

Santa Fe Main Office
Phone: (505) 476-3441
General Information
Phone: (505) 629-6116

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

Online Phone Directory Visit:
<https://www.enmrld.nm.gov/ocd/contact-us/>

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: Pride Energy Company
OPERATOR ADDRESS: P.O. Box 701950, Tulsa, OK 74170-1950
APPLICATION TYPE:

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

LEASE TYPE: ☐ Fee ☒ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
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
Tonto; Bone Spring					

- (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: Matthew L. Pride TITLE: General Partner DATE: 12/27/24
TYPE OR PRINT NAME Matthew L. Pride TELEPHONE NO.: (918) 524-9200
E-MAIL ADDRESS: mattp@pride-energy.com

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

December 27, 2024

Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Via UPS, Overnight Delivery

ATTN: Dean McClure

RE: Application of Pride Energy Company to authorize lease commingling at the Tonto 16-21 Fed Com CTB located in the NW/4 SE/4 (Unit J) of Section 21, Township 19 South, Range 33 East, NMPM, Eddy County, New Mexico

Dear Mr. McClure,

Pride Energy Company (OGRID No. 151323) seeks administrative approval for lease commingling, pursuant to 19.15.12.7 NMAC, at the Tonto 16-21 Fed Com CTB of production from the Tonto; Bone Spring (Pool Code 59475) pool from *all existing and future wells drilled in the following spacing units:*

(a) The 240.0-acre, more or less, spacing unit in the Bone Spring formation (Tonto; Bone Spring (Pool Code 59475)) underlies the W/2 E/2 of Section 16 and the W/2 NE/4 of Section 21-T19S-R33E. The spacing unit is currently dedicated to the Tonto 16-21 Fed Com #201H (API No. 30-025-53220);

(b) The 240.0-acre, more or less, spacing unit in the Bone Spring formation (Tonto; Bone Spring (Pool Code 59475)) underlies the E/2 E/2 of Section 16 and the E/2 NE/4 of Section 21-T19S-R33E. The spacing unit is currently dedicated to the Tonto 16-21 Fed Com #202H (API No. 30-025-53221);

(c) Pursuant to 19.15.12.10.C(4)(g), *future spacing units connected to this central tank battery* with notice provided only to the interest owners within these future spacing units.

Oil and gas production from these spacing units will be commingled and sold at the Tonto 16-21 Fed Com Central Tank Battery (CTB) located in the NW/4 SE/4 (Unit J) of Section 21-T19S-R33E. Prior to commingling, gas production from each spacing unit will be separately metered using individual test separators with calibrated orifice meters that are manufactured to AGA specifications. Oil production from each spacing unit will also be separately metered using coriolis meters.

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Exhibit 1 is a land plat showing Pride's current development plan, flow lines, and central tank battery ("production facility") in the subject area. The plat identifies the wellbores, the existing spacing units, and the common surface facilities located in the NW/4 SE/4 (Unit J) of Section 21-T19S-R33E.

Exhibit 2 is a C-102 for each of the wells currently permitted and drilled within the existing spacing units. Neither of these wells are currently producing and there are no six-month production reports. Note: While the Tonto 16-21 Fed Com #201H (API No. 30-025-53220) was permitted as the Bushwood 21/16 B2GB Fed Com 1H by Mewbourne Oil Company, Mewbourne assigned the Permit to Drill to Pride Energy Company and the well name was changed to the Tonto 16-21 Fed Com #201H. While the Tonto 16-21 Fed Com #202H (API No. 30-025-53221) was permitted as the Bushwood 21/16 B2HA Fed Com 1H by Mewbourne Oil Company, Mewbourne assigned the Permit to Drill to Pride Energy Company and the well name has been changed to the Tonto 16-21 Fed Com #202H.

Exhibit 3 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Kyle Young, Production Engineer with Pride, identifying the facilities and the measurement devices to be utilized and a detailed schematic of the surface facilities (attachment A to the statement).

Exhibit 4 is a list of the interest owners (including any owners of a royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the Bureau of Land Management since federal lands are involved.

Exhibit 5 are waivers that have been signed by all of the Working Interest (Operating Rights) Owners that own within each of the spacing units described in (a) and (b) above.

Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,
Pride Energy Company

Matthew L. Pride

Matthew L. Pride

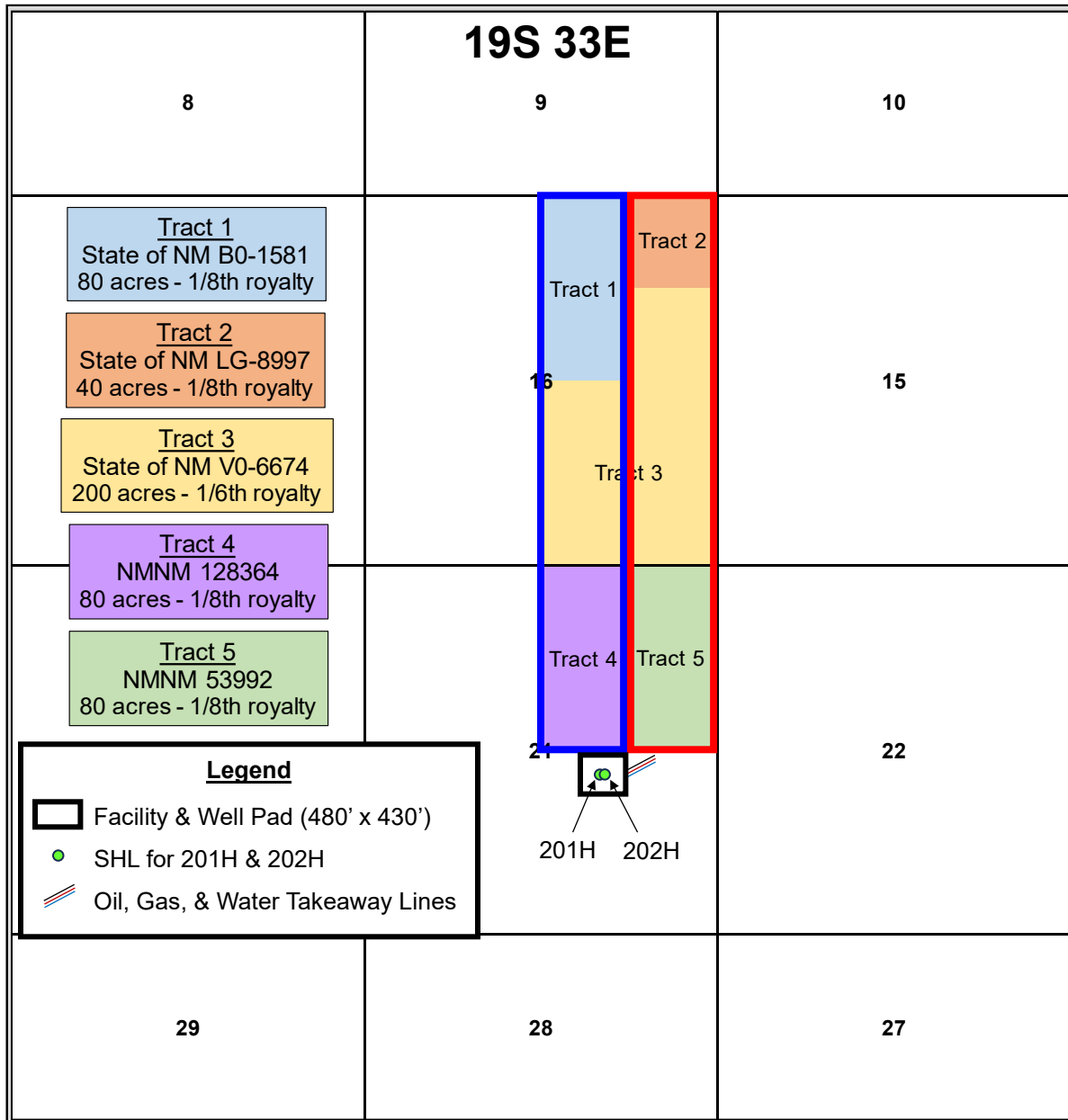
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Exhibit 1**Land Plat**Tonto 16-21 Fed Com CTB

Application for Surface Commingling (Diverse Ownership)

E2 of Section 16 & the NE/4 of Section 21
 Township 19 South, Range 33 East, NMPM,
 Lea County, New Mexico

Bone Spring Development;
 Tonto; Bone Spring Pool (Pool Code: 59475)
 Wells: Tonto 16-21 Fed Com #201H & 202H



 = Tonto 16-21 Fed Com #201H (API No. 30-025-53220) 240-Acre Proration Unit

 = Tonto 16-21 Fed Com #202H (API No. 30-025-53221) 240-Acre Proration Unit

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

December 27, 2024

Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

ATTN: Dean McClure

RE: **Application of Pride Energy Company for administrative approval to surface commingle (lease commingle) production from the spacing units comprising the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico**

Dear Mr. McClure,

Pride Energy Company ("Pride"), OGRID: 151323, requests to surface commingle oil and gas production from two (2) distinct wells located on the Lands, and future production from the Lands as described herein. All wells will be metered through individual three-phase separators with an oil coriolis meter and gas orifice meter. The gas comingling will occur after individual measurement at each well. Gas exiting each separator flows into one gathering line, as depicted on **Exhibit A**. Each well on the Lands will have its own three-phase separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

The orifice meter is the preferred measurement device utilized by midstream and E&P companies in natural gas measurement. The gas samples are obtained at the time of the meter testing/calibration and the composition and heating value are determined by a laboratory in accordance with American Petroleum Institute (API) specifications to ensure accurate volume and Energy (MMBTU) determinations.

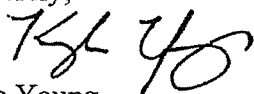
The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. This PFD shows that the water, oil, and gas exit the wellbore and flows into a vertical two-phase separator which separates the oil and water from the vast majority of the gas. The oil, water and any gas which was not separated then flows to the 3-phase horizontal separator. The oil is measured via a coriolis meter which is calibrated periodically in accordance with industry specifications by a third-party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum Association (API) Chapter 21.1. The gas is then sent into a gathering line where it is

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commingled with each of the two wells' metered gas, as shown on **Exhibit A**. The gathering line gas is then metered by another orifice meter at the tank battery check to show the total volume of gas leaving the Tank Battery. This meter is tested and calibrated in accordance with industry specifications and volume and energy are determined on an hourly, daily, and monthly basis. Once the gas exits this final tank battery sales check it travels directly into a Pride Energy natural gas pipeline which will transport the gas to a third party (DKL Delaware Operating NM, LLC) sales connect meter. DKL Delaware Operating NM, LLC has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

In conclusion, all oil and gas produced on the Lands will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Sincerely,

A handwritten signature in black ink, appearing to read 'KYL YOUNG', written over the printed name.

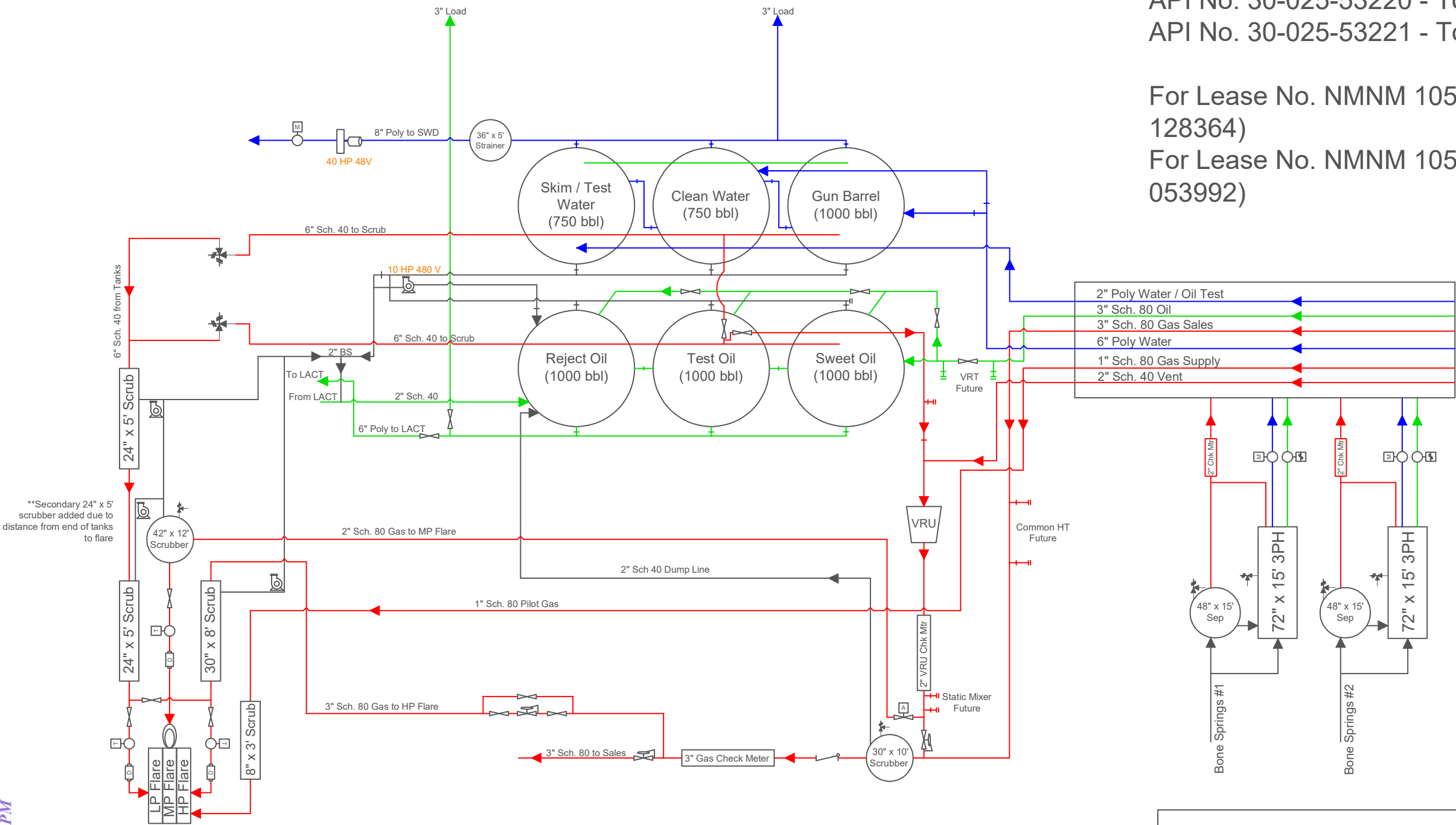
Kyle Young
Production Engineer


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NOTE: PSVs are plumbed to the reject tank

Facility Diagram for the following wells:
API No. 30-025-53220 - Tonto 16-21 State Fed Com 201H
API No. 30-025-53221 - Tonto 16-21 State Fed Com 202H

For Lease No. NMNM 105373692 (Legacy No. NMNM 128364)
For Lease No. NMNM 105507513 (Legacy No. NMNM 053992)





BASIN
ENGINEERING

Designed by Basin Engineering for Pride Energy

V3

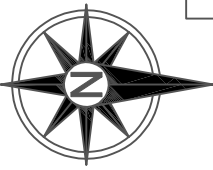
SITE

Tonto State
S21 T19S R33E
Lea County, NM

PEAK FACILITY RATING

CONTAINMENT DIMENSIONS

180' x 75'



LEGEND

- Oil (Green line)
- Gas (Red line)
- Water (Blue line)
- Detonation Arrestor (Symbol)
- Back Pressure Valve (Symbol)
- Motor Control Valve (Symbol)
- Coriolis (Symbol)
- Mag (Symbol)
- Thermal Mass (Symbol)
- Turbine (Symbol)
- PSV (Symbol)
- Vacuum / Pressure Relief valve (Symbol)

Revision History			
Revision No	Changes	Date	Eng
V1	Initial facility drawing	8/29/2024	MK
V2	Added future for VRU, static mixer, and common HT; Added MP flare and 48" x 12' sep; removed 24" x 5' second scrub on LP line; flipped load and BS lines; moved BS line to empty into GB	10/8/2024	MK
V3	Added second LP flare scrubber; Added scrubber pumps; Adjusted recirc line to dump in to reject oil tank	11/26/2024	MK

Notice to the Affected Parties
Proof of Mailing
December 17, 2024

Application for surface commingling (Diverse Ownership) by Pride Energy Company (E/2 of Section 16 & the NE/4 of Section 21-19S-33E, Lea County, NM).

<u>Name of Affected Party</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Return Receipt Number</u>
1. ZPZ Delaware I LLC	c/o Apache Corporation 2000 W. Sam Houston Pkwy. S., Ste. 200	Houston	TX	77042	9489 0090 0027 6610 1102 96
2. Maverick Oil & Gas Corporation	1001 West Wall St.	Midland	TX	75240	9489 0090 0027 6610 1100 43
3. MRC Delaware Resources, LLC	5400 LBJ Freeway, Ste. 1500	Dallas	TX	75240	9489 0090 0027 6610 1100 67
4. Yates Energy Corporation	P.O. Box 2323	Roswell	NM	88202	9489 0090 0027 6610 1100 50
5. Avant Operating, LLC	1515 Wynkoop Street 700	Denver	CO	80202	9489 0090 0027 6610 1100 74
6. Double Cabin Minerals, LLC	1515 Wynkoop Street 700	Denver	CO	80202	9489 0090 0027 6610 1100 74
7. Legion Production Partners, LLC	1515 Wynkoop Street 700	Denver	CO	80202	9489 0090 0027 6610 1100 74
8. NexGen Capital Resources LLC	c/o Ridge Runner Resources II, LLC 20405 State Highway 249, Ste. 820	Houston	TX	77070	9489 0090 0027 6610 1100 98
9. XTO Holdings LLC	22777 Springwoods Village Pkwy.	Spring	TX	77389-1425	9489 0090 0027 6610 1100 81
10. Earthstone Operating Permian Resources	300 N. Marienfeld St.	Midland	TX	79701	9489 0090 0027 6609 6250 15
11. Mewbourne Oil Company	500 W. Texas Ave.	Midland	TX	79701	9489 0090 0027 6609 6250 53
12. Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220-6292	9489 0090 0027 6609 6250 60
13. New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501	9489 0090 0027 6609 6250 77

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

December 27, 2024

Interest Owners

Sent Via
Certified Mail, Return Receipt Requested

RE: Central Tank Battery (Tonto 16-21 Fed Com CTB)
Location of Central Tank Battery: NW/4 SE/4 of Section 21, T19S-R33E
Lease: ST NM BO-1581, ST NM LG-8997, ST NM VO-6674,
BLM Lease: NMNM 128364, BLM Lease: NMNM 53992
Pool: Tonto; Bone Spring Pool (Pool Code: 59475)
County: Lea County, New Mexico

To whom it may concern:

This is to advise you that Pride Energy Company is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery for the below mentioned wells.

Well Name	API
Tonto 16-21 Fed Com #201H	30-025-53220
Tonto 16-21 Fed Com #202H	30-025-53221

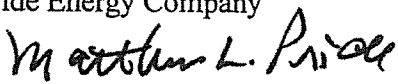
A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe, New Mexico.

Please contact the undersigned at (918) 524-9200 should you have any questions or need anything further.

Sincerely,
Pride Energy Company


Matthew L. Pride

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Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land").

Well Names: Tonto 16-21 Fed Com #201H
 (Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
 API#: 30-025-53220
 W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
 and
 Tonto 16-21 Fed Com #202H
 (Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
 API#: 30-025-53221
 E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

ZPZ DELAWARE I, LLC

X

By: Justin R. Matthews *BTF per*
 Title: Attorney in Fact
 Date: 12.3.24
 Address: 2000 W Sam Houston Pkwy S. Suite 200
Houston, TX 77047

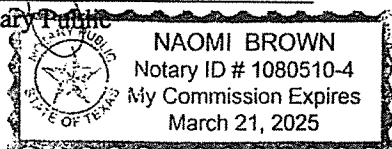
Acknowledgement

THE STATE OF TEXAS

THE COUNTY OF HARRIS

The foregoing instrument was acknowledged before me by Justin R. Matthews, as Attorney in Fact of ZPZ Delaware I, LLC. Given under by Hand and Seal of Office this 3 day of December, 2024.

Notary Public



My Commission Expires: 3-21-2025
 Seal:

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Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land").

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(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
API#: 30-025-53220
W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
and
Tonto 16-21 Fed Com #202H
(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
API#: 30-025-53221
E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

MAVERICK OIL & GAS CORPORATION

X
By: Benjamin K. Kimbrough
Title: Owner
Date: 12/5/2024
Address: 1001 W Wall St.
Midland TX 79707

Acknowledgement

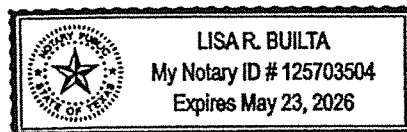
THE STATE OF TEXAS

THE COUNTY OF Midland

The foregoing instrument was acknowledged before me by Benjamin K. Kimbrough, as Owner of Maverick Oil & Gas Corporation. Given under by Hand and Seal of Office this 5th day of December, 2024.

Lisa R. Bulta
Notary Public

My Commission Expires: May 23, 2026
Seal:



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Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H
 (Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
 API#: 30-025-53220
 W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
 and
 Tonto 16-21 Fed Com #202H
 (Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
 API#: 30-025-53221
 E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

YATES ENERGY CORPORATION

X
 By: Fred G. Yates
 Title: President
 Date: 11-27-24
 Address: PO Box 2323
Roswell NM 88202

Acknowledgement

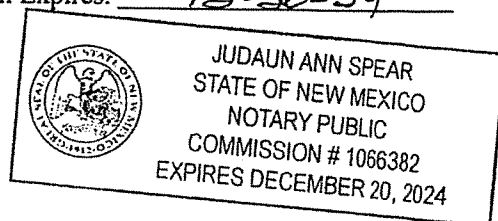
THE STATE OF NEW MEXICO

THE COUNTY OF Chaves

The foregoing instrument was acknowledged before me by Fred G. Yates, as President of Yates Energy Corp Given under by Hand and Seal of Office this 27th day of November, 2024.

Judaun Ann Spear
 Notary Public

My Commission Expires: 12-20-24
 Seal:



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Waiver

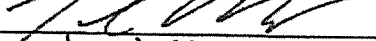
November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

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(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
API#: 30-025-53220
W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
and
Tonto 16-21 Fed Com #202H
(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
API#: 30-025-53221
E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

AVANT OPERATING, LLC

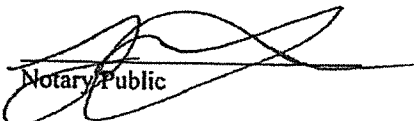
X 
By: Jacob Nagy
Title: Co-CEO
Date: 12/11/2024
Address: 1515 Wynkoop St, Ste 700
Denver, CO 80202

Acknowledgement

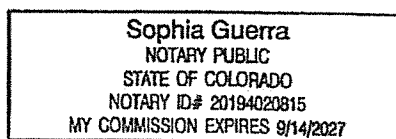
THE STATE OF COLORADO

THE COUNTY OF Denver

The foregoing instrument was acknowledged before me by Jacob Nagy as Co-CEO of Avant Operating, LLC Given under by Hand and Seal of Office this 11th day of December, 2024.


Notary Public

My Commission Expires: 9/14/27
Seal:



mp18908.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H
 (Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
 API#: 30-025-53220
 W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
 and
 Tonto 16-21 Fed Com #202H
 (Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
 API#: 30-025-53221
 E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

DOUBLE CABIN MINERALS, LLC

X [Signature]
 By: Jacob Nagy
 Title: Manager
 Date: 12/11/2024
 Address: 1515 Wynkoop St., Ste 700
Denver, CO 80202

Acknowledgement

THE STATE OF COLORADO

THE COUNTY OF Denver

The foregoing instrument was acknowledged before me by Jacob Nagy, as Manager of Double Cabin, Given under by Hand and Seal of Office this 11th day of December, 2024. Minerals, LLC

[Signature]
 Notary Public

My Commission Expires: 9/14/27
 Seal:

Sophia Guerra
 NOTARY PUBLIC
 STATE OF COLORADO
 NOTARY ID# 20194020815
 MY COMMISSION EXPIRES 9/14/2027

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Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

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 (Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
 API#: 30-025-53220
 W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
 and
 Tonto 16-21 Fed Com #202H
 (Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
 API#: 30-025-53221
 E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

LEGION PRODUCTION PARTNERS, LLC

X [Signature]
 By: Jacob Nagy
 Title: Manager
 Date: 12/11/2024
 Address: 1515 Wynkoop St, Ste 700
Denver, CO 80202

Acknowledgement

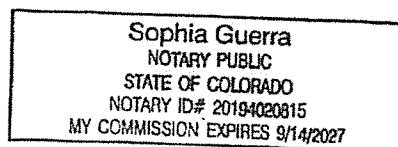
THE STATE OF COLORADO

THE COUNTY OF Denver

The foregoing instrument was acknowledged before me by Jacob Nagy as Manager of Legion Production Partners, LLC. Given under by Hand and Seal of Office this 11th day of December, 2024.

[Signature]
 Notary Public

My Commission Expires: 9/14/27
 Seal:



mpl8910.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H
(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
API#: 30-025-53220
W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
and
Tonto 16-21 Fed Com #202H
(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
API#: 30-025-53221
E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

NEXGEN CAPITAL RESOURCES LLC

X [Signature]
By: Brian Cassens
Title: CO-CEO
Date: 12/10/24
Address: 20105 Stark Hwy 249 Ste. 820
Harshen, TX 77070

Acknowledgement

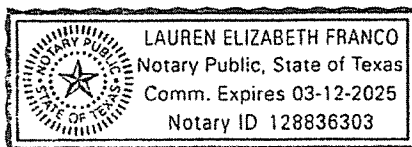
THE STATE OF TEXAS

THE COUNTY OF HarriB

The foregoing instrument was acknowledged before me by Brian Cassens, as CO-CEO of NexGen Capital. Given under by Hand and Seal of Office this 10 day of December, 2024.

[Signature]
Notary Public

My Commission Expires: March 12, 2025
Seal:



mp18911.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H
(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
API#: 30-025-53220
W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
and
Tonto 16-21 Fed Com #202H
(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
API#: 30-025-53221
E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

XTO HOLDINGS, LLC

X Jarod M. Rolland
By: _____
Title: _____
Date: _____ Jarod M. Rolland
Address: _____ Commercial and Land Manager
Agent and Attorney-in-Fact

Acknowledgement

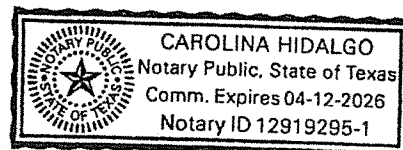
THE STATE OF TEXAS

THE COUNTY OF Harris

The foregoing instrument was acknowledged before me by Jarod M. Rolland as Commercial & Land Manager of XTO Holdings, LLC Given under by Hand and Seal of Office this 5th day of December 2024.

Carolina Hidalgo
Notary Public

My Commission Expires: 04-12-2026
Seal:



mp18912.sw

Tracking Number:

9489009000276609625060



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Your item was delivered to an individual at the address at 3:02 pm on January 2, 2025 in CARLSBAD, NM 88220.

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January 2, 2025, 3:02 pm

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SANTA FE, NM 87501

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1625 N. French Dr., Hobbs, NM 88240
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DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

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

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

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-53220	Pool Code 59475	Pool Name TONTO; BONE SPRING
Property Code	Property Name TONTO 16-21 FED COM	Well Number 201H
OGRID No. 151323	Operator Name PRIDE ENERGY COMPANY	Elevation 3622'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	21	19-S	33-E		2412	SOUTH	1625	EAST	LEA

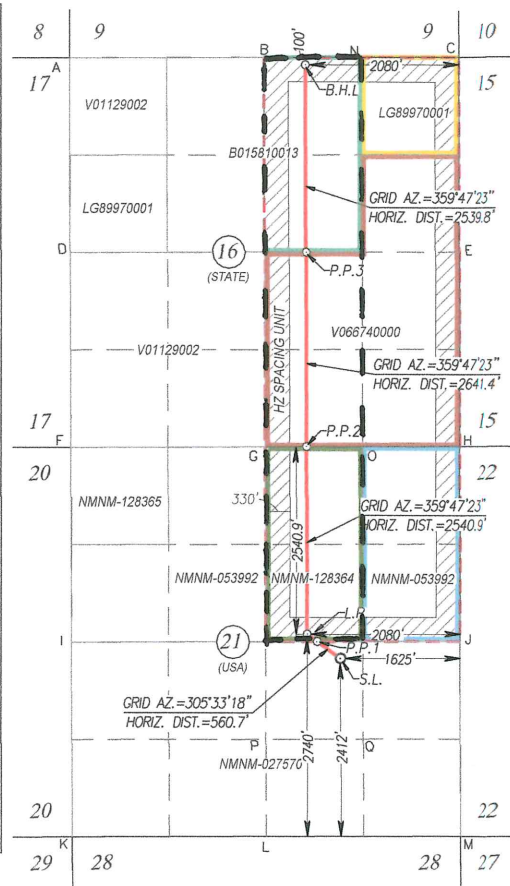
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	19-S	33-E		100	NORTH	2080	EAST	LEA
Dedicated Acres 240.00	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SCALE: 1"=2000'

BOTTOM HOLE LOCATION NAD 27 NME Y=607057.5 N X=705444.8 E LAT.=32.667126° N LONG.=103.665724° W PENETRATION POINT 3 NAD 27 NME Y= 604518.3 N X= 705454.0 E LAT.=32.660146° N LONG.=103.665746° W PENETRATION POINT 2 NAD 27 NME Y= 601877.6 N X= 705463.6 E LAT.=32.652888° N LONG.=103.665769° W LANDING POINT NAD 27 NME Y= 599337.3 N X= 705472.9 E LAT.=32.645905° N LONG.=103.665791° W PENETRATION POINT 1 NAD 27 NME Y= 599238.6 N X= 705611.0 E LAT.=32.645632° N LONG.=103.665344° W GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y= 599011.4 N X= 705928.9 E LAT.=32.645001° N LONG.=103.664316° W	100' FNL-SEC. 16 2080' FEL-SEC. 16 2640.0' FNL-SEC. 16 2080.1' FEL-SEC. 16 2080.4' FEL SEC. 21 & 16 2740' FSL-SEC. 21 2080' FEL-SEC. 21 2640.2' FNL-SEC. 21 1942.3' FEL-SEC. 21 2412' FSL-SEC. 21 1625' FEL-SEC. 21	BOTTOM HOLE LOCATION NAD 83 NME Y=607120.8 N X=746624.4 E LAT.=32.667248° N LONG.=103.666222° W PENETRATION POINT 3 NAD 83 NME Y= 604581.6 N X= 746633.8 E LAT.=32.660268° N LONG.=103.666243° W PENETRATION POINT 2 NAD 83 NME Y= 601940.7 N X= 746643.4 E LAT.=32.653010° N LONG.=103.666266° W LANDING POINT NAD 83 NME Y= 599400.4 N X= 746652.8 E LAT.=32.646027° N LONG.=103.666287° W PENETRATION POINT 1 NAD 83 NME Y= 599301.7 N X= 746790.9 E LAT.=32.645754° N LONG.=103.665841° W GEODETIC COORDINATES NAD 83 NME SURFACE LOCATION Y= 599074.4 N X= 747108.8 E LAT.=32.645123° N LONG.=103.664812° W
--	--	--



OPERATOR CERTIFICATION

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

Signature: *John Pride* Date: *1/14/25*
 Printed Name: **John Pride**
 E-mail Address: **johnp@pride-energy.com**

CORNER COORDINATES TABLE

NAD 27 NME
 A - Y= 607146.3 N, X= 702245.6 E
 B - Y= 607155.3 N, X= 704881.3 E
 C - Y= 607165.3 N, X= 707523.9 E
 D - Y= 604505.6 N, X= 702250.7 E
 E - Y= 604526.6 N, X= 707534.0 E
 F - Y= 601864.4 N, X= 702261.2 E
 G - Y= 601875.0 N, X= 704903.1 E
 H - Y= 601886.9 N, X= 707543.3 E
 I - Y= 599224.3 N, X= 702271.0 E
 J - Y= 599247.0 N, X= 707552.8 E
 K - Y= 596584.0 N, X= 702281.0 E
 L - Y= 596595.6 N, X= 704920.7 E
 M - Y= 596607.0 N, X= 707562.2 E
 N - Y= 607160.3 N, X= 706202.6 E
 O - Y= 601881.0 N, X= 706223.2 E
 P - Y= 597915.6 N, X= 704916.3 E
 Q - Y= 597921.3 N, X= 706236.9 E

CORNER COORDINATES TABLE

NAD 83 NME
 A - Y= 607209.5 N, X= 743425.2 E
 B - Y= 607218.6 N, X= 746061.0 E
 C - Y= 607228.6 N, X= 748703.6 E
 D - Y= 604568.7 N, X= 743430.4 E
 E - Y= 604589.9 N, X= 748713.7 E
 F - Y= 601927.5 N, X= 743441.0 E
 G - Y= 601938.2 N, X= 746082.9 E
 H - Y= 601950.1 N, X= 748723.2 E
 I - Y= 599287.3 N, X= 743450.9 E
 J - Y= 599310.1 N, X= 748732.7 E
 K - Y= 596647.0 N, X= 743460.9 E
 L - Y= 596658.6 N, X= 746100.6 E
 M - Y= 596670.0 N, X= 748742.2 E
 N - Y= 607223.6 N, X= 747382.3 E
 O - Y= 601944.2 N, X= 747403.0 E
 P - Y= 597978.6 N, X= 746096.2 E
 Q - Y= 597984.3 N, X= 747416.8 E

SURVEYOR CERTIFICATION

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

DATE: **FEBRUARY 06 2024**
 Date of Survey: **12641**
 Signature: *Gary G. Eidson* Seal of Professional Surveyor
 Certificate Number: **Gary G. Eidson 12641**
 ACK REL. W.O.:24110035 JWSC W.O.:24.13.0056

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-53221	Pool Code 59475	Pool Name TONTO; BONE SPRING
Property Code	Property Name TONTO 16-21 FED COM	Well Number 202H
OGRID No. 151323	Operator Name PRIDE ENERGY COMPANY	Elevation 3623'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	21	19-S	33-E		2412	SOUTH	1605	EAST	LEA

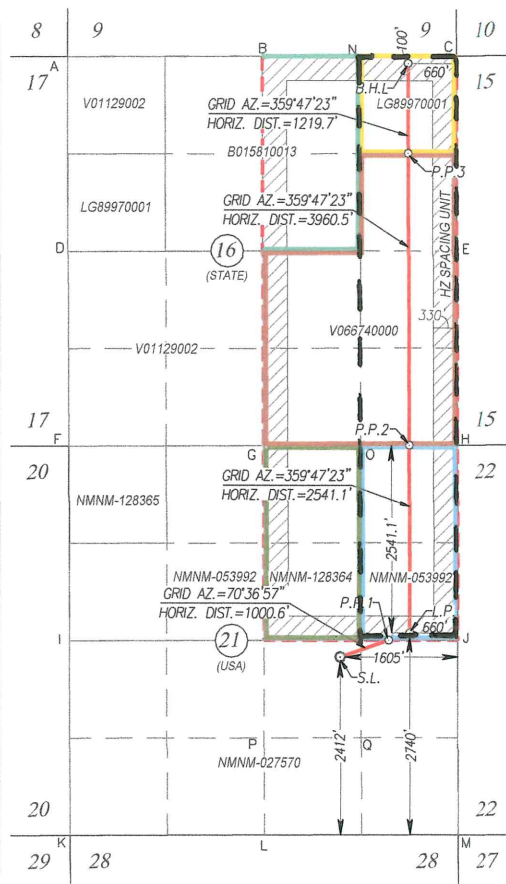
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	16	19-S	33-E		100	NORTH	660	EAST	LEA
Dedicated Acres 240.00	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SCALE: 1"=2000'

BOTTOM HOLE LOCATION NAD 27 NME Y=607062.8 N X=706864.5 E LAT.=32.667116" N LONG.=103.661111" W	100' FNL-SEC. 16 660' FEL-SEC. 16	BOTTOM HOLE LOCATION NAD 83 NME Y=607126.2 N X=748044.1 E LAT.=32.667238" N LONG.=103.661609" W
PENETRATION POINT 3 NAD 27 NME Y= 605843.5 N X= 706868.9 E LAT.=32.663764" N LONG.=103.661122" W	1319.7' FNL-SEC. 16 660.1' FEL-SEC. 16	PENETRATION POINT 3 NAD 83 NME Y= 605906.7 N X= 748048.6 E LAT.=32.663886" N LONG.=103.661619" W
PENETRATION POINT 2 NAD 27 NME Y= 601884.0 N X= 706883.3 E LAT.=32.652881" N LONG.=103.661156" W	660.2' FEL SEC. 21 & 16	PENETRATION POINT 2 NAD 83 NME Y= 601947.1 N X= 748063.1 E LAT.=32.653003" N LONG.=103.661653" W
LANDING POINT NAD 27 NME Y= 599343.5 N X= 706892.6 E LAT.=32.645897" N LONG.=103.661179" W	2740' FSL-SEC. 21 660' FEL-SEC. 21	LANDING POINT NAD 83 NME Y= 599406.6 N X= 748072.4 E LAT.=32.646020" N LONG.=103.661675" W
PENETRATION POINT 1 NAD 27 NME Y= 599242.9 N X= 706606.7 E LAT.=32.645626" N LONG.=103.662109" W	2640.6' FSL-SEC. 21 946.2' FEL-SEC. 21	PENETRATION POINT 1 NAD 83 NME Y= 599306.0 N X= 747786.6 E LAT.=32.645748" N LONG.=103.662606" W
GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y= 599011.5 N X= 705948.9 E LAT.=32.645001" N LONG.=103.664251" W	2412' FSL-SEC. 21 1605' FEL-SEC. 21	GEODETIC COORDINATES NAD 83 NME SURFACE LOCATION Y= 599074.5 N X= 747128.8 E LAT.=32.645123" N LONG.=103.664747" W



OPERATOR CERTIFICATION

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

Signature: John Pride
Date: 1/14/25
Printed Name: John Pride
E-mail Address: johnp@pride-energy.com

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N - Y= 607160.6 N, X= 706202.3 E
O - Y= 601881.0 N, X= 706223.2 E
P - Y= 597915.6 N, X= 704916.3 E
Q - Y= 597921.3 N, X= 706236.9 E

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E - Y= 604589.9 N, X= 748713.7 E
F - Y= 601927.5 N, X= 743441.0 E
G - Y= 601938.2 N, X= 746082.9 E
H - Y= 601950.1 N, X= 748723.2 E
I - Y= 599287.3 N, X= 743450.9 E
J - Y= 599310.1 N, X= 748732.7 E
K - Y= 596647.0 N, X= 743460.9 E
L - Y= 596658.6 N, X= 746100.6 E
M - Y= 596670.0 N, X= 748742.2 E
N - Y= 607223.6 N, X= 747382.3 E
O - Y= 601944.2 N, X= 747403.0 E
P - Y= 597978.6 N, X= 746096.2 E
Q - Y= 597984.3 N, X= 747416.8 E

SURVEYOR CERTIFICATION

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

Date of Survey: 02/22/2024
Signature & Seal of Professional Surveyor: Gary G. Eidson
Certificate Number: 12641
ACK REL. W.O.: 24110037 JWSC W.O.: 24.13.0055

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
PRIDE ENERGY COMPANY**

**CASE NO. 23327
ORDER NO. R-23130**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on February 15, 2024, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Pride Energy Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. 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. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. 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.
21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
23. 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").
24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

CASE NO. 23327
ORDER NO. R-23130


Page 2 of 7

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."

25. 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.
26. 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.
27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to 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.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 30 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
32. 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.
33. 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.
34. 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.*
35. 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.
36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M FUGE
DIRECTOR (ACTING)
DMF/hat

Date: 3/27/2024

CASE NO. 23327
ORDER NO. R-23130

Page 4 of 7

Exhibit A

COMPULSORY POOLING	
APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case:	23327
Date	February 15, 2024
Applicant	Pride Energy Company
Designated Operator & OGRID (affiliation if applicable)	151323
Applicant's Counsel:	Montomery & Andrews, P.A. (Sharon T. Shaheen and Samantha H. Catalano)
Case Title:	Amended Application of Pride Energy Company for Compulsory Pooling, Lea County New Mexico
Entries of Appearance/Intervenor:	Earthstone, Mewbourne, Yates, Jalapeno, MRC, and XTO
Well Family	Tonto 16-21
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Tonto; Bone Spring [59475]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	South-North
Description: TRS/County	W/2 E/2 of Section 16 and the W/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
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	Tract 1: 0%; Tract 2: 100%; Tract 3: 0%

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Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Tonto 16-21 Fed Com #201H, API 30-025-PENDING, SHL: 2412' FSL and 1625' FEL of Section 21, T19S-R33E, BHL: 100' FNL and 1980' FEL of Section 16, T19S-R33E, Completion Target: Second Bone Spring at approximately 10,056' Well Orientation: South to North, Completion location expected to be standard
Horizontal Well First and Last Take Points	FTP: 2740' FSL and 1980' FEL of Section 21, T19S-R33E, LTP: 100' FNL and 1980' FEL of Section 16, T19S-R33E
Completion Target (Formation, TVD and MD)	Second Bone Spring - TVD (10,056'), MD (17,876')
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000; see Exhibit A, ¶ 20
Production Supervision/Month \$	\$800; see Exhibit A, ¶ 20
Justification for Supervision Costs	Please see AFE at Exhibit A-7
Requested Risk Charge	200%; see Exhibit A, ¶ 21
Notice of Hearing	
Proposed Notice of Hearing	Submitted with online filing of application
Proof of Mailed Notice of Hearing (20 days before hearing)	See Exhibit C; see also Exhibit A-8
Proof of Published Notice of Hearing (10 days before hearing)	See Exhibit C
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	See Exhibits A-2 and A-3
Tract List (including lease numbers and owners)	See Exhibit A-2; Exhibit A-4 at page 2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	See Exhibits A-2 and A-4; see also Exhibit A, ¶ 14
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5

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<i>Received by OCD: 2/13/2024 11:49:55 AM</i> Overhead Rates in Proposal Letter	N/A
Cost Estimate to Drill and Complete	See AFE at Exhibit A-7
Cost Estimate to Equip Well	See AFE at Exhibit A-7
Cost Estimate for Production Facilities	See AFE at Exhibit A-7
Geology	
Summary (including special considerations)	See Exhibit B, ¶¶ 5-13; see Exhibits B-1 through B-7
Spacing Unit Schematic	See Exhibits B-5 and B-6
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-8
Well Orientation (with rationale)	Exhibit B, ¶ 13(d)
Target Formation	Exhibits B-2 and B-7
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-6
Tracts	Exhibits A-2 and A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibits A-1 and B-1
Well Bore Location Map	Exhibits B-5 and B-6; see Exhibit A-6
Structure Contour Map - Subsea Depth	Exhibits B-3 and B-5
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen
Signed Name (Attorney or Party Representative):	Sharon T. Shaheen
Date:	8-Feb-24

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
PRIDE ENERGY COMPANY**

**CASE NO. 23328
ORDER NO. R-23131**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on February 15, 2024, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Pride Energy Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. 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. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. 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.
21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
23. 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").
24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

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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."

25. 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.
26. 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.
27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to 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.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 30 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
32. 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.
33. 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.
34. 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.*
35. 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.
36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M. FUGE
DIRECTOR (ACTING)
DMF/hat

Date: 3/27/2024

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Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case:	23328
Date	February 15, 2024
Applicant	Pride Energy Company
Designated Operator & OGRID (affiliation if applicable)	151323
Applicant's Counsel:	Montomery & Andrews, P.A. (Sharon T. Shaheen and Samantha H. Catalano)
Case Title:	Amended Application of Pride Energy Company for Compulsory Pooling, Lea County New Mexico
Entries of Appearance/Intervenor:	Earthstone, Mewbourne, Yates, Jalapeno, MRC, and XTO
Well Family	Tonto 16-21
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Tonto; Bone Spring [59475]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	South-North
Description: TRS/County	E/2 E/2 of Section 16, and the E/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), if No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
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	Tract 1: 0%; Tract 2: 100%; Tract 3: 0%

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Received by OCD: 2/8/2024 4:52:21 PM	
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Tonto 16-21 Fed Com #202H, API 30-025-PENDING, SHL: 2412' FSL and 1605' FEL of Section 21, T19S-R33E, BHL: 100' FNL and 660' FEL of Section 16, T19S-R33E, Completion Target: Second Bone Spring at approximately 10,056' Well Orientation: South to North, Completion location expected to be standard
Horizontal Well First and Last Take Points	FTP: 2740' FSL and 660' FEL of Section 21, T19S-R33E, LTP: 100' FNL and 660' FEL of Section 16, T19S-R33E
Completion Target (Formation, TVD and MD)	Second Bone Spring - TVD (10,056'), MD (17,876')
APE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000; see Exhibit A, ¶ 20
Production Supervision/Month \$	\$800; see Exhibit A, ¶ 20
Justification for Supervision Costs	See AFE at Exhibit A-7
Requested Risk Charge	200%; see Exhibit A, ¶ 21
Notice of Hearing	
Proposed Notice of Hearing	Submitted with online filing of application
Proof of Mailed Notice of Hearing (20 days before hearing)	See Exhibit C; see also Exhibit A-8
Proof of Published Notice of Hearing (10 days before hearing)	See Exhibit C
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	See Exhibits A-2 and A-3
Tract List (including lease numbers and owners)	See Exhibit A-2; Exhibit A-4 at page 2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements	N/A
Pooled Parties (including ownership type)	See Exhibits A-2 and A-4; see also Exhibit A, ¶ 14
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5

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<i>Received by OCD: 2/8/2024 4:52:21 PM</i> Overhead Rates in Proposal Letter	N/A
Cost Estimate to Drill and Complete	See AFE at Exhibit A-7
Cost Estimate to Equip Well	See AFE at Exhibit A-7
Cost Estimate for Production Facilities	See AFE at Exhibit A-7
Geology	
Summary (including special considerations)	See Exhibit B, ¶¶ 5-13; see Exhibits B-1 through B-7
Spacing Unit Schematic	See Exhibits B-5 and B-6
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-8
Well Orientation (with rationale)	Exhibit B, ¶ 13(d)
Target Formation	Exhibits B-2 and B-7
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-6
Tracts	Exhibits A-2 and A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibits A-1 and B-1
Well Bore Location Map	Exhibits B-5 and B-6; see Exhibit A-6
Structure Contour Map - Subsea Depth	Exhibits B-3 and B-5
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen
Signed Name (Attorney or Party Representative):	Sharon T. Shaheen
Date:	8-Feb-24

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April 24, 2024

VIA EMAIL AND FEDEX: MATTP@PRIDE-ENERGY.COM

Pride Energy Company
Attn: Matt Pride
4641 E. 91st Street
Tulsa, Ok 74137

RE: Tonto 16-21 State Fed Com 201H Well Proposal
W2E2 Section 16 and W2NE 21, T19S-R33E
Lea County, New Mexico

Dear Mr. Pride:

Pursuant to your proposal letter dated March 29, 2024, that certain New Mexico Oil Conservation Division Compulsory Pooling Order R-23130, ZPZ Delaware I, LLC ("ZPZ") hereby elects to participate in the referenced well. A check for participating in the referenced well in the amount of \$175,284.65 based on ZPZ Delaware I, LLC's estimated well cost share will be sent pursuant to paragraph 24 of the referenced Pooling Order. Also included is Apache's well requirements sheet.

Should you have any questions, please contact the undersigned at blake.johnson@apachecorp.com or (281)302-2606.

Sincerely,

APACHE CORPORATION

A handwritten signature in blue ink, appearing to read "B. Johnson", is written over the printed name.

Blake Johnson
Senior Landman

Enclosures


Non-Operator hereby elects to:

☒ Participate in the drilling and completion of the Tonto 16-21 Fed Com #201H well.

☐ Not Participate (non-consent) in the drilling and completion of the Tonto 16-21 Fed Com #201H well.

AGREED TO THIS 24 DAY OF April, 2024 by:

ZPZ Delaware I, LLC
Apache Corporation
c/o Apache Corporation


Signature

Blake Johnson
Printed Name

Landman
Title

Blake.Johnson@apachecorp.com
E-mail Address

281-302-2606
Phone Number

Fax Number

Participate / Rejection Declaration


Please return this page to Pride Energy Company (“Pride”) by the date specified in the attached letter from Pride dated March 29, 2024, signed indicating your election to either participate in or reject insurance coverage for the drilling and completion of the subject well. If you reject the insurance coverage arranged by Pride, then to the extent that Pride has an obligation to secure any such insurance on your behalf under any applicable agreements or otherwise, Pride will be relieved of such obligation, and Pride will assume that you maintain appropriate levels of insurance and you will provide a current Certificate of Insurance to Pride upon request by Pride. If you fail to make an election to be covered in the insurance described herein within 30 days from receipt of this notice, you will be deemed a participant in the insurance coverage as detailed on the attached and billed for your percentage participation as such.

_____ I hereby elect to participate in the insurance coverage arranged by Pride Energy Company, for the drilling and completion of the Tonto 16-21 Fed Com #201H well and understand that I will be charged for such participation.

☒ I hereby elect to reject the insurance coverage arranged by Pride Energy Company, for the drilling and completion of the Tonto 16-21 Fed Com #201H well.

AGREED TO THIS 24 DAY OF April, 2024 by:

ZPZ Delaware I, LLC
Apache Corporation
c/o Apache Corporation



Signature

Blake Johnson

Printed Name

Landman

Title

AUTHORITY FOR EXPENDITURE
WELL COST ESTIMATE



		AFE # 378		Date 1/9/2024
WELL NAME & NUMBER Tonto 16-21 State Fed Com #201-H		PROPOSED DEPTH (ft) 17,876		PROSPECT Tonto-Bone Spring
OPERATOR Pride Energy Company		COUNTY OR PARISH Lea	STATE NM	LEGAL LOCATION (SEC / TOWNSHIP / RANGE) 19S-33E: Sec. 16 W2 E2 & Sec. 21 W2 NE
OBJECTIVE: Drill and Complete horizontal well to the 2nd Bone Spring Sand, TVD 10,056', TMD 17,876' estimated.				
REMARKS Surface Hole Location to be in the NW SE of Sec. 21-19S-33E Bottom Hole Location to be in the NW NE of Sec. 16-19S-33E				

INTANGIBLES	DRILLING	COMPLETION	TOTAL
	\$	\$	
Drilling Rig - 20 Days @ \$20,000/day	600,000.00	0.00	600,000.00
Drilling Mobilization - (200,000/2 wells)	100,000.00	0.00	100,000.00
Rig Fuel - 30 days at 1,500 gallons per day @ \$5.00/gallon	225,000.00	0.00	225,000.00
Drill Bits	90,000.00	0.00	90,000.00
Clean, Drift, Tally Casing	10,000.00	0.00	10,000.00
On-Site Consultants - 30 Days @ \$3,200/day - (2,900/day for on-site consultants and \$300/day for Supervisor)	96,000.00	0.00	96,000.00
Cellar, Conductor, and Mousehole	18,000.00	0.00	18,000.00
Directional Drilling	210,000.00	0.00	210,000.00
Solids Control - 30 Days @ \$1,800/day	54,000.00	0.00	54,000.00
Water @ \$0.75 per barrel	16,875.00	247,500.00	264,375.00
Water Transfer	5,000.00	26,250.00	31,250.00
Casing Crew	8,000.00	14,250.00	22,250.00
Cement	39,000.00	51,000.00	90,000.00
Cellar Pumps to Drill Surface Hole	7,500.00	0.00	7,500.00
Centralizers and Float Equipment	3,665.00	20,148.00	23,813.00
Frac Plugs - 30 @ 550	0.00	16,500.00	16,500.00
Casing Thread Representative	0.00	5,000.00	5,000.00
Location	100,000.00	0.00	100,000.00
Solids Haul Off and Disposal	24,000.00	0.00	24,000.00
Liquids Haul Off and Disposal	128,070.00	0.00	128,070.00
Drilling Instrumentation	11,250.00	0.00	11,250.00
Drill Pipe Inspection	15,000.00	0.00	15,000.00
Miscellaneous Equipment Rental (Portable Toilets, Forklift, etc.)	5,000.00	5,000.00	10,000.00
Frac Tanks	5,000.00	5,000.00	10,000.00
Mudlogging & Geosteering - 14 days @ \$1,600 + Rig Up and Rig Down	23,400.00	0.00	23,400.00
H2S Monitoring - \$100/day at 30 days	3,000.00	0.00	3,000.00
Hydraulic Choke with Panel - \$150/day at 30 days	4,500.00	0.00	4,500.00
Drilling Mud	90,000.00	0.00	90,000.00
BOP Services	11,000.00	0.00	11,000.00
Rotating Head	2,500.00	0.00	2,500.00
Shaker Screens	7,500.00	0.00	7,500.00
Toe Sleeve	0.00	5,000.00	5,000.00
Housing, Water System, Intercoms, etc.	19,500.00	12,000.00	31,500.00
Welding	4,250.00	0.00	4,250.00
Frac	0.00	2,100,000.00	2,100,000.00
Fuel for Frac and Frac Fueling System	0.00	475,000.00	475,000.00
Consultants for Frac and Drill Out - \$3,000/day for 12 days	0.00	36,000.00	36,000.00
Wireline Perforating	0.00	120,000.00	120,000.00
Toe Prep Work	0.00	50,000.00	50,000.00
Workover Rig, etc. for Drill Out	0.00	180,000.00	180,000.00
Flowback Equipment	0.00	25,000.00	25,000.00
Consultants for Flowback	0.00	28,500.00	28,500.00
Frac Stack	0.00	65,000.00	65,000.00
Crane	0.00	30,000.00	30,000.00
Flowback Water From Frac	0.00	330,000.00	330,000.00
Trucking	15,000.00	15,000.00	30,000.00
Contingency at 10%	195,201.00	386,214.80	581,415.80
TOTAL INTAGIBLES	\$ 2,147,211.00	\$ 4,248,362.80	\$ 6,395,573.80

TANGIBLES							DRILLING	COMPLETION	TOTAL
CASING	FOOTAGE	SIZE	WIEGHT	GRADE	THREAD	CROST/FT	\$	\$	
Surface Casing	1,500	13.375	54.5	J-55	BTC	84.40	126,607.00	0.00	126,607.00
Intermediate Casing	3,300	9.625	40	J-55	LTC	60.74	200,442.00	0.00	200,442.00
Production Casing	17,876	5.5	20	HCP-110	GBCD	43.89	0.00	784,577.64	784,577.64
Tubing	10,200	2.875	6.5	L-80	8rd	15	0.00	153,000.00	153,000.00
Wellhead							17,000.00	20,000.00	37,000.00
Gas Pipeline Installation							0.00	33,000.00	33,000.00
Tank Battery							0.00	500,000.00	500,000.00
Contingency at 10%							34,404.90	149,057.76	183,462.66
									-
									-
									-
									-
TOTAL INTANGIBLES							\$ 378,453.90	\$ 1,639,635.40	\$ 2,018,089.30

TOTAL WELL COSTS		DRILLING	COMPLETION	TOTAL
		\$ 2,525,664.90	\$ 5,887,998.20	\$ 8,413,663.10

Approval:

PRIDE ENERGY COMPANY,
AN OKLAHOMA GENERAL PARTNERSHIP
TAX ID: 73-1420240

X

By: Pride Oil & Gas Co., Inc.
Title: General Partner
By: John W. Pride
Title: President
P.O. Box 701950
Tulsa, OK 74170-1950
E-mail: johnp@pride-energy.com
Phone # (918) 524-9200
Fax # (918) 524-9292

Date: 1/9/2024

8/8ths AFE Amount	WI Decimal	Working Interest Owner's Proportionate Costs
\$ 8,413,663.10		
Approved By:		
Signature:		
Date: 1/24/24		

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well.

jp5738.15

WELL REQUIREMENTS

DRILLING & COMPLETION INFORMATION TO: ApacheUS.NonOpOperations@apachecorp.com

- 1 E-Mail Detailed Daily Drilling Report
- 1 E-Mail Daily Mud Reports
- 1 **Prior to Spud, E-Mail** Final AFE, Survey Plat, Regulatory Permit, Geological Prognosis, Drilling Program, and Directional Plan
- 1 E-Mail cased hole logs
- 1 E-Mail daily completion reports
- 1 E-Mail post job frac reports including individual stage summaries
- 1 E-Mail frac digit data files and tracer data
- 1 E-Mail DFIT test pump data and pressure gage data
- 1 E-Mail Workover reports

GEOLOGICAL INFORMATION TO: ApacheUS.NonOpOperations@apachecorp.com

- 1 E-Mail All Final Logs (not limited to, but including Mud Logs, MWD, LWD, and Wireline Logs) and Final Directional Surveys in all available formats
- 1 E-Mail Daily Mud Logs (LAS, PDF/TIFF); MWD Logs (LAS, PDF/TIFF), and Directional Surveys (Preferred XLS/XLXS/CSV)
- 1 E-Mail Core Analysis and Drill Stem Tests
- 1 E-Mail Borehole Geophysical Survey data
- 1 E-Mail Wellsite Geologist’s report
- 1 E-Mail Log in credentials and notifications for data portal
- 1 E-Mail Requests to coordinate large data (greater than 20 MB) upload through Apache Sharefile

DAILY PRODUCTION INFROMATION TO: ApacheUS.nonopdailyprod@apachecorp.com

- 1 E-Mail Notices & Reports to any governmental agency
- 1 E-Mail Plugging Report
- 1 E-Mail Monthly Production Report (if not furnished on State or Federal forms)
- 1 E-Mail Daily production: Production data includes, but is not limited to, the following information: flowback, choke size, casing/tubing pressure, flow rates, method of production (free flow, rod pump, etc.), with no limitation as to the time or date of production
- 1 E-Mail Workover reports
- 1 E-Mail Oil, gas, and water analysis
- 1 E-Mail Bottom hole pressure surveys
- 1 E-Mail As-drilled wellbore schematic

MONTHLY PRODUCTION INFORMATION TO: ApacheUS.nonopmonthlyprod@apachecorp.com

- 1 E-Mail Notices & Reports to any governmental agency
- 1 E-Mail Plugging Report
- 1 E-Mail Monthly Production Report (if not furnished on State or Federal forms)
- 1 E-Mail Daily production: Production data includes, but is not limited to, the following information: flowback, choke size, casing/tubing pressure, flow rates, method of production (free flow, rod pump, etc.), with no limitation as to the time or date of production
- 1 E-Mail Workover reports
- 1 E-Mail Oil, gas, and water analysis
- 1 E-Mail Bottom hole pressure surveys
- 1 E-Mail As-drilled wellbore schematic

NOTICE: Notice by email of any *coring, testing or logging*, please contact the following person(s):
Justin Wagner –Justin.Wagner@apachecorp.com; **Drew Chenoweth**–Drew.Chenoweth@apachecorp.com); Notice by email of any *plugging*, please contact the following person: **Guinn Burks** – Guinn.Burks@apachecorp.com

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

March 29, 2024

Sent Via Certified Mail,
Return Receipt #

ZPZ Delaware I, LLC
Apache Corporation
c/o Apache Corporation
2000 Post Oak Blvd., Suite 100
Houston, TX 77056-4400

9489 0090 0027 6610 1145 84

RE: Proposal to Drill:
Tonto 16-21 State Fed Com #201H
Section 16, Township 19 South, Range 33 East: W/2 E/2 and Section 21-19S-33E: W/2 NE/4
(No closer than 2,970' from the West line and 1,650' from the East line of Section 16 and
21-19S-33E, No closer than 100' from the South line of W/2 NE/4 of Section 21-19S-33E
and No closer than 100' from the North line of Section 16)
Lea County, New Mexico

Dear Owner,

Enclosed for your review, please find a copy of the State of New Mexico Oil Conservation Division Compulsory Pooling Order No. R-23130 (Case No. 23327), ("Pooling Order"), effective as of the date listed therein, encompassing the Tonto 16-21 State Fed Com #201H ("Well"). Pursuant to the Pooling Order, Pride Energy Company ("Pride") submits this letter to you seeking your election to participate in the subject Well.

Under Article 24 on pages 2 and 3 of the Pooling Order, you have thirty (30) days following your receipt of this letter to elect to participate and subsequently pay your proportionate share of the well costs or elect to not participate (go non-consent) in the subject Well and be considered a "Non-Consenting Pooled Working Interest Owner". After a preliminary review of title, Pride shows you own or may claim to own an interest in the subject Well referenced above.

Pride hereby proposes to drill the Tonto 16-21 State Fed Com #201H well, a horizontal well to be located in the W/2 E/2 of Section 16, Township 19 South, Range 33 East and W/2 NE/4 of Section 21-19S-33E, Lea County, New Mexico, to a depth sufficient to test the 2nd Bone Spring formation. This well will be drilled from a surface location in the NW/4 SE/4 of Section 21, Township 19 South, Range 33 East to a bottom-hole location in the NW/4 NE/4 of Section 16-19S-33E, with an estimated True Vertical Depth (TVD) of 10,056', and projected 7,820' horizontal lateral across the

W/2 E/2 of Section 16-19S-33E and the W/2 NE/4 of Section 21-19S-33E, approximately 17,876' Total Measured Depth (TMD). An Authority for Expenditure ("AFE") is attached for the subject Well.

Your interest may be subject to change based upon final verification of title. In the event you elect to participate in the subject Well, please indicate your election by signing and returning one copy of the enclosed ballot, AFE and insurance declaration to the undersigned, within thirty (30) days of your receipt of this correspondence that includes the Estimated Well Costs. In the event you elect to participate in the drilling and completion of the subject Well, please remit full payment of your proportionate share of the estimated drilling, completion and equipping costs as set out in the attached AFE for the subject Well within thirty (30) days following your thirty (30) day election period to participate in the subject Well. Failure to timely elect or remit payment will result in you being deemed non-consent.

This proposed location and target depths are subject to change depending on any surface or subsurface concerns. Also, the enclosed AFE represents the Estimated Well Costs that will be incurred to drill and complete the subject Well, but those electing to participate in the Well are responsible for their share of the Actual Well Costs incurred.

If you have any questions or concerns regarding this proposal, please feel free to contact me at (918) 524-9200 or via e-mail: mattp@pride-energy.com.

Pride Energy Company



Matthew L. Pride

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

March 29, 2024

Sent Via Certified Mail,
Return Receipt #
9489 0090 0027 6610 1057 97

XTO Holdings, LLC
XTO Energy, Inc.
Exxon Mobil Corporation
22777 Springwoods Village Pkwy.
Spring, TX 77389-1425



RE: Proposal to Drill:
Tonto 16-21 State Fed Com #202H
Section 16, Township 19 South, Range 33 East: E/2 E/2 and Section 21-19S-33E: E/2 NE/4
(No closer than 4,290' from the West line and 330' from the East line of Section 16 and
21-19S-33E, No closer than 100' from the South line of E/2 NE/4 of Section 21-19S-33E
and No closer than 100' from the North line of Section 16)
Lea County, New Mexico

Dear Owner,

Enclosed for your review, please find a copy of the State of New Mexico Oil Conservation Division Compulsory Pooling Order No. R-23131 (Case No. 23328), ("Pooling Order"), effective as of the date listed therein, encompassing the Tonto 16-21 State Fed Com #202H ("Well"). Pursuant to the Pooling Order, Pride Energy Company ("Pride") submits this letter to you seeking your election to participate in the subject Well.

Under Article 24 on pages 2 and 3 of the Pooling Order, you have thirty (30) days following your receipt of this letter to elect to participate and subsequently pay your proportionate share of the well costs or elect to not participate (go non-consent) in the subject Well and be considered a "Non-Consenting Pooled Working Interest Owner". After a preliminary review of title, Pride shows you own or may claim to own an interest in the subject Well referenced above.

Pride hereby proposes to drill the Tonto 16-21 State Fed Com #202H well, a horizontal well to be located in the E/2 E/2 of Section 16, Township 19 South, Range 33 East and E/2 NE/4 of Section 21-19S-33E, Lea County, New Mexico, to a depth sufficient to test the 2nd Bone Spring formation. This well will be drilled from a surface location in the NW/4 SE/4 of Section 21, Township 19 South, Range 33 East to a bottom-hole location in the NE/4 NE/4 of Section 16-19S-33E, with an estimated True Vertical Depth (TVD) of 10,056', and projected 7,820' horizontal lateral across the E/2 E/2 of Section 16-19S-33E and the E/2 NE/4 of Section 21-19S-33E, approximately 17,876'

Total Measured Depth (TMD). An Authority for Expenditure ("AFE") is attached for the subject Well.

Your interest may be subject to change based upon final verification of title. In the event you elect to participate in the subject Well, please indicate your election by signing and returning one copy of the enclosed ballot, AFE and insurance declaration to the undersigned, within thirty (30) days of your receipt of this correspondence that includes the Estimated Well Costs. In the event you elect to participate in the drilling and completion of the subject Well, please remit full payment of your proportionate share of the estimated drilling, completion and equipping costs as set out in the attached AFE for the subject Well within thirty (30) days following your thirty (30) day election period to participate in the subject Well. Failure to timely elect or remit payment will result in you being deemed non-consent.

This proposed location and target depths are subject to change depending on any surface or subsurface concerns. Also, the enclosed AFE represents the Estimated Well Costs that will be incurred to drill and complete the subject Well, but those electing to participate in the Well are responsible for their share of the Actual Well Costs incurred.

If you have any questions or concerns regarding this proposal, please feel free to contact me at (918) 524-9200 or via e-mail: mattp@pride-energy.com.

Pride Energy Company



Matthew L. Pride

Participate / Rejection Declaration

Please return this page to Pride Energy Company (“Pride”) by the date specified in the attached letter from Pride dated March 29, 2024, signed indicating your election to either participate in or reject insurance coverage for the drilling and completion of the subject well. If you reject the insurance coverage arranged by Pride, then to the extent that Pride has an obligation to secure any such insurance on your behalf under any applicable agreements or otherwise, Pride will be relieved of such obligation, and Pride will assume that you maintain appropriate levels of insurance and you will provide a current Certificate of Insurance to Pride upon request by Pride. If you fail to make an election to be covered in the insurance described herein within 30 days from receipt of this notice, you will be deemed a participant in the insurance coverage as detailed on the attached and billed for your percentage participation as such.

I hereby elect to participate in the insurance coverage arranged by Pride Energy Company, for the drilling and completion of the Tonto 16-21 Fed Com #202H well and understand that I will be charged for such participation.

X

I hereby elect to reject the insurance coverage arranged by Pride Energy Company, for the drilling and completion of the Tonto 16-21 Fed Com #202H well.

AGREED TO THIS 30 DAY OF April, 2024 by:

XTO Holdings, LLC
XTO Energy, Inc.
Exxon Mobil Corporation



Signature

Bryan Cifuentes

Printed Name

Commercial and Land Advisor

Title

AUTHORITY FOR EXPENDITURE
WELL COST ESTIMATE



		AFE # 379		Date 1/9/2024	
WELL NAME & NUMBER Tonto 16-21 State Fed Com #202-H		PROPOSED DEPTH (ft) 17,876		PROJECT	
OPERATOR Pride Energy Company		COUNTY OR PARISH Lea		STATE NM	
				LEGAL LOCATION (SEC / TOWNSHIP / RANGE) 19S-33E: Sec. 16 E2 E2 & Sec. 21 E2 NE	
OBJECTIVE: Drill and Complete horizontal well to the 2nd Bone Spring Sand, TVD 10,056', TMD 17,876' estimated.					
REMARKS Surface Hole Location to be in the NW SE of Sec. 21-19S-33E Bottom Hole Location to be in the NE NE of Sec. 16-19S-33E					

INTANGIBLES	DRILLING	COMPLETION	TOTAL
	\$	\$	
Drilling Rig - 20 Days @ \$20,000/day	600,000.00	0.00	600,000.00
Drilling Mobilization - (200,000/2 wells)	100,000.00	0.00	100,000.00
Rig Fuel - 30 days at 1,500 gallons per day @ \$5.00/gallon	225,000.00	0.00	225,000.00
Drill Bits	90,000.00	0.00	90,000.00
Clean, Drift, Tally Casing	10,000.00	0.00	10,000.00
On-Site Consultants - 30 Days @ \$3,200/day - (2,900/day for on-site consultants and \$300/day for Supervisor)	96,000.00	0.00	96,000.00
Cellar, Conductor, and Mousehole	18,000.00	0.00	18,000.00
Directional Drilling	210,000.00	0.00	210,000.00
Solids Control - 30 Days @ \$1,800/day	54,000.00	0.00	54,000.00
Water @ \$0.75 per barrel	16,875.00	247,500.00	264,375.00
Water Transfer	5,000.00	26,250.00	31,250.00
Casing Crew	8,000.00	14,250.00	22,250.00
Cement	39,000.00	51,000.00	90,000.00
Cellar Pumps to Drill Surface Hole	7,500.00	0.00	7,500.00
Centralizers and Float Equipment	3,665.00	20,148.00	23,813.00
Frac Plugs - 30 @ 550	0.00	16,500.00	16,500.00
Casing Thread Representative	0.00	5,000.00	5,000.00
Location	100,000.00	0.00	100,000.00
Solids Haul Off and Disposal	24,000.00	0.00	24,000.00
Liquids Haul Off and Disposal	128,070.00	0.00	128,070.00
Drilling Instrumentation	11,250.00	0.00	11,250.00
Drill Pipe Inspection	15,000.00	0.00	15,000.00
Miscellaneous Equipment Rental (Portable Toilets, Forklift, etc.)	5,000.00	5,000.00	10,000.00
Frac Tanks	5,000.00	5,000.00	10,000.00
Mudlogging & Geosteering - 14 days @ \$1,600 + Rig Up and Rig Down	23,400.00	0.00	23,400.00
H2S Monitoring - \$100/day at 30 days	3,000.00	0.00	3,000.00
Hydraulic Choke with Panel - \$150/day at 30 days	4,500.00	0.00	4,500.00
Drilling Mud	90,000.00	0.00	90,000.00
BOP Services	11,000.00	0.00	11,000.00
Rotating Head	2,500.00	0.00	2,500.00
Shaker Screens	7,500.00	0.00	7,500.00
Toe Sleeve	0.00	5,000.00	5,000.00
Housing, Water System, Intercoms, etc.	19,500.00	12,000.00	31,500.00
Welding	4,250.00	0.00	4,250.00
Frac	0.00	2,100,000.00	2,100,000.00
Fuel for Frac and Frac Fueling System	0.00	475,000.00	475,000.00
Consultants for Frac and Drill Out - \$3,000/day for 12 days	0.00	36,000.00	36,000.00
Wireline Perforating	0.00	120,000.00	120,000.00
Toe Prep Work	0.00	50,000.00	50,000.00
Workover Rig, etc. for Drill Out	0.00	180,000.00	180,000.00
Flowback Equipment	0.00	25,000.00	25,000.00
Consultants for Flowback	0.00	28,500.00	28,500.00
Frac Stack	0.00	65,000.00	65,000.00
Crane	0.00	30,000.00	30,000.00
Flowback Water From Frac	0.00	330,000.00	330,000.00
Trucking	15,000.00	15,000.00	30,000.00
Contingency at 10%	195,201.00	386,214.80	581,415.80
TOTAL INTAGIBLES	\$ 2,147,211.00	\$ 4,248,362.80	\$ 6,395,573.80

TANGIBLES							DRILLING	COMPLETION	TOTAL
CASING	FOOTAGE	SIZE	WIEGHT	GRADE	THREAD	CROST/FT	\$	\$	
Surface Casing	1,500	13.375	54.5	J-55	BTC	84.40	126,607.00	0.00	126,607.00
Intermediate Casing	3,300	9.625	40	J-55	LTC	60.74	200,442.00	0.00	200,442.00
Production Casing	17,876	5.5	20	HCP-110	GBCD	43.89	0.00	784,577.64	784,577.64
Tubing	10,200	2.875	6.5	L-80	8rd	15	0.00	153,000.00	153,000.00
Wellhead							17,000.00	20,000.00	37,000.00
Gas Pipeline Installation							0.00	33,000.00	33,000.00
Tank Battery							0.00	500,000.00	500,000.00
Contingency at 10%							34,404.90	149,057.76	183,462.66
									-
									-
									-
									-
TOTAL INTANGIBLES							\$ 378,453.90	\$ 1,639,635.40	\$ 2,018,089.30

TOTAL WELL COSTS		DRILLING	COMPLETION	TOTAL
		\$ 2,525,664.90	\$ 5,887,998.20	\$ 8,413,663.10

Approval:

PRIDE ENERGY COMPANY,
AN OKLAHOMA GENERAL PARTNERSHIP
TAX ID: 73-1420240

X

By: Pride Oil & Gas Co., Inc.
Title: General Partner
By: John W. Pride
Title: President
P.O. Box 701950
Tulsa, OK 74170-1950
E-mail: johnp@pride-energy.com
Phone # (918) 524-9200
Fax # (918) 524-9292

Date: 1/9/2024

8/8ths AFE Amount	WI Decimal	Working Interest Owner's Proportionate Costs
\$ 8,413,663.10		
Approved By:		
Signature:		
Date: 4/30/2024		

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well.

jp5738:rs

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land").

Well Names: Tonto 16-21 Fed Com #201H
(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
API#: 30-025-53220
W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
and
Tonto 16-21 Fed Com #202H
(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
API#: 30-025-53221
E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

ZPZ DELAWARE I, LLC

X [Signature]
By: Justin R. Matthews BFF per
Title: Attorney in Fact
Date: 12.3.24
Address: 2000 W Sam Houston Pkwy S. Suite 200
Houston, TX 77047

Acknowledgement

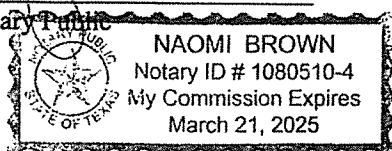
THE STATE OF TEXAS

THE COUNTY OF HARRIS

The foregoing instrument was acknowledged before me by Justin R. Matthews, as Attorney in Fact of ZPZ Delaware I, LLC. Given under by Hand and Seal of Office this 3 day of December, 2024.

[Signature]

Notary Public



My Commission Expires: 3-21-2025
Seal:

mpl8851.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H
(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
API#: 30-025-53220
W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
and
Tonto 16-21 Fed Com #202H
(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
API#: 30-025-53221
E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

XTO HOLDINGS, LLC

X Jarod M. Rolland
By: _____
Title: _____
Date: _____ Jarod M. Rolland
Address: _____ Commercial and Land Manager
Agent and Attorney-in-Fact

Acknowledgement

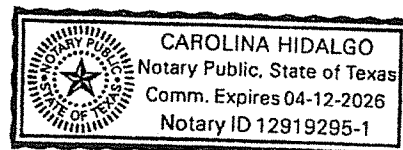
THE STATE OF TEXAS

THE COUNTY OF Harris

The foregoing instrument was acknowledged before me by Jarod M. Rolland as Commercial & Land Manager of XTO Holdings, LLC Given under by Hand and Seal of Office this 5th day of December 2024.

[Signature]
Notary Public

My Commission Expires: 04-12-2026
Seal:



mp18912.sw

From: [Kyle Young](#)
To: [Clelland, Sarah, EMNRD](#)
Cc: [Matt Pride](#); [John Pride](#)
Subject: [EXTERNAL] RE: Action ID 421762 CTB-1122
Date: Thursday, April 24, 2025 1:56:50 PM
Attachments: [Pooling Order No. R-23130 - Tonto 16-21 Fed Com 201H.pdf](#)
[Pooling Order No. R-23131 - Tonto 16-21 Fed Com 202H.pdf](#)
[ZPZ Delaware - Election to Participate - Tonto 16-21 Fed Com 201H.pdf](#)
[XTO Holdings LLC - Election to Participate - Tonto 16-21 Fed Com 202H.pdf](#)
[ZPZ Delaware - Waiver for Surface Commingling - Tonto 16-21 Facility.pdf](#)
[XTO Holdings LLC - Waiver for Surface Commingling - Tonto 16-21 Facility.pdf](#)

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Sarah,

Per your request, I have attached the following documents:

1. Pooling Order No. R-23130 – Tonto 16-21 Fed Com 201H
2. Pooling Order No. R-23131 – Tonto 16-21 Fed Com 202H
3. ZPZ Delaware – Election to Participate – Tonto 16-21 Fed Com 201H
4. XTO Holdings LLC – Election to Participate – Tonto 16-21 Fed Com 202H
5. ZPZ Delaware – Waiver for Surface Commingling – Tonto 16-21 Facility
6. XTO Holdings LLC – Waiver for Surface Commingling – Tonto 16-21 Facility

If you need any additional documents, please let me know.

Thank you for your help.

Sincerely,

Kyle Young

Pride Energy Company

4641 E. 91st St.

Tulsa, OK 74137

Phone: 918.524.9200

Fax: 918.524.9292

NOTICE: This email transmission is covered by the Electronic Communications Privacy Act, 18 U.S.C. sec. 2510-2521 and is legally privileged, confidential, and protected from disclosure. The information contained in this email and any document attached hereto is intended only for the named recipient(s). If you are not the intended recipient, nor the employee or agent responsible for delivering this message in confidence to the intended recipient(s), you are hereby notified that you have received this transmittal in error, and any

review, dissemination, distribution or copying of this transmittal or its attachments is strictly prohibited. If you have received this transmittal and/or attachments in error, please notify me immediately by reply e-mail and then delete this message, including any attachments.

From: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>
Sent: Thursday, April 24, 2025 2:14 PM
To: Kyle Young <kyley@pride-energy.com>
Cc: Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>
Subject: Action ID 421762 CTB-1122

To whom it may concern (c/o Kyle Young for Pride Energy Company),

The Division is reviewing the following application:

Action ID	421762
Admin No.	CTB-1122
Applicant	Pride Energy Company
Title	Tonto 16 21 Fed Com
Sub. Date	01/16/2025

Please provide the following additional supplemental documents:

- Please provide any Pooling/JOA or Comm Agreements for Leases B0-1581-0013 and LG-8997-0001.

Please provide additional information regarding the following:

-

Additional notes:

- The above leases are not in Pride Energy's name therefore OCD will need documentation showing lease owners have agreed to participation or Pride Energy's use of their lease.

All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

Thanks,

Sarah Clelland

Petroleum Specialist
State of New Mexico
Energy, Minerals, and Natural Resources Department
Oil Conservation Division
Cell: (505) 537-0627
Sarah.Clelland@emnrd.nm.gov

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

December 27, 2024

Cimarex Energy Co, Coterra Energy, Inc.
6001 Deauville Blvd., Ste. 300N
Midland, TX 79706

Sent Via
Certified Mail. Return Receipt Requested
9489 0090 0027 6609 6250 46

RE: Central Tank Battery (Tonto 16-21 Fed Com CTB)
Location of Central Tank Battery: NW/4 SE/4 of Section 21, T19S-R33E
Lease: ST NM BO-1581, ST NM LG-8997, ST NM VO-6674,
BLM Lease: NMNM 128364, BLM Lease: NMNM 53992
Pool: Tonto; Bone Spring Pool (Pool Code: 59475)
County: Lea County, New Mexico

To whom it may concern:

This is to advise you that Pride Energy Company is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery for the below mentioned wells.

Well Name	API
Tonto 16-21 Fed Com #201H	30-025-53220
Tonto 16-21 Fed Com #202H	30-025-53221

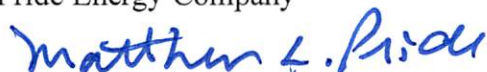
A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe, New Mexico.

Please contact the undersigned at (918) 524-9200 should you have any questions or need anything further.

Sincerely,
Pride Energy Company



Matthew L. Pride

mp18940.sw

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

December 27, 2024

Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Via UPS, Overnight Delivery

ATTN:Dean McClure

RE: Application of Pride Energy Company to authorize lease commingling at the Tonto 16-21 Fed Com CTB located in the NW/4 SE/4 (Unit J) of Section 21, Township 19 South, Range 33 East, NMPM, Eddy County, New Mexico

Dear Mr. McClure,

Pride Energy Company (OGRID No. 151323) seeks administrative approval for lease commingling, pursuant to 19.15.12.7 NMAC, at the Tonto 16-21 Fed Com CTB of production from the Tonto; Bone Spring (Pool Code 59475) pool from *all existing and future wells drilled in the following spacing units*:

(a) The 240.0-acre, more or less, spacing unit in the Bone Spring formation (Tonto; Bone Spring (Pool Code 59475)) underlies the W/2 E/2 of Section 16 and the W/2 NE/4 of Section 21-T19S-R33E. The spacing unit is currently dedicated to the Tonto 16-21 Fed Com #201H (API No. 30-025-53220);

(b) The 240.0-acre, more or less, spacing unit in the Bone Spring formation (Tonto; Bone Spring (Pool Code 59475)) underlies the E/2 E/2 of Section 16 and the E/2 NE/4 of Section 21-T19S-R33E. The spacing unit is currently dedicated to the Tonto 16-21 Fed Com #202H (API No. 30-025-53221);

(c) Pursuant to 19.15.12.10.C(4)(g), *future spacing units connected to this central tank battery* with notice provided only to the interest owners within these future spacing units.

Oil and gas production from these spacing units will be commingled and sold at the Tonto 16-21 Fed Com Central Tank Battery (CTB) located in the NW/4 SE/4 (Unit J) of Section 21-T19S-R33E. Prior to commingling, gas production from each spacing unit will be separately metered using individual test separators with calibrated orifice meters that are manufactured to AGA specifications. Oil production from each spacing unit will also be separately metered using coriolis meters.

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Exhibit 1 is a land plat showing Pride's current development plan, flow lines, and central tank battery ("production facility") in the subject area. The plat identifies the wellbores, the existing spacing units, and the common surface facilities located in the NW/4 SE/4 (Unit J) of Section 21-T19S-R33E.

Exhibit 2 is a C-102 for each of the wells currently permitted and drilled within the existing spacing units. Neither of these wells are currently producing and there are no six-month production reports. Note: While the Tonto 16-21 Fed Com #201H (API No. 30-025-53220) was permitted as the Bushwood 21/16 B2GB Fed Com 1H by Mewbourne Oil Company, Mewbourne assigned the Permit to Drill to Pride Energy Company and the well name was changed to the Tonto 16-21 Fed Com #201H. While the Tonto 16-21 Fed Com #202H (API No. 30-025-53221) was permitted as the Bushwood 21/16 B2HA Fed Com 1H by Mewbourne Oil Company, Mewbourne assigned the Permit to Drill to Pride Energy Company and the well name has been changed to the Tonto 16-21 Fed Com #202H.

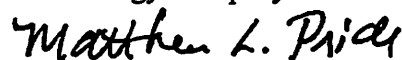
Exhibit 3 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Kyle Young, Production Engineer with Pride, identifying the facilities and the measurement devices to be utilized and a detailed schematic of the surface facilities (attachment A to the statement).

Exhibit 4 is a list of the interest owners (including any owners of a royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the Bureau of Land Management since federal lands are involved.

Exhibit 5 are waivers that have been signed by all of the Working Interest (Operating Rights) Owners that own within each of the spacing units described in (a) and (b) above.

Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,
Pride Energy Company



Matthew L. Pride

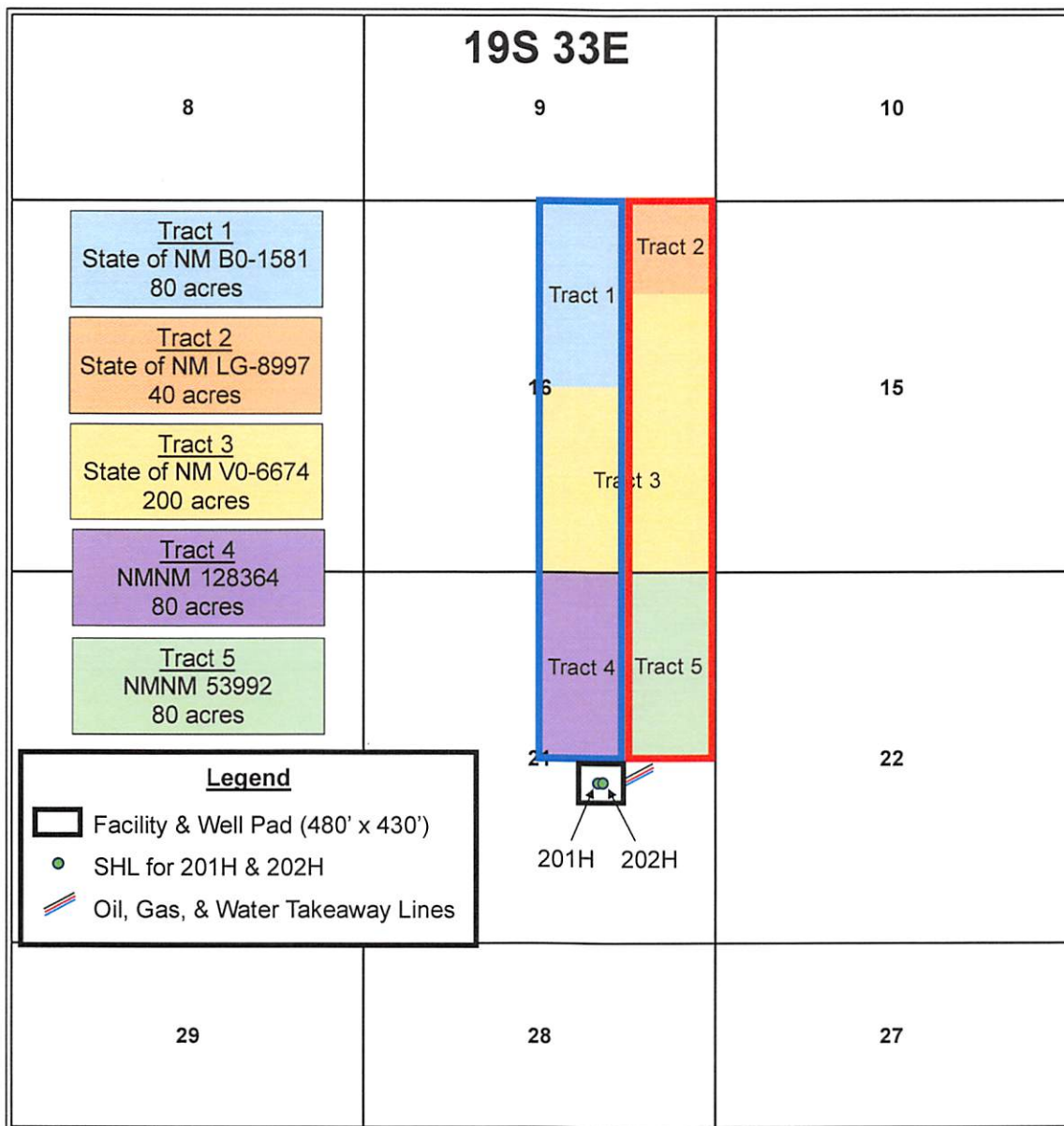
mp18927.sw

Exhibit 1**Land Plat**Tonto 16-21 Fed Com CTB

Application for Surface Commingling (Diverse Ownership)

E2 of Section 16 & the NE/4 of Section 21
 Township 19 South, Range 33 East, NMPM,
 Lea County, New Mexico

Bone Spring Development;
 Tonto; Bone Spring Pool (Pool Code: 59475)
 Wells: Tonto 16-21 Fed Com #201H & 202H



 = Tonto 16-21 Fed Com #201H 240-Acre Proration Unit

 = Tonto 16-21 Fed Com #202H 240-Acre Proration Unit

Tonto 16-21 Fed Com #201H

Exhibit 2

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

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

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

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

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

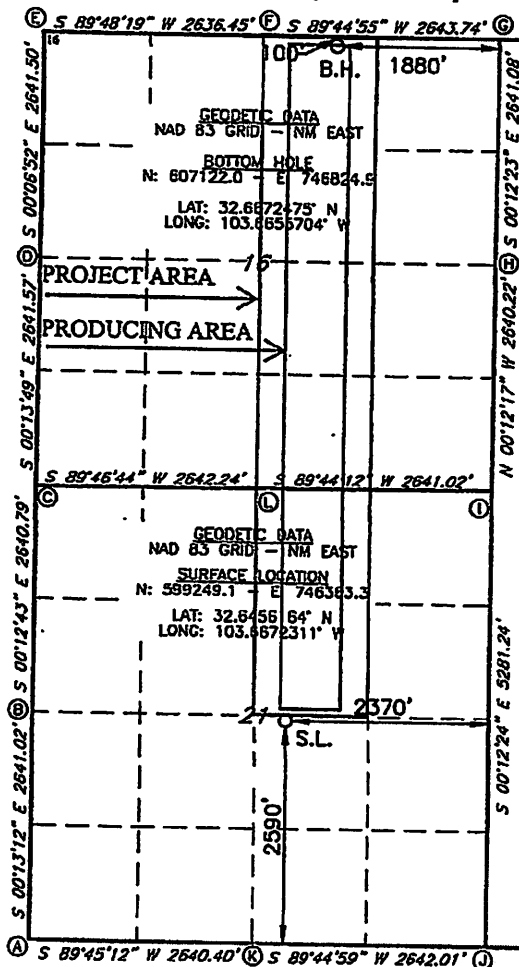
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 59475		3 Pool Name TONGO; BONE SPRING	
4 Property Code		5 Property Name BUSHWOOD 21/16 B2GB FED COM			6 Well Number 1H
7 GRID NO. 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3623'

10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
J	21	19S	33E		2590	SOUTH	2370	EAST	LEA

11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	19S	33E		100	NORTH	1880	EAST	LEA
12 Dedicated Acres 240		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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



CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1912"
N 598847.1 - E 743460.9

B: FOUND BRASS CAP "1912"
N 599287.6 - E 743450.7

C: FOUND 2" IRON PIPE
N 601927.8 - E 743441.0

D: FOUND BRASS CAP "1912"
N 604568.8 - E 743430.4

E: FOUND BRASS CAP "1912"
N 607209.7 - E 743425.1

F: FOUND BRASS CAP "1912"
N 607218.7 - E 746061.0

G: CALCULATED CORNER
N 607230.3 - E 748704.1

H: FOUND BRASS CAP "1912"
N 604589.8 - E 748713.6

I: FOUND BRASS CAP "1912"
N 601950.1 - E 748723.1

J: FOUND BRASS CAP "1912"
N 596670.0 - E 748742.1

K: FOUND BRASS CAP "1912"
N 596658.5 - E 746100.7

L: FOUND BRASS CAP "1912"
N 6601938.0 - E 746082.6

17 OPERATOR CERTIFICATION

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

Signature: *Bradley Bishop* Date: 4/25/22
Printed Name: BRADLEY BISHOP
E-mail Address: BBISHOP@MEWBOURNE.COM

18 SURVEYOR CERTIFICATION

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

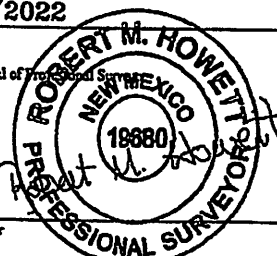
03/24/2022

Date of Survey

Signature and Seal of Professional Surveyor

19680

Certificate Number



Job No.: LS22030181

Intent ☒ As Drilled ☐

API #		
Operator Name: Mewbourne Oil Co.	Property Name: Bushwood 21/16 B2GB Fed Com	Well Number 1H

Kick Off Point (KOP)

UL J	Section 21	Township 19S	Range 33E	Lot	Feet 2175	From N/S S	Feet 1880	From E/W E	County LEA
Latitude 32.6444753					Longitude -103.6656452			NAD 83	

First Take Point (FTP)

UL G	Section 21	Township 19S	Range 33E	Lot	Feet 2531	From N/S N	Feet 1880	From E/W E	County LEA
Latitude 32.6460503					Longitude -103.6656400			NAD 83	

Last Take Point (LTP)

UL B	Section 16	Township 19S	Range 33E	Lot	Feet 100	From N/S N	Feet 1880	From E/W E	County LEA
Latitude 32.6672474					Longitude -103.6655704			NAD 83	

Is this well the defining well for the Horizontal Spacing Unit? ☒Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

Exhibit 2

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

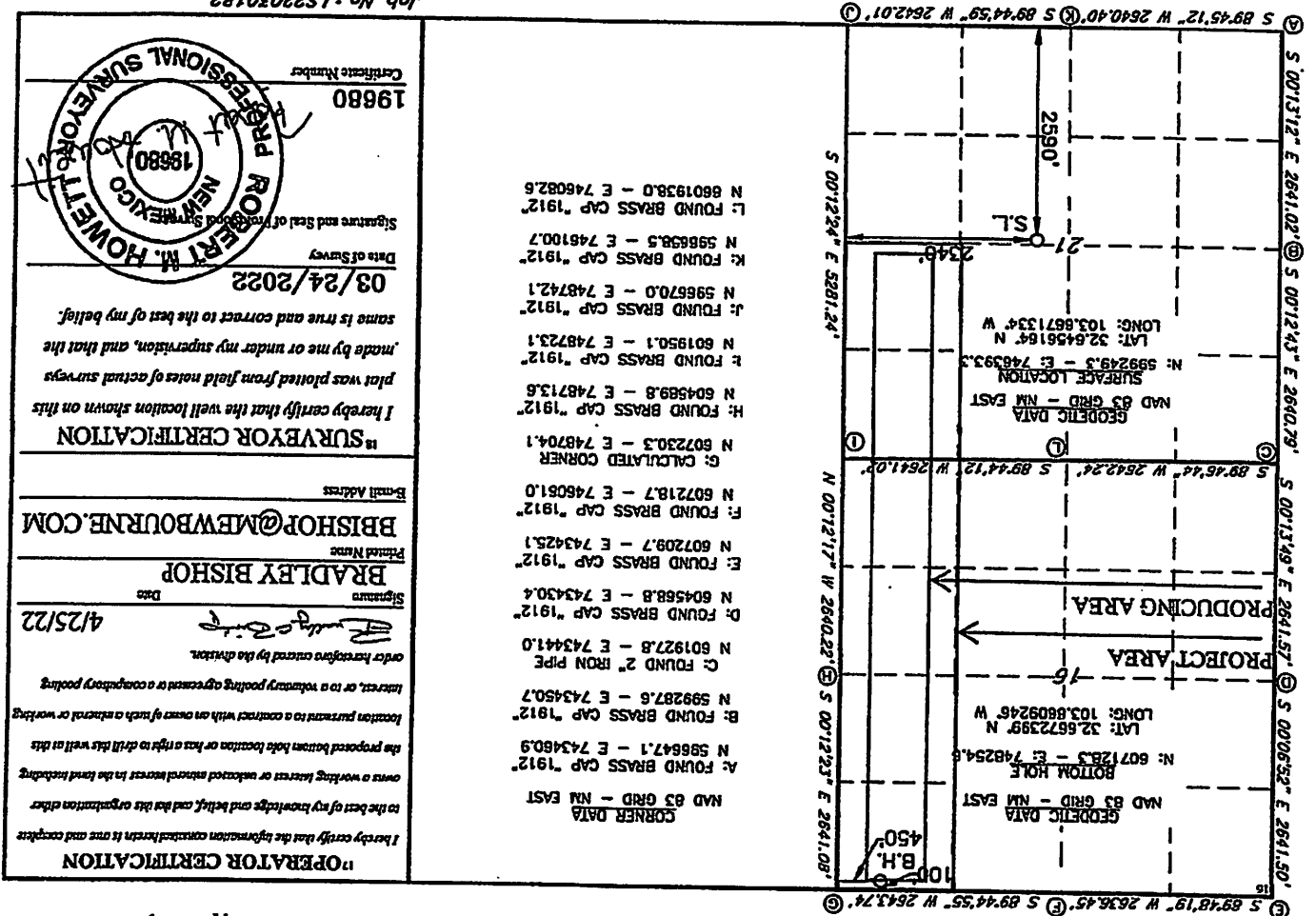
1 API Number		2 Pool Code		3 Property Name		4 Property Code		7 OGRD NO.	
		59475		TONTO, BONE SPRING				14744	
BUSHWOOD 21/16 BSHA FED COM				MEWBOURNE OIL COMPANY				9 Elevation	
								3622'	

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	East/West line	County
J	21	19S	33E		2590	SOUTH	EAST	IEA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	East/West line	County
A	16	19S	33E		100	NORTH	EAST	IEA

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



Job No.: LS22030182

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

Signature: *Bradley Bishop*
Date: 4/25/22

Printed Name: BRADLEY BISHOP
E-mail Address: BBISHOP@MEWBOURNE.COM

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

Date of Survey: 03/24/2022
Signature and Seal of Professional Surveyor: *Robert M. Howett*
Professional Surveyor No. 19680

Intent ☒ As Drilled ☐

API #		
Operator Name: Mewbourne Oil Co.	Property Name: Bushwood 21/16 B2HA Fed Com	Well Number 1H

Kick Off Point (KOP)

UL I	Section 21	Township 19S	Range 33E	Lot	Feet 2167	From N/S S	Feet 450	From E/W E	County LEA
Latitude 32.6444450					Longitude -103.6609997			NAD 83	

First Take Point (FTP)

UL H	Section 21	Township 19S	Range 33E	Lot	Feet 2540	From N/S N	Feet 450	From E/W E	County LEA
Latitude 32.6460200					Longitude -103.6609945			NAD 83	

Last Take Point (LTP)

UL A	Section 16	Township 19S	Range 33E	Lot	Feet 100	From N/S N	Feet 450	From E/W E	County LEA
Latitude 32.6672399					Longitude -103.6609246			NAD 83	

Is this well the defining well for the Horizontal Spacing Unit? ☒Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

Santa Fe Main Office
Phone: (505) 476-3441
General Information
Phone: (505) 629-6116

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

Online Phone Directory Visit:
<https://www.cnmrld.nm.gov/ocd/contact-us/>

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: Pride Energy Company

OPERATOR ADDRESS: P.O. Box 701950, Tulsa, OK 74170-1950

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. _____
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
Tonto; Bone Spring					

- (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 attach 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: Matthew L. Pride TITLE: General Partner DATE: 12/27/24

TYPE OR PRINT NAME Matthew L. Pride TELEPHONE NO.: (918) 524-9200

E-MAIL ADDRESS: mattp@pride-energy.com

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

December 27, 2024

Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

ATTN: Dean McClure

RE: Application of Pride Energy Company for administrative approval to surface commingle (lease commingle) production from the spacing units comprising the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico

Dear Mr. McClure,

Pride Energy Company ("Pride"), OGRID: 151323, requests to surface commingle oil and gas production from two (2) distinct wells located on the Lands, and future production from the Lands as described herein. All wells will be metered through individual three-phase separators with an oil coriolis meter and gas orifice meter. The gas comingling will occur after individual measurement at each well. Gas exiting each separator flows into one gathering line, as depicted on **Exhibit A**. Each well on the Lands will have its own three-phase separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

The orifice meter is the preferred measurement device utilized by midstream and E&P companies in natural gas measurement. The gas samples are obtained at the time of the meter testing/calibration and the composition and heating value are determined by a laboratory in accordance with American Petroleum Institute (API) specifications to ensure accurate volume and Energy (MMBTU) determinations.

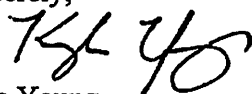
The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. This PFD shows that the water, oil, and gas exit the wellbore and flows into a vertical two-phase separator which separates the oil and water from the vast majority of the gas. The oil, water and any gas which was not separated then flows to the 3-phase horizontal separator. The oil is measured via a coriolis meter which is calibrated periodically in accordance with industry specifications by a third-party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum Association (API) Chapter 21.1. The gas is then sent into a gathering line where it is

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commingled with each of the two wells' metered gas, as shown on **Exhibit A**. The gathering line gas is then metered by another orifice meter at the tank battery check to show the total volume of gas leaving the Tank Battery. This meter is tested and calibrated in accordance with industry specifications and volume and energy are determined on an hourly, daily, and monthly basis. Once the gas exits this final tank battery sales check it travels directly into a Pride Energy natural gas pipeline which will transport the gas to a third party (DKL Delaware Operating NM, LLC) sales connect meter. DKL Delaware Operating NM, LLC has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

In conclusion, all oil and gas produced on the Lands will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Sincerely,

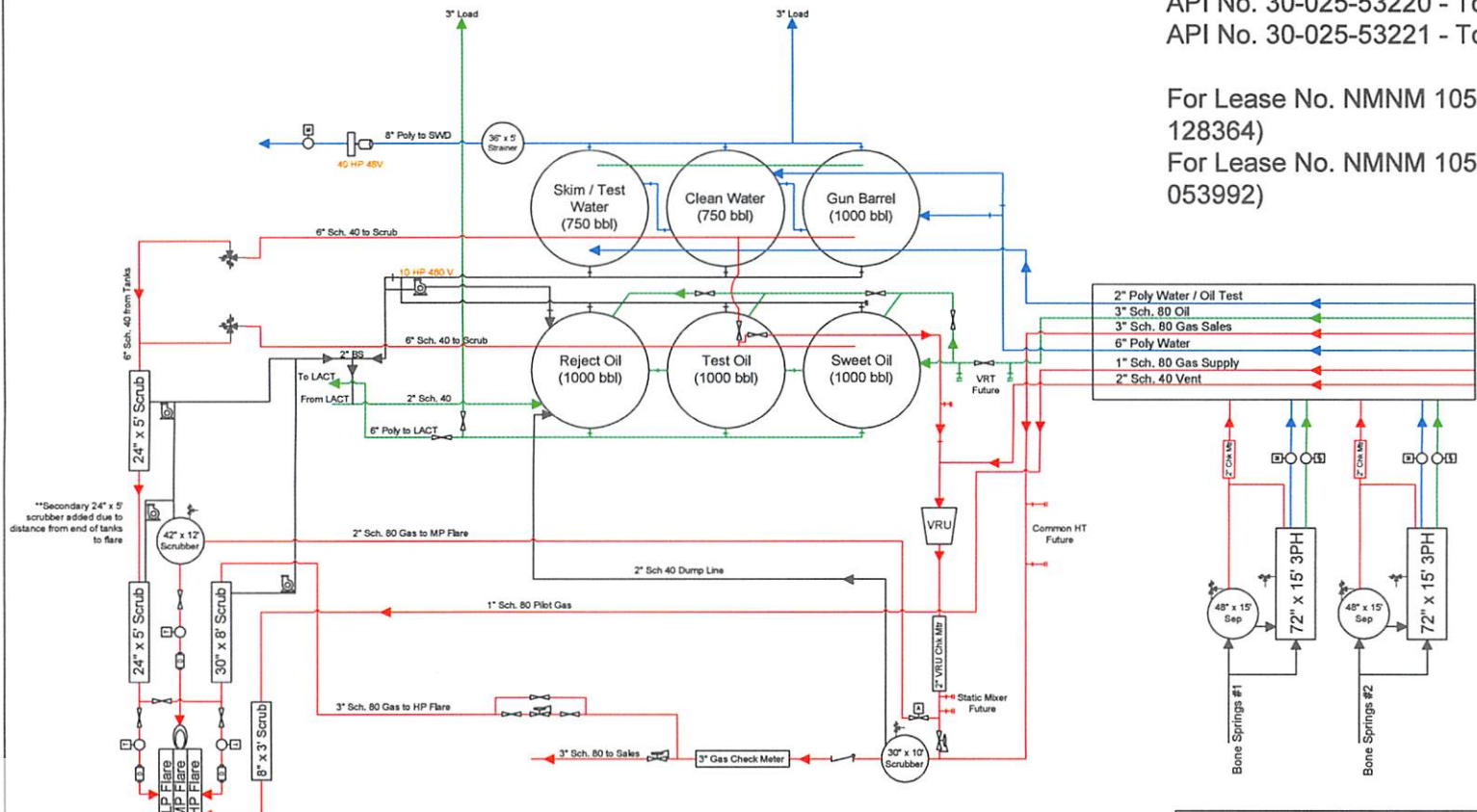
A handwritten signature in black ink, appearing to read 'Kyle Young', is written over the typed name.

Kyle Young
Production Engineer

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Exhibit A

NOTE: PSVs are plumbed to the reject tank



Facility Diagram for the following wells:
API No. 30-025-53220 - Tonto 16-21 State Fed Com 201H
API No. 30-025-53221 - Tonto 16-21 State Fed Com 202H

For Lease No. NMNM 105373692 (Legacy No. NMNM 128364)
For Lease No. NMNM 105507513 (Legacy No. NMNM 053992)

V3

Designed by Basin Engineering for Pride Energy

SITE

Tonto State
S21 T19S R33E
Lea County, NM

PEAK FACILITY RATING

CONTAINMENT DIMENSIONS

LEGEND

Oil

Gas

Water

Detonation Arrestor

Back Pressure Valve

Motor Control Valve

Coriolis

Mag

Thermal Mass

Turbine

PSV

Vacuum / Pressure Relief valve

Revision History			
Revision No	Changes	Date	Eng
V1	Initial facility drawing	8/29/2024	MK
V2	Added future for VRU, static mixer, and common HT; Added MP flare and 48" x 12' sep; removed 24" x 5' second scrub on LP line; flipped load and BS lines; moved BS line to empty into GB	10/8/2024	MK
V3	Added second LP flare scrubber; Added scrubber pumps; Adjusted recirc line to dump in to reject oil tank	11/26/2024	MK

Exhibit 4

**Notice to the Affected Parties
Proof of Mailing
December 17, 2024**

**Application for surface commingling (Diverse Ownership) by Pride Energy Company
(E/2 of Section 16 & the NE/4 of Section 21-19S-33E, Lea County, NM).**

<u>Name of Affected Party</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Return Receipt Number</u>
1. ZPZ Delaware I LLC	c/o Apache Corporation 2000 W. Sam Houston Pkwy. S., Ste. 200	Houston	TX	77042	9489 0090 0027 6610 1102 96
2. Maverick Oil & Gas Corporation	1001 West Wall St.	Midland	TX	75240	9489 0090 0027 6610 1100 43
3. MRC Delaware Resources, LLC	5400 LBJ Freeway, Ste. 1500	Dallas	TX	75240	9489 0090 0027 6610 1100 67
4. Yates Energy Corporation	P.O. Box 2323	Roswell	NM	88202	9489 0090 0027 6610 1100 50
5. Avant Operating, LLC	1515 Wynkoop Street 700	Denver	CO	80202	9489 0090 0027 6610 1100 74
6. Double Cabin Minerals, LLC	1515 Wynkoop Street 700	Denver	CO	80202	9489 0090 0027 6610 1100 74
7. Legion Production Partners, LLC	1515 Wynkoop Street 700	Denver	CO	80202	9489 0090 0027 6610 1100 74
8. NexGen Capital Resources LLC	c/o Ridge Runner Resources II, LLC 20405 State Highway 249, Ste. 820	Houston	TX	77070	9489 0090 0027 6610 1100 98
9. XTO Holdings LLC	22777 Springwoods Village Pkwy.	Spring	TX	77389-1425	9489 0090 0027 6610 1100 81
10. Earthstone Operating Permian Resources	300 N. Marienfeld St.	Midland	TX	79701	9489 0090 0027 6609 6250 15
11. COG Operating, LLC Conoco Phillips Company	600 W. Illinois Ave.	Midland	TX	79701	9489 0090 0027 6609 6250 22
12. Raybaw Operating, LLC	2626 Cole Avenue, Ste. 300	Dallas	TX	75204	9489 0090 0027 6609 6250 39
13. Cimarex Energy Co, Coterra Energy, Inc.	6001 Deauville Blvd., Ste. 300N	Midland	TX	79706	9489 0090 0027 6609 6250 46
14. Mewbourne Oil Company	500 W. Texas Ave.	Midland	TX	79701	9489 0090 0027 6609 6250 53

15. Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220-6292	9489 0090 0027 6609 6250 60
16. New Mexico State Land Office	3 10 Old Santa Fe Trail	Santa Fe	NM	87501	9489 0090 0027 6609 6250 77

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H
 (Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
 API#: 30-025-53220
 W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
 and
 Tonto 16-21 Fed Com #202H
 (Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
 API#: 30-025-53221
 E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

ZPZ DELAWARE I, LLC

X [Signature]
 By: Justin R. Matthews *BTS m*
 Title: Attorney in Fact
 Date: 12.3.24
 Address: 3000 W Sam Houston Pkwy S. Suite 200
Houston, TX 77047

Acknowledgement

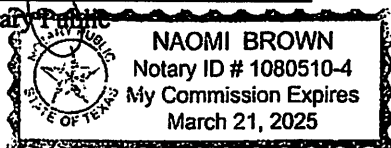
THE STATE OF TEXAS

THE COUNTY OF HARRIS

The foregoing instrument was acknowledged before me by Justin R. Matthews, as Attorney in Fact of ZPZ Delaware I, LLC. Given under by Hand and Seal of Office this 3 day of December, 2024. *I, LLC*

[Signature]

Notary Public



My Commission Expires: 3-21-2025
 Seal:

mpl8851.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H
 (Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
 API#: 30-025-53220
 W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
 and
 Tonto 16-21 Fed Com #202H
 (Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
 API#: 30-025-53221
 E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

MAVERICK OIL & GAS CORPORATION

X

By: Benjamin K. Kimbrough
 Title: Owner
 Date: 12/5/2024
 Address: 1001 W Wall St.
Midland, TX 79707

Acknowledgement

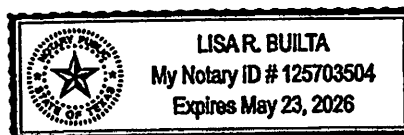
THE STATE OF TEXAS

THE COUNTY OF Midland

The foregoing instrument was acknowledged before me by Benjamin K. Kimbrough, as Owner of Maverick Oil & Gas Corporation. Given under my Hand and Seal of Office this 5th day of December, 2024.

Lisar R. Bulta
 Notary Public

My Commission Expires: May 23, 2026
 Seal:



mp18905.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H

(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)

API#: 30-025-53220

W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E

and

Tonto 16-21 Fed Com #202H

(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)

API#: 30-025-53221

E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

YATES ENERGY CORPORATION

X

By: Fred G. Yates

Title: President

Date: 11-27-24

Address: PO Box 2323
Roswell NM 88202

Acknowledgement

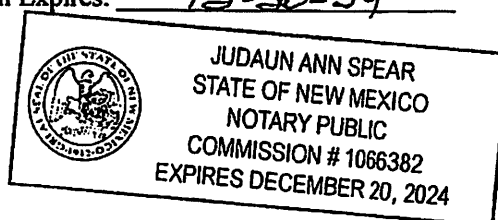
THE STATE OF NEW MEXICO

THE COUNTY OF Chaves

The foregoing instrument was acknowledged before me by Fred G. Yates, as President of Yates Energy Corp Given under by Hand and Seal of Office this 27 day of November 2024.

Judann Ann Spear
Notary Public

My Commission Expires: 12-20-24
Seal:



mpl8907.sw

Waiver


November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

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 API#: 30-025-53220
 W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
 and
 Tonto 16-21 Fed Com #202H
 (Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
 API#: 30-025-53221
 E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

AVANT OPERATING, LLC

X 
 By: Jacob Nagy
 Title: Co-CEO
 Date: 12/11/2024
 Address: 1515 Wynkoop St., Ste 700
Denver, CO 80202

Acknowledgement

THE STATE OF COLORADO

THE COUNTY OF Denver

The foregoing instrument was acknowledged before me by Jacob Nagy as Co-CEO of Avant Operating, LLC Given under by Hand and Seal of Office this 11th day of December, 2024.


 Notary Public

My Commission Expires: 9/14/27
 Seal:

Sophia Guerra
 NOTARY PUBLIC
 STATE OF COLORADO
 NOTARY ID# 20194020815
 MY COMMISSION EXPIRES 9/14/2027

mp18908.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H
(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
API#: 30-025-53220
W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
and
Tonto 16-21 Fed Com #202H
(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
API#: 30-025-53221
E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

DOUBLE CABIN MINERALS, LLC

X [Signature]
By: Jacob Nagy
Title: Manager
Date: 12/11/2024
Address: 1515 Wynkoop St., Ste 700
Denver, CO 80202

Acknowledgement

THE STATE OF COLORADO

THE COUNTY OF Denver

The foregoing instrument was acknowledged before me by Jacob Nagy as Manager of Double Cabin Minerals, LLC. Given under by Hand and Seal of Office this 11th day of December, 2024.

[Signature]
Notary Public

My Commission Expires: 9/14/27
Seal:

Sophia Guerra
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20194020815
MY COMMISSION EXPIRES 9/14/2027

mp18909.sw

Waiver


November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land").

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 (Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
 API#: 30-025-53221
 E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

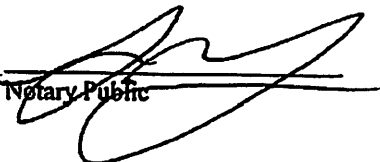
I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

LEGION PRODUCTION PARTNERS, LLC

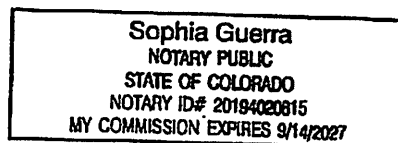
X 
 By: Jacob Nagy
 Title: Manager
 Date: 12/11/2024
 Address: 1515 Wynkoop St, Ste 700
Denver, CO 80202

AcknowledgementTHE STATE OF COLORADOTHE COUNTY OF Denver

The foregoing instrument was acknowledged before me by Jacob Nagy as Manager of Legion Production Partners, LLC. Given under by Hand and Seal of Office this 11th day of December, 2024.


 Notary Public

My Commission Expires: 9/14/27
 Seal:



mpl8910.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

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(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)
API#: 30-025-53220
W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E
and
Tonto 16-21 Fed Com #202H
(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)
API#: 30-025-53221
E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

NEXGEN CAPITAL RESOURCES LLC

X [Signature]
By: Brian Cassen
Title: CO-CEO
Date: 12/10/24
Address: 20105 Stark Hwy 249 Ste. 820
Houston, TX 77070

Acknowledgement

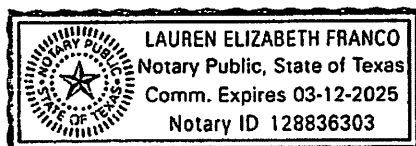
THE STATE OF TEXAS

THE COUNTY OF Harris

The foregoing instrument was acknowledged before me by Brian Cassen, as CO-CEO of NexGen Capital. Given under by Hand and Seal of Office this 10 day of December, 2024.

[Signature]
Notary Public

My Commission Expires: March 12, 2025
Seal:



mp18911.sw

Waiver

November 21, 2024

RE: Application of Pride Energy Company for Administrative Approval to surface commingle (lease) oil and gas production from spacing units comprised of the E/2 of Section 16 and the NE/4 of Section 21, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico (the "Land".)

Well Names: Tonto 16-21 Fed Com #201H

(Permitted as the Bushwood 21/16 B2GB Fed Com #1H)

API#: 30-025-53220

W/2 E/2 Section 16 and W/2 NE/4 Section 21-19S-33E

and

Tonto 16-21 Fed Com #202H

(Permitted as the Bushwood 21/16 B2HA Fed Com #1H)

API#: 30-025-53221

E/2 E/2 Section 16 and E/2 NE/4 Section 21-19S-33E

I hereby waive any objection to the request of the above referenced Application by Pride Energy Company at the New Mexico Oil Conservation Division.

XTO HOLDINGS, LLC

X

By: Jarod M. Rolland (The)

Title: _

Date: _ Jarod M. Rolland

Address: Commercial and Land Manager
Agent and Attorney-in-Fact

Acknowledgement

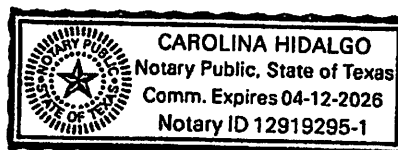
THE STATE OF TEXAS

THE COUNTY OF Harris

The foregoing instrument was acknowledged before me by Jarod M. Rolland, as Commercial & Land Manager of XTO Holdings, LLC, Given under by Hand and Seal of Office this 5th day of December, 2024.

[Signature]
Notary Public

My Commission Expires: 04-12-2026
Seal:



mp18912.sw

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: 4641 E. 91st Street
Tulsa, OK 74137

Mailing Address: P.O. Box 701950
Tulsa OK, 74170-1950
Email Address: mattp@pride-energy.com

December 27, 2024

Interest Owners

Sent Via
Certified Mail, Return Receipt Requested

RE: Central Tank Battery (Tonto 16-21 Fed Com CTB)
Location of Central Tank Battery: NW/4 SE/4 of Section 21, T19S-R33E
Lease: ST NM BO-1581, ST NM LG-8997, ST NM VO-6674,
BLM Lease: NMNM 128364, BLM Lease: NMNM 53992
Pool: Tonto; Bone Spring Pool (Pool Code: 59475)
County: Lea County, New Mexico

To whom it may concern:

This is to advise you that Pride Energy Company is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery for the below mentioned wells.

Well Name	API
Tonto 16-21 Fed Com #201H	30-025-53220
Tonto 16-21 Fed Com #202H	30-025-53221

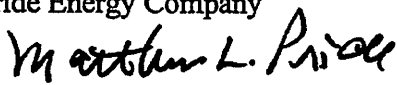
A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe, New Mexico.

Please contact the undersigned at (918) 524-9200 should you have any questions or need anything further.

Sincerely,
Pride Energy Company


Matthew L. Pride

mp18925.sw

Revised March 23, 2017

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: Pride Energy Company **OGRID Number:** 151323
Well Name: Tonto 16-21 Fed Com #201H & #202H **API:** 30-025-53220 & 30-025-53221
Pool: Tonto; Bone Spring **Pool Code:** 59475

**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 holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☐ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**
☐ Notice Complete
☐ 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.

Matthew L. Pride

Print or Type Name

Signature

12/27/24

Date

(918) 524-9200

Phone Number

mattp@pride-energy.com

e-mail Address

mp18917.sw



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

12/27/2024

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
Tonto 16-21 Fed	202H	3002553221	NMNM53992	NMNM53992	PRIDE ENERGY
Tonto 16-21 Fed	201H	3002553220	NMNM128364	NMNM128364	PRIDE ENERGY

Subsequent Report

Sundry ID: 2828352

Type of Submission: Subsequent Report

Type of Action: Facility

Date Sundry Submitted: 12/19/2024

Time Sundry Submitted: 10:20

Date Operation Actually Began: 11/18/2024

Actual Procedure: Per 43 CFR 3173.11 a facility diagram is being submitted for the following wells: Tonto 16-21 Fed Com 201H - API No. 30-025-53220 Tonto 16-21 Fed Com 202H - API No. 30-025-53221

SR Attachments**Actual Procedure**

Tonto_Facility_Diagram___12_10_2024_20241219102032.pdf

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: KYLE YOUNG

Signed on: DEC 19, 2024 10:21 AM

Name: PRIDE ENERGY COMPANY

Title: Controller

Street Address: PO BOX 701950

City: TULSA

State: OK

Phone: (405) 742-8423

Email address: KYLEY@PRIDE-ENERGY.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. MULTIPLE
2. Name of Operator PRIDE ENERGY COMPANY		6. If Indian, Allottee or Tribe Name MULTIPLE
3a. Address PO BOX 701950, Tulsa, OK 74170	3b. Phone No. (include area code) (918) 524-9200	7. If Unit of CA/Agreement, Name and/or No. MULTIPLE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) MULTIPLE		8. Well Name and No. MULTIPLE
		9. API Well No. MULTIPLE
		10. Field and Pool or Exploratory Area MULTIPLE
		11. Country or Parish, State MULTIPLE

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

Per 43 CFR 3173.11 a facility diagram is being submitted for the following wells:

Tonto 16-21 Fed Com 201H - API No. 30-025-53220

Tonto 16-21 Fed Com 202H - API No. 30-025-53221

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) KYLE YOUNG / Ph: (405) 742-8423		Title Controller
Signature (Electronic Submission)		Date 12/19/2024

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

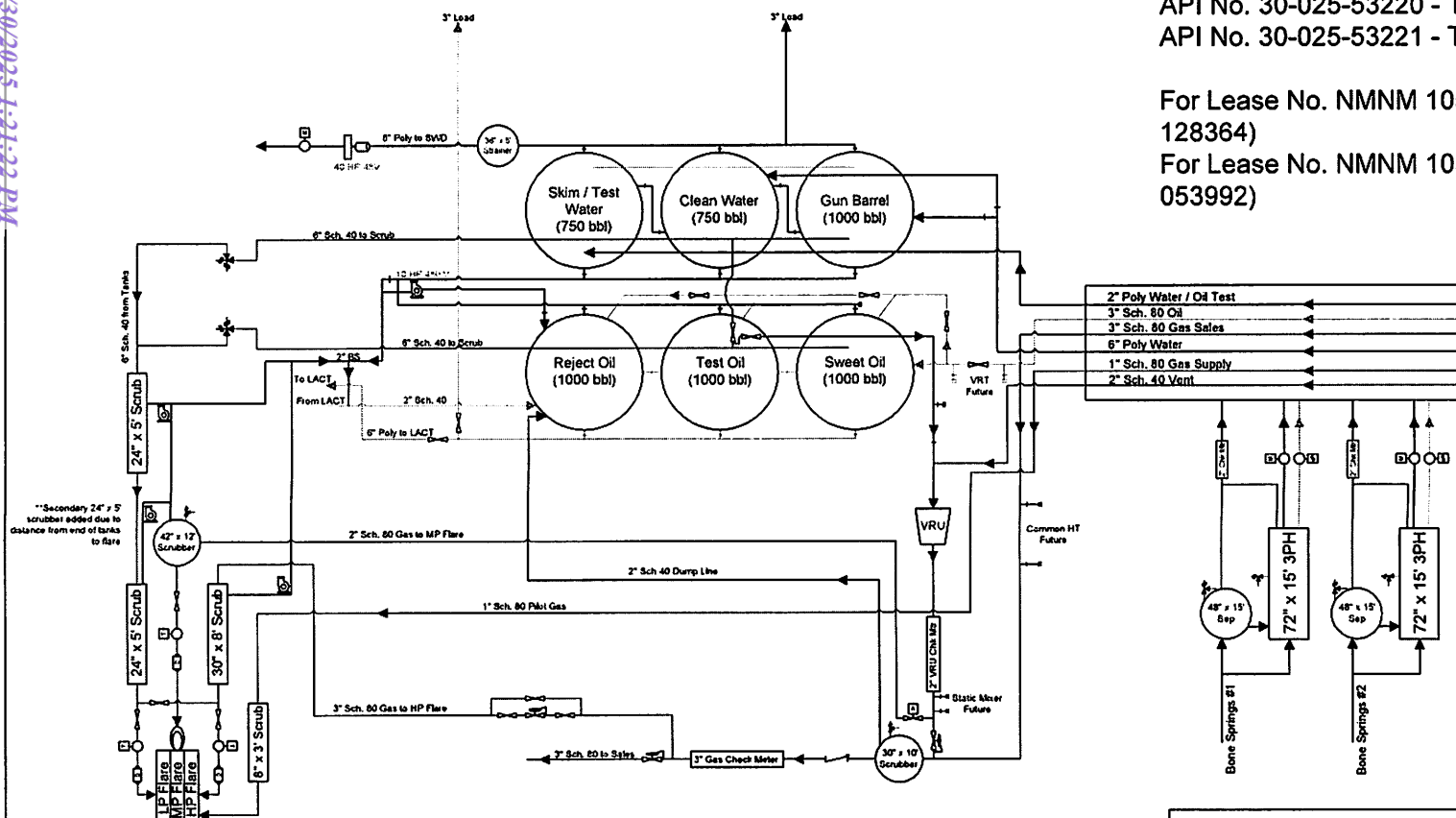
Batch Well Data

Tonto 16-21 Fed Com 201H, US Well Number: 3002553220, Case Number: NMNM128364, Lease Number: NMNM128364,
Operator:PRIDE ENERGY COMPANY

Tonto 16-21 Fed Com 202H, US Well Number: 3002553221, Case Number: NMNM53992, Lease Number: NMNM53992,
Operator:PRIDE ENERGY COMPANY

CONFIDENTIAL

NOTE: PSVs are plumbed to the reject tank



Facility Diagram for the following wells:


API No. 30-025-53220 - Tonto 16-21 State Fed Com 201H

API No. 30-025-53221 - Tonto 16-21 State Fed Com 202H

For Lease No. NMNM 105373692 (Legacy No. NMNM 128364)

For Lease No. NMNM 105507513 (Legacy No. NMNM 053992)

V3



BASIN

ENGINEERING

Designed by Basin Engineering for Pride Energy

SITE


Tonto State
S21 T19S R33E
Lea County, NM

PEAK FACILITY RATING

CONTAINMENT DIMENSIONS

180'

75'



LEGEND

Oil

Gas

Water

Detonation Arrestor

Back Pressure Valve

Motor Control Valve

Coriolis

Mag

Thermal Mass

Turbine

PSV

Vacuum / Pressure Relief valve

Revision History			
Revision No	Changes	Date	Eng
V1	Initial facility drawing	8/29/2024	MK
V2	Added future for VRU, static mixer, and common HT; Added MP flare and 48" x 12' sep; removed 24" x 5' second scrub on LP line; flipped load and BS lines; moved BS line to empty into GB	10/8/2024	MK
V3	Added second LP flare scrubber; Added scrubber pumps; Adjusted recirc line to dump in to reject oil tank	11/26/2024	MK

Page 80 of 115



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

12/27/2024

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
Tonto 16-21 Fed	202H	3002553221	NMNM53992	NMNM53992	PRIDE ENERGY
Tonto 16-21 Fed	201H	3002553220	NMNM128364	NMNM128364	PRIDE ENERGY

Notice of Intent**Sundry ID:** 2826830**Type of Submission:** Notice of Intent**Type of Action:** Facility Measurement Point**Date Sundry Submitted:** 12/10/2024**Time Sundry Submitted:** 03:54**Date proposed operation will begin:** 12/10/2024

Procedure Description: Pride Energy is requesting an FMP for the sale of oil for the following wells: Tonto 16-21 State Fed Com 201H (30-025-53220) Tonto 16-21 State Fed Com 202H (30-025-53221) The oil from the wells will be commingled into the oil tanks at the facility. (Note - Each well has its own Coriolis meter off the horizontal separator, so oil production for each well will be allocated based on the Coriolis meters.) The oil will be sold via a LACT unit, and the oil will be coming from three (3) 1,000 barrel oil tanks. The serial numbers associated with the oil tanks are 3074710011, 3074710021, and 3074710031. The FMP will be located in the NW4 SE4 of Section 21-19S-33E in Lea County, New Mexico. Furthermore, Pride Energy is requesting for the approval for off-lease measurement, since the facility is not located on the BLM leases associated with the production from the Tonto 16-21 State Fed Com 201H and 202H. I have attached a diagram showing the location of the facility in relation to the BLM leases.

NOI Attachments**Procedure Description**

Tonto__Surface_Location_and_Lateral_Layout__12_10_2024_20241210155305.pdf

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: KYLE YOUNG**Signed on:** DEC 10, 2024 03:53 PM**Name:** PRIDE ENERGY COMPANY**Title:** Controller**Street Address:** PO BOX 701950**City:** TULSA**State:** OK**Phone:** (405) 742-8423**Email address:** KYLEY@PRIDE-ENERGY.COM**Field****Representative Name:****Street Address:****City:****State:****Zip:****Phone:****Email address:**

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2		5. Lease Serial No. MULTIPLE
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name MULTIPLE
2. Name of Operator PRIDE ENERGY COMPANY		7. If Unit of CA/Agreement, Name and/or No. MULTIPLE
3a. Address PO BOX 701950, Tulsa, OK 74170	3b. Phone No. (include area code) (918) 524-9200	8. Well Name and No. MULTIPLE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) MULTIPLE		9. API Well No. MULTIPLE
		10. Field and Pool or Exploratory Area MULTIPLE
		11. Country or Parish, State MULTIPLE

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Pride Energy is requesting an FMP for the sale of oil for the following wells:

Tonto 16-21 State Fed Com 201H (30-025-53220)

Tonto 16-21 State Fed Com 202H (30-025-53221)

The oil from the wells will be commingled into the oil tanks at the facility. (Note - Each well has its own Coriolis meter off the horizontal separator, so oil production for each well will be allocated based on the Coriolis meters.) The oil will be sold via a LACT unit, and the oil will be coming from three (3) 1,000 barrel oil tanks. The serial numbers associated with the oil tanks are 3074710011, 3074710021, and 3074710031. The FMP will be located in the NW4 SE4 of Section 21-19S-33E in Lea County, New Mexico. Furthermore, Pride Energy is requesting for the approval for off-lease measurement, since the facility is not located on the BLM leases associated with the production from the Tonto 16-21 State Fed Com 201H and 202H. I have attached a diagram showing the location of the facility in relation to the BLM leases.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) KYLE YOUNG / Ph: (405) 742-8423	Title Controller
Signature (Electronic Submission)	Date 12/10/2024

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

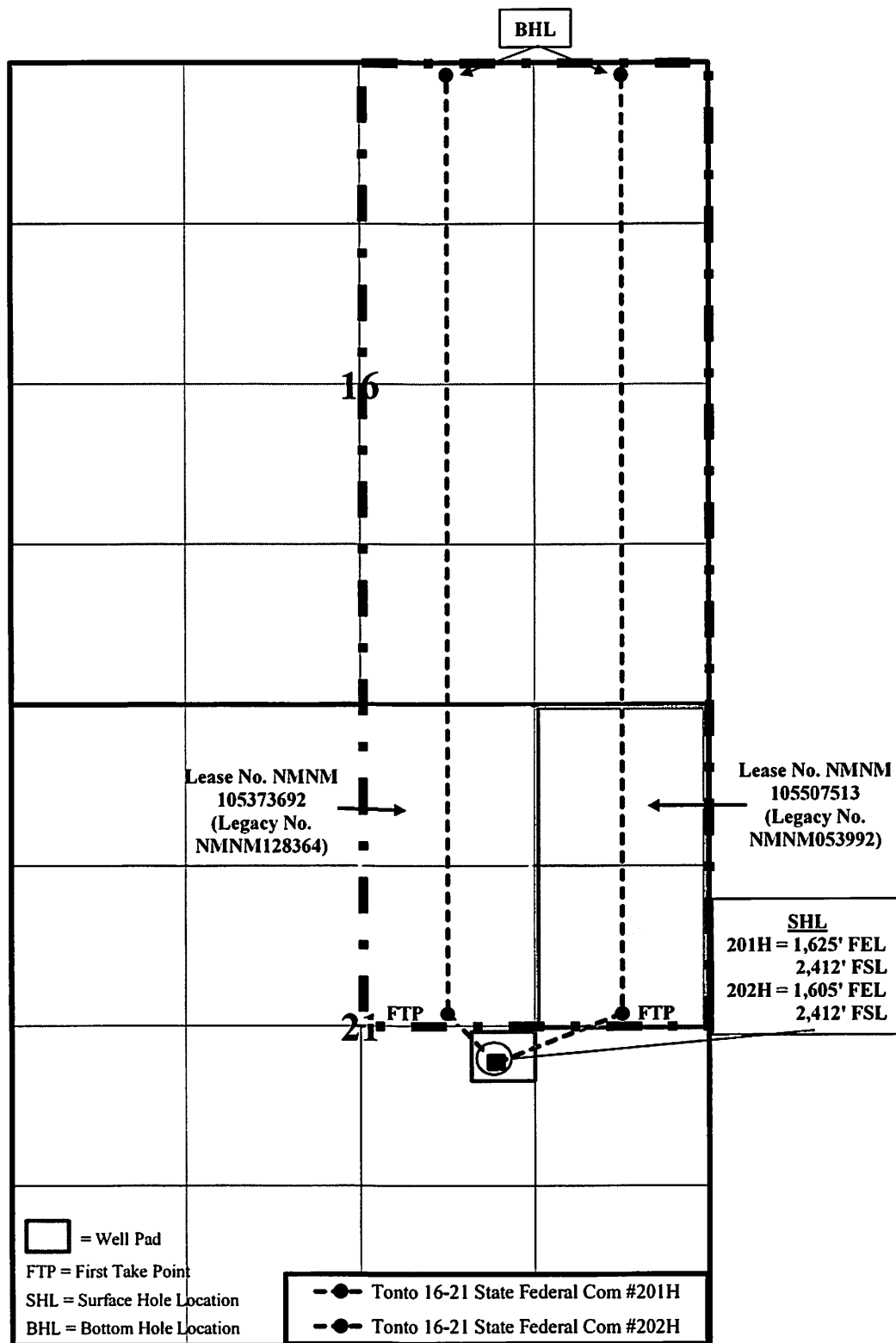
Batch Well Data

Tonto 16-21 Fed Com 201H, US Well Number: 3002553220, Case Number: NMNM128364, Lease Number: NMNM128364,
Operator:PRIDE ENERGY COMPANY

Tonto 16-21 Fed Com 202H, US Well Number: 3002553221, Case Number: NMNM53992, Lease Number: NMNM53992,
Operator:PRIDE ENERGY COMPANY

CONFIDENTIAL

Tonto 16-21 State Fed Com 201H and 202H
NE4 of 21-19S-33E & E2 of 16-19S-33E, Lea County, New Mexico





U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

12/27/2024

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
Tonto 16-21 Fed	202H	3002553221	NMNM53992	NMNM53992	PRIDE ENERGY
Tonto 16-21 Fed	201H	3002553220	NMNM128364	NMNM128364	PRIDE ENERGY

Notice of Intent**Sundry ID:** 2828372**Type of Submission:** Notice of Intent**Type of Action:** Facility Measurement Point**Date Sundry Submitted:** 12/19/2024**Time Sundry Submitted:** 11:06**Date proposed operation will begin:** 12/19/2024

Procedure Description: Pride Energy is requesting an FMP for the sale of gas for the following wells: Tonto 16-21 Fed Com 201H - API No. 30-025-53220 Tonto 16-21 Fed Com 202H - API No. 30-025-53221 The gas from each well will be measured separately by an electronic flow meter. The gas will then be commingled and measured again by an electronic flow meter before leaving the location. The gas will then be transported via pipeline approximately 3,855' to the sales point. The sales gas measurement point will be located in Section 22-19S-33E in Lea County, New Mexico. Also, Pride Energy is requesting the approval for off-lease measurement, since the measurement point is not located on the lease. I have attached a diagram showing the location of the facility in relation to the sales gas measurement point.

NOI Attachments**Procedure Description**

Tonto__Gas__Facility_Measurement_Point__12_19_2024_20241219110522.pdf

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: KYLE YOUNG**Signed on:** DEC 19, 2024 11:06 AM**Name:** PRIDE ENERGY COMPANY**Title:** Controller**Street Address:** PO BOX 701950**City:** TULSA**State:** OK**Phone:** (405) 742-8423**Email address:** KYLEY@PRIDE-ENERGY.COM**Field****Representative Name:****Street Address:****City:****State:****Zip:****Phone:****Email address:**

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

MULTIPLE

6. If Indian, Allottee or Tribe Name

MULTIPLE

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

7. If Unit of CA/Agreement, Name and/or No.

MULTIPLE

8. Well Name and No.

MULTIPLE

2. Name of Operator

PRIDE ENERGY COMPANY

9. API Well No.

MULTIPLE

3a. Address PO BOX 701950, Tulsa, OK 74170

3b. Phone No. (include area code)

(918) 524-9200

10. Field and Pool or Exploratory Area

MULTIPLE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

MULTIPLE

11. Country or Parish, State

MULTIPLE

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
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Tonto 16-21 Fed Com 202H - API No. 30-025-53221

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KYLE YOUNG / Ph: (405) 742-8423

Title Controller

Signature (Electronic Submission)

Date

12/19/2024

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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Additional Information

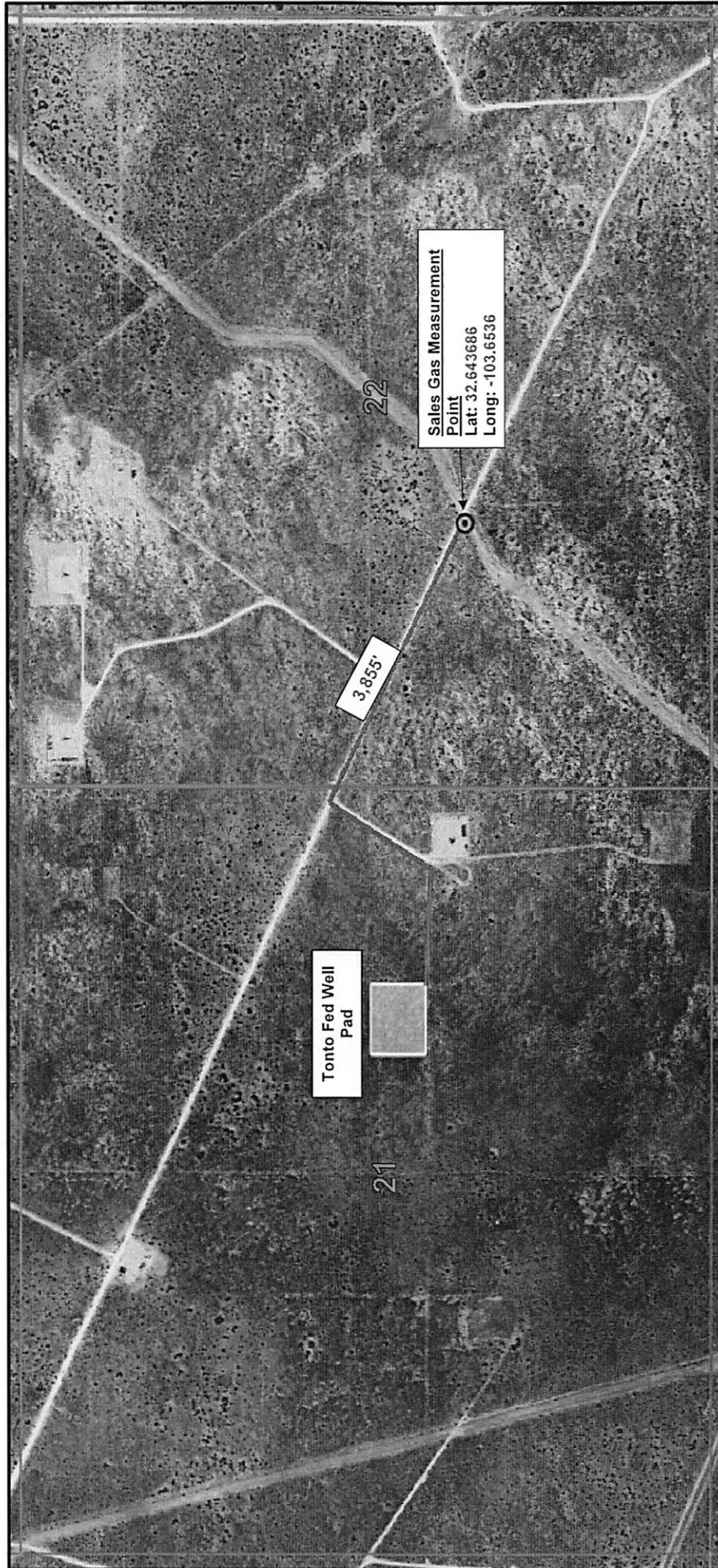
Batch Well Data

Tonto 16-21 Fed Com 201H, US Well Number: 3002553220, Case Number: NMNM128364, Lease Number: NMNM128364,
Operator:PRIDE ENERGY COMPANY

Tonto 16-21 Fed Com 202H, US Well Number: 3002553221, Case Number: NMNM53992, Lease Number: NMNM53992,
Operator:PRIDE ENERGY COMPANY

CONFIDENTIAL

Pride Energy Company - Tonto Fed Well Pad - Section 21-19S-33E, Lea County, New Mexico
Sales Gas Measurement Point



From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Darin Savage](#); [Engineer, OCD, EMNRD](#); [McClure, Dean, EMNRD](#)
Cc: [Kyle Young](#); [Marcus Fodor](#); [Clelland, Sarah, EMNRD](#); [Matt Pride](#); [John Pride](#)
Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling: Action ID: 421762; CTB-1122
Date: Thursday, January 16, 2025 5:03:49 PM

Please note that the Division has now received the application submitted by Pride which has been protested by Cimarex and referenced in this email chain. It has been designated as Application ID: 421762 and CTB-1122. A record of it may be found online at [OCD Permitting](#). Review of the application will be placed on hold until: (a) the protest is resolved as detailed in this email chain; or (b) the Division determines that the protestor does not have standing in the matter.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: McClure, Dean, EMNRD
Sent: Thursday, January 16, 2025 10:30 AM
To: Darin Savage <darin@abadieschill.com>; Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>
Cc: Kyle Young <kyle@pride-energy.com>; Marcus Fodor <marcus@abadieschill.com>; Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <matt@pride-energy.com>; John Pride <john@pride-energy.com>
Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling

Thank you, Mr. Savage.

A surface commingling application may not be approved by the Division until after a 20-day notice period has concluded and no protests have been received. Cimarex has submitted its protest already, presumably after determining that it has standing. Only the basis for that determination is being requested by the Division at this point. If an extension is required, please feel free to request such if there is good cause.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Darin Savage <darin@abadieschill.com>

Sent: Thursday, January 16, 2025 9:57 AM

To: Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>

Cc: Kyle Young <kyle@pride-energy.com>; Marcus Fodor <marcus@abadieschill.com>; Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>; McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>

Subject: Re: [EXTERNAL] Cimarex's objection to Pride's application for commingling

Thank you Mr. McClure.

Cimarex received notice of this application (addressed to Cimarex) with directions that it had 20 days to respond, and that is why Cimarex responded as it did. I will review and inquire further to determine the basis of the notice Pride sent and Cimarex received and the extent of any ownership and standing.

Darin

DARIN SAVAGE | Attorney

Abadie | Schill P.C.

214 McKenzie Street, Santa Fe, New Mexico 87501

P | 970.385.4401 :: F | 970.385.4901 :: C | 970.764.8191

CONFIDENTIAL NOTICE: This electronic transmission and any documents or other writings sent with it constitute confidential information which is intended only for the named recipient and which may be legally privileged. If you have received this communication in error, do not read it. Please reply to the sender at Abadie & Schill, PC that you have received the message in error. Then delete it. Any disclosure, copying, distribution or the taking of any action concerning the contents of this communication or any attachment(s) by anyone other than the named recipient is strictly prohibited.

On Jan 16, 2025, at 9:45 AM, Engineer, OCD, EMNRD
<OCD.Engineer@emnrd.nm.gov> wrote:

Mr. Savage,

No later than 5 business days after receipt of this email, please provide the basis upon which Cimarex believes it has standing in this matter.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Kyle Young <kyley@pride-energy.com>
Sent: Wednesday, January 15, 2025 3:44 PM
To: Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>; McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling

 You don't often get email from kyley@pride-energy.com. [Learn why this is important](#)
Dean,

Cimarex does not own a working interest, royalty interest, or overriding royalty interest in the production that Pride Energy is proposing to commingle.

I will submit the application online and will create a new email chain if I have any questions.

Thank you,

Kyle Young
Pride Energy Company
4641 E. 91st St.
Tulsa, OK 74137
Phone: 918.524.9200

Fax: 918.524.9292

NOTICE: This email transmission is covered by the Electronic Communications Privacy Act, 18 U.S.C. sec. 2510-2521 and is legally privileged, confidential, and protected from disclosure. The information contained in this email and any document attached hereto is intended only for the named recipient(s). If you are not the intended recipient, nor the employee or agent responsible for delivering this message in confidence to the intended recipient(s), you are hereby notified that you have received this transmittal in error, and any review, dissemination, distribution or copying of this transmittal or its attachments is strictly prohibited. If you have received this transmittal and/or attachments in error, please notify me immediately by reply e-mail and then delete this message, including any attachments.

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov> **On Behalf Of** Engineer, OCD, EMNRD
Sent: Wednesday, January 15, 2025 3:56 PM
To: Kyle Young <kyley@pride-energy.com>; Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>; McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling

Kyle,

The application will need to be submitted online at [OCD Permitting](#). If you have any questions regarding the process, please feel free to reach out. However, it will be beneficial for the purpose of keeping this email chain clean, if any questions regarding the submission process are sent in a new email.

Unless ownership is identical as defined in 19.15.12.7 B. NMAC, then all working, royalty, and overriding royalty interest owners of the production being commingled need to be provided and notified of the application. Typically, the list of noticed persons serves as the list of interest owners. Are you stating that Cimarex does not own a working, royalty, or overriding royalty interest in the production that Pride is proposing to commingle?

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Kyle Young <kyley@pride-energy.com>
Sent: Wednesday, January 15, 2025 2:34 PM
To: Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>

Cc: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>; Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>

Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling

You don't often get email from kyley@pride-energy.com. [Learn why this is important](#)
Dean,

Pride Energy is in receipt of your January 16th email to Matt Pride. According to your email, the New Mexico OCD has not received a copy of Pride Energy's surface commingling application. On December 27, 2024, Pride Energy sent via UPS Next Day Air its surface commingling application to the New Mexico OCD for the Tonto 16-21 Fed Com CTB. For your convenience, I have attached the application to this email. Also, I have attached the UPS confirmation which shows the application was delivered to the New Mexico OCD on December 30, 2024 at 11:18 a.m. The confirmation shows it was received by LOCKER and left at the Mail Room.

The following is a question I have in regards to the surface commingling application. Per page 15 of 23 of the attachment titled 'Pride Energy Company – Surface Commingling Application – Tonto 16-21 Fed Com CTB – 12-17-2024' is an administrative checklist for the surface commingling application. In part 2 – Notification Required To – Pride Energy selected 2A – Offset operators or lease holders. Does Pride Energy have to notify offset operators or lease holders for a surface commingling application? The reason I ask is because Cimarex is an offset operator but does not have an economic interest (working interest, royalty interest, or overriding royalty interest) in the Tonto 16-21 Fed Com CTB.

If you have any questions or need additional information, please let me know.

Sincerely,

Kyle Young

Pride Energy Company

4641 E. 91st St.

Tulsa, OK 74137

Phone: 918.524.9200

Fax: 918.524.9292

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Begin forwarded message:

From: "Engineer, OCD, EMNRD" <OCD.Engineer@emnrd.nm.gov>
Date: January 16, 2025 at 6:21:30 AM GMT+11
To: Darin Savage <darin@abadieschill.com>, "McClure, Dean, EMNRD" <Dean.McClure@emnrd.nm.gov>, Matt Pride <mattp@pride-energy.com>
Cc: "Engineer, OCD, EMNRD" <OCD.Engineer@emnrd.nm.gov>, Marcus Fodor <marcus@abadieschill.com>, "Clelland, Sarah, EMNRD" <Sarah.Clelland@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling

The Division is in receipt of Cimarex's protest of Pride Energy's commingling project proposed within the application attached to this email. The attached application has not yet been submitted to the Division. Should it be submitted to the Division, review of it will be placed on hold until Cimarex's protest is resolved. The protest may be resolved in two ways: (a) the protestor withdraws its protest; or (b) via public hearing.

Mr. Pride,

Please provide me notice via email when Pride Energy submits the attached application to the Division.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Darin Savage <darin@abadieschill.com>
Sent: Wednesday, January 15, 2025 10:15 AM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Cc: Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>; Marcus Fodor <marcus@abadieschill.com>
Subject: [EXTERNAL] Cimarex's objection to Pride's application for commingling

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Mr. Dean McClure, good morning,

Cimarex Energy Co., Coterra Energy, Inc. ("Cimarex"), received the attached application submitted by Pride Energy Company for approval of commingling and a central tank battery (NW SE, Section 21-19S-33E).

Cimarex objects to this application pursuant to 19.15.12.10(C)(4) NMAC.

Please note Cimarex's objection submitted by this email.

I am available to address any questions regarding this matter and/or provide additional information.

Thanks, Darin

DARIN SAVAGE | Attorney

Abadie | Schill P.C.

214 McKenzie Street, Santa Fe, New Mexico 87501

P | 970.385.4401 :: F | 970.385.4901 :: C | 970.764.8191

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From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Darin Savage](#); [McClure, Dean, EMNRD](#)
Cc: [Engineer, OCD, EMNRD](#); [Kyle Young](#); [Marcus Fodor](#); [Clelland, Sarah, EMNRD](#); [Matt Pride](#); [John Pride](#)
Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling
Date: Friday, January 24, 2025 9:21:00 AM

The Division recognizes that Cimarex/Coterra has withdrawn its protest to the surface commingling application submitted by Pride Energy and designated as Application ID: 421762 and CTB-1122. The application will now be placed under review by the Division and will be eligible for consideration for approval by the Division once the 20-day notice period has expired should no further protest occur.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Darin Savage <darin@abadieschill.com>
Sent: Wednesday, January 22, 2025 2:51 PM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Cc: Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>; Kyle Young <kyley@pride-energy.com>; Marcus Fodor <marcus@abadieschill.com>; Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>
Subject: Re: [EXTERNAL] Cimarex's objection to Pride's application for commingling

Some people who received this message don't often get email from darin@abadieschill.com. [Learn why this is important](#)

Mr. McClure, good afternoon,

Cimarex/Coterra has further reviewed the application (Central Tank Battery (Tonto 16-21 Fed Com CBT)) and the underlying matter. Based on its review, Cimarex/Coterra has decided to withdraw its objection to the application going forward. Mr. McClure, thank you for the additional time to evaluate this matter after receiving notice and arrive at a proper resolution.

Sincerely,

Darin

DARIN SAVAGE | Attorney

Abadie | Schill P.C.

214 McKenzie Street, Santa Fe, New Mexico 87501

P | 970.385.4401 :: F | 970.385.4901 :: C | 970.764.8191

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On Jan 16, 2025, at 10:30 AM, McClure, Dean, EMNRD
<Dean.McClure@emnrd.nm.gov> wrote:

Thank you, Mr. Savage.

A surface commingling application may not be approved by the Division until after a 20-day notice period has concluded and no protests have been received. Cimarex has submitted its protest already, presumably after determining that it has standing. Only the basis for that determination is being requested by the Division at this point. If an extension is required, please feel free to request such if there is good cause.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Darin Savage <darin@abadieschill.com>
Sent: Thursday, January 16, 2025 9:57 AM
To: Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>
Cc: Kyle Young <kylev@pride-energy.com>; Marcus Fodor <marcus@abadieschill.com>;
Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>; McClure, Dean, EMNRD
<Dean.McClure@emnrd.nm.gov>
Subject: Re: [EXTERNAL] Cimarex's objection to Pride's application for commingling

Thank you Mr. McClure.

Cimarex received notice of this application (addressed to Cimarex) with directions that it had 20 days to respond, and that is why Cimarex responded as it did. I will review and inquire further to determine the basis of the notice Pride sent and Cimarex received and the extent of any ownership and standing.

Darin

[<~WRD0000.jpg>](#)

DARIN SAVAGE | Attorney

Abadie | Schill P.C.

214 McKenzie Street, Santa Fe, New Mexico 87501

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than the named recipient is strictly prohibited.

On Jan 16, 2025, at 9:45 AM, Engineer, OCD, EMNRD
<OCD.Engineer@emnrd.nm.gov> wrote:

Mr. Savage,

No later than 5 business days after receipt of this email, please provide the basis upon which Cimarex believes it has standing in this matter.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Kyle Young <kyley@pride-energy.com>
Sent: Wednesday, January 15, 2025 3:44 PM
To: Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>; McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling

You don't often get email from kyley@pride-energy.com. [Learn why this is important](#)
Dean,

Cimarex does not own a working interest, royalty interest, or overriding royalty interest in the production that Pride Energy is proposing to commingle.

I will submit the application online and will create a new email chain if I have any questions.

Thank you,

Kyle Young

Pride Energy Company

4641 E. 91st St.

Tulsa, OK 74137

Phone: 918.524.9200

Fax: 918.524.9292

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From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov> **On Behalf Of** Engineer, OCD, EMNRD
Sent: Wednesday, January 15, 2025 3:56 PM
To: Kyle Young <kyley@pride-energy.com>; Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>; McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Cimarex's objection to Pride's application for commingling

Kyle,

The application will need to be submitted online at [OCD Permitting](#). If you have any questions regarding the process, please feel free to reach out. However, it will be beneficial for the purpose of keeping this email chain clean, if any questions regarding the submission process are sent in a new email.

Unless ownership is identical as defined in 19.15.12.7 B. NMAC, then all working, royalty, and overriding royalty interest owners of the production being commingled need to be provided and notified of the application. Typically, the list of noticed persons serves as the list of interest owners. Are you stating that Cimarex does not own a working,

royalty, or overriding royalty interest in the production that Pride is proposing to commingle?

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Kyle Young <kyley@pride-energy.com>

Sent: Wednesday, January 15, 2025 2:34 PM

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Cc: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>; Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>; Matt Pride <mattp@pride-energy.com>; John Pride <johnp@pride-energy.com>

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If you have any questions or need additional information, please let me know.

Sincerely,

Kyle Young

Pride Energy Company

4641 E. 91st St.

Tulsa, OK 74137

Phone: 918.524.9200

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Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

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Please note Cimarex's objection submitted by this email.

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Thanks, Darin

DARIN SAVAGE | Attorney

Abadie | Schill P.C.

214 McKenzie Street, Santa Fe, New Mexico 87501

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY PRIDE ENERGY COMPANY**

ORDER NO. CTB-1122

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. Pride Energy Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells as described 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. 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.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10 C.(4)(g) NMAC.
6. 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 as described in Exhibit A.
7. 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 (“CA Pooled Area”), as described in Exhibit A.

CONCLUSIONS OF LAW

8. 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.

9. 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.
10. 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.
11. 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.
12. 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.
13. Applicant did not give adequate notice that it sought authorization to prospectively include additional pools, leases, or wells as required by 19.15.12.10 C.(4)(g) NMAC.
14. 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 as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter 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 as described 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 as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. For each CA Pooled Area described in Exhibit A, 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 a 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 CA 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 commingling application to OCD to conform this Order

with the approved Agreement(s) if the formation or dedicated lands are modified or if a modification is made that will affect this Order. If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a CA Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the CA Pooled Area until the Proposed Agreement which includes the CA Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the CA 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.

3. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described 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.
4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
5. 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.
6. 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.
7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
8. 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.
9. Applicant's request for authorization to add pools, leases, and wells prospectively pursuant to 19.15.12.10 C.(4)(g) NMAC is denied.

10. If a well is not included in Exhibit A but produces from a pool and lease as described 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, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
11. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
12. 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).
13. 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**



**GERASIMOS RAZATOS
DIRECTOR (ACTING)**

DATE: 4/30/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-1122**

Operator: **Pride Energy Company (151323)**

Central Tank Battery: **Tonto 16 21 Federal Com Central Tank Battery**

Central Tank Battery Location: **UL J, Section 21, Township 19 South, Range 33 East**

Gas Title Transfer Meter Location: **UL K, Section 22, Township 19 South, Range 33 East**

Pools

Pool Name	Pool Code
TONTO;BONE SPRING	59475

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
SLO Lease B0-1581-0013	W/2 NE/4	16-19S-33E
SLO Lease LG-8997-0001	NE/4 NE/4	16-19S-33E
SLO Lease V0-6674-0000	SE/4 NE/4, SE/4	16-19S-33E
PROPOSED CA Bone Spring NMNM 106713504	E/2 E/2	16-19S-33E
	E/2 NE/4	21-19S-33E
PROPOSED CA Bone Spring NMNM 106713503	W/2 E/2	16-19S-33E
	W/2 NE/4	21-19S-33E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-53220	TONTO 16 21 FEDERAL COM #201H	W/2 E/2	16-19S-33E	59475
		W/2 NE/4	21-19S-33E	
30-025-53221	TONTO 16 21 FEDERAL COM #202H	E/2 E/2	16-19S-33E	59475
		E/2 NE/4	21-19S-33E	

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

COMMENTS

Action 421762

COMMENTS

Operator: PRIDE ENERGY COMPANY P.O. Box 701950 Tulsa, OK 741701950	OGRID: 151323
	Action Number: 421762
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

COMMENTS

Created By	Comment	Comment Date
dmcclure	Cimarex timely protested this application on 1/15/2025. The Division is reviewing whether the protestor has standing in this matter.	1/16/2025
dmcclure	Cimarex withdrew its protest on 1/22/2025.	1/24/2025

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CONDITIONS

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Operator: PRIDE ENERGY COMPANY P.O. Box 701950 Tulsa, OK 741701950	OGRID: 151323
	Action Number: 421762
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	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 email us at OCD.Engineer@emnrd.nm.gov .	4/30/2025