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

APPLICATION OF B.C. OPERATING, INC. TO AMEND ORDER NO. R-21070, LEA COUNTY, NEW MEXICO

Case No. 21536

APPLICATION OF B.C. OPERATING, INC. TO AMEND ORDER NO. R-21071, LEA COUNTY, NEW MEXICO

Case No. 21537

B.C. OPERATING, INC.

HEARING EXHIBITS

December 3, 2020

Resubmitted with Amended Affidavit of Notice for Continued Hearing on December 17, 2020

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Tab 1

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

APPLICATION OF B.C. OPERATING, INC. TO AMEND ORDER NO. R-21070, LEA COUNTY, NEW MEXICO

Case No. 21536

APPLICATION OF B.C. OPERATING, INC. TO AMEND ORDER NO. R-21071, LEA COUNTY, NEW MEXICO

Case No. 21537

AFFIDAVIT OF PHIL HAMMOND

I, being duly sworn on oath, state the following:

1. I am over the age of 18, and have the capacity to execute this Affidavit, which is based on my personal knowledge.

2. I am employed as a Land Manager with B.C. Operating, Inc. ("BCO"), and I am familiar with the subject applications and the lands involved.

3. This affidavit is submitted in connection with the filing by BCO of the abovereferenced applications pursuant to 19.15.4.12.A(1) NMAC.

4. 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 previously. My education and work experience are as follows: I graduated from Texas Tech University in May 2004 with a Bachelor of Business Administration, majoring in Finance. I have been employed as an oil and gas landman since August 2007, and have since worked for several large oil and gas companies, including Cimarex, Apache Corp, and RSP Permian, LLC. I have been working on New Mexico oil and gas matters for approximately two years.

5. The purpose of these Applications is to amend Order Nos. R-21070 and R-21071 previously issued in Case Nos. 20838 and 20839, respectively, to (1) conform the orders to the amended order template ("Amended Order Template") that the Division circulated in its Letter of the Division Director dated April 9, 2020 (RE: Amendments to Compulsory Pooling Order Template), which is attached as Exhibit 2 to this Affidavit; (2) extend the time for drilling the **Broadside 13 W Fed Com 2H** well (API #30-025-46518) ("Broadside 2H Well") approved in Order No. R-21070; and (3) extend the time for drilling the **Broadside 13 W Fed Com 3H** well (API #30-025-46519) ("Broadside 3H Well") approved in Order No. R-21071.¹

The Case No. 21536 Application regarding amending the order for the Broadside
 2H Well is attached as Exhibit 1-A.

7. The Case No. 21537 Application regarding amending the order for the Broadside3H Well is attached as Exhibit 1-B.

8. Order No. R-21070 pooled uncommitted interest owners in the Wolfcamp formation (WC-025 G-09 S243310P [98135]) in a standard 160-acre, more or less, horizontal spacing unit ("HSU") comprised of the W/2 E/2 of Section 13, Township 24 South, Range 33 East, NMPM, in Lea County, New Mexico, dedicated to the Broadside 2H Well. Order No. R-21070 is attached as **Exhibit 3-A**.

9. Order No. R-21071 pooled uncommitted interest owners in the Wolfcamp formation (WC-025 G-09 S243310P [98135]) in a standard 160-acre, more or less, HSU comprised

¹ Order Nos. R-21070 and R-21071 entered in Case Nos. 20838 and 20839, respectively, are two of three orders relating to BCO's "Broadside" well group. BCO has drilled and completed the Broadside 13W Fed Com 1H, which was approved by Order No. R-21069 in Case No. 20837, and the well is currently producing.

of the W/2 E/2 of Section 13, Township 24 South, Range 33 East, NMPM, in Lea County, New Mexico, dedicated to the Broadside 3H Well. Order No. R-21071 is attached at **Exhibit 3-B**.

10. Order No. R-21070 designated BCO as the operator of the Broadside 2H Well and the HSU, and Order No. R-21071 designated BCO as the operator of the Broadside 3H Well and the HSU.

11. BCO is a working interest owner in the HSUs and has the right to drill thereon.

12. BCO requests the Division re-open these matters previously heard in Case Nos. 20838 and 20839 to conform Order Nos. R-21070 and R-21071 to the Amended Order Template.

13. BCO further requests that the Division extend the time to commence drilling the Broadside 2H Well and the Broadside 3H Well to no later than February 7, 2022, which will be a one-year extension from the time to commence drilling granted in Order Nos. R-21070 and R-21071.

14. The Division Hearings in Case Nos. 20838 and 20839 were held November 14,2019, in conjunction with Case No. 20837.

15. The Division entered Order No. R-21070 in Case No. 20838 and Order No. R-21071 in Case No. 20839 on February 7, 2020. The Division also entered orders in Case Nos. 20837 on February 7, 2020. These three orders were issued under the "interim form of order."

16. Order Nos. R-21070 and R-21071 do not conform to the terms of the Amended Order Template.

17. Order Nos. R-21070 and R-21071, both at \P 20, state, "The Operator shall commence drilling the initial well within one (1) year after the date of this Order; and (b) for an infill well, no later than thirty (30) days after completion of the well." Order Nos. R-21070 and

R-21071, both at ¶ 22, state, "This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21."

18. The Amended Order Template contains the same obligation to commence drilling within one year, Amended Order Template, \P 19. It also states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown." Amended Order Template, \P 20.

19. Under Order Nos. 21070 and 21071, BCO would be required to commence drilling the Broadside 2H and 3H Wells by February 7, 2021.

20. Good cause exists for the Division to grant the extension.

21. BCO requests an extension of time because there have been changes in BCO's drilling schedule due to COVID-19 and current market conditions.

22. BCO's operations and drilling activity have been impacted by COVID-19 and oil and gas market conditions.

23. BCO is in good standing under the statewide rules and regulations.

24. BCO has reviewed the Amended Order Template and agrees to its terms and conditions.

25. BCO notified all parties pooled under Order Nos. R-21070 and R-21071 regarding the requests to re-open these matters to amend the orders for the purposes stated herein. A sample notice letter is attached hereto as **Exhibit 4**. Franklin Mountain Energy entered appearances in these cases but does not oppose BCO presenting these cases by affidavit. No other opposition is expected. Proof of notification, including proof of publication, can be found at Tab 2 of the exhibit package.

26. BCO incorporates all exhibits provided and admitted into the record at the hearing for the original Case Nos. 20838 and 20839 by reference herein.

27. BCO is not requesting any other changes that the Division granted in Order Nos. R-21070 and R-21071 except for the changes requested herein and asks that all other rights and privileges granted to BCO in the Orders remain the same.

28. The Exhibits to this Affidavit were prepared by me, or compiled from BCO's business records.

29. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

30. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAY	ETH NAUGHT	A
		Phil Hammond
STATE OF TEXAS	•)	
)ss	
COUNTY OF MIDLAND)	
	7 11	
Subscribed to and sworn bef	ore me this 🥭 day of	November, 2020.
Walker Jam My Commiss 08/26/2023 ID No. 12871	2	Notary Public
My Commission expires		

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

APPLICATION OF B.C. OPERATING, INC. TO AMEND ORDER NO. R-21070, LEA COUNTY, NEW MEXICO

Case No. 21536 Order No. R-21070 (Re-Open)

APPLICATION

B.C. Operating, Inc. ("BCO"), through its undersigned counsel Montgomery & Andrews, P.A. (Sharon T. Shaheen and John F. McIntyre), hereby files this application with the Oil Conservation Division to amend Order No. R-21070 entered in Case No. 20838 to (1) conform the order to the amended order template ("Amended Order Template") that the Division circulated in its Letter of the Division Director dated April 9, 2020 (RE: Amendments to Compulsory Pooling Order Template); and (2) extend the time for drilling the **Broadside 13 W Fed Com 2H** well (API #30-025-46518) ("Broadside 2H Well") approved in Order No. R-21070.¹ In support of its application, BCO states as follows:

1. Order No. R-21070 pooled uncommitted interest owners in the Wolfcamp formation (WC-025 G-09 S243310P [98135]) in a standard 160-acre, more or less, horizontal spacing unit ("HSU") comprised of the W/2 E/2 of Section 13, Township 24 South, Range 33 East, NMPM, in Lea County, New Mexico, dedicated to the Broadside 2H Well.

2. BCO is a working interest owner in the HSU and has the right to drill thereon.

¹Order No. R-21070 entered in Case No. 20838 is one of three orders relating to BCO's "Broadside" well group. By separate application, BCO is seeking to amend Order No. R-21071 entered in Case No. 20839. BCO has drilled and completed the Broadside 13W Fed Com 1H, which was approved by Order No. R-21069 in Case No. 20837and the well is currently producing.

3. Order No. R-21070 designated BCO as the operator of the Broadside 2H Well and the HSU.

4. BCO requests the Division re-open the matter to conform Order No. R-21070 to the Amended Order Template.

5. BCO further requests that the Division extend the time to commence drilling the Broadside 2H Well to no later than February 7, 2022, which will be a one-year extension from the time to commence drilling granted in Order No. R-21070.

6. The Division Hearing in the original proceeding, Case No. 20838, was held November 14, 2019, in conjunction with two other BCO cases, Case Nos. 20837 and 20839.

7. The Division entered Order No. R-21070 in Case No. 20838 on February 7, 2020. The Division also entered orders in Case Nos. 20837 and 20839 on February 7, 2020. These three orders were issued under the "interim form of order" and do not conform to the Amended Order Template.

 Order No. R-21070 does not conform to the terms of the Amended Order Template.

9. Order No. R-21070, ¶ 20 states: "The Operator shall commence drilling the initial well within one (1) year after the date of this Order; and (b) for an infill well, no later than thirty (30) days after completion of the well." Order No. R-21070, ¶ 22 states: "This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21."

10. The Amended Order Template contains the same obligation to commence drilling within one year, Amended Order Template, \P 19. It also states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown." Amended Order Template, \P 20.

11. Under Order No. 21070, BCO would be required to commence drilling the well by February 7, 2021.

12. Good cause exists for the Division to grant the extension.

13. BCO requests an extension of time because there have been changes in BCO's drilling schedule due to COVID-19 and current market conditions.

14. BCO's operations and drilling activity has been impacted by COVID-19 and oil and gas market conditions.

WHEREFORE, BCO requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and that, after notice and hearing as required by law, the Division enter an order:

A. Amending Order No. 21070 to conform to the terms of the Amended Order Template; and

B. Amending Order No. 21070 to extend the time to commence drilling the Broadside2H Well to no later than February 7, 2022.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen John F. McIntyre Post Office Box 2307 Santa Fe, NM 87504-2307 (505) 986-2678 <u>sshaheen@montand.com</u> jmcintyre@montand.com

Attorneys for B.C. Operating, Inc.

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

APPLICATION OF B.C. OPERATING, INC. TO AMEND ORDER NO. R-21071, LEA COUNTY, NEW MEXICO

Case No. 21537 Order No. R-21071 (Re-Open)

APPLICATION

B.C. Operating, Inc. ("BCO"), through its undersigned counsel Montgomery & Andrews, P.A. (Sharon T. Shaheen and John F. McIntyre), hereby files this application with the Oil Conservation Division to amend Order No. R-21071 entered in Case No. 20839 to (1) conform the order to the amended order template ("Amended Order Template") that the Division circulated in its Letter of the Division Director dated April 9, 2020 (RE: Amendments to Compulsory Pooling Order Template); and (2) extend the time for drilling the **Broadside 13 W Fed Com 3H** well (API #30-025-46519) ("Broadside 2H Well") approved in Order No. R-21071.¹ In support of its application, BCO states as follows:

1. Order No. R-21071 pooled uncommitted interest owners in the Wolfcamp formation (WC-025 G-09 S243310P [98135]) in a standard 160-acre, more or less, horizontal spacing unit ("HSU") comprised of the W/2 E/2 of Section 13, Township 24 South, Range 33 East, NMPM, in Lea County, New Mexico, dedicated to the Broadside 2H Well.

2. BCO is a working interest owner in the HSU and has the right to drill thereon.

Exhibit 1-B

B.C. Operating, Inc. NMOCD Case Nos. 21536 and 21537 December 3, 2020

¹Order No. R-21071 entered in Case No. 20839 is one of three orders relating to BCO's "Broadside" well group. By separate application, BCO is seeking to amend Order No. R-21070 entered in Case No. 20838. BCO has drilled and completed the Broadside 13W Fed Com 1H, which was approved by Order No. R-21069 in Case No. 20837and the well is currently producing.

3. Order No. R-21071 designated BCO as the operator of the Broadside 2H Well and the HSU.

4. BCO requests the Division re-open the matter to conform Order No. R-21071 to the Amended Order Template.

5. BCO further requests that the Division extend the time to commence drilling the Broadside 2H Well to no later than February 7, 2022, which will be a one-year extension from the time to commence drilling granted in Order No. R-21071.

6. The Division Hearing in the original proceeding, Case No. 20839, was held November 14, 2019, in conjunction with two other BCO cases, Case Nos. 20837 and 20838.

7. The Division entered Order No. R-21071 in Case No. 20839 on February 7, 2020. The Division also entered orders in Case Nos. 20837 and 20838 on February 7, 2020. These three orders were issued under the "interim form of order" and do not conform to the Amended Order Template.

 Order No. R-21071 does not conform to the terms of the Amended Order Template.

9. Order No. R-21071, ¶ 20 states: "The Operator shall commence drilling the initial well within one (1) year after the date of this Order; and (b) for an infill well, no later than thirty (30) days after completion of the well." Order No. R-21071, ¶ 22 states: "This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21."

10. The Amended Order Template contains the same obligation to commence drilling within one year, Amended Order Template, \P 19. It also states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown." Amended Order Template, \P 20.

11. Under Order No. 21071, BCO would be required to commence drilling the well by February 7, 2021.

12. Good cause exists for the Division to grant the extension.

13. BCO requests an extension of time because there have been changes in BCO's drilling schedule due to COVID-19 and current market conditions.

14. BCO's operations and drilling activity has been impacted by COVID-19 and oil and gas market conditions.

WHEREFORE, BCO requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and that, after notice and hearing as required by law, the Division enter an order:

A. Amending Order No. 21071 to conform to the terms of the Amended Order Template; and

B. Amending Order No. 21071 to extend the time to commence drilling the Broadside2H Well to no later than February 7, 2022.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen John F. McIntyre Post Office Box 2307 Santa Fe, NM 87504-2307 (505) 986-2678 <u>sshaheen@montand.com</u> jmcintyre@montand.com

Attorneys for B.C. Operating, Inc.

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BY ELECTRONIC MAIL ONLY

April 9, 2020

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Exhibit 2 B.C. Operating, Inc. NMOCD Case Nos. 21536 and 21537 December 3, 2020 Ocean Munds-Dry William R. Carr Elizabeth A. Ryan Michael Rodriguez COG Operating LLC 1048 Paseo de Peralta Santa Fe, NM 87508 omundsdry@concho.com wcarr@concho.com eryan@concho.com rrodriguez@concho.com

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RE: Amendments to Compulsory Pooling Order Template

Dear Counsel:

The Oil Conservation Division ("OCD") has amended the compulsory pooling order template effective on April 1, 2020. The amended template is attached as Exhibit 1.

Prior to April 1, 2020, OCD issued compulsory pooling orders for the cases identified in Exhibit 2. To conform an order with the amended template, please file an application for a hearing.

If you have any questions about this letter, please call Eric Ames, Office of General Counsel, at (505) 476-3463.

Respectfully, ne Sandoval Director

cc: Gabriel Wade, Deputy Director Eric Ames, OGC-EMNRD Scott Cox, OCD Engineering Bureau

EXHIBIT 1

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY [OPERATOR]

CASE NO. ORDER NO. <u>R-</u>_____

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on [DATE], and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. [NAME] ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.

- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the described depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the Surface Location or Bottom Hole Location of a well is changed from the location described in Exhibit A, Operator shall submit an amended Exhibit A, which the Division shall append to this Order.
- 19. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location before commencing production of the wellin accordance with 19.15.16.15(C) NMAC.
- <u>1920</u>. The Operator shall commence drilling the <u>Winitial well(s)</u> within <u>one year one (1)</u> year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well; and (b) for an infill well, no later than thirty (30) days after completion of the well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.

- 2<u>1</u>4. Operator shall comply with th<u>Th</u>e infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21.
- 223. Operator shall submit to OCD and each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").-no later than: (a) for an initial well, no later than thirty (30) days after the date of this Order; (b) for an infill well proposed by Operator, no later than (30) days after the later of the initial notice period pursuant to 19.15.13.10(B) NMAC or the extension granted by the OCD Director pursuant 19.15.13.10(D) NMAC; or (c) for an infill well proposed by an owner of a Pooled Working Interest, no later than thirty (30) days after expiration of the last action required by 19.15.13.11 NMAC.
- 234. No later than thirty (30) days after Operator submits the Estimated Well Costs-, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who elects to pay its share of the Actual Well Costs out of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 245. No later than within one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 256. No later than sixty (60) days after the later of the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share

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ORDER NO.	R-

of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.

- 2<u>6</u>7. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 278. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 289. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 3029. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 323. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.

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- 3<u>3</u>4. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 345. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Date:

ADRIENNE SANDOVAL DIRECTOR <u>AES/xxx</u>

EXHIBIT 2

ORDER	CASE	APPLICANT
R-21168	21002	MEWBOURNE
R-21167	21001	MEWBOURNE
R-21166	21000	MEWBOURNE
R-21165	20869	MARATHON
R-21164	20811	MEWBOURNE
R-21162	21036	DEVON
R-21161	21035	DEVON
R-21160	21021	CIMAREX
R-21159	20997	DEVON
R-21158	20996	DEVON
R-21157	20995	DEVON
R-21156	20994	DEVON
R-21155	20990	DEVON
R-21154	20987	DEVON
R-21153	20986	DEVON
R-21152	20968	KAISER-FRANCIS
R-21151	20966	KAISER-FRANCIS
R-21150	20960	BTA
R-21149	20959	BTA
R-21148	20872	DEVON
R-21141	21030	MARATHON
R-21140	21028	APACHE
R-21139	21027	APACHE
R-21138	21026	APACHE
R-21137	20981	COG
R-21136	20980	COG
R-21135	20979	COG
R-21134	20597	TAP ROCK
R-21133	20596	TAP ROCK
R-21132	20468	MARATHON
R-21131	20993	CIMAREX
R-21130	20915	BTA
R-21129	20914	BTA
R-21128	20938	CHISHOLM
R-21127	20871	MARATHON
R-21136	20870	MARATHON
R-20924-A	20809	MEWBOURNE
R-21125	20946	MARATHON
R-21124	20936	MATADOR
R-21123	20858	SPC RESOURCES
R-21122	20708	MARATHON
R-21113	20864	MARATHON
R-21112	20822	MARATHON
R-21111	16210	MATADOR

R-21110	16209	MATADOR
R-21107	20903	COG
R-21106	20868	MARATHON
R-21105	20867	MARATHON
R-21104	20860	SPC RESOURCES
R-21103	20823	MARATHON
R-21102	20935	COG
R-21101	20934	COG
R-21100	20859	SPC RESOURCES
R-21099	20820	MARATHON
R-21098	20819	SEP PERMIAN
R-21097	20818	SEP PERMIAN
R-21096	20762	SPC RESOURCES
R-21095	20889	NOVO
R-21094	20888	NOVO
R-21093	20887	NOVO
R-21092	20886	NOVO
R-21091	20855	COG
R-21090	20854	COG
R-21089	20836	COG
R-21088	20826	XTO
R-21087	20813	OXY
R-21086	20789	OXY
R-21085	20788	OXY
R-21084	20786	OXY
R-21083	20863	COG
R-21082	20794	DEVON
R-21081	20793	DEVON
R-21080	20791	IMPETRO
R-21079	20790	IMPETRO
R-21078	20767	MATADOR
R-21077	20999	COG
R-21076	20998	COG
R-21075	20950	MARATHON
R-21074	20948	MARATHON
R-21073	20932	COG
R-21072	20931	COG
R-21071	20839	B.C. OPERATING
R-21070	20838	B.C. OPERATING
R-21069	20837	B.C. OPERATING
R-21066	20943	CENTENNIAL

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY B.C. OPERATING, INC

CASE NO. <u>20838</u> ORDER NO. <u>R-21070</u>

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on November 14, 2019, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- B.C. Operating, Inc ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

Exhibit 3-A B.C. Operating, Inc. NMOCD Case Nos. 21536 and 21537 December 3, 2020

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the described depth(s) and location(s) in the Unit.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the Surface Location or Bottom Hole Location of a well is changed from the location described in Exhibit A, Operator shall submit an amended Exhibit A, which the Division shall append to this Order.
- 19. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location before commencing production of the well.
- 20. The Operator shall commence drilling the initial well within one (1) year after the date of this Order; and (b) for an infill well, no later than thirty (30) days after completion of the well.

- 21. Operator shall comply with the infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC.
- 22. This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21.
- 23. Operator shall submit to OCD and each owner of a working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs") no later than: (a) for an initial well, no later than thirty (30) days after the date of this Order; (b) for an infill well proposed by Operator, no later than (30) days after the later of the initial notice period pursuant to 19.15.13.10(B) NMAC or the extension granted by the OCD Director pursuant 19.15.13.10(D) NMAC; or (c) for an infill well proposed by an owner of a Pooled Working Interest, no later than thirty (30) days after expiration of the last action required by 19.15.13.11 NMAC.
- 24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who elects to pay its share of the Actual Well Costs out of production from the well costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 25. No later than within one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the later of the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.

- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and

abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.

35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Date: February 7, 2020



ADRIENNE SANDOVAL DIRECTOR AS/jag

Exhibit "A" Case No. 20838

Applicant:	B.C. Operating, Inc.
Operator:	B.C. Operating. Inc. (OGRID 160825)

Spacing Unit:	Horizontal Oil
Building Blocks:	quarter-quarter sections
Spacing Unit Size:	160 acres, more or less
Orientation of Unit:	North to South

Spacing Unit Description: <u>W/2 E/2 of Section 13,</u> <u>Township 24 South, Range 33 East, NMPM, Lea County, New Mexico</u>

Pooling this Vertical Extent: <u>Wolfcamp Formation</u> Depth Severance? (Yes/No): <u>No</u>

Pool:

Pool Spacing Unit Size: Governing Well Setbacks: Pool Rules: WC-025 G-09 S243310P; Upper Wolfcamp (Pool code 98135) quarter-quarter sections Horizontal Oil Well Rules Latest Horizontal Rules Apply.

Proximity Tracts:

None Included

Monthly charge for supervision: While drilling: <u>\$7000 While</u> producing: <u>\$700</u> As the charge for risk, <u>200</u> percent of reasonable well costs.

Proposed Well:

Broadside 13 W Fed Com 2H API #30-025-46518

SHL: 350 feet from the South line and 1803 feet from the East line,(Unit 0) of Section 12, Township 24 South, Range 33 East, NMPM.BHL: 20 feet from the South line and 1651 feet from the East line,(Unit 0) of Section 13, Township 24 South, Range 33 East, NMPM.

Completion Target: Upper Wolfcamp at approx 12,150 feet TVD. Well Orientation: North to South Completion Location expected to be: standard

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY B.C. OPERATING, INC.

CASE NO. 20839 ORDER NO. <u>R-21071</u>

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on November 14, 2019, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- B.C. Operating, Inc. ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

Exhibit 3-B

B.C. Operating, Inc. NMOCD Case Nos. 21536 and 21537 December 3, 2020

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the described depth(s) and location(s) in the Unit.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the Surface Location or Bottom Hole Location of a well is changed from the location described in Exhibit A, Operator shall submit an amended Exhibit A, which the Division shall append to this Order.
- 19. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location before commencing production of the well.
- 20. The Operator shall commence drilling the initial well within one (1) year after the date of this Order; and (b) for an infill well, no later than thirty (30) days after completion of the well.

- 21. Operator shall comply with the infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC.
- 22. This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21.
- 23. Operator shall submit to OCD and each owner of a working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs") no later than: (a) for an initial well, no later than thirty (30) days after the date of this Order; (b) for an infill well proposed by Operator, no later than (30) days after the later of the initial notice period pursuant to 19.15.13.10(B) NMAC or the extension granted by the OCD Director pursuant 19.15.13.10(D) NMAC; or (c) for an infill well proposed by an owner of a Pooled Working Interest, no later than thirty (30) days after expiration of the last action required by 19.15.13.11 NMAC.
- 24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who elects to pay its share of the Actual Well Costs out of production from the well costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 25. No later than within one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the later of the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.

- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*

- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AS/jag Date: February 7, 2020



Exhibit A Case No. 20839

Applicant:B.C. Operating, Inc.Operator:B.C. Operating, Inc. (OGRID 160825)

Spacing Unit:	Horizontal Oil
Building Blocks:	guarter-quarter sections
Spacing Unit Size:	160 acres, more or less
Orientation of Unit:	North to South

Spacing Unit Description: <u>E/2 E/2 of Section 13.</u> <u>Township 24 South, Range 33 East. NMPM, Lea County. New Mexico</u>

Pooling this Vertical Extent: <u>Wolfcamp Formation</u> Depth Severance? (Yes/No): <u>No</u>

Pool:	WC-025 G-09 S243310P; Upper Wolfcamp (Pool code 98135)
Pool Spacing Unit Size:	quarter-quarter sections
Governing Well Setbacks:	Horizontal Oil Well Rules
Pool Rules:	Latest Horizontal Rules Apply.

Proximity Tracts:

None Included

Monthly charge for supervision: While drilling: <u>\$7000 While</u> producing: <u>\$700</u> As the charge for risk, 200 percent of reasonable well costs.

Proposed Well:

Broadside 13 W Fed Com 3H API #30..025-46519

SHL: 374 feet from the South line and 313 feet from the East line,(Unit P) of Section 12, Township 24 South, Range 33 East, NMPM.BHL: 20 feet from the South line and 330 feet from the East line,(Unit P) of Section 13, Township 24 South, Range 33 East, NMPM.

Completion Target: Upper Wolfcamp at approx 12,150 feet TVD. Well Orientation: North to South Completion Location expected to be: standard



November 13, 2020

Via U.S. Certified Mail, return receipt requested

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Case No. 21536/ Order No. R-21070 (Re-Open, Case No. 20838) Application of B.C. Operating, Inc., to Amend Order No. R-21070, Lea County7, New Mexico

Case No. **21537/Order No. R-21071 (Re-Open, Case No. 20839)** Application of B.C. Operating, Inc., to Amend Order No. R-21071, Lea County7, New Mexico

Dear Interest Owner:

This will advise that pursuant to NMSA 1978, § 70-2-17, B.C. Operating, Inc. ("B.C.") has filed two (2) Applications with the New Mexico Oil Conservation Division for orders regarding the proposed wells described below. You are receiving this notice because you may have an interest in one or more of these wells.

Case No. 21536. Application of B.C. Operating, Inc. to Amend Order No. R-21070, Lea County, New Mexico (Re-Open). Applicant in the above-styled cause seeks an order from the Division for the limited purposes of amending Order No. R-21070 ("Order") to (1) conform the Order to the amended order template described in the Letter of the Division Director dated April 9, 2020 (RE: Amendments to Compulsory Pooling Order Template); and (2) extend the time to commence drilling the Broadside 13 W Fed Com 2H well (API #30-025-46518) under the Order.

Case No. 21537. Application of B.C. Operating, Inc. to Amend Order No. R-21071, Lea County, New Mexico (Re-Open). Applicant in the above-styled cause seeks an order from the Division for the limited purposes of amending Order No. R-21071 ("Order") to (1) conform the Order to the amended order template described in the Letter of the Division Director dated April 9, 2020 (RE: Amendments to Compulsory Pooling

Exhibit 4 B.C. Operating, Inc. NMOCD Case Nos. 21536 and 21537 December 3, 2020 All Interest Owners November 13, 2020 Page 2

Order Template); and (2) extend the time to commence drilling the Broadside 13 W Fed Com 3H well (API #30-025-46519) under the Order.

The attached Applications will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on **December 3, 2020** beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony.

Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by **November 24, 2020**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by **November 25, 2020**, in accordance with Division Rule 19.15.4 NMAC.

Please feel free to contact me if you have any questions about these Applications.

Very truly yours,

/s/Sharon T. Shaheen

Sharon T. Shaheen

STS/It Enclosures cc: B.C. Operating, Inc., *via email*

EXHIBIT A INTEREST OWNERS

Broadside Sec. 13, T24S, R33E-Upper Wolfcamp, Lea County, NM

Working Interest Parties:

Concho Oil & Gas, LLC One Concho Center 600 W. Illinois Avenue Midland, TX 79701 COG Operating, LLC One Concho Center 600 W. Illinois Avenue Midland, TX 79701 Devon Energy Production Company LP 20 North Broadway Suite 1500 Oklahoma City, OK 73102

Franklin Mountain Energy 2, LLC 2401 E. 2nd Ave. Suite 300 Denver, CO 80206

Overriding Royalty Interest Parties:

Concho Oil & Gas, LLC One Concho Center 600 W. Illinois Avenue Midland, TX 79701

Roger John Allen and Nancy Edge Jennings Allen, Trustees under Allen Family Trust dated 5/19/2000 PO Box 670326 Dallas, TX 75367-0326

Sid R. Bass 201 Main Street Fort Worth, TX 76102

EPB O&G Multi-State LLC 201 Main Street Fort Worth, TX 76102

LMBI O&G Multi State LLC 201 Main Street Fort Worth, TX 76102

TD Minerals, LLC 1999 Bryan St. Dallas, TX 75201 COG Operating, LLC One Concho Center 600 W. Illinois Avenue Midland, TX 79701

Susan J. Croft 6713 Deep Valley Lane Fort Worth, TX 76132

Panther City Investment Company Trustee 201 Main Street Fort Worth, TX 76102

Thru-Line O&G Multi State LLC 201 Main Street Fort Worth, TX 76102

Ewell H. Muse III 167 Northwood Hill Drive Fredericksburg, TX 78264

Fortis Minerals III, LLC 1111 Bagby St. Suite 2150 Houston, TX 77002 Katherine Koiliker McIntyre separate property 512 Thunder Crest Lane El Paso, TX 79912

Jamie E. Jennings P.O. Box 670326 Dallas, TX 75367-0326

RMB O&G NM, LLC 201 Main Street Fort Worth, TX 76102

SRBI O&G Multi State LLC 201 Main Street Fort Worth, TX 76102

Keystone O&G Multi-State LLC 201 Main Street Fort Worth, TX 76102

Santa Elena Minerals IV, LP PO Box 2063 Midland, TX 79702 CCJR Properties, LLC PO Box 1451 Keller, TX 76244

Timothy D. Lilley 4873 Raintree Circle Parker, CO 80134

Additional Interested Party:

Bureau of Land Management 620 E. Greene St. Carlsbad, NM 88220 Madison M. Hinkle and wife, Susan M. Hinkle P.O. Box 2292 Roswell, NM 88202

Rolla R. Hinkle III and wife, Rosemary H. Hinkle P.O. Box 2292 Roswell, NM 88202 Marc A. Lilley and wife, Lisa M. Lilley 4425 98th St. Suite 200 Lubbock, TX 79424

Trevor Turmelle 17521 Arratia El Paso, TX 79938

Tab 2

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

APPLICATION OF B.C. OPERATING, INC. TO AMEND ORDER NO. R-21070, LEA COUNTY, NEW MEXICO

Case No. 21536 Order No. R-21070 (Re-Open)

APPLICATION OF B.C. OPERATING, INC. TO AMEND ORDER NO. R-21071, LEA COUNTY, NEW MEXICO

Case No. 21537 Order No. R-21071 (Re-Open)

AMENDED AFFIDAVIT OF NOTICE

STATE OF NEW MEXICO)) ss. COUNTY OF SANTA FE)

I, Sharon T. Shaheen, attorney for Applicant B.C. OPERATING, INC. ("B.C."), being first duly sworn, state the following:

2. I caused notice of the applications to be sent by certified mail through the United States Postal Service ("USPS") on November 13, 2020, to all uncommitted interest owners sought to be pooled in this proceeding. Evidence of mailing to all parties and proof of receipt is attached hereto as Exhibit A. Review of Exhibit A and inquiry through the USPS Tracking system indicates that the certified mailing was received by all but Devon Energy Production Co. ("Devon") and Marc A. Lilley and wife, Lisa M. Lilley. The attached email confirms that Devon has actual notice and does not oppose these applications. Finally, B.C. filed notice today that it is dismissing Marc A. Lilley and wife, Lisa M. Lilley from these cases.

3. B.C. has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the Applications filed herein.

Sharon I Shokeen

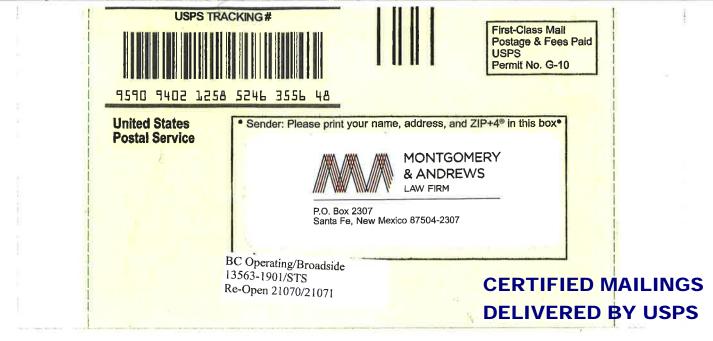
SHARON T. SHAHEEN

SUBSCRIBED AND SWORN to before me this 16th day of December 2020.

Them P. Dart-

Notary Public

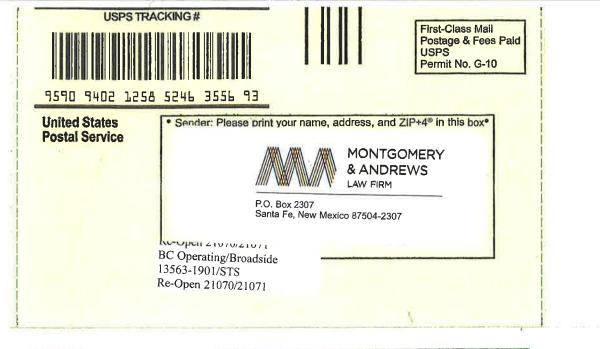




Richt Live O	1245 1245	For delivery information, visit our website at www.usns.com*
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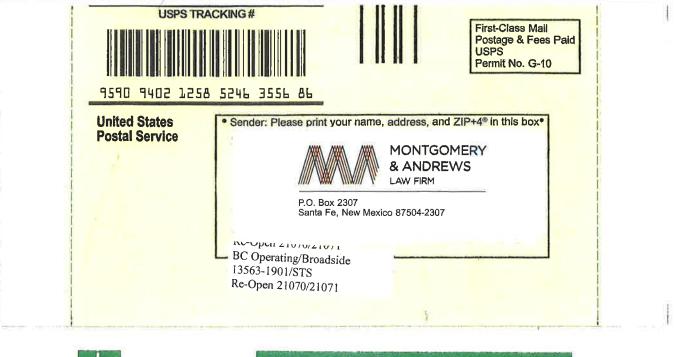
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: Katherine Koiliker Mchatyre separate property 512 Thunder Crest Lane 	A. Signature X / M / Agent Addressee B. Received by (Printed Name) C. Date of Delivery MAR ALIZM C-19 D. Is delivery address different from Item 1? Yes If YES, enter-delivery address below: No
El Paso, TX 79912 9590 9402 1258 5246 3556 48 2. Article Number (Transfer from service Jabel)	3. Service Type □ Priority Mail Express® □ Adult Signature □ Registered Mail™ □ Adult Signature Restricted Delivery □ Registered Mail™ □ Certified Mail® □ Priority Mail Express® □ Certified Mail® □ Registered Mail Restricted Delivery □ Certified Mail® □ Registered Mail Restricted Delivery □ Collect on Delivery □ Return Receipt for Merchandise □ Collect on Delivery Restricted Delivery □ Signature Confirmation™

to Affidavit of Notice



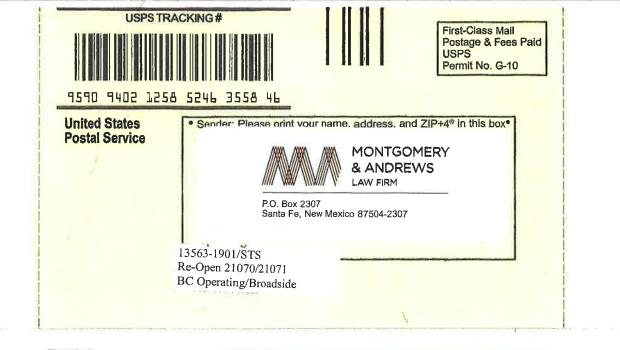
p)	1,290 1,290	For delivery information, visit our website at www.usps.com*.
	277P 0000 0000 9775	Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate) ☐ Return Receipt (hardcopy) \$ wtta FE NIM
	0E21 2102	Panther City Investment Company Trustee

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Panther City Investment Company Trustee 201 Main Street Fort Worth, TX 76102	If YES, enter delivery address below: INO
9590 9402 1258 5246 3556 93 7015 1730 0000 9775 129	3. Service Type □ Priority Mail Express® □ Aduit Signature □ Registered Mail™ □ Aduit Signature Restricted Delivery □ Registered Mail™ □ Certified Mail Restricted Delivery □ Recipt for □ Collect on Delivery □ Signature Confirmation™ □ Collect on Delivery □ Signature Confirmation™ □ 11 Restricted Delivery □ Signature Confirmation™



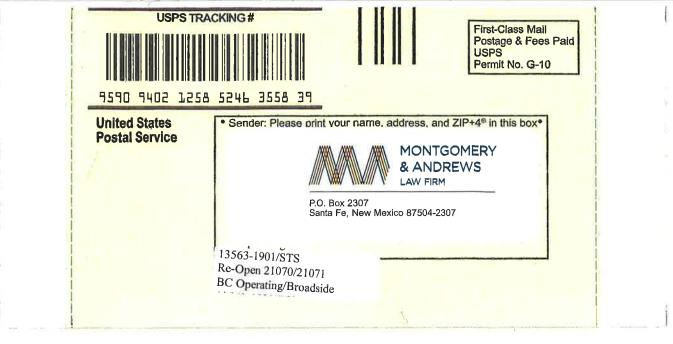


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		C Fort Worth, TX 76102 PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

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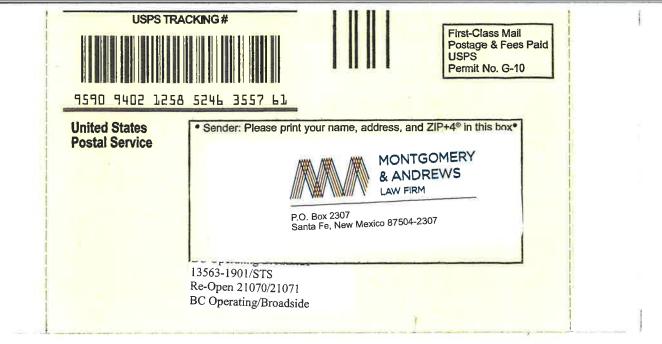


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Fredericksburg, TX 78264	
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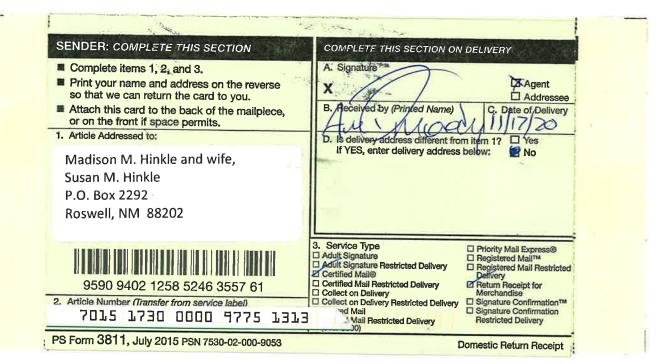
	ACKING# First-Class Mail Postage & Fees Paid USPS Permit No. G-10
United States Postal Service	Sender: Please print your name, address, and ZIP+4® in this box* MONTGOMERY & ANDREWS LAW FIRM P.O. Box 2307
	Santa Fe, New Mexico 87504-2307 13563-1901/STS Re-Open 21070/21071 BC Operating/Broadside

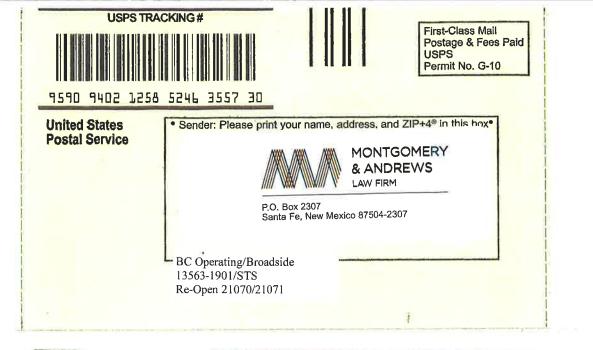
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<u>CERTIFIED MAIL</u>	730 0000 9775	: 5226 0000 OE2T STO2	Certified Mail Fee S Extra Services & Fees (check box, add fee as appropriate) Patura Receipt (backcopy) Certified Mail Restricted Delivery S Adult Signature Restricted Delivery S Adult Signature Restricted Delivery S Total Postage and Fees S Keystone O&G Multi-State LLC 201 Main Street Fort Worth, TX 7610 Certified Mail Restricted Delivery S Cerified Mail Restricted Delivery S
			Fort Worth, TX 7610 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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Keystone O&G Multi-State LLC 201 Main Street Fort Worth, TX 76102	R1#216
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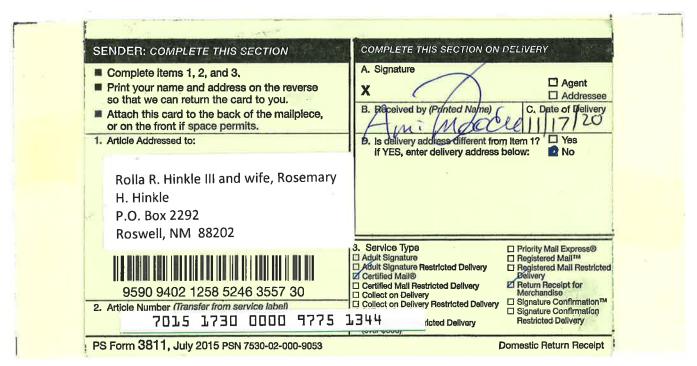


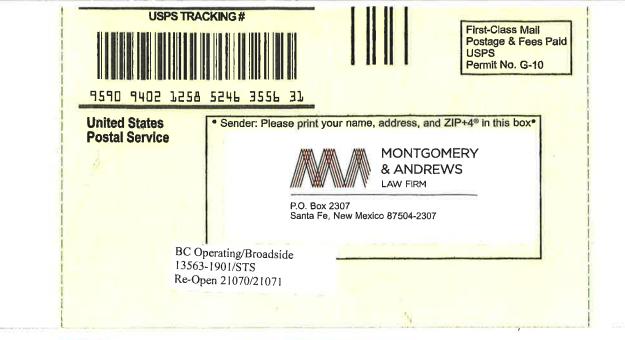




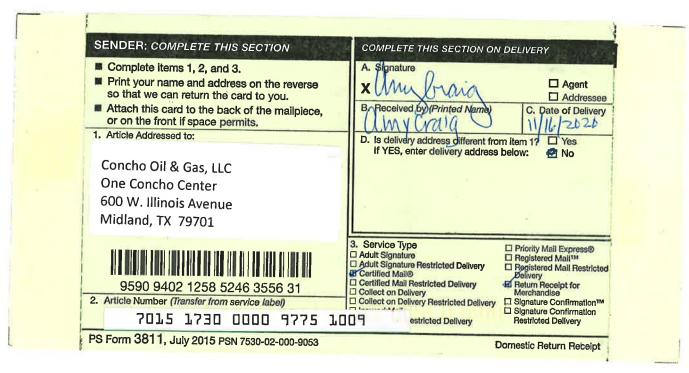


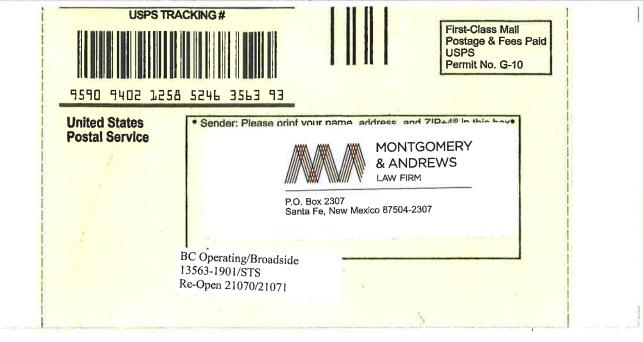






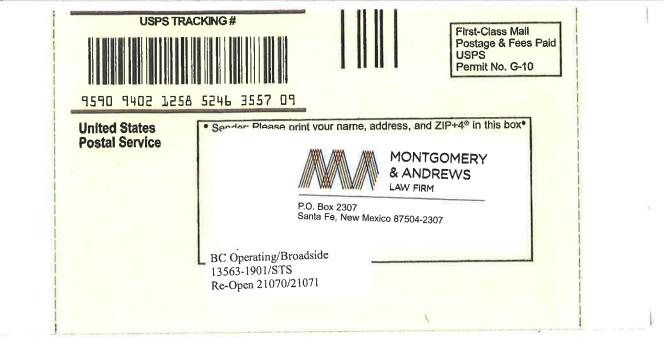




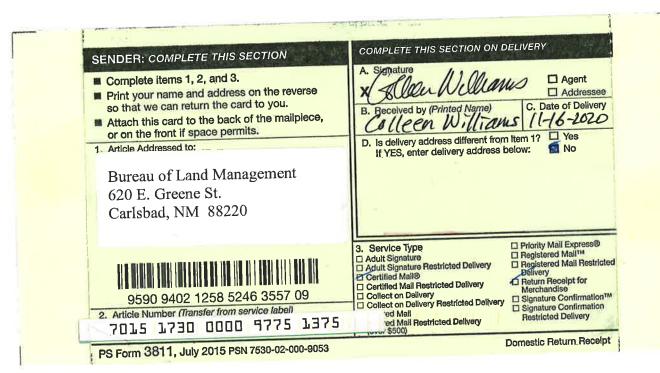


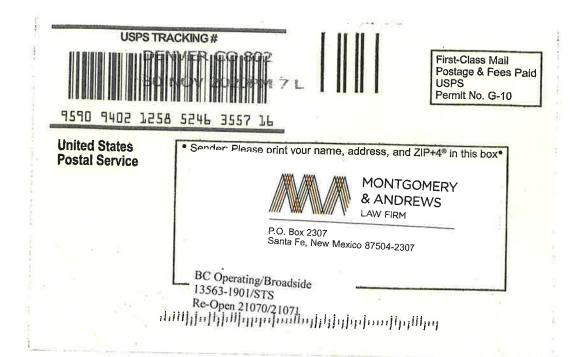
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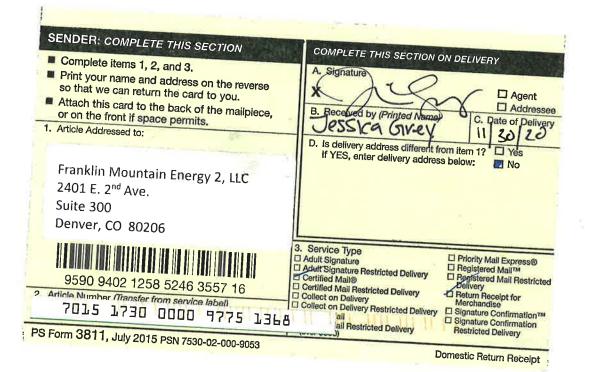
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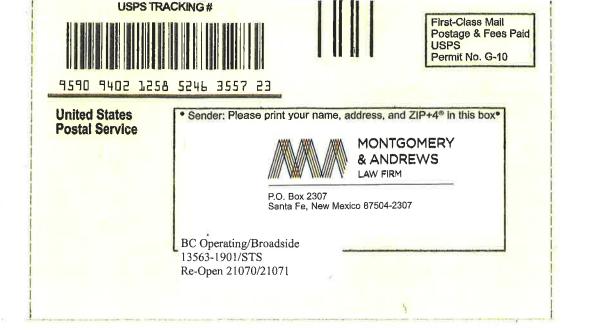






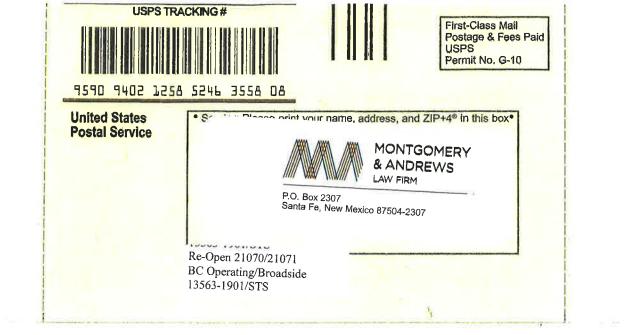




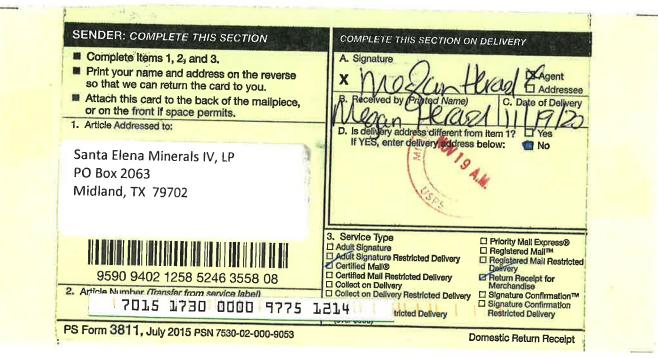


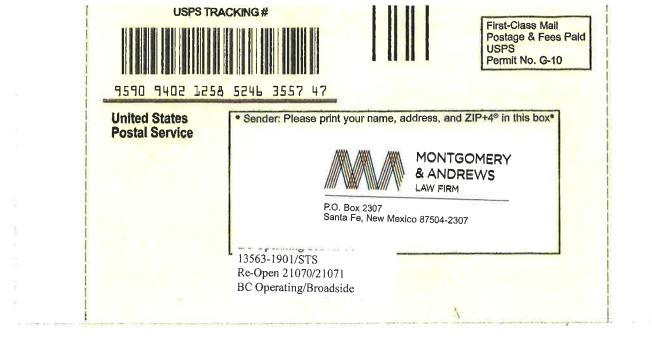


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Trevor Turmelle 17521 Arratia El Paso, TX 79938	2
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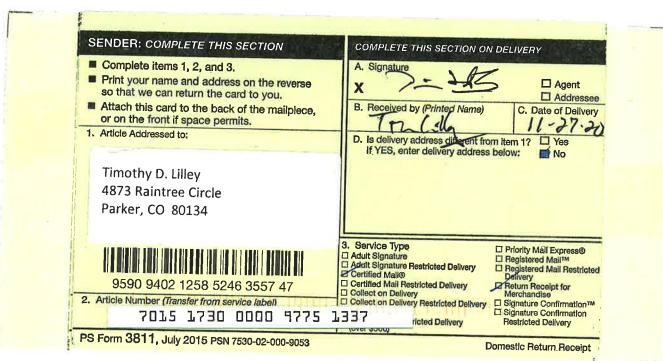


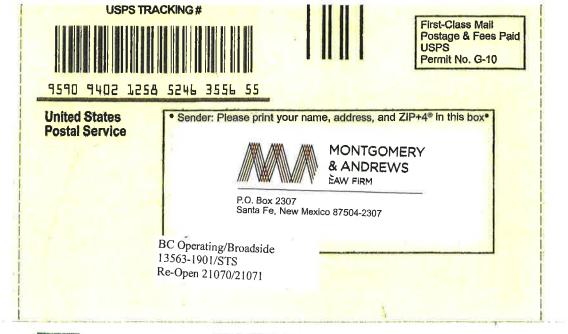






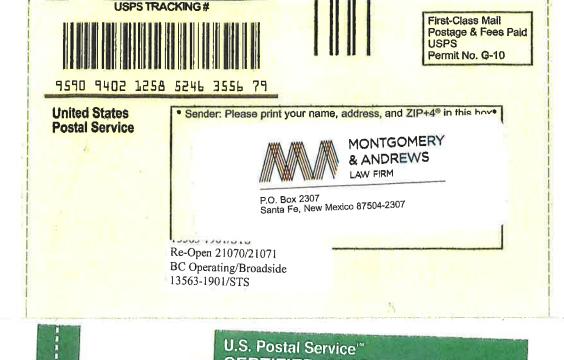




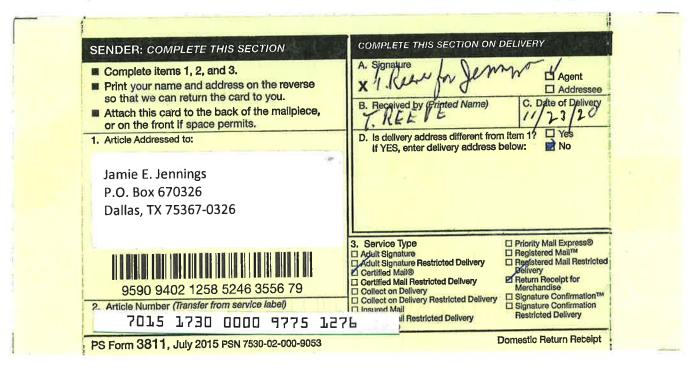


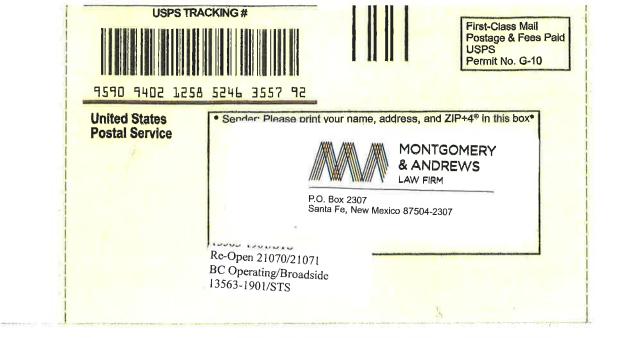
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 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: Roger John Allen and Nancy Edge Jennings Allen, Trustees under Allen Family Trust dated 5/19/2000 PO Box 670326 Dallas, TX 75367-0326 	A. Signature X 1. Reeve for Jenny Agent Addressee B. Received by (Printed Name) C. Date of Delivery 11/2 3/2 D. Is delivery address different from item 1? I Yes If YES, enter delivery address below: No
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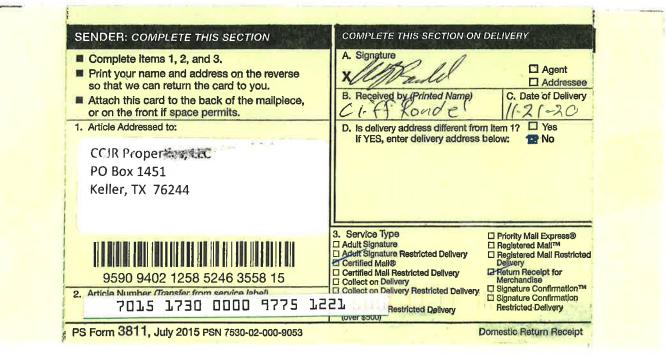
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Fortis Minerals III, LLC 1111 Bagby St. Suite 2150 Houston, TX 77002	If YES, enter delivery address below:
9590 9402 1258 5246 3557 92 2. Article Number (Transfer from service label) 7015 1730 0000 9775 1207	3. Service Type □ Priority Mall Express® □ Adult Signature □ Registered Mail™ □ Adult Signature Restricted Delivery □ Registered Mail™ □ Certified Mail® □ Bijlvery □ Certified Mail® □ Registered Configuration □ Collect on Delivery □ Retricted Delivery □ Collect on Delivery □ Signature Confirmation □ Mail ■ Signature Confirmation □ Mail ■ Signature Confirmation □ Guiest on Delivery □ Signature Confirmation □ Mail ■ Signature Confirmation □ Guiest on Delivery □ Signature Confirmation

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USPS Tracking[®]

Track Another Package +

Tracking Number: 70151730000097751122

Your item was delivered to the front desk, reception area, or mail room at 3:15 pm on November 17, 2020 in FORT WORTH, TX 76102.

November 17, 2020 at 3:15 pm Delivered, Front Desk/Reception/Mail Room FORT WORTH, TX 76102

Get Updates 🗸

Text & Email Updates

Tracking History

Product Information

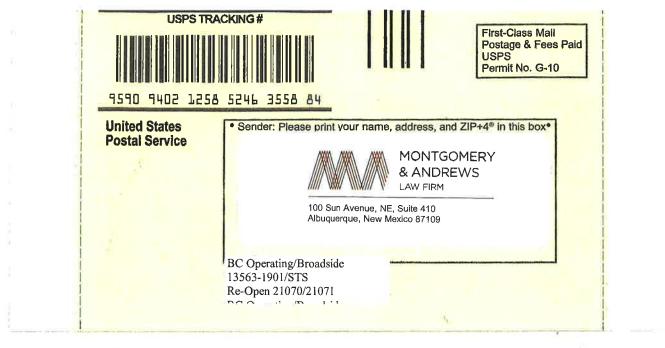
See Less 🔨

Can't find what you're looking for?

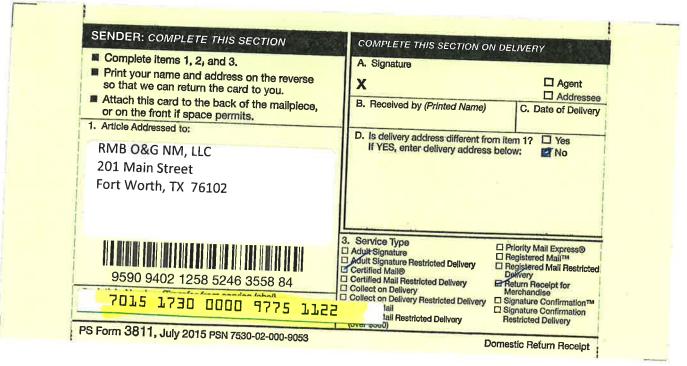
Go to our FAQs section to find answers to your tracking questions.

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Feedback







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USPS Tracking[®]

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Tracking Number: 70151730000097751139

Your item was delivered to the front desk, reception area, or mail room at 3:15 pm on November 17, 2020 in FORT WORTH, TX 76102.

⊘ Delivered

November 17, 2020 at 3:15 pm Delivered, Front Desk/Reception/Mail Room FORT WORTH, TX 76102

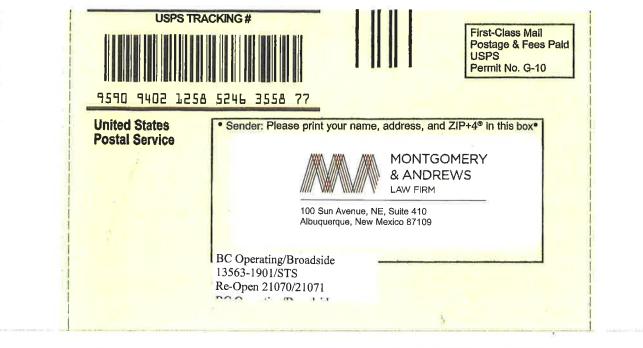
Get Updates 🗸

Text & Email Updates	\checkmark
Tracking History	\checkmark
Product Information	\checkmark

See Less 🔨

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 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 mailplece, or on the front if space permits. Article Addressed to: 	A. Signature Agent X Addressee B. Received by (<i>Printed Name</i>) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below: Wo
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USPS Tracking[®]

Track Another Package +

Tracking Number: 70151730000097751146

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⊘ Delivered

November 17, 2020 at 3:15 pm Delivered, Front Desk/Reception/Mail Room FORT WORTH, TX 76102

Get Updates 🗸

Text & Email Updates

Tracking History

Product Information

See Less 🔨

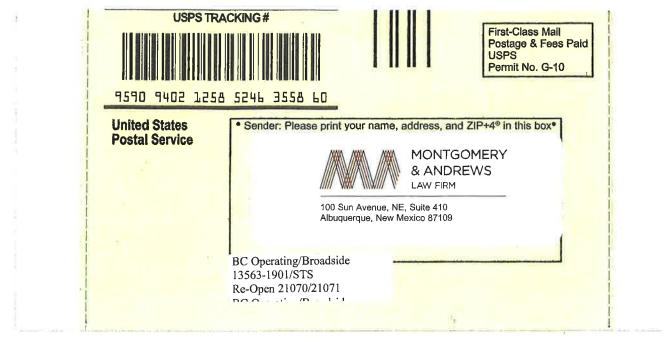
Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

Remove X

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201 Main Street Fort Worth, TX 76102		
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Track Another Package +

Tracking Number: 70151730000097751153

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⊘ Delivered

November 17, 2020 at 3:15 pm Delivered, Front Desk/Reception/Mail Room FORT WORTH, TX 76102

Get Updates 🗸

Text & Email Updates	\checkmark
Tracking History	\checkmark
Product Information	\checkmark

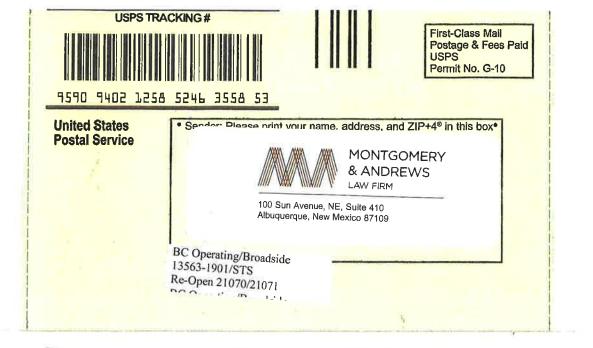


Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

Remove X

Feedback





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FAQs >

USPS Tracking[®]

Track Another Package +

Tracking Number: 70151730000097751191

Your item has been delivered and is available at a PO Box at 9:34 am on November 18, 2020 in DALLAS, TX 75201.

⊘ Delivered

November 18, 2020 at 9:34 am Delivered, PO Box DALLAS, TX 75201

Get Updates 🗸

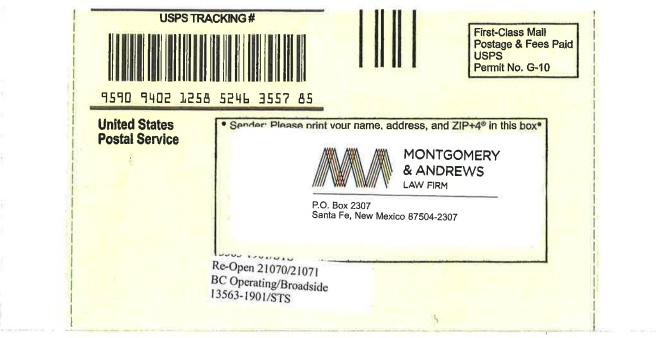
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See Less 🔨

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

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			PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Complete items 1, 2, and 3.	A. Signature	
 Print your name and address on the reverse so that we can return the card to you. 	X	Agent Addressee
Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name)	C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from iter If YES, enter delivery address below	n 1? 🗆 Yes w: 🍘 No
TD Minerals, LLC		
1999 Bryan St.		
Dallas, TX 75201		
	3. Service Type	iority Mail Express®
	Adult Signature Adult Signature Restricted Delivery Restricted Delivery	egistered Mail [™] egistered Mail Restricted
9590 9402 1258 5246 3557 85	Certified Mall Restricted Delivery	atum Receipt for erchandise
2. Article Number (Transfer from service label)	Collect on Delivery Restricted Delivery	gnature Confirmation™

Track Another Package +

Tracking Number: 70151730000097751269

Your item was delivered to an individual at the address at 10:01 am on December 10, 2020 in FORT WORTH, TX 76132.

⊘ Delivered

December 10, 2020 at 10:01 am Delivered, Left with Individual FORT WORTH, TX 76132

Get Updates 🗸

Text & Email Updates

Tracking History

December 10, 2020, 10:01 am

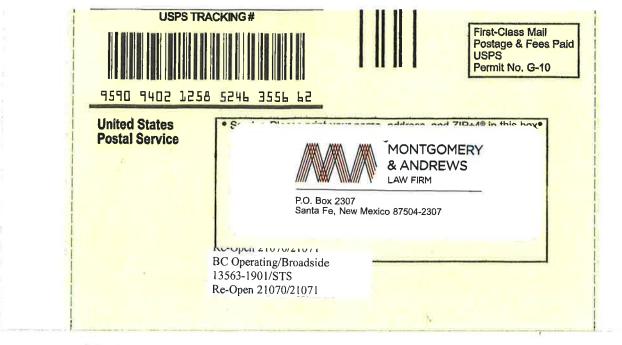
Delivered, Left with Individual FORT WORTH, TX 76132 Your item was delivered to an individual at the address at 10:01 am on December 10, 2020 in FORT WORTH, TX 76132.

December 10, 2020, 5:11 am

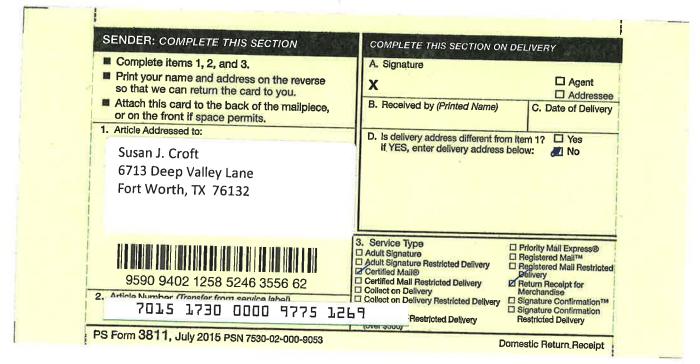
Departed USPS Regional Facility FORT WORTH TX DISTRIBUTION CENTER Remove X

Feedback

 \checkmark







Track Another Package +

Tracking Number: 70151730000097751122

Your item was delivered to the front desk, reception area, or mail room at 3:15 pm on November 17, 2020 in FORT WORTH, TX 76102.

𝔗 Delivered

November 17, 2020 at 3:15 pm Delivered, Front Desk/Reception/Mail Room FORT WORTH, TX 76102

Get Updates 🗸

Text & Email Updates

Tracking History

Product Information

See Less 🔨

Can't find what you're looking for?

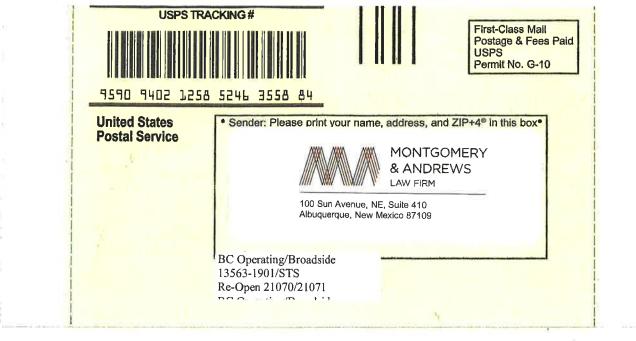
Go to our FAQs section to find answers to your tracking questions.

FAQs >

Remove X

Feedback

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 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 mailplece, or on the front if space permits. Article Addressed to: RMB O&G NM, LLC 201 Main Street Fort Worth, TX 76102 	COMPLETE THIS SECTION ON DE A. Signature X B. Received by (Printed Name) D. Is delivery address different from it If YES, enter-delivery address bel	C. Date of Delivery
9590 9402 1258 5246 3558 84	Adult Signature Restricted Delivery Certified Mail® Certified Mail® Collect on Delivery Restricted Delivery Index of the term of	Priority Mall Express® Registered Mail™ Registered Mail Restricted perform Receipt for Aerchandise ignature Confirmation ignature Confirmation estricted Delivery

Track Another Package +

Tracking Number: 70151730000097751139

Your item was delivered to the front desk, reception area, or mail room at 3:15 pm on November 17, 2020 in FORT WORTH, TX 76102.

⊘ Delivered

November 17, 2020 at 3:15 pm Delivered, Front Desk/Reception/Mail Room FORT WORTH, TX 76102

Get Updates 🗸

Text & Email Updates

Tracking History

Product Information

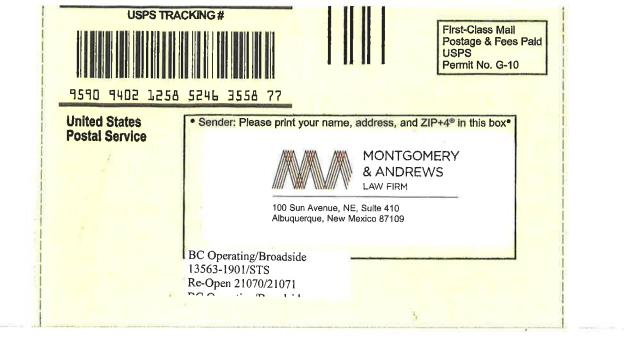


Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

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Remove X



	For delivery information, visit our website at www.usps.com*
7015 1730 0000 9775	Certified Mail Fee S Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) \$ Return Receipt (electronic) \$ Certified Mail Restricted Delivery \$ Adult Signature Restricted Delivery \$ Postage S EPB O&G Multi-State LLC

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 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 mailplece, or on the front if space permits. Article Addressed to: 	A. Signature A. Signature A. Signature A. Agent Addressee B. Received by (<i>Printed Name</i>) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below: Mo
EPB O&G Multi-State LLC 201 Main Street Fort Worth, TX 76102	
9590 9402 1258 5246 3558 77 2. Article Number (Transfer from service label) 7015 1730 0000 9775 113	3. Service Type □ Priority Mall Express® □ Adult Signature □ Registered Mail™ □ Adult Signature Restricted Delivery □ Registered Mail™ □ Certified Mail® □ Recipitered Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery □ Signature Confirmation™ □ Adult Restricted Delivery □ Signature Confirmation™ □ Collect on Delivery □ Signature Confirmation™ □ Adult Restricted Delivery □ Signature Confirmation™ □ Adult Restricted Delivery □ Signature Confirmation™

Track Another Package +

Tracking Number: 70151730000097751146

Your item was delivered to the front desk, reception area, or mail room at 3:15 pm on November 17, 2020 in FORT WORTH, TX 76102.

𝞯 Delivered

November 17, 2020 at 3:15 pm Delivered, Front Desk/Reception/Mail Room FORT WORTH, TX 76102

Get Updates 🗸

Text & Email Updates

Tracking History

Product Information

See Less 🔨

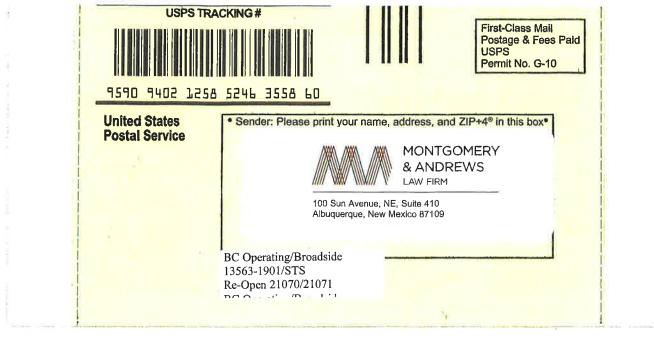
Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

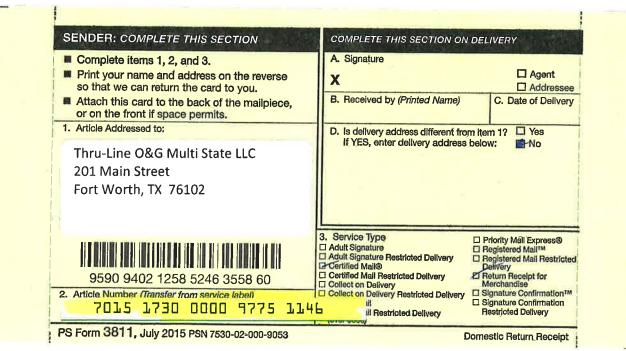
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FAQs >

Remove X







Track Another Package +

Tracking Number: 70151730000097751153

Your item was delivered to the front desk, reception area, or mail room at 3:15 pm on November 17, 2020 in FORT WORTH, TX 76102.

⊘ Delivered

November 17, 2020 at 3:15 pm Delivered, Front Desk/Reception/Mail Room FORT WORTH, TX 76102

Get Updates 🗸

Text & Email Updates\Tracking History\Product Information\

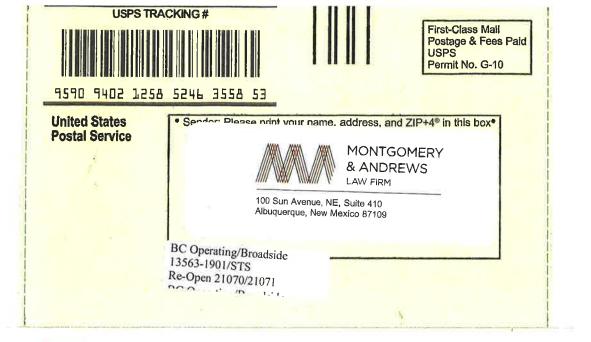
See Less 🔨

Can't find what you're looking for?

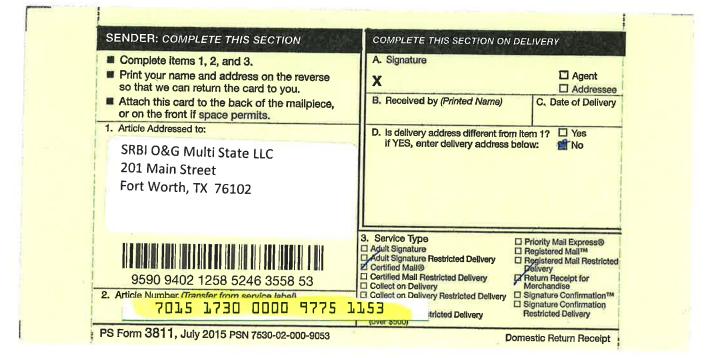
Go to our FAQs section to find answers to your tracking questions.

Feedback

Remove X







Track Another Package +

Tracking Number: 70151730000097751306

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

In-Transit

November 23, 2020 In Transit to Next Facility

Get Updates 🗸

Text & Email Updates

Tracking History

November 23, 2020

In Transit to Next Facility

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

Dead Mail / Sent to Mail Recovery Center

November 23, 2020, 8:36 am Vacant ALBUQUERQUE, NM 87109 ト

November 19, 2020, 8:53 pm Departed USPS Regional Facility OKLAHOMA CITY OK DISTRIBUTION CENTER

November 16, 2020, 9:35 am Forward Expired OKLAHOMA CITY, OK 73102

November 15, 2020, 6:09 pm Arrived at USPS Regional Facility OKLAHOMA CITY OK DISTRIBUTION CENTER

November 14, 2020, 7:42 am Departed USPS Facility ALBUQUERQUE, NM 87101

November 13, 2020, 11:35 pm Arrived at USPS Facility ALBUQUERQUE, NM 87101

Product Information

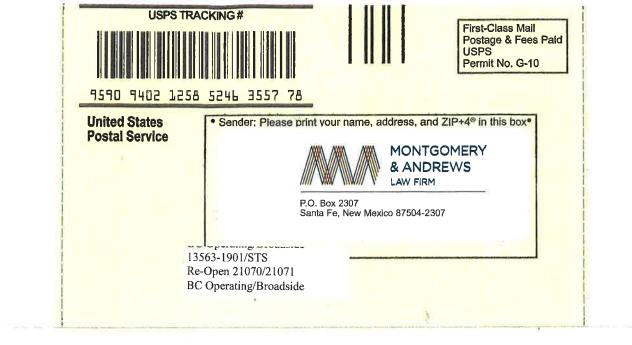
See Less 🔨

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs

 \checkmark





SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON I	DELIVERY
 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 mailplece, or on the front if space permits. 	A. Signature X B. Received by (Printed Name)	C. Date of Delivery
 Article Addressed to: Devon Energy Production Company LP 20 North Broadway Suite 1500 Oklahoma City, OK 73102 	D. Is delivery address different from If YES, enter delivery address b	
9590 9402 1258 5246 3557 78	Service Type Adult Signature Adult Signature Restricted Delivery Certified Mall® Certified Mall® Certified Mall Restricted Delivery Collect on Delivery Restricted Delivery Collect on Delivery Restricted Delivery	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery [2] Return Receipt for Merchandise □ Signature Confirmation™

Track Another Package +

Tracking Number: 70151730000097751320

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

In-Transit

November 29, 2020 In Transit to Next Facility

Get Updates 🗸

Text & Email Updates

Tracking History

November 29, 2020

In Transit to Next Facility

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

November 27, 2020, 3:29 am Departed USPS Facility ALBUQUERQUE, NM 87101

November 25, 2020, 7:22 pm Arrived at USPS Facility ALBUQUERQUE, NM 87101

\checkmark

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November 21, 2020, 3:00 pm Arrived at USPS Regional Facility OKLAHOMA CITY OK DISTRIBUTION CENTER

November 18, 2020, 11:03 am Forward Expired LUBBOCK, TX 79424

November 16, 2020, 4:53 am Departed USPS Regional Facility LUBBOCK TX DISTRIBUTION CENTER

November 15, 2020, 4:41 pm Arrived at USPS Regional Facility LUBBOCK TX DISTRIBUTION CENTER

November 14, 2020, 7:42 am Departed USPS Facility ALBUQUERQUE, NM 87101

November 13, 2020, 11:37 pm Arrived at USPS Facility ALBUQUERQUE, NM 87101

Product Information

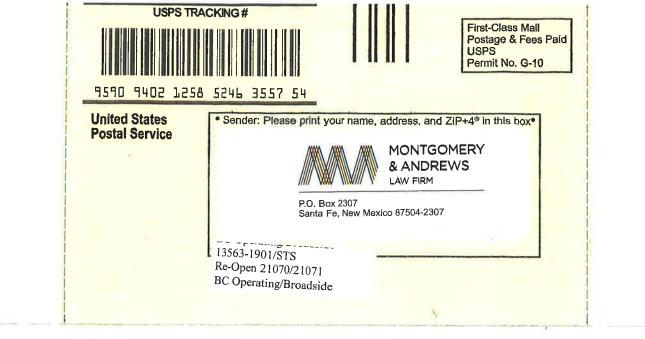
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Feedback

See Less 🔨

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.





SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 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. 	A. Signature Image: Agent mark X Image: Addressee B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to: Marc A. Lilley and wife, Lisa M. Lilley	D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
4425 98 th St.	
4425 98** St. Suite 200 Lubbock, TX 79424	3. Service Type Adult Signature Adult Signature Restricted Delivery

From:	Bennett, Andy
To:	Sharon T. Shaheen
Cc:	"Phil Hammond"
Subject:	RE: [EXTERNAL] RE: Notice in amended Broadside applications
Date:	Monday, December 14, 2020 11:42:22 AM
Attachments:	image001.jpg

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Devon is aware of the hearing on December 17th and are agreeable to what Phil and BC Operating are proposing. Please use this email response as Devon Energy's actual notice of the applications and hearing. Devon has no objections. Thanks.

Andy D. Bennett, CPL Senior Staff Landman Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 73102 Direct: 405.552.8002 **From:** Sharon T. Shaheen

Sent: Monday, December 14, 2020 12:32 PM

To: Bennett, Andy

Cc: 'Phil Hammond'

Subject: [EXTERNAL] RE: Notice in amended Broadside applications

Hi Andy,

I hope you are doing well. I am working with Phil Hammond at BC Operating to get ready for a continued hearing on December 17 relating to notice of the Broadside amended applications in Case Nos. 21536 and 21537 (Broadside 13 W Fed Com 2H & 3H, API ## 30-025-46518 and 30-025-46519, respectively). In these applications, BC Operating seeks to amend orders R-21070 & R-21071, which were previously entered in Case Nos. 20838 and 20839. As you may know, BC Operating is seeking to amend the style of order to the current form of order currently being used by the Division and to extend the time for drilling to February 2022. I attach the notice letter with the applications that went out to all interested parties, including Devon.

As Phil may have explained, we have not received a green card indicating the delivery status to Devon regarding the recent applications to amend and, when we track the package (7015 1730 0000 9775 1306 – mailed 11/13/20), the USPS website indicates that it is still in transit. I note that Devon received, at the same address, the notice letter for the original cases, and we received a signed green card, but that was pre-Covid.

Is there any chance that you can confirm receipt by Devon of the attached notice letter or, in the alternative, confirm that Devon has actual notice of the applications and hearing? If so, it would be much appreciated. I would then be able to represent to the Division on December 17 that Devon received notice.

FYI-I also attach the exhibits that were submitted at the December 3 hearing. Please let me know if you have any questions or would like to discuss.

Thanks,

Sharon

Sharon T. Shaheen Montgomery & Andrews, P.A. P. O. Box 2307 Santa Fe, NM 87504-2307 <u>sshaheen@montand.com</u> (505) 986-2678 (direct) (505) 603-8307 (cell)



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From: Phil Hammond [mailto:phammond@bcoperating.com]

Sent: Friday, December 11, 2020 10:26 AM

To: Sharon T. Shaheen <<u>sshaheen@montand.com</u>>

Cc: CPL Andy D. Bennett (Andy.Bennett@dvn.com) < Andy.Bennett@dvn.com>

Subject: RE: Notice in amended Broadside applications

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Sharon,

Can you send whatever you need to Andy Bennett, at Devon. He will replay with Devon's acknowledgement of receipt.

Thanks, Phil

From: Sharon T. Shaheen <<u>sshaheen@montand.com</u>> Sent: Thursday, December 10, 2020 2:51 PM To: Phil Hammond coperating.com **Subject:** Notice in amended Broadside applications Phil, Did you have a chance to talk with Devon to see whether they would acknowledge receipt of notice for these applications? Thanks, Sharon Sharon T. Shaheen Montgomery & Andrews, P.A. P. O. Box 2307 Santa Fe, NM 87504-2307 sshaheen@montand.com (505) 986-2678 (direct) (505) 603-8307 (cell)



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