

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JUNE 4, 2026**

CASE No. 26145

PONDEROSA F31 CTB – COMMINGLING

SAN JUAN COUNTY, NEW MEXICO



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

**APPLICATION OF DJR OPERATING, LLC
FOR APPROVAL OF SURFACE OMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 26145

TABLE OF CONTENTS

- **DJR Exhibit A:** Application with Exhibits
- **DJR Exhibit B:** Self-Affirmed Statement of Anita Ashland, Senior Landman
- **DJR Exhibit C:** Notice Affidavit
- **DJR Exhibit D:** Affidavit of Publication

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

**APPLICATION OF DJR OPERATING, LLC
FOR APPROVAL OF SURFACE COMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 26145

APPLICATION

DJR Operating, LLC (“DJR” or “Applicant”) (OGRID No. 371838), through undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-12(B)(13), for an order approving surface commingling (lease). In support of its application, DJR states:

1. Attached is a complete surface commingling application that contains all the information necessary for approval and that was filed with the Division for administrative approval on April 14, 2026. *See* APP No: pDM2611435539, attached as **Exhibit A**, and incorporated herein.¹

2. The administrative application was protested by Retha Murdock. *See* **Exhibit C**. DJR reached out in good faith to Retha Murdock to try and resolve the matter but was unable to do so. DJR therefore requests that its application be set for hearing pursuant to 19.15.12.10.(C)(4)(d) NMAC.

¹ This surface commingling application is for diverse ownership, which requires notice to all “parties (interest owners) owning an interest in the production to be commingled (including owners of royalty and overriding royalty interests whether or not they have a right or option to take their interests in kind).” 19.15.12.10.(C)(4)(b) NMAC. Specifically, this application includes allottee interests and DJR has been instructed by the Federal Indian Minerals Office (“FIMO”) that allottee contact information shall remain confidential. Therefore, counsel for DJR filed a “public facing” application (Exhibit A) that excludes any allottee contact information and separately submitted verification of letter notice to interest owners via email and share file to the Division on April 14, 2026. *See* **Exhibit B**.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 4, 2026, and, after notice and hearing as required by law, the Division enter an order approving this application.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
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Santa Fe, NM 87504
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ATTORNEYS FOR DJR OPERATING, LLC

CASE _____: **Application of DJR Operating, LLC for Approval of Surface Commingling, San Juan County, New Mexico.** DJR Operating, LLC (OGRID No. 371838) seeks an order approving surface commingling (lease) from diversely owned oil and gas production at the **Ponderosa Unit F31-2409 Pad** from the Ponderosa Unit (“PU”) and spacing units collectively comprised of Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 31, and SW/4 SW/4 of Section 32, Township 24 North, Range 9 West; Lots 3-4, S/2 NW/4 and SE/4 (W/2 equivalent), W/2 SE/4 and SE/4 SE/4 of irregular Section 5, Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4 and SE/4 (All equivalent) of irregular Section 6, Lots 1-4, E/2 W/2 and E/2 (All equivalent) of irregular Section 7, All of Section 8, Township 23 North, Range 9 West; Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Sections 1-4, All of Section 9, E/2 of Section 10, All of Sections 11-12 and 14, and N/2 of Section 13, Township 23 North, Range 10 West, NMPM, San Juan County, New Mexico (the “Lands”). Said area is located approximately 5 miles west of Nageezi, New Mexico.

EXHIBIT A



Enduring Resources San Juan, LLC

6300 South Syracuse Way, Suite 525, Centennial, CO 80111
Telephone 303 573-1222 Fax 303 573 0461

TO: All Mineral Owners:

RE: Enclosed Commingling Application – Frequently Asked Questions

Ladies and Gentlemen:

DJR Operating, LLC (“DJR”), a subsidiary of Enduring Resources San Juan, LLC, plans to drill new wells, that can be efficiently tied into an existing central tank battery and avoid unnecessary additional surface disturbance. DJR is required by the New Mexico Oil Conservation Division to send a copy of the commingling application to all mineral owners whose oil and gas production is sold from this central tank battery. The application is very technical in nature and may be confusing to anyone who is not familiar with oil and gas operations. We anticipate that you may have questions about the application, and we hope that the following information may be helpful to you.

1. What is the purpose of the Commingling Application?

DJR is requesting the approval of the New Mexico Oil Conservation Division (“NMOCD”) to use its existing surface facilities for the sale of oil and gas from wells it plans to drill near the central tank battery. This is the most efficient use of Enduring’s equipment and reduces the amount of surface disturbance from our operations.

2. Will approval of the commingling application impact existing production or royalties that are paid out of production from other wells that are tied into the same tank battery?

No, each existing well and each new well is separately metered with equipment that is regularly inspected and approved by the BLM and the NMOCD, and the royalty paid on existing producing wells is not affected in any way by this application.

3. What are the attachments included with the letter?

- The transmittal letter states that a complete copy of DJR’s application is enclosed, and if there are no objections filed with the NMOCD within 20 days, the NMOCD may approve the application administratively, without a hearing.
- The application was filed online and includes a list of the new wells being requested for commingling.
- Exhibit 1 is a map of the pad and central tank battery where the commingling will occur.
- Exhibit 2 is the completed application required by the NMOCD and includes a flow diagram showing how the oil and gas is metered to ensure accuracy in reporting production.
- Exhibit 3 is the information submitted to the BLM for each new well, including plats.
- Exhibit 4 are copies of the straddle communitization agreements covering the new wells.

4. Do I need to sign anything or return any documents to the NMOCD?

No, the application packet has been mailed to you for notice purposes only, and no signatures or documents need to be returned. The NMOCD requires the operator to send each mineral owners a copy of the application to notify you of your right to object, and for you to retain for your records if you wish.

If you have any questions about the information in the application, please don't hesitate to contact us.

Sincerely,

ENDURING RESOURCES, LLC

Alex B. Campbell, Vice President - Land



Holland & Hart

Paula M. Vance
Associate Attorney
Phone (505) 954-7286
PMVance@hollandhart.com

April 3, 2026

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of DJR Operating, LLC for administrative approval to surface commingle (lease) oil and gas production from the Ponderosa Unit (“PU”) and spacing units collectively comprised of Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 31, and SW/4 SW/4 of Section 32, Township 24 North, Range 9 West; Lots 3-4, S/2 NW/4 and SE/4 (W/2 equivalent), W/2 SE/4 and SE/4 SE/4 of irregular Section 5, Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4 and SE/4 (All equivalent) of irregular Section 6, Lots 1-4, E/2 W/2 and E/2 (All equivalent) of irregular Section 7, All of Section 8, Township 23 North, Range 9 West; Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Sections 1-4, All of Section 9, E/2 of Section 10, All of Sections 11-12 and 14, and N/2 of Section 13, Township 23 North, Range 10 West, NMPM, San Juan County, New Mexico (the “Lands”)

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application, which was filed with the New Mexico Oil Conservation Division on this date. There is nothing in this application for you to sign. Any objection to this application must be filed in writing within twenty days from the date the Division receives the application at the Division’s Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 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 the following:

Travis Whitham
Enduring Resources, LLC
(303) 350-5716
twhitham@enduringresources.com

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: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ 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.

 Print or Type Name



 Signature

Date

Phone Number

e-mail Address



Paula M. Vance
Associate Attorney
Phone (505) 954-7286
PMVance@hollandhart.com

April 10, 2026

VIA ONLINE FILING

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

Re: Application of DJR Operating, LLC for administrative approval to surface commingle (lease) oil and gas production from the Ponderosa Unit (“PU”) and spacing units collectively comprised of Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 31, and SW/4 SW/4 of Section 32, Township 24 North, Range 9 West; Lots 3-4, S/2 NW/4 and SE/4 (W/2 equivalent), W/2 SE/4 and SE/4 SE/4 of irregular Section 5, Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4 and SE/4 (All equivalent) of irregular Section 6, Lots 1-4, E/2 W/2 and E/2 (All equivalent) of irregular Section 7, All of Section 8, Township 23 North, Range 9 West; Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Sections 1-4, All of Section 9, E/2 of Section 10, All of Sections 11-12 and 14, and N/2 of Section 13, Township 23 North, Range 10 West, NMPM, San Juan County, New Mexico (the “Lands”)

Dear Mr. Chang:

DJR Operating, LLC (OGRID No. 371838) (“DJR”), pursuant to pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (lease) from diversely owned oil and gas production at the **Ponderosa Unit F31-2409 Pad** *insofar as all existing and future wells committed to the PU and spacing units located on state, federal & allottee leases:*

(a) The 8,324.16, more or less, Ponderosa Unit (NMNM 142119X) comprised of Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 31, Township 24 North, Range 9 West; Lots 3-4, S/2 NW/4 and SE/4 (W/2 equivalent) of irregular Section 5, Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4 and SE/4 (All equivalent) of irregular Section 6, Lots 1-4, E/2 W/2 and E/2 (All equivalent) of irregular Section 7, All of Section 8, Township 23 North, Range 9 West; Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Sections 1-4, All of Section 9, E/2 of Section 10, All of Sections 11-12 and 14, and N/2 of Section 13, Township 23 North, Range 10 West, which includes production from the:

Wells	Pool
Ponderosa Unit 129H (API No. 30-045-38372)	Bisti Lower-Gallop (O) [5890]

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska Colorado Idaho	Montana Nevada New Mexico	Utah Washington, D.C. Wyoming
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(b) The 882.69-acre, more or less, spacing unit underlying Lots 3 & 4, E/2 SW/4 and SW/4 SE/4 of irregular Section 31, T24N-R9W, and Lots 1-3, S/2 NE/4 and NE/4 SE/4 of irregular Section 6, SW/4 NW/4, SW/4 and SW/4 SE/4 of irregular Section 5, and NE/4 NW/4 and NE/4 of Section 8, T23N-R9W, in the Bisti Lower-Gallop (O) [5890] – currently dedicated to the **Ponderosa F31 2409 Federal Com 124H** (non-PU well) (API No. 30-045-38371);

(c) The 402.24-acre, more or less, spacing unit underlying the SE/4 of irregular Section 31 and SW/4 SW/4 of Section 32, T24N-R9W, and Lot 1 of irregular Section 6, and Lots 3-4 and S/2 NW/4 of irregular Section 5, T23N-R9W, in the Bisti Lower-Gallop (O) [5890] – currently dedicated to the **Ponderosa F31 2409 Federal Com 130H** (non-PU well) (API No. 30-045-38373);

(d) The 842.46-acre, more or less, spacing unit underlying Lot 3, E/2 SW/4, W/2 SE/4 and SE/4 SE/4 of irregular Section 31, T24N-R9W, and Lots 1 & 2 and SE/4 NE/4 of irregular Section 6, Lot 4, S/2 NW/4, N/2 SW/4, SE/4 SW/4, W/2 SE/4 and SE/4 SE/4 of irregular Section 5, and N/2 NE/4 and SE/4 NE/4 of Section 8, T23N-R9W, in the Bisti Lower-Gallop (O) [5890] – currently dedicated to the **Ponderosa F31 2409 Federal Com 144H** (non-PU well) (API No. 30-045-38374); and

(e) Pursuant to 19.15.12.10.C(4)(g), *from all future additions of pools, leases or leases and pools to the PU F31 Pad* with notice provided only to the interest owners whose interest in the production is to be added.

Oil and gas production from these spacing units and Unit well will be commingled and sold at the PU F31 Pad located off the project area in the SE/4 NW/4 (Unit E) of irregular Section 31, Township 24 North, Range 8 West. Gas production from the separator will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using a Coriolis meter or turbine meter.

Exhibit 1 is a land plat showing DJR's current development plan, flow lines, well pad, and central tank battery ("Facility Pad") in the subject area. The plat also identifies the wellbores, leases and outlines the acreage involved.

Exhibit 2 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Alex Campbell, Vice President with Enduring, with all of the required C-107-B information, including a description of the facilities and measurement devices to be utilized, and a detailed schematic of the surface facilities (attachment A to the statement).

Exhibit 3 is a well list and C-102 for each of the wells currently permitted or drilled.

Exhibit 4 are the approved and draft communitization agreements for the acreage subject to this application, and a copy of the Unit Approval letters for the Ponderosa Unit.

Ownership is diverse between the above-described PU and spacing units, each of which are either subject to a pooling agreement or a pooling order and are therefore considered “leases” as defined by 19.15.12.7(C) NMAC. **Exhibit 5**¹ is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the Bureau of Land Management (“BLM”) and the Federal Indian Minerals Office (“FIMO”) since federal and allottee lands are involved, as well as the State Land Office since state lands are also involved.

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

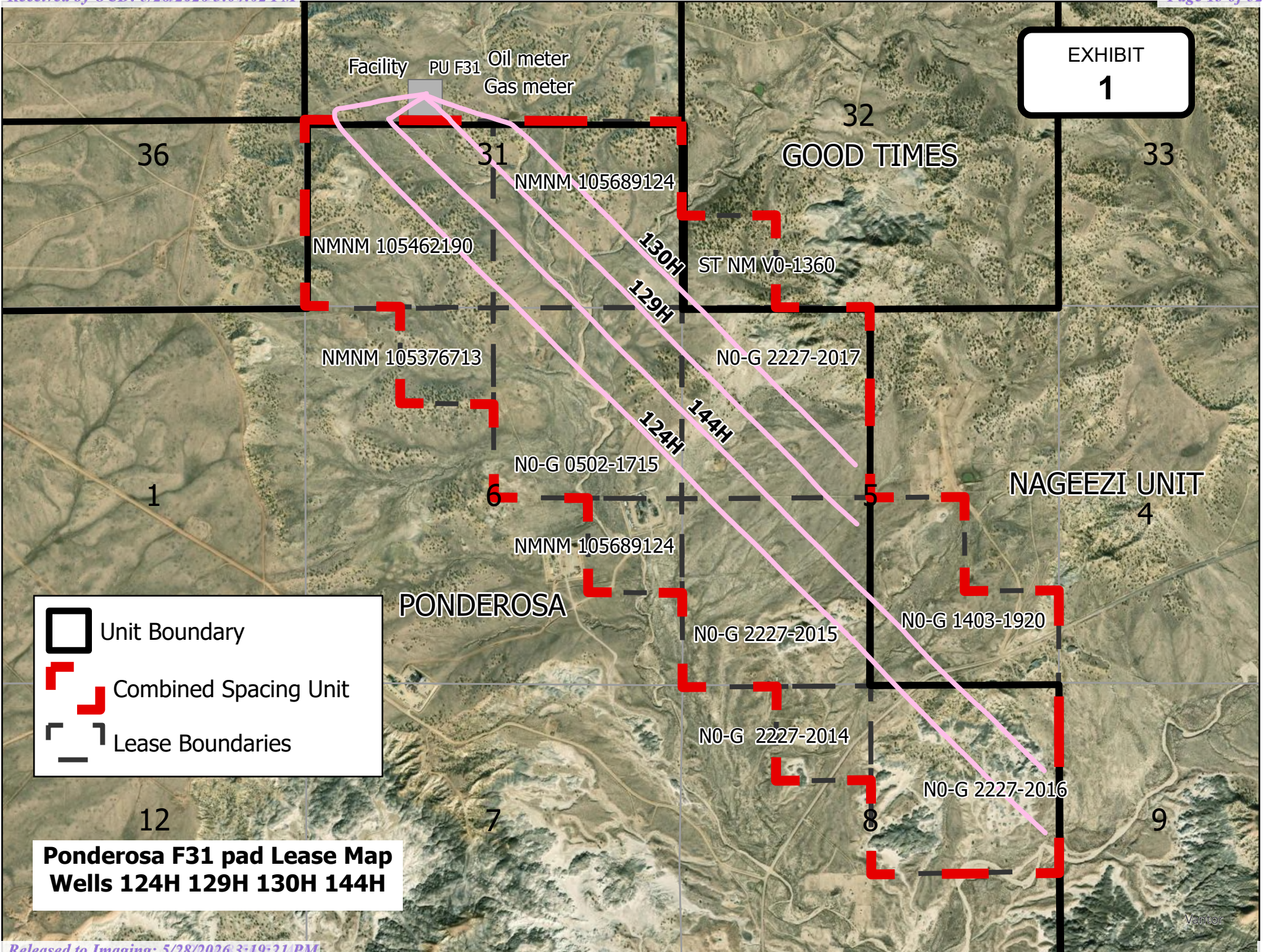
Sincerely,






Paula M. Vance
**ATTORNEY FOR DJR OPERATING, LLC &
ENDURING RESOURCES SAN JUAN, LLC**

¹ Filed confidentially with the Division.

EXHIBIT
1



-  Unit Boundary
-  Combined Spacing Unit
-  Lease Boundaries

Ponderosa F31 pad Lease Map
Wells 124H 129H 130H 144H

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

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: DJR Operating, LLC

OPERATOR ADDRESS: 6300 S. Syracuse Way, Suite 525, Centennial, CO 80111

APPLICATION TYPE:

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

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

Yes No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes

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

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code. Bisti Lower-Gallup (O) [5890]
- (2) Is all production from same source of supply? Yes No
- (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
- (4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

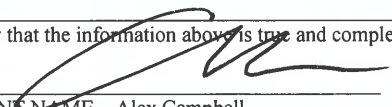
- (1) Is all production from same source of supply? Yes No
- (2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

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

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

SIGNATURE:  TITLE: Vice President DATE: 1/8/26
TYPE OR PRINT NAME: Alex Campbell TELEPHONE NO.: 303-350-5107

E-MAIL ADDRESS: acampbell@enduringresources.com



DJR Operating, LLC
 6300 S. Syracuse Way, Suite 525
 Centennial, CO 80111
 (303) 573-1222

APPLICATION FOR SURFACE POOL/LEASE COMMINGLING

DJR Operating, LLC. ("DJR") respectfully requests approval to surface pool/lease commingle oil & gas

These spacing units are initially dedicated to the following wells:

- Site Name: Ponderosa F31-2409 PAD
- Existing Wells: NA
- Future Wells: Ponderosa F31-2409 FED COM Unit 124H, 129H, 130H, 144H
- Site Location: 24N 09W Sec 31: SESE
- San Juan County, NM
- Lease: (Ponderosa Unit)
- Lat: 36.271364°, Long: -107.833394°

Well Name	Location	API #	Pool	Oil BPD	Gravities	MSCFD	BTU
Ponderosa Unit 124H	F-31-24N-09W	30-045-38371	TBD	TBD	TBD	TBD	TBD
Ponderosa Unit 129H	F-31-24N-09W	30-045-38372	TBD	TBD	TBD	TBD	TBD
Ponderosa Unit 130H	F-31-24N-09W	30-045-38373	TBD	TBD	TBD	TBD	TBD
Ponderosa Unit 144H	F-31-24N-09W	30-045-38374	TBD	TBD	TBD	TBD	TBD

Well Name	Location	API #	Pool	Total Pooled Oil BPD	Calculated Gravities	Calculated Value Oil	Total Pooled MSCFD	Calculated BTU	Calculated Value Gas
Ponderosa Unit 124H	F-31-24N-09W	30-045-38371	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Ponderosa Unit 129H	F-31-24N-09W	30-045-38372	TBD						
Ponderosa Unit 130H	F-31-24N-09W	30-045-38373	TBD						
Ponderosa Unit 144H	F-31-24N-09W	30-045-38374	TBD						



DJR Operating, LLC
6300 S. Syracuse Way, Suite 525
Centennial, CO 80111
(303) 573-1222

PROCESS AND FLOW DESCRIPTIONS:

DJR plans to drill four new wells in the Ponderosa F31-2409 Fed Com Unit on the Ponderosa F31-2409 Pad. A new facility is planned on the Ponderosa F31-2409 pad to handle the Ponderosa F31-2409 wells.

The 3-phase separators will: accept the mixture of oil/gas/water and separate fluid into three independent streams (oil, gas, and water). The streams exiting the separator will be measured via the following meter types:

PONDEROSA F31 2409 FED COM UNIT #124H gas allocation meter will be an orifice meter

PONDEROSA F31 2409 FED COM UNIT #129H gas allocation meter will be an orifice meter

PONDEROSA F31 2409 FED COM UNIT #130H gas allocation meter will be an orifice meter

PONDEROSA F31 2409 FED COM UNIT #144H gas allocation meter will be an orifice meter

PONDEROSA F31 2409 FED COM UNIT #124H oil allocation meter will be a Coriolis or Turbine meter

PONDEROSA F31 2409 FED COM UNIT #129H oil allocation meter will be a Coriolis or Turbine meter

PONDEROSA F31 2409 FED COM UNIT #130H oil allocation meter will be a Coriolis or Turbine meter

PONDEROSA F31 2409 FED COM UNIT #144H oil allocation meter will be a Coriolis or Turbine meter

For future wells, a turbine or mag meter will measure water rates.

After gas is measured from each separator, it combines into a single header on the Ponderosa F31-2409 Pad and routes to three locations: compression, sales, and fuel gas. After oil is measured from each separator at the Ponderosa F31-2409 Pad, it combines into a single header and will flow to a heater treater and VRTs before flowing to oil tanks. After water is measured from each separator, it will combine into a single header and flows to the water tanks. Flash gas from the VRTs will combine into a vent header routed to vapor recover unit (VRU).

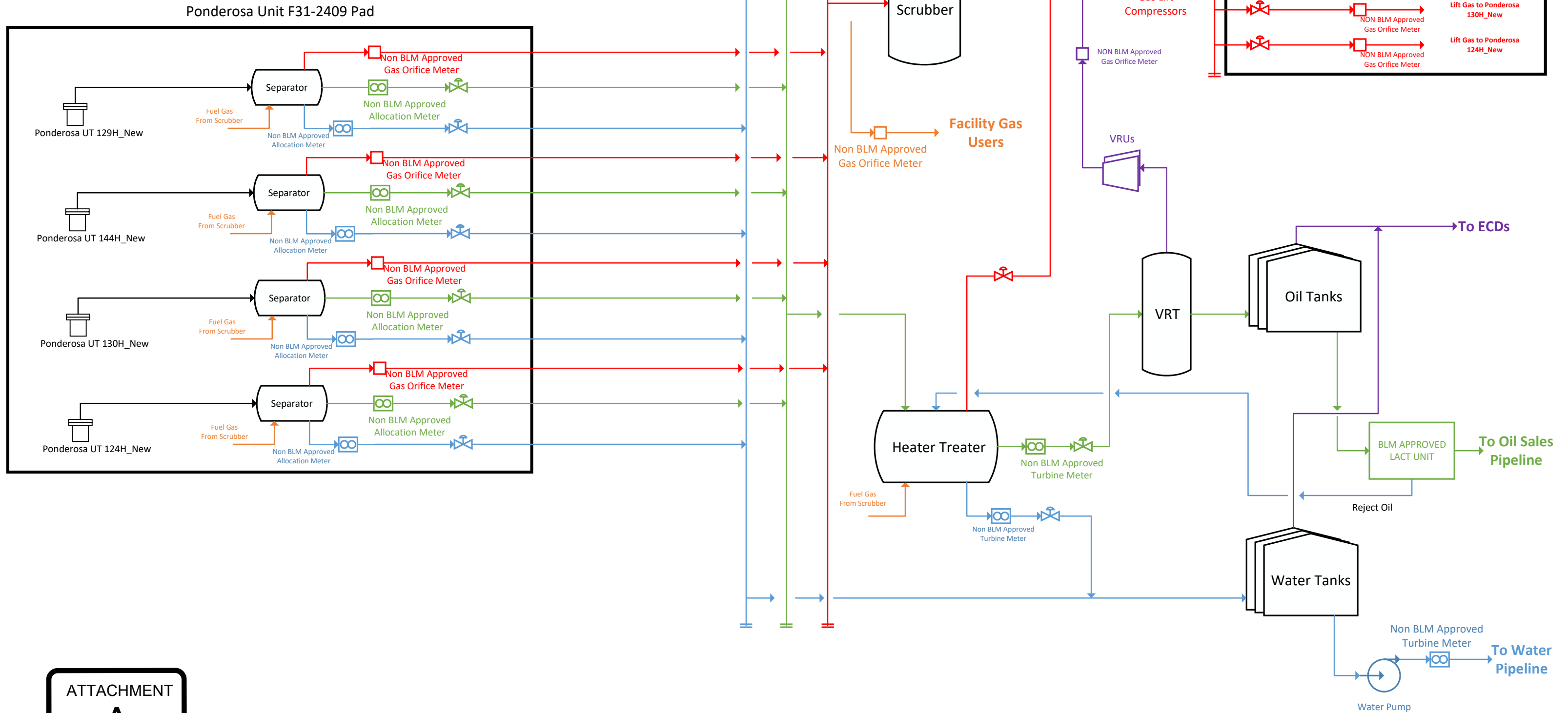
The oil will combine from each tank and route to a charge pump. Once enough oil accumulates, oil is pumped to the LACT unit via the charge pump. Any oil that does not meet specifications is rejected by the LACT and returned to the Heater Treater. From the water tank, water routes to the water pump within the LACT unit. Once enough water accumulates, the water pump activates and boosts the water into the Midstream Gather's line and facilities.



DJR Operating, LLC
6300 S. Syracuse Way, Suite 525
Centennial, CO 80111
(303) 573-1222

Sundry Notice of Intent

Procedure Description: DJR Operating, LLC plans to drill four new wells on Ponderosa F31-2409 Pad and install a new facility to accommodate the new production from the Ponderosa F31-2409 Fed Com Unit. The new facility on the Ponderosa F31-2409 Pad will contain: (4) separators, (1) heater treater, (3-4) VRT(s), (2) 750 BBL oil tanks, (2) 750 BBL water tank, up to (3) VRUs, (1-2) gas lift compressor(s), (1) fuel gas separator, up to (6) ECDs, (1-2) LACT unit(s), and (1) Air compressor system. The new flow for the facility will have each well go to its individual separator. Oil, Gas, and Water will be measured downstream of each separator – these volumes will be utilized for allocation based on sales volumes. From the separator: gas will be directed to the 2-phase separator and then to sales or compression; oil will be directed to the heater treater, then the VRTs, and then the oil tanks; water will be directed to the water tanks. From the oil and water tanks, each product will flow to the oil pumps or water pumps located in each LACT and shipped to the 3rd party gathering company.



ATTACHMENT
A

API	Well Name & Number	UL or Q/Q	S-T-R	Pool Code	Operator
30-045-38372	Ponderosa Unit 129H	NE/4 SW/4 W/2 SE/4 SE/4 SE/4 NE/4 NE/4 NW/4 NW/4 S/2 NW/4 NE/4 SW/4	31-24N-9W 31-24N-9W 31-24N-9W 6-23N-9W 5-23N-9W 5-23N-9W 5-23N-9W	Bisti Lower-Gallop (O) [5890]	DJR Operating, LLC
30-045-38371	Ponderosa F31 2409 Federal Com 124H	SW/4 SW/4 SE/4 NE/4 NW/4 NE/4 NE/2 SE/4 SW/4 NE/4 SW/4 SW/4 SE/4 NE/4 NW/4 NE/4	31-24N-9W 31-24N-9W 6-23N-9W 6-23N-9W 6-23N-9W 5-23N-9W 5-23N-9W 5-23N-9W 8-23N-9W 8-23N-9W	Bisti Lower-Gallop (O) [5890]	DJR Operating, LLC
30-045-38373	Ponderosa F31 2409 Federal Com 130H	SE/4 SW/4 SW/4 NE/4 NE/4 NW/4	31-24N-9W 32-24N-9W 6-23N-9W 5-23N-9W	Bisti Lower-Gallop (O) [5890]	DJR Operating, LLC
30-045-38374	Ponderosa F31 2409 Federal Com 14H	NW/4 SW/4 E/2 SW/4 W/2 SE/4 SE/4 SE/4 N/2 SE/4 SE/4 NE/4 NW/4 NW/4 S/2 NW/4 N/2 SW/4 SE/4 SW/4 W/2 SE/4 SE/4 SE/4	31-24N-9W 31-24N-9W 31-24N-9W 31-24N-9W 6-23N-9W 6-23N-9W 5-23N-9W 5-23N-9W 5-23N-9W 5-23N-9W 5-23N-9W 5-23N-9W	Bisti Lower-Gallop (O) [5890]	DJR Operating, LLC

		N/2 NE/4 SE/4 NE/4	8-23N-9W 8-23N-9W		
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Form C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input checked="" type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-045-38371	Pool Code 5890	Pool Name BISTI LOWER-GALLUP (O)
Property Code 336268	Property Name PONDEROSA F31 2409 FEDERAL COM	Well Number 124H
OGRID No. 371838	Operator Name DJR OPERATING, LLC	Ground Level Elevation 6830
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input checked="" type="checkbox"/> Tribal

Surface Location

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
F	31	24N	9W		2256' NORTH	1702' WEST	36.271530°N NAD83	107.833393°W NAD83	SAN JUAN

Bottom Hole Location

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
H	8	23N	9W		2083' NORTH	195' EAST	36.243017°N NAD83	107.803920°W NAD83	SAN JUAN

Dedicated Acres: SEC 31: LOT 3 & 4, E2/SW & SW/SE(201.33 AC.) SEC 6: LOT 1, 2 & 3, S2/NE, NE/SE (241.36 AC.) SEC 5: SW/NW, SW/4, SW/SE (240.00 AC.) SEC 8: NE/4, NE/NW (200.00 AC.) TOTAL = 882.69 ACRES					Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
							N	
Order Numbers: R-14194 R-13856A NSP & COM Pending						Well setbacks are under Common Ownerships: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
F	31	24N	9W		2256' NORTH	1702' WEST	36.271530°N NAD83	107.833393°W NAD83	SAN JUAN


First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
	31	24N	9W	3	2411' SOUTH	605' WEST	36.269853°N NAD83	107.837111°W NAD83	SAN JUAN

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
H	8	23N	9W		2056' NORTH	223' EAST	36.243089°N NAD83	107.804018°W NAD83	SAN JUAN

Unitized Area or Area of Uniform Interest PONDEROSA	Spacing Unit Type: <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool of formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division. <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <i>Shaw-Marie Valadez</i> Signature </div> <div style="width: 35%;"> 11/17/2025 Date </div> </div> <div style="margin-top: 10px;"> Shaw-Marie Valadez Printed Name </div> <div style="margin-top: 10px;"> sford@enduringresources.com E-mail Address </div>	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. NOTE: Horizontal drill calculation were computed from data provided by MARKSMAN DIRECTIONAL. Report dated: 10/14/25 <div style="text-align: center;">  GLEN W. RUSSELL Signature and Seal of Professional Surveyor: </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> Certificate Number 15703 </div> <div style="width: 45%;"> Date of Survey NOVEMBER 17, 2025 </div> </div>
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Note: NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.

DJR OPERATING , LLC PONDEROSA F31 2409 FEDERAL COM #124H AS-DRILLED

DETAIL: DEDICATED ACRES

SEC. 31: LOT 3, LOT 4, E2/SW,
SW/SE (201.33 ACRES)

SEC. 6: LOT 1, LOT 2, LOT 3,
S2/NE, NE/SE (241.36 ACRES)

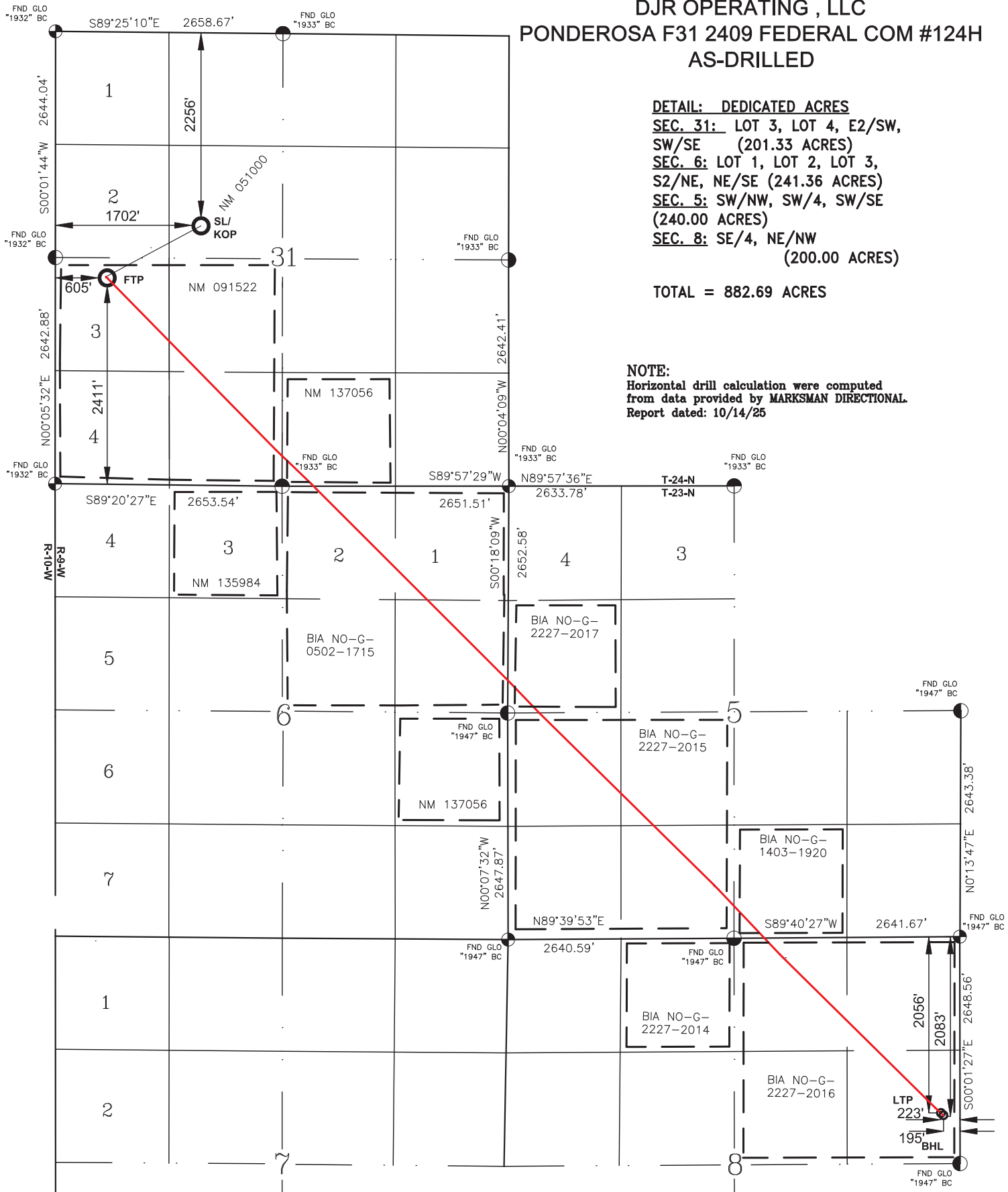
SEC. 5: SW/NW, SW/4, SW/SE
(240.00 ACRES)

SEC. 8: SE/4, NE/NW
(200.00 ACRES)

TOTAL = 882.69 ACRES

NOTE:

Horizontal drill calculation were computed
from data provided by MARKSMAN DIRECTIONAL.
Report dated: 10/14/25



SURFACE LOCATION (SL)
 2256' FNL, 1702' FWL
 SEC. 31, T24N, R9W
 LAT: 36.271530° N
 LONG: 107.833393° W NAD83

KICK OFF POINT (KOP)
 2256' FNL, 1702' FWL
 SEC. 31, T24N, R9W
 LAT: 36.271530° N
 LONG: 107.833393° W NAD83

FIRST TAKE POINT (FTP)
 2411' FSL, 605' FWL
 SEC. 31, T24N, R9W
 LAT: 36.269853° N
 LONG: 107.837111° W NAD83

LAST TAKE POINT (LTP)
 2056' FNL, 223' FEL
 SEC. 8, T23N, R9W
 LAT: 36.243017° N
 LONG: 107.804018° W NAD83

BOTTOM HOLE LOCATION (BHL)
 2083' FNL, 195' FEL
 SEC. 8, T23N, R9W
 LAT: 36.243017° N
 LONG: 107.803920° W NAD83

DJR OPERATING, LLC
PONDEROSA F31 2409 FEDERAL COM #124H
AS-DRILLED

SURFACE LOCATION NM 051000
2256' FNL, 1702' FWL
LOCATED IN THE SE/NW OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.271530° N LONG: 107.833393° W NAD83

PPP1(FIRST TAKE POINT) NM 091522
2411' FSL, 605' FWL
LOCATED IN LOT 3, SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.269853° N LONG: 107.837111° W NAD83

PPP2 NM 137056
354' FSL, 2649' FEL
LOCATED IN THE SW/SE OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.264146° N LONG: 107.830162° W NAD83

PPP3 BIA NO-G-0502-1715
1' FNL, 2281' FEL
LOCATED IN LOT 2 OF SEC. 6, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.263175° N LONG: 107.828910° W NAD83

PPP4 BIA NO-G-2227-2017
2271' FNL, 1' FWL
LOCATED IN THE SW/NW OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.256956° N LONG: 107.821203° W NAD83

PPP5 BIA NO-G-2227-2015
2646' FSL, 370 FWL
LOCATED IN THE NW/SW OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.255911° N LONG: 107.819956° W NAD83

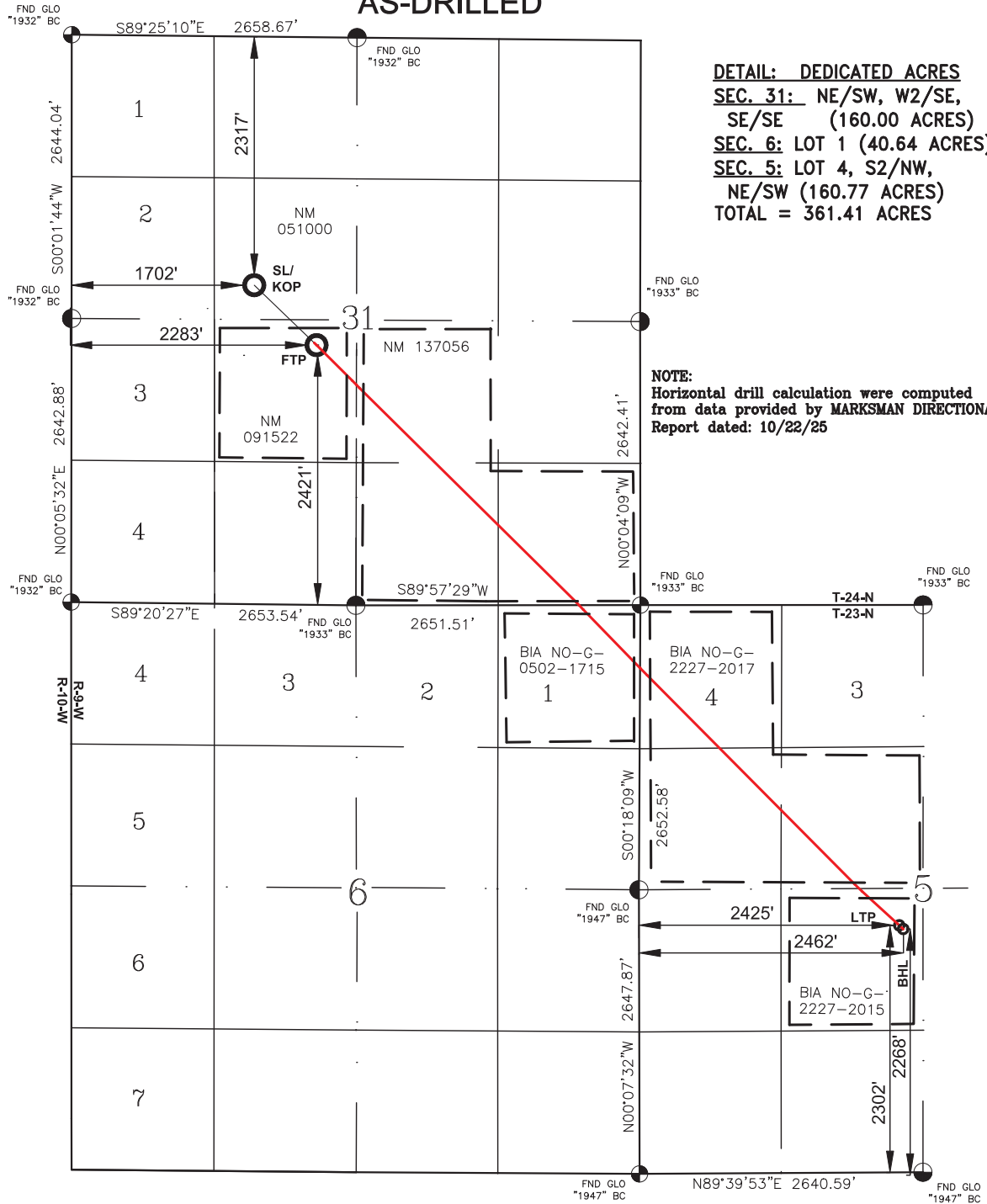
PPP6 BIA NO-G-1403-1920
375' FSL, 2642' FEL
LOCATED IN THE SW/SE OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.249719° N LONG: 107.812225° W NAD83

PPP7 BIA NO-G-2227-2016
1' FNL, 2290' FEL
LOCATED IN THE NW/NE OF SEC. 8 T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.248692° N LONG: 107.811034° W NAD83

PPP8 (LAST TAKE POINT) BIA NO-G-2227-2016
2056' FNL, 223' FEL
LOCATED IN THE SE/NE OF SEC. 8, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.243089° N LONG: 107.804018° W NAD83

NOTE:
Horizontal drill calculation were computed
from data provided by MARKSMAN DIRECTIONAL.
Report dated: 10/14/25

DJR OPERATING , LLC PONDEROSA F31 2409 FEDERAL COM #129H AS-DRILLED



DETAIL: DEDICATED ACRES
SEC. 31: NE/SW, W2/SE, SE/SE (160.00 ACRES)
SEC. 6: LOT 1 (40.64 ACRES)
SEC. 5: LOT 4, S2/NW, NE/SW (160.77 ACRES)
TOTAL = 361.41 ACRES

NOTE:
 Horizontal drill calculation were computed from data provided by MARKSMAN DIRECTIONAL. Report dated: 10/22/25

SURFACE LOCATION (SL)
 2317' FNL, 1702' FWL
 SEC. 31, T24N, R9W
 LAT: 36.271364° N
 LONG: 107.833394° W NAD83

FIRST TAKE POINT (FTP)
 2421' FSL, 2283' FWL
 SEC. 31, T24N, R9W
 LAT: 36.269832° N
 LONG: 107.831422° W NAD83

BOTTOM HOLE LOCATION (BHL)
 2268' FSL, 2462' FWL
 SEC. 5, T23N, R9W
 LAT: 36.254914° N
 LONG: 107.812861° W NAD83

KICK OFF POINT (KOP)
 2317' FNL, 1702' FWL
 SEC. 31, T24N, R9W
 LAT: 36.271364° N
 LONG: 107.833394° W NAD83

LAST TAKE POINT (LTP)
 2302' FSL, 2425' FWL
 SEC. 5, T23N, R9W
 LAT: 36.255006° N
 LONG: 107.812987° W NAD83

**DJR OPERATING, LLC
PONDEROSA F31 2409 FEDERAL COM #129H
AS-DRILLED**

SURFACE LOCATION NM 051000
2317' FNL, 1702' FWL
LOCATED IN THE SE/NW OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.271364° N LONG: 107.833394° W NAD83

PPP1(FIRST TAKE POINT) NM 091522
2421' FSL, 2283' FWL
LOCATED IN THE NE/SW OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.269832° N LONG: 107.831422° W NAD83

PPP2 NM 137056
2054' FSL, 2644' FEL
LOCATED IN THE NW/SE OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.268816° N LONG: 107.830159° W NAD83

PPP3 BIA NO-G-0502-1715
1' FNL, 571' FEL
LOCATED IN LOT 1 OF SEC. 6, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.263185° N LONG: 107.823113° W NAD83

PPP4 BIA NO-G-2227-2017
587' FNL, 1' FWL
LOCATED IN LOT 4 OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.261578° N LONG: 107.821180° W NAD83

PPP5 BIA NO-G-2227-2015
2645' FSL, 2054' FWL
LOCATED IN THE NE/SW OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.255940° N LONG: 107.814246° W NAD83

PPP6 (LAST TAKE POINT) BIA NO-G-2227-2015
2302' FSL, 2425' FWL
LOCATED IN THE NE/SW OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.255006° N LONG: 107.812987° W NAD83

NOTE:
Horizontal drill calculation were computed from
data provided by MARKSMAN DIRECTIONAL.
Report dated: 10/22/25

**DJR OPERATING, LLC
PONDEROSA F31 2409 FEDERAL COM #130H
AS-DRILLED**

SURFACE LOCATION NM 051000
2276' FNL, 1702' FWL
LOCATED IN THE SE/NW OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.271474° N LONG: 107.833393° W NAD83

PPP-1(FIRST TAKE POINT) NM 137056
2408' FSL, 2154' FEL
LOCATED IN THE NW/SE OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.269791° N LONG: 107.828502° W NAD83

PPP-2 ST, NM V0-1360
257' FSL, 1' FWL
LOCATED IN THE SW/SW OF SEC. 32, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.263898° N LONG: 107.821175° W NAD83

PPP-3 BIA NO-G-2227-2017
1' FNL, 264' FWL
LOCATED IN LOT 4 OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.263190° N LONG: 107.820280° W NAD83

PPP-4 (LAST TAKE POINT) BIA NO-G-2227-2017
2159' FNL, 2413' FWL
LOCATED IN THE SE/NW OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.257275° N LONG: 107.813023° W NAD83

NOTE:
Horizontal drill calculation were computed
from data provided by MARKSMAN DIRECTIONAL.
Report dated: 10/26/25

Form C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input checked="" type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-045-38374	Pool Code 5890	Pool Name BISTI LOWER-GALLUP (O)
Property Code 336268	Property Name PONDEROSA F31 2409 FEDERAL COM	Well Number 144H
OGRID No. 371838	Operator Name DJR OPERATING, LLC	Ground Level Elevation 6830
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input checked="" type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
F	31	24N	9W		2296' NORTH	1702' WEST	36.271420°N NAD83	107.833394°W NAD83	SAN JUAN

Bottom Hole Location

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
A	8	23N	9W		1202' NORTH	211' EAST	36.245434°N NAD83	107.803980°W NAD83	SAN JUAN

Dedicated Acres: SEC 31: LOT 3, E2/SW, S2/SE, NW/SE(240.60 AC.) SEC 6: LOT 1 & 2, SE/NE (121.09 AC.) SEC 5: LOT 4, S2/NW, N2/SW, SE/SW, NW/SE, S2/SE (360.77 AC.) SEC 8: N2/NE, SE/NE (120.00 AC.) TOTAL= 842.46 ACRES					Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
							N	UNIT
Order Numbers: R-14194 R-13856A NSP & COM pending						Well setbacks are under Common Ownerships: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
F	31	24N	9W		2296' NORTH	1702' WEST	36.271420°N NAD83	107.833394°W NAD83	SAN JUAN

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
K	31	24N	9W		2410' SOUTH	1432' WEST	36.269826°N NAD83	107.834307°W NAD83	SAN JUAN

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet from N/S	Ft from E/W	Latitude	Longitude	County
A	8	23N	9W		1184' NORTH	230' EAST	36.245484°N NAD83	107.804044°W NAD83	SAN JUAN

Unitized Area or Area of Uniform Interest	Spacing Unit Type: <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATION

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

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool of formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Shaw-Marie Valadez
Signature

12/3/2025
Date

Shaw-Marie Valadez
Printed Name

sford@enduringresources.com
E-mail Address

SURVEYOR CERTIFICATION

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

NOTE:
Horizontal drill calculation were computed from data provided by MARKSMAN DIRECTIONAL.
Report dated: 10/24/25



GLEN W. RUSSELL

Signature and Seal of Professional Surveyor:

Certificate Number
15703

Date of Survey
DECEMBER 3, 2025

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

DJR OPERATING , LLC PONDEROSA F31 2409 FEDERAL COM #144H AS-DRILLED

DETAIL: DEDICATED ACRES

**SEC. 31: LOT 3, E2/SW, S2/SE,
NW/SE (240.60 ACRES)**

**SEC. 6: LOT 1, LOT 2, SE/NE
(121.09 ACRES)**

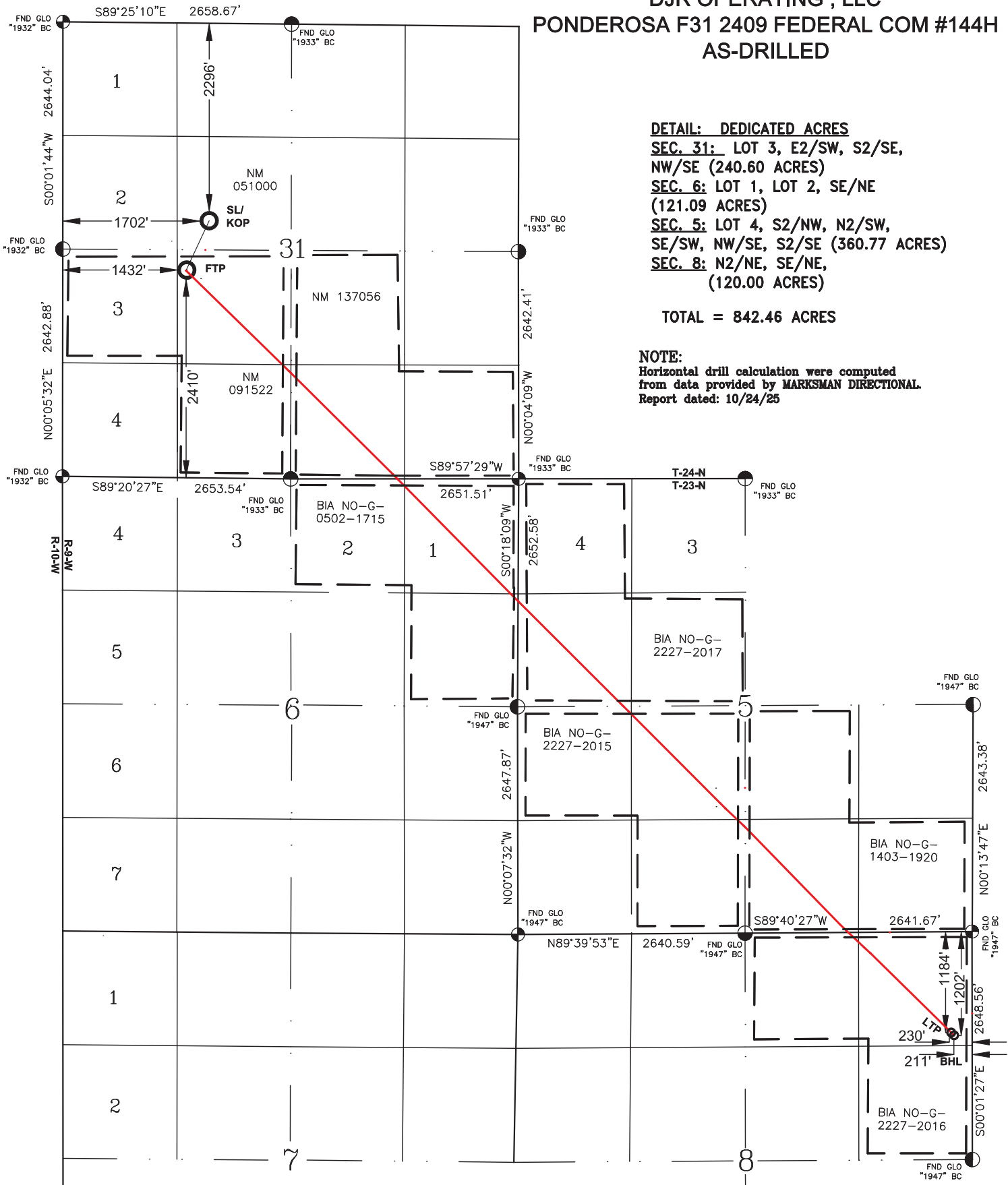
**SEC. 5: LOT 4, S2/NW, N2/SW,
SE/SW, NW/SE, S2/SE (360.77 ACRES)**

**SEC. 8: N2/NE, SE/NE,
(120.00 ACRES)**

TOTAL = 842.46 ACRES

NOTE:

Horizontal drill calculation were computed
from data provided by MARKSMAN DIRECTIONAL
Report dated: 10/24/25



SURFACE LOCATION (SHL)
2296' FNL, 1702' FWL
SEC. 31, T24N, R9W
LAT: 36.271420° N
LONG: 107.833394° W NAD83

FIRST TAKE POINT (FTP)
2410' FSL 1432' FWL
SEC. 31, T24N, R9W
LAT: 36.269826° N
LONG: 107.834307° W NAD83

BOTTOM HOLE LOCATION (BHL)
1202' FNL, 211' FEL
SEC. 8, T23N, R9W
LAT: 36.245434° N
LONG: 107.803980° W NAD83

KICK OFF POINT (KOP)
2296' FNL 1702' FWL
SEC. 31, T24N, R9W
LAT: 36.271420° N
LONG: 107.833394° W NAD83

LAST TAKE POINT (LTP)
1184' FNL, 230' FEL
SEC. 8, T23N, R9W
LAT: 36.245484° N
LONG: 107.804044° W NAD83

**DJR OPERATING, LLC
PONDEROSA F31 2409 FEDERAL COM #144H
AS-DRILLED**

SURFACE LOCATION NM 051000
2296' FNL, 1702' FWL
LOCATED IN THE SE/NW OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.271420° N LONG: 107.833394° W NAD83

PPP1(FIRST TAKE POINT) NM 091522
2410' FSL, 1432' FWL
LOCATED IN THE NE/SW OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.269826° N LONG: 107.834307° W NAD83

PPP2 NM 137056
1232' FSL, 2646' FEL
LOCATED IN THE SW/SE OF SEC. 31, T-24-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.266558° N LONG: 107.830161° W NAD83

PPP3 BIA NO-G-0502-1715
1' FNL, 1408' FEL
LOCATED IN LOT 2 OF SEC. 6, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.263180° N LONG: 107.825951° W NAD83

PPP4 BIA NO-G-2227-2017
1423' FNL, 1' FWL
LOCATED IN THE SW/NW OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.259283° N LONG: 107.821191° W NAD83

PPP5 BIA NO-G-2227-2015
2646' FSL, 1234' FWL
LOCATED IN THE NW/SW OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.255926° N LONG: 107.817029° W NAD83

PPP6 BIA NO-G-1403-1920
1233' FSL, 2645' FEL
LOCATED IN THE SW/SE OF SEC. 5, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.252073° N LONG: 107.812228° W NAD83

PPP7 BIA NO-G-2227-2016
1' FNL, 1439' FEL
LOCATED IN THE NW/NE OF SEC. 8, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.248709° N LONG: 107.808149° W NAD83

PPP8 (LAST TAKE POINT) BIA NO-G-2227-2016
1184' FNL, 230' FEL
LOCATED IN THE NE/NE OF SEC. 8, T-23-N, R-9-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
LAT: 36.245484° N LONG: 107.804044° W NAD83

NOTE:
Horizontal drill calculation were computed
from data provided by MARKSMAN DIRECTIONAL.
Report dated: 10/24/25

EXHIBIT

5

**Enduring Resources San Juan, LLC**

6300 South Syracuse Way, Suite 525, Centennial, CO 80111
Telephone 303 573-1222 Fax 303 573 0461

TO: All Mineral Owners:

RE: Enclosed Commingling Application – Frequently Asked Questions

Ladies and Gentlemen:

DJR Operating, LLC (“DJR”), a subsidiary of Enduring Resources San Juan, LLC, plans to drill new wells, that can be efficiently tied into an existing central tank battery and avoid unnecessary additional surface disturbance. DJR is required by the New Mexico Oil Conservation Division to send a copy of the commingling application to all mineral owners whose oil and gas production is sold from this central tank battery. The application is very technical in nature and may be confusing to anyone who is not familiar with oil and gas operations. We anticipate that you may have questions about the application, and we hope that the following information may be helpful to you.

1. What is the purpose of the Commingling Application?

DJR is requesting the approval of the New Mexico Oil Conservation Division (“NMOCD”) to use its existing surface facilities for the sale of oil and gas from wells it plans to drill near the central tank battery. This is the most efficient use of Enduring’s equipment and reduces the amount of surface disturbance from our operations.

2. Will approval of the commingling application impact existing production or royalties that are paid out of production from other wells that are tied into the same tank battery?

No, each existing well and each new well is separately metered with equipment that is regularly inspected and approved by the BLM and the NMOCD, and the royalty paid on existing producing wells is not affected in any way by this application.

3. What are the attachments included with the letter?

- The transmittal letter states that a complete copy of DJR’s application is enclosed, and if there are no objections filed with the NMOCD within 20 days, the NMOCD may approve the application administratively, without a hearing.
- The application was filed online and includes a list of the new wells being requested for commingling.
- Exhibit 1 is a map of the pad and central tank battery where the commingling will occur.
- Exhibit 2 is the completed application required by the NMOCD and includes a flow diagram showing how the oil and gas is metered to ensure accuracy in reporting production.
- Exhibit 3 is the information submitted to the BLM for each new well, including plats.
- Exhibit 4 are copies of the straddle communitization agreements covering the new wells.

4. Do I need to sign anything or return any documents to the NMOCD?

No, the application packet has been mailed to you for notice purposes only, and no signatures or documents need to be returned. The NMOCD requires the operator to send each mineral owners a copy of the application to notify you of your right to object, and for you to retain for your records if you wish.

If you have any questions about the information in the application, please don't hesitate to contact us.

Sincerely,

ENDURING RESOURCES, LLC

Alex B. Campbell, Vice President - Land



Paula M. Vance
Associate Attorney
Phone (505) 954-7286
PMVance@hollandhart.com

April 3, 2026

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of DJR Operating, LLC for administrative approval to surface commingle (lease) oil and gas production from the Ponderosa Unit (“PU”) and spacing units collectively comprised of Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 31, and SW/4 SW/4 of Section 32, Township 24 North, Range 9 West; Lots 3-4, S/2 NW/4 and SE/4 (W/2 equivalent), W/2 SE/4 and SE/4 SE/4 of irregular Section 5, Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4 and SE/4 (All equivalent) of irregular Section 6, Lots 1-4, E/2 W/2 and E/2 (All equivalent) of irregular Section 7, All of Section 8, Township 23 North, Range 9 West; Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Sections 1-4, All of Section 9, E/2 of Section 10, All of Sections 11-12 and 14, and N/2 of Section 13, Township 23 North, Range 10 West, NMPM, San Juan County, New Mexico (the “Lands”)

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application, which was filed with the New Mexico Oil Conservation Division on this date. There is nothing in this application for you to sign. Any objection to this application must be filed in writing within twenty days from the date the Division receives the application at the Division’s Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 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 the following:

Travis Whitham
Enduring Resources, LLC
(303) 350-5716
twitham@enduringresources.com

Sincerely,



Paula M. Vance
**ATTORNEY FOR DJR OPERATING, LLC &
ENDURING RESOURCES SAN JUAN, LLC**

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska
Colorado
Idaho

Montana
Nevada
New Mexico


Utah
Washington, D.C.
Wyoming

Exhibit 4 & Exhibit 5
(notice lists) are
confidential and have
been removed from
public view

From: [Paula M. Vance](#)
To: [Clelland, Sarah, EMNRD](#); [Lowe, Leonard, EMNRD](#)
Cc: [McClure, Dean, EMNRD](#); [Tremaine, Jesse, EMNRD](#)
Subject: DJR/Enduring - Ponderosa F31 Commingling - Confidential Filing
Date: Tuesday, April 14, 2026 2:48:25 PM
Attachments: [image001.png](#)
[image002.png](#)

Sarah,

I just filed a surface commingling application on behalf of Enduring/DJR that requires the allottee name and contact information remain confidential, per Enduring/DJR's agreement with FIMO.

The public facing application that does not include the Unit/CA and notice information is under Action ID: 575274. This is the link to the Unit/CAs and notice information that is CONFIDENTIAL -  [Enduring - Ponderosa - Pool_ Lease Commingling Application - Division View - Exhibit 4 & 5.pdf](#)

I'm including Leonard because we also simultaneously filed NSPs for the Straddle Com wells included with the commingling application. This came about after months of negotiations with BLM/FIMO to create the Straddle Com spacing wells that includes acreage that would otherwise be "stranded." The Action ID for the NSPs (filed on 4/9) are as follows:

- Ponderosa F31 2409 Federal Com 124H – Action ID: 573713
- Ponderosa F31 2409 Federal Com 130H – Action ID: 573717
- Ponderosa F31 2409 Federal Com 144H – Action ID: 573721

[Redacted]

[Redacted]

Please let me know if you have any questions. Thank you in advance.



Paula Vance

Her / Hers / She [\(What's this?\)](#)

Associate

Holland
& Hart

HOLLAND & HART LLP

110 North Guadalupe Street, Suite 1, Santa Fe, NM 87501

pmvance@hollandhart.com | **T:** (505) 954-7286 | **M:** (337) 280-9055

CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this email.

EXHIBIT C

New Mexico Conservation Division

4-20-26

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

To Whom It Concerns:

I am a mineral owner in the property proposed Co-mingling Application submitted by DJR Operating, LLC (DJR) a subsidiary of Enduring Resources San Juan, LLC and their plans to drill new wells and to tie these wells to a central tank battery when and if oil and gas production occurs. This application seems premature even for administrative approval by NMOCDD. It was submitted on-line April 3, 2026 and received on April 13, 2026 which did not give me time to reply by April 20, 2026. A hearing needs to be set and specifics of the process should be explained.

I have been involved in my career in working with the federal agency that oversees leasing of Indian allotted lands and have some experience with regard to communitization and co-mingling of assets on Indian allotted lands. Who is to benefit by this request to drill new wells and will they be located in prior approved communitized property or outside of those properties. If not, is there a geological survey available that will show these new wells and owners are entitled to share in gas and oil productions?

Also, are the use of using an established Central

tank battery and separation of oil and gases for payment of any royalties or depositing of those substances a proven process? If so how accurate is it and where are some places that it is being used?

The BIA agency and Regional office I worked in usually had qualified and experienced staff who worked to make sure, Indian land owners (including surface and minerals owners) were receiving quality and quantity oversight of their allotted lands and the leasing of those properties.

(San Juan, NM)
The BIA, BLM, FIMD in this Region did not always provide Indian land and mineral owners adequate guidance in the area of rental and leasing of their properties. This was evident by the Cobell decision made 2009-2010. There were considerable issues regarding the collections and payments made in behalf Indian land owners in such leasing. This continues to be a problem especially in areas where there are large reserves of natural resources on Indian properties that are shared with Federal, State and privately held properties. Co-mingling of any contractual agreements also causes problems if not closely monitored. Enduring Resources' reasoning for this request to more efficiently use of their equipment and ^{to} reduce the amount of surface disturbance does not arise to adequate justification.

for this request.

I hope you take this correspondence into consideration as I do not have adequate resources and am not in good health to travel to any hearings as I currently reside in Oklahoma.

Sincerely,
Retha Murdock
P.O. Box 44
Shawnee, OK 74802
(ph.no. (405) 255-1874)

CC: Enduring Resources San Juan, LLC
6300 South Syracuse Way, Suite 525
Centennial, CO 80111

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

**APPLICATION OF DJR OPERATING, LLC
FOR APPROVAL OF SURFACE COMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 26145

SELF-AFFIRMED STATEMENT OF ANITA ASHLAND

1. My name is Anita Ashland. I work for Enduring Resources, LLC (“Enduring”), an affiliate of DJR Operating, LLC (“DJR”), as a Senior Land Consultant.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters and my credentials have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by DJR in this matter and the status of the lands in the subject area.

4. On April 14, 2026, DJR filed an administrative application for approval to surface commingle (lease) oil and gas production from the Ponderosa Unit (“PU”) and spacing units collectively comprised of Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 31, and SW/4 SW/4 of Section 32, Township 24 North, Range 9 West; Lots 3-4, S/2 NW/4 and SE/4 (W/2 equivalent), W/2 SE/4 and SE/4 SE/4 of irregular Section 5, Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4 and SE/4 (All equivalent) of irregular Section 6, Lots 1-4, E/2 W/2 and E/2 (All equivalent) of irregular Section 7, All of Section 8, Township 23 North, Range 9 West; Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Sections 1-4, All of Section 9, E/2 of Section 10, All of Sections 11-12 and 14, and N/2 of Section 13, Township 23 North, Range 10 West, NMPM, San Juan County, New Mexico (the “Lands”). See **DJR Exhibit A**.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Enduring Resources, LLC
Hearing Date: June 4, 2026
Case No. 26145**

5. On April 24, 2026, the Division notified counsel for DJR that it was in receipt of a protest letter from Retha Murdock (dated April 20, 2026). *Id.*

6. On April 27, 2026, after several attempts, I was able to contact Retha Murdock by telephone and spent approximately two and half hours speaking with her to try and resolve her concerns. During the conversation, Retha Murdock stated that she:

- Objects to the Division administratively approving the commingling application without a full hearing;
- Distrusts that agencies, including Federal Indian Minerals Office (“FIMO”), adequately protect the interests of allottees;
- Believes governmental agencies do not provide sufficient information to allottees;
- Interpreted the notice letter as asking allottees to let DJR save money on equipment, benefiting only DJR and not the allottees;
- Suspects commingling benefits parties outside the unit at the expense of allottees;
- Feels that allottees have been historically taken advantage of by oil companies and that agencies simply approve what oil companies want;
- Thinks commingling oil is like commingling funds without accountability;
- Believes Farmington FIMO office does not adequately oversee oil and gas operations; and
- Wants a hearing for every commingling application.

7. Retha Murdock did not ask any specific questions about DJR's filed application or about its metering or allocation methodology related to its application. That being said, I made a good faith effort to try and address Retha Murdock's concerns during our call.

8. Since Retha Murdock did not withdraw her protest, DJR filed an application for hearing pursuant to 19.15.12.10.(C)(4)(d) NMAC.

9. Approval of DJR's Commingling Application will benefit approximately 760 individual allottees.

10. I provided the law firm of Holland & Hart LLP with Retha Murdock's address and instructed that she be notified of this application and hearing.

11. In my opinion, approval of this application is in the best interest of conservation, prevention of waste, and the protection of correlative rights.

12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Anita Ashland
Anita Ashland

5-28-2026
Date

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

**APPLICATION OF DJR OPERATING, LLC
FOR APPROVAL OF SURFACE COMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 26145

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of DJR Operating, LLC (“DJR”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of May 22, 2026.

5. I caused a notice to be published to all parties subject to these proceedings. An affidavit of publication from the publication’s legal clerk with a copy of the notice of publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Enduring Resources, LLC
Hearing Date: June 4, 2026
Case No. 26145**



Paula M. Vance

05/28/26

Date



Paula M. Vance
Associate
Phone (505) 988-4421
Email pmvance@hollandhart.com

May 15, 2026

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: RETHA MURDOCK

**Re: Application of DJR Operating, LLC for Approval of Surface Commingling,
San Juan County, New Mexico: Ponderosa Unit F31-2409 Pad**

Ladies & Gentlemen:

This letter is to advise you that DJR Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 4, 2026, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Ave., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Anita Ashland at (303) 350-5116 or aashland@enduringresources.com.

Sincerely,

Paula M. Vance
ATTORNEY FOR DJR OPERATING, LLC

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Postal Delivery Report

9214 8901 9403 8376 0985 73	RETHA F MURDOCK PO BOX 44 SHAWNEE OK 74802-0044	Delivered Signature Received
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BALLANTINE COMMUNICATIONS

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO

County of San Juan

Odette Zerrin, the undersigned, authorized Representative of the Tri-City Record, on oath states that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Law of 1937, that payment therefore has been made of assessed as court cost; and that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

5/15/2026

Sworn and subscribed before me, a notary public in, and for the county of La Plata and the State of Colorado, 5/28/26

Shelly Corwin
Notary Public

PRICE: \$120.09

Statement to come at the end of the month.

ACCOUNT NUMBER: 110454

SHELLY CORWIN
Notary Public
State of Colorado
Notary ID # 20244040709
My Commission Expires 11-06-2028

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Enduring Resources, LLC
Hearing Date: June 4, 2026
Case No. 26145

COPY OF ADVERTISEMENT

34976

Legal Notice (Publication)

Case No. 26145: Application of DJR Operating, LLC for Approval of Surface Commingling, San Juan County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Retha F. Murdock. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on June 4, 2026, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. DJR Operating,

LLC (OGRID No. 371838) seeks an order approving surface commingling (lease) from diversely owned oil and gas production at the **Ponderosa Unit F31-2409 Pad** from the Ponderosa Unit ("PU") and spacing units collectively comprised of Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 31, and SW/4 SW/4 of Section 32, Township 24 North, Range 9 West; Lots 3-4, S/2 NW/4 and SE/4 (W/2 equivalent), W/2 SE/4 and SE/4 SE/4 of irregular Section 5, Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4 and SE/4 (All equivalent) of irregular Section 6, Lots 1-4, E/2 W/2 and E/2 (All equivalent) of irregular Section 7, All of Section 8, Township 23 North, Range 9 West; Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Sections 1-4, All of Section 9, E/2 of Section 10, All of Sections 11-12 and 14, and N/2 of Section 13, Township 23 North, Range 10 West, NMPM, San Juan County, New Mexico (the "Lands"). Said area is located approximately 5 miles west of Nageezi, New Mexico.

Published in Tri-City Record
May 15, 2026