

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: Steward Energy II, LLC **OGRID Number:** 371682
Well Name: Huell Tank Battery **API:** See attached wells
Pool: BRONCO; SAN ANDRES, SOUTH **Pool Code:** _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Vanessa De Los Santos

 Print or Type Name

Vanessa De Los Santos

 Signature

04/25/2023

 Date

214-297-0533

 Phone Number

vanessa.delossantos@stewardenergy.net

 e-mail Address

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

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Form C-107-B
Revised August 1, 2011

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: Steward Energy II, LLC
OPERATOR ADDRESS: 2600 North Dallas Parkway Suite 400, Frisco TX 75034
APPLICATION TYPE:

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

LEASE TYPE: [X] Fee [] State [] Federal

Is this an Amendment to existing Order? [] Yes [X] 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 [X] No

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

Table with 6 columns: (1) Pool Names and Codes, Gravities / BTU of Non-Commingled Production, Calculated Gravities / BTU of Commingled Production, Calculated Value of Commingled Production, Volumes. Row 1: Bronco; San Andres, South (7500)

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

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

(1) Pool Name and Code. BRONCO; SAN ANDRES, SOUTH (7500)
(2) Is all production from same source of supply? [X] Yes [] No
(3) Has all interest owners been notified by certified mail of the proposed commingling? [X] Yes [] No
(4) Measurement type: [X] 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: Vanessa De Los Santos TITLE: Sr. Analyst Regulatory & Environmental DATE: 04/26/2023

TYPE OR PRINT NAME: Vanessa De Los Santos TELEPHONE NO.: 214-297-0533

E-MAIL ADDRESS: vanessa.delossantos@stewardenergy.net

APPLICATION FOR SURFACE POOL LEASE COMMINGLING

Introduction

Steward Energy II, LLC requests approval for the surface commingling of oil and gas from all existing and future wells on the Lawyer Up Fee lease. The Lawyer Up Fee 5H and any future wells will be taken to an established tank facility at the Huell Fee Battery, one tenth of a mile north of the Lawyer Up Fee 5H well location. The Huell Fee Battery already has the infrastructure in place for oil, water and gas handling and sales so no new surface disturbance will be required for the proposed surface commingling agreement. The commingled site will serve as a central emissions point for any emergency flaring of the commingled leases thereby limiting the effects of an emergency flare event to one site rather than multiple locations.

Current wells that will be commingling production at the Huell Fee Tank Battery will include:

API	Well Name	Surface Hole Location
30-025-49775	Huell Fee 5H	SESW, Sec 10, T13S, R38E
30-025-51003	Lawyer Up Fee 5H	NENW, Sec 15, T13S, R38E

All wells will be producing from the same pool and formation (Bronco; San Andres, South).

Royalty Revenue Statement

The approval of the proposed application for surface commingling of the Lawyer Up Fee leases (**HUELL FEE**-the W/2 of Section 15, Township 13 South, Range 38 East **LAWYER UP FEE**-W/2 of Section 10, Township 13 South, Range 38 East) will not negatively affect the royalty revenue of the New Mexico State Government. Current and future wells on the lease will each have their own dedicated 3-phase separator which will meter oil, water and gas. In addition, each well will also have a second vertical vessel (heater treater) specifically allowing the oil to go through a final separation removing any extraneous water and gas and acting as an ultimate metering point for the oil. The dedicated vessels allow for Steward Energy II, LLC to accurately meter each production stream individually prior to the actual commingling of produced fluids from the Lawyer Up Fee lease at the Huell Fee Battery. Each meter will be tested and proven on a monthly basis to ensure that the daily volumes being recorded are valid and accurate. The effectiveness of the meters to record the daily production off of the dedicated ensures that the State Government will not lose revenue from the approval of the commingling allocation request.

List of Leases Included

HUELL FEE: 320.00 acres of land, more or less, being all of the W/2 of Section 15, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

LAWYER UP FEE: 320.00 acres, more or less, being the W/2 of Section 10, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico:

Tract A: 240.00 acres, more or less, being the W/2, SAVE & EXCEPT the N/2 of the NW/4 of Section 10, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

Tract B: 80.00 acres, more or less, being the N/2 of the NW/4 of Section 10, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

Proposed Allocation Agreement

The proposed allocation agreement for the commingled Huell Fee Tank Battery is a ratioed allocation based off of each individual well test from the aforesaid leases at the Huell Fee Tank Battery. As previously mentioned, each current and future well going into the battery will have a dedicated 3 phase separator and heater treater with individual meters measuring oil, gas and water volumes. The oil meter will be proven at least once a month utilizing a dedicated oil tank and tank gauges. The gas meter will be proven monthly utilizing a third party meter prover. The production ratio, based on the metered tests, is applied to the total volume at the battery to calculate the respective allocated volumes for each well and each production stream. This method of testing has already been in use by Steward Energy II, LLC in Texas with a high degree of accuracy.

Economic Statement

All of the leases in the proposed surface commingling agreement are capable of producing in commercial and paying quantities of 1 bbl/day of oil and is repeatable by current and historic well tests.

Future Additions

Steward Energy II, LLC requests authority to add additional wells contained within the spacing units identified and approved above by filing a C103Z and C102 with the NMOCD. Notice to owners shall not be required when amending the application to add wells contained within spacing units previously approved for commingling authority.

Pursuant to Statewide rule 19.15.12.10 (C)(4)(g) Steward Energy II, LLC requests the option to include additional pools or leases within the following parameters:

Steward Energy II, LLC may add additional production from the Bronco; San Andres, South pool from Leases; **HUELL FEE:** 320.00 acres of land, more or less, being all of the W/2 of Section 15, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

LAWYER UP FEE: 320.00 acres, more or less, being the W/2 of Section 10, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico

Tract A: 240.00 acres, more or less, being the W/2, SAVE & EXCEPT the N/2 of the NW/4 of Section 10, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

Tract B: 80.00 acres, more or less, being the N/2 of the NW/4 of Section 10, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
April 23, 2023
and ending with the issue dated
April 23, 2023.



Publisher

Sworn and subscribed to before me this
23rd day of April 2023.



Business Manager

My commission expires
January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE April 23, 2023

STEWARD Energy II LLC located at 2600 Dallas Parkway, Suite 400, Frisco, Texas 75034 is applying to the NMOCD for a surface commingle permit for oil and gas production for facilities in the Northwest Shelf within Permian Basin. The facilities are located in Lea County in Section 10; T13S-R38E. This is for the Huell Tank Battery.

Wells going to these batteries are in Lea County in Section 10 & 15; 13S-38E. Production is from the Bronco, San Andres South formation/pool. The wells going to this battery are Huell Fee #05H and Lawyer up Fee #05H.

Pursuant to statewide Rule 19.15.12.10, any objections to this application must be filed in writing within twenty days from date of publication with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505, if no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact Vanessa Lopez, Steward Energy II, LLC at 214.297.0533 or vanessa.lopez@stewardenergy.net. #00277850

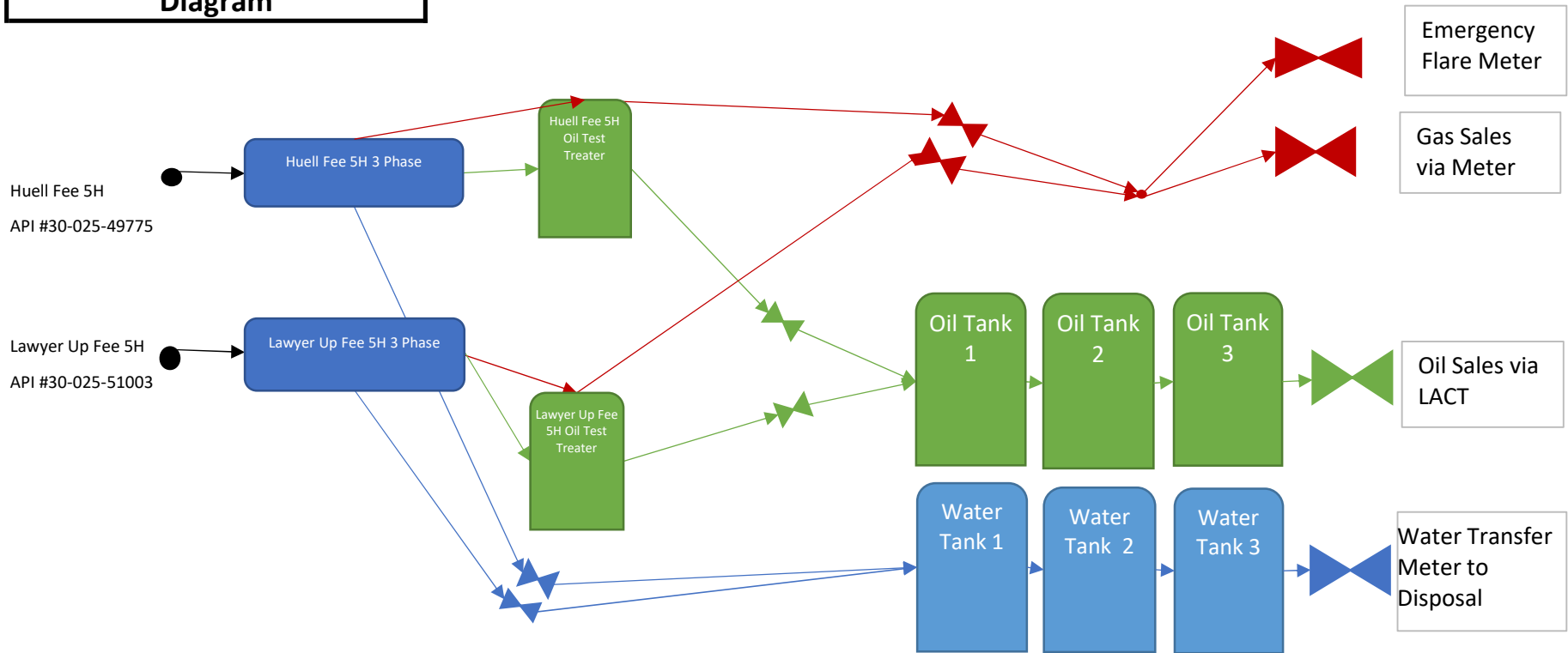
67117552

00277850

VANESSA LOPEZ
STEWARD ENERGY, LLC
2600 Dallas Parkway, Suite 400
FRISCO, TX 75034

Huel Battery	WELL	LOCATION	API	POOL	OIL	GAS	GRAVITY	Date online
Huell Fee #5H	N-10-13S-38E	30-025-49775 (7500)-BRONCO, SAN ANDRES, SOUTH	461	304	32.4	6/5/2022		
Lawyer Up Fee #5H	B-15-13S-38E	30-025-51003 (7500)-BRONCO, SAN ANDRES, SOUTH			TBD		frac date 5/26/2023	

Huell Fee Tank Battery Diagram



Legend	
	Gas Test Meter
	Oil Test Meter
	Water Test Meter
	Oil Line
	Water Line
	Gas Line
	Well Stream
	Wellhead



Certificate of Analysis

Number: 6030-22080286-001A

Artesia Laboratory
 200 E Main St.
 Artesia, NM 88210
 Phone 575-746-3481

Station Name: Huell SH
 Station Location: Steward Energy
 Sample Point: Heater Treater
 Cylinder No: 5030-00564
 Analyzed: 08/22/2022 13:36:26 by KNF

Sep. 06, 2022
 Sampled By: Cameron Rivera
 Sample Of: Liquid Spot
 Sample Date: 08/19/2022 08:45
 Sample Conditions: 42.2 psig, @ 87.2 °F
 Method: GPA 2103M

Analytical Data

Components	Mol. %	MW	Wt. %	Sp. Gravity	L.V. %
Nitrogen	0.015	28.013	0.002	0.8069	0.002
Methane	0.625	16.043	0.049	0.3000	0.140
Carbon Dioxide	0.279	44.010	0.060	0.8172	0.063
Ethane	1.647	30.069	0.242	0.3563	0.582
Propane	3.370	44.096	0.726	0.5072	1.227
Iso-Butane	1.077	58.122	0.306	0.5628	0.466
n-Butane	3.775	58.122	1.072	0.5842	1.573
Iso-Pentane	2.309	72.149	0.814	0.6251	1.116
n-Pentane	2.956	72.149	1.042	0.6307	1.416
i-Hexanes	15.715	86.175	6.617	0.6641	8.539
n-Hexane	10.699	86.175	4.505	0.6641	5.814
2,2,4-Trimethylpentane	0.043	114.229	0.024	0.6964	0.030
Benzene	2.552	78.112	0.974	0.8844	0.944
Heptanes	6.078	100.202	2.976	0.6882	3.706
Toluene	2.834	92.138	1.276	0.8719	1.254
Octanes	4.954	114.229	2.765	0.7066	3.354
Ethylbenzene	1.702	106.165	0.883	0.8716	0.868
Xylenes	1.471	106.167	0.763	0.8761	0.746
Nonanes	2.946	128.255	1.846	0.7222	2.190
Decanes Plus	34.953	427.773	73.058	0.9490	65.970
	<u>100.000</u>		<u>100.000</u>		<u>100.000</u>

Calculated Physical Properties

	Total	C10+
Specific Gravity at 60°F	0.8570	0.9490
API Gravity at 60°F	33.616	17.599
Molecular Weight	204.660	427.773
Pounds per Gallon (in Vacuum)	7.145	7.912
Pounds per Gallon (in Air)	7.137	7.904
Cu. Ft. Vapor per Gallon @ 14.696 psia	13.248	7.019

Data reviewed by: Krystle Fitzwater, Laboratory Manager

Quality Assurance: The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.



STEWARD

ENERGY

May 15, 2023

CERTIFIED MAIL RETURN
RECEIPT REQUESTED

Re: Request for Lease & Pool Commingling at Huell Fee Tank Battery
Sec. 10, T-13S, R38E
Bronco Lake San Andres, South (Pool Name)
Lea County, New Mexico

Dear Interest Owner:

This letter is to advise you that Steward Energy II LLC is filing an application with the New Mexico Oil Conservation Division (NMOCD) seeking approval for oil & gas lease and Pool commingling for the wells mentioned below.

Well Name	SHL Location	API
Huell Fee 5H	N-10-13S-38E	30-025-49775
Lawyer Up Fee 5H	B-15-13S-38E	30-025-51003

A copy of our submitted application is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the NMOCD within 20 days from the date of this letter.

Please contact the undersigned at (214) 297-0500 or land@stewardenergy.net should you have any questions or need any additional information.

Sincerely,

Vanessa De Los Santos
Senior Analyst-Regulatory & Environmental

Vanessa De Los Santos

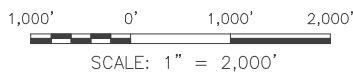
Address	Tracking #
Allante Joint Venture PO Box 9758 Midland, TX 79708-9758	7021 2720 0002 3279 2226
Angelus, Chasidy Marie PO Box 276 Quemado, TX 87829	7021 2720 0002 3279 2233
Armstrong Energy Corporation PO Box 1973 Roswell, NM 88202-1973	7021 2720 0002 3279 2240
Bea H. Stephens Trust 1665 Caille Court Fort Mill, SC 29708	7021 2720 0002 3279 2257
Beck Lumber & Oil, LLC, a New Mexico LLC 1111 N. Pennsylvania Avenue Roswell, NM 88201	7021 2720 0002 3279 2264
Bettianne H. Bowen Living Trust, dated 4/24/1996 238 Beverly Court King City, CA 93930	7021 2720 0002 3279 2271
Board of Regents of the New Mexico Military Institute % Col. Deana Curnutt, CFO 101 West College Boulevard Roswell, NM 88201	7021 2720 0002 3279 2288
Board of Regents of the University of New Mexico % UNM Real Estate Department, MSC06 3595 2811 Campus Boulevard NE Albuquerque, NM 87131	7021 2720 0002 3279 2295
Burks, Jan S. 2781 Doverton Square Mountain View, CA 94040	7021 2720 0002 3279 2301
Burt, Clyde Calvin 5206 Walton Drive Klamath Falls, OR 97603	7021 2720 0002 3279 2318
Burt, Danny 709 John Adams Lane West Melbourne, FL 32904	7021 2720 0002 3279 2325
Chimney Rock Oil & Gas LLC PO Box 1973 Roswell, NM 88202-1973	7021 2720 0002 3279 2332
Cinco Ranch Oil & Gas LLC 3311 Beachwater Drive Katy, TX 77450-5719	7021 2720 0002 3279 2349
Community Minerals, LLC 2925 Richmond Ave. Suite 1200 Houston, TX 77098	7021 2720 0002 3279 2356
Conquistador Council of the Boy Scouts of America Trust Fund Bank of America, NA, Agent PO Box 840738 Dallas, TX 75284-0738	7021 2720 0002 3279 2363
Coomes, Kristin Hinkle 265 259th Avenue, NE Sammamish, WA 98074	7021 2720 0002 3279 2370
Davis Holdings L.P 1221 McKinney Street, Suite 3100 Houston, TX 77010	7021 2720 0002 3279 2394
Davis Holdings L.P. 1500 McGowen, Suite 200 Houston, TX 77004	7021 2720 0002 3279 2387
Davis, Floyd H. 22301 Hamilton Pool Road Dripping Springs, TX 78620	7021 2720 0002 3279 2400
Davis, Lloyd C. 1532 SW 52nd Street Oklahoma City, OK 73119	7021 2720 0002 3279 2417
Davis, Murle T. 1532 SW 52nd Street Oklahoma City, OK 73119	7021 2720 0002 3279 2424
Davis, Sydney Dauterive PO Box 26547 Austin, TX 78755	7021 2720 0002 3279 2431
Davis, Timothy M. 2209 SE 6th Street Moore, OK 73160	7021 2720 0002 3279 2448

Address	Tracking #
Davis-Smith LLC 2407 East 72nd Place Tulsa, OK 74136	7021 2720 0002 3279 2455
Dow-Wingfield Family Minerals, LLC PO Box 129 Terrell, TX 75160	7021 2720 0002 3279 2462
Duwe, Georgi Davis 6802 Rockledge Cove Austin, TX 78731-2920	7021 2720 0002 3279 2479
Estate of David H. Essex 1707 Prairie Mark Lane Houston, TX 77077	7021 2720 0002 3279 2486
Estate of David H. Essex PO Box 50577 Midland, TX 79710	7021 2720 0002 3279 2493
Estate of Xavier Leon Tamez 1617 Travis Street Garland, TX 75042	7021 2720 0002 3279 2509
Fasken Land & Minerals, Ltd. 6101 Holiday Hill Road Midland, TX 79707	7021 2720 0002 3279 2523
Fitzgerald, Pamela 609 West Birch Ave Lovington, NM 88260	7021 2720 0002 3279 2530
Gallagher Energy, LP PO Box 98370 Lubbock, TX 79499-8370	7021 2720 0002 3279 2547
GC Resources, LLC PO Box 601239 Dallas, TX 75360-1239	7021 2720 0002 3279 2554
George, Kenn S. PO Box 601239 Dallas, TX 75360	7021 2720 0002 3279 2561
GH Hunker, LLC PO Box 524 Lander, WY 82520	7021 2720 0002 3279 2578
Gila Group L.P., a Delaware Limited Partnership PO Box 140460 Dallas, TX 75214	7021 2720 0002 3279 2585
Glidden, Shari 1991 Van Ness Avenue Klamath Falls, OR 97601	7021 2720 0002 3279 2592
Gray, Kathleen Lee 760 Wriston Place Charlotte, NC 28209	7021 2720 0002 3279 2608
Gunsight Limited Partnership PO Box 1973 Roswell, NM 88202-1973	7021 2720 0002 3279 2615
H.M. Dow, LLC PO Box 1982 Terrell, TX 75160	7021 2720 0002 3279 2622
Harris McAndrew Trust, dated 5/18/1993 % James S. McAndrew, Trustee 5187 E. Cherry Hills Drive Palm Springs, CA 92264	7021 2720 0002 3279 2639
Harris, Amy K. 7812 Cheno Cortina Trail Austin, TX 78749	7021 2720 0002 3279 2646
Harris, Charles David 5625 Rio Grande Blvd. N.W. Albuquerque, NM 87107	7021 2720 0002 3279 2653
Harris, Perl Harvey 913 CR 145 Plains, TX 79355	7021 2720 002 3279 2660
Harris, Wesley D. HC 12 Box 510 Tatum, NM 88267	7021 2720 0002 3279 2677
Harris-Kornegay, LLC % Yuvonnia K. Owen 1817 Lafayette Dr, Northeast Albuquerque, NM 87106	7021 2720 0002 3279 2684
Hefner, Cora Frances 452 County Road 1110 Pittsburg, TX 75686	7021 2720 0002 3279 2691

Address	Tracking #
Heinsohn, Ed PO Box 206 Quemado, NM 87829	7021 2720 0002 3279 2707
Heinsohn, Ken PO Box 232 Quemado, NM 87829	7021 2720 0002 3279 2714
Herndon Family Trust 29833 Spring Branch Road West Elberta, AL 36530	7021 2720 0002 3279 2721
Hinkle Living Trust, dated 1/9/1996 2604 Coronado Drive, Box 1793 Roswell, NM 88202-1793	7021 2720 0002 3279 2738
Hinkle, Charles E. PO Box 1030 King City, CA 93930	7021 2720 0002 3279 2745
Hodge, Lance PO Box 117 Lovington, NM 88260-0117	7021 2720 0002 3279 2752
Jacobson, Kimberly 113 W 18th Avenue Eugene, OR 97401	7021 2720 0002 3279 2769
James Dowaliby Revocable Trust, dated 12/22/2014, a/k/a James M. Dowaliby, II Revocable Trust, dated 12/22/2014 200 College Street, Apt. 331 New Haven, CT 06510-2489	7021 2720 0002 3279 2776
James Presley Hodge Living Trust PO Box 565 Lovington, NM 88260	7021 2720 0002 3279 2783
Jochimsen, Alan 4209 Cardinal Lane Midland, TX 79707	7021 2720 0002 3279 2790
Johnson, Lori Jean 2700 N Brook Dr. Apt#180 McKinney, TX 75072	7021 2720 0002 3279 2806
LaFon, Leigh Harris 2260 South Pinon Court Denver, CO 80210	7021 2720 0002 3279 3001
Leon Jeffcoat 500 West Texas Avenue, Suite 1000 Midland, TX 79701	7021 2720 0002 3279 2813
Leon Jeffcoat PO Box 9758 Midland, TX 79708-9758	7021 2720 0002 3279 2820
LML, LLC PO Box 2267 King City, CA 93930	7021 2720 0002 3279 2837
Lucida Investments Ltd PO Box 11566 Birmingham, AL 35202	7021 2720 0002 3279 3018
Mai, Dung Quoc 3504 Clary Avenue Fort Worth, TX 76111	7021 2720 0002 3279 3025
Maupin, Ross DeArman 233 Newark Avenue, Apartment 2B Jersey City, NJ 07302	7021 2720 0002 3279 2844
Maupin, Ross DeArman 233 Newark Avenue, Apartment 2B Jersey City, NJ 07302	7021 2720 0002 3279 2851
Maxwell, Janice Badker 5215 Walton Drive Klamath Falls, OR 97603	7021 2720 0002 3279 2868
McLane, Monty D & Karen PO Box 9451 Midland, TX 79708	7021 2720 0002 3279 2875
Michael Lee Douglas 2300 West Alabama Street, Suite 51 Houston, TX 77098	7021 2720 002 3279 2882
Miranda, Lisa Dawn 306 FM 547 Farmersville, TX 75442	7021 2720 0002 3279 2899

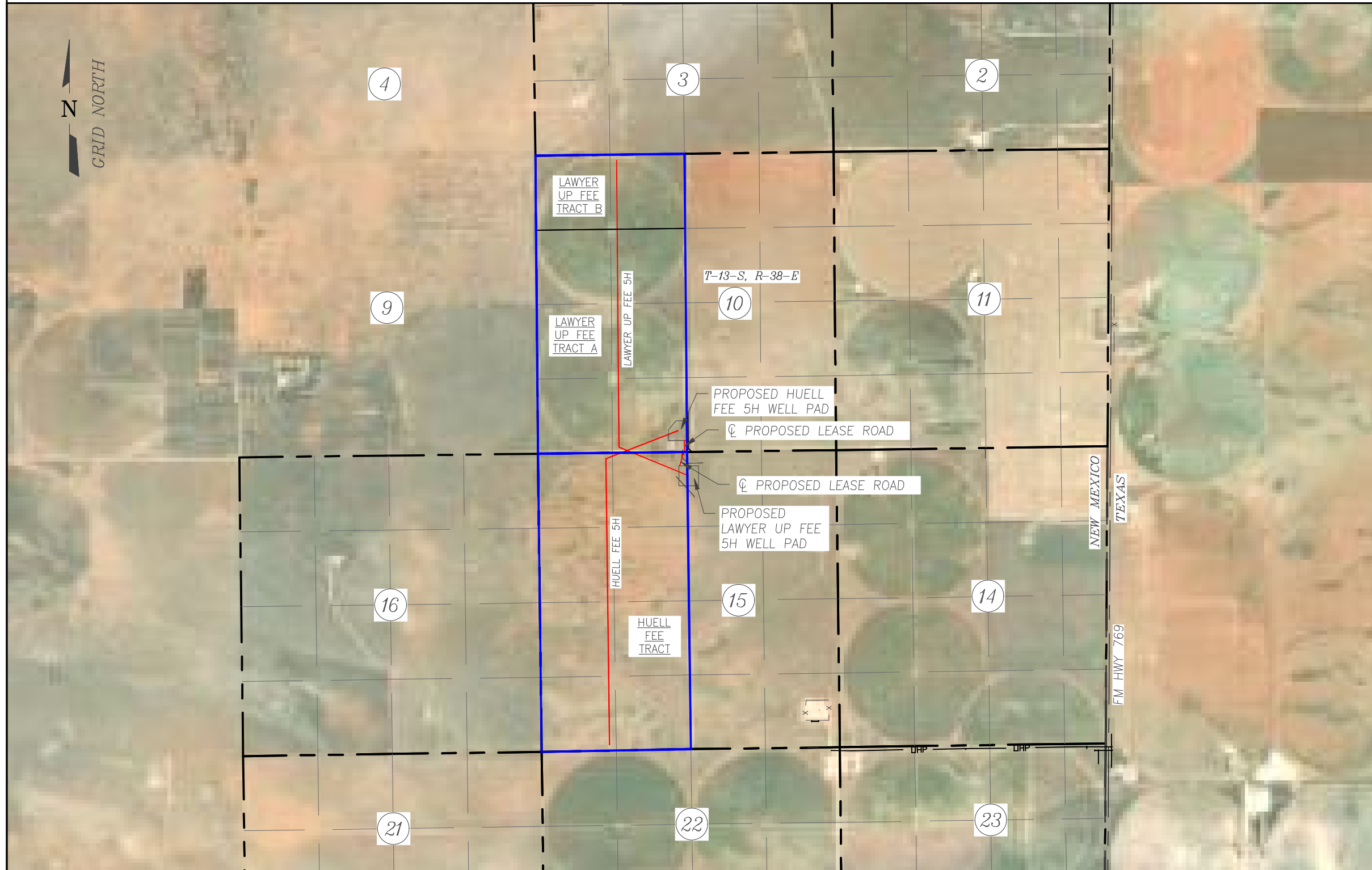
Address	Tracking #
MKHM Oil, LLC 3200 North Tacoma Street Arlington, VA 22213	7021 2720 0002 3279 2905
Nauert, John Rondal 4601 71st Street, #340 Lubbock, TX 79424	7021 2720 0002 3279 2912
Oberholtzer Family Trust, f/b/o Carl E. Oberholtzer, Jr. 4516 Lovers Lane #417 Dallas, TX 75225	7021 2720 0002 3279 2929
Oberholtzer Family Trust, f/b/o Carol Ann Cantrell 3089 Newcastle Drive Dallas, TX 75220	7021 2720 0002 3279 2936
Oberholtzer Family Trust, f/b/o Claudia Sue Means 336 S Congress Ave, Ste 100 Austin, TX 78704-1221	7021 2720 0002 3279 2943
Oberholtzer Family Trust, f/b/o Cynthia Lynn Anderson 2056 Brook Way Montrose, CO 81403-9598	7021 2720 0002 3279 2750
Oberholtzer Family Trust, f/b/o Sharon Kay Compton 4374 E 135th Way Thornton, CO 80241	7021 2720 0002 3279 2967
Pena, Frieda Newelene Williams PO Box 852 Lovington, NM 88260	7021 2720 0002 3279 2974
Permian Development, LLC PO Box 136879 Fort Worth, TX 76136	7021 2720 0002 3279 2981
Plains Production, Inc. 1601 SE 19th Street Edmond, OK 73013	7021 2720 0002 3279 2998
Pool, Mark H. 509 N. Ponderosa Way Mustang, OK 73064	7021 2720 0002 3279 3032
Pool, Sandra D. 1229 SW 65th Street Oklahoma City, OK 73139	7021 3720 0002 3279 3049
Quimby, Inc. PO Box 1 Plains, TX 79355	7021 2720 0002 3279 3056
Ranck Minerals, LLC PO Box 911 Lubbock, TX 79408	7021 2720 0002 3279 3063
Rio Potomac Investments, LLC PO Box 1973 Roswell, NM 88202-1973	7021 2720 0002 3279 3070
Robert E. Landreth 110 West Louisiana Street, Suite 404 Midland, TX 79701	7021 2720 0002 3279 3087
Robert W. Palmer PO Box 3548 Midland, TX 79702	7021 2720 0002 3279 3094
Sartori, Jenna Hinkle 5710 Hatchert Court Pennngrove, CA 94951	7021 2720 0002 3279 3100
Sid Smith Family LLC 2407 East 72nd Place Tulsa, OK 74136	7021 2720 0002 3279 3117
Slash Exploration Limited Partnership PO Box 1973 Roswell, NM 88202-1973	7021 2720 0002 3279 3124
States Royalty LP PO Box 911 Breckenridge, TX 76424-0911	7021 2720 0002 3279 3131
Suzanne Davis Working Interest, LP 3300 South 14th, Suite 206 Abilene, TX 79605	7021 2720 0002 3279 3148
Suzanne Davis, LP 3300 South 14th, Suite 206 Abilene, TX 79605	7021 2720 0002 3279 3155
Tamez, Jaime Alonso 3006 Robin Hill Lane Garland, TX 75044	7021 2720 0002 3279 3162

Address	Tracking #
Tamez, Juan Andre 407 South 4th Street Crandall, TX 75114	7021 2720 0002 3279 3179
Tamez, Lori Lea 4745 Sunset Circle S Fort Worth, TX 76244	7021 2720 0002 3279 3186
Tidmore-Terrell Family Partnership Ltd PO Box 2388 Lubbock, TX 79408	70212720 0002 3279 3193
Tinsley, Meredith George 71 Calle Ventoso West Santa Fe, NM 87506	7021 2720 0002 3279 3209
Travis, Misty Lee 133 Iron Eagle Abilene, TX 79602	7021 2720 0002 3279 3216
Warren and Priscilla Gravely Revocable Trust, dated 1/5/2018 3510 Saint John's Drive Dallas, TX 75205	7021 2720 0002 3279 3230
Wegener Enterprises, Ltd. 5100 North Brookline, 300 Oklahoma City, OK 73112-3603	7021 2720 0002 3279 3247
Welch, Vanda G. 12605 Covey Creek Drive Oklahoma City, OK 73142	7021 2720 0002 3279 3254
William E. Gee, a/k/a Bill Gee, d/b/a Perm-O-Penn Exploration 1401 NW 191st Street Edmond, OK 73012	7021 2720 0002 3279 3261
Yates, June B. 3964 FM 556 Pittsburg, TX 75686	7021 2720 0002 3279 3278



HUELL FEE & LAWYER UP FEE
LEASE BOUNDARY MAP
SECTIONS 10 & 15, T-13-S, R-38-E N.M.P.M.,
LEA COUNTY, NEW MEXICO

N
GRID NORTH



LEASE LEGAL DESCRIPTION

HUELL FEE TRACT
CALLED 320.00 ACRES OF LAND, MORE OR LESS, BEING ALL OF THE WEST 1/2 OF SECTION 15, TOWNSHIP 13 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

LAWYER UP FEE TRACT A
CALLED 240.00 ACRES OF LAND, MORE OR LESS, BEING THE WEST 1/2, SAVE AND EXCEPT THE NORTH 1/2 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 13 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

TRACT B
CALLED 80.00 ACRES OF LAND, MORE OR LESS, BEING THE NORTH 1/2 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 13 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

SHEET
1
OF
1

DELTA FIELD SERVICES, LLC
D/B/A R-SQUARED GLOBAL, LLC
510 TRENTON STREET
WEST MONROE, LA 71291
(318) 323-6900



DRAWN BY: DEF
DATE: 04/25/2023
CHECKED BY: MWS

JOB NO.: STW_0004_LU01
DWG. NO. LEASE BOUNDARY MAP

REV.	DATE	DESCRIPTION	BY	CHKD

LEGEND

— — — — —	PERMANENT EASEMENT	— — — — —	TOWNSHIP/RANGE LINE
— w — w — w —	EXISTING WATERLINE	== == == == ==	EDGE OF ROAD
— — — — —	EXISTING LEASE ROAD	- x - x - x - x -	FENCE
— SWD — SWD —	EXISTING SALT WATERLINE	— — — — —	DRILL LINES
— — — — —	PAD LINE	— — — — —	PROP. LEASE ROAD
— — — — —	LOT/QUARTER LINE	— — — — —	STATE LINE
— — — — —	LEASE	☀	WELL
— — — — —	EXISTING PIPELINES	BASIS OF BEARING	
— DHP — DHP —	OVERHEAD POWERLINE	ALL BEARINGS AND COORDINATES REFER TO NAD 83, NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE, U.S. SURVEY FEET. (ALL BEARINGS, DISTANCES, COORDINATES AND AREAS ARE GRID MEASUREMENTS UTILIZING A COMBINED SCALE FACTOR OF 0.99990013 CONVERGENCE ANGLE OF 0.68792778'.)	
— — — — —	SURVEY/SECTION LINE		

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY BURK ROYALTY CO., LTD.**

ORDER NO. CTB-1202

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. Burk Royalty Co., LTD. (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools and leases described in Exhibit A (“Application”).
2. Applicant included a complete list of the wells currently dedicated to each pool and lease.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools and leases in accordance with 19.15.12.10(C)(4)(g) NMAC.
5. 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.
6. 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.
7. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

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 satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10(C)(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
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 and leases as described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from the wells included in Exhibit A, provided that they produce from a pool and lease described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease, as applicable, from the pools and leases 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, as applicable, 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. 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.

3. 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.
4. If Applicant recovers oil or gas production from produced water prior to Applicant injecting it or transferring custody of it, then that production shall be allocated to each well in the proportion that it contributed to the total produced water.
5. If Applicant recovers gas production using a vapor recovery unit (VRU), then that gas production shall be allocated to each well in the proportion that it contributed to the total oil production.
6. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
7. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
9. Applicant shall install and utilize vessels that are appropriately designed to ensure sufficient separation of the fluids and to accurately measure oil and gas production.
10. 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.
11. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10(C)(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
12. 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.

13. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
14. 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).
15. 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 for Albert Chang

**ALBERT C. S. CHANG
DIRECTOR**

DATE: 2/27/26

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1202
Operator: Burk Royalty Co., LTD. (3053)
Central Tank Battery: Huell Fee Central Tank Battery
Central Tank Battery Location: UL B, C, Section 15, Township 13 South, Range 38 East
Gas Title Transfer Meter Location: UL B, C, Section 15, Township 13 South, Range 38 East

Pools

Pool Name	Pool Code
BRONCO;SAN ANDRES, SOUTH	7500

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
Compulsory Pooling Order R-22678	W2	10-13S-38E
Compulsory Pooling Order R-22051-A	W2	15-13S-38E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-49775	HUELL FEE #005H	W2	15-13S-38E	7500
30-025-51003	LAWYER UP FEE #005H	W2	10-13S-38E	7500

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

CONDITIONS

Action 216061

CONDITIONS

Operator: STEWARD ENERGY II, LLC 777 Taylor Street Fort Worth, TX 76102	OGRID: 371682
	Action Number: 216061
	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 .	3/2/2026