

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING SEPTEMBER 9, 2021**

**APPLICATION OF CIMAREX ENERGY CO.
TO AMEND ORDER NO. R-21033 AND R-21035 FOR AN EXTENSION OF THE
WELL COMMENCEMENT DEADLINE**

**Case No. 22147
Reopen Case No. 20746
and Amend Order No. R-21033**

**Case No. 22148
Reopen Case No. 20748
and Amend Order No. R-21035**

Cimarex Energy Co.

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TAB 1

Reference for Case Nos. 22147 and 22148

Application Case No. 22147 – Request for Time Extension

Application Case No. 22148 – Request for Time Extension

Copy of Order No. R-21033

Copy of Initial Request Case No. 20746

Copy of Order No. R-21035

Copy of Initial Request Case No. 20748

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

**APPLICATION OF CIMAREX ENERGY CO.
TO AMEND ORDER NO. R-21033 FOR
AN EXTENSION OF THE WELL
COMMENCEMENT DEADLINE**

**Case No. 22147;
Reopen Case No. 20746 and Amend
Order No. R-21033**

APPLICATION

Cimarex Energy Co. (“Cimarex”), OGRID No. 215099, through its undersigned attorneys, hereby files this Application with the New Mexico Oil Conservation Division (“Division”), pursuant to Paragraphs (5) and (6), under “IT IS THEREFORE ORDERED THAT” of Division Order No. R-21033, in order to reopen Case No. 20746, and request a nine-month extension of the well commencement deadline in the Order, which was issued January 23, 2020, followed by the Division Director’s Letter dated December 12, 2020 (“Initial Extension”), extending the Order’s commencement date to January 23, 2022. This Order pooled all uncommitted interests in the Bone Spring formation underlying the N/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, and granted Cimarex the operating rights for the proposed Parkway 16-17 State Com 1H Well and development of these lands as a unit.

Said Paragraph (5) of the Order allows for an extension for good cause shown. The Initial Extension granted an extension of the spud date to January 23, 2022, and provided that “[a]ll other provisions of this order remain in full force and effect.” Pursuant to said Paragraph (5) of the Order, still in full force and effect, Cimarex respectfully requests opportunity for an additional extension of the commencement date based on its showing of good cause.

In support of its Application, Cimarex states the following. Cimarex is in good standing under state-wide rules and regulations with respect to Order No. R-20133, and in good-faith has made substantial progress toward the development of the unit since the Order was issued: (1) by obtaining a Permit to Drill; (2) by successfully entering into an operating agreement with an owner of a large amount of the acreage, and continuing to work with the other owners to finalize agreements; and (3) by successfully completing one trade within the unit and working toward an additional trade. Cimarex will continue to work with the remaining uncommitted interest owners and provide them with the updated Order, with Extension, if granted.

The Initial Extension was requested and granted just prior to the full onset of the COVID public health emergency and economic downturn, and consequently, Cimarex experienced delays and logistical issues in its drilling plans and operations for the Bone Spring formation in these lands, due to a contraction of rig availability under the interceding economic downturn. While grappling with these difficulties, Cimarex had to re-group and reorganize its plans and drilling schedule, finally consolidating plans for the Parkway 16-17 State Com 1H Well to be drilled simultaneously with five other Parkway wells in the area in order to optimize the efficiency of drilling operations and completion of the wells, which include the Parkway 15-14 South State Com 1H and 2H Wells, the Parkway 16-17 State Com 3H Well, the Parkway 16 State Com 4H Well, and the Parkway 16-17 State Com 2H Well. Accordingly, Cimarex respectfully submits that this application for an extension of time will ensure a coordinated effort that allows for the timely drilling and completion of all the Parkway wells and thereby prevents waste, better protects correlative rights, and prevents the drilling of unnecessary wells.

Cimarex recognizes the need for diligence in its revised plans and drilling schedule, and in an effort to promote such consideration, is requesting a time extension of nine months instead of the standard one year in order to make a good-faith effort to expedite its plans.

WHEREFORE, Cimarex respectfully requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on September 9, 2021, and after notice and hearing as required by law, that, based on good cause shown by Cimarex in the reasons above-described and enumerated, the Division amend Order No. 21033 in a manner that provides for a nine-month extension of the well commencement deadline, through October 23, 2022, and that affords Cimarex the opportunity to continue its development of the unit without interruption.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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Attorneys for Cimarex Energy Co.

Application of Cimarex Energy Co., to Amend Order No. R-21033 for a -Nine-month Extension of the Well Commencement Deadline, Eddy County, New Mexico. Applicant in the above-styled cause seeks to re-open Case No. 20746 and amend Division Order No. R-21033 in order to obtain, based on good cause shown, a nine-month extension of the well commencement deadline, as amended, through October 23, 2022. Order No. R-21033 pooled uncommitted interest owners and granted Applicant operating rights for the Parkway 16-17 State Com 1H Well proposed to be drilled into the Bone Spring formation underlying the N/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The well and lands are located approximately 2.5 miles southeast of Artesia, New Mexico.

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

**APPLICATION OF CIMAREX ENERGY CO.
TO AMEND ORDER NO. R-21035 FOR
AN EXTENSION OF THE WELL
COMMENCEMENT DEADLINE**

**Case No. 22148;
Reopen Case No. 20748 and Amend
Order No. R-21035**

APPLICATION

Cimarex Energy Co. (“Cimarex”), OGRID No. 215099, through its undersigned attorneys, hereby files this Application with the New Mexico Oil Conservation Division (“Division”), pursuant to Paragraphs (5) and (6), under “IT IS THEREFORE ORDERED THAT” of Division Order No. R-21035, in order to reopen Case No. 20748, and request a nine-month extension of the well commencement deadline in the Order, which was issued January 23, 2020, followed by the Division Director’s Letter dated December 12, 2020 (“Initial Extension”), extending the Order’s commencement date to January 23, 2022. This Order pooled all uncommitted interests in the Bone Spring formation underlying the S/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, and granted Cimarex the operating rights for the proposed Parkway 16-17 State Com 2H Well and development of these lands as a unit.

Said Paragraph (5) of the Order allows for an extension for good cause shown. The Initial Extension granted an extension of the spud date to January 23, 2022, and provided that “[a]ll other provisions of this order remain in full force and effect.” Pursuant to said Paragraph (5) of the Order, still in full force and effect, Cimarex respectfully requests opportunity for an additional extension of the commencement date based on its showing of good cause.

In support of its Application, Cimarex states the following. Cimarex is in good standing under state-wide rules and regulations with respect to Order No. R-20135, and in good-faith has made substantial progress toward the development of the unit since the Order was issued: (1) by obtaining a Permit to Drill; (2) by successfully entering into an operating agreement with an owner of a large amount of the acreage, and continuing to work with the other owners to finalize agreements; and (3) by successfully completing one trade within the unit and working toward an additional trade. Cimarex will continue to work with the remaining uncommitted interest owners and provide them with the updated Order, with Extension, if granted.

The Initial Extension was requested and granted just prior to the full onset of the COVID public health emergency and economic downturn, and consequently, Cimarex experienced delays and logistical issues in its drilling plans and operations for the Bone Spring formation in these lands, due to a contraction of rig availability under the interceding economic downturn. While grappling with these difficulties, Cimarex had to re-group and reorganize its plans and drilling schedule, finally consolidating plans for the Parkway 16-17 State Com 2H Well to be drilled simultaneously with five other Parkway wells in the area in order to optimize the efficiency of drilling operations and completion of the wells, which include the Parkway 15-14 South State Com 1H and 2H Wells, the Parkway 16-17 State Com 3H Well, the Parkway 16 State Com 4H Well, and the Parkway 16-17 State Com 1H Well. Accordingly, Cimarex respectfully submits that this application for an extension of time will ensure a coordinated effort that allows for the timely drilling and completion of all the Parkway wells and thereby prevents waste, better protects correlative rights, and prevents the drilling of unnecessary wells.

Cimarex recognizes the need for diligence in its revised plans and drilling schedule, and in an effort to promote such consideration, is requesting a time extension of nine months instead of the standard one year in order to make a good-faith effort to expedite its plans.

WHEREFORE, Cimarex respectfully requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on September 9, 2021, and after notice and hearing as required by law, that, based on good cause shown by Cimarex in the reasons above-described and enumerated, the Division amend Order No. 21035 in a manner that provides for a nine-month extension of the well commencement deadline, through October 23, 2022, and that affords Cimarex the opportunity to continue its development of the unit without interruption.

Respectfully submitted,

ABADIE & SCHILL, PC

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Application of Cimarex Energy Co., to Amend Order No. R-21035 for a -Nine-month Extension of the Well Commencement Deadline, Eddy County, New Mexico. Applicant in the above-styled cause seeks to re-open Case No. 20748 and amend Division Order No. R-21035 in order to obtain, based on good cause shown, a nine-month extension of the well commencement deadline, as amended, through October 23, 2022. Order No. R-21035 pooled uncommitted interest owners and granted Applicant operating rights for the Parkway 16-17 State Com 2H Well proposed to be drilled into the Bone Spring formation underlying the S/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The well and lands are located approximately 2.5 miles southeast of Artesia, New Mexico.

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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION TO
CONSIDER:**

**CASE NO. 20746
ORDER NO. R-21033**

**APPLICATION OF CIMAREX ENERGY CO. FOR
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 6, 2019, at Santa Fe, New Mexico, before Examiner Kathleen Murphy.

NOW, on this 23rd day of January 2020, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT

- (1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.
- (2) Applicant seeks to compulsory pool all uncommitted oil and gas interests within a spacing unit, as that unit is described in the attached Exhibit "A".
- (3) Applicant seeks to dedicate the Proposed Well(s) detailed in Exhibit "A" to the Unit.
- (4) Mewbourne Oil Company entered an appearance.
- (5) Applicant appeared at the hearing through counsel and presented evidence to the effect that:
 - (a) All completed well locations are expected to be standard or Applicant will apply administratively for approval of location exceptions.
 - (b) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance

Case No. 20746
Order No. R-21033
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instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instrument.

- (c) Notice to certain affected parties was posted in a newspaper of general circulation in the county as provided in Rule 19.15.4.12.B NMAC.

The Division finds and concludes that

(6) If the location of any of the Well(s) is unorthodox when the well is completed under the spacing rules then in effect and applicable to the well, the operator must obtain a non-standard location approval prior to producing the well.

(7) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(8) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s). Applicant should be allowed a one year period to complete at least one of the Well(s) after commencing drilling of the Well(s).

(9) There are interest owners in the Unit that have not agreed to pool their interests.

(10) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the pooled depth interval within the Unit.

(11) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.

(12) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(13) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional reasonable charge [see Exhibit "A"] for the risk involved in drilling the Well(s).

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IT IS THEREFORE ORDERED THAT

(1) All uncommitted interests, whatever they may be, in the oil and gas within the spacing unit (or the portion thereof within the pooled vertical extent) described in Exhibit "A" are hereby pooled. Exhibit "A" hereto is incorporated herein by this reference and made a part of this order for all purposes.

(2) The Unit shall be dedicated to the proposed "Well(s)".

(3) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.

(4) The operator of the Unit shall commence drilling the Well(s) on or before the end of the month corresponding to the date of this order, in the year following the date of issuance of this order and shall thereafter continue drilling the Well(s) with due diligence to test the pooled formation or pooled vertical depths. The Well(s) shall be drilled approximately to the proposed true vertical and measured depths.

(5) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(6) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(7) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.

(8) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.

(9) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(10) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the

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Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

(11) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 30 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(12) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.

(13) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.

(14) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- (a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and
- (b) as a charge for the risk involved in drilling the well, the percent (shown in Exhibit "A") of the above costs.

(15) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs"

Case No. 20746
Order No. R-21033
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reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(16) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.

(17) Reasonable charges for supervision (combined fixed rates) are hereby fixed at the rates shown in Exhibit "A" per month, per well, while drilling and while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.

(18) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(19) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(20) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(21) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(22) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Case No. 20746
Order No. R-21033
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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL
Director

Case No. 20746
Order No. R-21033
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Exhibit A
Case No. 20746

Applicant: Cimarex Energy Co.
Operator: Cimarex Energy Co. (OGRID 215099)

Spacing Unit: Horizontal Oil
Building Blocks: quarter-quarter sections
Spacing Unit Size: 320 acres, more or less
Orientation of Unit: East to West

Spacing Unit Description:
N/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation
Depth Severance? (Yes/No): No

Turkey Track; Bone Spring Pool (ID: 60660)
Pool Spacing Unit Size: quarter-quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$8,000 While producing: \$800
As the charge for risk, 200 percent of reasonable well costs.

Proposed Well:

Parkway 16-17 State Com 1H

SHL: 1208' FNL and 806' FEL of Section 16, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico.
BHL: 780' FNL and 100' FWL of Section 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico.

Completion Target: 3rd Bone Spring Sand at approx 8,840 feet TVD.
Well Orientation: East to West
Completion Location expected to be: standard

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



December 12, 2020

Cimarex Energy Co. (OGRID 215099)
c/o Lance D. Hough, Agent
lance.hough@modrall.com
P.O. Box 2168
Albuquerque, New Mexico 87103

RE: Request for Time Extension to Commence drilling
Case No. 20746, R-21033 approved date January 23, 2020
Deadline to commence drilling January 23, 2021
Applicant/Operator: Cimarex Energy Co.
Proposed Well:
Parkway 16-17 State Com No. 1H

Dear Sir or Madam:

The following pertains to your request received by the Division on December 3rd, 2020 and to the requirements in the captioned hearing order.

You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud this well due to "recent economic conditions and low commodity prices". There was no opposition in the captioned case. The spud date is now extended to, **January 23, 2022.**

The additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely,

ADRIENNE SANDOVAL
Director
AS/jag



December 3, 2020

Via E-Mail Only

Adrienne Sandoval
Oil Conservation Division, Director
1220 South St. Francis Drive
Santa Fe, NM 87505
ocd.engineer@state.nm.us

Lance D. Hough
505.848.1826
lance.hough@modrall.com

Re: **Request for Time Extension to Commence Drilling Operations**
Case No. 20746, Pooling Order No. R-21033
Deadline to commence drilling operations: January 23, 2021
Applicant/Operator: Cimarex Energy Co.
Proposed Well: Parkway 16-17 State Com 1H

Dear Director Sandoval:

Cimarex Energy Co. ("Cimarex") hereby requests an eighteen (18) month extension of the deadlines to commence drilling and completion operations in Pooling Order R-21033 ("the Order"). On January 23, 2020, the Division granted the Order to Cimarex, making the current deadline for commencing drilling operations January 23, 2021. *See* Order R-21033 attached hereto.

Due to recent economic conditions and low commodity prices, Cimarex believes it is prudent and in the interest of correlative rights to delay commencement of drilling and completion operations until market conditions improve. Accordingly, Cimarex respectfully requests an eighteen (18) month extension to July 23, 2022 for the commencement of drilling operations (causing an extension to July 23, 2023 for commencement of completion operations) under the Order, as doing so would protect against economic waste.

Pursuant to paragraph seven (7) of the Order, a copy of this request for an extension has been sent via certified mail to each pooled working interest owner who has elected to participate in the drilling of the well that is the subject of this request.

Please do not hesitate to contact me should you have any questions or concerns. Thank you for your attention to this matter.

Sincerely,



Lance D. Hough

W3869844.DOCX

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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION TO
CONSIDER:**

**CASE NO. 20748
ORDER NO. R-21035**

**APPLICATION OF CIMAREX ENERGY CO. FOR
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 6, 2019, at Santa Fe, New Mexico, before Examiner Kathleen Murphy.

NOW, on this 23rd day of January 2020, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT

- (1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.
- (2) Applicant seeks to compulsory pool all uncommitted oil and gas interests within a spacing unit, as that unit is described in the attached Exhibit "A".
- (3) Applicant seeks to dedicate the Proposed Well(s) detailed in Exhibit "A" to the Unit.
- (4) Mewbourne Oil Company entered an appearance.
- (5) Applicant appeared at the hearing through counsel and presented evidence to the effect that:
 - (a) All completed well locations are expected to be standard or Applicant will apply administratively for approval of location exceptions.
 - (b) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance

Case No. 20748
Order No. R-21035
Page 2 of 7

instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instrument.

- (c) Notice to certain affected parties was posted in a newspaper of general circulation in the county as provided in Rule 19.15.4.12.B NMAC.

The Division finds and concludes that

(6) If the location of any of the Well(s) is unorthodox when the well is completed under the spacing rules then in effect and applicable to the well, the operator must obtain a non-standard location approval prior to producing the well.

(7) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(8) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s). Applicant should be allowed a one year period to complete at least one of the Well(s) after commencing drilling of the Well(s).

(9) There are interest owners in the Unit that have not agreed to pool their interests.

(10) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the pooled depth interval within the Unit.

(11) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.

(12) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(13) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional reasonable charge [see Exhibit "A"] for the risk involved in drilling the Well(s).

Case No. 20748
Order No. R-21035
Page 3 of 7

IT IS THEREFORE ORDERED THAT

(1) All uncommitted interests, whatever they may be, in the oil and gas within the spacing unit (or the portion thereof within the pooled vertical extent) described in Exhibit "A" are hereby pooled. Exhibit "A" hereto is incorporated herein by this reference and made a part of this order for all purposes.

(2) The Unit shall be dedicated to the proposed "Well(s)".

(3) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.

(4) The operator of the Unit shall commence drilling the Well(s) on or before the end of the month corresponding to the date of this order, in the year following the date of issuance of this order and shall thereafter continue drilling the Well(s) with due diligence to test the pooled formation or pooled vertical depths. The Well(s) shall be drilled approximately to the proposed true vertical and measured depths.

(5) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(6) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(7) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.

(8) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.

(9) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(10) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the

Case No. 20748
Order No. R-21035
Page 4 of 7

Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

(11) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 30 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(12) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.

(13) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.

(14) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- (a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and
- (b) as a charge for the risk involved in drilling the well, the percent (shown in Exhibit "A") of the above costs.

(15) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs"

Case No. 20748
Order No. R-21035
Page 5 of 7

reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(16) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.

(17) Reasonable charges for supervision (combined fixed rates) are hereby fixed at the rates shown in Exhibit "A" per month, per well, while drilling and while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.

(18) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(19) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(20) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(21) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(22) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Case No. 20748
Order No. R-21035
Page 6 of 7

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL
Director

Case No. 20748
Order No. R-21035
Page 7 of 7

Exhibit A
Case No. 20748

Applicant: Cimarex Energy Co.
Operator: Cimarex Energy Co. (OGRID 215099)

Spacing Unit: Horizontal Oil
Building Blocks: quarter-quarter sections
Spacing Unit Size: 320 acres, more or less
Orientation of Unit: East to West

Spacing Unit Description:
S/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation
Depth Severance? (Yes/No): No

Turkey Track; Bone Spring Pool (ID: 60660)
Pool Spacing Unit Size: quarter-quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$8,000 While producing: \$800
As the charge for risk, 200 percent of reasonable well costs.

Proposed Well:

Parkway 16-17 State Com 2H

SHL: 1228' FNL and 806' FEL of Section 16, Township 19 South,
Range 29 East, NMPM, Eddy County, New Mexico.
BHL: 2060' FNL and 100' FWL of Section 17, Township 19 South,
Range 29 East, NMPM, Eddy County, New Mexico.

Completion Target: 3rd Bone Spring Sand at approx 8,840 feet TVD.
Well Orientation: East to West
Completion Location expected to be: standard

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



December 12, 2020

Cimarex Energy Co. (OGRID 215099)
c/o Lance D. Hough, Agent
lance.hough@modrall.com
P.O. Box 2168
Albuquerque, New Mexico 87103

RE: Request for Time Extension to Commence drilling
Case No. 20748, R-21035 approved date January 23, 2020
Deadline to commence drilling January 23, 2021
Applicant/Operator: Cimarex Energy Co.
Proposed Well:
Parkway 16-17 State Com No. 2H

Dear Sir or Madam:

The following pertains to your request received by the Division on December 3rd, 2020 and to the requirements in the captioned hearing order.

You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud this well due to "recent economic conditions and low commodity prices". There was no opposition in the captioned case. The spud date is now extended to, **January 23, 2022.**

The additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely,

ADRIENNE SANDOVAL
Director
AS/jag



December 3, 2020

Via E-Mail Only

Adrienne Sandoval
Oil Conservation Division, Director
1220 South St. Francis Drive
Santa Fe, NM 87505
ocd.engineer@state.nm.us

Lance D. Hough
505.848.1826
lance.hough@modrall.com

Re: **Request for Time Extension to Commence Drilling Operations**
Case No. 20748, Pooling Order No. R-21035
Deadline to commence drilling operations: January 23, 2022
Applicant/Operator: Cimarex Energy Co.
Proposed Well: Parkway 16-17 State Com 2H

Dear Director Sandoval:

Cimarex Energy Co. ("Cimarex") hereby requests an eighteen (18) month extension of the deadlines to commence drilling operations in Pooling Order R-21035 ("the Order"). On January 23, 2020, the Division granted the Order to Cimarex, making the current deadline for commencing drilling operations January 23, 2021. *See* Order R-21035 attached hereto.

Due to recent economic conditions and low commodity prices, Cimarex believes it is prudent and in the interest of correlative rights to delay commencement of drilling and completion operations until market conditions improve. Accordingly, Cimarex respectfully requests an eighteen (18) month extension to July 23, 2022 for the commencement of drilling operations (causing an extension to July 23, 2023 for commencement of completion operations) under the Order, as doing so would protect against economic waste.

Pursuant to paragraph seven (7) of the Order, a copy of this request for an extension has been sent via certified mail to each pooled working interest owner who has elected to participate in the drilling of the well that is the subject of this request.

Please do not hesitate to contact me should you have any questions or concerns. Thank you for your attention to this matter.

Sincerely,

Lance D. Hough

W3908028.DOCX

Modrall Sperling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com

TAB 2

Exhibit A: Affidavit of Riley Morris, Landman

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

**APPLICATION OF CIMAREX ENERGY CO.
TO AMEND ORDER NO. R-21033 FOR
AN EXTENSION OF THE WELL
COMMENCEMENT DEADLINE**

**Case No. 22147;
Reopen Case No. 20746 and
Amend Order No. R-21033**

**APPLICATION OF CIMAREX ENERGY CO.
TO AMEND ORDER NO. R-21033 FOR
AN EXTENSION OF THE WELL
COMMENCEMENT DEADLINE**

**Case No. 22148;
Reopen Case No. 20748 and
Amend Order No. R-21035**

AFFIDAVIT OF RILEY MORRIS

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

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

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
2. I am employed as a Landman with Cimarex Energy Co. ("Cimarex"), and I am familiar with the subject application and the lands involved.
3. I graduated in 2010 from the Texas Tech University with a Bachelor degree in Business Administration with an emphasis on Energy Commerce. I have worked at Cimarex for approximately 3 years, and I have been working in New Mexico for 3 years. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.

**EXHIBIT
A**

4. This affidavit is submitted in connection with the filing by Cimarex of the above-referenced applications in Case Nos. 22147 and 22148, to reopen Case Nos. 20746 and 20748 and amend Order Nos. R-21033 and R-21035, respectively, in order to allow a nine-month extension of the well commencement deadline in these orders.

5. Cimarex is in good standing under Division rules and regulations with respect to Order No. R-21033 and R-21035, and good cause exists for Devon's request for a time extension. Cimarex had received one prior extension for the commencement dates in the pooling Orders pursuant to Request Letters dated December 12, 2020. This initial request was granted just prior to the full onset of the COVID public health emergency and economic downturn, and consequently, Cimarex experienced delays and logistical issues in its drilling plans and operations for the Bone Spring formation in these lands, due to a contraction of rig availability under the interceding economic downturn.

6. While grappling with these difficulties, Cimarex had to re-group and reorganize its plans and drilling schedule, finally consolidating plans for the Parkway 16-17 State Com 1H and 2H Wells to be drilled simultaneously with other Parkway wells in the area in order to optimize the efficiency of drilling operations and completion of the wells, which include the Parkway 15-14 South State Com 1H and 2H Wells, the Parkway 16-17 State Com 3H Well, and the Parkway 16 State Com 4H Well. Cimarex respectfully submits that this application for an extension of time is needed and will ensure a coordinated effort that allows for the timely drilling and completion of all the Parkway wells and thereby prevents waste, better protects correlative rights, and prevents the drilling of unnecessary wells.

7. Furthermore, Cimarex in good-faith has made substantial progress toward the development of the unit since the Order was issued: (1) by obtaining a Permit to Drill; (2) by

successfully entering into an operating agreement with an owner of a large amount of the acreage, and continuing to work with the other owners to finalize agreements; and (3) by successfully completing one trade within the unit and working toward an additional trade. Cimarex will continue to work with the remaining uncommitted interest owners and provide them any updated information regarding the requested extensions of time to the extent such requests are granted.

8. Cimarex respectfully asks the Division to amend Order Nos. 21033 and Order Nos. 21035 in a manner that provides for a nine-month extension of the well commencement deadline, through October 23, 2022, which would afford Cimarex the opportunity to continue its development of the unit without interruption. Cimarex recognizes the need for diligence in its revised plans and drilling schedule, and in an effort to promote such consideration, is requesting a time extension of nine months instead of one year as part of its good-faith effort to expedite its plans.

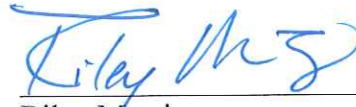
9. Cimarex, through its counsel, timely notified all affected parties of Cimarex's request to re-open the cases described herein for the purpose of extending the well commencement deadlines. No objections have been made, and Cimarex does not anticipate any. Cimarex has also timely published notice in the Carlsbad Current-Argus, a newspaper of general circulation for Eddy County, New Mexico, to account for any unlocatable parties. One letter to the current address of record of Isramco Energy, LLC, was returned undelivered.

10. The granting of this Application is in the best interests of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.

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

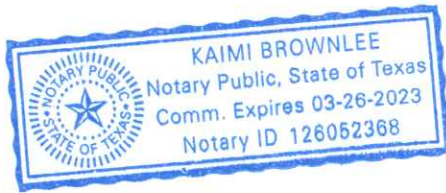
[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT



Riley Morris

Subscribed to and sworn before me this 3rd day of September 2021.





Notary Public

TAB 3

Exhibit B: Affidavit of Notice, Darin C. Savage
Exhibit B-1: Notice Letters
Exhibit B-2: Mailing List
Exhibit B-3: Affidavit of Publication

**APPLICATION OF CIMAREX ENERGY CO.
TO AMEND ORDER NO. R-21033 AND R-21035
FOR AN EXTENSION OF THE WELL
COMMENCEMENT DEADLINE**

Case No. 22148; Reopen Case No.
20748 and Amend Order No. R-
21035

[illegible]

Darin C. Savage, attorney and authorized representative of Cimarex Energy Co., the Applicant herein, being first duly sworn, upon oath, states that the above referenced Application was under a notice letter and that proof of receipt is ~~attached hereto~~.

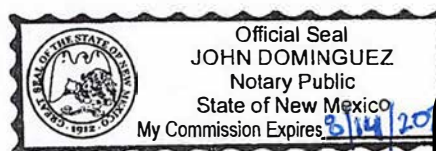
Darin C. Savage

SUBSCRIBED AND SWORN to before me this 3rd day of September, 2021, by Darin C. Savage.

Notary Public

My Commission Expires:

Aug. 14, 2024



**EXHIBIT
B**



For the Pursuit of Energy

ABADIE | SCHILL PC

Colorado	New Mexico
Louisiana	Texas
Kansas	Utah
Nebraska	Wyoming
Montana	California
Oklahoma	North Dakota

August 19, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Cimarex Energy Co. to amend Order No. R-21033 for extension of the well commencement date, Eddy County, New Mexico Parkway 16-17 State Com 1H Well (Case No. 22147)

Re: Application of Cimarex Energy Co. to amend Order No. R-21035 for extension of the well commencement date, Eddy County, New Mexico Parkway 16-17 State Com 2H Well (Case No. 22148)

Case Nos. 22147 and 22148:

Dear Interest Owners:

This letter is to advise you that Cimarex Energy Co. ("Cimarex") has filed the enclosed applications, Case Nos. 22147 and 22148, with the New Mexico Oil Conservation Division for amending Order Nos. R-21033 and R-21035 and requesting a 9-month extension of the current well commencement dates for the above referenced wells to be drilled in the Bone Spring formation in the N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico.

A hearing has been requested before a Division Examiner on September 9, 2021, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For information about remote access, you can visit the Division's website at: <https://www.emnrd.nm.gov/ocd/hearing-info/>, or call (505) 476-3441.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

**EXHIBIT
B-1**

You are being notified as an interest owner and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Pre-hearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Riley Morris at (432) 620-1966 or at rmorris@cimarex.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage

Attorney for Cimarex Energy Co.

Owner	Address	CITY	State	ZIP	USPS #		Date Mailed	Status	Date Delivered	Green Card Returned?	Notes
Cimarex Energy Co.	CLIENT/OWNER										
Magnum Hunter Prod., Inc.	600 N. Marienfeld St., Ste. 600	Midland	TX	79701	70201290000124848381	Certified Mail/Return Receipt	8/19/21	Delivered	8/23/21	YES	
Warwick-Atemis, LLC	6608 N. Western Ave., Box 417	OKC	OK	73117	70201290000124848398	Certified Mail/Return Receipt	8/19/21	Delivered	8/24/21	YES	
COG Oil & Gas LP	600 W. Illinois Ave.	Midland	TX	79701	70201290000124848404	Certified Mail/Return Receipt	8/19/21	Delivered	N/A	YES	
Legacy Income Fund I, Ltd.	558 Ambler Ave.	Abilene	TX	79601	70201290000124848411	Certified Mail/Return Receipt	8/19/21	Delivered	8/23/21	YES	
Isramco Energy, LLC	1001 West Loop South, Ste. 750	Houston	TX	77027	70201290000124848428	Certified Mail/Return Receipt	8/19/21	Returned Undeliverable			
Crown Oil Partners VI, LLC	4000 N. Big Spring St., Ste. 310	Midland	TX	79705	70201290000124848435	Certified Mail/Return Receipt	8/19/21	Delivered	8/23/21	USPS Confirmed Delivery	
Crump Energy Partners III, LLC	4000 N. Big Spring St., Ste. 310	Midland	TX	79705	70201290000124848442	Certified Mail/Return Receipt	8/19/21	Delivered	8/23/21	USPS Confirmed Delivery	
Marathon Oil Permian, LLC	5555 San Felipe St.	Houston	TX	77056	70201290000124848459	Certified Mail/Return Receipt	8/19/21	Delivered	8/23/21	YES	
Nuevo Seis Ltd Partnership	P.O. Box 2588	Roswell	NM	88202	70201290000124853156	Certified Mail/Return Receipt	8/19/21	Delivered	8/25/21	YES	
COG Operating, LLC	600 W. Illinois Ave.	Midland	TX	79701	70201290000124853163	Certified Mail/Return Receipt	8/19/21	Delivered	N/A	YES	
Concho Oil & Gas, LLC	600 W. Illinois Ave.	Midland	TX	79701	70201290000124853170	Certified Mail/Return Receipt	8/19/21	Delivered	N/A	YES	
Southwest Royalties, Inc.	200 N. Loraine St., Ste. 400	Midland	TX	79701	70201290000124853187	Certified Mail/Return Receipt	8/19/21	Delivered	8/22/21	YES	
Holly Schertz, ssp	P.O. Box 2588	Roswell	NM	88202	70201290000124853194	Certified Mail/Return Receipt	8/19/21	Delivered	8/25/21	YES	
KB Limited Partnership	P.O. Box 2588	Roswell	NM	88202	70201290000124853200	Certified Mail/Return Receipt	8/19/21	Delivered	8/25/21	YES	
Barbara Ann Woods, ssp	4420 Beach Ave.	Pocahontas	ID	83202	70201290000124848879	Certified Mail/Return Receipt	8/19/21	Delivered	8/26/21	YES	
William F. Brainerd	P.O. Box 1891	Roswell	NM	88202	70201290000124848886	Certified Mail/Return Receipt	8/19/21	Delivered	8/23/21	YES	
RP Properties, LLC c/o Chad R	P.O. Box 3431	Roswell	NM	88202	70201290000124848893	Certified Mail/Return Receipt	8/19/21	Delivered	8/23/21	YES	
Platform Energy III, LLC	810 Texas Ave.	Lubbock	TX	79401	70201290000124848909	Certified Mail/Return Receipt	8/19/21	Delivered	N/A	YES	

EXHIBIT
B-2

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Magnum Hunter Production Inc.
600 N. Marienfeld St., Ste. 600
Midland, TX 79701

PW



9590 9402 6407 0303 4692 44

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8381

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

Sadie Garcia

☐ Agent☐ Addressee

C. Date of Delivery

8/23/2021

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

Mail

Mail Restricted Delivery

J0)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

COG Operating LLC
600 W. Illinois Ave.
Midland, TX 79701

P

2H



9590 9402 6407 0303 4690 15

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3163

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☒ No

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Registered Mail☐ Registered Mail Restricted Delivery

(over \$500)

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Concho Oil & Gas LLC
600 W. Illinois Ave.
Midland, TX 79701



9590 9402 6407 0303 4693 12

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3170

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

Casimiro V.

☐ Agent☐ Addressee

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☒ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

d Mail

d Mail Restricted Delivery

500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marathon Oil Permian LLC
5555 San Felipe St.
Houston, TX 77056

PW



9590 9402 6407 0303 4694 42

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8459

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

C19

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C19

C. Date of Delivery

8-23-21

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

| Mail

| Mail Restricted Delivery

(over \$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

William F. Brainerd
P.O. Box 1891
Roswell, NM 88202

3H

9590 9402 6407 0303 4692 68

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8886

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

Bonnie Brainerd

C. Date of Delivery

8/23/20

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Registered Mail
- ☐ Registered Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

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- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Platform Energy III LLC
810 Texas Ave.
Lubbock, TX 79401

3H



9590 9402 6407 0303 4693 05

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8909

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

ed Mail
ed Mail Restricted Delivery
\$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Southwest Royalties
200 N. Lorraine St., Ste. 400
Midland, TX 79701



9590 9402 6407 0303 4693 50

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3187

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Southwest Bank*☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

8-22-01

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

Mail

Mail Restricted Delivery

00)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RP Properties LLC
c/o Chad R. Mann
P.O. Box 3431
Roswell, NM 88202

3H



9590 9402 6407 0303 4692 75

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8893

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

Chad R. Mann

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

il
il Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Barbara Ann Woods
4420 Beach Ave.
Pocatello, ID 83202



9590 9402 6407 0303 4692 06

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8879

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Nimm Woods*

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Nivar Woods

C. Date of Delivery

08/26/21

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No



3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

☐ Insured Mail
☐ Insured Mail Restricted Delivery
(over \$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Nuevo Seis Limited Partnership
P.O. Box 2588
Roswell, NM 88202



9590 9402 6407 0303 4694 97

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3156

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

NORVISTE SIKSKE

C. Date of Delivery

8-25-21

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No



3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Registered Mail
- ☐ Registered Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

KB Limited Partnership
P.O. Box 2588
Roswell, NM 88202



9590 9402 6407 0303 4694 59

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3200

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

MORRIS, S. K. 8-25-21

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

/fail

/fail Restricted Delivery

0)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Holly Schertz
P.O. Box 2588
Roswell, NM 88202

P
3H



9590 9402 6407 0303 4694 28

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3194

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

Mervin E. Schertz

C. Date of Delivery

8-25-21

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No☒ Agent
☐ Addressee

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

1 Mail

1 Mail Restricted Delivery
(500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Warwick Artemis LLC
6608 N. Western Ave., Box 417
Oklahoma City, OK 73117

PW



9590 9402 6407 0303 4692 37

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8398

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

3 Mail

3 Mail Restricted Delivery
(500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Legacy Income Fund I Ltd.
558 Ambler Ave.
Abilene, TX 79601

PW



9590 9402 6407 0303 4692 51

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8411

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY**A. Signature**

X Sandy Cubine

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Sandy Cubine

C. Date of Delivery**D. Is delivery address different from item 1?**

If YES, enter delivery address below:

- ☐ Yes
☐ No

**3. Service Type**

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

d Mail

d Mail Restricted Delivery

(500)

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

COG Oil & Gas LP
600 W. Illinois Ave.
Midland, TX 79701

PW



9590 9402 6407 0303 4692 99

2. Article Number (Transfer from service label)

7020 1290 0001 2484 8404

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Carline V.

☐ Agent☐ Addressee

B. Received by (Printed Name)

Carline V.

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☒ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

Registered Mail

Registered Mail Restricted Delivery (\$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004881656

This is not an invoice

ABADIE SCHILL P.C.
555 RIVERGATE LANE SUITE B4-18

DURANGO, CO 81301

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

08/26/2021

Linda Tuttle

Legal Clerk

Subscribed and sworn before me this August 26,
2021:

[Signature]
State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0004881656
PO #: 22147 DS
of Affidavits 1

This is not an invoice

CASE No. 22147: Notice to all affected parties and persons having any right, title interest or claim to this case, including overriding royalty interest owners, as well as the known and unknown heirs, devisees and successors of MAGNUM HUNTER PROD., INC., WARWICK-ARTEMIS, LLC, COG OIL & GAS LP, LEGACY INCOME FUND I, LTD., ISRAMCO ENERGY, LLC, CROWN OIL PARTNERS VI, LLC, CRUMP ENERGY PARTNERS III, LLC, MARATHON OIL PERMIAN, LLC, NUEVO SEIS LTD PARTNERSHIP, of Cimarex Energy Co.'s application for approval to re-open Case No. 20746 and amend Division Order No. R-21033 for an extension of the well commencement deadline, Eddy County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on September 9, 2021, at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For information about remote access, you can visit the Division's website at: <https://www.emnrd.nm.gov/ocd/hearing-info/> or call (505) 476-3441. Cimarex Energy Co., at 600 N. Marienfeld St., Suite 600, Midland, TX, 79701, seeks to re-open Case No. 20746 and amend Division Order No. R-21033 in order to obtain, based on good cause shown, a nine-month extension of the well commencement deadline, through October 23, 2022. Order No. R-21033 pooled uncommitted interest owners and granted Applicant operating rights for the Parkway 16-17 State Com 1H Well proposed to be drilled into the Bone Spring formation underlying the N/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The well and lands are located approximately 2.5 miles southeast of Artesia, New Mexico. #4881656, Current Argus, August 26, 2021

EXHIBIT
B-3

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004881589

This is not an invoice

ABADIE SCHILL P.C.
555 RIVERGATE LANE SUITE B4-18

DURANGO, CO 81301

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

08/26/2021

Legal Clerk

Subscribed and sworn before me this August 26,
2021:

Kathleen Allen
State of WI, County of Brown
NOTARY PUBLIC

1-7-25
My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0004881589
PO #: 22148 DS
of Affidavits 1

This is not an invoice

CASE No. 22148: Notice to all affected parties and persons having any right, title interest or claim to this case, including overriding royalty interest owners, as well as the known and unknown heirs, devisees and successors of MAGNUM HUNTER PROD., INC., WARWICK-ARTEMIS, LLC, COG OIL & GAS LP, LEGACY INCOME FUND I, LTD., ISRAMCO ENERGY, LLC, CROWN OIL PARTNERS VI, LLC, CRUMP ENERGY PARTNERS III, LLC, MARATHON OIL PERMIAN, LLC, NUEVO SEIS LTD PARTNERSHIP, COG OPERATING, LLC, CONCHO OIL & GAS, LLC, of Cimarex Energy Co.'s application for approval to reopen Case No. 20748 and amend Division Order No. R-21035 for an extension of the well commencement deadline, Eddy County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on September 9, 2021, at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For information about remote access, you can visit the Division's website at: <https://www.emnrd.nm.gov/ocd/hearing-info/> or call (505) 476-3441. Cimarex Energy Co., at 600 N. Marienfeld St., Suite 600, Midland, TX, 79701, seeks to re-open Case No. 20748 and amend Division Order No. R-21035 in order to obtain, based on good cause shown, a nine-month extension of the well commencement deadline, through October 23, 2022. Order No. R-21035 pooled uncommitted interest owners and granted Applicant operating rights for the Parkway 16-17 State Com 2H Well proposed to be drilled into the Bone Spring formation underlying the S/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The well and lands are located approximately 2.5 miles southeast of Artesia, New Mexico. #4881589, Current Argus, August 26, 2021