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

APPLICATION OF CAZA PETROLEUM, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16360 (re-opened)

AFFIDAVIT OF NOTICE

| COUNTY OF SANTA FE)) ss. | | | |
|--|--|--|--|
| STATE OF NEW MEXICO) | | | |
| James Bruce, being duly sworn upon his oath, deposes and states: | | | |
| 1. I am over the age of 18, and have personal knowledge of the matters stated herein. | | | |
| 2. I am an attorney for Caza Petroleum, LLC. | | | |
| 3. Caza Petroleum, LLC has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein. | | | |
| 4. Notice of the application was provided to the interest owner, at its last known address, by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Attachment A. | | | |
| 5. Applicant has complied with the notice provisions of Division Regulations. James Bruce | | | |
| SUBSCRIBED AND SWORN TO before me this day of January, 2019 by | | | |
| My Commission Expires State of New Mexico | | | |
| My Commission Expires 10 30 31 Notary Public | | | |
| | | | |
| EXHIBIT ${\cal U}$ | | | |

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

iamesbruc@aol.com

December 19, 2019

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of are-opened application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Caza Petroleum, LLC, regarding two Wolfcamp wells the N½ of Section 22 and the N½ of Section 21, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, January 10, 2019, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest 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 contesting the matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, January 3, 2019. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the 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 need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

ery truly yours

Attorney for Caza Petroleum, LLC

ATTACHMENT/5

Exhibit A

Chevron USA Inc. Attn: Kristin Hunter MCBU Land Dept. 6301 Deauville Blvd. Midland, Texas 79706

MRC Explorers Resources, LLC MRC Spiral Resources, LLC MRC Delaware Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240

Yates Energy Corporation 400 N. Pennsylvania Ave., Suite 550 Roswell, New Mexico 88201

D. Van Matthew, MSU c/o Keller Energy LLC 20714 Sunrise Point Ct. Spring, Texas 77379

Harold Hees, MSU 102 Bay Court Aransas Pass, Texas 78336

Howard Lorch, MSU 2203 Chilton Road Houston, Texas 77019

Tim Hogan, MSU 3753 N. Pine Grove Ave., Unit 2 Chicago, Illinois 60613

Haycor, Inc. 507 W. Forest Drive Houston, Texas 77079-6913

Marathon Oil Permian, LLC Attn: Matt Brown 5555 San Felipe Room 3720 Houston, Texas 77056 Roadrunner Oil & Gas, LLC Attn: Cathy Green 3724 Hulen Street Fort Worth, Texas 76107

Poco Oil Company 13103 Holston Hills Drive Houston, Texas 77069

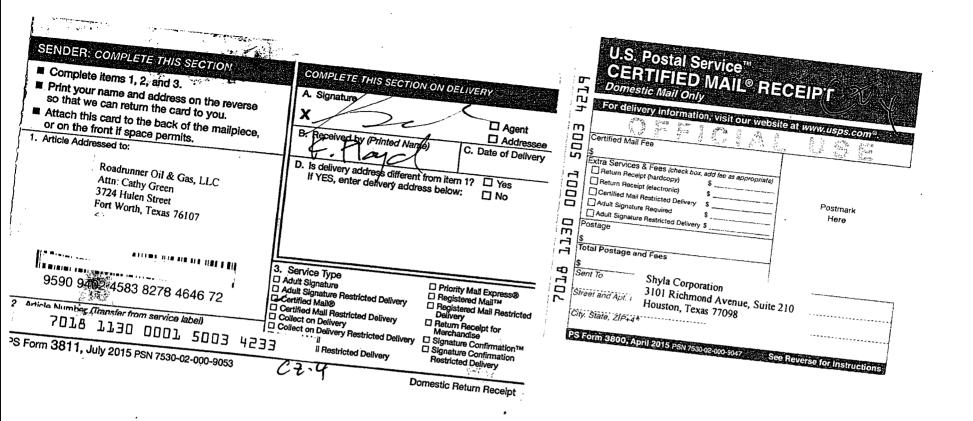
Shyla Corporation 3101 Richmond Avenue, Suite 210 Houston, Texas 77098

Frederick W. Zimmerman d/b/a Island Resources 6760 Portwest Drive Houston, Texas 77024

U.S. Postal Service" CERTIFIED MAIL® RECEIPT Domestic Mail Only 88 For delivery information, visit our website at www.usps.com⁹. SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY ru ■ Complete items 1, 2, and 3. A. Signatur Print your name and address on the reverse ☐ Agent Certified Mail Fee 00 so that we can return the card to you. ☐ Addressee Extra Services & Fees (check box, add fee as appropriate) B. Received by (Printed Rame) C. Date of Delivery Attach this card to the back of the mailpiece. N Return Receipt (hardcopy) Postmark 26/18 or on the front if space permits. /INVId Son Return Receipt (electronic) Here 1. Article Addressed to: Certified Mail Restricted Delivery D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: MRC Explorers Resources, LLC Adult Signature Restricted Delivery \$ MRC Spiral Resources, LLC Postage MRC Delaware Resources, LLC \overline{m} 5400 LBJ Freeway, Suite 1500 Total Postage and Fees Yates Energy Corporation Н 400 N. Pennsylvania Ave., Suite 550 Dallas, Texas 75240 Roswell, New Mexico 88201 Sent To =O T₀ 3. Service Type ☐ Priority Mall Express® ☐ Registered Mail™ ☐ Adult Signature PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instru Adult Signature Restricted Delivery ☐ Registered Mail Restricted Delivery Certified Mail® 9590 9402 4583 8278 4646 34 ☐ Certified Mall Restricted Delivery ☐ Return Receipt for ☐ Collect on Delivery Merchandise 2. Article Number (Transfer from coming late) y Restricted Delivery ☐ Signature Confirmation™ 2008 TOOO OETT 9003 4271 ☐ Signature Confirmation Restricted Delivery .icted Delivery (over \$500) PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

| , | For delivery information, visit our website | at www.usps.com°. |
|-----------|--|------------------------------|
| , Lu | | |
| 500 | Certified Mail Fee | Table State |
| 0007 | Extra Services & Fees (check box, add fee as appropriate) Return Receipt (terctronic) \$ Certified Mair Restricted Delivery \$ Adult Signature Restricted Delivery \$ Adult Signature Restricted Delivery \$ | Postmark Here |
| 7018 1130 | Sont To Street and Apt. No., or Fo MRC Explorers Resource: MRC Spiral Resource: MRC Delaware Resource: 5400 LBJ Freeway, Suitable Street and Apt. No., or Fo Dallas, Texas 75240 | 5 LLC |
| | City, State, 217+4* PS Form, 3800, April 2015 PSN 7530-02-000-9047 | See Reverse for Instructions |

| SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Yates Energy Corporation 400 N. Pennsylvania Ave., Suite 550 Roswell, New Mexico 88201 | A. Signature A. Signature A. Signature Addressee B. Received by Printed Name D. Is delivery address different from item Yes If YES, enter delivery address below 10 Priority Mall Express® | |
|---|--|--|
| 9590 9402 4583 8278 4647 26 2. Article 7018 1130 0001 500 | ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Insured Mail ☐ 4288 | Priority Mail Express® Registered Mail™ Registered Mail™ Registered Mail Restricted Delivery Return Receipt for Merchandise Signature Confirmation Restricted Delivery |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 | ZE Y | Domestic Return Receipt |



| : m | CERTIFI | al Service™ ED MAIL® REC | CEIPT |
|---------|---|--|------------------|
| · M | Domestic Mai | en e | |
| ∵. T | O F | ormation, visit our website | To the series |
| 500 | Certified Mail Fee | 8427 | 1 14 Sept Acres |
| .000 | Extra Services & Fees Return Receipt (hardo: Return Receipt (electri Certified Mail Restricte Adult Signature Requir Adult Signature Restrict Postage | onic) \$ ad Delivery \$ ed \$ | Postmark Here |
| 8 1130 | \$ Total Postage and Fe \$ Sent To | Roadrunner Oil & Gas, L Attn: Cathy Green | rc |
| | Serii 10 | 3724 Hulen Street | |
| _ | Street and Apt. No., or | Fort Worth, Texas 76107 | |

| 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. Article Addressed to: | A. Signature X. Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No |
| Shyla Corporation 3101 Richmond Avenue, Suite 210 Houston, Texas 77098 | |
| 9590 9402 4583 8278 4647 02 | 3. Service Type Adult Signature Adult Signature Registered Mail Restricted Delivery Cortified Mail Restricted Delivery Cortified Mail Restricted Delivery Collect on Delivery Registered Mail Restricted Delivery Return Receipt for Merchandise |
| 2. Ar 701-6 (Transfer from service label) 701-8 11-30 0001 5003 | ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ Signature Confirmation Restricted Delivery |

| 202 | U.S. Postal Service™ CERTIFIED MAIL® REC Domestic Mail Only | |
|-------|--|------------------|
| 03 42 | For delivery information, visit our website | |
| נוסס | \$ Extra Services & Fees (check box, edd fee as appropriate) Return Receipt (hardcopy) \$ Return Receipt (electronic) \$ Contribed Mail Restricted Delivery \$ Adult Signature Required \$ Adult Signature Restricted Delivery \$ Postage \$ | Postmark Here |
| 1.a | Frederick W. Zimmerman Sent To Street and At Frederick W. Zimmerman d/b/a Island Resources 6760 Portwest Drive Houston, Texas 77024 | |

| 10 | U.S. Postal Service™ CERTIFIED MAIL® REC Domestic Mail Only | |
|--------|--|------------------------------|
| m | For delivery information, visit our website | at www.usps.com®. |
| E E | - OFFICIAL | |
| 200 | Certified Mail Fee | |
| 0001 5 | Extra Services & Fees (check box, add fee as appropriate) Return Receipt (ardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Restricted Delivery 5 Adult Signature Restricted Delivery 5 | Postmark Høre |
| 1130 | Postage 5 Total Postage and Fees | |
| 707 | Sent To Harold Hees, MSU 102 Bay Court Street and Apt. No. Aransas Pass, Texas 78336 City, State, 2/9+4* | |
| : | PS Form 3800, April 2015 PSN 7530-02-000-9047 | See Reverse for Instructions |

4301

5003

| SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Frederick W. Zimmerman d/b/a Island Resources 6760 Portwest Drive Houston, Texas 77024 | A Signature A Signature C. Date of Delivery D. Is delivery address different from item 17/ yes If YES, enter delivery address below: No |
|---|--|
| \$1 新 斯(衛(衛) \$ May 1mm = | |
| 9590 9402 4583 8278 4646 96 | 3. Service Type Adult Signature Adult Signature Adult Signature Certified Mail® Certified Mail® Certified Mail® Certified Openioner Collect on Delivery Registered Mail Restricted Delivery Certified Mail® Restricted Delivery |
| - F005 T000 NETT OFF 2 | Merchandise O Merchandise Merchandise |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 | Signature Confirmation Restricted Delivery Cover \$500 Domestic Return Receipt |
| | neturn Receipt |

| | | U.S. Postal Service [™] |
|---|--|--|
| | E THIS SECTION ON DELIVERY | |
| ■ Complete items 1, 2, and 3. | 1 <i>// / / -</i> | CERTIFIED MAIL® RECEIPT Domestic Mail Only |
| Print your name and address on the reverse so that we can return the card to you. | Agent Addressee | For delivery information visit our website of visual vece cons |
| Attach this card to the back of the mailpiece, or on the front if space permits. | Hard Vargas 12/28/18 | n OFFICIAL USE |
| | ry address different from item 1? Yes enter delivery address below: | 5 |
| Marathon Oil Permian, LLC | F | Return Receipt (hardcopy) \$ |
| Attn: Matt Brown | · · · · · · · · · · · · · · · · · · · | Technical Section Receipt (electronic) Section Postmark |
| 5555 San Felipe Room 3720 | : 2 | 3 |
| Louston, Texas 77056 | · · · · · · · · · · · · · · · · · · · | Adult Signature Restricted Delivery \$ |
| | ነር። | |
| 3. Service Ty | pe ☐ Priority Mail Express® | |
| □ Adult Signat | re ☐ Registered Mail™ | S Howard Lorch, MSU |
| ☐ Adult Signat | re Restricted Delivery ☐ Registered Mali Restricted ☐ ® Delivery ☐ | Selli 10 |
| 9590 9402 4ວບວ 8278 4646 65 🧀 Certified Mai | Restricted Delivery Return Receipt for | |
| ☐ Collect on D | elivery Merchandise elivery Restricted Delivery D Signature Confirmation TM | - Careet and ript. No., C 110401011 |
| 2. Article Nu 7018 1130 0001 5003 424 | | City, State, ZIP+4* |
| יישר בחחר בחחם חרוב סברי | elivery Restricted Delivery | PS Form 3800, April 2015 PSN 7530-02-000-9047. See Reverse for Instructions. |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 | Domestic Return Receipt | |
| | SEUDES | |
| | SENDER: COMPLETE THIS SECTION | ON COMPLETE THIS SECTION ON DELIVERY |
| U.S. Postal Service" | ■ Complete items 1, 2, and 3. | A. Signature |
| CEPTIFIES TO THE | Print your name and address on the | reverse XSigned 3849 VII DAgent |
| CERTIFIED MAIL® RECEIPT | so that we can return the card to yo | Du. LA 1905 PTT Addressee |
| T Somestic Mail Only | Attach this card to the back of the | mailpiece, B. Received by (Printed Name) C. Date of Delivery |
| For delivery information, visit our website at www.usps.com?. | or on the front if space permits. | |
| m () see at www.usps.com. | Article Addressed to: | D. Is delivery address different from item 1? Yes |
| Certified Mail Fee | | If YES, enter delivery address below: No |
| □ s | Howard Lorch, MSU | |
| CXTra Services & Fees (check box, add fee as access to the | 2203 Chilton Road | |
| Return Receipt (electronic) | Houston, Texas 77019 | |
| Certified Mail Restricted Delivery \$ Postmark | | |
| ☐ Adult Signature Required \$ Here ☐ Adult Signature Restricted Delivery \$ |] | |
| Postage | ###################################### | 3. Service Type [] Priority Mail Evorges(8) |
| E s | | ☐ Adult Signature ☐ Registered Mail™ |
| Total Postage and Fee Marathon Oil Permian, LLC | 9590 9402 4583 8278 464 | 7 5.7 Adult Signature Restricted Delivery Delivery Delivery |
| Sent To 5555 San Faling | 1000 0270 404 | Certified Mail Restricted Delivery |
| Poor 3770 | 2. Article 2014 1120 00 | Pestricted Delivery ☐ Signature Confirmation™ |
| Street and Apt. No., or Houston, Texas 77056 | 2. Artick 7018 1130 00 | UL 5UU 3 477, A Signature Confirmation |
| City, State, ZiP+4* | 70.5 | (over \$500) ed Delivery Restricted Delivery |
| × | PS Form 3811, July 2015 PSN 7530-02- | 000-9053 Parentic Return Receipt |

Domestic Return Receipt

| 1 8 | | |
|--|---|--|
| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DE | LIVERY |
| 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 X B. Received by (Printed Name) | ☐ Agent☐ Address C. Date of Delive |
| 1. Article Addressed to: Chevron USA Inc. Attn: Kristin Hunter MCBU Land Dept. 6301 Deauville Blvd. Midlan Texas 79706 | D. is delivery address different from it if YES, enter delivery address belonger | |
| 9590 9402 4583 8278 4647 19 | ☐ Adult Signature ☐☐ Adult Signature Restricted Delivery ☐☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐☐ ☐ Collect on Delivery | Priority Mail Express® Registered Mail™ Registered Mail Restric Delivery Return Receipt for Merchandise Signature Confirmation |
| 2. Article Number (7018 1130 0001 5003 | 4325 | Signature Confirmation Restricted Delivery |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 | 5 ./ | estic Return Receip |



| Д. | U.S. Postal Service" CERTIFIED MAIL® RECE | E(P500) |
|------|--|------------------------------|
| 4254 | Domestic Mail Only For delivery information, visit our website a | 1 W. W. W. W. W. |
| 5003 | Certified Mail Fee | A Marie Com |
| 1000 | Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) \$ Return Receipt (electronic) \$ Cariffied Mail Restricted Delivery \$ Adult Signature Required \$ | Postmark Here |
| 1130 | Postage \$ Total Postage and Poco Oil Company | |
| 7078 | \$ 13103 Holston Hills Drive Houston, Texas 77069 Street and Apt. No., or PO Box No. | |
| | City, State, ZIP+4* PS Form 3800, April 2015 PSN 7530-02-000-9047 | See Reverse for Instructions |

| | U.S. Postal Service" CERTIFIED MALE DE | |
|--------|--|-----------------------------|
| ם ה | | |
| 5003 | Certified Mail Fee | W.Usps.com® |
| 0 0001 | Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) | Postmark Here |
| 113 | \$ Total Postage and Fees | |
| /018 | Sent To D. Van Matthew, MSU c/o Keller Energy LLC 20714 Sunrise Point Ct. Spring, Texas 77379 | |
| ĺ | PS Form 3800, April 2015 PSN 7530-02-000-9047 | See Reverse for Instruction |

CERTIFIED MAIL® RECEIPT Domestic Mail Only 5003 Certified Mail Fee Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) \$ 0001 Return Receipt (electronic) Certified Mail Restricted Delivery Postmark Here Adult Signature Required Adult Signature Restricted Delivery \$ 30 Postage 디 Total Postage and Fees Haycor, Inc. 507 W. Forest Drive Sent To Street and Apt. No., o. Houston, Texas 77079-6913 Cily, State, ZIP+4® PS Form 3800, April 2015 PSN 7530-02-000-9047

U.S. Postal Service™

| U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com®. | |
|--|------------------|
| Certified Mail Fee | |
| Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery \$ Adult Signature Required Adult Signature Restricted Delivery \$ Postage Total Postage and F | Postmark Here |
| Total Postage and F Tim Hogan, MSU Sent To 3753 N. Pine Grove Ave., U Sireet and Apt. No., Chicago, Illinois 60613 City, State, 2iP+4* | Unit 2 |

CJRREN -ARG JS

AFFIDAVIT OF PUBLICATION

Ad No. 0001272454

JAMES BRUCE ATTORNEY AT LAW PO BOX 1056

SANTA FE NM 87504

I, a legal clerk of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

12/25/18

∟egal Clerk

Subscribed and sworn before me this 26th of December 2018.

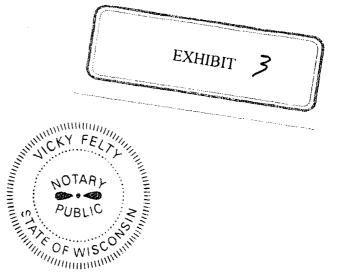
State of WI, County of Brown

My Commission Expires

NOTICE

To: Marathon Oil Permian LLC, Haycor, Inc., Chevron U.S.A. Inc., MRC Explorers Resources, LLC, MRC Spiral Resources, LLC, MRC Delaware Resources, LLC, Yates Energy Corporation, D. Van Matthew, Harold Hees, Howard Lorch, and Tim Hogan, or your heirs, devisees, successors or assigns: Caza Petroleum, LLC has filed an application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests in the Wolf camp formation underlying a 640 acre horizontal spacing unit comprised of the N/2 of Section 22 and the N/2 of Section 21, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to (i) the Forehand Ranch 22-21 State Well No. 2H, and (ii) the Forehand Ranch 22-21 State Well No. 4H, horizontal wells drilled from surface locations in the SE/4NE/4 of Section 22 with last take points in the SW/4NW/4 of Section 21. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Caza Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling and completing the wells. The application is scheduled to be heard at 8:15 a.m. on January 10, 2019 at the Division's offices at 1220 South St. Francis Drive, Santa Fe. New Mexico 87505. As an interest owner in the well unit you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The unit is located approximately 6-1/2 miles north-northwest of Black River Village, New Mexico.

December 25, 2018



Ad#:0001272454 P O : Marathon Oil # of Affidavits :0.00