PIPE CONDUCTOR PIPE WATER STRING URFACE CASING NTERMEDIATE CASING SIEMEDIAL CASING SIRLING LINER RODUCTION CASING UBING WELLHEAD / TREE / CHOKES SIRLING LINER HANGER SOLATION PACKER UMPING UNIT, ENGINE URFACE LIFT EQUIP SOWNHOLE LIFT EQUIP SOWNHOLE LIFT EQUIP OWNHOLE LIFT EQUIP ANK BATT / PROCESS EQUIP / MAINT BORGHES & SUBSTATION ANKS, TANKS STEPS, STAIRS ATTERY (HEATER TREATERS) ATTERY (SEPARATOR) ATTERY (GAS TREATING EQUIP) ATTERY (MISC EQUIP) LOW LINE (PIPE WHITO FACILITY) IPELINE TO SALES AGTERS AND METERING EQUIPMENT LACKERS AND METERING EQUIP	0.136 0.204 0.206 0.208 0.210 0.212 0.213 0.214 0.216 0.217 0.223 0.232 0.232 0.234 0.236 0.244 0.246 0.248 0.250 0.252 0.266 0.270 0.274 0.282 0.310	Dry Hole Cost \$ - \$ - \$ 8,400.00 \$ - \$ 74,400.00 \$ 386,500.00 \$ - \$ 486,500.00 \$ - \$ 65,173.00 \$ - \$ 65,173.00 \$ - \$ - \$ 65,173.00 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	After Casing Point Cost \$	Total Cost \$

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

APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 20416

AFFIDAVIT OF PARKER FOY IN SUPPORT OF CASE NO. 20416

Parker Foy, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Parker Foy. I work for Ameredev Operating, LLC as a Geologist.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
- 3. I am familiar with the application filed by Ameredev in this case, and I have conducted a geologic study of the lands in the subject areas.
 - 4. In this case, Ameredev is targeting the Wolfcamp formation.
- 5. Ameredev Exhibit B-1 is a locator map. It shows Ameredev's acreage in yellow and the path of the proposed wellbores for the proposed Holly Fed Com 26-36-05 103H Well, and the Holly Fed Com 26-36-05 113H Well. Nearby producing wells are marked with a green dot.
- 6. **Ameredev Exhibit B-2** is a subsea structure map that I prepared off the top of the Wolfcamp formation. The contour interval is 100 feet. The structure map shows the Wolfcamp gently dipping to the southeast. The structure appears consistent across the proposed wellbore

1

BEFORE THE OIL CONSERVATION DIVISION

paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

- 7. **Ameredev Exhibit B-3** is a map showing the location of the wells used to create the stratigraphic cross-section in the next exhibit. These three wells from A to A' are representative of the geology in the area.
- 8. Ameredev Exhibit B-4 is a stratigraphic cross-section that I prepared displaying open-hole logs run over the Wolfcamp from three representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target interval is labeled and marked. The logs in the cross-section demonstrate that the target interval, within the Wolfcamp, is consistent in thickness, across the entire proposed spacing unit.
- 9. Ameredev Exhibit B-5 is a locator map. It shows Ameredev's acreage in yellow and the path of the proposed wellbores for the proposed Holly Fed Com 26-36-05 124H Well.

 Nearby producing wells are marked with a green dot.
- 10. **Ameredev Exhibit B-6** is a subsea structure map that I prepared off the top of the Wolfcamp B formation. The contour interval is 100 feet. The structure map shows the Wolfcamp gently dipping to the southeast. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.
- 11. **Ameredev Exhibit B-7** is a map showing the location of the wells used to create the stratigraphic cross-section in the next exhibit. These three wells from A to A' are representative of the geology in the area.

- 12. Ameredev Exhibit B-8 is a stratigraphic cross-section that I prepared displaying open-hole logs run over the Wolfcamp from three representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target interval is labeled and marked. The logs in the cross-section demonstrate that the target interval, within the Wolfcamp, is consistent in thickness, across the entire proposed spacing unit.
- 13. In my opinion, each tract comprising the proposed spacing units will be productive and contribute more-or-less equally to production from the wellbore.
- 14. In my opinion, the granting of Ameredev's application in this is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 15. Ameredev Exhibits B-1 through B-8 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

PARKER FOY

STATE OF TEXAS)
)
COUNTY OF TRAVIS)

SUBSCRIBED and SWORN to before me this 1^{st} day of May 2019 by Parker Foy.

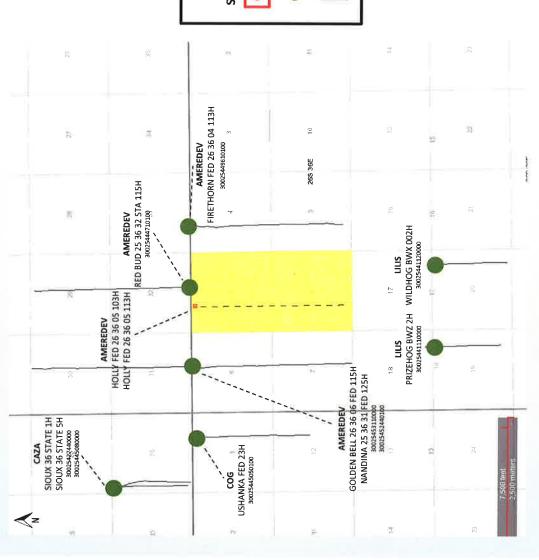
NOTARY PUBLIC

My Commission Expires:

10/2/2019

ERIN PEARCY
Notary Public, State of Texas
Comm. Expires 10-02-2019
Notary ID 130392911

Wolfcamp Pool — Holly Fed Com 26-36-05 103H & 113H



SHL BHL

SHL BHL

Ameredev WFMP Horizontal Locations

Producing WFMP Wells

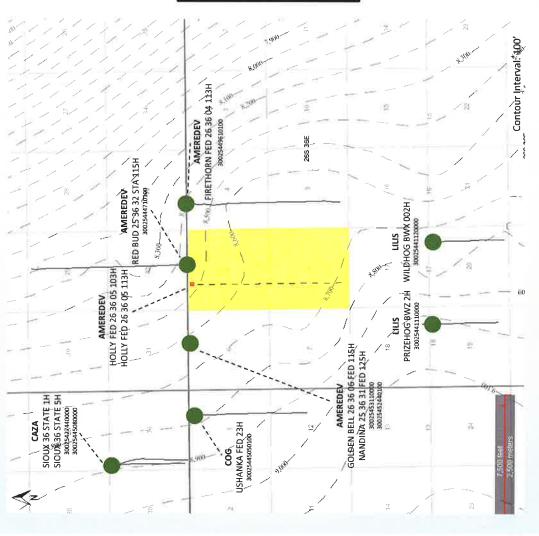
Ameredev Acreage



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-1
Case Nos. 20416

Submitted by: Ameredev Operating LLC Hearing Date: May 2, 2019

Wolfcamp Pool — WFMP Structure Map (Subsea Depth)

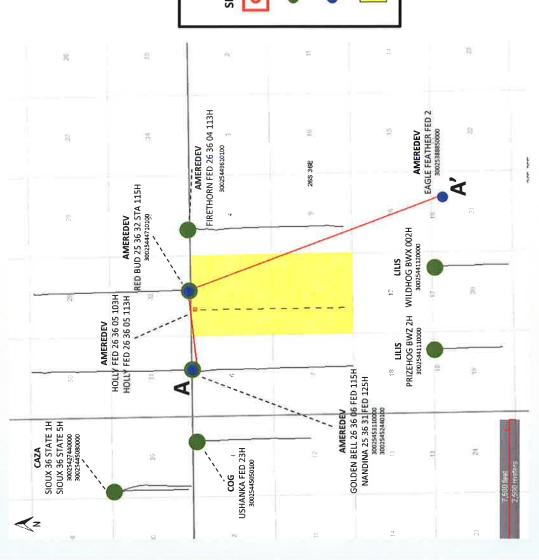




BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-2
Case Nos. 20416
Submitted by: Ameredev Operating LLC
Hearing Date: May 2, 2019



Wolfcamp Pool - Cross Section Map



SHL BHL

SHL BHL

Meredev WFMP Horizontal Locations

Producing WFMP Wells

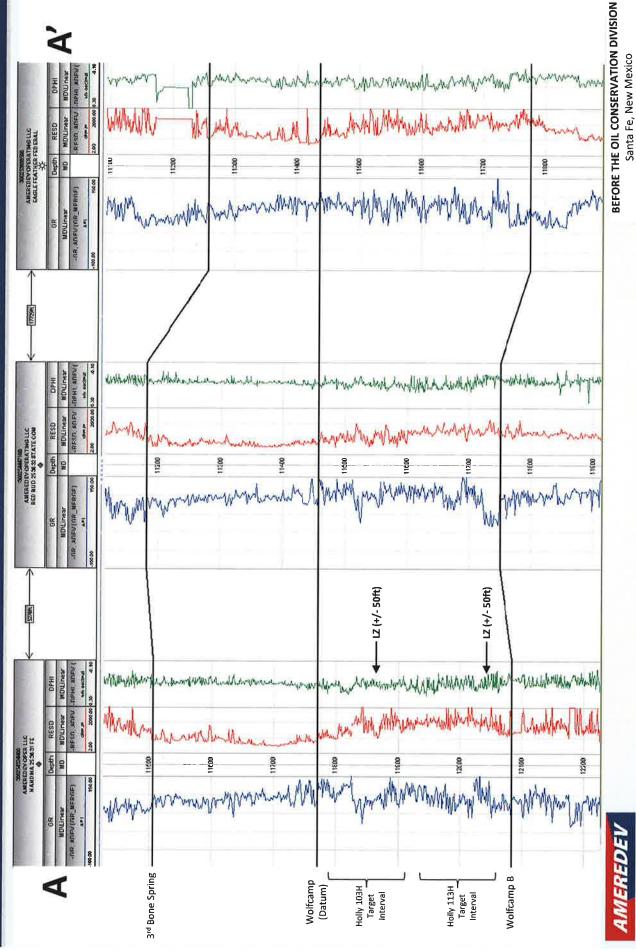
Cross Section Wells & Transect

Ameredev Acreage

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-3
Case Nos. 20416
Submitted by: Ameredev Operating LLC
Hearing Date: May 2, 2019



Wolfcamp Pool - Stratigraphic Cross Section



AMEREDEV

Submitted by: Ameredev Operating LLC Hearing Date: May 2, 2019 Case Nos. 20416

Exhibit No. B-4

Wolfcamp B Pool - Holly Fed Com 26-36-05 124H



SHL BHL

SHL BHL

Map Legend

SHL BHL

Meredev WFMP B Horizontal Locations

Producing WFMP Wells

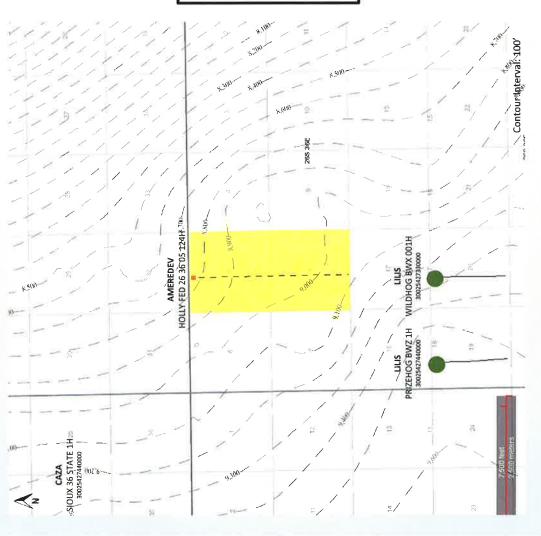
Ameredev Acreage

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-5

Case Nos. 20416 Submitted by: Ameredev Operating LLC Hearing Date: May 2, 2019

AMEREDEV

Wolfcamp B Pool — WFMP B Structure Map (Subsea Depth)

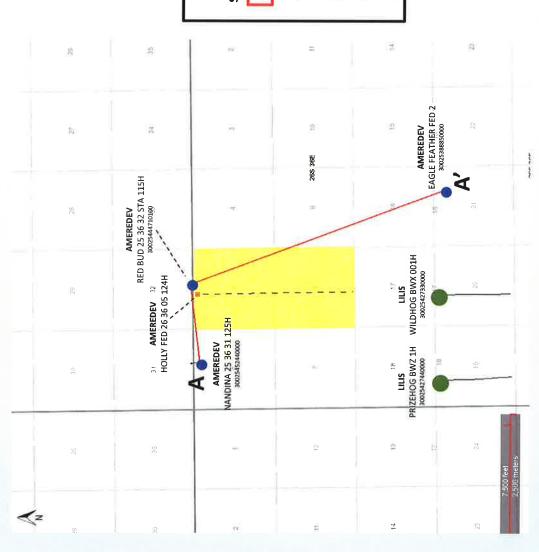




BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-6
Case Nos. 20416
Submitted by: Ameredev Operating LLC
Hearing Date: May 2, 2019

AMEREDEV

Wolfcamp B Pool - Cross Section Map



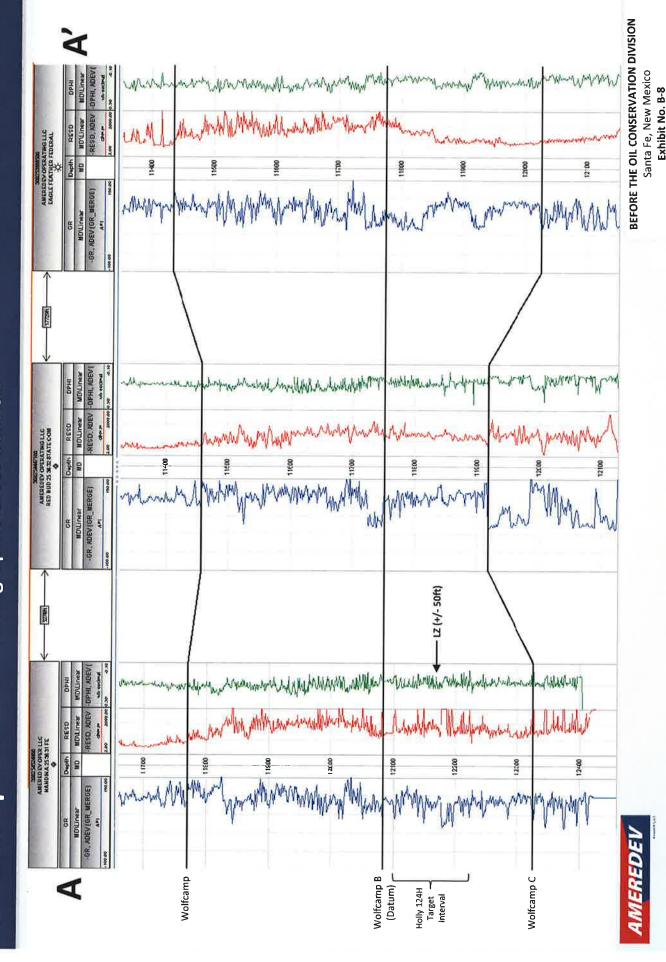


BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-7
Case Nos. 20416

Submitted by: Ameredev Operating LLC Hearing Date: May 2, 2019

AMEREDEV

Wolfcamp B Pool - Stratigraphic Cross Section



Case Nos. 20416
Submitted by: Ameredev Operating LLC
Hearing Date: May 2, 2019

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

APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 20416

AFFIDAVIT

STATE OF NEW MEXICO)	
) s	S
COUNTY OF SANTA FE)	

Kaitlyn A. Luck, attorney in fact and authorized representative of Ameredev Operating, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 1st day of May 2019 by Kaitlyn A. Luck.

Notary Public

My Commission Expires:

xpire: Lugurt 26, 202



Adam G. Rankin Associate

Phone (505) 988-4421 **Fax** (505) 983-6043 agrankin@hollandhart.com

April 12, 2019

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Ameredev Operating, LLC for compulsory pooling, Lea

County, New Mexico.

Holly Fed Com 26-36-05 124H Well Holly Fed Com 26-36-05 103H Well Holly Fed Com 26-36-05 113H Well

Ladies & Gentlemen:

This letter is to advise you that Ameredev Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 2, 2019 and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Brandon Forteza at (737) 300-4721 or bforteza@ameredev.com.

Adam G. Rankin

ATTORNEY FOR AMEREDEV OPERATING, LLC



Shipment Confirmation Acceptance Notice

Mailer Action

Note to Mailer: The labels and volume associated to this form online, must match the labeled packages being presented to the USPS® employee with this form.

Holly Fed Com 124H, 103H & 113H Wells Amredev CM# 100091.0001 20416

Shipment Date: 04/10/2019

Shipped From:

Name: HOLLAND & HART LLP

110 N GUADALUPE ST # 1 Address:

City: SANTA FE

State: NM ZIP+4® 87501

5.59

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

^{*}Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

- 1. Home screen > Mailing/Shipping > More
 2. Select Shipment Confirm
 3. Scan or enforths Scan or enter the barcode/label number from PS Form 5630
- Confirm the volume count message by selecting Yes or No Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0013 7742 01





Affix Stamp Here Return Receipt for Return Receipt for Werchandise Signature Confirmation Signature Confirmation Signature Confirmation Restricted Delivery Postage (Extra Handling Actual Value Fee Charge (Registered Fee Charge (Registered Respired Delivery Postage (Extra Handling Actual Value Fee Charge (Registered Fee Charge	Check type of mail or service			-	Firm Mailing Book For Accountable Mail	ling	300k	For A	000	Intar	le Me
19403 8381 2540 70 XTO Heldenge Inc 22777 Springer, CMY, Silene, S. ZiP Code W Postage (EKrae Handre Postage Ekrae Handre Ekrae Handre Ekrae Ekrae Handre Ekrae Ekrae	re Required Thiority Mail Express Ire Restricted Delivery Return Receipt for Restricted Delivery Merchandise Signature Confirmation Signature Confirmation Restricted Delivery	Affix Stamp Her (if issued as an inte certificate of mailing additional copies of Postmark with Dar	re rnational g or for this receipt), te of Receipt.								
19403 838 2540 70 XtO Hoddings Inc 22777 Springwoods/Winger Parkery Springs TX 0.49 3.50 2.150 2	State, & ZIP Code [™])	(Extra Service) Fee		Insured Value	Due Sender if	ASR A Fee	ASRD R	RD RR Fee Fee	SC Fee	SCRD Fee	D SH Fee
Pleces Total Number of Pieces Postmaster, Per (Name of receiving employee)	oldings Inc 22777 Springwoods Village Parkway Springs TX	.,					-	1,60		-	
Pleces Total Number of Pleces Received at Post Office Postmaster, Per (Name of receiving employee)	17389	ən									
Pleces Total Number of Pleces Received at Post Office Received at Dost Office		E A								-	
Pieces Total Number of Pleces Received at Post Office Received at Post Office		uj 00								YTB	
Heces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		0'0					14		+	VI) E	
Pleces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		9\$					ΘΛI			90	
Pieces Total Number of Pleces Received at Post Office Postmaster, Per (Name of receiving employee)		197				pə.i	leQ		uo	bei	
Postmaster, Per (Name of receiving employee)		NO.				+	-	-	+	+	6
Pieces Total Number of Pieces Postmaster, Per (Name of receiving employee)		ри				_	_	_			ujj
Pieces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		e pe					1,11,5	Del	gjur		pue
Pieces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		Ð.M.G				+	+	-	-	+	H
Pieces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		918						oto			lsi
Pieces Total Number of Pieces Postmaster, Per (Name of receiving employee)		ļ6ē							_	_	96
Pieces Total Number of Pieces Postmaster, Per (Name of receiving employee)		9H									d S
Pieces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		11					-	н	B18		
Pieces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		- 0					5 31		3		
Pieces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		611					пр			F1]1	
Pieces Total Number of Pieces Postmaster, Per (Name of receiving employee)		40					V		-	e U.E	
Pieces Total Number of Pieces Postmaster, Per (Name of receiving employee)		δ (C								is	
Pieces Total Number of Pieces Received at Post Office Postmaster, Per (Name of receiving employee)		uil									
Pieces Total Number of Pieces Postmaster, Per (Name of receiving employee)		bri				+	+	-	_		
Pieces Total Number of Pieces Received at Post Office		EH.									
Pieces Total Number of Pieces Received at Post Office											
Received at Post Office	Postmaster. Per (Name of receiving employee)					-	+	4			
PS Form 3877, April 2015 (Page 1 of 1) Complete in Ink Privacy Notice: For more information on USPS privacy noticies visit usps com/privacy professional complete in Ink	Complete in Ink	Notice: For more	information	uSPS	privacy	nolicie	isiv si	Hene	/mos	privac	vilouv

Barcode

Recipient

9.21489E+21 XTO Holdings Inc 22777 Springwoods Village Parkway Springs TX 77389

Status

Delivered Signature Received