

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Chevron USA Inc  
OPERATOR ADDRESS: 6301 Deauville Blvd Midland , TX 79706

APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. PLC 711  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
 Yes  No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Bone Spring(15011)	44API	Gravity of commingled production 45			
Wolfcamp (Gas) (98220)	45 API				

(2) Are any wells producing at top allowables?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
(4) Measurement type:  Metering  Other (Specify)  
(5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
(4) Measurement type:  Metering  Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

(1) Is all production from same source of supply?  Yes  No  
(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Cindy Herrera-Murillo TITLE: Sn Regulatory Affairs Coordinator DATE: 11/12/2021

TYPE OR PRINT NAME Cindy Herrera-Murillo TELEPHONE NO.: 575-263-0431

E-MAIL ADDRESS: CHerreraMurillo@chevron.com



**Chevron North America  
Exploration and Production Company**  
(A Chevron U.S.A. Inc. Division)  
6301 Deauville Blvd  
Midland, TX 79706

September 24, 2021

RE: Application for off lease measurement/sales/storage and surface lease and pool commingling of the Purple Sage Wolfcamp (gas) pool (98220) and Culebra Bluff Bone Spring South (15011), Eddy County, NM; Culebra Bluff 23 Central Tank Battery

The Culebra Bluff 23 Central Tank Battery is located in the S2SE (UL: P), Sec. 23, T23S-R28E. The Culebra Bluff 26 Compressor Station is located in Section 26, T23S R28E. CB MOTHMA wells are located in Section 14 & 23, T23S R28E. CB TANO wells are located in Section 26 & 35, T23S R28E.

This facility will be commingling new wells (quantity 6), CB MOTHMA 23 14 FEE 10 401H, 402H and CB TANO FEE 11 26 35 301H, 401H, 402H, 403H with existing producing wells (quantity 10), CB CAL 25 36 STATE COM 08 401H, 402H, 403H, 302H and 303H; and CB BERU 23 14 FEE 06 401H, 402H, 403H, 301H and 302H. CB TANO and MOTHMA wells are targeted to begin producing in February 2022.

CB TANO 26 35 FEE 11 301H, 401H, 402H, 403H (Package 11 Pad) have identical ownership. The 401H, 402H, and 403H wells are in the Purple Sage/Wolfcamp formation and 301H well is in the Bone Spring formation. CB MOTHMA 23 14 FEE 10 401H, 402H (Package 10 Pad) have identical ownership, though different ownership from CB TANO 26 35 FEE 11 Lease. The CB TANO 26 35 FEE 11 401H and 402H wells are in the Purple Sage/Wolfcamp formation.

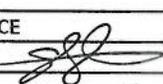
Well production will be allocated based on a production curve from well tests, tested at a frequency of once every 3 days during the initial production phase before peak production is reached but not to exceed 30 days. For each well, during the plateau period and while decline rate is greater than 22%, the oil and gas production shall be allocated using a minimum of three (3) well tests per month. During the final stages of the well decline period, each well will be tested at a frequency of two (2) well tests per month when the decline rate is between 22% and 10% per month; and one (1) well test per month when the decline rate is less than 10% per month.

Jenna Kennedy  
Facilities Engineer



CB BERU 23 14 FEE 06 #30IH, Sections 14 & 23-T23S R28E, 30-015-46926, Bone Spring  
CB BERU 23 14 FEE 06 #302H, Sections 14 & 23-T23S R28E, 30-015-46927, Bone Spring  
CB BERU 23 14 FEE 06 #401H, Sections 14 & 23-T23S R28E, 30-015-46928, Wolfcamp (Gas)  
CB BERU 23 14 FEE 06 #402H Sections 14 & 23, T23S R28E, 30-015-46929, Wolfcamp (Gas)  
CB BERU 23 14 FEE 06 #403H, Sections 14 & 23-T23S R28E, 30-015-46930, Wolfcamp  
CB CAL 25 36 STATE COM 08 #302H, Sections 25 & 36-T23S R28E, 30-015-46634, Bone  
Spring  
CB CAL 25 36 STATE COM 08 #303H, Sections 25 & 36-T23S R28E, 30-015-46635, Bone  
Spring  
CB CAL 25 36 STATE COM 08 #401H, Sections 25 & 36-T23S R28E, 30-015-4663 1,  
Wolfcamp  
CB CAL 25 36 STATE COM 08 #402H, Sections 25 & 36-T23S R28E, 30-015-46632,  
Wolfcamp  
CB CAL 25 36 STATE COM 08 #403H, Sections 25 & 36-T23S R28E 30-015-46636,  
Wolfcamp  
POOLS: [15011] Culebra Bluff, Bone Spring, South  
[98220] Purple Sage; Wolfcamp (Gas)  
Eddy County, New Mexico  
Dear Ms.

Lact Service Co.  
Meter Proving Report - Mechanical Displacement Method

Meter No.:	4300150035	amb. Temperature	72deg	Test No.	23	Rate ( High/Low )	High	
Producer or Owner:	CHEVRON				Test Date:	Jun 04, 2021		
Name of Lease or Station:	Culebra Bluff E Lact B							
Make and Size of Meter:	Smith 3"				Model:	E3-S1		
Serial No.:	1824E10029	Ttlzr.:	1473081					
Prover Cert. No.:	1603-0212-8-8			Prover Calibration Date:	May 16, 2019			
Make & Size of Prover:	Weamco 8"		W.T.	.322	Pipe I.D	7.981		
Prover Type:	Bi-Dir.		Capacity:	2.85683 at 0 psig				
Date of Last Meter Calibration:	May 03, 2021							
Grade of Crude	W.T. Sour		Gravity @ 60	46.1				
RUN INFORMATION			Observed Gravity	48.8		at	88	
Run Number 1								
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	PROVER VOLUME MEASUREMENT DATA	
1		23,940	99.0	110	99.0	115	Time per Round Trip: 28.41046	
2		23,950	99.1	110	99.1	115	Rate (BPH): 362	
3		23,946	99.1	110	99.1	115	Av. Prover Pressure: 110	
4		23,942	99.1	110	99.1	115	Av. Prover Temp.: 99.1	
5		23,947	99.1	110	99.1	115	CPS: 1.00009	
Total		119,725					CTS: 1.00073	
Avg.		23,945.0	99.1	110	99.1	115	CTL: 0.97882	
							CPL per #: .695 1.00076	
							Net Prover Volume: 2.80074	
Run Number 2								
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	METERED VOLUME DATA	
1							Run # 1	
2							Run # 2	
3							Run # 3	
4							Meter Proving Pressure: 115	
5							Mtr. Prov. Fluid Temp.: 99.1	
Total							Pulses per Barrel: 8400	
Avg.							Meter Registration: 2.85060	
							CTL: 0.97882	
Meter Off/On	10001/9906	Remarks:					Net Metered Barrels: 2.79246	
Incoming Off/On	10016/9914						M. F. (prov. press.): 1.0030	
Outgoing Off/On	10039/9942						Average Meter Factor: 1.0030	
B&B Off/On	10081/9956						Meter CPL per #: .695 1.00080	
							Av. M. F. (for 0 PSI): 1.0022	
Previous Conditions								
Factor:	1.0029						Composite Meter Factor =	1.0038
Pressure:	110	PSI					at	115
Gravity:	46.3	at 60F						PSI
Temp.:	102.2	F						
Flow:	370	BPH						
Calculated Repeatability this Proving =	0.033 %						LACT SERVICE	Joel Salto: 
Reproducibility this Proving =	0.0009 %						Chevron: 	
Current temp. on LACT TA=	99.1						Marathon: 	
Current temp. on my TA=	99.1							
Certified Thermometer =	99.1							
Temp. Averager	102.8							

Lact Service Co.

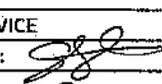
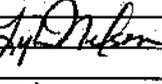
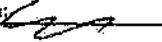
Meter Proving Report - Mechanical Displacement Method  
CARLSBAD FOT EDDY COUNTY, NM CULEBRA BLUFF S23 CTB

Meter No.:	4300150042	amb. Temperature	77deg	Test No.	2	Rate (High/Low)	High
Producer or Owner:	CHEVRON				Test Date:	Jun 04, 2021	
Name of Lease or Station:	Culebra Bluff S23 CTB (A)						
Make and Size of Meter:	Smith 3"				Model:	E3-S1	
Serial No.:	1912E10170	Titlr.:	159769				
Prover Cert. No.:	1603-0212-8-8	Prover Calibration Date:			May 16, 2019		
Make & Size of Prover:	Weamco 8"		W.T.	.322	Pipe I.D.	7.981	
Prover Type:	Bi-Dir.	Capacity:			2.85683 at 0 psig		
Date of Last Meter Calibration:	May 26, 2021						
Grade of Crude:	W.T. Sour	Gravity @ 60	47.1				
RUN INFORMATION	Observed Gravity		50.6	at	96		

Run Number 1							PROVER VOLUME MEASUREMENT DATA					
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	Time per Round Trip:	Run # 1	Run # 2	Run # 3		
1		24,023	105.4	95	105.4	100	Rate (BPH):	35.4641				
2		24,019	105.5	95	105.5	100	Av. Prover Pressure:	290				
3		24,019	105.5	95	105.5	100	Av. Prover Temp.:	95				
4		24,027	105.6	95	105.6	100	CPS:	1.00008				
5		24,022	105.7	95	105.7	100	CTS:	1.00085				
Total		120,110					CTL:	0.97505				
Avg.		24,022.0	105.5	95	105.5	100	CPL per #:	.725	1.00069			
							Net Prover Volume:	2.79007				

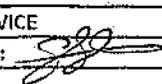
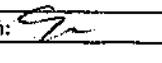
Run Number 2							METERED VOLUME DATA					
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	Meter Proving Pressure:	Run # 1	Run # 2	Run # 3		
1							Mtr. Prov. Fluid Temp.:	100				
2							Pulses per Barrel:	105.5				
3							Meter Registration:	8400				
4							CTL:	2.85976				
5							Net Metered Barrels:	0.97505				
Total							M. F. (prov. press.):	2.79044				
Avg.							Average Meter Factor:	0.9999				
Meter Off/On	92808/9948	Remarks:				Meter CPL per #:	.725	1.00073				
Incoming Off/On	92818/9959					Av. M. F. (for 0 PSI):	0.9992					
Outgoing Off/On	92852/9992											
B&B Off/On	92859/9996											

Previous Conditions							
Factor:	1.0004					Composite Meter Factor =	1.0006
Pressure:	105	PSI				at	100
Gravity:	43.8	at 60F					PSI
Temp.:	110.0	F					
Flow:	240	BPH					

Calculated Repeatability this Proving =	0.033 %	LACT SERVICE
Reproducibility this Proving =	0.0002 %	Joel Salto: 
Current temp. on LACT TA=	105.5	Chevron: 
Current temp. on my TA=	105.5	Marathon: 
Certified Thermometer =	105.5	
Temp. Averager	106.9	

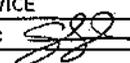
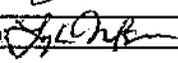
Lact Service Co.

Meter Proving Report - Mechanical Displacement Method  
CARLSBAD FOT EDDY COUNTY, NM CULEBRA BLUFF 523 CTB

Meter No.:	4300150043	amb. Temperature	76deg	Test No.	2	Rate (High/Low)	High	
Producer or Owner:	CHEVRON				Test Date:	Jun 04, 2021		
Name of Lease or Station:	Culebra Bluff 523 CTB (B)							
Make and Size of Meter:	Smith 3"				Model:	E3-S1		
Serial No.:	1945E10151	Ttlr.:	177284					
Prover Cert. No.:	1603-0212-8-8			Prover Calibration Date:	May 16, 2019			
Make & Size of Prover:	Weamco 8"		W.T.	.322	Pipe I.D	7.981		
Prover Type:	Bi-Dir.		Capacity:	2.85683 at 0 psig				
Date of Last Meter Calibration:	May 26, 2021							
Grade of Crude	W.T. Sour		Gravity @ 60	47.1				
RUN INFORMATION	Observed Gravity		50.6 at 96					
Run Number 1	PROVER VOLUME MEASUREMENT DATA							
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure		
1		24,026	105.0	90	105.0	95	Run # 1	
2		24,025	105.1	90	105.1	95	Run # 2	
3		24,026	105.1	90	105.1	95	Run # 3	
4		24,024	105.1	90	105.1	95		
5		24,028	105.3	90	105.3	95		
Total		120,129					Time per Round Trip: 31.35545	
Avg.		24,025.8	105.1	90	105.1	95	Rate (BPH): 328	
							Av. Prover Pressure: 90	
							Av. Prover Temp.: 105.1	
							CPS: 1.00007	
							CTS: 1.00084	
							CTL: 0.97527	
							CPL per #: .724 1.00065	
							Net Prover Volume: 2.79053	
Run Number 2	METERED VOLUME DATA							
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure		
1							Run # 1	
2							Run # 2	
3							Run # 3	
4								
5								
Total							Meter Proving Pressure: 95	
Avg.							Mtr. Prov. Fluid Temp.: 105.1	
							Pulses per Barrel: 8400	
							Meter Registration: 2.85021	
							CTL: 0.97527	
Meter Off/On	92821/9958	Remarks:					Net Metered Barrels:	2.79140
Incoming Off/On	92830/9974						M. F. (prov. press.):	0.9997
Outgoing Off/On	92838/9981						Average Meter Factor:	0.9997
B&B Off/On	92878/9984						Meter CPL per #:	.724 1.00069
							Av. M. F. (for 0 PSI):	0.9990
Previous Conditions								
Factor:	1.0003						Composite Meter Factor =	1.0004
Pressure:	110	PSI					at	95 PSI
Gravity:	43.8	at 60F						
Temp.:	109.7	F						
Flow:	320	BPH						
Calculated Repeatability this Proving =	0.017 %						LACT SERVICE	
Reproducibility this Proving =	0.0001 %						Joel Salto:	
Current temp. on LACT TA=	105.1						Chevron:	
Current temp. on my TA=	105.1						Marathon:	
Certified Thermometer =	105.1							
Temp. Averager	108.1							

CW

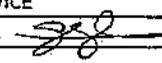
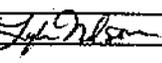
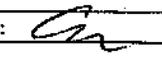
Lact Service Co.  
Meter Proving Report - Mechanical Displacement Method

Meter No.:	4300150036	amb. Temperature	74deg	Test No.	24	Rate ( High/Low )	High
Producer or Owner:	CHEVRON					Test Date:	Jun 04, 2021
Name of Lease or Station:	Culebra Bluff W Lact A						
Make and Size of Meter:	Smith 3"					Model:	E3-S1
Serial No.:	1821E10027	Ttlzr.:	1577852				
Prover Cert. No.:	1603-0212-8-8			Prover Calibration Date: May 16, 2019			
Make & Size of Prover:	Weamco 8"					W.T.	.322 Pipe I.D 7.981
Prover Type:	Bf-Dir.					Capacity:	2.85683 at 0 psig
Date of Last Meter Calibration:	May 03, 2021						
Grade of Crude	W.T. Sour			Gravity @ 60	45.8		
RUN INFORMATION				Observed Gravity	48.8 at 92		
Run Number 1							
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	PROVER VOLUME MEASUREMENT DATA
1		23,972	97.7	115	97.7	120	Run # 1 Run # 2 Run # 3
2		23,973	97.8	115	97.8	120	Time per Round Trip: 26.92301
3		23,967	97.8	115	97.8	120	Rate (BPH): 382
4		23,969	97.9	115	97.9	120	Av. Prover Pressure: 115
5		23,966	97.9	115	97.9	120	Av. Prover Temp.: 97.8
Total		119,847					CPS: 1.00010
Avg.		23,969.4	97.8	115	97.8	120	CTS: 1.00070
							CTL: 0.97960
							CPL per #: .687 1.00079
							Net Prover Volume: 2.80300
Run Number 2							
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	METERED VOLUME DATA
1							Run # 1 Run # 2 Run # 3
2							Meter Proving Pressure: 120
3							Mtr. Prov. Fluid Temp.: 97.8
4							Pulses per Barrel: 8400
5							Meter Registration: 2.85350
Total							CTL: 0.97960
Avg.							Net Metered Barrels: 2.79761
Meter Off/On	10040/9939	Remarks:					M. F. (prov. press.): 1.0019
Incoming Off/On	10048/9943						Average Meter Factor: 1.0019
Outgoing Off/On	10068/9957						Meter CPL per #: .687 1.00083
B&B Off/On	10096/9969						Av. M. F. (for 0 PSI): 1.0011
Previous Conditions							
Factor:	1.0032						
Pressure:	150	PSI					
Gravity:	45.2	at 60F					
Temp.:	114.7	F					
Flow:	370	BPH					
Composite Meter Factor = 1.0027							
at 120 PSI							
LACT SERVICE							
Calculated Repeatability this Proving =	0.029 %		Joel Salto: 				
Reproducibility this Proving =	-0.0005 %		Chevron: 				
Current temp. on LACT TA=	97.8		Marathon: 				
Current temp. on my TA=	97.8						
Certified Thermometer =	97.8						
Temp. Averager	111.9						

CW

Lact Service Co.

Meter Proving Report - Mechanical Displacement Method

Meter No.:	4300150037	amb. Temperature	73deg	Test No.	23	Rate ( High/Low )	High
Producer or Owner:	CHEVRON				Test Date:	Jun 04, 2021	
Name of Lease or Station:	Culebra Bluff W Lact B						
Make and Size of Meter:	Smith 3"				Model:	E3-S1	
Serial No.:	1812E10034	Ttlzr.:	1301265				
Prover Cert. No.:	1603-0212-8-8			Prover Calibration Date:	May 16, 2019		
Make & Size of Prover:	Weamco 8"		W.T.	.322	Pipe I.D	7.981	
Prover Type:	Bi-Dlr.		Capacity:	2.85683 at 0 psig			
Date of Last Meter Calibration:	May 03, 2021						
Grade of Crude	W.T. Sour		Gravity @ 60	45.8			
RUN INFORMATION	Observed Gravity		48.8		at 92		
Run Number 1							
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	PROVER VOLUME MEASUREMENT DATA
1		23,971	97.8	115	97.8	120	Run # 1
2		23,969	97.8	115	97.8	120	Run # 2
3		23,971	97.8	115	97.8	120	Run # 3
4		23,972	97.8	115	97.8	120	Time per Round Trip:
5		23,969	97.9	115	97.9	120	Rate (BPH):
Total		119,852					Av. Prover Pressure:
Avg.		23,970.4	97.8	115	97.8	120	Av. Prover Temp.:
							CPS:
							CTS:
							CTL:
							CPL per #:
							Net Prover Volume:
Run Number 2							
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	METERED VOLUME DATA
1							Run # 1
2							Run # 2
3							Run # 3
4							Meter Proving Pressure:
5							Mtr. Prov. Fluid Temp.:
Total							Pulses per Barrel:
Avg.							Meter Registration:
							CTL:
Meter Off/On	10037/9925	Remarks:					Net Metered Barrels:
Incoming Off/On	10050/9952						M. F. (prov. press.):
Outgoing Off/On	10086/9954						Average Meter Factor:
B&B Off/On	10098/9968						Meter CPL per #:
							Av. M. F. (for 0 PSI):
Previous Conditions							
Factor:	1.0035						Composite Meter Factor =
Pressure:	120	PSI					1.0027
Gravity:	45.2	at 60F					at 120 PSI
Temp.:	115.2	F					
Flow:	310	BPH					
Calculated Repeatability this Proving =	0.013 %						LACT SERVICE
Reproducibility this Proving =	-0.0008 %						Joel Salto: 
Current temp. on LACT TA=	97.8						Chevron: 
Current temp. on my TA=	97.8						Marathon: 
Certified Thermometer =	97.8						
Temp. Averager	101.5						

CW

Lact Service Co.  
 Meter Proving Report - Mechanical Displacement Method  
 32.298768N -104.063652W ELEVATION: 3001' T23S, R28E, SEC 14 EDDY COUNTY NM

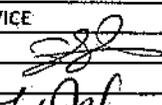
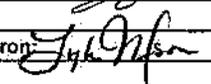
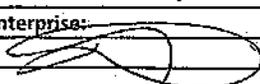
Meter No.:	4300150039	amb. Temperature	92deg	Test No.	1	Rate (High/Low)	Low	
Producer or Owner:	Chevron			Test Date:	Jun 18, 2021			
Name of Lease or Station:	El Toro CTB			Model:	SD-30			
Make and Size of Meter:	Smith 3"			Serial No.:	1512E10041	Ttizr.:	297060	
Prover Cert. No.:	2011-0778-6-2			Prover Calibration Date:	Mar 09, 2021			
Make & Size of Prover:	Weamco 6"			W.T.	.280	Pipe I.D	6.065	
Prover Type:	Bi-Dir.			Capacity:	2.39098 at 0 psig			
Date of Last Meter Calibration:	First Proving			First Proving				
Grade of Crude	W.T. Sour			Gravity @ 60	47.3			
RUN INFORMATION	Observed Gravity			48.2 at 69				
Run Number 1								
Trip No.	Puls. (o.w.)	Puls. (r.t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	PROVER VOLUME MEASUREMENT DATA	
1		20,155	84.3	70	84.3	70	Run # 1	
2		20,157	84.6	70	84.6	70	Run # 2	
3		20,155	84.7	70	84.7	70	Run # 3	
4		20,162	84.9	70	84.9	70		
5		20,159	84.9	70	84.9	70		
Total		100,788					Time per Round Trip: 86.07528	
Avg.		20,157.6	84.7	70	84.7	70	Rate (BPH): 100	
							Av. Prover Pressure: 70	
							Av. Prover Temp.: 84.7	
							CPS: 1.00005	
							CTS: 1.00046	
							CTL: 0.98647	
							CPL per #: .672 1.00047	
							Net Prover Volume: 2.36094	
Run Number 2								
Trip No.	Puls. (o.w.)	Puls. (r.t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	METERED VOLUME DATA	
1							Run # 1	
2							Run # 2	
3							Run # 3	
4								
5								
Total							Meter Proving Pressure: 70	
Avg.							Mtr. Prov. Fluid Temp.: 84.7	
							Pulses per Barrel: 8400	
							Meter Registration: 2.39971	
							CTL: 0.98647	
							Net Metered Barrels: 2.36835	
							M. F. (prov. press.): 0.9969	
							Average Meter Factor: 0.9969	
							Meter CPL per #: .672 1.00047	
							Av. M. F. (for 0 PSI): 0.9964	
Previous Conditions								
Factor:	First Proving							
Pressure:	First Proving			PSI	Composite Meter Factor = 0.9974			
Gravity:	First Proving			at 60F	at 70 PSI			
Temp.:	First Proving			F				
Flow:	First Proving			BPH				
Precious Totalizer	286,386							
Calculated Repeatability this Proving =	0.035 %			Wire Seals On=	08812/08826	For Lact Service		
Reproducibility this Proving =	#VALUE! %			Wire Seal Off=	08833/08835	Jorge Rodriguez		
Current temp. on LACT TA=	84.7				08802/08803	For Chevron		
Current temp. on my TA=	84.7				08821/08825	For Marathon		
Certified TA =	84.7							
Temp. Averager	81.6							

CW

Lact Service Co.

Meter Proving Report - Mechanical Displacement Method

SEC. 01-T245-R32E 0330'FSL & 0400' FEL NMNM-11964 API# 30-025-41582 LEA COUNTY, NM

Meter No.:	4300250060	amb. Temperature	84deg	Test No.	25	Rate ( High/Low )	High
Producer or Owner:	CHEVRON				Test Date:	Jun 21, 2021	
Name of Lease or Station:	J Keats 1-24-32 40H Battery						
Make and Size of Meter:	Smith 3"				Model:	E3-S1	
Serial No.:	1323E10151	Ttlzr.:	115691				
Prover Cert. No.:	1603-0212-8-8			Prover Calibration Date: May 16, 2019			
Make & Size of Prover:	Weamco 8"			W.T.	.322	Pipe I.D	7.981
Prover Type:	Bi-Dir.			Capacity: 2.85683 at 0 psig			
Date of Last Meter Calibration:	Mar 30, 2021						
Grade of Crude	W.T. Sour			Gravity @ 60	43.4		
RUN INFORMATION				Observed Gravity	46.1	at	90
Run Number 1							
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	PROVER VOLUME MEASUREMENT DATA
1		23,993	90.7	50	90.7	55	Run # 1
2		23,992	90.7	50	90.7	55	Run # 2
3		23,991	90.8	50	90.8	55	Run # 3
4		23,995	90.9	50	90.9	55	Time per Round Trip: 36.3413
5		23,997	91.0	50	91.0	55	Rate (BPH): 283
Total		119,968					Av. Prover Pressure: 50
Avg.		23,993.6	90.8	50	90.8	55	Av. Prover Temp.: 90.8
							CPS: 1.00004
							CTS: 1.00057
							CTL: 0.98384
							CPL per #: .642 1.00032
							Net Prover Volume: 2.81328
Run Number 2							
Trip No.	Puls. (o. w.)	Puls. (r. t.)	Prov. Temp.	Prov. Press.	Meter Temp.	Meter Pressure	METERED VOLUME DATA
1							Run # 1
2							Run # 2
3							Run # 3
4							Meter Proving Pressure: 55
5							Mtr. Prov. Fluid Temp.: 90.8
Total							Pulses per Barrel: 8400
Avg.							Meter Registration: 2.85638
							CTL: 0.98384
Meter Off/On	9821/88253	Remarks:				Net Metered Barrels: 2.81120	
Incoming Off/On	9830/88254					M. F. (prov. press.): 1.0007	
Outgoing Off/On	9838/88266					Average Meter Factor: 1.0007	
B&B Off/On	9884/88295					Meter CPL per #: .642 1.00035	
							Av. M. F. (for 0 PSI): 1.0004
Previous Conditions							
Factor:	1.0002						
Pressure:	55	PSI					Composite Meter Factor = 1.0011
Gravity:	37.2	at 60F					at 55 PSI
Temp.:	65.8	F					
Flow:	280	BPH					
Calculated Repeatability this Proving = 0.025 %							
Reproducibility this Proving = 0.0009 %							
Current temp. on LACT TA= 90.8							
Current temp. on my TA= 90.8							
Certified Thermometer = 90.8							
Temp. Averager 77.8							
						LACT SERVICE	
						Joel Salto: 	
						Chevron: 	
						Enterprise: 	



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Extended Gas Analysis Report

<b>12069G</b>	<b>2300150306,2300150307</b>	<b>CBC CTB S23 Alloc.</b>	
Sample Point Code	Sample Point Name	Sample Point Location	
<b>Laboratory Services</b>	<b>2021043217</b>	<b>1869</b>	<b>J Macias - Spot</b>
Source Laboratory	Lab File No	Container Identity	Sampler
<b>USA</b>	<b>USA</b>	<b>USA</b>	<b>New Mexico</b>
District	Area Name	Field Name	Facility Name
<b>Jul 4, 2021 08:45</b>	<b>Jul 4, 2021 08:45</b>	<b>Jul 7, 2021 14:12</b>	<b>Jul 8, 2021</b>
Date Sampled	Date Effective	Date Received	Date Reported
<b>76.00</b>	<b>11,209.00</b>	<b>BH</b>	<b>85 @ 106</b>
Ambient Temp (°F)	Flow Rate (Mcf)	Analyst	Press PSI @ Temp °F Source Conditions
<b>Chevron Usa, Inc.</b>	<b>NG</b>		
Operator	Lab Source Description		

Component	Normalized Mol %	Un-Normalized Mol %	GPM
Nitrogen (N2)	1.0930	1.064626	
Carbon Dioxide (CO2)	0.0530	0.051899	
Hydrogen Sulfide (H2S)	0.0000	0	
Methane (C1)	68.9980	67.177495	
Ethane (C2)	13.7180	13.356062	3.6680
Propane (C3)	8.1890	7.972723	2.2550
IsoButane (IC4)	1.1640	1.133443	0.3810
n-Butane (NC4)	3.0250	2.94524	0.9530
IsoPentane (IC5)	0.7690	0.748294	0.2810
n-Pentane (NC5)	0.9170	0.89265	0.3320
Hexanes (C6's)	2.0740	2.073	0.8740
<b>TOTAL</b>	<b>100.0000</b>	<b>97.4154</b>	<b>8.7440</b>

Gross Heating Values (Real, BTU/ft³)		
14.696 PSI @ 60.00 Å°F	14.73 PSI @ 60.00 Å°F	
Dry	Dry	Saturated
<b>1,456.4</b>	<b>1,467.4</b>	<b>1,442.4</b>

Calculated Total Sample Properties	
GPA2145-16 *Calculated at Contract Conditions	
Relative Density Real	Relative Density Ideal
<b>0.8590</b>	<b>0.8549</b>
Molecular Weight	
<b>24.7620</b>	

C6+ Group Properties		
Assumed Composition		
<b>C6 - 37.352%</b>	<b>C7 - 36.958%</b>	<b>C8 - 25.690%</b>

Field H2S <b>0 PPM</b>
---------------------------

**PROTREND STATUS:** Passed By Validator on Jul 9, 2021  
**DATA SOURCE:** Imported

**PASSED BY VALIDATOR REASON:** First sample taken @ this point, composition looks reasonable

**VALIDATOR:** Dustin Armstrong

**VALIDATOR COMMENTS:** OK

Method(s): Gas C6+ - GPA 2261, Extended Gas - GPA 2286, Calculations - GPA 2172

Analyzer Information	
Device Type:	Device Make:
Device Model:	Last Cal Date:



Sample Point Code - Name @ Location

Operator

12069G - 2300150306,2300150307 - CBC CTB S23 Alloc.

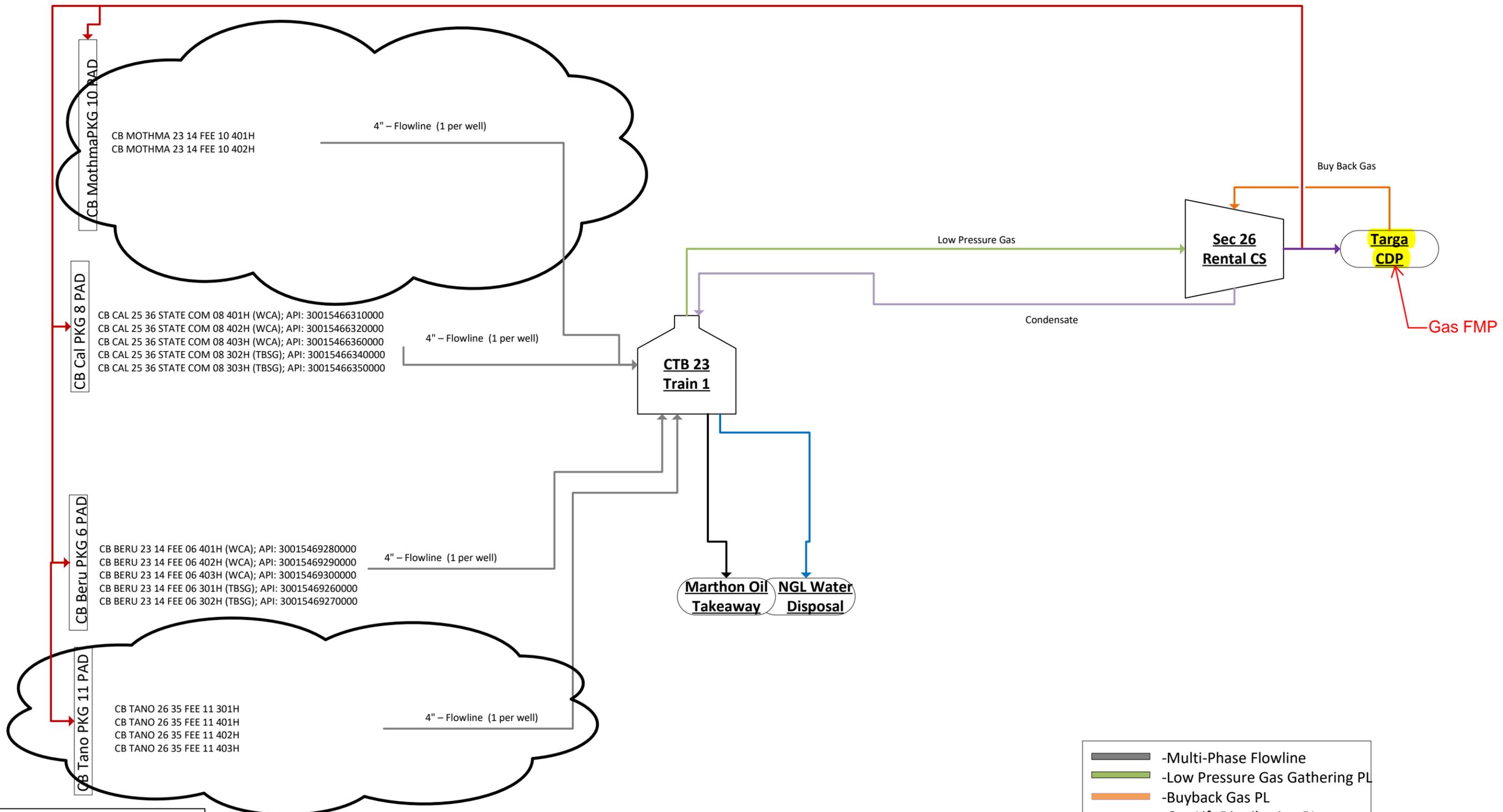
Chevron Usa, Inc.

Component	Normalized Mol %	Un-Normalized Mol %	GPM
Nitrogen (N2)	1.0930	1.06463	
Carbon Dioxide (CO2)	0.0530	0.051899	
Hydrogen Sulfide (H2S)	0.0000	0	
Methane (C1)	68.9980	67.1775	
Ethane (C2)	13.7180	13.3561	3.6680
Propane (C3)	8.1890	7.97272	2.2550
IsoButane (IC4)	1.1640	1.13344	0.3810
n-Butane (NC4)	3.0250	2.94524	0.9530
IsoPentane (IC5)	0.7690	0.748294	0.2810
n-Pentane (NC5)	0.9170	0.89265	0.3320
Hexanes (C6's)	0.7770	0.776	0.3140
Heptanes (C7's)	0.7390	0.739	0.2970
Octanes (C8's)	0.3310	0.331	0.1590
Nonanes (C9's)	0.0660	0.066	0.0360
Decanes (C10's)	0.0310	0.031	0.0180
Undecanes (C11's)	0.0270	0.027	0.0130
Dodecanes (C12's)	0.0050	0.005	0.0040

**BTEX**

Component	Normalized Mol %	Un-Normalized Mol %	GPM
Benzene	0.0280	0.028	0.0080
Toluene	0.0400	0.04	0.0130
EthylBenzene	0.0030	0.003	0.0010
M+P Xylene	0.0210	0.021	0.0090
O Xylene	0.0060	0.006	0.0020

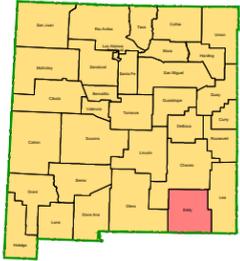
Gas Lift Trunk Line



- Multi-Phase Flowline
- Low Pressure Gas Gathering PL
- Buyback Gas PL
- Gas Lift Distribution PL
- Produced Water Takeaway
- Condensate Return PL
- Oil Takeaway
- Gas Takeaway

Commingle Permit Addition

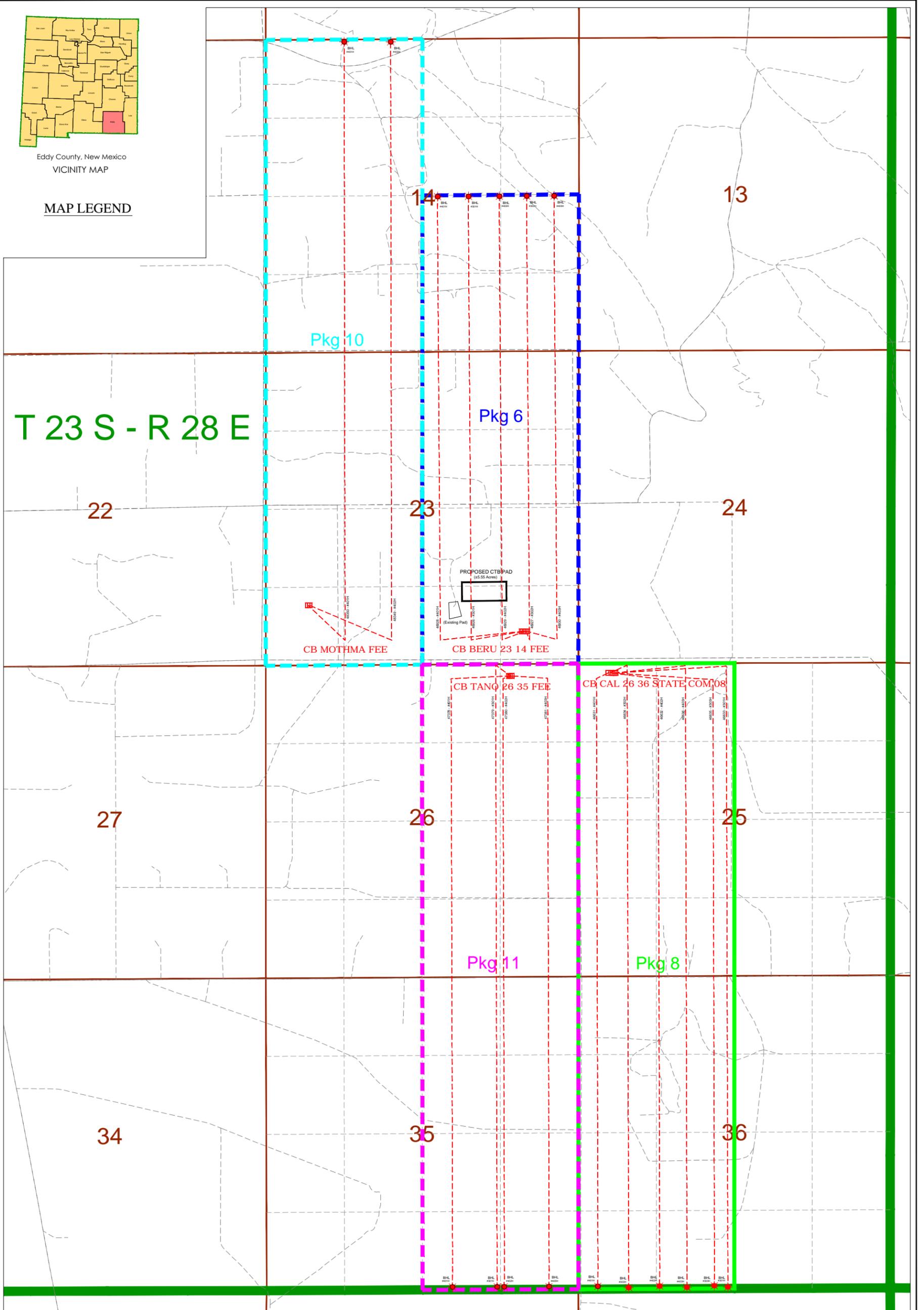
CHEVRON USA  
 Culebra Bluff Central  
 Full Field Block Flow Diagram  
 Eddy County, New Mexico  
 July 2021



Eddy County, New Mexico  
VICINITY MAP

MAP LEGEND

T 23 S - R 28 E



\*Note: Unless otherwise noted, this map is intended to be a representation of property ownership/status only, and should not be construed as a survey of the area depicted.

**CULEBRA BLUFF WELL PLAT**  
TOWNSHIP 23 SOUTH - RANGE 28 EAST  
Eddy County, New Mexico  
Map date: 02-08-2022





NO.	FIRST NAME	LAST NAME	ADDRESS 1	ADDRESS 2	CITY	STATE	ZIP CODE	DATE MAILED	USPS TRACKING NUMBER	USPS TRACKING STATUS	RECEIVED SIGNED GREEN CARD (Y/N)
1	1836 Royalty Partners, LLC		306 W. Wall St	Ste. 620	Midland	TX	79701-4687	12/10/2021	7018-0360-0000-8300-9621		
2	Accelerate Resources Operating, LLC		7950 Legacy Dr.	Ste. 500	Piano	TX	75024	12/10/2021	7018-0360-0000-8300-9645	Delivered	Y
3	Alex Rey	Cardona	777 N Orange Ave.	Apt. 716	Orlando	FL	32801			Return to Sender	N
4	Alpha Energy Partners		508 W Wall St.	Ste. 1200	Midland	TX	79701	12/10/2021	7018-0360-0000-8300-9652	Delivered	Y
5	Alpha Permian Resources, LLC		P.O. Box 10701		Midland	TX	79702	12/10/2021	7018-0360-0000-8300-9669	Delivered	Y
6	Amanda Lane	Evans	P.O. Box 11234		Midland	TX	79702	12/10/2021	7018-0360-0000-8300-9676	Return to Sender	N
7	Amber Lynae	Raindl	P.O. Box 11234		Midland	TX	79702	12/10/2021	7018-0360-0000-8300-9683	Return to Sender	N
8	Andreas P.	Panagopoulos	P.O. Box 110524 1805 Sandy Lane 4784 N Saint Josephs Way		Anchorage Carlsbad Florence	AK NM AZ	99544 88220 85132			Return to Sender	N
9	Apache Corporation		2000 Post Oak Blvd.	Ste. 100	Houston	TX	77056	12/10/2021	7018-0360-0000-8300-9690	Delivered	Y
10	Ashli Raindl	Naso	13624 James Ervin Way		Davidson	NC	28036	12/21/2021	7018-1130-0000-4097-4878		
11	B. Craig	Duke	P.O. Box 10403		Midland	TX	79702	12/10/2021	7018-0360-0000-8300-9706	Delivered	Y
12	Barbara Lee Backman, Inc.		510 W Riverside Dr.	Ste. 400	Spokane	WA	99201	12/10/2021	7018-0360-0000-8300-9713	Delivered	Y
13	Barratt W.	Spiller	31 N Bluff Creek Circle		Spring	TX	77382-5776	12/10/2021	7018-0360-0000-8300-9720	Delivered	Y
14	Beatrice C.	Barrera	3653 Burmite Ct.		Las Cruces	NM	88012	12/20/2021	7018-1130-0000-4097-4809	Delivered	Y
15	Belinda Sue	Williams	13260 W 42nd St.		Odessa	TX	79764	12/10/2021	7018-0360-0000-8300-9737	Return to Sender	N
16	BGW Minerals, Ltd.		P.O. Box 100635		Fort Worth	TX	76185	12/10/2021	7018-0360-0000-8300-9744	Delivered	Y
17	Billy Frank	Hill	307 Iowa Ave.		Holton	KS	66436	12/10/2021	7018-0360-0000-8300-9751		
18	BK Exploration Corporation		10159 E. 11th St.	Ste. 401	Tulsa	OK	74128	12/10/2021	7018-0360-0000-8300-9768	Delivered	Y
19	BK Royalties, LLC		P.O. Box 52098		Tulsa	OK	74152	12/9/2021	7018-0360-0000-8300-9775	Delivered	Y
20	Black Shale Minerals, LLC		P.O. Box 2243		Longview	TX	75606-2243	12/9/2021	7018-0360-0000-8300-9782	Delivered	Y
21	Bogle Oil, Inc.		P.O. Box 460		Dexter	NM	88230	12/9/2021	7018-0360-0000-8300-9799	Delivered	Y
22	Brady Lynn	Raindl	P.O. Box 65043		Lubbock	TX	79464	12/9/2021	7018-0360-0000-8300-9805	Delivered	Y
23	Brandi Blair	Raindl	P.O. Box 853		Tahoka	TX	79373	12/9/2021	7018-0360-0000-8300-9812	Delivered	Y
24	Bravo Energy Holdings, LLC		P.O. Box 10701		Midland	TX	79702	12/9/2021	7018-0360-0000-8300-9829	Delivered	Y
25	Brent Mitchell	Raindl	3315 Lancelot Dr.		Dallas	TX	75229	12/21/2021	7018-1130-0000-4097-4885	Delivered	Y
26	Brett Guitar	Witherspoon	3833 Arroyo Rd.		Fort Worth	TX	76109	12/9/2021	7018-0360-0000-8300-9836	Delivered	Y
27	Brian L. McGonagill and Shirley C.	McGonagill	1612 Westridge		Carlsbad	NM	88220	12/9/2021	7018-0360-0000-8300-9843	Delivered	Y
28	Browne Family Revocable Living Trust		3473 Kimberly Rd.		Cameron Park	CA	95682	12/9/2021	7018-0360-0000-8300-9850	Delivered	Y
29	BTA Oil Producers, LLC		104 S Pecos St.		Midland	TX	79701	12/9/2021	7018-0360-0000-8300-9867	Delivered	Y
30	BX4, LLC		21915 E Silver Creek Ct.		Queen Creek	AZ	85142	12/9/2021	7018-0360-0000-8300-9874		
31	Caki Family Limited Partnership		3721 Fallos Verdas		Dallas	TX	75229	12/14/2021	7018-0360-0000-8300-9911	Delivered	Y
32	CapRock Resources, LLC		P.O. Box 670581		Dallas	TX	75367-0581	12/14/2021	7018-0360-0000-8300-9928	Delivered	Y
33	Caren G.	Machell	202 Island Point Ct.		Mount Pleasant	SC	29464	12/20/2021	7018-1130-0000-4097-4694	Delivered	Y
34	Caren Gall Machell Exempt Trust		202 Island Point Ct.		Mount Pleasant	SC	29464	12/20/2021	7018-1130-0000-4097-4694	Delivered	Y
35	Carmex, Inc.		1122 N Canyon		Carlsbad	NM	88220	12/14/2021	7018-0360-0000-8300-9942	Delivered	Y
36	Carnegie Energy, LLC		4925 Greenville Ave.	Ste. 200	Dallas	TX	75206	12/14/2021	7018-0360-0000-8300-9935	Delivered	Y
37	Carol Gibson Trust		P.O. Box 701		Abilene	TX	79604	12/14/2021	7018-0360-0000-8300-9966	Delivered	Y
38	Carolyn R. Corn Revocable Trust		425 NW 40th St.		Oklahoma City	OK	73118	12/14/2021	7018-0360-0000-8300-9973	Delivered	Y
39	Carolyn Shields	Moran	9517 Bent Rd. NE		Albuquerque	NM	87109	12/14/2021	7018-0360-0000-8300-9959	Delivered	Y
40	Chalcolm Exploration, LLC		403 Tierra Berranda		Roswell	NM	88201	12/14/2021	7018-0360-0000-8300-9997	Delivered	Y
41	Charles L.	Reitenger	P.O. Box 62 4492 Marshall Rd		Logansport	LA	71049			Return to Sender	N
42	Charlotte E. Wells and Kalulani L.	Bumpus	900 Broken Feather Trall	Trailer 219	Pflugerville	TX	78660	12/14/2021	7018-0360-0000-8300-9980	Delivered	Y
43	Chasity	Garza	P.O. Box 71		Brownfield	TX	79316	12/14/2021	7018-0360-0000-8301-0009	Refused	N
44	Cheryl	Beck	1229 Sasebo NE		Albuquerque	NM	87112	12/14/2021	7018-0360-0000-8301-2515	Delivered	Y
45	Childs & Bishop Law Office, Inc.		230 W 3rd St.		Odessa	TX	79761	12/14/2021	7019-2280-0001-3922-1029	Delivered	Y
46	Chisod, Ltd.		1333 Lamar St.	Ste. 1077	Houston	TX	77010	12/14/2021	7018-0360-0000-8301-0030	Delivered	Y
47	Christina Elizabeth	Guerrero	4211 E Phillips Pl.		Centennial	CO	80122	12/14/2021	7018-0360-0000-8301-0023		
48	Estate of Clarence W.	Ervin	1214 W. Ural	ATTN: David Aaron Jones	Carlsbad	NM	88220	12/20/2021	7018-1130-0000-4097-4779	Delivered	Y
49	Claudetta K.	Estes	23 S Donaldson Farm Rd.		Loving	NM	88256	12/21/2021	7018-1130-0000-4097-4892	Delivered	Y
50	Claudia Spiller	Reed	505 Triple Crown Manor Ct.		Fenton	MO	63026	12/21/2021	7018-1130-0000-4097-4908	Delivered	Y
51	Conception C. Onsurez	Revocable Trust	P.O. Box 393		Loving	NM	88256-0393	12/14/2021	7018-0360-0000-8301-0047	Delivered	Y
52	Cottonwood Partnership, L.P.		1437 S Boulder	Ste. 930	Tulsa	OK	74119	12/14/2021	7018-0360-0000-8301-0085	Delivered	Y
53	Craig	Collins	3242 NW 43rd St.		Topeka	KS	66618	12/14/2021	7018-0360-0000-8301-0061	Delivered	Y
54	CrownRock Minerals, L.P.		P.O. Box 51933		Midland	TX	79710	12/14/2021	7018-0360-0000-8301-0054	Delivered	Y
55	Crystal A.	Howard	1563 Solana Ave.		Berkeley	CA	94707	12/14/2021	7018-0360-0000-8301-0108	Return to Sender	N
56	Cynthia Fay	Lee	416 N Lake St.		Carlsbad	NM	88220	12/14/2021	7018-0360-0000-8301-0092	Delivered	Y
57	Cynthia Rhodes Trust		P.O. Box 701		Abilene	TX	79604	12/14/2021	7018-0360-0000-8301-0078	Delivered	Y
58	Dale M.	Richardson	5093 East Highway 82		Gainesville	TX	76240	12/20/2021	7018-1130-0000-4097-4823	Return to Sender	N
59	Daniel Taschner and Arin Bratcher	Taschner	2 Meadowlark Ct.		Artesia	NM	88210	12/14/2021	7018-0360-0000-8301-0115	Delivered	Y
60	Danielle	Levine-Baum	3908 Oleander Ct.	Unit P	Calabasas	CA	91302			Return to Sender	N
61	Darrin M. Margulies Trust		5502 Murieta Ave.		Sherman Oaks	CA	91401	12/14/2021	7018-0360-0000-8301-0146	Delivered	Y
62	David L. Margulies and Gloria S.	Margulies Trust	5502 Murieta Ave.		Sherman Oaks	CA	91401	12/14/2021	7020-1290-0000-3303-2888	Delivered	Y
63	DDDF Co., Inc.		406 C&K Petroleum Bldg		Midland	TX	79701	12/20/2021	7018-1130-0000-4097-4687	Return to Sender	N
64	Debra Kay	Primera	P.O. Box 28504		Austin	TX	78755	12/14/2021	7020-1290-0000-3303-2895	Delivered	Y
65	Debra Ward	Roland	14564 N Pecan Ave.		Gardendale	TX	79758	12/14/2021	7020-1290-0000-3303-2901	Delivered	Y
66	Desert States Energy, Inc.		230 S River St.		Wimberley	TX	78676	12/14/2021	7020-1290-0000-3303-2918	Delivered	Y
67	Diana Lee	Pearce	12512 Monarch Dr. NE		Albuquerque	NM	87110	12/14/2021	7020-1290-0000-3303-2925	Delivered	Y
68	Diane E. McFerrin	Peters	823 Linden Rd.		Hershey	PA	17033	12/14/2021	7020-1290-0000-3303-2949	Delivered	Y
69	Earl B. Guitar, Jr. Bypass Trust		108 Riverside Park		Abilene	TX	79605	12/14/2021	7020-1290-0000-3303-2932		
70	Edith Heidel	Emrich	15306 Shannondell Dr.	#306	Audubon	PA	19403	12/14/2021	7020-1290-0000-3303-2956		
71	El Rojo, LLC		P.O. Box 514		Chandler	AZ	85244	12/14/2021	7020-1290-0000-3303-2963	Delivered	Y
72	Emil Berger Trust		12211 Idaho Ave.	#104	Los Angeles	CA	90025	12/14/2021	7020-1290-0000-3303-2970	Delivered	Y
73	EnCore Permian Holding, L.P.		P.O. Box 1113		Midland	TX	79702	12/14/2021	7020-1290-0000-3303-2987	Delivered	Y
74	Estate of Cella B. Milavec		P.O. Box 22		Peralta	NM	87042	12/20/2021	7018-1130-0000-4097-4731	Delivered	Y
75	Estate of Frances S. Cardona		2630 N. Holly St.		Denver	CO	80207	12/20/2021	7018-1130-0000-4097-4793	Delivered	Y
76	Estate of Joe H.	Beeman	1405 W Ural Dr.		Carlsbad	NM	88220	12/14/2021	7020-1290-0000-3303-3007	Delivered	Y
77	Estate of Lawrence P. Williams		1323 Willow Ln.		Farmsville	TX	75442	12/20/2021	7018-1130-0000-4097-4861	Delivered	Y
78	Evalyn Swearingen Testamentary Trust		1362 N 80th Rd.		Concordia	KS	66901	12/14/2021	7020-1290-0000-3303-2994	Delivered	Y
79	FiatRock Royalties, LLC		16607 County Road 1940		Lubbock	TX	79424	12/21/2021	7018-1130-0000-4097-4915	Delivered	Y
80	Fort Worth Mineral Company, LLC		425 Houston St.	Ste. 400	Fort Worth	TX	76102	12/14/2021	7020-1290-0000-3303-3014	Delivered	Y
81	Fortuna III Permian		2 Greenway Plaza	Ste. 240	Houston	TX	77046	12/14/2021	7020-1290-0000-3303-3021		
82	FR Energy, LLC		2 Greenway Plaza	Ste. 240	Houston	TX	77046	12/14/2021	7020-1290-0000-3303-3038		
83	Francis F. Beeman and Bettye Jo	Beeman	1405 W Ural Dr.	Ste. 240	Carlsbad	NM	88220	12/14/2021	7020-1290-0000-3303-3045	Delivered	Y
84	Gayle A. McFerrin	Manning	3166 County Line Rd.		Venetia	PA	15367	12/14/2021	7020-1290-0000-3303-3052	Delivered	Y
85	GB Williams Properties, LLC		3166 County Line Rd.		Mountain Grove	MO	65711	12/14/2021	7020-1290-0000-3303-3069	Delivered	Y
86	Geneva F.	Osborn	P.O. Box 419		Tipton	OK	73570	12/14/2021	7020-1290-0000-3303-3076	Delivered	Y
87	George E.	Richardson	113 Puckett Dr.		Fitzgerald	GA	31750	12/20/2021	7018-1130-0000-4097-4595	Delivered	N
88	George McBeath	Tracy	10504 Lexington Ave.		Albuquerque	NM	87112	12/14/2021	7020-1290-0000-3303-3083	Delivered	Y

149	Kirby, Ratliff, Manning & Greak		8008 Slide Rd.	Ste. 33	Lubbock	TX	79424		12/14/2021	7018-0360-000-8300-9898	Delivered	Y
150	Klipstine & Hanratty, a Law Corporation		P.O. Box 1525		Carlsbad	NM	86220				Return to Sender	N
151	Koray Ali	Cagliergin	2421 SW Pepperwood Cir.		Topeka	KS	66614		12/9/2021	7018-0360-000-8300-9638	Email	Y
152	Lanora Sue Williams	Allomong	14644 CR 8		Montpelier	OH	43543		12/14/2021	7020-1290-0000-3303-3113	Delivered	Y
153	Larry Todd	Spiller	807 Parkwind		Katy	TX	77450		12/14/2021	7020-1290-0000-3303-3120	Delivered	Y
154	Laura Elizabeth	Bunn	2485 W Santa Libre Rd.		Chino Valley	AZ	86323		12/21/2021	7018-1130-0000-4097-4953	Delivered	Y
155	Laura Jean Hofer Trust		11248 S Turner Ave.		Ontario	CA	91761		12/15/2021	7020-1290-0000-3303-3441	Delivered	Y
156	LBD, L.P.		P.O. Box 21116		Billings	MT	59104		12/20/2021	7018-1130-0000-4097-4670	Delivered	Y
157	Lesley F.	Najera	808 W Tilden St.		Roswell	NM	88203				Return to Sender	N
158	Leslie B. Einstein Trust		17017 Avenida de Santa Ynez		Pacific Palisades	CA	90272		12/21/2021	7018-1130-0000-4097-4960	Delivered	Y
159	Lesli Guitar	Nichols	6305 W. County Road 34		Knott	TX	79748		12/20/2021	7018-1130-0000-4097-4601	Delivered	Y
160	Liana Darlene	Pearson	1107 Oakmont St.		Hays	KS	67601		12/20/2021	7018-1130-0000-4097-4663	Delivered	Y
161	Linda Sue	Richardson	4 Sagebrush Trail		Artesia	NM	88210		12/14/2021	7020-1290-0000-3303-3137	Delivered	Y
162	Linda Williams Harris	Miltello	33764 LA Hwy 16		Denham Springs	LA	70706		12/21/2021	7018-1130-0000-4097-4977	Delivered	Y
163	Lindsay K.	McFerrin	9604 W 118th Terrace, Apt. 1		Overland Park	KS	66210		12/20/2021	7018-1130-0000-4097-4533	Email	Y
164	Linville D.	Williams	1345 N Greenfield Rd.		Gilbert	AZ	85234		12/14/2021	7020-1290-0000-3303-3144	Delivered	Y
165	Locke Capital		1350 S Boulder Ave.	Ste. 710	Tulsa	OK	74119				Return to Sender	N
166	Lois M. Lundbland	Durland	527 E Clackamas Cir.		Woodburn	OR	97071				Return to Sender	N
167	Louis M. Ratliff, Jr. and Mary D.	Ratliff	8 Firwood Ct		The Hills	TX	78738		12/14/2021	7020-1290-0000-3303-3151	Delivered	Y
168	Lovella	Kilman	8425 James Ave. NE		Albuquerque	NM	87111		12/21/2021	7018-1130-0000-4097-4984	Delivered	Y
169	M. Craig	Beeman	11208 Parkfield Dr.	#B	Austin	TX	78758		12/14/2021	7020-1290-0000-3303-3175	Delivered	Y
170	Magdalen P.	Panagopoulos	5111 San Jorge Ave. NW		Albuquerque	NM	87120		12/14/2021	7020-1290-0000-3303-3168		
171	Malinda	Thompson	P.O. Box 740362		Arvada	CO	80003				Return to Sender	N
172	Marathon Oil Permian, LLC		5555 San Felipe St.		Houston	TX	77056		12/14/2021	7020-1290-0000-3303-3182	Delivered	Y
173	Marc Lilley and Lisa	Lilley	2132 Sedona Hills Parkway		Las Cruces	NM	88011				Return to Sender	N
174	Margaret L.	Mehi	707 NE Cambridge Dr.		Lee Summit	MO	64086		12/14/2021	7020-1290-0000-3303-3199	Delivered	Y
175	Estate of Margaret L.	Fate	615 Windmill Ranch Road		Encinitas	CA	92024		12/20/2021	7018-1130-0000-4097-4786	Delivered	Y
176	Margaret M.	Stribling	9300 Mabry Ave. NE		Albuquerque	NM	87109		12/20/2021	7018-1130-0000-4097-4847	Delivered	Y
177	Marilyn F.	Bitsis	P.O. Box 21116		Billings	MT	59104		12/14/2021	7020-1290-0000-3303-3205	Delivered	Y
178	Marian Jane	Gordon	10504 Lexington Ave.		Albuquerque	NM	87112		12/20/2021	7018-1130-0000-4097-4571		
179	Mark A.	Beeman	57 North Sky Loop		Roswell	NM	88201		12/14/2021	7020-1290-0000-3303-3212	Delivered	Y
180	Mark D.	Howard	4590 Halkirk Ct.		Palm Harbor	FL	34685		12/14/2021	7020-1290-0000-3303-3229	Delivered	Y
181	Mark L.	Hensley	56 Giovingo Rd.		Loving	NM	88256		12/14/2021	7020-1290-0000-3303-3236	Return to Sender	N
182	Mark McClellan and Paula	McClellan	5076 Bright Sky		Roswell	NM	88201		12/14/2021	7020-1290-0000-3303-3335	Return to Sender	N
183	Marsha Sue	Kantor	75 Stone Run Rd.		Bedminster	NJ	07921		12/14/2021	7020-1290-0000-3303-3342	Delivered	Y
184	Martha Joy	Stribling	918 Parkland Cir. SE		Albuquerque	NM	87108		12/14/2021	7020-1290-0000-3303-3359	Delivered	Y
185	Martha Joy Stribling Revocable Living Trust		918 Parkland Cir. SE		Albuquerque	NM	87108		12/14/2021	7020-1290-0000-3303-3359	Delivered	Y
186	Mary Camille	Hall	3812 Tailfeather Dr.		Round Rock	TX	78681		12/14/2021	7020-1290-0000-3303-3366		
187	Mary H. White, Personal Representative for the Estate	Irms J. Gregory	P.O. Box 1525		Artesia	NM	88211		12/14/2021	7020-1290-0000-3303-3397	Delivered	Y
188	Mary H.	White	P.O. Box 1525		Artesia	NM	88211		12/14/2021	7020-1290-0000-3303-3373	Delivered	Y
189	Mary Lee Hall	Stewart	201 Rodriguez		Yokum	TX	77995		12/14/2021	7020-1290-0000-3303-3380	Delivered	Y
190	McMullen Minerals, LLC		P.O. Box 470857		Fort Worth	TX	76147		12/14/2021	7020-1290-0000-3303-3403	Delivered	Y
191	Melissa	McGee	2801 S. 25th		Ablene	TX	79605		12/20/2021	7018-1130-0000-4097-4762	Return to Sender	N
192	Melissa	Bain	P.O. Box 338		Loving	NM	88256		12/14/2021	7020-1290-0000-3303-3410	Delivered	Y
193	Melissa G.	McCarthy	48073 Larrabee St.		Edwall	WA	99008		12/14/2021	7020-1290-0000-3303-3427	Delivered	Y
194	Melton E.	Trachta	131 W Rosewood		San Antonio	TX	78212		12/14/2021	7020-1290-0000-3303-3434		
195	Meredith E. Hardgrave and Helen Joyce	Hardgrave Revocable Trust	6012 East 114th St.	ATTN: Brett A. Biery	Tulsa	OK	74137		12/21/2021	7018-1130-0000-4097-4991		
196	Merland, Inc.		P.O. Box 548		Carlsbad	NM	88221		12/15/2021	7020-1290-0000-3303-3458	Delivered	Y
197	Michael A.	Schaefer	2308 13th St. SE		Rio Rancho	NM	87124		12/15/2021	7020-1290-0000-3303-3465	Delivered	Y
198	Mika	Slough	4904 84th St.		Lubbock	TX	79424		12/15/2021	7020-1290-0000-3303-3472	Delivered	Y
199	Milavec Minerals, LLC		2308 13th St. SE		Rio Rancho	NM	87124		12/15/2021	7020-1290-0000-3303-3489	Delivered	Y
200	Mittie Beth	Hayes	116 W Peach Ln.		Carlsbad	NM	88220		12/15/2021	7020-1290-0000-3303-3496	Delivered	Y
201	Morris	Schertz	P.O. Box 2588		Roswell	NM	88201		12/15/2021	7020-1290-0000-3303-3502	Delivered	Y
202	MRC Permian Company		5400 LBJ Freeway	Ste. 1500	Dallas	TX	75240		12/21/2021	7018-1130-0000-4097-5004	Delivered	Y
203	Murchison-Guitar Family, L.P.		P.O. Box 712		Red Bluff	CA	96080		12/15/2021	7020-1290-0000-3303-3519	Delivered	Y
204	Nance M. Coffey Trust		2105 Edinburg Dr.		Yukon	OK	73099		12/15/2021	7020-1290-0000-3303-3526	Delivered	Y
205	Neville	Manning	2112 Indiana		Lubbock	TX	79410		12/15/2021	7020-1290-0000-3303-3533	Delivered	Y
206	Nicky Standlee	Anderson	4904 84th St.		Lubbock	TX	79424		12/15/2021	7020-1290-0000-3303-3540	Delivered	Y
207	Noble Eugene	Yarbro	19635 Pitchstone Dr.		Tomball	TX	77377		12/15/2021	7020-1290-0000-3303-3557	Delivered	Y
208	Nolan	Greak	8008 Slide Rd.	Ste. 33	Lubbock	TX	79424		12/15/2021	7020-1290-0000-3303-3564	Delivered	Y
209	Norma Jean Spiller	de Jong	1111 Tigris Ln.		Houston	TX	77090		12/15/2021	7020-1290-0000-3303-3571	Delivered	Y
210	Nortex Corporation		P.O. Box 27710		Houston	TX	77227		12/15/2021	7020-1290-0000-3303-3588	Delivered	Y
211	Novo Minerals, L.P.		1001 W. Hillshire Blvd.	Ste. 206	Oklahoma City	OK	73116		12/15/2021	7020-1290-0000-3303-3595	Delivered	Y
212	OXY USA WTP Limited Partnership		5 Greenway Plaza	Ste. 110	Houston	TX	77046-0521		12/15/2021	7020-1290-0000-3303-3601	Delivered	Y
213	Pamela Rae	Cummings	P.O. Box 817		Panhandle	TX	79068		12/15/2021	7020-1290-0000-3303-3618	Delivered	Y
214	Panagiota P.	Panagopoulos Tendall	7812 Bluewater Dr.		Las Vegas	NV	89128		12/15/2021	7020-1290-0000-3303-3625	Delivered	Y
215	Panagopoulos Enterprises, LLC		511 W. Reinken Ave.		Belen	NM	87002		12/20/2021	7018-1130-0000-4097-4816	Delivered	Y
216	Pardue Limited Company		126 North Canyon St.		Carlsbad	NM	88220		12/15/2021	7020-1290-0000-3303-3636	Delivered	N
217	Patricia A.	Miller	2909 SW Lewis Dr.		Lee's Summit	MO	64081		12/15/2021	7020-1290-0000-3303-3649		
218	Patricia Ann	Armedariz	192 Murray St.	#1	Newark	NJ	7114		12/15/2021	7020-0640-0001-7285-4802	Delivered	Y
219	Patricia Ann	Long	P.O. Box 21116		Billings	MT	59104		12/15/2021	7020-0640-0001-7285-4819	Delivered	Y
220	Patricia Ann Beeman Revocable Trust		807 Alamosa		Carlsbad	NM	88220		12/15/2021	7020-0640-0001-7285-4826	Delivered	Y
221	Patricia Gae	Stamps	P.O. Box 249		Panhandle	TX	79068		12/15/2021	7020-0640-0001-7285-4833	Delivered	Y
222	Paulette V. Schaefer	Misanko	644 Gordon Ave.		Reno	NV	89509		12/15/2021	7020-0640-0001-7285-4840	Delivered	Y
223	Pavlov P.	Panagopoulos	5111 San Jorge Ave. NW		Albuquerque	NM	87120		12/15/2021	7020-0640-0001-7285-4857		
224	Pearl F.	Giovingo	P.O. Box 416		Loving	NM	88256		12/15/2021	7020-0640-0001-7285-4864	Return to Sender	N
225	Pegasus Resources, LLC		P.O. Box 733980		Dallas	TX	75373		12/15/2021	7020-0640-0001-7285-4871	Delivered	Y
226	Penroc Oil Corporation		P.O. Box 2769		Hobbs	NM	88241		12/15/2021	7020-0640-0001-7285-4888	Delivered	Y
227	PetroLima, LLC		P.O. Box 1113		Midland	TX	79702		12/15/2021	7020-0640-0001-7285-4895	Delivered	Y
228	Phoenix Four, LLC		400 W Illinois	Ste. 1400	Midland	TX	79701		12/15/2021	7020-0640-0001-7285-4901	Delivered	Y
229	Polk Land & Minerals, L.P.		1101 Butternut		Ablene	TX	79602		12/15/2021	7020-0640-0001-7285-4918	Delivered	Y
230	Polly	Lewis	4904 84th St.		Lubbock	TX	79424		12/15/2021	7020-0640-0001-7285-4925	Delivered	Y
231	Pressley Hudson	Guitar	P.O. Box 5383		Ablene	TX	79608		12/15/2021	7020-0640-0001-7285-4932	Delivered	Y
232	Princess Properties, LLC		1213 West Third St.		Roswell	NM	88201		12/15/2021	7020-0640-0001-7285-4949	Delivered	Y
233	Ranchito AD4, L.P.		2100 Ross Ave.	Ste. 1870	Dallas	TX	75201		12/15/2021	7020-0640-0001-7285-4956	Delivered	Y
234	Read & Stevens, Inc.		400 N Pennsylvania Ave.		Roswell	NM	88201		12/15/2021	7020-0640-0001-7285-4963	Delivered	Y
235	Realeza Del Spear, L.P.		P.O. Box 1684		Midland	TX	79702		12/15/2021	7020-0640-0001-7285-4970	Delivered	Y
236	Renee Ann	Levine-Blonder	21234 Providencia St.		Woodland Hills	CA	91364		12/15/2021	7020-0640-0001-7285-4987	Delivered	Y
237	Richard Holesapple Revocable Trust		P.O. Box 40909		Austin	TX	78704		12/15/2021	7020-0640-0001-7285-4994	Delivered	Y
238	Richardson Mineral and Royalty, LLC		P.O. Box 2423		Roswell	NM	88202		12/15/2021	7020-0640-0001-7285-5007	Delivered	Y
239	Ricky D.	Raindl	P.O. Box 142454		Irving	TX	75014		12/15/2021	7020-0640-0001-7285-7513	Delivered	Y
240	Robert "Burdy" Duncan	Cain, Jr.	12004 Zia Rd. NE	Unit A1	Albuquerque	NM	87123		12/20/2021	7018-1130-0000-4097-4656	Return to Sender	N
241	Robert B.	Beeman	1520 North Guadalupe		Carlsbad	NM	88220		12/20/2021	Email	Delivered	Y
242	Robert D.	Richardson	13363 E Asbury Dr.	#104	Aurora	CO	80014				Return to Sender	N
243	Robert Mitchell	Raindl	P.O. Box 853		Tahoka	TX	79373		12/15/2021	7020-0640-0001-7285-4338	Delivered	Y
244	Robert Scott	Pace	609 9th St.		Wolfforth	TX	79382		12/15/2021	7020-0640-0001-7285-4345	Return to Sender	N
245	Rockwell Energy Resources, LLC		5600 N. May Ave.		Oklahoma City	OK	73112		12/15/2021	7020-		

301	Tularosa Oil Company		P.O. Box 471349		Fort Worth	TX	76147	12/15/2021	7018-1130-0000-4097-6155	Delivered	Y
302	Tumbler Energy Partners, LLC		P.O. Box 50938		Midland	TX	79710	12/15/2021	7018-1130-0000-4097-6162	Delivered	Y
303	Tundra AD3, L.P.		2100 Ross Ave.	Ste. 1870	Dallas	TX	75201	12/15/2021	7018-1130-0000-4097-6179	Delivered	Y
304	Uplift Energy, LLC		P.O. Box 10702		Midland	TX	79702	12/15/2021	7018-1130-0000-4097-6186	Delivered	Y
305	Urquidez Family Living Trust		9021 N 63rd Dr.		Glendale	AZ	85302	12/15/2021	7018-1130-0000-4097-6193	Delivered	Y
306	Valdez Family 2006 Irrevocable Trust		4204 S. Thomason Rd.		Carlsbad	NM	88220	12/20/2021	7018-1130-0000-4097-4724	Delivered	Y
307	Van T. Tettleton and Margaret Ann	Tettleton	P.O. Box 10909		Midland	TX	79702	12/15/2021	7018-1130-0000-4097-6209	Delivered	Y
308	Veronica Marie	Nieto	5717 Bonneville		El Paso	TX	79912	12/15/2021	7018-1130-0000-4097-6216		
309	Vincent Trae	Milavec	P.O. Box 22		Peralta	NM	87042	12/15/2021	7018-1130-0000-4097-6223	Delivered	Y
310	Virginia Lee	Davis	132 Meredith Lane		Oliver Springs	TN	37840	12/20/2021	7018-1130-0000-4097-4830	Delivered	Y
311	Virginia Nevill Hoff Management Trust		2601 Lakewood Cir.		Tuscaloosa	AL	35405	12/15/2021	7018-1130-0000-4097-6247	Delivered	Y
312	Watt Living Trust		128 Dyrell Way		Folsom	CA	95630	12/15/2021	7018-1130-0000-4097-6254	Delivered	Y
313	Weatherwane Management, L.P.		4610 8th St.		Lubbock	TX	79416	12/15/2021	7018-1130-0000-4097-6261	Delivered	Y
314	Wende G. Witherspoon	Morgan	1720 Southwicke Dr.		Flowermound	TX	75022	12/21/2021	7020-1810-0000-6753-5988		
315	Whitten Guitar	Witherspoon	7524 Pear Tree Ln.		Fort Worth	TX	76133	12/15/2021	7018-1130-0000-4097-6278	Delivered	Y
316	Willard F.	Spiller, III	2601 Face Rock Ct		Columbia	MO	65203	12/15/2021	7018-1130-0000-4097-6285	Delivered	Y
317	William F.	Gregory	11910 Central Ave. SE	#2B	Albuquerque	NM	87123	12/15/2021	7018-1130-0000-4097-6292		
318	William F.	Beeman	71 Apache Dr.		Carlsbad	NM	88220	12/15/2021	7018-1130-0000-4097-6308		
319	William M. Baker and Francine L. Baker	Family Trust	488 W 6th St.		Claremont	CA	91711	12/15/2021	7018-1130-0000-4097-6315	Delivered	Y
320	William Robert	Paape	1110 Kennan Rd.		West Lake Hills	TX	78746	12/15/2021	7018-1130-0000-4097-6322	Delivered	Y
321	Williams Living Trust		1323 Willow Ln.		Farmersville	TX	75442	12/15/2021	7018-1130-0000-4097-6339	Delivered	Y
322	Wood and Wire Management, L.P.		P.O. Box 341342		Austin	TX	78734	12/15/2021	7018-1130-0000-4097-6346	Delivered	Y
323	Woods Dickens Ranch, L.P.		36 Surrey Square		Abilene	TX	79606	12/15/2021	7020-1810-0000-6753-5858	Return to Sender	N
324	Zia Royalty, LLC		P.O. Box 2160		Hobbs	NM	88241	12/15/2021	7020-1810-0000-6753-5865	Delivered	Y
325	Zunis Energy, LLC		15 E 5th St.	Ste. 3300	Tulsa	OK	74103	12/15/2021	7020-1810-0000-6753-5872	Delivered	Y

DECLARATION OF UNIT  
CB BERU 23 14 FEE 06 WC

STATE OF NEW MEXICO

COUNTY OF EDDY

The undersigned, by virtue of the authority conferred in the oil, gas and mineral leases listed on Exhibit A-Pooled Leases ("Leases"), do hereby pool, consolidate, combine, and unitize the Leases, insofar as the Leases cover production from the land described in Exhibit B-Unit Acreage ("Unit Acreage") and do pool, consolidate, combine, and unitize the royalties, working interests, overriding royalties, production payments, and all other interests pertaining to the Leases and the Unit Acreage and production therefrom, insofar and only insofar as the Leases and other interests cover and include all oil, gas, and other related hydrocarbons produced from a well on the Unit as herein described ("Unitized Substance"), in and under the Unit Acreage from the subsurface interval known as the Wolfcamp formation beneath the Unit Acreage ("Unitized Interval"), so as to form a single operating production unit for the production of Unitized Substances. As used herein, the words "include(s)" and "including" are not limiting but are terms of enlargement so other items or components are includable although not specifically expressed.

- 1) Production of Unitized Substances. The production of Unitized Substances from any part of the Unit Acreage, insofar as the Unit Acreage covers the Unitized Interval, will constitute production of such Unitized Substances from all of the Leases contained in the Unit. Drilling or reworking operations or other operations conducted on the Unit for the production of Unitized Substances, will constitute operations for the production of Unitized Substances on all of the Leases and Unit Acreage.
  
- 2) Description of Unit. The unit formed hereby shall be known as the CB BERU 23 14 FEE 6 ("Unit") containing 480 acres of land, more or less, described as the SE/4 of Section 14, Township 23 South, Range 28 East, and the E/2 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.
  
- 3) Distribution of Interests. All Unitized Substances produced from any well on the Unit shall be allocated proportionately among all of the tracts within the Unit proportionate to the number of acres in each tract included in the Unit bears to the

total number of acres in the Unit. All working interests, royalties, overriding royalties, production payments, and all other interests in the Leases shall be computed on the basis of the respective interests in the production allocated to the tract or tracts in which those interests are owned.

- 4) Acceptance of Terms. All parties owning any interest in the oil, gas, and other related hydrocarbons in and under the Unit Acreage who execute this instrument or a counterpart thereof, or who ratify the same, or who hereafter acquire an interest in the Unit Acreage subject to the terms hereof, hereby adopt and confirm the creation of the Unit and agree to all of the terms hereof, and covenant that any leases or assignments affecting their interests are amended to the extent necessary to authorize the formation of the Unit and conform to all of the terms hereof. In the event the owners of the Leases, or their respective heirs, successors, or assigns, own any lease or interest in a lease covering lands within the Unit Acreage other than those listed on Exhibit A, or any unleased interest in the Unit Acreage, the same is hereby pooled into the Unit without the necessity of specifically enumerating that lease or interest and the specific land it covers.
- 5) No Cross-Conveyance. Notwithstanding anything to the contrary herein, this instrument does not cause or intend to cause any cross-assignment or cross conveyance of any lease or interest covered hereby.
- 6) Effective Date. The Unit is effective as of June 11, 2022 or from the date of first production from the Unitized Interval, whichever first occurs (the "Effective Date"), and will remain in effect so long thereafter as Unitized Substances are produced from the Unit or as long as drilling, reworking, plugging back, or sidetracking operations are conducted on any well on Unit Acreage completed in or targeted for the Unitized Interval, with no cessation of more than 60 consecutive days, and if any such operations result in the production of Unitized Substances, for so long thereafter as the same are produced, or such operations are again commenced within 60 days from the cessation of production. It will be considered that Unitized Substances are being produced in paying quantities while a well is shut in on the Unit and the lessees of the Leases pay or tender shut-in rentals or royalties in accordance with the terms of the Leases or otherwise perpetuate the Leases pursuant to each of their respective terms and conditions.
- 7) Right to Amend. The undersigned reserve the continuing right to amend, correct, or alter this instrument and the Unit including increasing, decreasing, or changing the configuration of the unit acreage, and relocating or changing the Unitized Interval, at any time and from time to time after the original formation hereof. Any such amendment must be in writing, signed by the parties bound hereby and filed for record in Eddy County, New Mexico.
- 8) Counterparts. For convenience, this instrument may be executed in multiple counterparts, with each separate counterpart constituting a valid and binding instrument. Each of the undersigned agree that for recording purposes their

respective signature pages and acknowledgements may be removed from their respective counterpart and attached to a single Declaration of Unit.

- 9) Compulsory Pooled Interest. Pursuant to that certain Compulsory Pooling Order No. R-21363 dated June 11, 2020, and attached as Exhibit C – Compulsory Pooling Order to this Declaration of Unit, all uncommitted working interests, royalty interests, overriding royalty interests, and other interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit Acreage have been effectively pooled.

IN WITNESS WHEREOF, this Declaration of Unit is executed by the undersigned on the respective dates set opposite their names below, but is effective as of the date hereinabove provided.

**OPERATOR:**

CHEVRON U.S.A. INC.

3/29/2022

By:   
IRVIN R. GUTIERREZ

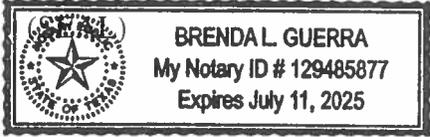
Date

Operator/Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF Texas )  
 ) ss.  
COUNTY OF Harris )

On this 29 day of March, 2022, before me, a Notary Public for the State of New Mexico, personally appeared IRVIN R. GUTIERREZ, known to me to be the Attorney-In-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.



\_\_\_\_\_  
My Commission Expires

Brenda L Guerra  
Notary Public

**EXHIBIT "A" - Pooled Leases**

Attached to and made a part of that certain Declaration of Unit covering the SE/4 of Section 14, Township 23 South, Range 28 East, and the E/2 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 480 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 10/24/1977  
**Recorded:** Book 151, Page 789  
**Lessor:** Saul Baker and wife Esther Lee Baker  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 1, N/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 80 acres

**Lease Date:** 11/01/1977  
**Recorded:** Book 152, Page 388  
**Lessor:** Aguile Cattle Co. Inc. and Arizona Corporation  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, N/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 80 acres

**Lease Date:** 10/24/1977  
**Recorded:** Book 151, Page 831  
**Lessor:** Crocker National Bank  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 1, N/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 80 acres

**Lease Date:** 07/19/1973  
**Recorded:** Book 105, Page 512  
**Lessor:** Candelario Carrasco  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 1, N/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
 - **Number of Acres:** 80 acres

**Tract 2**

**Lease Date:** 02/05/1990  
**Recorded:** Book 63, Page 482  
**Lessor:** Phoebe R Howard  
**Original Lessee:** Charles W Mussett  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 02/05/1990  
**Recorded:** Book 63, Page 69  
**Lessor:** David R Howard  
**Original Lessee:** Charles W Mussett  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 02/05/1990  
**Recorded:** Book 62, Page 744  
**Lessor:** Jared F Howard  
**Original Lessee:** Charles W Mussett  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 02/05/1990  
**Recorded:** Book 63, Page 480  
**Lessor:** Phoebe R Howard  
**Original Lessee:** Charles W Mussett  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 02/05/1990  
**Recorded:** Book 63, Page 67  
**Lessor:** David R Howard  
**Original Lessee:** Charles W Mussett  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 02/05/1990  
**Recorded:** Book 62, Page 746  
**Lessor:** Jared F Howard  
**Original Lessee:** Charles W Mussett  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 07/16/1989  
**Recorded:** Book 50, Page 353  
**Lessor:** The Hicks Revocable Trust  
**Original Lessee:** Campetco  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 07/16/1989  
**Recorded:** Book 50, Page 349  
**Lessor:** Sammy King Price  
**Original Lessee:** Campetco  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 07/16/1989  
**Recorded:** Book 51, Page 396  
**Lessor:** Charlotte Pierce Roark  
**Original Lessee:** Campetco  
**Description of land Pooled:** Tract 2, S/2 SE/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Tract 3**

**Lease Date:** 03/22/1973  
**Recorded:** Book 98, Page 34  
**Lessor:** Johnnie L Reid  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 3, N/2 NW/4 NE/4 and SW/4 NW/4 NE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Tract 4**

**Lease Date:** 03/22/1973  
**Recorded:** Book 98, Page 34  
**Lessor:** Johnnie L Reid  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 4, SE/4 NW/4 NE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Tract 5**

**Lease Date:** 03/27/1973  
**Recorded:** Book 98, Page 52  
**Lessor:** Arthur R Donaldson  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 5, S/2 SW/4 NE/4 and NW/4 SW/4 NE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Tract 6**

**Lease Date:** 03/27/1973  
**Recorded:** Book 98, Page 52  
**Lessor:** Arthur R Donaldson  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 6, NE/4 SW/4 NE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Tract 7**

**Lease Date:** 04/09/1973  
**Recorded:** Book 100, Page 441  
**Lessor:** Amelia Stennis  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 7, E/2 NE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 04/20/2016  
**Recorded:** Book 1068, Page 217  
**Lessor:** Maria T Stennis  
**Original Lessee:** Rockckliff Operating New Mexico  
**Description of land Pooled:** Tract 7, E/2 NE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 04/21/2019  
**Recorded:** Book 802, Page 1  
**Lessor:** Maria T Stennis  
**Original Lessee:** Uplift Energy LLC  
**Description of land Pooled:** Tract 7, E/2 NE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 04/21/2019  
**Recorded:** Book 1123, Page 904  
**Lessor:** Pegasus Resources LLC  
**Original Lessee:** Alpha Permian Resources LLC  
**Description of land Pooled:** Tract 7, E/2 NE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Tract 8**

**Lease Date:** 3/30/1973  
**Recorded:** Book 99, Page 149  
**Lessor:** Draper Brantley Jr.  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 8, NW/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 3/30/1973  
**Recorded:** Book 100, Page 405  
**Lessor:** Claiborne M Power  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 8, NW/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 3/31/1978  
**Recorded:** Book 156, Page 418  
**Lessor:** Merland Incorporated  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 8, NW/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 9**

**Lease Date:** 3/30/1973  
**Recorded:** Book 99, Page 149  
**Lessor:** Draper Brantley Jr.  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 9, NE/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 3/30/1973  
**Recorded:** Book 100, Page 405  
**Lessor:** Claiborne M Power  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 9, NE/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 3/31/1978  
**Recorded:** Book 156, Page 418  
**Lessor:** Merland Incorporated  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 9, NE/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 10**

**Lease Date:** 04/03/1973  
**Recorded:** Book 98, Page 62  
**Lessor:** S. F. Williams  
**Original Lessee:** Amoco Production  
**Description of land Pooled:** Tract 10, SW/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 04/03/1973  
**Recorded:** Book 99, Page 127  
**Lessor:** Roxie L Williams  
**Original Lessee:** Amoco Production  
**Description of land Pooled:** Tract 10, SW/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 11**

**Lease Date:** 04/03/1973  
**Recorded:** Book 98, Page 62  
**Lessor:** S. F. Williams  
**Original Lessee:** Amoco Production  
**Description of land Pooled:** Tract 11, SE/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 04/03/1973  
**Recorded:** Book 99, Page 127  
**Lessor:** Roxie L Williams  
**Original Lessee:** Amoco Production  
**Description of land Pooled:** Tract 11, SE/4 SE/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

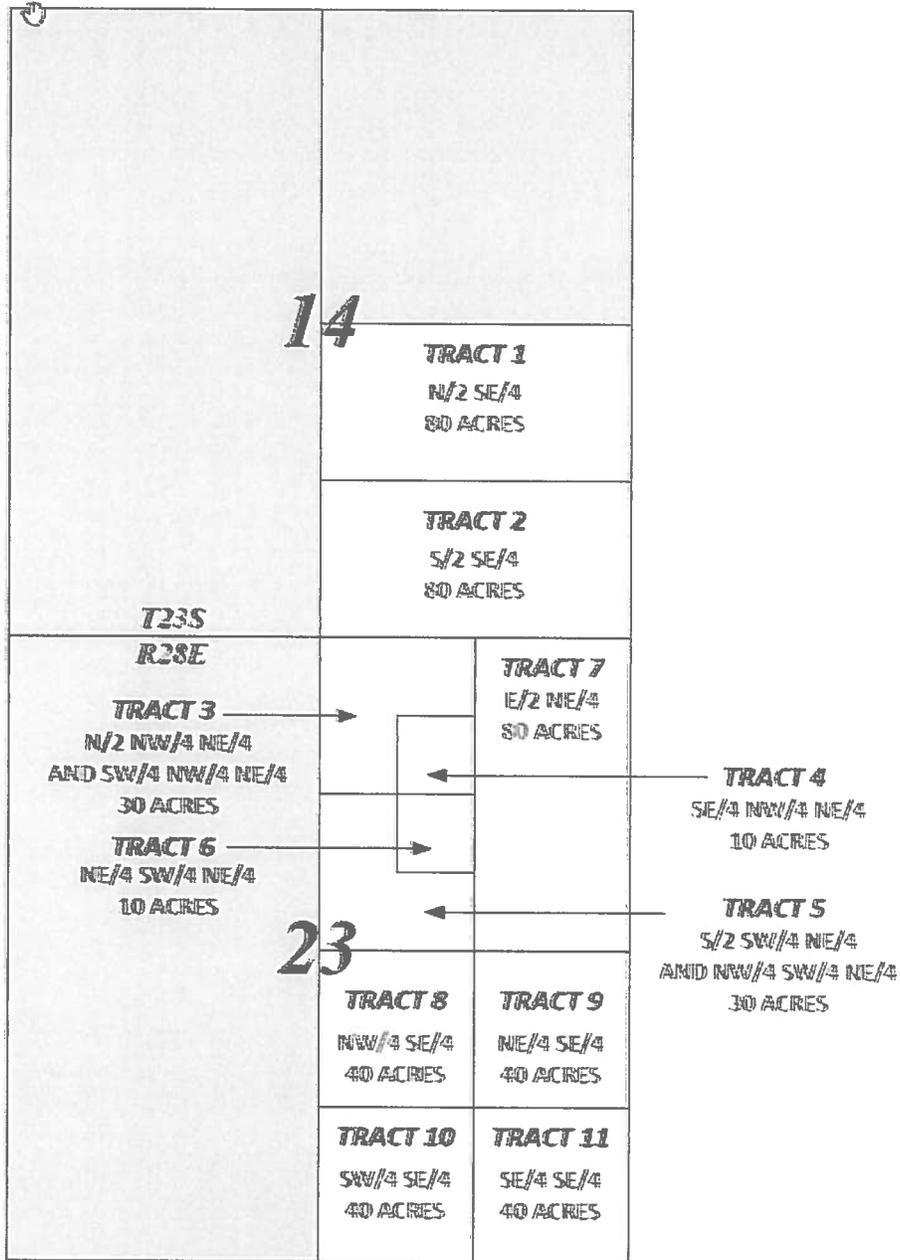
**END OF EXHIBIT "A" - Pooled Leases**

**EXHIBIT "B" - Unit Acreage**

Township 23 South, Range 28 East:  
Section 14: SE/4

AND

Township 23 South, Range 28 East:  
Section 23: E/2  
Eddy County, New Mexico



**RECAPITULATION**

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	80.00	16.67%
2	80.00	16.67%
3	30.00	6.25%
4	10.00	2.08%
5	30.00	6.25%
6	10.00	2.08%
7	80.00	16.67%
8	40.00	8.33%
9	40.00	8.33%
10	40.00	8.33%
11	40.00	8.34%
<hr/>		
Total	480.00	100.0000%

END OF EXHIBIT "B" – Unit Acreage

**EXHIBIT "C" - Force Pool Order**

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
CHEVRON U.S.A. INC**

**CASE NO. 21296  
ORDER NO. R-21363**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on June 11, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Chevron U.S.A. 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.
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 depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

**ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
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.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. 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."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. 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.

- 29. 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 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**  
 AES/tgw

Date: 6/17/2020

CASE NO. 21296  
 ORDER NO. R-21363

Exhibit "A"

<b>COMPULSORY POOLING APPLICATION CHECKLIST (pdf)</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 21296</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: June 11, 2020</b>	
Applicant	Chevron U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	Chevron U.S.A. Inc. (OGRID No. 4323)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	NA
Well Family	CB BERU 23 14 FEE 06 wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	Purple Sage; Wolfcamp (Gas) Pool [Pool Code 98220]
Well Location Setback Rules:	Purple Sage; Wolfcamp (Gas) Pool Rules
Spacing Unit Size:	480 acres, more or less
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 acres, more or less
Building Blocks:	quarter sections
Orientation:	North/South
Description: TRS/County	E/2 of Section 23 and the SE/4 of Section 14, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), if No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. A  
 Submitted by: Chevron U.S.A. Inc.  
 Hearing Date June 11, 2020  
 Case No 21296

CASE NO. 21296  
 ORDER NO. R-21363

Well #1	<p><b>CB BERU 23 14 FEE 06 Well No. 401H</b>, API No. 30-015-46928                      SHL:470 feet from the south line and 925 feet from the east line, SE/4 SE/4 (Unit P) of Section 23, Township 23 South, Range 28 East, NMPM.                      BHL:2615 feet from the South line and 2310 feet from the east line, SW/4 NE/4 (Unit G) of Section 14, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wolfcamp                      Well Orientation:South to North                      Completion Location expected to be:standard</p>
Well #2	<p><b>CB BERU 23 14 FEE 06 Well No. 402H</b>, API No. 30-015-46929                      SHL:470 feet from the south line and 875 feet from the east line, SE/4 SE/4 (Unit P) of Section 23, Township 23 South, Range 28 East, NMPM.                      BHL:2615 feet from the South line and 1260 feet from the east line, SE/4 NE/4 (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wolfcamp                      Well Orientation:South to North                      Completion Location expected to be:standard</p>
Well #3	<p><b>CB BERU 23 14 FEE 06 Well No. 403H</b>, API No. 30-015-46930                      SHL:470 feet from the south line and 825 feet from the east line, SE/4 SE/4 (Unit P) of Section 23, Township 23 South, Range 28 East, NMPM.                      BHL:2615 feet from the South line and 330 feet from the east line, SE/4 NE/4 (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wolfcamp                      Well Orientation:South to North                      Completion Location expected to be:standard</p>
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, C-4
Requested Risk Charge	Exhibit C
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3

Unlocatable Parties to be Pooled	Exhibit C
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D, D-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D, D-2, D-3, D-4
Target Formation	Exhibit D, D-2, D-3, D-4
HSU Cross Section	Exhibit D, D-3, D-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1, D-2
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D, D 3, D 4
Cross Section (including Landing Zone)	Exhibit D, D-3, D 4
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name (Attorney or Party Representative):</b>	Kaitlyn A. Luck
<b>Signed Name (Attorney or Party Representative):</b>	
<b>Date:</b>	9-Jun-20

**END OF EXHIBIT "C" - Force Pool Order**

CASE NO. 21296  
 ORDER NO. R-21363

DECLARATION OF UNIT

CB CAL 25 36 STATE COMM 08 E/2 W/2 BS

STATE OF NEW MEXICO

COUNTY OF EDDY

The undersigned, by virtue of the authority conferred in the oil, gas and mineral leases listed on Exhibit A-Pooled Leases ("Leases"), do hereby pool, consolidate, combine, and unitize the Leases, insofar as the Leases cover production from the land described in Exhibit B-Unit Acreage ("Unit Acreage") and do pool, consolidate, combine, and unitize the royalties, working interests, overriding royalties, production payments, and all other interests pertaining to the Leases and the Unit Acreage and production therefrom, insofar and only insofar as the Leases and other interests cover and include all oil, gas, and other related hydrocarbons produced from a well on the Unit as herein described ("Unitized Substance"), in and under the Unit Acreage from the subsurface interval known as the Bone Spring formation beneath the Unit Acreage ("Unitized Interval"), so as to form a single operating production unit for the production of Unitized Substances. As used herein, the words "include(s)" and "including" are not limiting but are terms of enlargement so other items or components are includable although not specifically expressed.

- 1) Production of Unitized Substances. The production of Unitized Substances from any part of the Unit Acreage, insofar as the Unit Acreage covers the Unitized Interval, will constitute production of such Unitized Substances from all of the Leases contained in the Unit. Drilling or reworking operations or other operations conducted on the Unit for the production of Unitized Substances, will constitute operations for the production of Unitized Substances on all of the Leases and Unit Acreage.
  
- 2) Description of Unit. The unit formed hereby shall be known as the CB CAL 25 36 STATE COMM 08 E/2 W/2 BS ("Unit") containing 320 acres of land, more or less, described as the E/2 W/2 of Section 25, Township 23 South, Range 28 East, and the E/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Bone Spring formation, as seen at 6,325 feet beneath the surface, to the stratigraphic equivalent of the base of the Bone Spring formation, as seen at 9,633 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015322646), located in Section 25, Township 23 South, Range 28 East, Eddy County, New Mexico.
  
- 3) Distribution of Interests. All Unitized Substances produced from any well on the Unit shall be allocated proportionately among all of the tracts within the Unit proportionate to the number of acres in each tract included in the Unit bears to the total number of acres in the Unit. All working interests, royalties, overriding

royalties, production payments, and all other interests in the Leases shall be computed on the basis of the respective interests in the production allocated to the tract or tracts in which those interests are owned.

- 4) Acceptance of Terms. All parties owning any interest in the oil, gas, and other related hydrocarbons in and under the Unit Acreage who execute this instrument or a counterpart thereof, or who ratify the same, or who hereafter acquire an interest in the Unit Acreage subject to the terms hereof, hereby adopt and confirm the creation of the Unit and agree to all of the terms hereof, and covenant that any leases or assignments affecting their interests are amended to the extent necessary to authorize the formation of the Unit and conform to all of the terms hereof. In the event the owners of the Leases, or their respective heirs, successors, or assigns, own any lease or interest in a lease covering lands within the Unit Acreage other than those listed on Exhibit A, or any unleased interest in the Unit Acreage, the same is hereby pooled into the Unit without the necessity of specifically enumerating that lease or interest and the specific land it covers.
- 5) No Cross-Conveyance. Notwithstanding anything to the contrary herein, this instrument does not cause or intend to cause any cross-assignment or cross conveyance of any lease or interest covered hereby.
- 6) Effective Date. The Unit is effective as of March 5, 2020 or from the date of first production from the Unitized Interval, whichever first occurs (the "Effective Date"), and will remain in effect so long thereafter as Unitized Substances are produced from the Unit or as long as drilling, reworking, plugging back, or sidetracking operations are conducted on any well on Unit Acreage completed in or targeted for the Unitized Interval, with no cessation of more than 60 consecutive days, and if any such operations result in the production of Unitized Substances, for so long thereafter as the same are produced, or such operations are again commenced within 60 days from the cessation of production. It will be considered that Unitized Substances are being produced in paying quantities while a well is shut in on the Unit and the lessees of the Leases pay or tender shut-in rentals or royalties in accordance with the terms of the Leases or otherwise perpetuate the Leases pursuant to each of their respective terms and conditions.
- 7) Right to Amend. The undersigned reserve the continuing right to amend, correct, or alter this instrument and the Unit including increasing, decreasing, or changing the configuration of the unit acreage, and relocating or changing the Unitized Interval, at any time and from time to time after the original formation hereof. Any such amendment must be in writing, signed by the parties bound hereby and filed for record in Eddy County, New Mexico.
- 8) Counterparts. For convenience, this instrument may be executed in multiple counterparts, with each separate counterpart constituting a valid and binding instrument. Each of the undersigned agree that for recording purposes their

respective signature pages and acknowledgements may be removed from their respective counterpart and attached to a single Declaration of Unit.

- 9) Compulsory Pooled Interest. Pursuant to that certain Compulsory Pooling Order No. R-21231 dated March 5, 2020, and attached as Exhibit C – Compulsory Pooling Order to this Declaration of Unit, all uncommitted working interests, royalty interests, overriding royalty interests, and other interests, whatever they may be, in the oil and gas in the Bone Spring formation underlying the Unit Acreage have been effectively pooled.

IN WITNESS WHEREOF, this Declaration of Unit is executed by the undersigned on the respective dates set opposite their names below, but is effective as of the date hereinabove provided.

**OPERATOR:**

CHEVRON U.S.A. INC.

3/24/2022

By: *IRVIN R. GUTIERREZ*  
**IRVIN R. GUTIERREZ**

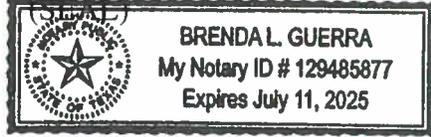
Date

Operator/Attorney-in-Fact

**ACKNOWLEDGEMENT**

STATE OF Texas )  
 ) ss.  
COUNTY OF Harris )

On this 29 day of March, 2022, before me, a Notary Public for the State of New Mexico, personally appeared IRVIN R. GUTIERREZ, known to me to be the Attorney-In-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.



My Commission Expires

*Brenda L Guerra*  
Notary Public



**EXHIBIT "A" - Pooled Leases**

Attached to and made a part of that certain Declaration of Unit covering the E/2 W/2 of Section 25, Township 23 South, Range 28 East, and the E/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 320 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Bone Spring formation, as seen at 6,325 feet beneath the surface, to the stratigraphic equivalent of the base of the Bone Spring formation, as seen at 9,633 feet beneath the surface, as shown in that certain Shlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015322646), located in Section 25, Township 23 South, Range 28 East, Eddy County, New Mexico.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 4/3/1973  
**Recorded:** Book 98, Page 62  
**Lessor:** S.F. Williams, aka Stephen Frank Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, N/2 NE/4 NW/4 and N/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 30 acres

**Lease Date:** 4/3/1973  
**Recorded:** Book 99, Page 127  
**Lessor:** Roxie L. Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, N/2 NE/4 NW/4 and N/2 S/2 NE/4 NW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 30 acres

**Tract 2a and 2b**

**Lease Date:** 1/9/1978  
**Recorded:** Book 154, Page 144  
**Lessor:** Earl B. Guitar et al  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 2a and 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4, N/2 SE/4 NW/4 and S/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 65 Acres

**Lease Date:** 1/9/1978  
**Recorded:** Book 154, Page 155  
**Lessor:** Pardue Farms  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 2a and 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4, N/2 SE/4 NW/4 and S/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 65 Acres

**Tract 2b (only)**

**Lease Date:** 4/18/1990, effective 4/11/1990  
**Recorded:** Book 67, Page 841  
**Lessor:** Pardue Farms  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 68, Page 67  
**Lessor:** Betty Witherspoon Nevill, Trustee of the Gayle Nevill Trust and Virginia Nevill Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/3/1990, effective 4/11/1990  
**Recorded:** Book 68, Page 71  
**Lessor:** Jack G. Woods  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 11/12/1991, effective 4/11,1990  
**Recorded:** Book 116, Page 481  
**Lessor:** Jan Carsey  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/2/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1175  
**Lessor:** Marilyn J. G. Galusha  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/25/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1179  
**Lessor:** Leslie D. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/1/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1185  
**Lessor:** Repps B. Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/1/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1189  
**Lessor:** John Guitar, III  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1191  
**Lessor:** Barbara Lee Backman  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1197  
**Lessor:** Ruth Guitar Murchison  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1199  
**Lessor:** Earl Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 3  
**Lessor:** Earl Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 7  
**Lessor:** Phillip E. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 442  
**Lessor:** James Minor Alexander  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 446  
**Lessor:** Martha Jane Alexander Rhodes  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/29/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 450  
**Lessor:** Laura Woods Gall  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 590  
**Lessor:** Jeri Alexander Lott  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 11/12/1991, effective 4/11/1990  
**Recorded:** Book 116, Page 477  
**Lessor:** Guy P. Witherspoon, III  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/11/1990, effective 4/1990  
**Recorded:** Book 116, Page 485  
**Lessor:** James Kelly Polk, Ancillary Personal Representative of the Estate of Mary Guitar Polk  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/14/1990, effective 4/11/1990  
**Recorded:** Book 71, Page 966  
**Lessor:** Laura Jean Hofer  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/15/1990, effective 4/11/1990  
**Recorded:** Book 72, Page 358  
**Lessor:** Dennis Woods, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/28/1990, Page 4/11/1990  
**Recorded:** Book 73, Page 119  
**Lessor:** Pressley H. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 946  
**Lessor:** John Guitar Witherspoon, Trustee of the John Guitar Witherspoon, Jr. Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 950  
**Lessor:** John Guitar Witherspoon, Trustee of the Whitten Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 954  
**Lessor:** John Guitar Witherspoon, Trustee of the Brett Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 959  
**Lessor:** John Guitar Witherspoon, Trustee of the Wende Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Tract 3**

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 534  
**Lessor:** Ruby Rogers  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 9/26/1978  
**Recorded:** Book 164, Page 629  
**Lessor:** Charline Watson and Harry A. Watson  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 617  
**Lessor:** Marion L. Swearingen and Lenora Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 302  
**Lessor:** Rita J. Evert Trust  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 304  
**Lessor:** James A. Collier  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 536  
**Lessor:** Louise M. Richardson  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 625  
**Lessor:** Elizabeth Major and John Major  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 625  
**Lessor:**  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 621  
**Lessor:** Ernest L. Redford and Fern Redford  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 615  
**Lessor:** Homer A. Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of**

**land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/10/1978

**Recorded:** Book 161, Page 521

**Lessor:** Addie Swearingen

**Original Lessee:** James H. Isbell

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978

**Recorded:** Book 164, Page 619

**Lessor:** Pauline R. Swearingen

**Original Lessee:** Amoco Production Company

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/29/1978

**Recorded:** Book 164, Page 627

**Lessor:** Birdie F. Coryell

**Original Lessee:** Amoco Production Company

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978

**Recorded:** Book 164, Page 623

**Lessor:** Vera Hadsell

**Original Lessee:** Amoco Production Company

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/20/2008

**Recorded:** Instrument No. 0812326

**Lessor:** Peggie Sue Lawson

**Original Lessee:** Chesapeake Exploration, LLC

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 7/21/2008  
**Recorded:** Instrument No. 0812755  
**Lessor:** Kenneth W. and Christine Brown  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/20/2008  
**Recorded:** Instrument No. 0811761  
**Lessor:** Landa M. Harrel and Dan Harrel  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1/8/2018, effective 12/27/2017  
**Recorded:** Book 1105, Page 863  
**Lessor:** Betty A. Biery, Trustee of the Meredith E. Hardgrave and Helen Joyce Hardgrave Revocable Living Trust dated May 12, 1995  
**Original Lessee:** Kaiser-Francis Oil Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 9/20/2018  
**Recorded:** Book 1115, Page 337  
**Lessor:** Carla K. White, Trustee of the Terry & Carla White Trust dated May 7, 2012  
**Original Lessee:** Kaiser-Francis Oil Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/4/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 552  
**Lessor:** Anna Pauline Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1/15/1992, effective 12/4/1991  
**Recorded:** Book 147, Page 554  
**Lessor:** Sheryl S. Collins, dealing in her sole and separate property, and Sheryl S. Collins and Craig E. Collins, husband and wife.  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/16/1991, effective 12/4/1991  
**Recorded:** Book 147, Page 556  
**Lessor:** M.D. Vandaveer and Lois Vandaveer  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** February 28, 1992, effective February 17, 1992  
**Recorded:** Book 147, Page 558  
**Lessor:** Jonathan J. Peden  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 11/26/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 560  
**Lessor:** Howard Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 11/26/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 562  
**Lessor:** Florence Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/3/1993, effective 11/22/1991  
**Recorded:** Book 148, Page 653  
**Lessor:** Glen Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
 - **Number of Acres:** 10 Acres

**Tract 4**

**Lease Date:** 3/15/1990  
**Recorded:** Book 67, Page 400  
**Lessor:** United States of America – Farmer’s Home Administration  
**Original Lessee:** Craig Hubbard  
**Description of land Pooled:** Tract 4, W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 9/15/1988  
**Recorded:** Book 33, Page 374  
**Lessor:** Johnnie Giovengo, Sr. et al  
**Original Lessee:** T. Verne Dwyer  
**Description of land Pooled:** Tract 4, W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Tract 5**

**Lease Date:** 6/28/1991  
**Recorded:** Book 99, Page 752  
**Lessor:** Kerr-McGee Corporation  
**Original Lessee:** Read & Stevens, Inc.  
**Description of land Pooled:** Tract 5, E/2 NE/4 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 5 Acres

**Tract 6**

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 212  
**Lessor:** Martha Joy Stribling, Family Trustee et al  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 6, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 214  
**Lessor:** L.P. Williams and Doris Williams  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 6, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 216  
**Lessor:** Lovella Kilman and Lisa Breaux, aka Lisa Williams  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 6, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 7**

**Lease Date:** 4/01/1971  
**Recorded:** Book 86, Page 713  
**Lessor:** State of New Mexico L-5364  
**Original Lessee:** L.D. Williams & Glen B. Williams  
**Description of land Pooled:** Tract 7, E/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 160 Acres

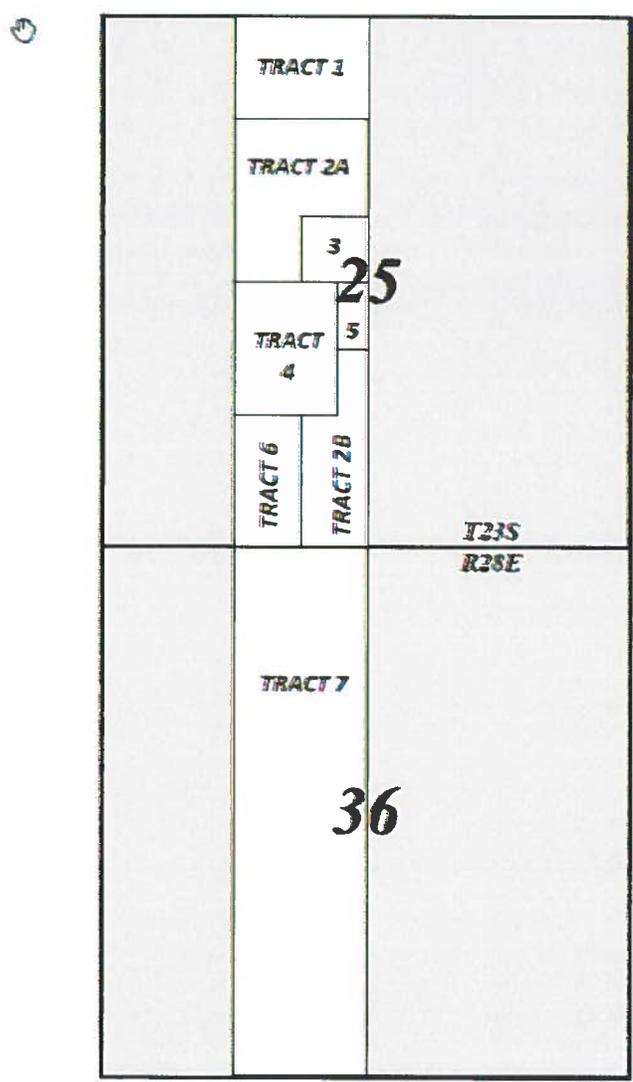
**END OF EXHIBIT "A" - Pooled Leases**

**EXHIBIT "B" - Unit Acreage**

Township 23 South, Range 28 East:  
Section 25: E/2 W/2

AND

Township 23 South, Range 28 East:  
Section 36: E/2 W/2  
Eddy County, New Mexico



TRACT NO.	LEGAL DESCRIPTION	ACREAGE
TRACT 1	N1/2 NE1/4 NW1/4 and N1/2 S1/2 NE1/4 NW1/4 of Sec 25, T23S, R28E	3.11
TRACT 2A and 2B	E/2 SE1/4 SW1/4, E/2 SE1/4 NE1/4 SW1/4, SW1/4 SE1/4 NW1/4, N1/2 SE1/4 NW1/4 and S1/2 S1/2 NE1/4 NW1/4 of Sec 25, T23S, R28E	65
TRACT 3	SE1/4 SE1/4 NW1/4	6.0
TRACT 4	W1/2 NE1/4 SW1/4, W1/2 E1/2 NE1/4 SW1/4 of Sec 25, T23S, R28E	3.0
TRACT 5	E/2 NE1/4 NW1/4 SW1/4	5
TRACT 6	W1/2 SE1/4 SW1/4	2.0
TRACT 7	E/2 NW1/4	24.0
		<hr/> 3.0

### RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	30.00	9.375%
2a and 2b	65.00	20.3125%
3	10.00	3.125%
4	30.00	9.375%
5	5.00	1.5625%
6	20.00	6.25%
6	160.00	50.0%
Total	320.00	100.00%

END OF EXHIBIT "B" – Unit Acreage

EXHIBIT "C" - Force Pool Order

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

IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
[CHEVRON U.S.A. INC]

CASE NO. 21124  
ORDER NO. R-21229

**ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on [March 5, 2020], and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. [Chevron U.S.A. 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.
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 depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

**ORDER**

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to 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").
- 23. 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

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 ORDER NO. R-21229

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than 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.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. 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."
- 27. 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.
- 28. 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.

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- 29. 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.
- 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**  
 AES/jag

Date: 4/02/2020

CASE NO. 21124  
 ORDER NO. R-21229

Exhibit A

<b>COMPULSORY POOLING APPLICATION CHECKLIST (pdf)</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 21124</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: March 5, 2020</b>	
<b>Applicant</b>	Chevron U.S.A. Inc.
<b>Designated Operator &amp; OGRID (affiliation if applicable)</b>	Chevron U.S.A. Inc. (OGRID No. 4323)
<b>Applicant's Counsel:</b>	Holland & Hart LLP
<b>Case Title:</b>	APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
<b>Entries of Appearance/Intervenors:</b>	Kaiser-Francis Oil Company
<b>Well Family</b>	CB CAL 25 36 State Com 08 wells
<b>Formation/Pool</b>	
<b>Formation Name(s) or Vertical Extent:</b>	Bone Spring
<b>Primary Product (Oil or Gas):</b>	Oil
<b>Pooling this vertical extent:</b>	Bone Spring formation
<b>Pool Name and Pool Code:</b>	Culebra Bluff; Bone Spring, South Pool (Pool Code 15011)
<b>Well Location Setback Rules:</b>	Statewide Horizontal well rules
<b>Spacing Unit Size:</b>	320 acres, more or less
<b>Spacing Unit</b>	
<b>Type (Horizontal/Vertical)</b>	Horizontal
<b>Size (Acres)</b>	320 acres, more or less
<b>Building Blocks:</b>	quarter-quarter sections
<b>Orientation:</b>	North/South
<b>Description: TRS/County</b>	E/2 W/2 of Sections 25 and 36, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico
<b>Standard Horizontal Well Spacing Unit (Y/N), if No, describe</b>	Yes
<b>Other Situations</b>	
<b>Depth Severance: Y/N. If yes, description</b>	No
<b>Proximity Tracts: If yes, description</b>	No
<b>Proximity Defining Well: if yes, description</b>	N/A
<b>Applicant's Ownership in Each Tract</b>	Exhibit C-3
<b>Well(s)</b>	
<b>Name &amp; API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)</b>	<p style="text-align: center;">BEFORE THE OIL CONSERVATION DIVISION                      Santa Fe, New Mexico                      Exhibit No. A                      Submitted by: Chevron U.S.A. Inc.                      Hearing Date: March 05, 2020                      Case Nos. 21124-21125</p>

CASE NO. 21124  
 ORDER NO. R-21229

Well #1	<p>CD 001 25 26 Spacing Unit Well No. 20915 APN No. 50-015-46815                  594.234 feet from the North line and 659 feet from the West line.                  (Unit C) of Section 25, Township 23 South, Range 28 East, N46PM.                  211.23 feet from the South line and 2340 feet from the West line.                  (Unit N) of Section 36, Township 23 South, Range 28 East, N46PM.</p> <p>Completion Target: Bone Spring at approx 7,250 feet TVD.                  Well Orientation: North to South                  Completion Location: expected to be standard</p>
Well #2	<p>CD 001 25 26 Spacing Unit Well No. 20915 APN No. 50-015-46815                  211.234 feet from the North line and 659 feet from the West line.                  (Unit C) of Section 25, Township 23 South, Range 28 East, N46PM.                  211.23 feet from the South line and 2340 feet from the West line.                  (Unit N) of Section 36, Township 23 South, Range 28 East, N46PM.</p> <p>Completion Target: Bone Spring at approx 8,530 feet TVD.                  Well Orientation: North to South                  Completion Location: expected to be standard</p>
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, C-4
Requested Risk Charge	Exhibit C
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4

CASE NO. 21124  
 ORDER NO. R-21229

Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit D, D-1
Spacing Unit Schematic	Exhibit D, D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D, D-2, D-3, D-4, D-5, D-6
Target Formation	Exhibit D, D-2, D-3, D-4, D-5, D-6
HSU Cross Section	Exhibit D, D-4, D-5, D-6
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1, D-2, D-3
Structure Contour Map - Subsea Depth	Exhibit D-2, D-3
Cross Section Location Map (including wells)	Exhibit D, D-4
Cross Section (including Landing Zone)	Exhibit D, D-5, D-6
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name (Attorney or Party Representative):</b>	Kaitlyn A. Luck
<b>Signed Name (Attorney or Party Representative):</b>	
<b>Date:</b>	5-Mar-20

END OF EXHIBIT "C" - Force Pool Order

CASE NO. 21124  
 ORDER NO. R-21229

DECLARATION OF UNIT

CB CAL 25 36 STATE COMM 08 W/2 W/2 BS

STATE OF NEW MEXICO

COUNTY OF EDDY

The undersigned, by virtue of the authority conferred in the oil, gas and mineral leases listed on Exhibit A-Pooled Leases ("Leases"), do hereby pool, consolidate, combine, and unitize the Leases, insofar as the Leases cover production from the land described in Exhibit B-Unit Acreage ("Unit Acreage") and do pool, consolidate, combine, and unitize the royalties, working interests, overriding royalties, production payments, and all other interests pertaining to the Leases and the Unit Acreage and production therefrom, insofar and only insofar as the Leases and other interests cover and include all oil, gas, and other related hydrocarbons produced from a well on the Unit as herein described ("Unitized Substance"), in and under the Unit Acreage from the subsurface interval known as the Bone Spring formation beneath the Unit Acreage ("Unitized Interval"), so as to form a single operating production unit for the production of Unitized Substances. As used herein, the words "include(s)" and "including" are not limiting but are terms of enlargement so other items or components are includable although not specifically expressed.

- 1) Production of Unitized Substances. The production of Unitized Substances from any part of the Unit Acreage, insofar as the Unit Acreage covers the Unitized Interval, will constitute production of such Unitized Substances from all of the Leases contained in the Unit. Drilling or reworking operations or other operations conducted on the Unit for the production of Unitized Substances, will constitute operations for the production of Unitized Substances on all of the Leases and Unit Acreage.
- 2) Description of Unit. The unit formed hereby shall be known as the CB CAL 25 36 STATE COMM 08 W/2 W/2 BS ("Unit") containing 320 acres of land, more or less, described as the W/2 W/2 of Section 25, Township 23 South, Range 28 East, and the W/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Bone Spring formation, as seen at 6,325 feet beneath the surface, to the stratigraphic equivalent of the base of the Bone Spring formation, as seen at 9,633 feet beneath the surface, as shown in that certain Shlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015322646), located in Section 25, Township 23 South, Range 28 East, Eddy County, New Mexico.
- 3) Distribution of Interests. All Unitized Substances produced from any well on the Unit shall be allocated proportionately among all of the tracts within the Unit proportionate to the number of acres in each tract included in the Unit bears to the total number of acres in the Unit. All working interests, royalties, overriding

royalties, production payments, and all other interests in the Leases shall be computed on the basis of the respective interests in the production allocated to the tract or tracts in which those interests are owned.

- 4) Acceptance of Terms. All parties owning any interest in the oil, gas, and other related hydrocarbons in and under the Unit Acreage who execute this instrument or a counterpart thereof, or who ratify the same, or who hereafter acquire an interest in the Unit Acreage subject to the terms hereof, hereby adopt and confirm the creation of the Unit and agree to all of the terms hereof, and covenant that any leases or assignments affecting their interests are amended to the extent necessary to authorize the formation of the Unit and conform to all of the terms hereof. In the event the owners of the Leases, or their respective heirs, successors, or assigns, own any lease or interest in a lease covering lands within the Unit Acreage other than those listed on Exhibit A, or any unleased interest in the Unit Acreage, the same is hereby pooled into the Unit without the necessity of specifically enumerating that lease or interest and the specific land it covers.
- 5) No Cross-Conveyance. Notwithstanding anything to the contrary herein, this instrument does not cause or intend to cause any cross-assignment or cross conveyance of any lease or interest covered hereby.
- 6) Effective Date. The Unit is effective as of March 5, 2020 or from the date of first production from the Unitized Interval, whichever first occurs (the "Effective Date"), and will remain in effect so long thereafter as Unitized Substances are produced from the Unit or as long as drilling, reworking, plugging back, or sidetracking operations are conducted on any well on Unit Acreage completed in or targeted for the Unitized Interval, with no cessation of more than 60 consecutive days, and if any such operations result in the production of Unitized Substances, for so long thereafter as the same are produced, or such operations are again commenced within 60 days from the cessation of production. It will be considered that Unitized Substances are being produced in paying quantities while a well is shut in on the Unit and the lessees of the Leases pay or tender shut-in rentals or royalties in accordance with the terms of the Leases or otherwise perpetuate the Leases pursuant to each of their respective terms and conditions.
- 7) Right to Amend. The undersigned reserve the continuing right to amend, correct, or alter this instrument and the Unit including increasing, decreasing, or changing the configuration of the unit acreage, and relocating or changing the Unitized Interval, at any time and from time to time after the original formation hereof. Any such amendment must be in writing, signed by the parties bound hereby and filed for record in Eddy County, New Mexico.
- 8) Counterparts. For convenience, this instrument may be executed in multiple counterparts, with each separate counterpart constituting a valid and binding instrument. Each of the undersigned agree that for recording purposes their

respective signature pages and acknowledgements may be removed from their respective counterpart and attached to a single Declaration of Unit.

- 9) Compulsory Pooled Interest. Pursuant to that certain Compulsory Pooling Order No. R-21231 dated March 5, 2020, and attached as Exhibit C – Compulsory Pooling Order to this Declaration of Unit, all uncommitted working interests, royalty interests, overriding royalty interests, and other interests, whatever they may be, in the oil and gas in the Bone Spring formation underlying the Unit Acreage have been effectively pooled.

IN WITNESS WHEREOF, this Declaration of Unit is executed by the undersigned on the respective dates set opposite their names below, but is effective as of the date hereinabove provided.

**OPERATOR:**

CHEVRON U.S.A. INC.

3/29/2022

By: IRVIN R. GUTIERREZ

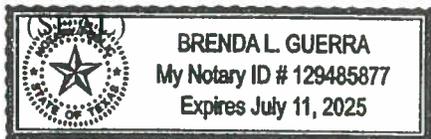
Date

Operator/Attorney-in-Fact

**ACKNOWLEDGEMENT**

STATE OF Texas )  
 ) ss.  
COUNTY OF Harris )

On this 29 day of March, 2022, before me, a Notary Public for the State of New Mexico, personally appeared IRVIN R. GUTIERREZ, known to me to be the Attorney-In-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.



My Commission Expires

Brenda L Guerra  
Notary Public



**EXHIBIT "A" - Pooled Leases**

Attached to and made a part of that certain Declaration of Unit covering the W/2 W/2 of Section 25, Township 23 South, Range 28 East, and the W/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 320 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Bone Spring formation, as seen at 6,325 feet beneath the surface, to the stratigraphic equivalent of the base of the Bone Spring formation, as seen at 9,633 feet beneath the surface, as shown in that certain Shlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015322646), located in Section 25, Township 23 South, Range 28 East, Eddy County, New Mexico.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 4/3/1973  
**Recorded:** Book 98, Page 62  
**Lessor:** S.F. Williams, aka Stephen Frank Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NW/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 40 acres

**Lease Date:** 4/3/1973  
**Recorded:** Book 99, Page 127  
**Lessor:** Roxie L. Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NW/4 NW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 40 acres

**Tract 2**

**Lease Date:** 3/02/1978  
**Recorded:** Book 155, Page 549  
**Lessor:** Antonio Cardona and Josefa Cardona  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 3**

**Lease Date:** 3/15/1990  
**Recorded:** Book 67, Page 400  
**Lessor:** United States of America – Farmer’s Home Administration  
**Original Lessee:** Craig Hubbard  
**Description of land Pooled:** Tract 3, NW/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 9/15/1988  
**Recorded:** Book 33, Page 374  
**Lessor:** Johnnie Giovengo, Sr. et al  
**Original Lessee:** T. Verne Dwyer  
**Description of land Pooled:** Tract 3, NW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 4**

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 833  
**Lessor:** Lanora Sue Allomong  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 4, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 831  
**Lessor:** Linda Williams Harris aka Linda Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 4, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 837  
**Lessor:** Belinda Sue Williams and Terry Lee Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 4, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 839  
**Lessor:** James Clay Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 4, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 5**

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 835  
**Lessor:** Glen Brady Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 5, S/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 6**

**Lease Date:** 4/01/1971  
**Recorded:** Book 86, Page 713  
**Lessor:** State of New Mexico L-5364  
**Original Lessee:** L.D. Williams & Glen B. Williams  
**Description of land Pooled:** Tract 6, W/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 160 Acres

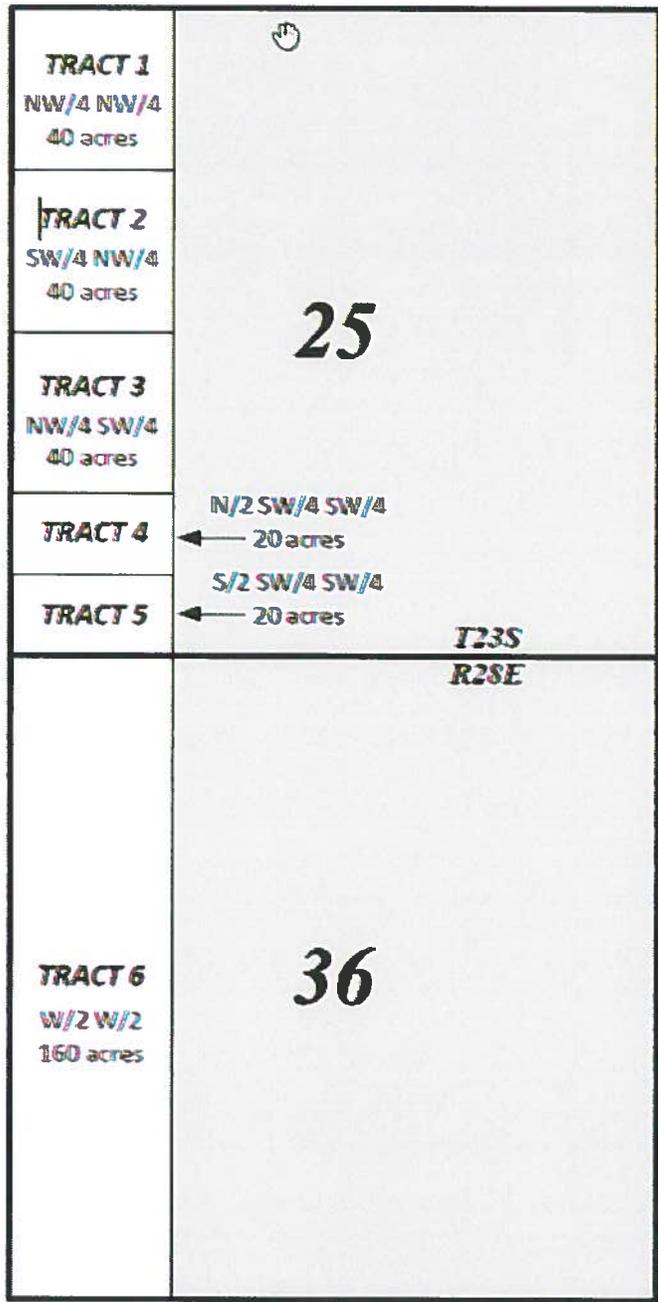
**END OF EXHIBIT "A" - Pooled Leases**

**EXHIBIT "B" - Unit Acreage**

Township 23 South, Range 28 East:  
Section 25: W/2 W/2

AND

Township 23 South, Range 28 East:  
Section 36: W/2 W/2  
Eddy County, New Mexico



**RECAPITULATION**

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	40.00	12.5%
2	40.00	12.5%
3	40.00	12.5%
4	20.00	6.25%
5	20.00	6.25%
6	160.00	50.0%
<hr/>		
Total	320.00	100.00%

END OF EXHIBIT "B" – Unit Acreage

EXHIBIT "C" - Force Pool Order

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

IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
[CHEVRON U.S.A. INC]

CASE NO. 21125  
ORDER NO. R-21231

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on [March 5, 2020], and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. [Chevron U.S.A. 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.
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 depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

**ORDER**

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to 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").
- 23. 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

CASE NO. 21125  
 ORDER NO. R-21231

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than 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.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. 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."
- 27. 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.
- 28. 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.

CASE NO. 21125  
ORDER NO. R-21231

- 29. 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.
- 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**  
AES/jag

Date: 4/02/2020

CASE NO. 21125  
ORDER NO. R-21231

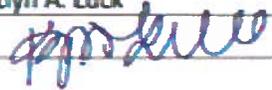
Exhibit A

<b>COMPULSORY POOLING APPLICATION CHECKLIST (pdf)</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 21125</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: March 5, 2020</b>	
<b>Applicant</b>	Chevron U.S.A. Inc.
<b>Designated Operator &amp; OGRID (affiliation if applicable)</b>	Chevron U.S.A. Inc. (OGRID No. 4323)
<b>Applicant's Counsel:</b>	Holland & Hart LLP
<b>Case Title:</b>	APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
<b>Entries of Appearance/intervenors:</b>	Kaiser-Francis Oil Company
<b>Well Family</b>	CB CAL 25 36 State Corn 08 wells
<b>Formation/Pool</b>	
<b>Formation Name(s) or Vertical Extent:</b>	Bone Spring
<b>Primary Product (Oil or Gas):</b>	Oil
<b>Pooling this vertical extent:</b>	Bone Spring formation
<b>Pool Name and Pool Code:</b>	Culebra Bluff, Bone Spring, South Pool (Pool Code 15011)
<b>Well Location Setback Rules:</b>	Statewide Horizontal well rules
<b>Spacing Unit Size:</b>	320 acres, more or less
<b>Spacing Unit</b>	
<b>Type (Horizontal/Vertical)</b>	Horizontal
<b>Size (Acres)</b>	320 acres, more or less
<b>Building Blocks:</b>	quarter-quarter sections
<b>Orientation:</b>	North/South
<b>Description: TRS/County</b>	W/2 W/2 of Sections 25 and 36, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico
<b>Standard Horizontal Well Spacing Unit (Y/N), if No, describe</b>	Yes
<b>Other Situations</b>	
<b>Depth Severance: Y/N. If yes, description</b>	No
<b>Proximity Tracts: if yes, description</b>	No
<b>Proximity Defining Well: if yes, description</b>	N/A
<b>Applicant's Ownership in Each Tract</b>	Exhibit C-3
<b>Well(s)</b>	
<b>Name &amp; API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)</b>	

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Well #1	<p><b>CR. CAL. 25. 26. 27th. Cert. (B. Well No. 20276), API No. 20-033-06634</b>                  SHL 274 feet from the North line and 559 feet from the West line.                  (UNIT C) of Section 25, Township 23 South, Range 23 East, NMDPL.                  BHL 125 feet from the South line and 835 feet from the West line.                  (Unit M) of Section 36, Township 23 South, Range 23 East, NMDPL.</p> <p>Completion Target: Bone Spring at approx 9,539 feet TVD.                  Well Orientation: North to South.                  Completion Location expected to be standard.</p>
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, C-4
Requested Risk Charge	Exhibit C
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit D, D-1
Spacing Unit Schematic	Exhibit D, D-1

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Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D, D-2, D-3, D-4, D-5, D-6
Target Formation	Exhibit D, D-2, D-3, D-4, D-5, D-6
HSU Cross Section	Exhibit D, D-4, D-5, D-6
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1, D-2, D-3
Structure Contour Map - Subsea Depth	Exhibit D-2, D-3
Cross Section Location Map (including wells)	Exhibit D, D-4
Cross Section (including Landing Zone)	Exhibit D, D-5, D-6
Additional Information	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	
Date:	5-Mar-20

END OF EXHIBIT "C" - Force Pool Order

CASE NO. 21125  
 ORDER NO. R-21231

DECLARATION OF UNIT

CB CAL 25 36 STATE COMM 08 WC

STATE OF NEW MEXICO

COUNTY OF EDDY

The undersigned, by virtue of the authority conferred in the oil, gas and mineral leases listed on Exhibit A-Pooled Leases ("Leases"), do hereby pool, consolidate, combine, and unitize the Leases, insofar as the Leases cover production from the land described in Exhibit B-Unit Acreage ("Unit Acreage") and do pool, consolidate, combine, and unitize the royalties, working interests, overriding royalties, production payments, and all other interests pertaining to the Leases and the Unit Acreage and production therefrom, insofar and only insofar as the Leases and other interests cover and include all oil, gas, and other related hydrocarbons produced from a well on the Unit as herein described ("Unitized Substance"), in and under the Unit Acreage from the subsurface interval known as the Wolfcamp formation beneath the Unit Acreage ("Unitized Interval"), so as to form a single operating production unit for the production of Unitized Substances. As used herein, the words "include(s)" and "including" are not limiting but are terms of enlargement so other items or components are includable although not specifically expressed.

- 1) Production of Unitized Substances. The production of Unitized Substances from any part of the Unit Acreage, insofar as the Unit Acreage covers the Unitized Interval, will constitute production of such Unitized Substances from all of the Leases contained in the Unit. Drilling or reworking operations or other operations conducted on the Unit for the production of Unitized Substances, will constitute operations for the production of Unitized Substances on all of the Leases and Unit Acreage.
- 2) Description of Unit. The unit formed hereby shall be known as the CB CAL 25 36 STATE COMM 08 WC ("Unit") containing 640 acres of land, more or less, described as the W/2 of Section 25, Township 23 South, Range 28 East, and the W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.
- 3) Distribution of Interests. All Unitized Substances produced from any well on the Unit shall be allocated proportionately among all of the tracts within the Unit proportionate to the number of acres in each tract included in the Unit bears to the

total number of acres in the Unit. All working interests, royalties, overriding royalties, production payments, and all other interests in the Leases shall be computed on the basis of the respective interests in the production allocated to the tract or tracts in which those interests are owned.

- 4) Acceptance of Terms. All parties owning any interest in the oil, gas, and other related hydrocarbons in and under the Unit Acreage who execute this instrument or a counterpart thereof, or who ratify the same, or who hereafter acquire an interest in the Unit Acreage subject to the terms hereof, hereby adopt and confirm the creation of the Unit and agree to all of the terms hereof, and covenant that any leases or assignments affecting their interests are amended to the extent necessary to authorize the formation of the Unit and conform to all of the terms hereof. In the event the owners of the Leases, or their respective heirs, successors, or assigns, own any lease or interest in a lease covering lands within the Unit Acreage other than those listed on Exhibit A, or any unleased interest in the Unit Acreage, the same is hereby pooled into the Unit without the necessity of specifically enumerating that lease or interest and the specific land it covers.
- 5) No Cross-Conveyance. Notwithstanding anything to the contrary herein, this instrument does not cause or intend to cause any cross-assignment or cross conveyance of any lease or interest covered hereby.
- 6) Effective Date. The Unit is effective as of March 5, 2020 or from the date of first production from the Unitized Interval, whichever first occurs (the "Effective Date"), and will remain in effect so long thereafter as Unitized Substances are produced from the Unit or as long as drilling, reworking, plugging back, or sidetracking operations are conducted on any well on Unit Acreage completed in or targeted for the Unitized Interval, with no cessation of more than 60 consecutive days, and if any such operations result in the production of Unitized Substances, for so long thereafter as the same are produced, or such operations are again commenced within 60 days from the cessation of production. It will be considered that Unitized Substances are being produced in paying quantities while a well is shut in on the Unit and the lessees of the Leases pay or tender shut-in rentals or royalties in accordance with the terms of the Leases or otherwise perpetuate the Leases pursuant to each of their respective terms and conditions.
- 7) Right to Amend. The undersigned reserve the continuing right to amend, correct, or alter this instrument and the Unit including increasing, decreasing, or changing the configuration of the unit acreage, and relocating or changing the Unitized Interval, at any time and from time to time after the original formation hereof. Any such amendment must be in writing, signed by the parties bound hereby and filed for record in Eddy County, New Mexico.
- 8) Counterparts. For convenience, this instrument may be executed in multiple counterparts, with each separate counterpart constituting a valid and binding instrument. Each of the undersigned agree that for recording purposes their

respective signature pages and acknowledgements may be removed from their respective counterpart and attached to a single Declaration of Unit.

- 9) Compulsory Pooled Interest. Pursuant to that certain Compulsory Pooling Order No. R-21202 dated March 5, 2020, and attached as Exhibit C – Compulsory Pooling Order to this Declaration of Unit, all uncommitted working interests, royalty interests, overriding royalty interests, and other interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit Acreage have been effectively pooled.

IN WITNESS WHEREOF, this Declaration of Unit is executed by the undersigned on the respective dates set opposite their names below, but is effective as of the date hereinabove provided.

**OPERATOR:**

CHEVRON U.S.A. INC.

3/29/2022

By: *IRVIN R. GUTIERREZ*  
**IRVIN R. GUTIERREZ**

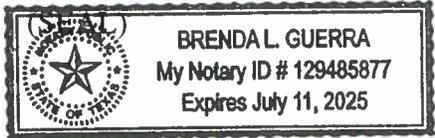
Date

Operator/Attorney-in-Fact

**ACKNOWLEDGEMENT**

STATE OF Texas )  
 ) ss.  
COUNTY OF Harris )

On this \_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public for the State of New Mexico, personally appeared IRVIN R. GUTIERREZ, known to me to be the Attorney-In-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.



My Commission Expires

*Brenda L Guerra*  
Notary Public



**EXHIBIT "A" - Pooled Leases**

Attached to and made a part of that certain Declaration of Unit covering the W/2 of Section 25, Township 23 South, Range 28 East, and the W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 640 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 4/3/1973  
**Recorded:** Book 98, Page 62  
**Lessor:** S.F. Williams, aka Stephen Frank Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NW/4 NW/4, N/2 NE/4 NW/4 and N/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 70 acres

**Lease Date:** 4/3/1973  
**Recorded:** Book 99, Page 127  
**Lessor:** Roxie L. Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NW/4 NW/4, N/2 NE/4 NW/4 and N/2 S/2 NE/4 NW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 70 acres

**Tract 2**

**Lease Date:** 3/02/1978  
**Recorded:** Book 155, Page 549  
**Lessor:** Antonio Cardona and Josefa Cardona  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 3a and 3b**

**Lease Date:** 1/9/1978  
**Recorded:** Book 154, Page 144  
**Lessor:** Earl B. Guitar et al  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 3a and 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4, N/2 SE/4 NW/4 and S/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 65 Acres

**Lease Date:** 1/9/1978  
**Recorded:** Book 154, Page 155  
**Lessor:** Pardue Farms  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 3a and 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4, N/2 SE/4 NW/4 and S/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 65 Acres

**Tract 3b (only)**

**Lease Date:** 4/18/1990, effective 4/11/1990  
**Recorded:** Book 67, Page 843  
**Lessor:** Pardue Farms  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)

**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 68, Page 65  
**Lessor:** Betty Witherspoon Nevill, Trustee of the Gayle Nevill Trust and Virginia Nevill Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)

**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 68, Page 69  
**Lessor:** Jack G. Woods  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 11/12/1991, effective 4/11/1990  
**Recorded:** Book 116, Page 479  
**Lessor:** Jan Carsey  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/2/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1177  
**Lessor:** Marilyn J. Galusha  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/25/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1181  
**Lessor:** Leslie D. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/1/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1183  
**Lessor:** Repps B. Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/1/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1187  
**Lessor:** John Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1193  
**Lessor:** Barbara Lee Backman  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1195  
**Lessor:** Ruth Guitar Murchison  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 1  
**Lessor:** Earl Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 5  
**Lessor:** Earl Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 9  
**Lessor:** Phillip E. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 444  
**Lessor:** James Minor Alexander  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 448  
**Lessor:** Martha Jane Alexander Rhodes  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/29/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 452  
**Lessor:** Laura Woods Gall  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 71, Page 970  
**Lessor:** Jeri Alexander Lott  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 11/12/1991, effective 4/11/1990  
**Recorded:** Book 116, Page 475  
**Lessor:** Guy P. Witherspoon, III  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/11/1990, effective 4/11/1990  
**Recorded:** Book 116, Page 483  
**Lessor:** James Kelly Polk, Ancillary Personal Representative of the Estate of Mary Guitar Polk  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/14/1990, effective 4/11/1990  
**Recorded:** Book 71, Page 968  
**Lessor:** Laura Jean Hofer  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 13  
**Lessor:** Dennis Woods, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/28/1990, effective 4/11/1990  
**Recorded:** Book 73, Page 117  
**Lessor:** Pressley H. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 948  
**Lessor:** John Guitar Witherspoon, Trustee of the John Guitar Witherspoon, Jr. Trust  
**Original Lessee:** Bird Creek Resources, Inc.

**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)

**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 952  
**Lessor:** John Guitar Witherspoon, Trustee of the Whitten Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.

**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)

**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 956  
**Lessor:** John Guitar Witherspoon, Trustee of the Brett Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.

**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)

**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 961  
**Lessor:** John Guitar Witherspoon, Trustee of the Wende Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.

**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)

**Number of Acres:** 25 Acres

**Tract 4**

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 534  
**Lessor:** Ruby Rogers  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 9/26/1978  
**Recorded:** Book 164, Page 629  
**Lessor:** Charline Watson and Harry A. Watson  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 617  
**Lessor:** Marion L. Swearingen and Lenora Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 302  
**Lessor:** Rita J. Evert Trust  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 304  
**Lessor:** James A. Collier  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 536  
**Lessor:** Louise M. Richardson  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 625  
**Lessor:** Elizabeth Major and John Major  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 621  
**Lessor:** Ernest L. Redford and Fern Redford  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 615  
**Lessor:** Homer A. Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/10/1978  
**Recorded:** Book 161, Page 521  
**Lessor:** Addie Swearingen  
**Original Lessee:** James H. Isbell  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 619  
**Lessor:** Pauline R. Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/29/1978  
**Recorded:** Book 164, Page 627  
**Lessor:** Birdie F. Coryell  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 623  
**Lessor:** Vera Hadsell  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/20/2008  
**Recorded:** Instrument No. 0812326  
**Lessor:** Peggie Sue Lawson  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 7/21/2008  
**Recorded:** Instrument No. 0812755  
**Lessor:** Kenneth W. and Christine Brown  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/20/2008  
**Recorded:** Instrument No. 0811761  
**Lessor:** Landa M. Harrel and Dan Harrel  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1/8/2018, effective 12/27/2017  
**Recorded:** Book 1105, Page 863  
**Lessor:** Betty A. Biery, Trustee of the Meredith E. Hardgrave and Helen Joyce Hardgrave Revocable Living Trust dated May 12, 1995  
**Original Lessee:** Kaiser-Francis Oil Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 9/20/2018  
**Recorded:** Book 1115, Page 337  
**Lessor:** Carla K. White, Trustee of the Terry & Carla White Trust dated May 7, 2012  
**Original Lessee:** Kaiser-Francis Oil Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/4/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 552  
**Lessor:** Anna Pauline Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1/15/1992, effective 12/4/1991  
**Recorded:** Book 147, Page 554  
**Lessor:** Sheryl S. Collins, dealing in her sole and separate property, and Sheryl S. Collins and Craig E. Collins, husband and wife.  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/16/1991, effective 12/4/1991  
**Recorded:** Book 147, Page 556  
**Lessor:** M.D. Vandaveer and Lois Vandaveer  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** February 28, 1992, effective February 17, 1992  
**Recorded:** Book 147, Page 558  
**Lessor:** Jonathan J. Peden  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 11/26/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 560  
**Lessor:** Howard Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 11/26/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 562  
**Lessor:** Florence Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/3/1993, effective 11/22/1991  
**Recorded:** Book 148, Page 653  
**Lessor:** Glen Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Tract 5**

**Lease Date:** 3/15/1990  
**Recorded:** Book 67, Page 400  
**Lessor:** United States of America – Farmer’s Home Administration  
**Original Lessee:** Craig Hubbard  
**Description of land Pooled:** Tract 5, NW/4 SW/4, W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 70 Acres

**Lease Date:** 9/15/1988  
**Recorded:** Book 33, Page 724  
**Lessor:** Johnnie Giovengo, Sr. et al  
**Original Lessee:** T. Verne Dwyer  
**Description of land Pooled:** Tract 5, NW/4 SW/4, W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 70 Acres

**Tract 6**

**Lease Date:** 6/28/1991  
**Recorded:** Book 99, Page 752  
**Lessor:** Kerr-McGee Corporation  
**Original Lessee:** Read & Stevens, Inc.  
**Description of land Pooled:** Tract 6, E/2 NE/4 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 5 Acres

**Tract 7**

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 833  
**Lessor:** Lanora Sue Allomong  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 7, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 831  
**Lessor:** Linda Williams Harris aka Linda Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 7, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 837  
**Lessor:** Belinda Sue Williams and Terry Lee Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 7, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 839  
**Lessor:** James Clay Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 7, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 8**

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 835  
**Lessor:** Glen Brady Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 8, S/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 9**

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 212  
**Lessor:** Martha Joy Stribling, Family Trustee et al  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 9, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 214  
**Lessor:** L.P. Williams and Doris Williams  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 9, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 216  
**Lessor:** Lovella Kilman and Lisa Breaux, aka Lisa Williams  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 9, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 10**

**Lease Date:** 4/01/1971  
**Recorded:** Book 86, Page 713  
**Lessor:** State of New Mexico L-5364  
**Original Lessee:** L.D. Williams & Glen B. Williams  
**Description of land Pooled:** Tract 10, W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 320 Acres

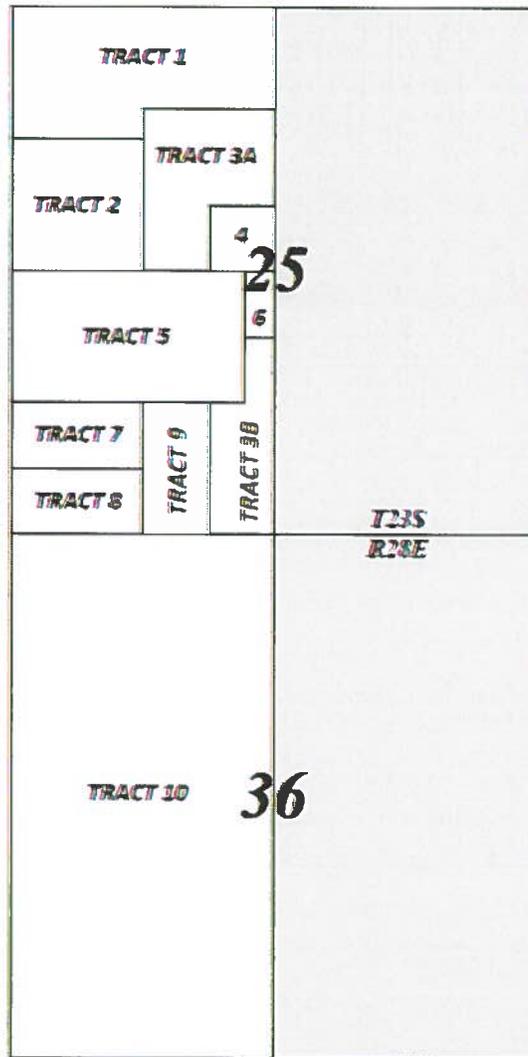
**END OF EXHIBIT "A" - Pooled Leases**

**EXHIBIT "B" - Unit Acreage**

Township 23 South, Range 28 East:  
Section 25: W/2

AND

Township 23 South, Range 28 East:  
Section 36: W/2  
Eddy County, New Mexico



TRACT NO.	LEGAL DESCRIPTION	ACREAGE
TRACT 1	N1/2 of NW1/4, N1/2 NE1/4 NW1/4 and N1/2 S1/2 NE1/4 NW1/4 of Sec 25, T23S, R28E	70
TRACT 2	S1/2 of NW1/4 of Sec 25, T23S, R28E	40
TRACT 3A and 3B	E1/2 SE1/4 SW1/4, E1/2 SE1/4 NE1/4 SW1/4, SW1/4 SE1/4 NW1/4, N1/2 SE1/4 NW1/4 and S1/2 S1/2 NE1/4 NW1/4 of Sec 25, T23S, R28E	65
TRACT 4	SE1/4 SE1/4 NW1/4 of Sec 25, T23S, R28E	10
TRACT 5	N1/2 of SW1/4, NW1/2 NE1/4 SW1/4, NW1/2 E1/2 NE1/4 SW1/4, of Sec 25, T23S, R28E	70
TRACT 6	E1/2 NE1/4 NE1/4 SW1/4 of Sec 25, T23S, R28E	5
TRACT 7	N1/2 SW1/4 SW1/4 of Sec 25, T23S, R28E	20
TRACT 8	S1/2 SW1/4 SW1/4 of Sec 25, T23S, R28E	20
TRACT 9	W1/2 SE1/4 SW1/4 of Sec 25, T23S, R28E	10
TRACT 10	W1/2 of Sec 36, T23S, R28E	320
		<hr/>
		650

**RECAPITULATION**

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	70.00	10.9375%
2	40.00	6.25%
3a and 3b	65.00	10.15625%
4	10.00	1.5625%
5	70.00	10.9375%
6	5.00	0.78125%
7	20.00	3.125%
8	20.00	3.125%
9	20.00	3.125%
10	320.00	50.00%
Total	640.00	100.0000%

END OF EXHIBIT "B" – Unit Acreage

EXHIBIT "C" - Force Pool Order

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

IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
CHEVRON U.S.A.

CASE NO. 21113  
ORDER NO. R-21202

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on March 5<sup>th</sup>, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Chevron U.S.A. (“Operator”) submitted an application (“Application”) to compulsorily 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 depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

**ORDER**

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to 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").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than 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.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. 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."
- 27. 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.
- 28. 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.

- 29. 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.
- 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**

  
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**ADRIENNE SANDOVAL**  
**DIRECTOR**  
 AES/kms

Date: 4/07/2020

CASE NO. 21113  
 ORDER NO. R-21202

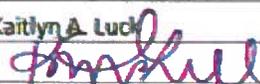
Exhibit A

<b>COMPULSORY POOLING APPLICATION CHECKLIST (pdf)</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 21113</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: March 5, 2020</b>	
<b>Applicant</b>	Chevron U.S.A. Inc.
<b>Designated Operator &amp; OGRID (affiliation if applicable)</b>	Chevron U.S.A. Inc. (OGRID No. 4323)
<b>Applicant's Counsel:</b>	Holland & Hart LLP
<b>Case Title:</b>	APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
<b>Entries of Appearance/Intervenors:</b>	Kaiser-Francis Oil Company
<b>Well Family</b>	CB CAL 25 36 State Com 08 wells
<b>Formation/Pool</b>	
<b>Formation Name(s) or Vertical Extent:</b>	Wolfcamp
<b>Primary Product (Oil or Gas):</b>	Gas
<b>Pooling this vertical extent:</b>	Wolfcamp formation
<b>Pool Name and Pool Code:</b>	Purple Sage; Wolfcamp (Gas) Pool [Pool Code 98220]
<b>Well Location Setback Rules:</b>	Purple Sage; Wolfcamp (Gas) Pool Rules
<b>Spacing Unit Size:</b>	640 acres, more or less
<b>Spacing Unit</b>	
<b>Type (Horizontal/Vertical)</b>	Horizontal
<b>Size (Acres)</b>	640 acres, more or less
<b>Building Blocks:</b>	Half Sections
<b>Orientation:</b>	North/South
<b>Description: TRS/County</b>	W/2 of Sections 25 and 36, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico
<b>Standard Horizontal Well Spacing Unit (Y/N), If No, describe</b>	Yes
<b>Other Situations</b>	
<b>Depth Severance: Y/N. If yes, description</b>	No
<b>Proximity Tracts: If yes, description</b>	No
<b>Proximity Defining Well: if yes, description</b>	N/A
<b>Applicant's Ownership in Each Tract</b>	Exhibit C-3
<b>Well(s)</b>	
<b>Name &amp; API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)</b>	

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. A  
 Submitted by: Chevron U.S.A. Inc.  
 Hearing Date: March 05, 2020  
 Case No. 21113

CASE NO. 21113  
 ORDER NO. R-21202

Well #1	<p><b>Oil/Gas 25-36 State Comm Well No. 40215</b>, API No. 30-015-46621                  204.274 feet from the North line and 234 feet from the West line,                  (Unit O) of Section 25, Township 23 South, Range 28 East, NMPM.                  184.50 feet from the South line and 330 feet from the West line,                  (Unit M) of Section 26, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wireframe at approx 9,744 feet TVD.                  Well Orientation: North to South                  Completion location expected to be standard</p>
Well #2	<p><b>Oil/Gas 25-36 State Comm Well No. 40215</b>, API No. 30-015-46622                  204.234 feet from the North line and 204 feet from the West line,                  (Unit O) of Section 25, Township 23 South, Range 28 East, NMPM.                  184.50 feet from the South line and 1380 feet from the West line,                  (Unit N) of Section 26, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wireframe at approx 9,744 feet TVD.                  Well Orientation: North to South                  Completion location expected to be standard</p>
Well #3	<p><b>Oil/Gas 25-36 State Comm Well No. 40215</b>, API No. 30-015-46632                  204.234 feet from the North line and 609 feet from the West line,                  (Unit O) of Section 25, Township 23 South, Range 28 East, NMPM.                  184.50 feet from the South line and 2110 feet from the West line,                  (Unit N) of Section 26, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wireframe at approx 9,744 feet TVD.                  Well Orientation: North to South                  Completion location expected to be standard</p>
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, C-4
Requested Risk Charge	Exhibit C
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	None
Joinder	

Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JDA)	Exhibit C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D, D-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D, D-2, D-3, D-4, D-5
Target Formation	Exhibit D, D-2, D-3, D-4, D-5
HSU Cross Section	Exhibit D, D-4, D-5
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (Including basin)	Exhibit D-2
Well Bore Location Map	Exhibit D-2, D-3
Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D, D-3, D-4
Cross Section (including Landing Zone)	Exhibit D, D-3, D-4
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	
Date:	5-Mar-20

END OF EXHIBIT "C" - Force Pool Order

CASE NO. 21113  
ORDER NO. R-21202

DECLARATION OF UNIT  
CB MOTHMA 23 14 FEE 10

STATE OF NEW MEXICO  
COUNTY OF EDDY

The undersigned, by virtue of the authority conferred in the oil, gas and mineral leases listed on Exhibit A-Pooled Leases ("Leases"), do hereby pool, consolidate, combine, and unitize the Leases, insofar as the Leases cover production from the land described in Exhibit B-Unit Acreage ("Unit Acreage") and do pool, consolidate, combine, and unitize the royalties, working interests, overriding royalties, production payments, and all other interests pertaining to the Leases and the Unit Acreage and production therefrom, insofar and only insofar as the Leases and other interests cover and include all oil, gas, and other related hydrocarbons produced from a well on the Unit as herein described ("Unitized Substance"), in and under the Unit Acreage from the subsurface interval known as the Wolfcamp formation beneath the Unit Acreage ("Unitized Interval"), so as to form a single operating production unit for the production of Unitized Substances. As used herein, the words "include(s)" and "including" are not limiting, but are terms of enlargement so other items or components are includable although not specifically expressed.

- 1) Production of Unitized Substances. The production of Unitized Substances from any part of the Unit Acreage, insofar as the Unit Acreage covers the Unitized Interval, will constitute production of such Unitized Substances from all of the Leases contained in the Unit. Drilling or reworking operations or other operations conducted on the Unit for the production of Unitized Substances, will constitute operations for the production of Unitized Substances on all of the Leases and Unit Acreage.
  
- 2) Description of Unit. The unit formed hereby shall be known as the CB MOTHMA 23 14 FEE 10 ("Unit") containing 640 acres of land, more or less, described as the W/2 of Section 14, Township 23 South, Range 28 East, and the W/2 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.
  
- 3) Distribution of Interests. All Unitized Substances produced from any well on the Unit shall be allocated proportionately among all of the tracts within the Unit proportionate to the number of acres in each tract included in the Unit bears to the

total number of acres in the Unit. All working interests, royalties, overriding royalties, production payments, and all other interests in the Leases shall be computed on the basis of the respective interests in the production allocated to the tract or tracts in which those interests are owned.

- 4) Acceptance of Terms. All parties owning any interest in the oil, gas, and other related hydrocarbons in and under the Unit Acreage who execute this instrument or a counterpart thereof, or who ratify the same, or who hereafter acquire an interest in the Unit Acreage subject to the terms hereof, hereby adopt and confirm the creation of the Unit and agree to all of the terms hereof, and covenant that any leases or assignments affecting their interests are amended to the extent necessary to authorize the formation of the Unit and conform to all of the terms hereof. In the event the owners of the Leases, or their respective heirs, successors, or assigns, own any lease or interest in a lease covering lands within the Unit Acreage other than those listed on Exhibit A, or any unleased interest in the Unit Acreage, the same is hereby pooled into the Unit without the necessity of specifically enumerating that lease or interest and the specific land it covers.
- 5) No Cross-Conveyance. Notwithstanding anything to the contrary herein, this instrument does not cause or intend to cause any cross-assignment or cross conveyance of any lease or interest covered hereby.
- 6) Effective Date. The Unit is effective as of June 3, 2021 or from the date of first production from the Unitized Interval, whichever first occurs (the "Effective Date"), and will remain in effect so long thereafter as Unitized Substances are produced from the Unit or as long as drilling, reworking, plugging back, or sidetracking operations are conducted on any well on Unit Acreage completed in or targeted for the Unitized Interval, with no cessation of more than 60 consecutive days, and if any such operations result in the production of Unitized Substances, for so long thereafter as the same are produced, or such operations are again commenced within 60 days from the cessation of production. It will be considered that Unitized Substances are being produced in paying quantities while a well is shut in on the Unit and the lessees of the Leases pay or tender shut-in rentals or royalties in accordance with the terms of the Leases or otherwise perpetuate the Leases pursuant to each of their respective terms and conditions.
- 7) Right to Amend. The undersigned reserve the continuing right to amend, correct, or alter this instrument and the Unit including increasing, decreasing, or changing the configuration of the unit acreage, and relocating or changing the Unitized Interval, at any time and from time to time after the original formation hereof. Any such amendment must be in writing, signed by the parties bound hereby and filed for record in Eddy County, New Mexico.
- 8) Counterparts. For convenience, this instrument may be executed in multiple counterparts, with each separate counterpart constituting a valid and binding instrument. Each of the undersigned agree that for recording purposes their

respective signature pages and acknowledgements may be removed from their respective counterpart and attached to a single Declaration of Unit.

- 9) Compulsory Pooled Interest. Pursuant to that certain Compulsory Pooling Order No. R-21729 dated June 3, 2021, and attached as Exhibit C – Compulsory Pooling Order to this Declaration of Unit, all uncommitted working interests, royalty interests, overriding royalty interests, and other interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit Acreage have been effectively pooled.

IN WITNESS WHEREOF, this Declaration of Unit is executed by the undersigned on the respective dates set opposite their names below, but is effective as of the date hereinabove provided.

**OPERATOR:**

CHEVRON U.S.A. INC.

3/17/2022

By:   
IRVIN R GUTIERREZ

Date

Operator/Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public for the State of New Mexico, personally appeared \_\_\_\_\_, known to me to be the Attorney-In-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

NON-OPERATORS:

FR ENERGY, LLC

Dated: 03/21/2022

By: [Signature]

Name: Travis Pace

Title: COO

STATE OF Texas §

§

COUNTY OF Harris §

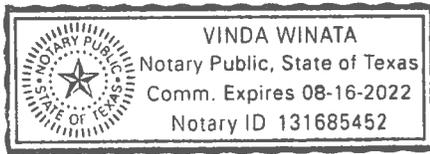
§

The foregoing instrument was acknowledged before me on this 21 day of March, 2022 by Travis Pace, as CEO of FR Energy, LLC, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

My Commission Expires: 8/16/2022

[Signature]

Notary Public,



**EXHIBIT "A" - Pooled Leases**

Attached to and made a part of that certain Declaration of Unit covering the W/2 of Section 14, Township 23 South, Range 28 East, and the W/2 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 640 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 03/14/1974  
**Recorded:** Book 114, Page 909  
**Lessor:** Teledyne Potash, Inc.  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 1, N/2 NW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 80 acres

**Tract 2**

**Lease Date:** 03/23/1978  
**Recorded:** Book 154, Page 1042  
**Lessor:** Melton E. Trachta et ux  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Lot 2, SW/4 NW/4 and NW/4 SW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 03/23/1978  
**Recorded:** Book 154, Page 1038  
**Lessor:** Gregory S. Trachta et ux  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Lot 2, SW/4 NW/4 and NW/4 SW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Tract 3**

**Lease Date:** 12/21/1978  
**Recorded:** Book 166, Page 1049  
**Lessor:** Frances Prichard et al  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** NW/4 NE/4 SW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/21/1973  
**Recorded:** Book 112, Page 796  
**Lessor:** Frances Louise Prichard et vir  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** NW/4 NE/4 SW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Tract 4**

**Lease Date:** 10/24/1977  
**Recorded:** Book 151, Page 831  
**Lessor:** Albert Berger et us  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** SE/4 NW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 7/19/1973  
**Recorded:** Book 105, Page 512  
**Lessor:** Candelario Carrasco  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** SE/4 NW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 11/1/1977  
**Recorded:** Book 152, Page 388  
**Lessor:** Aguila Cattle Co Inc.  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** SE/4 NW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 10/24/1977  
**Recorded:** Book 151, Page 789  
**Lessor:** Saul Baker et ux  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** SE/4 NW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 5**

**Lease Date:** 2/7/1974  
**Recorded:** Book 119, Page 350 also see Book 115, Page 591  
**Lessor:** Alexander Ruth Guitar  
**Original Lessee:** Earl Whisnand  
**Description of land Pooled:** NE/4 NE/4 SW/4, S/2 NE/4 SW/4 and S/2 SW/4 of Section 14, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 110 Acres

**Tract 6**

**Lease Date:** 3/22/1973  
**Recorded:** Book 98, Page 34  
**Lessor:** Johnnie L. Reid et ux  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** NE/4 NW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 7**

**Lease Date:** 3/27/1973  
**Recorded:** Book 98, Page 52  
**Lessor:** Arthur R. Donaldson, aka Richard Donaldson et ux  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** NW/4 NW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 3/16/1978  
**Recorded:** Book 156, Page 394  
**Lessor:** Claude E. Estes and Clara L. Estes  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** 0.54 acres in the NW/4 NW/4 NW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 0.54 acres Acres

### Tract 8

**Lease Date:** 3/27/1973  
**Recorded:** Book 98, Page 52  
**Lessor:** Arthur R. Donaldson, aka Richard Donaldson et ux  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** SE/4 NW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

### Tract 9

**Lease Date:** 3/27/1973  
**Recorded:** Book 98, Page 52  
**Lessor:** Arthur R. Donaldson, aka Richard Donaldson et ux  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** SW/4 NW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

### Tract 10

**Lease Date:** 10/27/1971  
**Recorded:** Book 152, Page 378  
**Lessor:** Repps B. Guitar, Jr. et al  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** N/2 SW/4 and SW/4 SW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 120 Acres

**Tract 11**

**Lease Date:** 3/30/1973  
**Recorded:** Book 99, Page 149  
**Lessor:** Brantley Draper Jr. et ux  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** SE/4 SW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 3/30/1973  
**Recorded:** Book 100, Page 405  
**Lessor:** Claiborne M. Power, fka Claiborne M. Brantley, a married woman dealing in separate property & estate acting by and thru her duly appointed agent and attorney in fact, Mary Frances Merchant  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** SE/4 SW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 3/31/1978  
**Recorded:** Book 156, Page 418  
**Lessor:** Merland Incorporated  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** SE/4 SW/4 of Section 23, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**END OF EXHIBIT "A" - Pooled Leases**

**EXHIBIT "B" - Unit Acreage**

Township 23 South, Range 28 East:

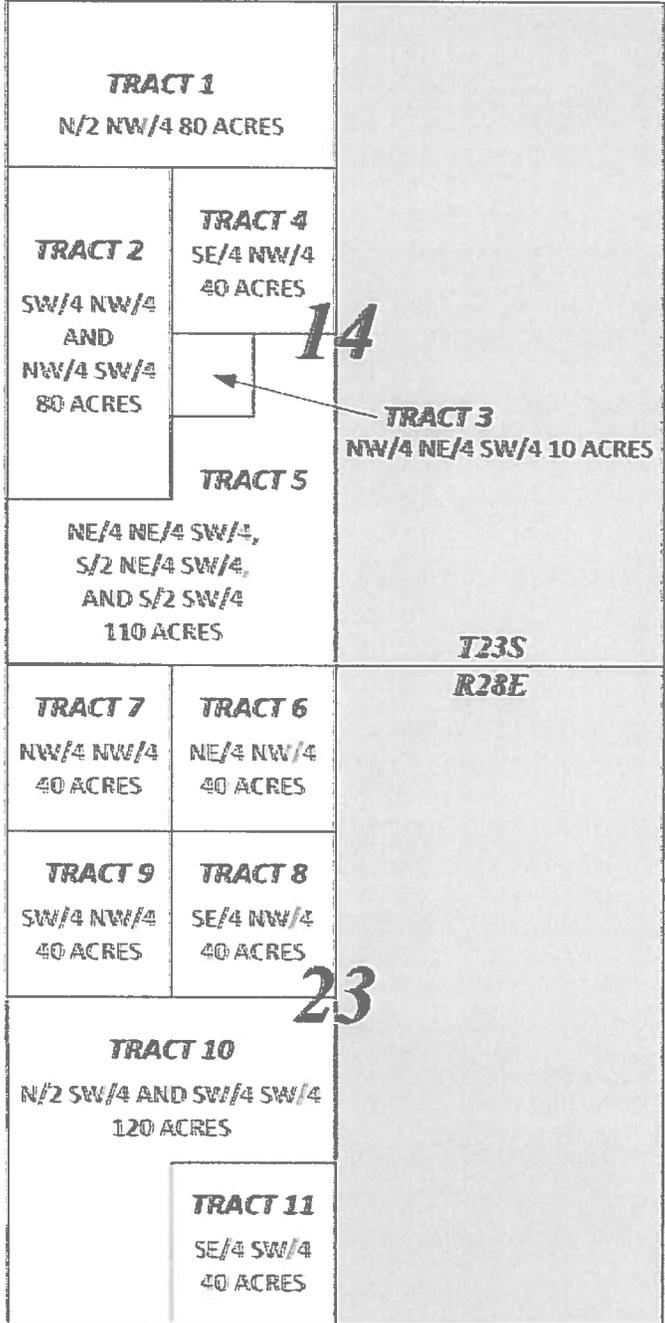
Section 14: W/2

AND

Township 23 South, Range 28 East:

Section 23: W/2

Eddy County, New Mexico



RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	80.00	12.5%
2	80.00	12.5%
3	10.00	1.5625%
4	40.00	6.25%
5	110.00	17.1875%
6	40.00	6.25%
7	40.00	6.25%
8	40.00	6.25%
9	40.00	6.25%
10	120.00	18.75%
11	40.00	6.25%
<hr/>		
Total	640.00	100.0000%

END OF EXHIBIT "B" – Unit Acreage

Exhibit "C" - Force Pool Order

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

IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
CHEVRON U.S.A., INC.,

CASE NO. 21920  
ORDER NO. R-21729

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard these matters through a Hearing Examiner on June 3, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Orders:

FINDINGS OF FACT

1. Chevron U.S.A., Inc. (“Operator”), submitted an application (“Application”) to compulsorily 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 depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

**ORDER**

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 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.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

well (“Actual Well Costs”) out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest.”

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD’s order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. 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.”
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. 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.

- 29. 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 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  
AES/kms

Date: 6/10/2021

CASE NO. 21920  
ORDER NO. R-21729

Page 5 of 8

Exhibit "A"

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 21920</b>	<b>APPLICANT'S RESPONSE</b>
Date	June 3, 2021
Applicant	Chevron U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	4323
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
	BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 8 Submitted by: Chevron U.S.A. Inc. Hearing Date: June 03, 2021 Case No. 21920
Entries of Appearance/Intervenors:	None
Well Family	CB Mothma 23 14 Fee 10 #401H & #402H wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220)
Well Location Setback Rules:	Special Rules Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220)
Spacing Unit Size:	640 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres
Building Blocks:	320 acres
Orientation:	South-North
Description: TRS/County	W/2 of Sections 14 and 23, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	None
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3
<b>Well(s)</b>	

CASE NO. 21920  
ORDER NO. R-21729

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	CB Mothma 23 14 Fee 10 #401H well API No. (Pending) SHL: 929 FSL, 750 FWL (Unit M) Section 23, T23S, R28E, Eddy County, NM BHL: 50 FNL, 1380 FWL (Unit C) Section 14, T23S, R28E, Eddy County, NM Completion Target: Wolfcamp formation Orientation: South-North Completion Status: Standard
Well #2	CB Mothma 23 14 Fee 10 #402H well API No. (Pending) SHL: 929 FSL, 775 FWL (Unit M) Section 23, T23S, R28E, Eddy County, NM BHL: 50 FNL, 2170 FWL (Unit C) Section 14, T23S, R28E, Eddy County, NM Completion Target: Wolfcamp formation Orientation: South-North Completion Status: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-1, Exhibit D-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	None

CASE NO. 21920  
ORDER NO. R-21729

Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-3
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	3-Jun-21

END OF EXHIBIT "C" - Force Pool Order

CASE NO. 21920  
ORDER NO. R-21729

DECLARATION OF UNIT  
CB TANO 25 36 FEE 11 WC

STATE OF NEW MEXICO

COUNTY OF EDDY

The undersigned, by virtue of the authority conferred in the oil, gas and mineral leases listed on Exhibit A-Pooled Leases ("Leases"), do hereby pool, consolidate, combine, and unitize the Leases, insofar as the Leases cover production from the land described in Exhibit B-Unit Acreage ("Unit Acreage") and do pool, consolidate, combine, and unitize the royalties, working interests, overriding royalties, production payments, and all other interests pertaining to the Leases and the Unit Acreage and production therefrom, insofar and only insofar as the Leases and other interests cover and include all oil, gas, and other related hydrocarbons produced from a well on the Unit as herein described ("Unitized Substance"), in and under the Unit Acreage from the subsurface interval known as the Wolfcamp formation beneath the Unit Acreage ("Unitized Interval"), so as to form a single operating production unit for the production of Unitized Substances. As used herein, the words "include(s)" and "including" are not limiting but are terms of enlargement so other items or components are includable although not specifically expressed.

- 1) Production of Unitized Substances. The production of Unitized Substances from any part of the Unit Acreage, insofar as the Unit Acreage covers the Unitized Interval, will constitute production of such Unitized Substances from all of the Leases contained in the Unit. Drilling or reworking operations or other operations conducted on the Unit for the production of Unitized Substances, will constitute operations for the production of Unitized Substances on all of the Leases and Unit Acreage.
- 2) Description of Unit. The unit formed hereby shall be known as the CB TANO 26 35 FEE 11 WC ("Unit") containing 640 acres of land, more or less, described as the E/2 of Section 25, Township 23 South, Range 28 East, and the E/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.
- 3) Distribution of Interests. All Unitized Substances produced from any well on the Unit shall be allocated proportionately among all of the tracts within the Unit proportionate to the number of acres in each tract included in the Unit bears to the

total number of acres in the Unit. All working interests, royalties, overriding royalties, production payments, and all other interests in the Leases shall be computed on the basis of the respective interests in the production allocated to the tract or tracts in which those interests are owned.

- 4) Acceptance of Terms. All parties owning any interest in the oil, gas, and other related hydrocarbons in and under the Unit Acreage who execute this instrument or a counterpart thereof, or who ratify the same, or who hereafter acquire an interest in the Unit Acreage subject to the terms hereof, hereby adopt and confirm the creation of the Unit and agree to all of the terms hereof, and covenant that any leases or assignments affecting their interests are amended to the extent necessary to authorize the formation of the Unit and conform to all of the terms hereof. In the event the owners of the Leases, or their respective heirs, successors, or assigns, own any lease or interest in a lease covering lands within the Unit Acreage other than those listed on Exhibit A, or any unleased interest in the Unit Acreage, the same is hereby pooled into the Unit without the necessity of specifically enumerating that lease or interest and the specific land it covers.
  
- 5) No Cross-Conveyance. Notwithstanding anything to the contrary herein, this instrument does not cause or intend to cause any cross-assignment or cross conveyance of any lease or interest covered hereby.
  
- 6) Effective Date. The Unit is effective as of March 5, 2020 or from the date of first production from the Unitized Interval, whichever first occurs (the "Effective Date"), and will remain in effect so long thereafter as Unitized Substances are produced from the Unit or as long as drilling, reworking, plugging back, or sidetracking operations are conducted on any well on Unit Acreage completed in or targeted for the Unitized Interval, with no cessation of more than 60 consecutive days, and if any such operations result in the production of Unitized Substances, for so long thereafter as the same are produced, or such operations are again commenced within 60 days from the cessation of production. It will be considered that Unitized Substances are being produced in paying quantities while a well is shut in on the Unit and the lessees of the Leases pay or tender shut-in rentals or royalties in accordance with the terms of the Leases or otherwise perpetuate the Leases pursuant to each of their respective terms and conditions.
  
- 7) Right to Amend. The undersigned reserve the continuing right to amend, correct, or alter this instrument and the Unit including increasing, decreasing, or changing the configuration of the unit acreage, and relocating or changing the Unitized Interval, at any time and from time to time after the original formation hereof. Any such amendment must be in writing, signed by the parties bound hereby and filed for record in Eddy County, New Mexico.
  
- 8) Counterparts. For convenience, this instrument may be executed in multiple counterparts, with each separate counterpart constituting a valid and binding instrument. Each of the undersigned agree that for recording purposes their

respective signature pages and acknowledgements may be removed from their respective counterpart and attached to a single Declaration of Unit.

- 9) Compulsory Pooled Interest. Pursuant to that certain Compulsory Pooling Order No. R-21202 dated March 5, 2020, and attached as Exhibit C – Compulsory Pooling Order to this Declaration of Unit, all uncommitted working interests, royalty interests, overriding royalty interests, and other interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit Acreage have been effectively pooled.

IN WITNESS WHEREOF, this Declaration of Unit is executed by the undersigned on the respective dates set opposite their names below, but is effective as of the date hereinabove provided.

**OPERATOR:**

CHEVRON U.S.A. INC.

3/29/2022

By: *IRVIN R. GUTIERREZ*  
**IRVIN R. GUTIERREZ**

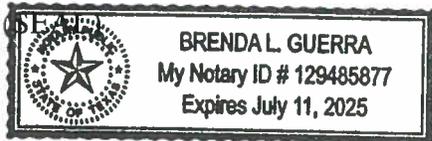
Date

Operator/Attorney-in-Fact

**ACKNOWLEDGEMENT**

STATE OF Texas )  
 ) ss.  
COUNTY OF Harris )

On this 29 day of March, 2022, before me, a Notary Public for the State of New Mexico, personally appeared IRVIN R. GUTIERREZ, known to me to be the Attorney-In-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.



My Commission Expires

*Brenda L Guerra*  
Notary Public







**NON-OPERATOR:**

NORTEX CORPORATION

3/31/22  
Date

By: *Robert W. Kent*

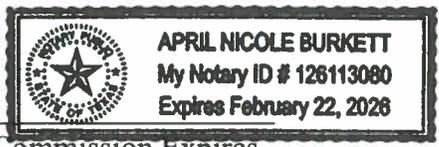
Name: **NORTEX CORPORATION**  
Its: Robert W. Kent  
Executive Vice President

**ACKNOWLEDGEMENT**

STATE OF Texas )  
 ) ss.  
COUNTY OF Sabine )

On this 31 day of March, 2022, before me, a Notary Public for the State of New Mexico, personally appeared Robert Kent, known to me to be the Executive Vice President of NORTEX CORPORATION, a Officer, on behalf of the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



My Commission Expires 2-22-2026

*April Burkett*  
Notary Public

**NON-OPERATOR:**

KENT PRODUCTION, LLC

3/31/22  
Date

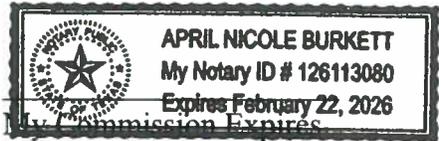
By: *Robert W. Kent*  
Name: **Kent Production LLC**  
Its: **Robert W. Kent**  
**President**

**ACKNOWLEDGEMENT**

STATE OF Texas )  
 ) ss.  
COUNTY OF Sabine )

On this 31 day of March, 2022, before me, a Notary Public for the State of New Mexico, personally appeared Robert Kent, known to me to be the President of KENT PRODUCTION, LLC, a Officer, on behalf of the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



2-22-2026

*April Nicole Burkett*  
Notary Public

**EXHIBIT "A" - Pooled Leases**

Attached to and made a part of that certain Declaration of Unit covering the E/2 of Section 25, Township 23 South, Range 28 East, and the E/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 640 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 03/30/1973  
**Recorded:** Book 99, Page 149  
**Lessor:** Draper Brantley, Jr.  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NE/4 NE/4, N/2 NW/4 NE/4, E/2 SE/4 NW/4 NE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 65 acres

**Lease Date:** 03/30/1973  
**Recorded:** Book 100, Page 405  
**Lessor:** Claiborne M Power  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NE/4 NE/4, N/2 NW/4 NE/4, E/2 SE/4 NW/4 NE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 65 acres

**Lease Date:** 03/31/1978  
**Recorded:** Book 156, Page 424  
**Lessor:** Merland Incorporated  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 1, NE/4 NE/4, N/2 NW/4 NE/4, E/2 SE/4 NW/4 NE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 65 acres

**Lease Date:** 01/27/2017  
**Recorded:** Book 1091, Page 719  
**Lessor:** Merland Inc.  
**Original Lessee:** Scratch Properties LLC  
**Description of land Pooled:** Tract 1, NE/4 NE/4, N/2 NW/4 NE/4, E/2 SE/4 NW/4 NE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 65 acres

**Tract 2**

**Lease Date:** 03/14/2016  
**Recorded:** Book 1064, Page 1013  
**Lessor:** Nance M Coffey Trustee of The Nance M Coffey Trust a revocable trust dated the 7<sup>th</sup> of February, 2013  
**Original Lessee:** J Bar Cane, Inc.

**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2016  
**Recorded:** Book 1064, Page 1017  
**Lessor:** Carolyn R Corn and Paul V Carlile as Trustees of the Carolyn Ra Corn Revocable trust under agreement dated 07/30/2009  
**Original Lessee:** J Bar Cane, Inc.

**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 06/20/2016  
**Recorded:** Book 1077, Page 733  
**Lessor:** Barret W Spiller  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 06/20/2016  
**Recorded:** Book 1077, Page 731  
**Lessor:** Stacey Lampton  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 07/21/2016  
**Recorded:** Book 1078, Page 900  
**Lessor:** Claudia Reed f/k/a Claudia Spiller  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2016  
**Recorded:** Book 1064, Page 1015  
**Lessor:** Norma Jean Spiller de Jong  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2016  
**Recorded:** Book 1064, Page 1009  
**Lessor:** Jimmie C Spiller  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 15 Acres  
**Lease Date:** 03/14/2016  
**Recorded:** Book 1064, Page 1011  
**Lessor:** Larry Todd Spiller  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2019  
**Recorded:** Book 1125, Page 308  
**Lessor:** Patricia A Miller  
**Original Lessee:** MRC Permian Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2019  
**Recorded:** Book 1124, Page 1154  
**Lessor:** Willard F Spiller III  
**Original Lessee:** MRC Permian Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2019  
**Recorded:** Book 1124, Page 1152  
**Lessor:** Jeffrey F Spiller  
**Original Lessee:** MRC Permian Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2016  
**Recorded:** Book 1064, Page 1006  
**Lessor:** Gayle A McFerrin Manning  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2016  
**Recorded:** Book 1064, Page 1004  
**Lessor:** Diane E McFerrin Peters  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 03/14/2016  
**Recorded:** Book 1064, Page 1008  
**Lessor:** Lindsay K McFerrin  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 04/12/2019  
**Recorded:** Book 1123, Page 854  
**Lessor:** Phillip Cooper Swiger  
**Original Lessee:** MRC Permian Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 04/24/2019  
**Recorded:** Book 1126, Page 172  
**Lessor:** Guy Douglas Swiger  
**Original Lessee:** MRC Permian Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 05/06/2019  
**Recorded:** Book 1124, Page 1153  
**Lessor:** Joy Lynn Swiger  
**Original Lessee:** MRC Permian Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Lease Date:** 07/21/2016  
**Recorded:** Book 1078, Page 1217  
**Lessor:** Claudia Reed, fka Claudia Spiller, joined pro forma by her husband, Robert L. Reed, IV  
**Original Lessee:** J Bare Cane, Inc.  
**Description of land Pooled:** Tract 2, SW/4 NW/4 NE/4, W/2 SE/4 NW/4 NE/4 of Section 26 Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 15 Acres

**Tract 3a and 3b**

**Lease Date:** 09/27/2007  
**Recorded:** Book 719, Page 431  
**Lessor:** John Guitar III  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 50 Acres

**Lease Date:** 09/27/2007  
**Recorded:** Book 719, Page 603  
**Lessor:** Pressley H Guitar  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 50 Acres

**Lease Date:** 09/27/2007  
**Recorded:** Book 719, Page 455  
**Lessor:** Repps Guitar, Jr.  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 50 Acres

**Lease Date:** 09/27/2007  
**Recorded:** Book 719, Page 411  
**Lessor:** Wende Witherspoon Morgan  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 50 Acres

**Lease Date:** 09/27/2007  
**Recorded:** Book 719, Page 381  
**Lessor:** Brett Guitar Witherspoon  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of**

**land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 50 Acres

**Lease Date:** 09/27/2007

**Recorded:** Book 719, Page 527

**Lessor:** Betty Witherspoon Nevill, as Trustee of the Gayle Nevill Trust

**Original Lessee:** Chesapeake Exploration, LLC

**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 50 Acres

**Lease Date:** 09/27/2007

**Recorded:** Book 719, Page 551

**Lessor:** John Guitar Witherspoon Jr.

**Original Lessee:** Chesapeake Exploration, LLC

**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 50 Acres

**Lease Date:** 09/27/2007

**Recorded:** Book 719, Page 579

**Lessor:** Whitten Guitar Witherspoon

**Original Lessee:** Chesapeake Exploration, LLC

**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 50 Acres

**Lease Date:** 09/27/2007

**Recorded:** Book 719, Page 631

**Lessor:** Guy Pittman Witherspoon III

**Original Lessee:** Chesapeake Exploration, LLC

**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 50 Acres

**Lease Date:** 01/09/1978  
**Recorded:** Book 154, Page 157  
**Lessor:** Pardue Farms a New Mexico LP  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 50 Acres

**Lease Date:** 01/09/1978  
**Recorded:** Book 154, Page 147  
**Lessor:** Earl B Guitar  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 3a and 3b, SW/4 NE/4, SW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 50 Acres

**Tract 4**

**Lease Date:** 09/22/2020  
**Recorded:** Book 1140, Page 752  
**Lessor:** Zolene Voigt Knott, Individually and as Trustee of the Lee B. Voigt and Wima E. Voigt Revocable Trust, dated January 10, 1996, as amended, and Zolene Voigt Knott as Trustee of the Lee B. Voigt and Wilma E. Voigt Revocable Trust A, dated January 19, 1996, as amendmended.  
**Original Lessee:** Xplor Resources, LLC  
**Description of land Pooled:** Tract 4, SE/4 NE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 5**

**Lease Date:** 06/14/2006  
**Recorded:** Book 650, Page 735  
**Lessor:** Celia B Milavec  
**Original Lessee:** Featherstone Development Corp  
**Description of land Pooled:** Tract 5, N/2 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 06/14/2006  
**Recorded:** Book 1060, Page 968  
**Lessor:** Milavec Minerals LLC  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 5, N/2 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 03/08/2019  
**Recorded:** Book 1122, Page 941  
**Lessor:** Milavec Minerals LLC  
**Original Lessee:** MRC Permian Company  
**Description of land Pooled:** Tract 5, N/2 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Lease Date:** 5/31/2019  
**Recorded:** Book 1124, Page 214  
**Lessor:** Apache Corporation  
**Original Lessee:** Tumbler Operating Partners, LLC  
**Description of land Pooled:** Tract 5, N/2 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 80 Acres

**Tract 6**

**Lease Date:** 06/14/2006  
**Recorded:** Book 650, Page 735  
**Lessor:** Celia B Milavec  
**Original Lessee:** Featherstone Development Corp  
**Description of land Pooled:** Tract 6, E/2 SW/4 SE/4, NW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 11/13/2015  
**Recorded:** Book 1047, Page 1216  
**Lessor:** Vincent T Milavec  
**Original Lessee:** J Bar Cane, Inc.  
**Description of land Pooled:** Tract 6, E/2 SW/4 SE/4, NW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 12/05/2020  
**Recorded:** Book 1143, Page 528  
**Lessor:** Sally Ann Milavec  
**Original Lessee:** Chevron U.S.A. Inc.  
**Description of land Pooled:** Tract 6, E/2 SW/4 SE/4, NW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 12/05/2020  
**Recorded:** Book 1143, Page 526  
**Lessor:** Paulette V Misanko  
**Original Lessee:** Chevron U.S.A. Inc.  
**Description of land Pooled:** Tract 6, E/2 SW/4 SE/4, NW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 12/05/2020  
**Recorded:** Book 1143, Page 527  
**Lessor:** Michael A Schaefer  
**Original Lessee:** Chevron U.S.A. Inc.  
**Description of land Pooled:** Tract 6, E/2 SW/4 SE/4, NW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 12/5/2017  
**Recorded:** Book 966, Page 377  
**Lessor:** Paulette V. Schaefer Misanko  
**Original Lessee:** J Bare Cane, Inc.  
**Description of land Pooled:** Tract 6, E/2 SW/4 SE/4, NW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 12/5/2017  
**Recorded:** Book 966, Page 380  
**Lessor:** Sally Ann Milavec  
**Original Lessee:** J Bare Cane, Inc.  
**Description of land Pooled:** Tract 6, E/2 SW/4 SE/4, NW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 11/13/2015  
**Recorded:** Book 1043, Page 127  
**Lessor:** Michael A. Schaefer  
**Original Lessee:** J Bare Cane, Inc.  
**Description of land Pooled:** Tract 6, E/2 SW/4 SE/4, NW/4 SW/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Tract 7**

**Lease Date:** 05/05/2006  
**Recorded:** Book 644, Page 165  
**Lessor:** Clara Mae Yarbrow  
**Original Lessee:** Featherstone Development Corporation  
**Description of land Pooled:** Tract 7, SE/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 09/08/2018  
**Recorded:** Book 1112, Page 1191  
**Lessor:** Noble Eugene Yarbrow  
**Original Lessee:** Uplift Energy LLC  
**Description of land Pooled:** Tract 7, SE/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 09/08/2018  
**Recorded:** Book 1112, Page 1189  
**Lessor:** Lesly F Najera  
**Original Lessee:** Uplift Energy LLC  
**Description of land Pooled:** Tract 7, SE/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 09/08/2018  
**Recorded:** Book 1112, Page 1190  
**Lessor:** Laura Elizabeth Bunn  
**Original Lessee:** Uplift Energy LLC  
**Description of land Pooled:** Tract 7, SE/4 SE/4 of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 8**

**Lease Date:** 01/09/1978  
**Recorded:** Book 153, Page 953  
**Lessor:** Roxie Williams  
**Original Lessee:** Robert J. Cerf.  
**Description of land Pooled:** Tract 8, NW/4 NE/4, NW/4 SW/4 NE/4, W/2 NE/4 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 55 Acres

**Lease Date:** 01/09/1978  
**Recorded:** Book 153, Page 950  
**Lessor:** S. F. Williams  
**Original Lessee:** Robert J. Cerf.  
**Description of land Pooled:** Tract 8, NW/4 NE/4, NW/4 SW/4 NE/4, W/2 NE/4 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 55 Acres

**Tract 9**

**Lease Date:** 2/03/1976  
**Recorded:** Book 135, Page 42  
**Lessor:** Earl B Guitar et al  
**Original Lessee:** Phillips Petroleum Company  
**Description of land Pooled:** Tract 9, E/2 NE/4 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 2/03/1976  
**Recorded:** Book 135, Page 42  
**Lessor:** Mary B Guitar et al  
**Original Lessee:** Phillips Petroleum Company  
**Description of land Pooled:** Tract 9, E/2 NE/4 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 2/03/1976  
**Recorded:** Book 135, Page 38  
**Lessor:** Pardue Farms  
**Original Lessee:** Phillips Petroleum Company  
**Description of land Pooled:** Tract 9, E/2 NE/4 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 2/03/1976  
**Recorded:** Book 135, Page 40  
**Lessor:** Earl B. Guitar et al  
**Original Lessee:** Phillips Petroleum Company  
**Description of land Pooled:** Tract 9, E/2 NE/4 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Tract 10**

**Lease Date:** 2/03/1976  
**Recorded:** Book 135, Page 42  
**Lessor:** Earl B Guitar et al  
**Original Lessee:** Phillips Petroleum Company  
**Description of land Pooled:** Tract 10, W/2 NW/4 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 2/03/1976  
**Recorded:** Book 135, Page 42  
**Lessor:** Mary B Guitar et al  
**Original Lessee:** Phillips Petroleum Company  
**Description of land Pooled:** Tract 10, W/2 NW/4 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 2/03/1976  
**Recorded:** Book 135, Page 38  
**Lessor:** Pardue Farms  
**Original Lessee:** Phillips Petroleum Company  
**Description of land Pooled:** Tract 10, W/2 NW/4 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 2/03/1976  
**Recorded:** Book 135, Page 40  
**Lessor:** Earl B. Guitar et al  
**Original Lessee:** Phillips Petroleum Company  
**Description of land Pooled:** Tract 10, E/2 NE/4 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Tract 11**

**Lease Date:** 01/09/1978  
**Recorded:** Book 153, Page 953  
**Lessor:** Roxie Williams  
**Original Lessee:** Robert J. Cerf.  
**Description of land Pooled:** Tract 11, NE/4 NE/4, NE/4 SE/4 NE/4, E/2 NW/4 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 55 Acres

**Lease Date:** 01/09/1978  
**Recorded:** Book 153, Page 950  
**Lessor:** S. F. Williams  
**Original Lessee:** Robert J. Cerf.  
**Description of land Pooled:** Tract 11, NE/4 NE/4, NE/4 SE/4 NE/4, E/2 NW/4 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 55 Acres

**Tract 12**

**Lease Date:** 01/09/1978  
**Recorded:** Book 153, Page 953  
**Lessor:** Roxie Williams  
**Original Lessee:** Robert J. Cerf.  
**Description of land Pooled:** Tract 12, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 01/09/1978  
**Recorded:** Book 153, Page 950  
**Lessor:** S. F. Williams  
**Original Lessee:** Robert J. Cerf.  
**Description of land Pooled:** Tract 12, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 05/25/1978  
**Recorded:** Book 177, Page 206  
**Lessor:** John E Osborn  
**Original Lessee:** Charles J Cerf. Jr  
**Description of land Pooled:** Tract 12, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 04/05/2012  
**Recorded:** Book 888, Page 787  
**Lessor:** The Estate of A. G. Mcgonagill  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 02/21/2012  
**Recorded:** Book 888, Page 798  
**Lessor:** M. Craig Beeman  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 04/04/2012  
**Recorded:** Book 888, Page 789  
**Lessor:** Seminole Memorial Hospital  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 02/24/2012  
**Recorded:** Book 885, Page 367  
**Lessor:** Mickey Louis Ratliff Jr.  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 08/30/2011  
**Recorded:** Book 871, Page 055  
**Lessor:** Carmex Inc.  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 08/22/2011  
**Recorded:** Book 867, Page 1018  
**Lessor:** T. L. Rees  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 09/22/2011  
**Recorded:** Book 871, Page 057  
**Lessor:** Francis F. Beeman  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 09/22/2011  
**Recorded:** Book 871, Page 053  
**Lessor:** Estate of William Bradley Beeman  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 09/22/2011  
**Recorded:** Book 871, Page 049  
**Lessor:** Patricia Ann Beeman Allen  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 09/21/2011  
**Recorded:** Book 871, Page 047  
**Lessor:** Martha Stribling  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 11/22/2011  
**Recorded:** Book 878, Page 484  
**Lessor:** Zia Royalty, LLC  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 12/14/2011  
**Recorded:** Book 881, Page 368  
**Lessor:** The Beveridge Company  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 01/05/2012  
**Recorded:** Book 880, Page 241  
**Lessor:** Gulf Coast Oil and Gas Company  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 7/14/2014  
**Recorded:** Book 989, Page 347  
**Lessor:** Chasity Garza  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 12, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Tract 13**

**Lease Date:** 01/09/1978  
**Recorded:** Book 153, Page 953  
**Lessor:** Roxie Williams  
**Original Lessee:** Robert J. Cerf.  
**Description of land Pooled:** Tract 13, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 01/09/1978  
**Recorded:** Book 153, Page 950  
**Lessor:** S. F. Williams  
**Original Lessee:** Robert J. Cerf.  
**Description of land Pooled:** Tract 13, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 05/25/1978  
**Recorded:** Book 177, Page 206  
**Lessor:** John E Osborn  
**Original Lessee:** Charles J Cerf. Jr  
**Description of land Pooled:** Tract 13, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 04/05/2012  
**Recorded:** Book 888, Page 787  
**Lessor:** The Estate of A. G. Mcgonagill  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 04/05/2012  
**Recorded:** Book 888, Page 798  
**Lessor:** M. Craig Beeman  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 04/04/2012  
**Recorded:** Book 888, Page 789  
**Lessor:** Seminole Memorial Hospital  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 02/24/2012  
**Recorded:** Book 885, Page 367  
**Lessor:** Mickey Louis Ratliff Jr.  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 08/30/2011  
**Recorded:** Book 871, Page 055  
**Lessor:** Carmex Inc.  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 08/22/2011  
**Recorded:** Book 867, Page 1018  
**Lessor:** T. L. Rees  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 09/22/2011  
**Recorded:** Book 871, Page 057  
**Lessor:** Francis F. Beeman  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 09/22/2011  
**Recorded:** Book 871, Page 053  
**Lessor:** Estate of William Bradley Beeman  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 09/22/2011  
**Recorded:** Book 871, Page 049  
**Lessor:** Patricia Ann Beeman Allen  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 09/21/2011  
**Recorded:** Book 871, Page 047  
**Lessor:** Martha Stribling  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 11/22/2011  
**Recorded:** Book 878, Page 484  
**Lessor:** Zia Royalty, LLC  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 12/14/2011  
**Recorded:** Book 881, Page 368  
**Lessor:** The Beveridge Company  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 01/05/2012  
**Recorded:** Book 880, Page 241  
**Lessor:** Gulf Coast Oil and Gas Company  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, E/2 SE/4, S/2 SE/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**Lease Date:** 7/14/2014  
**Recorded:** Book 989, Page 347  
**Lessor:** Chasity Garza  
**Original Lessee:** Mewbourne Oil Company  
**Description of land Pooled:** Tract 13, W/2 SE/4, S/2 SW/4 NE/4 of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 100 Acres

**END OF EXHIBIT "A" - Pooled Leases**

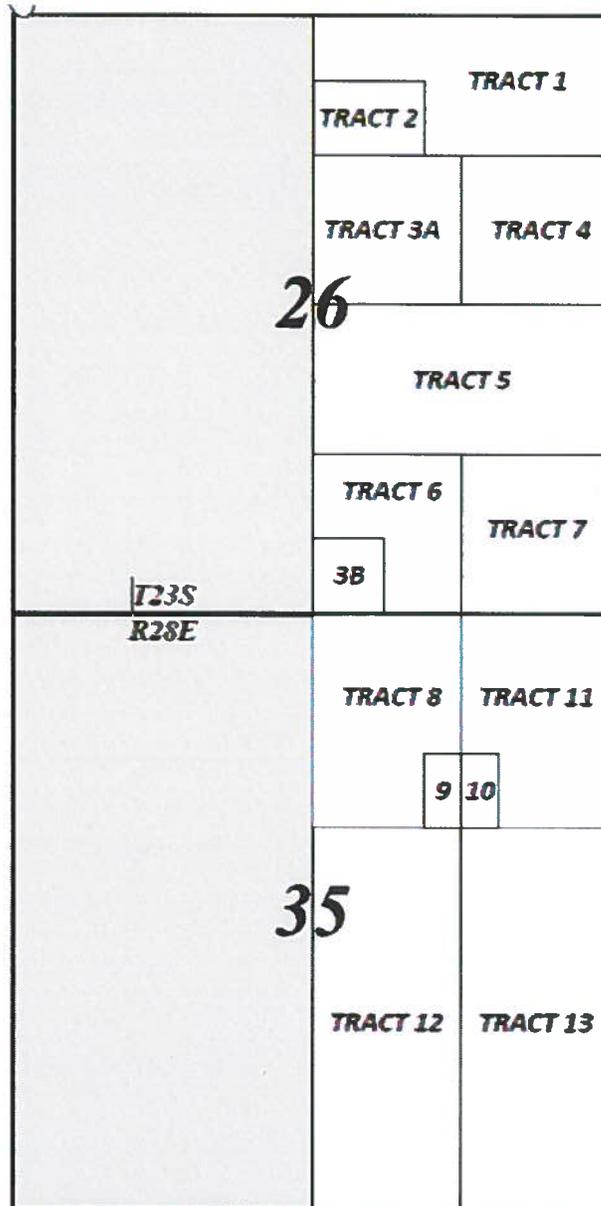
END OF EXHIBIT "A" - Pooled Leases

EXHIBIT "B" - Unit Acreage

Township 23 South, Range 28 East:  
Section 26: E/2

AND

Township 23 South, Range 28 East:  
Section 35: E/2  
Eddy County, New Mexico



**RECAPITULATION**

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	65.00	10.15625%
2	15.00	2.34375%
3a and 3b	50.00	7.8125%
4	40.00	6.25%
5	80.00	12.5%
6	30.00	4.6875%
7	40.00	6.25%
8	55.00	8.59375%
9	5.00	0.78125%
10	5.00	0.78125%
11	55.00	8.59375%
12	100.00	15.625%
13	100.00	15.625%
Total	640.00	100.0000%

END OF EXHIBIT "B" – Unit Acreage

EXHIBIT "C" - Force Pool Order

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

IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
CHEVRON U.S.A.

CASE NO. 21113  
ORDER NO. R-21202

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on March 5<sup>th</sup>, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Chevron U.S.A. ("Operator") submitted an application ("Application") to compulsorily 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 depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

**ORDER**

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to 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").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than 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.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. 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."
- 27. 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.
- 28. 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.

- 29. 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.
- 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**

  
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**ADRIENNE SANDOVAL**  
**DIRECTOR**  
 AES/kms

Date: 4/07/2020

CASE NO. 21113  
 ORDER NO. R-21202

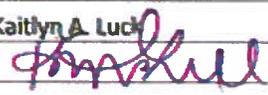
Exhibit A

<b>COMPULSORY POOLING APPLICATION CHECKLIST (pdf)</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 21113</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: March 5, 2020</b>	
<b>Applicant</b>	Chevron U.S.A. Inc.
<b>Designated Operator &amp; OGRID (affiliation if applicable)</b>	Chevron U.S.A. Inc. (OGRID No. 4323)
<b>Applicant's Counsel:</b>	Holland & Hart LLP
<b>Case Title:</b>	APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
<b>Entries of Appearance/Intervenors:</b>	Kaiser-Francis Oil Company
<b>Well Family</b>	CB CAL 25 36 State Com 08 wells
<b>Formation/Pool</b>	
<b>Formation Name(s) or Vertical Extent:</b>	Wolfcamp
<b>Primary Product (Oil or Gas):</b>	Gas
<b>Pooling this vertical extent:</b>	Wolfcamp formation
<b>Pool Name and Pool Code:</b>	Purple Sage; Wolfcamp (Gas) Pool [Pool Code 98220]
<b>Well Location Setback Rules:</b>	Purple Sage; Wolfcamp (Gas) Pool Rules
<b>Spacing Unit Size:</b>	640 acres, more or less
<b>Spacing Unit</b>	
<b>Type (Horizontal/Vertical)</b>	Horizontal
<b>Size (Acres)</b>	640 acres, more or less
<b>Building Blocks:</b>	Half Sections
<b>Orientation:</b>	North/South
<b>Description: TRS/County</b>	W/2 of Sections 25 and 36, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico
<b>Standard Horizontal Well Spacing Unit (Y/N), if No, describe</b>	Yes
<b>Other Situations</b>	
<b>Depth Severance: Y/N. If yes, description</b>	No
<b>Proximity Tracts: If yes, description</b>	No
<b>Proximity Defining Well: if yes, description</b>	N/A
<b>Applicant's Ownership In Each Tract</b>	Exhibit C-3
<b>Well(s)</b>	
<b>Name &amp; API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)</b>	

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. A  
 Submitted by: Chevron U.S.A. Inc.  
 Hearing Date: March 05, 2020  
 Case No. 21113

CASE NO. 21113  
 ORDER NO. R-21202

Well #1	<p><b>CD CAL 25 36 State Comm Well No. 40215</b> API No. 30-015-46631</p> <p>SHL: 214 feet from the North line and 534 feet from the West line. (Unit O) of Section 25, Township 23 South, Range 28 East, NMPM. (Unit M) of Section 26, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wellbore at approx 9,744 feet TVD.</p> <p>Well Orientation: North to South.</p> <p>Completion Location expected to be standard.</p>
Well #2	<p><b>CD CAL 25 36 State Comm Well No. 40215</b> API No. 30-015-46632</p> <p>SHL: 234 feet from the North line and 584 feet from the West line. (Unit O) of Section 25, Township 23 South, Range 28 East, NMPM. (Unit M) of Section 26, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wellbore at approx 9,744 feet TVD.</p> <p>Well Orientation: North to South.</p> <p>Completion Location expected to be standard.</p>
Well #3	<p><b>CD CAL 25 36 State Comm Well No. 40215</b> API No. 30-015-46632</p> <p>SHL: 234 feet from the North line and 609 feet from the West line. (Unit O) of Section 25, Township 23 South, Range 28 East, NMPM. (Unit M) of Section 26, Township 23 South, Range 28 East, NMPM.</p> <p>Completion Target: Wellbore at approx 9,744 feet TVD.</p> <p>Well Orientation: North to South.</p> <p>Completion Location expected to be standard.</p>
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, C-4
Requested Risk Charge	Exhibit C
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	None
Joinder	

Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JDA)	Exhibit C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D, D-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D, D-2, D-3, D-4, D-5
Target Formation	Exhibit D, D-2, D-3, D-4, D-5
HSU Cross Section	Exhibit D, D-4, D-5
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-2
Well Bore Location Map	Exhibit D-2, D-3
Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D, D-3, D-4
Cross Section (including Landing Zone)	Exhibit D, D-3, D-4
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	
Date:	5-Mar-20

END OF EXHIBIT "C" - Force Pool Order

CASE NO. 21113  
ORDER NO. R-21202



NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

- 1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W/2 W/2 OF SECTIONS 25 AND 36, T23S,R28E

Of Sect(s): \_\_\_\_\_ Twp: \_\_\_ Rng:\_\_\_ NMPM EDDY \_\_\_\_\_ County, NM

Containing 320 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. CHEVRON U.S.A. INC. shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by CHEVRON U.S.A. INC..

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OPERATOR: CHEVRON U.S.A. INC.







**EXHIBIT "A"**

Attached to and made a part of that certain Declaration of Unit covering the W/2 W/2 of Section 25, Township 23 South, Range 28 East, and the W/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 320 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Bone Spring formation, as seen at 6,325 feet beneath the surface, to the stratigraphic equivalent of the base of the Bone Spring formation, as seen at 9,633 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015322646), located in Section 25, Township 23 South, Range 28 East, Eddy County, New Mexico.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 4/3/1973  
**Recorded:** Book 98, Page 62  
**Lessor:** S.F. Williams, aka Stephen Frank Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NW/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 40 acres

**Lease Date:** 4/3/1973  
**Recorded:** Book 99, Page 127  
**Lessor:** Roxie L. Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NW/4 NW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 40 acres

**Tract 2**

**Lease Date:** 3/02/1978  
**Recorded:** Book 155, Page 549  
**Lessor:** Antonio Cardona and Josefa Cardona  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 3**

**Lease Date:** 3/15/1990  
**Recorded:** Book 67, Page 400  
**Lessor:** United States of America – Farmer’s Home Administration  
**Original Lessee:** Craig Hubbard  
**Description of land Pooled:** Tract 3, NW/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Lease Date:** 9/15/1988  
**Recorded:** Book 33, Page 374  
**Lessor:** Johnnie Giovengo, Sr. et al  
**Original Lessee:** T. Verne Dwyer  
**Description of land Pooled:** Tract 3, NW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 4**

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 833  
**Lessor:** Lanora Sue Allomong  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 4, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 831  
**Lessor:** Linda Williams Harris aka Linda Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 4, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 837  
**Lessor:** Belinda Sue Williams and Terry Lee Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 4, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 839  
**Lessor:** James Clay Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 4, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 5**

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 835  
**Lessor:** Glen Brady Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 5, S/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

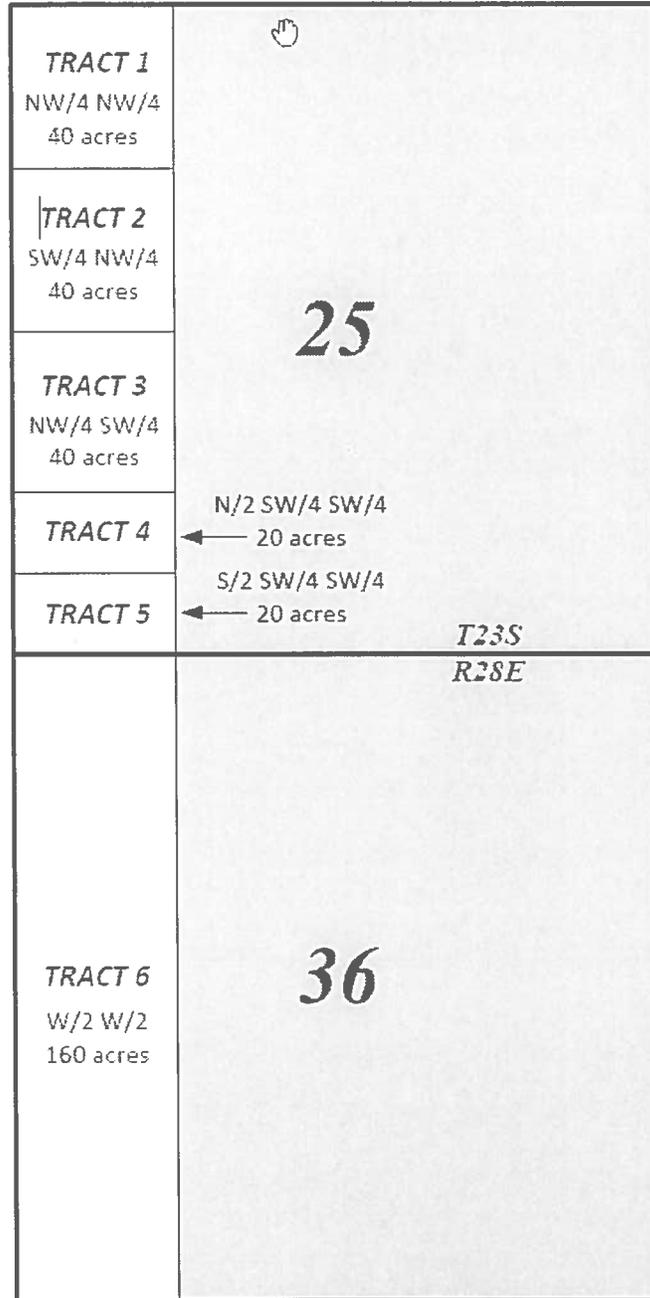
**Tract 6**

**Lease Date:** 4/01/1971  
**Recorded:** Book 86, Page 713  
**Lessor:** State of New Mexico L-5364  
**Original Lessee:** L.D. Williams & Glen B. Williams  
**Description of land Pooled:** Tract 6, W/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 160 Acres

Township 23 South, Range 28 East:  
Section 25: W/2 W/2

AND

Township 23 South, Range 28 East:  
Section 36: W/2 W/2  
Eddy County, New Mexico



Proposed CB CAL 25 36 State Comm 08 W/2 W/2 BS Unit  
W/2 W/2 of Section 25 and 36, Township 23 South, Range 28 East  
320 acres

Tract 1

NW/4 NW/4 of Section 25, T23S, R28E  
Tract 1 - 40/320 = 0.12500000

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Linville D. Williams	0.00000000	0.00000000	0.01875000	0.00234375	RI
GB Williams Properties, LLC	0.00000000	0.00000000	0.01875000	0.00234375	RI
Stephen Frank Williams, Jr.	0.00000000	0.00000000	0.01875000	0.00234375	RI
Joe T. Milavec and Ceila B. Milavec Revocable Trust, dated 7/15/94	0.00000000	0.00000000	0.01875000	0.00234375	RI
James W. Williams	0.00000000	0.00000000	0.01875000	0.00234375	RI
Williams Living Trust dated March 18, 2008	0.00000000	0.00000000	0.01875000	0.00234375	RI
Margaret L. Fate	0.00000000	0.00000000	0.01875000	0.00234375	RI
Lovella Kilman	0.00000000	0.00000000	0.00937500	0.00117188	RI
Melissa McCarthy fka Melissa Breaux fka Lisa Williams	0.00000000	0.00000000	0.00937500	0.00117188	RI
MRC Permian Company	0.00000000	0.00000000	0.00937500	0.00117188	RI
Linda Williams Militello	0.00000000	0.00000000	0.00375000	0.00046875	RI
James Clay Williams	0.00000000	0.00000000	0.00375000	0.00046875	RI
Terry Lee Williams	0.00000000	0.00000000	0.00375000	0.00046875	RI
Belinda Sue Williams aka Belinda Raines	0.00000000	0.00000000	0.00375000	0.00046875	RI
Lanora Sue Williams Allomong	0.00000000	0.00000000	0.00375000	0.00046875	RI
Martha Joy Stribling	0.00000000	0.00000000	0.00312500	0.00039063	RI
John D. Stribling	0.00000000	0.00000000	0.00312500	0.00039063	RI
George O. Stribling, Trustee for Margaret Stribling, Robert Cain and Salem Stribling	0.00000000	0.00000000	0.00156250	0.00019531	RI
Margaret M. Stribling	0.00000000	0.00000000	0.00052084	0.00006510	RI
Robert Duncan Cain, Jr. aka Burly Cain	0.00000000	0.00000000	0.00052083	0.00006510	RI
Salem Pecos Stribling aka Sam Stribling	0.00000000	0.00000000	0.00052083	0.00006510	RI
Chevron U.S.A. Inc.	1.00000000	0.12500000	0.81250000	0.10156249	WI
	<b>1.00000000</b>	<b>0.12500000</b>	<b>1.00000000</b>	<b>0.12500000</b>	

Tract 2

SW/4 NW/4 of Section 25, T23S, R28E  
Tract 2 - 40/320 = 0.12500000

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Beatrice C. Barrera	0.00000000	0.00000000	0.04687500	0.00585938	RI
Uplift Energy, LLC	0.00000000	0.00000000	0.03281250	0.00410156	RI
Frances S. Cardona	0.00000000	0.00000000	0.02343750	0.00292969	RI
Alex Rey Cardona	0.00000000	0.00000000	0.02343750	0.00292969	RI
Veronica Marie Nieto	0.00000000	0.00000000	0.01171875	0.00146484	RI
Christina Elizabeth Guerrero	0.00000000	0.00000000	0.00937500	0.00146484	RI
Patricia Ann Arredariz	0.00000000	0.00000000	0.00937500	0.00146484	RI
Ranchito LD4, LP	0.00000000	0.00000000	0.01781250	0.00222656	RI
1836 Royalty Partners, LLC	0.00000000	0.00000000	0.00937500	0.00011719	RI
Margarita Mendoza	0.00000000	0.00000000	0.01171875	0.00146484	RI
Chevron U.S.A. Inc.	1.00000000	0.12500000	0.81250000	0.10097657	WI
	<b>1.00000000</b>	<b>0.12500000</b>	<b>1.00000000</b>	<b>0.12500000</b>	

Tract 3

NW/4 SW/4 of Section 25, T23S, R28E  
Tract 2 40/320 = 0.12500000

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Pearl F. Giovengo	0.00000000	0.00000000	0.05357143	0.01339286	RI
Mark L. Hensley	0.00000000	0.00000000	0.10714286	0.00669643	RI
Tundra AD3, LP	0.00000000	0.00000000	0.02678571	0.00334821	RI
OXY USA WTP Limited Partnership	0.17857143	0.02232143	0.14508629	0.01813579	WI
Chevron U.S.A. Inc.	0.82142857	0.10267857	0.66741071	0.08342634	WI
	<b>1.00000000</b>	<b>0.12500000</b>	<b>1.00000000</b>	<b>0.12500000</b>	

Tract 4

N/2 SW/4 SW/4 of Section 25, T23S, R28E  
Tract 4 20/320 = 0.0625

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Linda Williams Militello	0.00000000	0.00000000	0.04000000	0.00250000	RI
Lanora Sue Williams Allomong	0.00000000	0.00000000	0.04000000	0.00250000	RI
Terry Lee Williams	0.00000000	0.00000000	0.04000000	0.00250000	RI
Kathleen A. Philips	0.00000000	0.00000000	0.08000000	0.00500000	RI
Marathon Oil Permian, LLC	0.18750000	0.01171875	0.15000000	0.00937500	WI
Chevron U.S.A. Inc.	0.81250000	0.05078125	0.65000000	0.04062500	WI
	<b>1.00000000</b>	<b>0.06250000</b>	<b>1.00000000</b>	<b>0.06250000</b>	



**Tract 5**  
 S/2 SW/4 SW/4 of Section 25, T23S, R28E  
 Tract 5 20/320 = 0.0625

Owner	TRGWI	UGWI	TNRI	UNRI	Type
GB Williams Properties, LLC	0.00000000	0.00000000	0.20000000	0.01250000	RI
Marathon Oil Permian, LLC	0.15000000	0.01171875	0.15000000	0.00937500	WI
Chevron U.S.A. Inc.	0.65000000	0.05078125	0.65000000	0.04062500	WI
	1.00000000	0.06250000	1.00000000	0.06250000	

**Tract 6**  
 W/2 of Section 36, T23S, R28E  
 Tract 6 160/320 = .50000

Owner	TRGWI	UGWI	TNRI	UNRI	Type
State of New Mexico	0.00000000	0.00000000	0.12500000	0.06250000	RI
Harvard Exploration, Ltd. - Series 7	0.00000000	0.00000000	0.00250000	0.00125000	ORI
The Cress Family Trust, Robert H. Cress Trustee	0.00000000	0.00000000	0.00500000	0.00250000	ORI
Morris Schertz	0.00000000	0.00000000	0.00187500	0.00093750	ORI
Richardson Mineral and Royalty, LLC	0.00000000	0.00000000	0.00062500	0.00031250	ORI
Tumbler Energy Partners, LLC	0.00000000	0.00000000	0.00375000	0.00187500	ORI
GB Williams Properties, LLC (ORI)	0.00000000	0.00000000	0.01166667	0.00583334	ORI
Linville D. Williams (ORI)	0.00000000	0.00000000	0.01166666	0.00583333	ORI
Jack Austin Richardson	0.00000000	0.00000000	0.00020833	0.00010416	ORI
John Michael and Marion Richardson	0.00000000	0.00000000	0.00020833	0.00010416	ORI
Tierra Oil Company, LLC	0.00000000	0.00000000	0.00041667	0.00020834	ORI
Chalcolm Exploration, LLC	0.00000000	0.00000000	0.00041667	0.00020834	ORI
James and Troyce Williams	0.00000000	0.00000000	0.01166667	0.00583334	ORI
Chevron U.S.A. Inc.	1.00000000	0.50000000	0.82500000	0.41250000	WI
	1.00000000	0.50000000	1.00000000	0.50000000	

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	40.00	12.5%
2	40.00	12.5%
3	40.00	12.5%
4	20.00	6.25%
5	20.00	6.25%
6	160.00	50.0%
Total	320.00	100.00%

END OF EXHIBIT "A"

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/STATE OR  
STATE/FEE  
Revised December 2021

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-0 15 - 466350000

STATE OF NEW MEXICO ) Well Name: CB CAL 25 36 STATE COM 08 #303H  
                                          SS)

COUNTY OF EDDY                    )

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1<sup>st</sup> production) MARCH 5, 2020, 2020 by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the BONE SPRING formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E/2 W/2 OF SECTIONS 25 AND 36, T23S,R28E

Of Sect(s): \_\_\_\_\_ Twp: \_\_\_ Rng:\_\_\_ NMPM EDDY \_\_\_\_\_ County, NM

Containing 320 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. CHEVRON U.S.A. INC. shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by CHEVRON U.S.A. INC.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OPERATOR: CHEVRON U.S.A. INC.







**EXHIBIT "A" - Pooled Leases**

Attached to and made a part of that certain Declaration of Unit covering the E/2 W/2 of Section 25, Township 23 South, Range 28 East, and the E/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 320 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Bone Spring formation, as seen at 6,325 feet beneath the surface, to the stratigraphic equivalent of the base of the Bone Spring formation, as seen at 9,633 feet beneath the surface, as shown in that certain Shlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015322646), located in Section 25, Township 23 South, Range 28 East, Eddy County, New Mexico.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 4/3/1973  
**Recorded:** Book 98, Page 62  
**Lessor:** S.F. Williams, aka Stephen Frank Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, N/2 NE/4 NW/4 and N/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 30 acres

**Lease Date:** 4/3/1973  
**Recorded:** Book 99, Page 127  
**Lessor:** Roxie L. Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, N/2 NE/4 NW/4 and N/2 S/2 NE/4 NW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 30 acres

**Tract 2a and 2b**

**Lease Date:** 1/9/1978  
**Recorded:** Book 154, Page 144  
**Lessor:** Earl B. Guitar et al  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 2a and 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4, N/2 SE/4 NW/4 and S/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 65 Acres

**Lease Date:** 1/9/1978  
**Recorded:** Book 154, Page 155  
**Lessor:** Pardue Farms  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 2a and 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4, N/2 SE/4 NW/4 and S/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 65 Acres

**Tract 2b (only)**

**Lease Date:** 4/18/1990, effective 4/11/1990  
**Recorded:** Book 67, Page 841  
**Lessor:** Pardue Farms  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 68, Page 67  
**Lessor:** Betty Witherspoon Nevill, Trustee of the Gayle Nevill Trust and Virginia Nevill Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/3/1990, effective 4/11/1990  
**Recorded:** Book 68, Page 71  
**Lessor:** Jack G. Woods  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 11/12/1991, effective 4/11,1990  
**Recorded:** Book 116, Page 481  
**Lessor:** Jan Carsey  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/2/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1175  
**Lessor:** Marilyn J. G. Galusha  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/25/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1179  
**Lessor:** Leslie D. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/1/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1185  
**Lessor:** Repps B. Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/1/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1189  
**Lessor:** John Guitar, III  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1191  
**Lessor:** Barbara Lee Backman  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1197  
**Lessor:** Ruth Guitar Murchison  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1199  
**Lessor:** Earl Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 3  
**Lessor:** Earl Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 7  
**Lessor:** Phillip E. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 442  
**Lessor:** James Minor Alexander  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 446  
**Lessor:** Martha Jane Alexander Rhodes  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/29/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 450  
**Lessor:** Laura Woods Gall  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 590  
**Lessor:** Jeri Alexander Lott  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 11/12/1991, effective 4/11/1990  
**Recorded:** Book 116, Page 477  
**Lessor:** Guy P. Witherspoon, III  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/11/1990, effective 4/1990  
**Recorded:** Book 116, Page 485  
**Lessor:** James Kelly Polk, Ancillary Personal Representative of the Estate of Mary Guitar Polk  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/14/1990, effective 4/11/1990  
**Recorded:** Book 71, Page 966  
**Lessor:** Laura Jean Hofer  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/15/1990, effective 4/11/1990  
**Recorded:** Book 72, Page 358  
**Lessor:** Dennis Woods, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/28/1990, Page 4/11/1990  
**Recorded:** Book 73, Page 119  
**Lessor:** Pressley H. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 946  
**Lessor:** John Guitar Witherspoon, Trustee of the John Guitar Witherspoon, Jr. Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 950  
**Lessor:** John Guitar Witherspoon, Trustee of the Whitten Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 954  
**Lessor:** John Guitar Witherspoon, Trustee of the Brett Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 959  
**Lessor:** John Guitar Witherspoon, Trustee of the Wende Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 2b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover from the surface of the earth down to the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Tract 3**

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 534  
**Lessor:** Ruby Rogers  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 9/26/1978  
**Recorded:** Book 164, Page 629  
**Lessor:** Charline Watson and Harry A. Watson  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 617  
**Lessor:** Marion L. Swearingen and Lenora Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 302  
**Lessor:** Rita J. Evert Trust  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 304  
**Lessor:** James A. Collier  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 536  
**Lessor:** Louise M. Richardson  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 625  
**Lessor:** Elizabeth Major and John Major  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 625  
**Lessor:**  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 621  
**Lessor:** Ernest L. Redford and Fern Redford  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 615  
**Lessor:** Homer A. Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of**

**land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/10/1978  
**Recorded:** Book 161, Page 521  
**Lessor:** Addie Swearingen  
**Original Lessee:** James H. Isbell

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 619  
**Lessor:** Pauline R. Swearingen  
**Original Lessee:** Amoco Production Company

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/29/1978  
**Recorded:** Book 164, Page 627  
**Lessor:** Birdie F. Coryell  
**Original Lessee:** Amoco Production Company

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 623  
**Lessor:** Vera Hadsell  
**Original Lessee:** Amoco Production Company

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 8/20/2008  
**Recorded:** Instrument No. 0812326  
**Lessor:** Peggie Sue Lawson  
**Original Lessee:** Chesapeake Exploration, LLC

**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 10 Acres

**Lease Date:** 7/21/2008  
**Recorded:** Instrument No. 0812755  
**Lessor:** Kenneth W. and Christine Brown  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/20/2008  
**Recorded:** Instrument No. 0811761  
**Lessor:** Landa M. Harrel and Dan Harrel  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1/8/2018, effective 12/27/2017  
**Recorded:** Book 1105, Page 863  
**Lessor:** Betty A. Biery, Trustee of the Meredith E. Hardgrave and Helen Joyce Hardgrave Revocable Living Trust dated May 12, 1995  
**Original Lessee:** Kaiser-Francis Oil Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 9/20/2018  
**Recorded:** Book 1115, Page 337  
**Lessor:** Carla K. White, Trustee of the Terry & Carla White Trust dated May 7, 2012  
**Original Lessee:** Kaiser-Francis Oil Company  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/4/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 552  
**Lessor:** Anna Pauline Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1/15/1992, effective 12/4/1991  
**Recorded:** Book 147, Page 554  
**Lessor:** Sheryl S. Collins, dealing in her sole and separate property, and Sheryl S. Collins and Craig E. Collins, husband and wife.  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/16/1991, effective 12/4/1991  
**Recorded:** Book 147, Page 556  
**Lessor:** M.D. Vandaveer and Lois Vandaveer  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** February 28, 1992, effective February 17, 1992  
**Recorded:** Book 147, Page 558  
**Lessor:** Jonathan J. Peden  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 11/26/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 560  
**Lessor:** Howard Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 11/26/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 562  
**Lessor:** Florence Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/3/1993, effective 11/22/1991  
**Recorded:** Book 148, Page 653  
**Lessor:** Glen Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 3, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
 - **Number of Acres:** 10 Acres

**Tract 4**

**Lease Date:** 3/15/1990  
**Recorded:** Book 67, Page 400  
**Lessor:** United States of America – Farmer’s Home Administration  
**Original Lessee:** Craig Hubbard  
**Description of land Pooled:** Tract 4, W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Lease Date:** 9/15/1988  
**Recorded:** Book 33, Page 374  
**Lessor:** Johnnie Giovengo, Sr. et al  
**Original Lessee:** T. Verne Dwyer  
**Description of land Pooled:** Tract 4, W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 30 Acres

**Tract 5**

**Lease Date:** 6/28/1991  
**Recorded:** Book 99, Page 752  
**Lessor:** Kerr-McGee Corporation  
**Original Lessee:** Read & Stevens, Inc.  
**Description of land Pooled:** Tract 5, E/2 NE/4 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 5 Acres

**Tract 6**

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 212  
**Lessor:** Martha Joy Stribling, Family Trustee et al  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 6, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 214  
**Lessor:** L.P. Williams and Doris Williams  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 6, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 216  
**Lessor:** Lovella Kilman and Lisa Breaux, aka Lisa Williams  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 6, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 7**

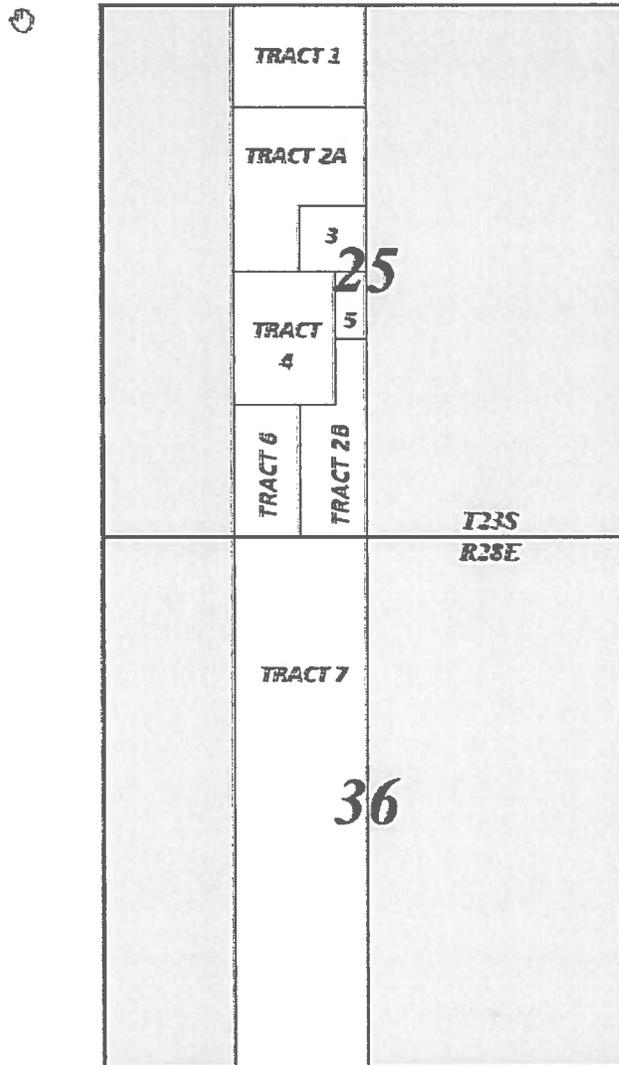
**Lease Date:** 4/01/1971  
**Recorded:** Book 86, Page 713  
**Lessor:** State of New Mexico L-5364  
**Original Lessee:** L.D. Williams & Glen B. Williams  
**Description of land Pooled:** Tract 7, E/2 W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 160 Acres

**END OF EXHIBIT "A" - Pooled Leases**

Township 23 South, Range 28 East:  
Section 25: E/2 W/2

AND

Township 23 South, Range 28 East:  
Section 36: E/2 W/2  
Eddy County, New Mexico



TRACT NO.	LEGAL DESCRIPTION	ACREAGE
TRACT 1	W/2 NE/4 SW/4 and E/2 S/2 NE/4 R28E of Sec 25, T23S, R28E	37
TRACT 2A and 2B	E/2 SE/4 SW/4, E/2 SE/2 NE/4 SW/4, SW/4 SE/4 NW/4 and S/2 S/2 NE/4 W/2 of Sec 25, T23S, R28E	65
TRACT 3	SE/4 SE/4 NW/4	10
TRACT 4	W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Sec 25, T23S, R28E	30
TRACT 5	E/2 NE/4 NE/4 SW/4	5
TRACT 6	W/2 SE/4 SW/4	20
TRACT 7	E/2 W/2	240
		<hr/> 310

Proposed CB CAL 25 36 State Comm 08 E/2 W/2 BS Unit  
E/2 W/2 of Section 25 and 36, Township 23 South, Range 28 East  
320 acres

Tract 1  
N/2 of NE/4 of NW/4 and N/2 of S/2 of NE/4 of NW/4 of Section 25, T23S, R28E  
Tract 1 - 30/320 = 0.09375

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Linville D. Williams	0.00000000	0.00000000	0.01875000	0.00175781	RI
GB Williams Properties, LLC	0.00000000	0.00000000	0.01875000	0.00175781	RI
Stephen Frank Williams, Jr.	0.00000000	0.00000000	0.01875000	0.00175781	RI
Joe T. Milavec and Ceila B. Milavec Revocable Trust, dated 7/15/94	0.00000000	0.00000000	0.01875000	0.00175781	RI
James W. Williams	0.00000000	0.00000000	0.01875000	0.00175781	RI
Williams Living Trust dated March 18, 2008	0.00000000	0.00000000	0.01875000	0.00175781	RI
Margaret L. Fate	0.00000000	0.00000000	0.01875000	0.00175781	RI
Lovella Kilman	0.00000000	0.00000000	0.00937500	0.00087891	RI
Melissa McCarthy fka Melissa Breaux fka Lisa Williams	0.00000000	0.00000000	0.00937500	0.00087891	RI
MRC Permian Company	0.00000000	0.00000000	0.00937500	0.00087891	RI
Linda Williams Militello	0.00000000	0.00000000	0.00375000	0.00035156	RI
James Clay Williams	0.00000000	0.00000000	0.00375000	0.00035156	RI
Terry Lee Williams	0.00000000	0.00000000	0.00375000	0.00035156	RI
Belinda Sue Williams aka Belinda Raines	0.00000000	0.00000000	0.00375000	0.00035156	RI
Lanora Sue Williams Allomong	0.00000000	0.00000000	0.00375000	0.00035156	RI
Martha Joy Stribling	0.00000000	0.00000000	0.00312500	0.00029297	RI
John D. Stribling	0.00000000	0.00000000	0.00312500	0.00029297	RI
George O. Stribling, Trustee for Margaret Stribling, Robert Cain and Salem Stribling	0.00000000	0.00000000	0.00156250	0.00014648	RI
Margaret M. Stribling	0.00000000	0.00000000	0.00052084	0.00004883	RI
Robert Duncan Cain, Jr. aka Burly Cain	0.00000000	0.00000000	0.00052083	0.00004883	RI
Salem Pecos Stribling aka Sam Stribling	0.00000000	0.00000000	0.00052083	0.00004883	RI
Chevron U.S.A. Inc.	1.00000000	0.09375000	0.81250000	0.07617188	WI
	<b>1.00000000</b>	<b>0.09375000</b>	<b>1.00000000</b>	<b>0.09375000</b>	

Tract 2a  
S/2 S/2 NE/4 NW/4, N/2 SE/4 NW/4 and SW/4 NW/4 of Section 25, T23S, R28E  
Tract 3a - 40/320 = 0.125

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Pardue Limited Company	0.00000000	0.00000000	0.12500000	0.01562500	RI
Pressley H. Guitar	0.00000000	0.00000000	0.00390625	0.00048828	RI
Guy Witherspoon, III	0.00000000	0.00000000	0.00390625	0.00048828	RI
John Guitar Witherspoon, Jr.	0.00000000	0.00000000	0.00195313	0.00024414	RI
Whitten Guitar Witherspoon	0.00000000	0.00000000	0.00195313	0.00024414	RI
Brett Guitar Witherspoon	0.00000000	0.00000000	0.00195313	0.00024414	RI
Wende Witherspoon Morgan	0.00000000	0.00000000	0.00195312	0.00024414	RI
CrownRock Minerals, LP	0.00000000	0.00000000	0.01692708	0.00211589	RI
Truchas Peaks, LLC	0.00000000	0.00000000	0.00097656	0.00012207	RI
Virginia Nevell Hoff Mangement Trust	0.00000000	0.00000000	0.00195313	0.00024414	RI
JPH Holdings, LP	0.00000000	0.00000000	0.00390625	0.00048828	RI
Santa Elena Minerals, LP	0.00000000	0.00000000	0.00260417	0.00032552	RI
Polk Land & Minerals, LP	0.00000000	0.00000000	0.00227864	0.00028483	RI
JMA Oil Properties, Ltd	0.00000000	0.00000000	0.00520833	0.00065104	RI
Carol Gibson Trust	0.00000000	0.00000000	0.00260417	0.00032552	RI
Cynthia Rhodes Trust	0.00000000	0.00000000	0.00260417	0.00032552	RI
Kelly Woods Leach	0.00000000	0.00000000	0.00130208	0.00016276	RI
Jack G. Woods, Jr.	0.00000000	0.00000000	0.00130208	0.00016276	RI
Caren G. Machell	0.00000000	0.00000000	0.00130208	0.00016276	RI
Caki Familiy Limited Partnership	0.00000000	0.00000000	0.00390625	0.00048828	RI
Caren Gail Machel Exempt Trust	0.00000000	0.00000000	0.00260417	0.00032552	RI
Earl B. Guitar, Jr. Bypass Trust	0.00000000	0.00000000	0.00781250	0.00097656	RI
Guitar Land & Cattle Company, LP	0.00000000	0.00000000	0.00781250	0.00097656	RI
Sally Guitar	0.00000000	0.00000000	0.00625000	0.00078125	RI
Melissa McGee	0.00000000	0.00000000	0.00312500	0.00039063	RI
Judy Guitar Uhey, LLC	0.00000000	0.00000000	0.00312500	0.00039063	RI
Sharon Guitar Ellis, LLC	0.00000000	0.00000000	0.00312500	0.00039063	RI
Laura Jean Hofer Trust	0.00000000	0.00000000	0.00520833	0.00065104	RI
Guitar Gaiusha, LP	0.00000000	0.00000000	0.00390625	0.00048828	RI
Lesli Guitar Nichols	0.00000000	0.00000000	0.00195313	0.00024414	RI
John Kelly Guitar	0.00000000	0.00000000	0.00195312	0.00024414	RI
Murchison-Guitar Family, LP	0.00000000	0.00000000	0.00520833	0.00065104	RI
Barbara Lee Backman, Inc.	0.00000000	0.00000000	0.00520833	0.00065104	RI
Woods Dickens Ranch, LP	0.00000000	0.00000000	0.00520834	0.00065104	RI
Desert States Energy, Inc.	0.25000000	0.03125000	0.18750000	0.02343750	WI

Chevron U.S.A. Inc.	0.75000000	0.09375000	0.56250000	0.07031250	WI
	1.00000000	0.12500000	1.00000000	0.12500000	

**Tract 2b**  
 E/2 SE/4 NE/4 SW/4 and E/2 SE/4 SW/4 of Section 25, T23S, R28E  
 Tract 2b 25/320 = 0.078125

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Pardue Limited Company	0.00000000	0.00000000	0.12500000	0.00976563	RI
Pressley H. Guitar	0.00000000	0.00000000	0.00390625	0.00030518	RI
Guy Witherspoon, III	0.00000000	0.00000000	0.00390625	0.00030518	RI
John Guitar Witherspoon, Jr.	0.00000000	0.00000000	0.00195313	0.00015259	RI
Whitten Guitar Witherspoon	0.00000000	0.00000000	0.00195313	0.00015259	RI
Brett Guitar Witherspoon	0.00000000	0.00000000	0.00195313	0.00015259	RI
Wende Witherspoon Morgan	0.00000000	0.00000000	0.00195312	0.00015259	RI
CrownRock Minerals, LP	0.00000000	0.00000000	0.01692708	0.00132243	RI
Truchas Peaks, LLC	0.00000000	0.00000000	0.00097656	0.00007629	RI
Virginia Nevell Hoff Mangement Trust	0.00000000	0.00000000	0.00195313	0.00015259	RI
JPH Holdings, LP	0.00000000	0.00000000	0.00390625	0.00030518	RI
Santa Elena Minerals, LP	0.00000000	0.00000000	0.00260417	0.00020345	RI
Polk Land & Minerals, LP	0.00000000	0.00000000	0.00227864	0.00017802	RI
JMA Oil Properties, Ltd	0.00000000	0.00000000	0.00520833	0.00040690	RI
Carol Gibson Trust	0.00000000	0.00000000	0.00260417	0.00020345	RI
Cynthia Rhodes Trust	0.00000000	0.00000000	0.00260417	0.00020345	RI
Kelly Woods Leach	0.00000000	0.00000000	0.00130208	0.00010173	RI
Jack G. Woods, Jr.	0.00000000	0.00000000	0.00130208	0.00010173	RI
Caren G. Machel	0.00000000	0.00000000	0.00130208	0.00010173	RI
Caki Family Limited Partnership	0.00000000	0.00000000	0.00390625	0.00030518	RI
Caren Gail Machel Exempt Trust	0.00000000	0.00000000	0.00260417	0.00020345	RI
Earl B. Guitar, Jr. Bypass Trust	0.00000000	0.00000000	0.00781250	0.00061035	RI
Guitar Land & Cattle Company, LP	0.00000000	0.00000000	0.00781250	0.00061035	RI
Sally Guitar	0.00000000	0.00000000	0.00625000	0.00048828	RI
Melissa McGee	0.00000000	0.00000000	0.00312500	0.00024414	RI
Judy Guitar Uhey, LLC	0.00000000	0.00000000	0.00312500	0.00024414	RI
Sharon Guitar Ellis, LLC	0.00000000	0.00000000	0.00312500	0.00024414	RI
Laura Jean Hofer Trust	0.00000000	0.00000000	0.00520833	0.00040690	RI
Guitar Gaiusha, LP	0.00000000	0.00000000	0.00390625	0.00030518	RI
Lesli Guitar Nichols	0.00000000	0.00000000	0.00195313	0.00015259	RI
John Kelly Guitar	0.00000000	0.00000000	0.00195312	0.00015259	RI
Murchison-Guitar Family, LP	0.00000000	0.00000000	0.00520833	0.00040690	RI
Barbara Lee Backman, Inc.	0.00000000	0.00000000	0.00520833	0.00040690	RI
Woods Dickens Ranch, LP	0.00000000	0.00000000	0.00520834	0.00040690	RI
Desert States Energy, Inc.	0.18750000	0.01464844	0.14062500	0.01098633	WI
Chevron U.S.A. Inc.	0.81250000	0.06347656	0.60937500	0.04760742	WI
	1.00000000	0.07812500	1.00000000	0.07812500	

**Tract 3**  
 N/2 SW/4 SW/4 of Section 25, T23S, R28E  
 Tract 3 20/320 = 0.0625

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Justin Nine and Sara Nine	0.00000000	0.00000000	0.02578125	0.00161133	RI
Tim Lilley & Tashine Lilley	0.00000000	0.00000000	0.02578125	0.00161133	RI
Marc Lilley & Lisa Lilley	0.00000000	0.00000000	0.02578125	0.00161133	RI
Hope Royalites, LLC	0.00000000	0.00000000	0.02578125	0.00161133	RI
Mark McClellan & Paula McClellan	0.00000000	0.00000000	0.00859375	0.00053711	RI
Princess Properties, LLC	0.00000000	0.00000000	0.00859375	0.00053711	RI
Susan M. Hinkle	0.00000000	0.00000000	0.00859374	0.00053711	RI
Russell T. Rudy Ltd.	0.00000000	0.00000000	0.00130208	0.00008138	RI
Lois M. Lundbland Durland	0.00000000	0.00000000	0.00130208	0.00008138	RI
Solomon Valley Community Foundation	0.00000000	0.00000000	0.00130208	0.00008138	RI
Fort Worth Mineral Company, LLC	0.00000000	0.00000000	0.00406901	0.00025431	RI
Diana Lee Peace	0.00000000	0.00000000	0.00073242	0.00004578	RI
Sonja S. Lopez	0.00000000	0.00000000	0.00073242	0.00004578	RI
Liana Darlene Pearson	0.00000000	0.00000000	0.00130208	0.00008138	RI
Ronald Melvin Rogers	0.00000000	0.00000000	0.00130208	0.00008138	RI
Joyce Ann Sasse	0.00000000	0.00000000	0.00097656	0.00006104	RI
Sharon K. Fenton	0.00000000	0.00000000	0.00097656	0.00006104	RI
Koray Ali Cagliergin	0.00000000	0.00000000	0.00097656	0.00006104	RI
Jesma Roberta Hopper	0.00000000	0.00000000	0.00585938	0.00036621	RI
Grant Allen Swearingen	0.00000000	0.00000000	0.00585938	0.00036621	RI
Meredith E. Hardgrave and Helen Joyce Hardgrave Revocable Living Trust	0.00000000	0.00000000	0.01250000	0.00078125	RI
Evalyn Swearingen Testamentary Trust	0.00000000	0.00000000	0.00173611	0.00010851	RI
Billy Frank Hill	0.00000000	0.00000000	0.00057870	0.00003617	RI

EnCore Permian Holding LP	0.00000000	0.00000000	0.00096933	0.00006058	RI
PetroLima, LLC	0.00000000	0.00000000	0.00096933	0.00006058	RI
George E. Richardson (possibly deceased)	0.00000000	0.00000000	0.00078125	0.00004883	RI
Margaret L. Mehi	0.00000000	0.00000000	0.00078125	0.00004883	RI
Dale M. Richardson	0.00000000	0.00000000	0.00078125	0.00004883	RI
Linda Sue Richardson	0.00000000	0.00000000	0.00019531	0.00001221	RI
Harry J. Richardson	0.00000000	0.00000000	0.00029297	0.00001831	RI
Robert D. Richardson	0.00000000	0.00000000	0.00029297	0.00001831	RI
FlatRock Royalties, LLC	0.00000000	0.00000000	0.00283203	0.00017700	RI
Tularosa Oil Company	0.00000000	0.00000000	0.00283203	0.00017700	RI
Phoenix Four, LLC	0.00000000	0.00000000	0.00062934	0.00003933	RI
Craig Collins	0.00000000	0.00000000	0.00086806	0.00005425	RI
Sheryl A. (Swearingen Johnson Collins) Gilchrist	0.00000000	0.00000000	0.00086806	0.00005425	RI
Tundra AD3, LP	0.00000000	0.00000000	0.00338420	0.00021151	RI
Roy G. Barton, Jr. and Claudia R. Barton (JTWROS)	0.00000000	0.00000000	0.00234375	0.00014648	RI
Carnegie Energy, LLC	0.00000000	0.00000000	0.00260417	0.00016276	RI
Terry and Carla White Trust dated May 7, 2014	0.00000000	0.00000000	0.00416667	0.00026042	RI
The John Charles Major Trust	0.00000000	0.00000000	0.00234375	0.00014648	RI
James A. Collier, III	0.00000000	0.00000000	0.00156250	0.00009766	RI
Gregory A. Collier	0.00000000	0.00000000	0.00156250	0.00009766	RI
Tundra AD3, LP (UMI)	0.02500000	0.00156250	0.02500000	0.00156250	UMI
James A. Brown Family Trust Dated April 6, 2011	0.00625000	0.00039062	0.00625000	0.00039063	UMI
Watt Living Trust u/a dated January 16, 2009	0.00781250	0.00048828	0.00781250	0.00048828	UMI
Browne Family Revocable Living Trust u/a dated August 7, 2013	0.00781250	0.00048828	0.00781250	0.00048828	UMI
Charlotte E. Wells and Kaiulani L. Bumpus (JT)	0.02083333	0.00130208	0.02083333	0.00130208	UMI
Stanico Energy Corporation	0.03750000	0.00234375	0.03750000	0.00234375	UMI
James H. Isbell	0.13854167	0.00865885	0.10390625	0.00649414	WI
Linda Cowden Isbell	0.13854167	0.00865885	0.10390625	0.00649414	WI
B. Craig Duke	0.09479167	0.00592448	0.07899306	0.00493707	WI
Kaiser Francis Oil Company	0.08333333	0.00520833	0.06666667	0.00416667	WI
Chevron U.S.A. Inc.	0.43958333	0.02747396	0.33984375	0.02124023	WI
	1.00000000	0.06250000	1.00000000	0.06250000	

**Tract 4**  
W/2 NE/4 SW/4 and W/2 E/2 NE/4 SW/4 of Section 25, T23S, R28E  
Tract 4 30/320 = 0.09375

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Pearl F. Giovengo	0.00000000	0.00000000	0.10714286	0.01004464	RI
Mark L. Hensley	0.00000000	0.00000000	0.05357143	0.00502232	RI
Tundra AD3, LP	0.00000000	0.00000000	0.02678557	0.00251115	RI
OXY USA WTP Limited Partnership (WI)	0.17857143	0.01674107	0.14508929	0.01360212	WI
Chevron U.S.A. In.c	0.82148570	0.08214857	0.66741071	0.06256975	WI
	1.00000000	0.09375000	1.00000000	0.09375000	

**Tract 5**  
E/2 NE/4 NE/4 SW/4 of Section 25, T23S, R28E  
Tract 5 5/320 = 0.015625

Owner	TRGWI	UGWI	TNRI	UNRI	Type
OXY USA WTP Limited Partnership (RI)	0.00000000	0.00000000	0.25000000	0.00390625	RI
Hillier Oil & Gas Ltd.	0.01172414	0.00018319	0.00879311	0.00013739	WI
Highland (Texas) Energy Company	0.10551724	0.00164871	0.07913793	0.00123653	WI
Chevron U.S.A., Inc.	0.35310345	0.00551724	0.26482759	0.00413793	WI
Read & Stevens, Inc.	0.52965517	0.00827586	0.39724138	0.00620690	WI
	1.00000000	0.01562500	1.00000000	0.01562500	

**Tract 6**  
W/2 SE/4 SW/4 of Section 25, T23S, R28E  
Tract 6 20/320 = 0.0625

Owner	TRGWI	UGWI	TNRI	UNRI	Type
Thomas B. Stribling Sr. Trust	0.00000000	0.00000000	0.20000000	0.01250000	RI
Williams Living Trust dated March 18, 2008	0.00000000	0.00000000	0.02500000	0.00156250	RI
Lovella Kilman	0.00000000	0.00000000	0.01250000	0.00078125	RI
Melissa McCarthy fka Melissa Breaux fka Lisa Williams	0.00000000	0.00000000	0.01250000	0.00078125	RI
Marathon Oil Permian, LLC	0.16500000	0.01031250	0.12375000	0.00773438	WI
Chevron U.S.A., Inc.	0.83500000	0.05218750	0.62625000	0.03914063	WI
	1.00000000	0.06250000	1.00000000	0.06250000	

**Tract 7**  
E/2 W/2 of Section 36, T23S, R28E  
Tract 7 160/320 = .5

Owner	TRGWI	UGWI	TNRI	UNRI	Type
State of New Mexico	0.00000000	0.00000000	0.12500000	0.06250000	RI
Harvard Exploration, Ltd. - Series 7	0.00000000	0.00000000	0.00250000	0.00125000	ORI

The Cress Family Trust, Robert H. Cress Trustee	0.00000000	0.00000000	0.00500000	0.00250000	ORI
Morris Schertz	0.00000000	0.00000000	0.00187500	0.00093750	ORI
Richardson Mineral and Royalty, LLC	0.00000000	0.00000000	0.00062500	0.00031250	ORI
Tumbler Energy Partners, LLC	0.00000000	0.00000000	0.00375000	0.00187500	ORI
GB Williams Properties, LLC (ORI)	0.00000000	0.00000000	0.01166667	0.00583334	ORI
Linville D. Williams (ORI)	0.00000000	0.00000000	0.01166666	0.00583333	ORI
Jack Austin Richardson	0.00000000	0.00000000	0.00020833	0.00010417	ORI
John Michael and Marion Richardson	0.00000000	0.00000000	0.00020833	0.00010417	ORI
Tierra Oil Company, LLC	0.00000000	0.00000000	0.00041667	0.00020834	ORI
Chalcolm Exploration, LLC	0.00000000	0.00000000	0.00041667	0.00020834	ORI
James and Troyce Williams	0.00000000	0.00000000	0.01166667	0.00583334	ORI
Chevron U.S.A. Inc.	1.00000000	0.50000000	0.82500000	0.41250000	WI
	1.00000000	0.50000000	1.00000000	0.50000000	

**RECAPITULATION**

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	30.00	9.375%
2a and 2b	65.00	20.3125%
3	10.00	3.125%
4	30.00	9.375%
5	5.00	1.5625%
6	20.00	6.25%
6	160.00	50.0%
<hr/>		
Total	320.00	100.00%

END OF EXHIBIT "A"



NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W/2 OF SECTIONS 25 AND 36, T23S,R28E

Of Sect(s): \_\_\_\_\_ Twp: \_\_\_ Rng: \_\_\_ NMPM EDDY \_\_\_\_\_ County, NM

Containing 640 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. CHEVRON U.S.A. INC. shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by CHEVRON U.S.A. INC.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OPERATOR: CHEVRON U.S.A. INC.







**EXHIBIT "A" - Pooled Leases**

Attached to and made a part of that certain Declaration of Unit covering the W/2 of Section 25, Township 23 South, Range 28 East, and the W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico., containing 640 Acres more or less.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.

**Oil and Gas Leases subject to this Agreement:**

**Tract 1**

**Lease Date:** 4/3/1973  
**Recorded:** Book 98, Page 62  
**Lessor:** S.F. Williams, aka Stephen Frank Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NW/4 NW/4, N/2 NE/4 NW/4 and N/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 70 acres

**Lease Date:** 4/3/1973  
**Recorded:** Book 99, Page 127  
**Lessor:** Roxie L. Williams  
**Original Lessee:** Clifton Wilderspin  
**Description of land Pooled:** Tract 1, NW/4 NW/4, N/2 NE/4 NW/4 and N/2 S/2 NE/4 NW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other land.  
**Number of Acres:** 70 acres

**Tract 2**

**Lease Date:** 3/02/1978  
**Recorded:** Book 155, Page 549  
**Lessor:** Antonio Cardona and Josefa Cardona  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 2, SW/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 40 Acres

**Tract 3a and 3b**

**Lease Date:** 1/9/1978  
**Recorded:** Book 154, Page 144  
**Lessor:** Earl B. Guitar et al  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 3a and 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4, N/2 SE/4 NW/4 and S/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 65 Acres

**Lease Date:** 1/9/1978  
**Recorded:** Book 154, Page 155  
**Lessor:** Pardue Farms  
**Original Lessee:** Maddox Energy Corporation  
**Description of land Pooled:** Tract 3a and 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4, N/2 SE/4 NW/4 and S/2 S/2 NE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 65 Acres

**Tract 3b (only)**

**Lease Date:** 4/18/1990, effective 4/11/1990  
**Recorded:** Book 67, Page 843  
**Lessor:** Pardue Farms  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 68, Page 65  
**Lessor:** Betty Witherspoon Nevill, Trustee of the Gayle Nevill Trust and Virginia Nevill Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 68, Page 69  
**Lessor:** Jack G. Woods  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 11/12/1991, effective 4/11/1990  
**Recorded:** Book 116, Page 479  
**Lessor:** Jan Carsey  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/2/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1177  
**Lessor:** Marilyn J. Galusha  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/25/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1181  
**Lessor:** Leslie D. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/1/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1183  
**Lessor:** Repps B. Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/1/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1187  
**Lessor:** John Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1193  
**Lessor:** Barbara Lee Backman  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 69, Page 1195  
**Lessor:** Ruth Guitar Murchison  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 1  
**Lessor:** Earl Guitar, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 5  
**Lessor:** Earl Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/24/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 9  
**Lessor:** Phillip E. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 444  
**Lessor:** James Minor Alexander  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 448  
**Lessor:** Martha Jane Alexander Rhodes  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/29/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 452  
**Lessor:** Laura Woods Gall  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 5/3/1990, effective 4/11/1990  
**Recorded:** Book 71, Page 970  
**Lessor:** Jeri Alexander Lott  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 11/12/1991, effective 4/11/1990  
**Recorded:** Book 116, Page 475  
**Lessor:** Guy P. Witherspoon, III  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/11/1990, effective 4/11/1990  
**Recorded:** Book 116, Page 483  
**Lessor:** James Kelly Polk, Ancillary Personal Representative of the Estate of Mary Guitar Polk  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/14/1990, effective 4/11/1990  
**Recorded:** Book 71, Page 968  
**Lessor:** Laura Jean Hofer  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 4/23/1990, effective 4/11/1990  
**Recorded:** Book 70, Page 13  
**Lessor:** Dennis Woods, Jr.  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 6/28/1990, effective 4/11/1990  
**Recorded:** Book 73, Page 117  
**Lessor:** Pressley H. Guitar  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 948  
**Lessor:** John Guitar Witherspoon, Trustee of the John Guitar Witherspoon, Jr. Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 952  
**Lessor:** John Guitar Witherspoon, Trustee of the Whitten Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 956  
**Lessor:** John Guitar Witherspoon, Trustee of the Brett Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Lease Date:** 8/14/1990, effective 4/11/1990  
**Recorded:** Book 75, Page 961  
**Lessor:** John Guitar Witherspoon, Trustee of the Wende Guitar Witherspoon Trust  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 3b, E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands. (insofar and only insofar as said lands cover all depths below the stratigraphic equivalent of the base of the Bone Springs formation)  
**Number of Acres:** 25 Acres

**Tract 4**

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 534  
**Lessor:** Ruby Rogers  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 9/26/1978  
**Recorded:** Book 164, Page 629  
**Lessor:** Charline Watson and Harry A. Watson  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 617  
**Lessor:** Marion L. Swearingen and Lenora Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 302  
**Lessor:** Rita J. Evert Trust  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 304  
**Lessor:** James A. Collier  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/17/1978  
**Recorded:** Book 162, Page 536  
**Lessor:** Louise M. Richardson  
**Original Lessee:** Robert W. Coleman  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 625  
**Lessor:** Elizabeth Major and John Major  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 621  
**Lessor:** Ernest L. Redford and Fern Redford  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 615  
**Lessor:** Homer A. Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/10/1978  
**Recorded:** Book 161, Page 521  
**Lessor:** Addie Swearingen  
**Original Lessee:** James H. Isbell  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/22/1978  
**Recorded:** Book 164, Page 619  
**Lessor:** Pauline R. Swearingen  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/29/1978  
**Recorded:** Book 164, Page 627  
**Lessor:** Birdie F. Coryell  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/28/1978  
**Recorded:** Book 164, Page 623  
**Lessor:** Vera Hadsell  
**Original Lessee:** Amoco Production Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/20/2008  
**Recorded:** Instrument No. 0812326  
**Lessor:** Peggie Sue Lawson  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 7/21/2008  
**Recorded:** Instrument No. 0812755  
**Lessor:** Kenneth W. and Christine Brown  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 8/20/2008  
**Recorded:** Instrument No. 0811761  
**Lessor:** Landa M. Harrel and Dan Harrel  
**Original Lessee:** Chesapeake Exploration, LLC  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1/8/2018, effective 12/27/2017  
**Recorded:** Book 1105, Page 863  
**Lessor:** Betty A. Biery, Trustee of the Meredith E. Hardgrave and Helen Joyce Hardgrave Revocable Living Trust dated May 12, 1995  
**Original Lessee:** Kaiser-Francis Oil Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 9/20/2018  
**Recorded:** Book 1115, Page 337  
**Lessor:** Carla K. White, Trustee of the Terry & Carla White Trust dated May 7, 2012  
**Original Lessee:** Kaiser-Francis Oil Company  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/4/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 552  
**Lessor:** Anna Pauline Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1/15/1992, effective 12/4/1991  
**Recorded:** Book 147, Page 554  
**Lessor:** Sheryl S. Collins, dealing in her sole and separate property, and Sheryl S. Collins and Craig E. Collins, husband and wife.  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/16/1991, effective 12/4/1991  
**Recorded:** Book 147, Page 556  
**Lessor:** M.D. Vandaveer and Lois Vandaveer  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** February 28, 1992, effective February 17, 1992  
**Recorded:** Book 147, Page 558  
**Lessor:** Jonathan J. Peden  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 1126/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 560  
**Lessor:** Howard Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 11/26/1991, effective 11/22/1991  
**Recorded:** Book 147, Page 562  
**Lessor:** Florence Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Lease Date:** 12/3/1993, effective 11/22/1991  
**Recorded:** Book 148, Page 653  
**Lessor:** Glen Swearingen  
**Original Lessee:** B. Craig Duke  
**Description of land Pooled:** Tract 4, SE/4 SE/4 NW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 10 Acres

**Tract 5**

**Lease Date:** 3/15/1990  
**Recorded:** Book 67, Page 400  
**Lessor:** United States of America – Farmer’s Home Administration  
**Original Lessee:** Craig Hubbard  
**Description of land Pooled:** Tract 5, NW/4 SW/4, W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 70 Acres

**Lease Date:** 9/15/1988  
**Recorded:** Book 33, Page 724  
**Lessor:** Johnnie Giovengo, Sr. et al  
**Original Lessee:** T. Verne Dwyer  
**Description of land Pooled:** Tract 5, NW/4 SW/4, W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 70 Acres

**Tract 6**

**Lease Date:** 6/28/1991  
**Recorded:** Book 99, Page 752  
**Lessor:** Kerr-McGee Corporation  
**Original Lessee:** Read & Stevens, Inc.  
**Description of land Pooled:** Tract 6, E/2 NE/4 NE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 5 Acres

**Tract 7**

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 833  
**Lessor:** Lanora Sue Allomong  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 7, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 831  
**Lessor:** Linda Williams Harris aka Linda Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 7, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 837  
**Lessor:** Belinda Sue Williams and Terry Lee Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 7, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 839  
**Lessor:** James Clay Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 7, N/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 8**

**Lease Date:** 4/5/1990  
**Recorded:** Book 67, Page 835  
**Lessor:** Glen Brady Williams  
**Original Lessee:** Bird Creek Resources, Inc.  
**Description of land Pooled:** Tract 8, S/2 SW/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 9**

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 212  
**Lessor:** Martha Joy Stribling, Family Trustee et al  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 9, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 214  
**Lessor:** L.P. Williams and Doris Williams  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 9, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Lease Date:** 8/14/1990  
**Recorded:** Book 76, Page 216  
**Lessor:** Lovella Kilman and Lisa Breaux, aka Lisa Williams  
**Original Lessee:** BK Energy Company  
**Description of land Pooled:** Tract 9, W/2 SE/4 SW/4 of Section 25, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 20 Acres

**Tract 10**

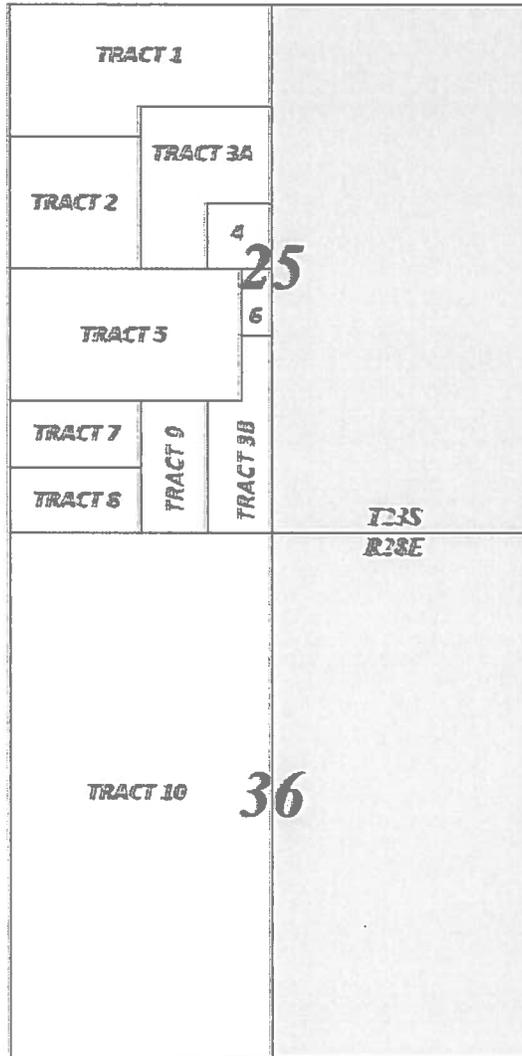
**Lease Date:** 4/01/1971  
**Recorded:** Book 86, Page 713  
**Lessor:** State of New Mexico L-5364  
**Original Lessee:** L.D. Williams & Glen B. Williams  
**Description of land Pooled:** Tract 10, W/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, among other lands.  
**Number of Acres:** 320 Acres

**END OF EXHIBIT "A" - Pooled Leases**

Township 23 South, Range 28 East:  
Section 25: W/2

AND

Township 23 South, Range 28 East:  
Section 36: W/2  
Eddy County, New Mexico



TRACT NO.	LEGAL DESCRIPTION	ACRES
TRACT 1	NW 1/4 NW 1/4, W/2 NE 1/4 NW 1/4 and W/2 SW 1/4 NW 1/4 of Sec 25, T23S, R28E	70
TRACT 2	SW 1/4 NW 1/4 of Sec 25, T23S, R28E	30
TRACT 3A and 3B	E/2 SW 1/4 SW 1/4, E/2 SW 1/4 NW 1/4 SW 1/4, SW 1/4 SW 1/4 NW 1/4 and SW 1/4 NW 1/4 SW 1/4 of Sec 25, T23S, R28E	60
TRACT 4	SE 1/4 SW 1/4 NW 1/4 of Sec 25, T23S, R28E	10
TRACT 5	NW 1/4 SW 1/4, NW 1/4 NW 1/4 SW 1/4 and E/2 NW 1/4 SW 1/4 of Sec 25, T23S, R28E	30
TRACT 6	E/2 NW 1/4 SW 1/4 of Sec 25, T23S, R28E	5
TRACT 7	N 1/2 SW 1/4 SW 1/4 of Sec 25, T23S, R28E	20
TRACT 8	S 1/2 SW 1/4 SW 1/4 of Sec 25, T23S, R28E	20
TRACT 9	W/2 SW 1/4 SW 1/4 of Sec 25, T23S, R28E	20
TRACT 9B	W/2 of Sec 36, T23S, R28E	320
		650

Proposed Bone Spring/Wolfcamp Unit - Pad 8  
W/2 of Section 25 and W/2 of Section 36, T23SR28E  
640.000 acres

W/2 Section 25 Tracts

Tract 1  
NW/4 of NW/4, N/2 of NE/4 of NW/4 & N/2 of S/2 of NE/4 of NW/4 of Section 25, T23SR28E  
Tract 1 - 70.000/640.000 = 0.10937500

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
Linville D. Williams	0.00000000	0.00000000	0.01875000	0.00205078	RI	
GB Williams Properties, LLC	0.00000000	0.00000000	0.01875000	0.00205078	RI	
Stephen Frank Williams, Jr.	0.00000000	0.00000000	0.01875000	0.00205078	RI	
Joe T. Milavec and Ce'la B. Milavec Revocable Trust, dated 7/15/94	0.00000000	0.00000000	0.01875000	0.00205078	RI	
James W. Williams	0.00000000	0.00000000	0.01875000	0.00205078	RI	
Williams Living Trust dated March 18, 2009	0.00000000	0.00000000	0.01875000	0.00205078	RI	
Margaret L. Fate	0.00000000	0.00000000	0.01875000	0.00205078	RI	
Lovella Kilman	0.00000000	0.00000000	0.00937500	0.00102539	RI	
Melissa McCarthy fka Melissa Breaux fka Lisa Williams	0.00000000	0.00000000	0.00937500	0.00102539	RI	
MRC Permian Company	0.00000000	0.00000000	0.00937500	0.00102539	RI	
Linda Williams Miltello	0.00000000	0.00000000	0.00375000	0.00041016	RI	
James Clay Williams	0.00000000	0.00000000	0.00375000	0.00041016	RI	
Terry Lee Williams	0.00000000	0.00000000	0.00375000	0.00041016	RI	
Belinda Sue Williams aka Belinda Raines	0.00000000	0.00000000	0.00375000	0.00041016	RI	
Lanora Sue Williams Allomong	0.00000000	0.00000000	0.00375000	0.00041016	RI	
Martha Joy Stribling	0.00000000	0.00000000	0.00312500	0.00034180	RI	
John D. Stribling	0.00000000	0.00000000	0.00312500	0.00034180	RI	
George O. Stribling, Trustee for Margaret Stribling, Robert Cain and Salem Stribling	0.00000000	0.00000000	0.00156250	0.00017090	RI	
Margaret M. Stribling	0.00000000	0.00000000	0.00052084	0.00005697	RI	
Robert Duncan Cain, Jr. a k a. Burly Cain	0.00000000	0.00000000	0.00052083	0.00005697	RI	
Salem Pecos Stribling a k a. Sam Stribling	0.00000000	0.00000000	0.00052083	0.00005697	RI	
Chevron U.S.A. , Inc.	1.00000000	0.10937500	0.81250000	0.08886719	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.10937500</b>	<b>1.00000000</b>	<b>0.10937500</b>		

Tract 2  
SW/4 of NW/4 of Section 25, T23SR28E  
Tract 2 - 40.000/640.000 = 0.06250000

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
Beatrice C. Barrera	0.00000000	0.00000000	0.04687500	0.00292969	RI	
Uplift Energy LLC	0.00000000	0.00000000	0.04062500	0.00253906	RI	
Frances S Cardona	0.00000000	0.00000000	0.02343750	0.00146484	RI	
Alex Rey Cardona	0.00000000	0.00000000	0.02343750	0.00146484	RI	
Veronica Mane Nieto	0.00000000	0.00000000	0.01562500	0.00097656	RI	
Christina Elizabeth Guenero	0.00000000	0.00000000	0.00937500	0.00058594	RI	
Patricia Ann Armedariz	0.00000000	0.00000000	0.00937500	0.00058594	RI	
Ranchito AD4, LP	0.00000000	0.00000000	0.01781250	0.00111328	RI	
1836 Royalty Partners LLC	0.00000000	0.00000000	0.00093750	0.00005859	RI	
Chevron U.S.A. , Inc.	1.00000000	0.06250000	0.81250000	0.05078125	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.06250000</b>	<b>1.00000000</b>	<b>0.06250000</b>		

Tract 3A  
S/2 of S2 of NE/4 of NW/4, N/2 of SE/4 of NW/4 & SW/4 of SE/4 of NW/4 of Section 25, T23SR28E  
Tract 3A - 40.000/640.000 = 0.06250000

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
Pardue Limited Company	0.00000000	0.00000000	0.12500000	0.00781250	RI	
Pressley H. Guitar	0.00000000	0.00000000	0.00390625	0.00024414	RI	
Guy Witherspoon, III	0.00000000	0.00000000	0.00390625	0.00024414	RI	
John Guitar Witherspoon, Jr.	0.00000000	0.00000000	0.00195313	0.00012207	RI	
Whitten Guitar Witherspoon	0.00000000	0.00000000	0.00195313	0.00012207	RI	
Brett Guitar Witherspoon	0.00000000	0.00000000	0.00195313	0.00012207	RI	
Wende Witherspoon Morgan	0.00000000	0.00000000	0.00195312	0.00012207	RI	
CrownRock Minerals, L.P.	0.00000000	0.00000000	0.01692708	0.00105794	RI	
Truchas Peaks, LLC	0.00000000	0.00000000	0.00097656	0.00006104	RI	
Virginia Nevill Hoff Management Trust	0.00000000	0.00000000	0.00195313	0.00012207	RI	
JPH Holdings, L.P.	0.00000000	0.00000000	0.00390625	0.00024414	RI	
Santa Elena Minerals, LP	0.00000000	0.00000000	0.00260417	0.00016276	RI	
Polk Land & Minerals, LP	0.00000000	0.00000000	0.00227864	0.00014242	RI	
JMA Oil Properties, LTD	0.00000000	0.00000000	0.00520833	0.00032552	RI	
Carol Gibson Trust	0.00000000	0.00000000	0.00260417	0.00016276	RI	
Cynthia Rhodes Trust	0.00000000	0.00000000	0.00260417	0.00016276	RI	
Kelly Woods Leach	0.00000000	0.00000000	0.00130208	0.00008138	RI	
Jack G. Woods, Jr.	0.00000000	0.00000000	0.00130208	0.00008138	RI	
Caren G. Machell	0.00000000	0.00000000	0.00130208	0.00008138	RI	

Caki Family Limited Partnership	0.00000000	0.00000000	0.00390625	0.00024414	RI	
Caren Gall Mache/I Exempt Trust	0.00000000	0.00000000	0.00260417	0.00016276	RI	
Earl B. Guitar, Jr. Bypass Trust	0.00000000	0.00000000	0.00781250	0.00048828	RI	
Guitar Land & Cattle Company, L.P.	0.00000000	0.00000000	0.00781250	0.00048828	RI	
Sally Guitar	0.00000000	0.00000000	0.00625000	0.00039063	RI	
Melissa McGee	0.00000000	0.00000000	0.00312500	0.00019531	RI	
Judy Guitar Uhey, L.L.C	0.00000000	0.00000000	0.00312500	0.00019531	RI	
Sharon Guitar Ellis, LLC	0.00000000	0.00000000	0.00312500	0.00019531	RI	
Laura Jean Hofer Trust	0.00000000	0.00000000	0.00520833	0.00032552	RI	
Guitar Gaiusha, L.P.	0.00000000	0.00000000	0.00390625	0.00024414	RI	
Lesli Guitar Nichols	0.00000000	0.00000000	0.00195313	0.00012207	RI	
John Kelly Guitar	0.00000000	0.00000000	0.00195312	0.00012207	RI	
Murchison Guitar Family, LP	0.00000000	0.00000000	0.00520833	0.00032552	RI	
Barbara Lee Backman, Inc.	0.00000000	0.00000000	0.00520833	0.00032552	RI	
Woods Dickens Ranch, L.P.	0.00000000	0.00000000	0.00520834	0.00032552	RI	
Desert States Energy, Inc.	0.25000000	0.01562500	0.18750000	0.01171875	WI	
Chevron U.S.A., Inc.	0.75000000	0.04687500	0.56250000	0.03515625	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.06250000</b>	<b>1.00000000</b>	<b>0.06250000</b>		

**Tract 4**  
**SE/4 of SE/4 of NW/4 of Section 25, T23SR28E**  
 Tract 4 - 10.000/640.000 = 0.01562500

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
Justin Nine & Sara N ne	0.00000000	0.00000000	0.02578125	0.00040283	RI	
Tim Lilley & Tash na Lilley	0.00000000	0.00000000	0.02578125	0.00040283	RI	
Marc Lilley & Lisa Lilley	0.00000000	0.00000000	0.02578125	0.00040283	RI	
Hope Royalties, LLC	0.00000000	0.00000000	0.02578125	0.00040283	RI	
Mark McClellan & Paula VcClellan	0.00000000	0.00000000	0.00859375	0.00013428	RI	
Princess Properties, LLC	0.00000000	0.00000000	0.00859375	0.00013428	RI	
Susan M Hinkle	0.00000000	0.00000000	0.00859374	0.00013428	RI	
Russe'l T. Rudy LTD.	0.00000000	0.00000000	0.00130208	0.00002035	RI	
Lois M. Lundbland Durland	0.00000000	0.00000000	0.00130208	0.00002035	RI	
Sokomon Valley Community Foundation	0.00000000	0.00000000	0.00130208	0.00002035	RI	
Fort Worth Mineral Company, LLC	0.00000000	0.00000000	0.00406901	0.00006358	RI	
Diana Lee Peace	0.00000000	0.00000000	0.00073242	0.00001144	RI	
Sonja S. Lopez	0.00000000	0.00000000	0.00073242	0.00001144	RI	
Liana Darlene Pearson	0.00000000	0.00000000	0.00130208	0.00002035	RI	
Rona'd Melvin Rogers	0.00000000	0.00000000	0.00130208	0.00002035	RI	
Joyce Ann Sasse	0.00000000	0.00000000	0.00097656	0.00001526	RI	
Sharon K. Fenton	0.00000000	0.00000000	0.00097656	0.00001526	RI	
Koray Ali Cagliergin	0.00000000	0.00000000	0.00097656	0.00001526	RI	
Jesma Roberta Hopper	0.00000000	0.00000000	0.00585938	0.00009155	RI	
Grant Allen Swearingen	0.00000000	0.00000000	0.00585938	0.00009155	RI	
Meredith E. Hardgrave and Helen Joyce Hardgrave Revocable Living Trust	0.00000000	0.00000000	0.01250000	0.00019531	RI	
Evalyn Swearingen Testamentary Trust	0.00000000	0.00000000	0.00173611	0.00002713	RI	
Billy Frank Hill	0.00000000	0.00000000	0.00057870	0.00000904	RI	
EnCore Permian Holding LP	0.00000000	0.00000000	0.00096933	0.00001515	RI	
PetroLima, LLC	0.00000000	0.00000000	0.00096933	0.00001515	RI	
George E. Richardson (possibly deceased)	0.00000000	0.00000000	0.00078125	0.00001221	RI	
Margaret L. Mehl	0.00000000	0.00000000	0.00078125	0.00001221	RI	
Dale M. Richardson	0.00000000	0.00000000	0.00078125	0.00001221	RI	
Linda Sue Richardson	0.00000000	0.00000000	0.00019531	0.00000305	RI	
Harry J. Richardson	0.00000000	0.00000000	0.00029297	0.00000458	RI	
Robert D. Richardson	0.00000000	0.00000000	0.00029297	0.00000458	RI	
FlatRock Royalties, LLC	0.00000000	0.00000000	0.00283203	0.00004425	RI	
Tularosa Oil Company	0.00000000	0.00000000	0.00283203	0.00004425	RI	
Phoenix Four, LLC	0.00000000	0.00000000	0.00062934	0.00000983	RI	
Craig Collins	0.00000000	0.00000000	0.00086806	0.00001356	RI	
Sheryl A. (Swearingen Johnson Collins) G'christ	0.00000000	0.00000000	0.00086806	0.00001356	RI	
Tundra AD3, LP	0.00000000	0.00000000	0.00338542	0.00005290	RI	
Roy G. Barton, Jr. and Claudia R. Barton (JT/WROS)	0.00000000	0.00000000	0.00234375	0.00003662	RI	
Carnegie Energy, LLC	0.00000000	0.00000000	0.00260417	0.00004069	RI	
Terry and Carla White Trust dated May 7, 2014	0.00000000	0.00000000	0.00416667	0.00006510	RI	
The John Charles Major Trust	0.00000000	0.00000000	0.00234375	0.00003662	RI	
James A. Collier, III	0.00000000	0.00000000	0.00156250	0.00002441	RI	
Gregory A. Collier	0.00000000	0.00000000	0.00156250	0.00002441	RI	
Tundra AD3, LP (UMI)	0.02500000	0.00039063	0.02500000	0.00039063	UMI	
James A. Brown Family Trust Dated April 6, 2011	0.00625000	0.00009766	0.00625000	0.00009766	UMI	
Watt Living Trust u/a dated January 16, 2009	0.00781250	0.00012207	0.00781250	0.00012207	UMI	
Browne Family Revocable LivingTrust u/a dated August 7, 2013	0.00781250	0.00012207	0.00781250	0.00012207	UMI	
Charlotte E. Wells and Kaiulani L. Bumpus (JT)	0.02083333	0.00032552	0.02083333	0.00032552	UMI	
Stanico Energy Corporation	0.03750000	0.00058594	0.03750000	0.00058594	UMI	
James H. Isbell	0.13854167	0.00216471	0.10390625	0.00162354	WI	

Linda Cowden Isbell	0.13854167	0.00216471	0.10390625	0.00162354	WI	
B. Craig Duke	0.09479167	0.00148112	0.07899306	0.00123427	WI	
Kaiser Francis Oil Company	0.08333333	0.00130208	0.06666667	0.00104167	WI	
Chevron U.S.A., Inc.	0.43958333	0.00686849	0.33984375	0.00531006	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.01562500</b>	<b>1.00000000</b>	<b>0.01562500</b>		

**Tract 5**  
 NW/4 of SW/4, W/2 of NE/4 of SW/4 & W/2 of E/2 of NE/4 of SW/4 of Section 25, T23SR28E  
 Tract 5 - 70.000/640.000 = 0.10937500

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
Pearl F. Giovengo	0.00000000	0.00000000	0.10714286	0.01171875	RI	
Mark L. Hensley	0.00000000	0.00000000	0.05357143	0.00585938	RI	
Tundra AD3, LP	0.00000000	0.00000000	0.02678571	0.00292969	RI	
OXY USA WTP Limited Partnership (WI)	0.17857143	0.01953125	0.14508929	0.01586914	WI	
Chevron U.S.A., Inc.	0.82142857	0.08984375	0.66741071	0.07299805	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.08984375</b>	<b>1.00000000</b>	<b>0.10937500</b>		

**Tract 6**  
 E/2 of NE/4 of NE/4 of SW/4 of Section 25, T23SR28E  
 Tract 6 - 5.000/640 = 0.00781250

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
OXY USA WTP Limited Partnership (RI)	0.00000000	0.00000000	0.25000000	0.00195313	RI	
Hillier Oil & Gas Ltd	0.01172414	0.00009159	0.00879311	0.00006870	WI	
Highland (Texas) Energy Company	0.10551724	0.00082435	0.07913793	0.00061827	WI	
Chevron U.S.A., Inc.	0.35310345	0.00275862	0.26482759	0.00206897	WI	
Read & Stevens, Inc.	0.52965517	0.00413793	0.39724138	0.00310345	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.00781250</b>	<b>1.00000000</b>	<b>0.00781250</b>		

**Tract 7**  
 N/2 of SW/4 of SW/4 of Section 25, T23SR28E  
 Tract 7 - 20.000/640.000 = 0.03125000

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
Linda Williams Miliello	0.00000000	0.00000000	0.04000000	0.00125000	RI	
Lanora Sue Williams Altomog	0.00000000	0.00000000	0.04000000	0.00125000	RI	
Terry Lee Williams	0.00000000	0.00000000	0.04000000	0.00125000	RI	
Kathleen A. Phillips	0.00000000	0.00000000	0.08000000	0.00250000	RI	
Marathon Oil Permian, LLC	0.18750000	0.00585938	0.15000000	0.00468750	WI	
Chevron U.S.A., Inc.	0.81250000	0.02539063	0.65000000	0.02031250	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.03125000</b>	<b>1.00000000</b>	<b>0.03125000</b>		

**Tract 8**  
 S/2 of SW/4 of SW/4 of Section 25, T23SR28E  
 Tract 8 - 20.000/640.000 = 0.03125000

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
GB Williams Properties, LLC	0.00000000	0.00000000	0.20000000	0.00625000	RI	
Marathon Oil Permian, LLC	0.18750000	0.00585938	0.15000000	0.00468750	WI	
Chevron U.S.A., Inc.	0.81250000	0.02539063	0.65000000	0.02031250	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.03125000</b>	<b>1.00000000</b>	<b>0.03125000</b>		

**Tract 9**  
 W/2 of SE/4 of SW/4 of Section 25, T23SR28E  
 Tract 9 - 20.000/640.000 = 0.03125000

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
Thomas B. Stribling Sr. Trust	0.00000000	0.00000000	0.20000000	0.00625000	RI	
Williams Living Trust dated March 18, 2008	0.00000000	0.00000000	0.02500000	0.00078125	RI	
Lovella Kilman	0.00000000	0.00000000	0.01250000	0.00039063	RI	
Melissa McCarthy fka Melissa Breaux fka Lisa Williams	0.00000000	0.00000000	0.01250000	0.00039063	RI	
Marathon Oil Permian, LLC	0.16500000	0.00515625	0.12375000	0.00386719	WI	
Chevron U.S.A., Inc.	0.83500000	0.02609375	0.62625000	0.01957031	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.03125000</b>	<b>1.00000000</b>	<b>0.03125000</b>		

**Tract 3B**  
 E/2 of SE/4 of NE/4 of SW/4 & E/2 of SE/4 of SW/4 of Section 25, T23SR28E  
 Tract 3B - 25.000/640.000 = 0.03906250

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
Pardue Limited Company	0.00000000	0.00000000	0.12500000	0.00488281	RI	
Pressley H. Guitler	0.00000000	0.00000000	0.00390625	0.00015259	RI	
Guy Witherspoon, III	0.00000000	0.00000000	0.00390625	0.00015259	RI	
John Guitler Witherspoon, Jr.	0.00000000	0.00000000	0.00195313	0.00007629	RI	
Whillen Guitler Witherspoon	0.00000000	0.00000000	0.00195313	0.00007629	RI	
Brett Guitler Witherspoon	0.00000000	0.00000000	0.00195313	0.00007629	RI	
Wende Witherspoon Morgan	0.00000000	0.00000000	0.00195312	0.00007629	RI	
CrownRock Minerals, L.P.	0.00000000	0.00000000	0.01692708	0.00066121	RI	

Truchas Peaks, LLC	0.00000000	0.00000000	0.00097656	0.00003815	RI	
Virginia Nevill Hoff Management Trust	0.00000000	0.00000000	0.00195313	0.00007629	RI	
JPH Holdings, L.P.	0.00000000	0.00000000	0.00390625	0.00015259	RI	
Santa Elena Minerals LP	0.00000000	0.00000000	0.00260417	0.00010173	RI	
Polk Land & Minerals LP	0.00000000	0.00000000	0.00227864	0.00008901	RI	
JMA Oil Properties LTD	0.00000000	0.00000000	0.00520833	0.00020345	RI	
Carol Gibson Trust	0.00000000	0.00000000	0.00260417	0.00010173	RI	
Cynthia Rhodes Trust	0.00000000	0.00000000	0.00260417	0.00010173	RI	
Kelly Woods Leach	0.00000000	0.00000000	0.00130208	0.00005086	RI	
Jack G. Woods, Jr.	0.00000000	0.00000000	0.00130208	0.00005086	RI	
Caren G Machell	0.00000000	0.00000000	0.00130208	0.00005086	RI	
Caki Family Limited Partnership	0.00000000	0.00000000	0.00390625	0.00015259	RI	
Caren Gall Machell Exempt Trust	0.00000000	0.00000000	0.00260417	0.00010173	RI	
Earl B. Guitar, Jr. Bypass Trust	0.00000000	0.00000000	0.00781250	0.00030518	RI	
Guitar Land & Cattle Company, L.P.	0.00000000	0.00000000	0.00781250	0.00030518	RI	
Sally Guitar	0.00000000	0.00000000	0.00625000	0.00024414	RI	
Melissa McGee	0.00000000	0.00000000	0.00312500	0.00012207	RI	
Judy Guitar Uhev, LLC	0.00000000	0.00000000	0.00312500	0.00012207	RI	
Sharon Guitar Ellis, LLC	0.00000000	0.00000000	0.00312500	0.00012207	RI	
Laura Jean Hofer Trust	0.00000000	0.00000000	0.00520833	0.00020345	RI	
Guitar Galusha, L.P.	0.00000000	0.00000000	0.00390625	0.00015259	RI	
Lesli Guitar Nichols	0.00000000	0.00000000	0.00195313	0.00007629	RI	
John Kelly Guitar	0.00000000	0.00000000	0.00195312	0.00007629	RI	
Murchison-Guitar Family LP	0.00000000	0.00000000	0.00520833	0.00020345	RI	
Barbara Lee Backman, Inc	0.00000000	0.00000000	0.00520833	0.00020345	RI	
Woods Dickens Ranch, L.P.	0.00000000	0.00000000	0.00520833	0.00020345	RI	
Marathon Oil Permian, LLC	0.18750000	0.00732422	0.14062500	0.00549316	WI	
Chevron U.S.A., Inc.	0.81250000	0.03173828	0.60937500	0.02380371	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.03906250</b>	<b>1.00000000</b>	<b>0.03906250</b>		

W/2 Section 36 Tracts

Tract 10  
W/2 of Section 36, T23SR28E  
Tract 10 - 320.000640.000 0.50000000

Owner	TRGWI	UGWI	TNRI	UNRI	Type	Comments
State of New Mexico	0.00000000	0.00000000	0.12500000	0.06250000	RI	
Harvard Exploration, Ltd. Series 7	0.00000000	0.00000000	0.00250000	0.00125000	ORI	
The Cress Family Trust, Robert H. Cress Trustee	0.00000000	0.00000000	0.00500000	0.00250000	ORI	
Morris Schertz	0.00000000	0.00000000	0.00187500	0.00093750	ORI	
Richardson Mineral and Royalty LLC	0.00000000	0.00000000	0.00625000	0.00031250	ORI	
Tumbler Energy Partners, LLC	0.00000000	0.00000000	0.00375000	0.00187500	ORI	
GB Williams Properties, LLC (ORI)	0.00000000	0.00000000	0.01166667	0.00583334	ORI	
Linville D. Williams (ORI)	0.00000000	0.00000000	0.01166666	0.00583333	ORI	
Jack Austin Richardson	0.00000000	0.00000000	0.00208333	0.00010417	ORI	
John Michael and Marion Richardson	0.00000000	0.00000000	0.00208333	0.00010417	ORI	
Tierra Oil Company, LLC	0.00000000	0.00000000	0.00041667	0.00020834	ORI	
Chalcolm Exploration, LLC	0.00000000	0.00000000	0.00041667	0.00020834	ORI	
James and Troyce Williams	0.00000000	0.00000000	0.01166667	0.00583334	ORI	
Chevron U.S.A., Inc	1.00000000	0.50000000	0.82500000	0.41250000	WI	
<b>Total</b>	<b>1.00000000</b>	<b>0.50000000</b>	<b>1.00000000</b>	<b>0.50000000</b>		

### RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	70.00	10.9375%
2	40.00	6.25%
3a and 3b	65.00	10.15625%
4	10.00	1.5625%
5	70.00	10.9375%
6	5.00	0.78125%
7	20.00	3.125%
8	20.00	3.125%
9	20.00	3.125%
10	320.00	50.00%
<hr/>		
Total	640.00	100.0000%

END OF EXHIBIT "A"

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Geological & Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** CHEVRON USA INC **OGRID Number:** 4323  
**Well Name:** CB CAL 25 36 STATE COM 303H **API:** 30-015-4635  
**Pool:** BONE SPRING **Pool Code:** 15011

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location – Spacing Unit – Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD  
 B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling – Storage – Measurement  
 DHC     CTB     PLC     PC     OLS     OLM  
 [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
 WFX     PMX     SWD     IPI     EOR     PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

<b>FOR OCD ONLY</b>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Cindy Herrera-Murillo  
Print or Type Name

Cindy Herrera-Murillo  
Signature

11/12/2021  
Date

575-263-0431  
Phone Number

CHerreraMurillo@chevron.com  
e-mail Address

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Herrera-Murillo, Cindy O](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](mailto:lisa@rwbyram.com); [Dawson, Scott](#)  
**Subject:** Approved Administrative Order PLC-711-A  
**Date:** Monday, April 25, 2022 10:31:30 AM  
**Attachments:** [PLC711A Order.pdf](#)

NMOCD has issued Administrative Order PLC-711-A which authorizes Chevron USA, Inc. (4323) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
30-015-46926	CB BERU 23 14 Fee 06 #301H	W/2 SE/4	14-23S-28E	15011
		W/2 E/2	23-23S-28E	
30-015-46927	CB BERU 23 14 Fee 06 #302H	E/2 SE/4	14-23S-28E	15011
		E/2 E/2	23-23S-28E	
30-015-46928	CB BERU 23 14 Fee 06 #401H	SE/4	14-23S-28E	98220
		E/2	23-23S-28E	
30-015-46929	CB BERU 23 14 Fee 06 #402H	SE/4	14-23S-28E	98220
		E/2	23-23S-28E	
30-015-46930	CB BERU 23 14 Fee 06 #403H	SE/4	14-23S-28E	98220
		E/2	23-23S-28E	
30-015-46634	CB CAL 25 36 State Com 08 #302H	W/2 W/2	25-23S-28E	15011
		W/2 W/2	36-23S-28E	
30-015-46635	CB CAL 25 36 State Com 08 #303H	E/2 W/2	25-23S-28E	15011
		E/2 W/2	36-23S-28E	
30-015-46631	CB CAL 25 36 State Com 08 #401H	W/2	25-23S-28E	98220
		W/2	36-23S-28E	
30-015-46632	CB CAL 25 36 State Com 08 #402H	W/2	25-23S-28E	98220
		W/2	36-23S-28E	
30-015-46636	CB CAL 25 36 State Com 08 #403H	W/2	25-23S-28E	98220
		W/2	36-23S-28E	
30-015-48350	CB Mothma 23 14 Fee 10 #401H	W/2	14-23S-28E	98220
		W/2	23-23S-28E	
30-015-48349	CB Mothma 23 14 Fee 10 #402H	W/2	14-23S-28E	98220
		W/2	23-23S-28E	
30-015-47378	CB Tano 26 35 Fee 11 #401H	E/2	26-23S-28E	98220
		E/2	35-23S-28E	
30-015-47380	CB Tano 26 35 Fee 11 #402H	E/2	26-23S-28E	98220
		E/2	35-23S-28E	
30-015-47381	CB Tano 26 35 Fee 11 #403H	E/2	26-23S-28E	98220
		E/2	35-23S-28E	

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005000422

This is not an invoice

CHEVRON USA  
1616 W. BENDER BLVD

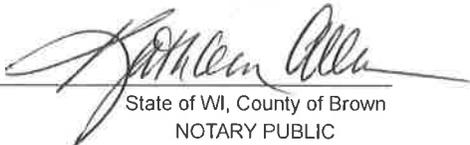
HOBBS, NM 88240

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 in editions dated as follows:

11/14/2021, 11/16/2021, 11/17/2021

  
Legal Clerk

Subscribed and sworn before me this November 19, 2021:

  
State of WI, County of Brown  
NOTARY PUBLIC

1-7-25

My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0005000422  
PO #: 5000422  
# of Affidavits: 1

This is not an invoice

To: Alex Rey Cardon; Andreas P. Panagopoulos; Beatrice C. Barrera; Billy Frank Hill; Brent Mitchell Raindl; Caki Family Limited Partnership; Caren G. Machell; Caren G Marchell Exempt Trust; Charles L. Reitenger; Chasity Garza; Clarence W. Erin; Crystal A Howard; Dale M Richarson; Danielle Levine-Baum; DDDF Co. Inc; Estate of Frances S. Cardona; Estate of Lawrence R. Williams; FlatRock Royalties, LLC; George Galusha, LP; Harry J. Richardson; Highland (Texas) Energy Company; Hillier Oil & Gas Ltd; Jack Austin Richardson; John Guitar Witherspoon Jr; Judith Clem; Justin Nine & Sara Nine; Karin Lanette Williams; Klipstine & Hanratty, a Law Corporation; Koray Ali Cagliergin; Laura Elizabeth Bunn; LBD, LP; Lesley F. Najera; Lesli Guitar Nichols; Liana Darlene Pearson; Lindsay K. McFerrin; Locke Capital; Lois M. Lundbland Durland; Lovella Kilman; Malinda Thompson; Estate of Margaret L. Fate; Margaret M. Stribling; Marion Jane Gordon; Melissa McGee; Panagopoulos Enterprises, LLC; Robert B. Beeman; Robert D. Richardson; Roden Oil Company; Ronnie Ward; Roy A. Howard; Sharon Guitar Ellis, LLC; Sonja S. Lopez; Stephen Frank Williams Jr; Sue Osborn Powell; The Beveridge Company; The Cress Family Trust; The Williams Living Trust; Tommy Lee Pierce; Valdez Family 2006 Irrevocable Trust; Virginia Lee Davis; William F. Beeman.

Chevron U.S.A. Inc. is filing an application with the New Mexico Oil Conservation Division ("NMOCD") in Santa Fe, NM. seeking approval to commingle production from the attached list of wells and for Off-Lease Measurement, Sales & Storage at a common central tank battery.

CB BERU 23 14 FEE 06 301H  
 CB BERU 23 14 FEE 06 302H  
 CB BERU 23 14 FEE 06 401H  
 CB BERU 23 14 FEE 06 402H  
 CB BERU 23 14 FEE 06 403H-  
 Sections 14 & 23, Township  
 23 South, Range 28 East,  
 N.M.P.M., Eddy County, New  
 Mexico  
 CB CAL 25 36 STATE COM 08  
 302H CB CAL 25 36 STATE  
 COM 08 303H CB CAL 25 36  
 STATE COM 08 401H CB CAL  
 25 36 STATE COM 08 402H  
 CB CAL 25 36 STA TE COM  
 08 403H-Sections-25--& 36,  
 Township-23-South;--Range  
 2--8-East,N.M.P.M Eddy  
 County, New Mexico  
 CB TANO 26 35 FEE 301H CB  
 TANO 26 35 FEE 401H CB  
 TANO 26 35 FEE 402H CB  
 TANO 26 35 FEE 403H - Sec-  
 tions 26 & 35, Township 23  
 South, Range 28 East,  
 N.M.P.M., Eddy County, New  
 Mexico  
 CB MOTHMA FEE 401H CB  
 MOTHMA FEE 402H - Sec-  
 tions 14 & 23, Township 23  
 South, Range 28 East,  
 N.M.P.M., Eddy County, New  
 Mexico.

Any objection to this application must be filed in writing within twenty (20) days from the date of this publication with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within the twenty-day period, this application may be approved administratively by the Division. If you have any questions about this publication, please contact Kelly Rau, Chevron USA Inc (713) 372-7411, Kelly.Rau@chevron.com.  
#5000422, Current Argus,  
November 14, 16, 17, 2021



**Chevron North America  
Exploration and Production Company**  
(A Chevron U.S.A. Inc. Division)  
6301 Deauville Blvd  
Midland, TX 79706

September 24, 2021

RE: Application for off lease measurement/sales/storage and surface lease and pool commingling of the Purple Sage Wolfcamp (gas) pool (98220) and Culebra Bluff Bone Spring South (15011), Eddy County, NM; Culebra Bluff 23 Central Tank Battery

The Culebra Bluff 23 Central Tank Battery is located in the S2SE (UL: P), Sec. 23, T23S-R28E. The Culebra Bluff 26 Compressor Station is located in Section 26, T23S R28E. CB MOTHMA wells are located in Section 14 & 23, T23S R28E. CB TANO wells are located in Section 26 & 35, T23S R28E.

This facility will be commingling new wells (quantity 6), CB MOTHMA 23 14 FEE 10 401H, 402H and CB TANO FEE 11 26 35 301H, 401H, 402H, 403H with existing producing wells (quantity 10), CB CAL 25 36 STATE COM 08 401H, 402H, 403H, 302H and 303H; and CB BERU 23 14 FEE 06 401H, 402H, 403H, 301H and 302H. CB TANO and MOTHMA wells are targeted to begin producing in February 2022.

CB TANO 26 35 FEE 11 301H, 401H, 402H, 403H (Package 11 Pad) have identical ownership. The 401H, 402H, and 403H wells are in the Purple Sage/Wolfcamp formation and 301H well is in the Bone Spring formation. CB MOTHMA 23 14 FEE 10 401H, 402H (Package 10 Pad) have identical ownership, though different ownership from CB TANO 26 35 FEE 11 Lease. The CB TANO 26 35 FEE 11 401H and 402H wells are in the Purple Sage/Wolfcamp formation.

Well production will be allocated based on a production curve from well tests, tested at a frequency of once every 3 days during the initial production phase before peak production is reached but not to exceed 30 days. For each well, during the plateau period and while decline rate is greater than 22%, the oil and gas production shall be allocated using a minimum of three (3) well tests per month. During the final stages of the well decline period, each well will be tested at a frequency of two (2) well tests per month when the decline rate is between 22% and 10% per month; and one (1) well test per month when the decline rate is less than 10% per month.

Jenna Kennedy  
Facilities Engineer





<b>12064G</b>	<b>3300150040,3300150041,5300150262</b>	<b>CBC S23 CS Discharge</b>	
Sample Point Code	Sample Point Name	Sample Point Location	
<b>Laboratory Services</b>	<b>2021043212</b>	<b>0719</b>	<b>J Macias - Spot</b>
Source Laboratory	Lab File No	Container Identity	Sampler
<b>USA</b>	<b>USA</b>	<b>USA</b>	<b>New Mexico</b>
District	Area Name	Field Name	Facility Name
<b>Jul 4, 2021 10:34</b>	<b>Jul 4, 2021 10:34</b>	<b>Jul 7, 2021 13:48</b>	<b>Jul 8, 2021</b>
Date Sampled	Date Effective	Date Received	Date Reported
<b>83.00</b>	<b>21,264.00</b>	<b>BH</b>	<b>1109 @ 114</b>
Ambient Temp (°F)	Flow Rate (Mcf)	Analyst	Press PSI @ Temp °F Source Conditions
<b>Chevron Usa, Inc.</b>	<b>NG</b>		
Operator	Lab Source Description		

Component	Normalized Mol %	Un-Normalized Mol %	GPM
Nitrogen (N2)	1.0550	1.029714	
Carbon Dioxide (CO2)	0.0630	0.061172	
Hydrogen Sulfide (H2S)	0.0000	0	
Methane (C1)	67.5400	65.927123	
Ethane (C2)	14.0110	13.676217	3.7460
Propane (C3)	8.9630	8.749151	2.4690
IsoButane (IC4)	1.3800	1.34747	0.4510
n-Butane (NC4)	3.6720	3.584128	1.1570
IsoPentane (IC5)	0.9560	0.933573	0.3500
n-Pentane (NC5)	1.1120	1.085538	0.4030
Hexanes (C6's)	1.2480	1.249	0.5050
<b>TOTAL</b>	<b>100.0000</b>	<b>97.6431</b>	<b>9.0810</b>

Gross Heating Values (Real, BTU/ft <sup>3</sup> )		
14.696 PSI @ 60.00 Å°F	14.73 PSI @ 60.00 Å°F	
Dry	Dry	Saturated
<b>1,463.7</b>	<b>1,474.7</b>	<b>1,449.8</b>

Calculated Total Sample Properties	
GPA2145-16 *Calculated at Contract Conditions	
Relative Density Real	Relative Density Ideal
<b>0.8628</b>	<b>0.8586</b>
Molecular Weight	
<b>24.8680</b>	

C6+ Group Properties		
Assumed Composition		
<b>C6 - 54.491%</b>	<b>C7 - 35.135%</b>	<b>C8 - 10.374%</b>

Field H2S <b>0 PPM</b>
---------------------------

**PROTREND STATUS:** Passed By Validator on Jul 9, 2021  
**DATA SOURCE:** Imported

**PASSED BY VALIDATOR REASON:** First sample taken @ this point, composition looks reasonable

**VALIDATOR:** Dustin Armstrong  
**VALIDATOR COMMENTS:** OK

Method(s): Gas C6+ - GPA 2261, Extended Gas - GPA 2286, Calculations - GPA 2172

Analyzer Information	
Device Type:	Device Make:
Device Model:	Last Cal Date:



Sample Point Code - Name @ Location

Operator

12064G - 3300150040,3300150041,5300150262 - CBC S23 CS Discharge

Chevron Usa, Inc.

Component	Normalized Mol %	Un-Normalized Mol %	GPM
Nitrogen (N2)	1.0550	1.02971	
Carbon Dioxide (CO2)	0.0630	0.061172	
Hydrogen Sulfide (H2S)	0.0000	0	
Methane (C1)	67.5400	65.9271	
Ethane (C2)	14.0110	13.6762	3.7460
Propane (C3)	8.9630	8.74915	2.4690
IsoButane (IC4)	1.3800	1.34747	0.4510
n-Butane (NC4)	3.6720	3.58413	1.1570
IsoPentane (IC5)	0.9560	0.933573	0.3500
n-Pentane (NC5)	1.1120	1.08554	0.4030
Hexanes (C6's)	0.6800	0.681	0.2750
Heptanes (C7's)	0.4170	0.417	0.1630
Octanes (C8's)	0.1020	0.102	0.0490
Nonanes (C9's)	0.0080	0.008	0.0050
Decanes (C10's)	0.0000	0	0.0000
Undecanes (C11's)	0.0000	0	0.0000
Dodecanes (C12's)	0.0010	0.001	0.0010

**BTEX**

Component	Normalized Mol %	Un-Normalized Mol %	GPM
Benzene	0.0220	0.022	0.0060
Toluene	0.0140	0.014	0.0050
EthylBenzene	0.0000	0	0.0000
M+P Xylene	0.0030	0.003	0.0010
O Xylene	0.0010	0.001	0.0000

**From:** [Herrera-Murillo, Cindy O](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Subject:** RE: [EXTERNAL] RE: surface commingling application PLC-711-A  
**Date:** Tuesday, February 15, 2022 12:50:23 PM

---

*Dean,*

*In response to the information requested for the above surface commingling:*

The additional wells are:

Well Name	API
CB Mothma 23 14 FEE 10 401H	30015483500000
CB Mothma 23 14 FEE 10 402H	30015483490000
CB Tano 26 35 FEE 11 401H	30015473780000
CB Tano 26 35 FEE 11 402H	30015473800000
CB Tano 26 35 FEE 11 403H	30015473810000

Average BTU value from Third Bone Spring (TBS) is 1389 BTU/ft<sup>3</sup>.

*Thanks,*



*Cindy Herrera-Murillo*

Senior HSE Regulatory Affairs Coordinator

1616 W. Bender Blvd

Hobbs, NM 88240

575-263-0431

[Cherreramurillo@chevron.com](mailto:Cherreramurillo@chevron.com)

---

**From:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Sent:** Monday, February 14, 2022 3:41 PM  
**To:** Herrera-Murillo, Cindy O <CHerreraMurillo@chevron.com>  
**Subject:** **[\*\*EXTERNAL\*\*]** RE: [EXTERNAL] RE: surface commingling application PLC-711-A

Cindy,

The attached well list seems to only include the wells being commingled currently. Please update the list to include the proposed additional wells to be included in the project.

What is the average BTU value for the gas produced from the bone spring pool? Presumably it has been provided in the past for the original application, but please provide it again regardless.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

**From:** Herrera-Murillo, Cindy O <[CHerreraMurillo@chevron.com](mailto:CHerreraMurillo@chevron.com)>  
**Sent:** Monday, February 14, 2022 12:03 PM  
**To:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Subject:** [EXTERNAL] RE: surface commingling application PLC-711-A  
**Importance:** High

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

*Dean,  
Please find attached a copy of requested information for the CB CTB 23 surface Commingle. Please see BTU information below:*

- BTU value of 1330 for Wolfcamp A (WCA).
- APIs are as per screenshot below.

Yes  No

<b>(A) POOL COMMINGLING</b>		
<b>Please attach sheets with the following information</b>		
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production
Bone Spring - (15011)	44 API	Gravity of commingled production: 45
Wolfcamp (Gas) - (98220)	45 API	

*If you need any additional information, please let me know.  
Thanks,*



*Cindy Herrera-Murillo*  
Senior HSE Regulatory Affairs Coordinator  
1616 W. Bender Blvd  
Hobbs, NM 88240  
575-263-0431  
[Cherreramurillo@chevron.com](mailto:Cherreramurillo@chevron.com)

---

**From:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Sent:** Tuesday, February 1, 2022 4:23 PM  
**To:** Herrera-Murillo, Cindy O <[CHerreraMurillo@chevron.com](mailto:CHerreraMurillo@chevron.com)>  
**Subject:** **[\*\*EXTERNAL\*\*]** surface commingling application PLC-711-A

Ms. Herrera-Murillo,

I am reviewing surface commingling application PLC-711-A which involves the Culebra Bluff Sec 23 CTB operated by Chevron USA, Inc. (4323).

Please provide the following:

- A list of noticed interest owners including the certified tracking numbers associated with providing them notification of this application.
- A lease map which depicts the wells and facilities.
- BTU values for the gas from the pools in this area.
- A list of the wells to be included including API numbers.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)  
**Cc:** [Hawkins, James , EMNRD](#); [Engineer, OCD, EMNRD](#)  
**Subject:** FW: [EXTERNAL] Objection to Commingling & Off-Lease Measurement  
**Date:** Friday, October 15, 2021 12:27:00 PM

---

Mr. Cagliergin,

The Division has received your protest seen below. Please note that it appears the application which you received notification of is likely an application to amend Order PLC-711; however, this application has not been submitted to the Division at this time.

Chevron has been notified of your protest.

If you have any questions, please feel free to reach out to me via email at [Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us) or via phone at (505)469-8211.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

---

**From:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>  
**Sent:** Thursday, October 14, 2021 10:48 AM  
**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>  
**Subject:** Fw: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

---

**From:** Koray Cagliergin <[kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)>  
**Sent:** Tuesday, October 12, 2021 11:13 AM  
**To:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>  
**Subject:** [EXTERNAL] Objection to Commingling & Off-Lease Measurement

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dear Director Sandoval & OCD,

I'm a mineral owner and I received notification from Chevron on **10/4/21** that they would be filing an application for Commingling & Off-Lease Measurement. It's my understanding that I have 20 days to submit my objection in writing.

I searched and found that the application was already approved on **3/02/21**, order **PLC-711**. I'd like to bring this to the attention of the OCD as the injured party. I would have objected had I known about the plans. Commingling does not allow mineral holders such as myself the ability to review

production data. My rights were infringed upon by not having the opportunity to object prior to the order being issued.

Please review the attached exhibits.

Sincerely,

Koray Cagliergin

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Koray Cagliergin](#)  
**Cc:** [Engineer, OCD, EMNRD](#)  
**Subject:** RE: FW: [EXTERNAL] Objection to Commingling & Off-Lease Measurement  
**Date:** Monday, October 18, 2021 11:30:00 AM  
**Attachments:** [image001.png](#)

---

Hello Koray,

You are correct that PLC-711 has already been approved; it appears that Chevron had attempted to provide you with notification of the application for it in October of 2020 via certified mail with the tracking number 7019 1640 0001 2270 9238. However, it also appears that you had not received that notice and as such Chevron opted to provide notification via publication in a newspaper.

The notice which you received 10/4/2021 appears to be an application to amend PLC-711 to include additional wells as the document you had sent to us includes a few more wells than what is currently approved within PLC-711. However, Chevron has not submitted this application to the Division yet. Once submitted, it will need to go to public hearing unless your concerns are addressed and you wish to withdraw your protest at which time the application will be reviewed administratively. Notice of the public hearing, if conducted, will need to be provided to you.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

---

**From:** Koray Cagliergin <kcagliergin@gmail.com>  
**Sent:** Friday, October 15, 2021 3:51 PM  
**To:** Engineer, OCD, EMNRD <OCD.Engineer@state.nm.us>  
**Cc:** Hawkins, James , EMNRD <James.Hawkins@state.nm.us>  
**Subject:** Re: FW: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

Hi Dean,

Thanks for your email. The wells I own interest in are the CB Cal 25 36 State Com. I pulled the below image from the case file. Would it still be considered an amendment? It seems that the order was already approved.

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [McConnell, Kayla](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Bratcher, Mike, EMNRD](#); [lisa@nwbvram.com](#); [Holm, Anchor E.](#); [Dawson, Scott](#)  
**Subject:** Approved Administrative Order PLC-711  
**Date:** Tuesday, March 2, 2021 3:32:55 PM  
**Attachments:** [PLC711 Order.pdf](#)

NMOCD has issued Administrative Order PLC-711 which authorizes Chevron USA, Inc. (4323) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPM)	Pool Code
30-015-46926	CB BERU 23 14 Fee 06 #301H	P-23-23S-28E	15011
30-015-46927	CB BERU 23 14 Fee 06 #302H	P-23-23S-28E	15011
30-015-46928	CB BERU 23 14 Fee 06 #401H	P-23-23S-28E	98220
30-015-46929	CB BERU 23 14 Fee 06 #402H	P-23-23S-28E	98220
30-015-46930	CB BERU 23 14 Fee 06 #403H	P-23-23S-28E	98220
30-015-46634	CB CAL 25 36 State Com 08 #302H	D-25-23S-28E	15011
30-015-46635	CB CAL 25 36 State Com 08 #303H	D-25-23S-28E	15011
30-015-46631	CB CAL 25 36 State Com 08 #401H	D-25-23S-28E	98220
30-015-46632	CB CAL 25 36 State Com 08 #402H	D-25-23S-28E	98220
30-015-46636	CB CAL 25 36 State Com 08 #403H	D-25-23S-28E	98220

The administrative order is attached to this email and can also be found online at [OCD Imaging](#).

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

Hopefully, we could get this sorted out. Thanks!

On Fri, Oct 15, 2021 at 2:27 PM Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)> wrote:

Mr. Cagliergin,

The Division has received your protest seen below. Please note that it appears the application which you received notification of is likely an application to amend Order PLC-711; however, this application has not been submitted to the Division at this time.

Chevron has been notified of your protest.

If you have any questions, please feel free to reach out to me via email at [Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us) or via phone at (505)469-8211.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

---

**From:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>  
**Sent:** Thursday, October 14, 2021 10:48 AM  
**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>  
**Subject:** Fw: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

---

**From:** Koray Cagliergin <[kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)>  
**Sent:** Tuesday, October 12, 2021 11:13 AM  
**To:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>  
**Subject:** [EXTERNAL] Objection to Commingling & Off-Lease Measurement

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dear Director Sandoval & OCD,

I'm a mineral owner and I received notification from Chevron on **10/4/21** that they would be filing an application for Commingling & Off-Lease Measurement. It's my understanding that I have 20 days to submit my objection in writing.

I searched and found that the application was already approved on **3/02/21**, order **PLC-711**. I'd like to bring this to the attention of the OCD as the injured party. I would have objected had I known about the plans. Commingling does not allow mineral holders such as myself the ability to review production data. My rights were infringed upon by not having the opportunity to object prior to the order being issued.

Please review the attached exhibits.

Sincerely,

Koray Cagliergin

**From:** [McClure, Dean, EMNRD](#)  
**To:** ["Herrera-Murillo, Cindy O"](#)  
**Subject:** RE: [EXTERNAL] Status of Surface Commingle app on CB CTB 23  
**Date:** Monday, January 10, 2022 12:29:00 PM

---

Cindy,

This application is on hold until the protest is resolved by either it being withdrawn by the protestor or the case being heard at hearing. It is the applicant's responsibility to either communicate with the protestor regarding their protest or request a hearing.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

---

**From:** Herrera-Murillo, Cindy O <CHerreraMurillo@chevron.com>  
**Sent:** Monday, January 10, 2022 9:52 AM  
**To:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Subject:** [EXTERNAL] Status of Surface Commingle app on CB CTB 23  
**Importance:** High

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

*Dean,*

*I am needing the status of a surface Commingle application on the CB CTB 23 Commingle application.*

*Submitted to NMOCD 11/19/2021 ID# for application is below:*

**6WPTV-210923-C-107B**

*This is the one that we received a protest on. Do you when it will get set for hearing?  
Please advise.*



*Cindy Herrera-Murillo*  
Senior HSE Regulatory Affairs Coordinator  
1616 W. Bender Blvd  
Hobbs, NM 88240

575-263-0431

[Cherreramurillo@chevron.com](mailto:Cherreramurillo@chevron.com)

**From:** [Engineer, OCD, EMNRD](#)  
**To:** ["Herrera-Murillo, Cindy O"](#)  
**Cc:** [Engineer, OCD, EMNRD](#); ["eeof@chevron.com"](mailto:eeof@chevron.com); ["kcagliergin@gmail.com"](mailto:kcagliergin@gmail.com); [Hawkins, James , EMNRD](#)  
**Subject:** FW: [EXTERNAL] Objection to Commingling & Off-Lease Measurement  
**Date:** Friday, October 15, 2021 12:08:00 PM  
**Attachments:** [Document\\_2021-10-12\\_125507.pdf](#)  
[Certified Letter Image.PNG](#)

---

Ms. Herrera-Murillo,

The Division has received the protest seen below from Koray Cagliergin regarding a commingling project operated by Chevron USA, Inc. (4323). It appears that the notification received is in regards to an application yet unreceived by the Division but may be an application which Chevron intends to submit to amend Order PLC-711.

If Chevron has not already done so, please reach out to this individual.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

---

**From:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>  
**Sent:** Thursday, October 14, 2021 10:48 AM  
**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>  
**Subject:** Fw: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

---

**From:** Koray Cagliergin <[kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)>  
**Sent:** Tuesday, October 12, 2021 11:13 AM  
**To:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>  
**Subject:** [EXTERNAL] Objection to Commingling & Off-Lease Measurement

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Dear Director Sandoval & OCD,

I'm a mineral owner and I received notification from Chevron on **10/4/21** that they would be filing an application for Commingling & Off-Lease Measurement. It's my understanding that I have 20 days to submit my objection in writing.

I searched and found that the application was already approved on **3/02/21**, order **PLC-711**. I'd like to bring this to the attention of the OCD as the injured party. I would have objected had I known about the plans. Commingling does not allow mineral holders such as myself the ability to review

production data. My rights were infringed upon by not having the opportunity to object prior to the order being issued.

Please review the attached exhibits.

Sincerely,

Koray Cagliergin

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Herrera-Murillo, Cindy O](#)  
**Cc:** [Engineer, OCD, EMNRD](#); [kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)  
**Subject:** Surface Commingling Application PLC-711-A  
**Date:** Tuesday, January 11, 2022 2:54:49 PM  
**Attachments:** [image001.png](#)

---

Ms. Herrera-Murillo

The protestant of surface commingling application PLC-711-A which involves the Culebra Bluff Sec 23 Central Tank Battery operated by Chevron USA, Inc. (4323) has withdrawn their protest.

This application will now be placed back into administrative review.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

---

**From:** Koray Cagliergin <[kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)>  
**Sent:** Monday, January 10, 2022 1:18 PM  
**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>  
**Subject:** Re: FW: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

Good afternoon,

Chevron did reach out to me and we were able to resolve the issue. I would like to withdraw my protest. Thank you.

On Mon, Oct 18, 2021 at 1:30 PM Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)> wrote:

Hello Koray,

You are correct that PLC-711 has already been approved; it appears that Chevron had attempted to provide you with notification of the application for it in October of 2020 via certified mail with the tracking number 7019 1640 0001 2270 9238. However, it also appears that you had not received that notice and as such Chevron opted to provide notification via publication in a newspaper.

The notice which you received 10/4/2021 appears to be an application to amend PLC-711 to include additional wells as the document you had sent to us includes a few more wells than what is currently approved within PLC-711. However, Chevron has not submitted this application to the Division yet. Once submitted, it will need to go to public hearing unless your concerns are addressed and you wish to withdraw your protest at which time the application will be reviewed administratively. Notice of the public hearing, if conducted, will need to be provided to you.

Dean McClure

Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

---

**From:** Koray Cagliergin <[kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)>  
**Sent:** Friday, October 15, 2021 3:51 PM  
**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>  
**Cc:** Hawkins, James , EMNRD <[James.Hawkins@state.nm.us](mailto:James.Hawkins@state.nm.us)>  
**Subject:** Re: FW: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

Hi Dean,

Thanks for your email. The wells I own interest in are the CB Cal 25 36 State Com. I pulled the below image from the case file. Would it still be considered an amendment? It seems that the order was already approved.

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [McConnell, Kayla](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Bratcher, Mike, EMNRD](#); [lisa@nwbyram.com](mailto:lisa@nwbyram.com); [Holm, Anchor E.](#); [Dawson, Scott](#)  
**Subject:** Approved Administrative Order PLC-711  
**Date:** Tuesday, March 2, 2021 3:32:55 PM  
**Attachments:** [PLC711 Order.pdf](#)

NMOCD has issued Administrative Order PLC-711 which authorizes Chevron USA, Inc. (4323) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPM)	Pool Code
30-015-46926	CB BERU 23 14 Fee 06 #301H	P-23-23S-28E	15011
30-015-46927	CB BERU 23 14 Fee 06 #302H	P-23-23S-28E	15011
30-015-46928	CB BERU 23 14 Fee 06 #401H	P-23-23S-28E	98220
30-015-46929	CB BERU 23 14 Fee 06 #402H	P-23-23S-28E	98220
30-015-46930	CB BERU 23 14 Fee 06 #403H	P-23-23S-28E	98220
30-015-46634	CB CAL 25 36 State Com 08 #302H	D-25-23S-28E	15011
30-015-46635	CB CAL 25 36 State Com 08 #303H	D-25-23S-28E	15011
30-015-46631	CB CAL 25 36 State Com 08 #401H	D-25-23S-28E	98220
30-015-46632	CB CAL 25 36 State Com 08 #402H	D-25-23S-28E	98220
30-015-46636	CB CAL 25 36 State Com 08 #403H	D-25-23S-28E	98220

The administrative order is attached to this email and can also be found online at [OCD Imaging](#).

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

Hopefully, we could get this sorted out. Thanks!

On Fri, Oct 15, 2021 at 2:27 PM Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)> wrote:

Mr. Cagliergin,

The Division has received your protest seen below. Please note that it appears the application which you received notification of is likely an application to amend Order PLC-711; however, this application has not been submitted to the Division at this time.

Chevron has been notified of your protest.

If you have any questions, please feel free to reach out to me via email at

[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us) or via phone at (505)469-8211.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

---

**From:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>  
**Sent:** Thursday, October 14, 2021 10:48 AM  
**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>  
**Subject:** Fw: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

---

**From:** Koray Cagliergin <[kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)>  
**Sent:** Tuesday, October 12, 2021 11:13 AM  
**To:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>  
**Subject:** [EXTERNAL] Objection to Commingling & Off-Lease Measurement

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dear Director Sandoval & OCD,

I'm a mineral owner and I received notification from Chevron on **10/4/21** that they would be filing an application for Commingling & Off-Lease Measurement. It's my understanding that I have 20 days to submit my objection in writing.

I searched and found that the application was already approved on **3/02/21**, order **PLC-711**. I'd like to bring this to the attention of the OCD as the injured party. I would have objected had I known about the plans. Commingling does not allow mineral holders such as myself the ability to review production data. My rights were infringed upon by not having the opportunity to object prior to the order being issued.

Please review the attached exhibits.

Sincerely,

Koray Cagliergin

**From:** [Koray Cagliergin](#)  
**To:** [Engineer, OCD, EMNRD](#)  
**Subject:** Re: FW: [EXTERNAL] Objection to Commingling & Off-Lease Measurement  
**Date:** Monday, January 10, 2022 1:18:42 PM  
**Attachments:** [image001.png](#)

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Good afternoon,

Chevron did reach out to me and we were able to resolve the issue. I would like to withdraw my protest. Thank you.

On Mon, Oct 18, 2021 at 1:30 PM Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)> wrote:

Hello Koray,

You are correct that PLC-711 has already been approved; it appears that Chevron had attempted to provide you with notification of the application for it in October of 2020 via certified mail with the tracking number 7019 1640 0001 2270 9238. However, it also appears that you had not received that notice and as such Chevron opted to provide notification via publication in a newspaper.

The notice which you received 10/4/2021 appears to be an application to amend PLC-711 to include additional wells as the document you had sent to us includes a few more wells than what is currently approved within PLC-711. However, Chevron has not submitted this application to the Division yet. Once submitted, it will need to go to public hearing unless your concerns are addressed and you wish to withdraw your protest at which time the application will be reviewed administratively. Notice of the public hearing, if conducted, will need to be provided to you.

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department

(505) 469-8211

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**From:** Koray Cagliergin <[kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)>  
**Sent:** Friday, October 15, 2021 3:51 PM  
**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>  
**Cc:** Hawkins, James , EMNRD <[James.Hawkins@state.nm.us](mailto:James.Hawkins@state.nm.us)>

**Subject:** Re: FW: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

Hi Dean,

Thanks for your email. The wells I own interest in are the CB Cal 25 36 State Com. I pulled the below image from the case file. Would it still be considered an amendment? It seems that the order was already approved.

**From:** [Engineer, OCD, FMNRD](#)  
**To:** [McConnell, Kayla](#)  
**Cc:** [McClure, Dean, FMNRD](#); [Bratcher, Mike, FMNRD](#); [lisa@nwbvram.com](mailto:lisa@nwbvram.com); [Holm, Anchor E.](#); [Dawson, Scott](#)  
**Subject:** Approved Administrative Order PLC-711  
**Date:** Tuesday, March 2, 2021 3:32:55 PM  
**Attachments:** [PLC711 Order.pdf](#)

NMOCD has issued Administrative Order PLC-711 which authorizes Chevron USA, Inc. (4323) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPM)	Pool Code
30-015-46926	CB BERU 23 14 Fee 06 #301H	P-23-23S-28E	15011
30-015-46927	CB BERU 23 14 Fee 06 #302H	P-23-23S-28E	15011
30-015-46928	CB BERU 23 14 Fee 06 #401H	P-23-23S-28E	98220
30-015-46929	CB BERU 23 14 Fee 06 #402H	P-23-23S-28E	98220
30-015-46930	CB BERU 23 14 Fee 06 #403H	P-23-23S-28E	98220
30-015-46634	CB CAL 25 36 State Com 08 #302H	D-25-23S-28E	15011
30-015-46635	CB CAL 25 36 State Com 08 #303H	D-25-23S-28E	15011
30-015-46631	CB CAL 25 36 State Com 08 #401H	D-25-23S-28E	98220
30-015-46632	CB CAL 25 36 State Com 08 #402H	D-25-23S-28E	98220
30-015-46636	CB CAL 25 36 State Com 08 #403H	D-25-23S-28E	98220

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

Hopefully, we could get this sorted out. Thanks!

On Fri, Oct 15, 2021 at 2:27 PM Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)> wrote:

Mr. Cagliergin,

The Division has received your protest seen below. Please note that it appears the application which you received notification of is likely an application to amend Order PLC-711; however, this application has not been submitted to the Division at this time.

Chevron has been notified of your protest.

If you have any questions, please feel free to reach out to me via email at [Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us) or via phone at (505)469-8211.

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department

(505) 469-8211

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**From:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>

**Sent:** Thursday, October 14, 2021 10:48 AM

**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>

**Subject:** Fw: [EXTERNAL] Objection to Commingling & Off-Lease Measurement

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**From:** Koray Cagliergin <[kcagliergin@gmail.com](mailto:kcagliergin@gmail.com)>

**Sent:** Tuesday, October 12, 2021 11:13 AM

**To:** Hearings, OCD, EMNRD <[OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)>

**Subject:** [EXTERNAL] Objection to Commingling & Off-Lease Measurement

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dear Director Sandoval & OCD,

I'm a mineral owner and I received notification from Chevron on **10/4/21** that they would be filing an application for Commingling & Off-Lease Measurement. It's my understanding that I have 20 days to submit my objection in writing.

I searched and found that the application was already approved on **3/02/21**, order **PLC-711**. I'd like to bring this to the attention of the OCD as the injured party. I would have objected had I known about the plans. Commingling does not allow mineral holders such as myself the ability to review production data. My rights were infringed upon by not having the opportunity to object prior to the order being issued.

Please review the attached exhibits.

Sincerely,

Koray Cagliergin

**From:** [Herrera-Murillo, Cindy O](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Subject:** RE: [EXTERNAL] RE: surface commingling application PLC-711-A  
**Date:** Tuesday, April 5, 2022 8:03:21 AM  
**Attachments:** [DPU CB Mothma 23 14 FEE 10.pdf](#)  
[DPU CB Tano 25 36 FEE 11 Wolfcamp.pdf](#)  
[DPU CB CAL 25 36 State Comm 08 Wolfcamp.pdf](#)  
[DPU CB CAL 25 36 State Comm 08 W2 W2 Bone Spring.pdf](#)

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*Dean,*

*Please see information below regarding the Surface Commingling application for the CB CTB 23*

The 2 NMSLO CAs were proposed prior to the issuance of Order PLC-711; I am not seeing them in the system yet. Please provide me a status update regarding these CAs. Only CB Cal (Pkg. 8) should require a CAs since it includes State Lands. These CAs (one Wolfcamp and two Bone Spring) have been submitted to partners for signing (copies attached). CB Beru (Pkg. 6) only requires a Pooling Agreements (one wolfcamp and two bone springs) since it's all private lands (copies attached).

A proposed pooling agreement for the pooled area 6 was included with the application packet for PLC-711; has this agreement now been executed? Yes, and submitted for filing (CB Beru Pkg 6. copy attached).

Please confirm that the pooled areas 10 and 11 either have a pooling agreement, proposed pooling agreement, or are within a singular lease and a pooling agreement is unneeded. Pooling agreements have been executed and will be submitted for filing (CB Mothma Pkg. 10 and CB Tano Pkg. 11 copies attached).

Please note that all DPUs and Comms provided include the Force Pool order attached as an exhibit.

If you have additional questions, please give me a call.

*Thanks,*



*Cindy Herrera-Murillo*

Senior HSE Regulatory Affairs Coordinator  
1616 W. Bender Blvd  
Hobbs, NM 88240  
575-263-0431  
[Cherreramurillo@chevron.com](mailto:Cherreramurillo@chevron.com)

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**From:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Sent:** Tuesday, February 22, 2022 4:06 PM  
**To:** Herrera-Murillo, Cindy O <CHerreraMurillo@chevron.com>  
**Subject:** [\*\*EXTERNAL\*\*] RE: [EXTERNAL] RE: surface commingling application PLC-711-A

Cindy,

I have some questions regarding the pooled or proposed to be pooled areas included in this application.

The 2 NMSLO CAs were proposed prior to the issuance of Order PLC-711; I am not seeing them in the system yet. Please provide me a status update regarding these CAs.

A proposed pooling agreement for the pooled area 6 was included with the application packet for PLC-711; has this agreement now been executed?

Please confirm that the pooled areas 10 and 11 either have a pooling agreement, proposed pooling agreement, or are within a singular lease and a pooling agreement is unneeded.

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring NMSLO	W/2	25-23S-28E		A
	W/2	36-23S-28E		
CA Wolfcamp NMSLO	W/2	25-23S-28E		B
	W/2	36-23S-28E		
Pooled Area 6	SE/4	14-23S-28E		C
	E/2	23-23S-28E		
Pooled Area 10	W/2	14-23S-28E		D
	W/2	23-23S-28E		
Pooled Area 11	E/2	26-23S-28E		E
	E/2	35-23S-28E		

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

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**From:** Herrera-Murillo, Cindy O <[CHerreraMurillo@chevron.com](mailto:CHerreraMurillo@chevron.com)>  
**Sent:** Tuesday, February 15, 2022 12:50 PM  
**To:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Subject:** RE: [EXTERNAL] RE: surface commingling application PLC-711-A

*Dean,*

*In response to the information requested for the above surface commingling:*

The additional wells are:

Well Name	API
CB Mothma 23 14 FEE 10 401H	30015483500000
CB Mothma 23 14 FEE 10 402H	30015483490000
CB Tano 26 35 FEE 11 401H	30015473780000
CB Tano 26 35 FEE 11 402H	30015473800000
CB Tano 26 35 FEE 11 403H	30015473810000

Average BTU value from Third Bone Spring (TBS) is 1389 BTU/ft<sup>3</sup>.

*Thanks,*



*Cindy Herrera-Murillo*

Senior HSE Regulatory Affairs Coordinator  
1616 W. Bender Blvd  
Hobbs, NM 88240  
575-263-0431  
[Cherreramurillo@chevron.com](mailto:Cherreramurillo@chevron.com)

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**From:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Sent:** Monday, February 14, 2022 3:41 PM  
**To:** Herrera-Murillo, Cindy O <[CHerreraMurillo@chevron.com](mailto:CHerreraMurillo@chevron.com)>  
**Subject:** [**\*\*EXTERNAL\*\***] RE: [EXTERNAL] RE: surface commingling application PLC-711-A

Cindy,

The attached well list seems to only include the wells being commingled currently. Please update the list to include the proposed additional wells to be included in the project.

What is the average BTU value for the gas produced from the bone spring pool? Presumably it has been provided in the past for the original application, but please provide it again regardless.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

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**From:** Herrera-Murillo, Cindy O <[CHerreraMurillo@chevron.com](mailto:CHerreraMurillo@chevron.com)>  
**Sent:** Monday, February 14, 2022 12:03 PM  
**To:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Subject:** [EXTERNAL] RE: surface commingling application PLC-711-A  
**Importance:** High

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

*Dean,*

*Please find attached a copy of requested information for the CB CTB 23 surface commingle. Please see BTU information below:*

- BTU value of 1330 for Wolfcamp A (WCA).
- APIs are as per screenshot below.

<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>(A) POOL COMMINGLING</b> Please attach sheets with the following information		
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production
Bone Spring - (15011)	44 API	Gravity of commingled production: 45
Wolfcamp (Gas) - (98220)	45 API	

*If you need any additional information, please let me know.*

*Thanks,*



*Cindy Herrera-Murillo*

Senior HSE Regulatory Affairs Coordinator

1616 W. Bender Blvd

Hobbs, NM 88240

575-263-0431

[Cherreramurillo@chevron.com](mailto:Cherreramurillo@chevron.com)

**From:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>

**Sent:** Tuesday, February 1, 2022 4:23 PM

**To:** Herrera-Murillo, Cindy O <[CHerreraMurillo@chevron.com](mailto:CHerreraMurillo@chevron.com)>

**Subject:** [\*\*EXTERNAL\*\*] surface commingling application PLC-711-A

Ms. Herrera-Murillo,

I am reviewing surface commingling application PLC-711-A which involves the Culebra Bluff Sec 23 CTB operated by Chevron USA, Inc. (4323).

Please provide the following:

- A list of noticed interest owners including the certified tracking numbers associated with providing them notification of this application.
- A lease map which depicts the wells and facilities.
- BTU values for the gas from the pools in this area.
- A list of the wells to be included including API numbers.

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department

(505) 469-8211

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY CHEVRON USA, INC.**

**ORDER NO. PLC-711-A**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. Chevron USA, Inc. (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
7. Applicant in the notice for the Application stated that it sought authorization to add additional pools, leases, and wells and identified the parameters to make such additions.
8. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
9. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying

the acreage of each lease to be consolidated into a single pooled area ("Pooled Area"), as described in Exhibit B.

### **CONCLUSIONS OF LAW**

10. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
12. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
13. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
14. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
15. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
16. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery described in Exhibit A.

2. This Order supersedes Order PLC-711.
3. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If

Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingle application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingle application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

4. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
5. The allocation of oil and gas production shall be based on the production life of each well as measured for three periods: (a) the initial production period shall be measured from the first production until the earlier of either the peak production rate or thirty (30) days after the first production; (b) the plateau period shall be measured from the end of the initial production period to the peak decline rate; and (c) the decline period shall be measured from the end of the plateau period until the well is plugged and abandoned.

During the initial production period, the oil and gas production for each well identified in Exhibit A shall be allocated using a production curve calculated from a minimum of ten (10) well tests per month, except that any day in which a well test cannot achieve an accurate result due to a temporary change in oil and gas production shall not be included in the computation of time determining the well test schedule. The production curve shall be calculated by interpolating daily production for each day using the known daily production obtained by well tests and shall use a method of interpolation that is at minimum as accurate

as maintaining a constant rate of change for each day's production between the known daily production values.

During the plateau period, the oil and gas production for each well identified in Exhibit A shall be allocated using a minimum of three (3) well tests per month.

During the decline period, the oil and gas production for each well identified in Exhibit A shall be allocated as follows: (a) a minimum of three (3) well tests per month when the decline rate is greater than twenty-two percent (22%) per month; (b) a minimum of two (2) well tests per month when the decline rate is between twenty-two percent (22%) and ten percent (10%) per month; and (c) a minimum of one (1) well test per month when the decline rate is less than ten percent (10%) per month.

Upon OCD's request, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that contains the decline rate curve and other relevant information demonstrating the production life of a well.

Applicant shall conduct a well test by separating and metering the oil and gas production from that well for either (a) a minimum of twenty-four (24) consecutive hours; or (b) a combination of nonconsecutive periods that meet the following conditions: (i) each period shall be a minimum of six (6) hours; and (ii) the total duration of the nonconsecutive periods shall be a minimum of eighteen (18) hours.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than fifteen (15) days until the well commences production.

6. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
7. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
9. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

10. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
11. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well and proposed method to determine the allocation of oil and gas production to it.
12. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
13. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
14. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

  
\_\_\_\_\_  
**ADRIENNE E. SANDOVAL  
DIRECTOR**

**DATE:** 4/22/2022

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: PLC-711-A  
Operator: Chevron USA, Inc. (4323)  
Central Tank Battery: Culebra Bluff Sec 23 Central Tank Battery  
Central Tank Battery Location: S/2 SE/4, Section 23, Township 23 South, Range 28 East  
Central Tank Battery: Culebra Bluff 26 Compressor Station  
Central Tank Battery Location: Unit G, Section 26, Township 23 South, Range 28 East  
Gas Title Transfer Meter Location: Unit G, Section 26, Township 23 South, Range 28 East

### Pools

Pool Name	Pool Code
CULEBRA BLUFF; BONE SPRING, SOUTH	15011
PURPLE SAGE; WOLFCAMP (GAS)	98220

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
Fee Wolfcamp Pooled Area 6	SE/4	14-23S-28E
	E/2	23-23S-28E
Fee Bone Spring Pooled Area 6A	W/2 SE/4	14-23S-28E
	W/2 E/2	23-23S-28E
Fee Bone Spring Pooled Area 6B	E/2 SE/4	14-23S-28E
	E/2 E/2	23-23S-28E
Fee Pooled Area 10	W/2	14-23S-28E
	W/2	23-23S-28E
Fee Pooled Area 11	E/2	26-23S-28E
	E/2	35-23S-28E
LO 53640005	W/2 W/2	36-23S-28E
Fee	NW/4 NW/4	25-23S-28E
Fee	SW/4 NW/4	25-23S-28E
Fee	NW/4 SW/4	25-23S-28E
Fee	N/2 SW/4 SW/4	25-23S-28E
Fee	S/2 SW/4 SW/4	25-23S-28E
LO 53640005	E/2 W/2	36-23S-28E
Fee	N/2 NE/4 NW/4, N/2 S/2 NE/4 NW/4	25-23S-28E
Fee	N/2 SE/4 NW/4, S/2 S/2 NE/4 NW/4	25-23S-28E
Fee	E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4	25-23S-28E
Fee	SE/4 SE/4 NW/4	25-23S-28E
Fee	W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4	25-23S-28E
Fee	E/2 NE/4 NE/4 SW/4	25-23S-28E

		Fee	W/2 SE/4 SW/4	25-23S-28E
<b>Wells</b>				
Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-46926	CB BERU 23 14 Fee 06 #301H	W/2 SE/4 W/2 E/2	14-23S-28E 23-23S-28E	15011
30-015-46927	CB BERU 23 14 Fee 06 #302H	E/2 SE/4 E/2 E/2	14-23S-28E 23-23S-28E	15011
30-015-46928	CB BERU 23 14 Fee 06 #401H	SE/4 E/2	14-23S-28E 23-23S-28E	98220
30-015-46929	CB BERU 23 14 Fee 06 #402H	SE/4 E/2	14-23S-28E 23-23S-28E	98220
30-015-46930	CB BERU 23 14 Fee 06 #403H	SE/4 E/2	14-23S-28E 23-23S-28E	98220
30-015-46634	CB CAL 25 36 State Com 08 #302H	W/2 W/2 W/2 W/2	25-23S-28E 36-23S-28E	15011
30-015-46635	CB CAL 25 36 State Com 08 #303H	E/2 W/2 E/2 W/2	25-23S-28E 36-23S-28E	15011
30-015-46631	CB CAL 25 36 State Com 08 #401H	W/2 W/2	25-23S-28E 36-23S-28E	98220
30-015-46632	CB CAL 25 36 State Com 08 #402H	W/2 W/2	25-23S-28E 36-23S-28E	98220
30-015-46636	CB CAL 25 36 State Com 08 #403H	W/2 W/2	25-23S-28E 36-23S-28E	98220
30-015-48350	CB Mothma 23 14 Fee 10 #401H	W/2 W/2	14-23S-28E 23-23S-28E	98220
30-015-48349	CB Mothma 23 14 Fee 10 #402H	W/2 W/2	14-23S-28E 23-23S-28E	98220
30-015-47378	CB Tano 26 35 Fee 11 #401H	E/2 E/2	26-23S-28E 35-23S-28E	98220
30-015-47380	CB Tano 26 35 Fee 11 #402H	E/2 E/2	26-23S-28E 35-23S-28E	98220
30-015-47381	CB Tano 26 35 Fee 11 #403H	E/2 E/2	26-23S-28E 35-23S-28E	98220

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit B

Order: PLC-711-A  
Operator: Chevron USA, Inc. (4323)

### Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring NMSLO	W/2 W/2	25-23S-28E	320	A
	W/2 W/2	36-23S-28E		
CA Bone Spring NMSLO	E/2 W/2	25-23S-28E	320	B
	E/2 W/2	36-23S-28E		
CA Wolfcamp NMSLO	W/2	25-23S-28E	640	C
	W/2	36-23S-28E		

### Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
LO 53640005	W/2 W/2	36-23S-28E	160	A
Fee	NW/4 NW/4	25-23S-28E	40	A
Fee	SW/4 NW/4	25-23S-28E	40	A
Fee	NW/4 SW/4	25-23S-28E	40	A
Fee	N/2 SW/4 SW/4	25-23S-28E	20	A
Fee	S/2 SW/4 SW/4	25-23S-28E	20	A
LO 53640005	E/2 W/2	36-23S-28E	160	B
Fee	N/2 NE/4 NW/4, N/2 S/2 NE/4 NW/4	25-23S-28E	30	B
Fee	N/2 SE/4 NW/4, S/2 S/2 NE/4 NW/4	25-23S-28E	30	B
Fee	E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4	25-23S-28E	35	B
Fee	SE/4 SE/4 NW/4	25-23S-28E	10	B
Fee	W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4	25-23S-28E	30	B
Fee	E/2 NE/4 NE/4 SW/4	25-23S-28E	5	B
Fee	W/2 SE/4 SW/4	25-23S-28E	20	B
LO 53640005	W/2 W/2	36-23S-28E	160	C
Fee	NW/4 NW/4	25-23S-28E	40	C
Fee	SW/4 NW/4	25-23S-28E	40	C
Fee	NW/4 SW/4	25-23S-28E	40	C
Fee	N/2 SW/4 SW/4	25-23S-28E	20	C
Fee	S/2 SW/4 SW/4	25-23S-28E	20	C
LO 53640005	E/2 W/2	36-23S-28E	160	C
Fee	N/2 NE/4 NW/4, N/2 S/2 NE/4 NW/4	25-23S-28E	30	C

Fee	N/2 SE/4 NW/4, S/2 S/2 NE/4 NW/4	25-23S-28E	30	C
Fee	E/2 SE/4 SW/4, E/2 SE/4 NE/4 SW/4, SW/4 SE/4 NW/4	25-23S-28E	35	C
Fee	SE/4 SE/4 NW/4	25-23S-28E	10	C
Fee	W/2 NE/4 SW/4, W/2 E/2 NE/4 SW/4	25-23S-28E	30	C
Fee	E/2 NE/4 NE/4 SW/4	25-23S-28E	5	C
Fee	W/2 SE/4 SW/4	25-23S-28E	20	C

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

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

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 51663

**CONDITIONS**

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 51663
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

**CONDITIONS**

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	4/25/2022