# **BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING NOVEMBER 04, 2021**

# **CASE NO. 22252**

GORDITA 6 STATE COM #601H-#603H WELLS

# Lea County, New Mexico



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

# APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

### CASE NO. 22252

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# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

# ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case No. 22252	APPLICANT'S RESPONSE
Date: November 4, 2021	
Applicant	Centennial Resource Production LLC
Designated Operator & OGRID (affiliation if applicable)	Centennial Resource Production LLC (OGRID 372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	N/A
Well Family	Gordita 6 State Com wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Ojo Chiso; Bone Spring Pool (Pool Code 96553)
Well Location Setback Rules:	Statewide oil
Spacing Unit Size:	619.28-acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	619.28-acres, more or less
Building Blocks:	40-acre
Orientation:	Standup
Description: TRS/County BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252	W/2 of Sections 7 and 18, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes

Received by OCD: 11/3/2021 9:29:10 AM Proximity Defining Well: if yes, description	Page 4Yes, the completed interval for the Gordita 6 StateCom #602H well will remain within 330 feet of thequarter-quarter line separating the W/2 W/2 from theE/2 W/2 of Sections 7 and 18, to allow inclusion of theacreage into a standard horizontal well spacing unit.		
Applicant's Ownership in Each Tract	Yes		
Well(s)			
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)			
Well #1	Gordita 6 State Com #601H well, API No. 30-025-49034 SHL:275 FSL and 1320 FWL (Unit N) of Section 6, Township 22 South, Range 35 East, NMPM. BHL:100 FSL and 598 FWL (Lot 4) of Section 18, Township 22 South, Range 35 East, NMPM.		
	Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: standard		
Well #2	Gordita 6 State Com #602H well, API No. 30-025-49035 SHL:275 FSL and 1350 FWL (Unit N) of Section 6, Township 22 South, Range 35 East, NMPM. BHL:100 FSL and 1526 FWL (Lot N) of Section 18, Township 22 South, Range 35 East, NMPM.		
	Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: proximity tract		
Well #3	Gordita 6 State Com #603H well, API No. 30-025-49036 SHL:275 FSL and 1380 FWL (Unit N) of Section 6, Township 22 South, Range 35 East, NMPM. BHL:100 FSL and 2456 FWL (Lot N) of Section 18, Township 22 South, Range 35 East, NMPM.		
	Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: NSL-Order NSL-8211		
Horizontal Well First and Last Take Points	Exhibit C-1		
Released to Imaging: 11/3/2021 9:51:04 AM			

Received by OCD: 11/3/2021 9:29:10 AM	Page 5 of
Completion Target (Formation, TVD and MD)	Exhibit C-4, Exhibit D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,500 (drilling) & \$850 (producing)/month
Production Supervision/Month \$	Exhibit C, C-4
Justification for Supervision Costs	Exhibit C, C-4
Requested Risk Charge	Exhibit C, C-4
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3, Exhibit E
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & belo	v N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3, Exhibit E
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D-1
Target Formation	Exhibit D-2, D-3, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Released to Imaging: 11/3/2021 9:51:04 AM	Exhibit C-2

Received by OCD: 11/3/2021 9:29:10 AM		Page 6 of 46
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3	
General Location Map (including basin)	Exhibit D-1	
Well Bore Location Map	Exhibit D-1	
Structure Contour Map - Subsea Depth	Exhibit D-2	
Cross Section Location Map (including wells)	Exhibit D-3, D-4	
Cross Section (including Landing Zone)	Exhibit D-3, D-4	
Additional Information		
Special Provisions/Stipulations	N/A	

# CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.

Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck	
Signed Name (Attorney or Party Representative):	towhell	
Date:		2-Nov-21

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

# APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22252

### **APPLICATION**

Centennial Resource Production, LLC ("Centennial" or "Applicant") (OGRID No. 372165), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 7 and 18, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Centennial states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced spacing unit to the following proposed initial wells:

a. (1) the Gordita 6 State Com #601H well(API No. 30-025-49034), to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 6, to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 18; and

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252 b. (2) the Gordita 6 State Com #602H well (API No. 30-025-49035), and (3) the Gordita 6 State Com #603H well (API No. 30-025-49036), both are to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 6, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 18.

3. The completed interval for the proposed **Gordita 6 State Com #602H well** will remain within 330 feet of the quarter-quarter line separating the W/2 W/2 from the E/2 W/2 of Sections 7 and 18, to allow inclusion of this acreage into a standard horizontal well spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 4, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;

- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile mhfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com kaluck@hollandhart.com

**ATTORNEYS FOR CENTENNIAL RESOURCE PRODUCTION, LLC** 

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

## APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

**CASE NO. 22252** 

### AFFIDAVIT OF GAVIN SMITH IN SUPPORT OF CASE NO. 22252

Gavin Smith, of lawful age and being first duly sworn, declares as follows:

1. My name is Gavin Smith. I work for Centennial Resource Production, LLC ("Centennial") as a Senior Landman.

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

3. I am familiar with the application filed by Centennial in this case, and I am familiar with the status of the lands in the subject area.

4. None of the uncommitted parties in this case has indicated opposition to this pooling case proceeding by affidavits, and therefore I do not expect any opposition at the hearing.

5. In this case, Centennial seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 7 and 18, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico.

6. Centennial seeks to dedicate this spacing unit to the proposed initial wells: BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252 (1) the Gordita 6 State Com #601H well (API No. 30-025-49034), to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 6, to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 18; and

(2) the Gordita 6 State Com #602H well (API No. 30-025-49035), and (3) the Gordita 6 State Com #603H well (API No. 30-025-49036), both are to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 6, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 18.

7. **Centennial Exhibit C-1** is the Form C-102 for the proposed initial well for this horizontal spacing unit that reflects that the well is located in the Ojo Chiso; Bone Spring Pool (Pool Code 96553).

8. The completed interval for the Gordita 6 State Com #602H well will remain within 330 feet of the quarter-quarter line separating the W/2 W/2 from the E/2W/2 of Sections 7 and 18, to allow inclusion of this acreage into a standard horizontal well spacing unit.

9. There are no depth severances in the Bone Spring formation in the proposed spacing unit.

10. **Centennial Exhibit C-2** contains a plat outlining the unit being pooled and identifies the tracts of land comprising the proposed spacing unit.

11. **Centennial Exhibit C-3** identifies the working interests in each tract, and their interest in the horizontal spacing unit. There are no unleased mineral interest owners. I have highlighted on this exhibit the parties that Centennial seeks to pool.

12. Centennial sent well proposal letters, together with corresponding AFEs, to the working interest owners. The costs reflected in the AFE are consistent with what other operators

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have incurred for drilling similar horizontal wells in the area. A copy of the well proposal letters, along with the AFE, are included with my affidavit as **Centennial Exhibit C-4**.

13. Centennial seeks approval of overhead and administrative costs at \$8,500/month while drilling and \$850/month while producing. These costs are consistent with what Centennial and other operators are charging in this area for these types of wells. Centennial respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

14. Centennial has been able to locate contact information for all parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners. **Centennial Exhibit C-5** contains a chronology of the contacts with the working interest owners that Centennial seeks to pool in this case.

15. If Centennial reaches an agreement with any of the proposed pool parties before the Division enters any order, I will let the Division know that Centennial is no longer seeking to pool that party.

16. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on **Centennial Exhibit C-3**. In compiling these addresses, Centennial conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches. All parties were locatable.

17. **Centennial Exhibits C-1** through **C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

3

Jan **GAVIN SMITH** 

STATE OF COLORADO COUNTY OF DEALVER

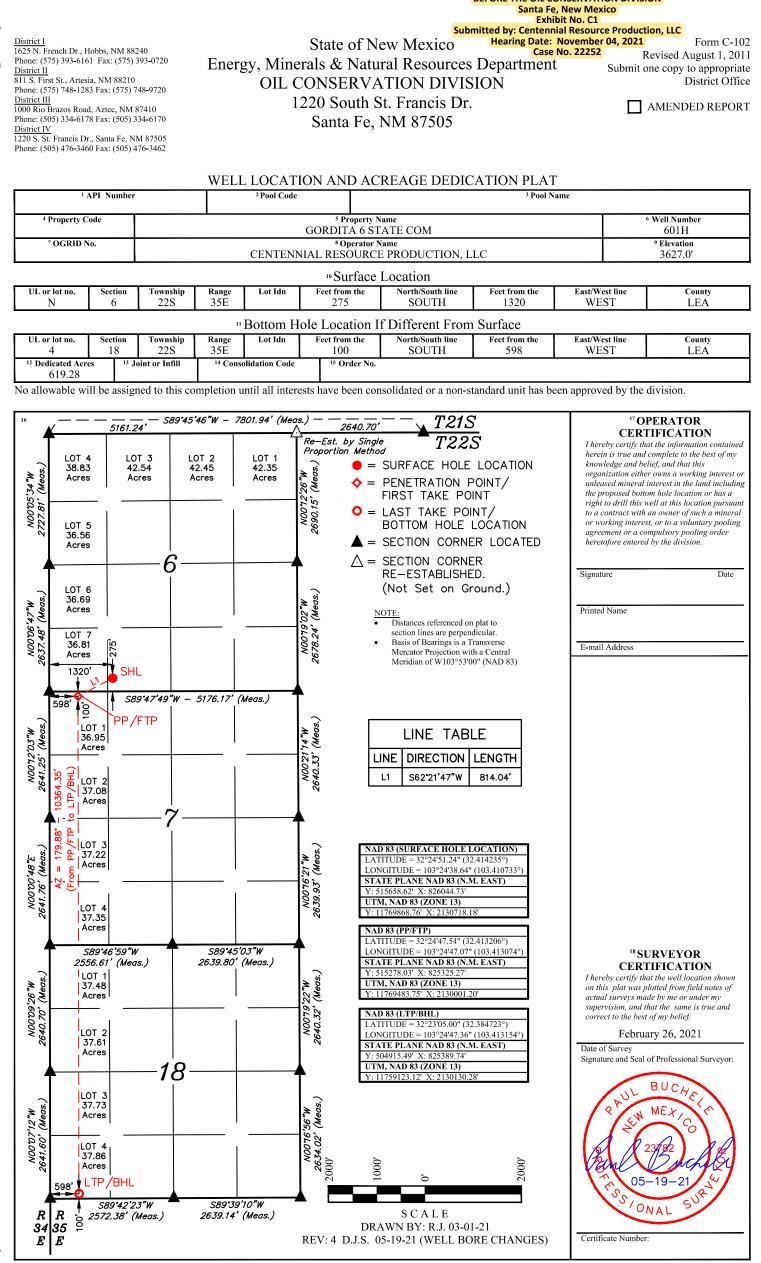
day of November SUBSCRIBED and SWORN to before me this \_\_\_\_\_\_ 2021 by Gavin Smith.

NOTARY PUBLIC

My Commission Expires:

October -

Frances M. Ivers NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20214039707 MY COMMISSION EXPIRES October 07, 2025



**BEFORE THE OIL CONSERVATION DIVISION** 

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Energy, Minerals & Natural Resources Department Submit one copy to appropriate District II 811 S. First St., Artesia, NM 88210 OIL CONSERVATION DIVISION District Office Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 1220 South St. Francis Dr. AMENDED REPORT Santa Fe, NM 87505 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>1</sup> API Number <sup>2</sup> Pool Code <sup>3</sup> Pool Name 4 Property Code Well Number **Property Nam** GORDITA 6 STATE COM 602H <sup>8</sup> Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC Elevation 3626.6' OGRID No. <sup>10</sup>Surface Location UL or lot no. Section Lot Idn Feet from the Feet from the East/West line Count Townshir Range North/South line N 22S 35Ē 275 SOUTH 1350 WEST LEA 6 "Bottom Hole Location If Different From Surface North/South line UL or lot no. Township Range Lot Idn Feet from the Feet from the East/West line Section County SOUTH N 18 22S35Ē 100 1526 WEST LEA Dedicated Acro 13 Joint or Infil 14 Consolidation 15 Order No Code 619.28 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. S89\*45'46"W - 7801.94' (Meas.) T21S <sup>17</sup>OPERATOR 5161.24' 2640.70' CERTIFICATION Re-Est. by Single Proportion Method T22SI hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including LOT 4 38.83 Acres LOT 3 42.54 Acres LOT 2 42.45 Acres I OT I OT ,26 "W (Meas.) = SURFACE HOLE LOCATION 42.35 Acres N00°05'34"W 2727.81' (Meas.)  $\diamond = \text{PENETRATION POINT}/$ the proposed bottom hole location or has a right to drill this well at this location pursuan to a contract with an owner of such a mineral or working interest, or to a voluntary pooling FIRST TAKE POINT 15 O = LAST TAKE POINT, N00 2690.1 LOT 5 36.56 Acres BOTTOM HOLE LOCATION agreement or a compulsory pooling order heretofore entered by the division.  $\blacktriangle$  = SECTION CORNER LOCATED  $\triangle$  = SECTION CORNER 6 RE-ESTABLISHED. Signature Date LOT 6 36.69 Acres (Not Set on Ground.) '02"W (Meas.) (Meas.) N00°06'47"W 2637.48' (Meas. Printed Name NOTE Distances referenced on plat to N00'19'C 2678.24' section lines are perpendicular. Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83) LOT 7 36.81 100 E-mail Address Acres 1350 S89°47'49"W 5176.17' (Meas.) P/FTF 1526' LOT 1 36.95 Acres \*14 "W (Meas.) N00"12"03"W 2641.25' (Meas. LINE TABLE N00°21 2640.33 LINE DIRECTION LENGTH S25"17'04"E 414.01' L1 LOT 2 37.08 Acres 62.89' S89\*42'23"W L2 2572.38' E βĮ 2 LOT 3 37.22 Acres П ;'21 "W (Meas.) NAD 83 (SURFACE HOLE LOCATION) 9.88. 19.88 '48"E (Meas., LATITUDE = 32°24'51.24" (32.414234°) LONGITUDE = 103°24'38.29" (103.410635°) 6 STATE PLANE NAD 83 (N.M. EAST) N00'16'. 2639.93' N00'00' 2641.76' ( AZ = UTM, NAD 83 (ZONE 13) LOT 4 37.35 Acres 69.10' X: 2130748.1 NAD 83 (PP/FTP) LATITUDE =  $32^{\circ}24'47.53''$  ( $32.413204^{\circ}$ ) S89°46'59"W 2556.61' (Meas.) S89°45'03"W 2639.80' (Meas.) LONGITUDE = 32 2447.35 (32.413204) LONGITUDE = 103°24'36.24" (103.410068°) STATE PLANE NAD 83 (N.M. EAST) <sup>18</sup>SURVEYOR CERTIFICATION 515285.23' X: 826253.10 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. '22"W (Meas.) LOT 1 37.48 Acres tion shown N00°09'26"W 2640.70' (Meas., UTM, NAD 83 (ZONE 13) N0079'2 2640.32' ( NAD 83 (LTP/BHL) LATITUDE = 32°23'05.01" (32.384725 LOT 2 37.61 Acres February 26, 2021 LONGITUDE = 103°24'36.54" (103.410149°) STATE PLANE NAD 83 (N.M. EAST) Date of Survey Signature and Seal of Professional Surveyor: UTM, NAD 83 (ZONE 13) 18 BUCHE LOT 3 37.73 Acres N00'16'56"W 2634.02' (Meas.) N00°07'12"W ?641.60' (Meas., MF LOT 4 37.86 Acres 2000' 2000 000 LTP/ 2 05 BHL 19 1526 L2 S89'39'10"W ONAL SCALE R R 2639.14' (Meas.) <u>0</u> DRAWN BY: R.J. 03-01-21 35 34 E REV: 3 D.J.S. 05-19-21 (WELL BORE CHANGES) Certificate Numbe E

State of New Mexico

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

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Form C-102

Revised August 1, 2011

Energy, Minerals & Natural Resources Department Submit one copy to appropriate District II 811 S. First St., Artesia, NM 88210 OIL CONSERVATION DIVISION District Office Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 1220 South St. Francis Dr. AMENDED REPORT Santa Fe, NM 87505 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>1</sup> API Number <sup>2</sup> Pool Code <sup>3</sup> Pool Name 4 Property Code Well Number **Property Nam** GORDITA 6 STATE COM 603H <sup>8</sup> Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC Elevation 3626.4' OGRID No. <sup>10</sup>Surface Location UL or lot no. Section Lot Idn Feet from the Feet from the East/West line Count Townshir Range North/South line N 22S 35Ē 275 SOUTH 1380 WEST LEA 6 "Bottom Hole Location If Different From Surface North/South line UL or lot no. Township Range Lot Idn Feet from the Feet from the East/West line Section County SOUTH N 18 22S35Ē 100 2456 WEST LEA Dedicated Acro 13 Joint or Infil 14 Consolidation 15 Order No Code 619.28 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. S89\*45'46"W - 7801.94' (Meas.) T21S <sup>17</sup>OPERATOR 5161.24' 2640.70' CERTIFICATION Re-Est. by Single Proportion Method T22SI hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including LOT 4 38.83 Acres LOT 3 42.54 Acres LOT 2 42.45 Acres I OT I OT '26"W (Meas.) = SURFACE HOLE LOCATION 42.35 Acres N00°05'34"W 2727.81' (Meas.)  $\diamond = \text{PENETRATION POINT}/$ the proposed bottom hole location or has a right to drill this well at this location pursuan to a contract with an owner of such a mineral or working interest, or to a voluntary pooling FIRST TAKE POINT 15 O = LAST TAKE POINT, N00 2690.1 LOT 5 36.56 Acres BOTTOM HOLE LOCATION agreement or a compulsory pooling order heretofore entered by the division.  $\blacktriangle$  = SECTION CORNER LOCATED  $\triangle$  = SECTION CORNER 6 RE-ESTABLISHED. Signature Date LOT 6 36.69 Acres (Not Set on Ground.) '02"W (Meas.) (Meas. N00°06'47"W 2637.48' (Meas. Printed Name NOTE Distances referenced on plat to N00'19'0 2678.24 section lines are perpendicular. Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83) LOT 7 36.81 Acres E-mail Address <u>8</u> SHL 589°47'49"W 5176.17' (Meas.) 1380 11 100 2437 PP FTP LOT 1 36.95 Acres \*14 "W (Meas.) N00"12"03"W 2641.25' (Meas., LINE TABLE N00°21 2640.33 LINE DIRECTION LENGTH (JHB) S70\*39'46"E 1120.86' L1 LOT 2 37.08 Acres 4 10361. ₽ ī. 7 **8** Ē LOT 3 37.22 Acres 179. 5'21"W (Meas.) NAD 83 (SURFACE HOLE LOCATION) '48"E (Meas., đ LATITUDE = 32°24'51.24" (32.414234°) Ш LONGITUDE =  $103^{\circ}24'37.94''$  (103.410538°) STATE PLANE NAD 83 (N.M. EAST) N00'16'. 2639.93' N00'00' 2641.76' ( ₽. UTM, NAD 83 (ZONE 13) LOT 4 37.35 69.44' X: 2130778.16 Acres NAD 83 (PP/FTP) LATITUDE = 32°24'47.52" (32.413201°) LONGITUDE = 103°24'25.62" (103.407117°) STATE PLANE NAD 83 (N.M. EAST) S89\*46'59"W 2556.61' (Meas.) S89°45'03"W 2639.80' (Meas.) <sup>18</sup>SURVEYOR CERTIFICATION LOT 1 37.48 Acres 9' X: 827163.7 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. '22"W (Meas.) tion shown N00°09'26"W 2640.70' (Meas., UTM, NAD 83 (ZONE 13) N0079'2 2640.32' ( NAD 83 (LTP/BHL) LATITUDE = 32°23'05.02" (32.384727 LOT 2 37.61 Acres LONGITUDE = 103°24'25.69" (103.407137°) STATE PLANE NAD 83 (N.M. EAST) February 26, 2021 Date of Survey Signature and Seal of Professional Surveyor: UTM, NAD 83 (ZONE 13) 18 BUCHE LOT 3 37.73 <u>N00</u>76'56"W 2634.02' (Meas.) N00°07'12"W ?641.60' (Meas., MEX Acres LOT 4 37.86 Acres 2000' 2000' 000 LTP/ 05 2 BHL 19 2456 116 S89\*42'23"W S89'39'10"W ONAL SCALE R R 2572.38' (Meas.) 2639.14' (Meas.) ģ 34 35 E E DRAWN BY: R.J. 03-01-21 Certificate Numbe REV: 4 D.J.S. 05-19-21 (WELL BORE CHANGES)

State of New Mexico

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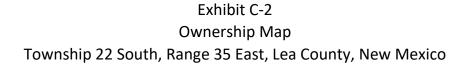
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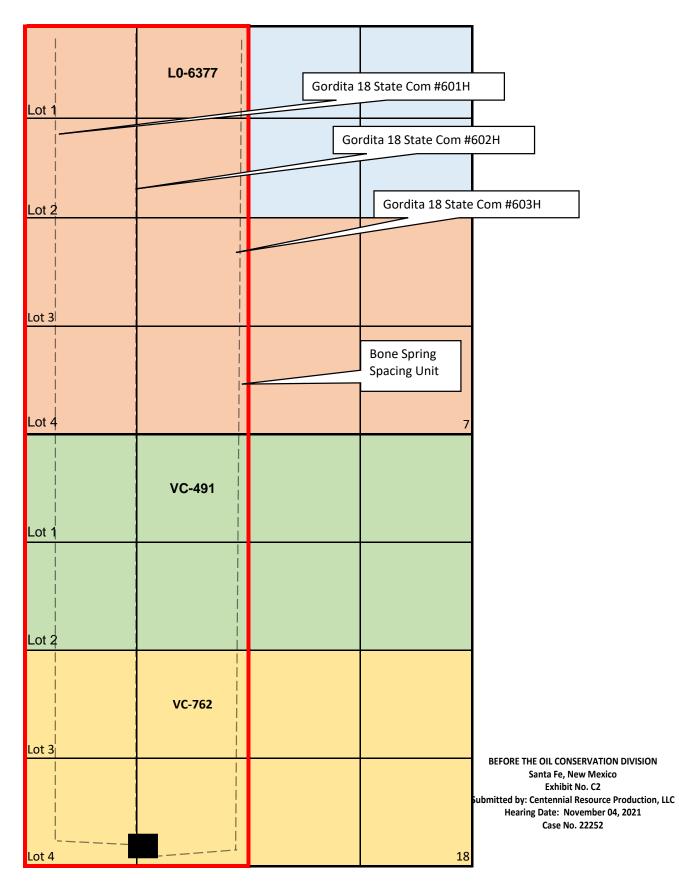
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Form C-102

Revised August 1, 2011





# Exhibit C-3 Gordita 18 State Com Ownership Schedule

Name	Address	Interest Type	Working Interest
	Owners to be Pooled		
	2850 N. Harwood Street, 19th		
Elk Range Royalties, LP	Floor	ORRI	N/A
	303 W. Wall St., Ste. 1800		
Legacy Reserves Operating, LP	Midland, TX 79701	ORRI	N/A
	45 Rockefeller Plaza, Ste. 2410		
Grewal (Royaly), LLC	New York, NY 10111	ORRI	N/A
	P.O. Box 470698		
Pegasus Resources, LLC	Ft. Worth, TX 76147	ORRI	N/A
	P.O. Box 470857		
McMullen Minerals, LLC	Ft. Worth, TX 76147	ORRI	N/A
	10432 E. Palo Brea Drive		
Leo K. Birkby	Scottsdale, AZ 85262	ORRI	N/A
, j	310 Pleasant Drive		
Deets D. Justice	Austin, TX 78746	ORRI	N/A
	15603 Kuykendahl, Ste. 200		
YMC Royalty Company, LP	Houston, TX 77090	ORRI	N/A
	1900 St. James Place, Suite 800		
Atlas OBO Energy, LP	Houston, TX 77056	ORRI	N/A
	746 Palmer Avenue		
David J. Darling	Glenwood Springs, CO 81601	ORRI	N/A
Duria V. Durinig	16602 Palm Royal Drive, Apt	ondu	11/11
Amy Darling Wood	#1519	ORRI	N/A
	221 S. Lomita Avenue	onuu	10/11
Laurance Howard Merritt	Ojai, CA 93023	ORRI	N/A
	15 Cypress Point	onuu	10/11
Elodie Brown	Wimberely, TX 78676	ORRI	N/A
	3138 Quail Valley East Drive	onuu	10/11
Pecas Management, LP	Missouri City, TX 77489	ORRI	N/A
i ceus munugement, El	2017 Quail Hollow Run	oluu	11/11
Karen Johnston	Carlsbad, NM 88220	ORRI	N/A
The Board of Regents of the University of		ORRI	11/71
Texas System for the use and benefit of			
The University of Texas M.D. Anderson	P.O. Box 551		
Caner Center	Midland, TX 79702	ORRI	N/A
Culler Conter	8440 Walnut Hill Lane, Ste. 800	Oludi	11/11
Presbyterian Healthcare Foundation	Dallas, TX 75231	ORRI	N/A
	8440 Walnut Hill Lane, Ste. 800	ORRI	11/14
Presbyterian Village North Foundation	Dallas, TX 75231	ORRI	N/A
resoyurian vinage North Foundation	1536 Cole Blvd, Ste. 225		11/1
Doil Oil & Gas Corporation	Golden, CO 80401	Working Interest	Pending Title
	1900 St. James Place, Suite 800		
Atlas OBO Energy, LP	Houston, TX 77056	Working Interest	0.04983200
Total:			0.0498320
ADD ORRI	1	ļ.	
	Ownow NOT haing Dealed		
	Owners NOT being Pooled	1	Ī

Owners NOT being I obled			
	1001 17th St., Suite 1800 Denver, CO 80202	Working Interest	0.95016794
Total:			0.95016794

Total Working Interest:

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C3 Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252

1.00000000

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September 8, 2021

RE: Gordita 6 State Com #601H
SHL: 275' FSL Sec. 6 & 1320' FWL Sec. 6 T22S R35E
BHL: 100' FSL Sec. 18 & 598' FWL Sec. 18 T22S R35E
Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Gordita 6 State Com #601H as a horizontal well to test the Bone Spring Formation at a TVD of 10,900 feet. The W/2 of the Section 7, Township 22 South, Range 35 East and the W/2 of Section 18, Township 22 South, Range 35 East, Lea County, New Mexico will be dedicated to the well as the proration unit being a total of 619.28 acres. Please see the enclosed AFE in the amount of \$8,165,101.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of September 1, 2021. The JOA contains a proposed overhead rate of \$8,000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at gavin.smith@cdevinc.com. Should you have any questions, please call me at (720) 499-1474.

Best Regards

Gavin Smith, CPL

Senior Landman

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C4 Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



# THE UNDERSIGNED HEREBY ELECTS **TO PARTICIPATE** IN THE CAPTIONED GORDITA 6 STATE COM #601H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Owner Name: \_\_\_\_\_

Signature: \_\_\_\_\_

B	<i>r</i> :				

Title:\_\_\_\_\_

THE UNDERSIGNED HEREBY ELECTS <u>NOT TO PARTICIPATE</u> IN THE CAPTIONED GORDITA 6 STATE COM #601H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this	day of	, 2021.
Owner Name:		
Signature:		

By:\_\_\_\_\_

Title:

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



# Authorization for Expenditure

AFE Number	401840	Original	
Drilling Total (\$)	\$3,076,311		
Completion Total (\$)	\$3,489,587		
Facilities Total (\$)	\$891,833		
Flowback Total (\$)	\$707,370		
AFE Total (\$)	\$8,165,101		

AFE Description				
Property Name	Well: Gordita 6 State Com 601H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - NM	
Scheduled Spud Date	Dec 14, 2021	Estimated TVD (ft)		
Target Zone	TBSG SAND	Estimated MD (ft)		

#### **Non Operator Approval**

Company	<b>-</b>	 	
Approved By			
Title		 	
Date			

#### Cost Estimate

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS, LICENSES, ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$70,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$60,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$30,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$336,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$300,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$70,000.00	8015.2300	IDC - FUEL / POWER	\$80,500.00
8015.2400	IDC - RIG WATER	\$17,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$165,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$55,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$195,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$44,000.00
8015.3700	IDC - DISPOSAL	\$105,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$45,000.00
8015.4200	IDC - MANCAMP	\$47,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$99,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$12,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$11,790.00
8015.5200	IDC - CONTINGENCY	\$130,961.40	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$84,000.00
8015.2350	IDC - FUEL/MUD	\$100,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$68,796.88
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$151,937.50	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$436,050.00	8020.1500	TDC - WELLHEAD EQUIPMENT	\$65,875.00
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$60,000.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

Page 1 of 3

		T. C.			
8025.1200	ICC - COMPLETION RIG	\$.00	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1500	ICC - FUEL / POWER	\$278,407.00	8025.1600	ICC - COILED TUBING	\$101,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$17,955.00
8025.1900	ICC - INSPECTION & TESTING	\$.00	8025.2000	ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$272,533.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,830,482.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$150,298.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400	ICC - RENTAL EQUIPMENT	\$272,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$59,400.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00	8025.4200	ICC - CONTINGENCY	\$.00
8025.3050	ICC - SOURCE WATER	\$321,637.00	8025.4400	ICC - COMPANY LABOR	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
					·
Account		Total (\$)	Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$20,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$61,667.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$113,833.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$52,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$187,500.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$9,667.00	8035.3400	FAC - METER & LACT	\$82,500.00
8035.3600	FAC - ELECTRICAL	\$13,333.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$45,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$21,667.00	8035.4500	FAC - CONTINGENCY	\$42,468.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$15,000.00	8035.1800	FAC - FUEL / POWER	\$.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$6,667.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	\$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1310	PLN - PEMANENT EASEMENT	\$6,465.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
8036.1500	PLN - MATERIALS & SUPPLIES	\$.00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1700	PLN - RENTAL EQUIPMENT	\$.00	8036.1900	PLN - WATER DISPOSAL / SWD	\$.00
8036.2000	PLN - WASTE DISPOSAL		8036.2100	PLN - INSPECTION & TESTING	\$.00
8036.2200	PLN - CONTRACT LABOR	\$.00	8036.2300	PLN - FRAC TANK RENTAL	\$.00
8036.2400	PLN - SUPERVISION	\$.00	8036.2500	PLN - CONSULTING SERVICES	\$.00
8036.2700	PLN - PIPELINE	\$165,440.00	8036.2800	PLN - FLOWLINE	\$.00
8036.2900	PLN - TANK BATTERY	\$.00	8036.3000	PLN - SEPARATOR / SCRUBBER	\$.00
8036.3100	PLN - TREATING EQUIPMENT	\$.00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$.00
8036.3300	PLN - PUMP	\$.00	8036.3400	PLN - METER	\$.00
8036.3500	PLN - COMPRESSOR	\$.00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$6,313.00	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$6,313.00
8036.3700	PLN - AUTOMATION	\$.00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	
8036.4300	PLN - INSURANCE	\$.00	8036.4400	PLN - COMPANY LABOR	\$.00
8036.4500	PLN - CONTINGENCY	\$.00			\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS	\$.00	8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500	IFC - FUEL / POWER	\$.00
8040.1600	IFC - COILED TUBING	\$.00	8040.1700	IFC - CEMENTING & SERVICES	\$.00
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28	8040.1900	IFC - INSPECTION & TESTING	\$.00
		\$20,000.00	8040.2200	IFC - ELECTRIC LOGGING/PERFORATING	\$.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP				
	IFC - COMPLETION FLUID	\$.00	8040.2400	IFC - CASING CREW AND TOOLS	\$.00
8040.2000			8040.2400 8040.2800	IFC - CASING CREW AND TOOLS IFC - MATERIAL & SUPPLIES	\$.00 \$150,000.00

Page 2 of 3

8040.3200	IFC - FISHING TOOLS & SERVICES	\$70,000.00	8040.3400	IFC - RENTAL EQUIPMENT	\$3,600.00
8040.3500	IFC - WELLSITE SUPERVISION	\$5,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$5,000.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,100.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00



September 8, 2021

RE: Gordita 6 State Com #602H
SHL: 275' FSL Sec. 6 & 1350' FWL Sec. 6 T22S R35E
BHL: 100' FSL Sec. 18 & 1526' FWL Sec. 18 T22S R35E
Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Gordita 6 State Com #602H as a horizontal well to test the Bone Spring Formation at a TVD of 10,900 feet. The W/2 of the Section 7, Township 22 South, Range 35 East and the W/2 of Section 18, Township 22 South, Range 35 East, Lea County, New Mexico will be dedicated to the well as the proration unit being a total of 619.28 acres. Please see the enclosed AFE in the amount of \$8,165,101.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of September 1, 2021. The JOA contains a proposed overhead rate of \$8,000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at gavin.smith@cdevinc.com. Should you have any questions, please call me at (720) 499-1474.

Best Regards

Gavin Smith, CPL Senior Landman

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



# THE UNDERSIGNED HEREBY ELECTS **TO PARTICIPATE** IN THE CAPTIONED GORDITA 6 STATE COM #602H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Owner Name: \_\_\_\_\_

Signature: \_\_\_\_\_

|--|

Title:\_\_\_\_\_

# THE UNDERSIGNED HEREBY ELECTS **<u>NOT TO PARTICIPATE</u>** IN THE CAPTIONED GORDITA 6 STATE COM #602H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTE	D this	day of	, 2021	Ι.

<b>Owner Name:</b>	

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title:\_\_\_\_\_

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



# Authorization for Expenditure

AFE Number	401841	Original	
Drilling Total (\$)	\$3,076,311		
Completion Total (\$)	\$3,489,587		
Facilities Total (\$)	\$891,833		
Flowback Total (\$)	\$707,370		
AFE Total (\$)	\$8,165,101		

#### **AFE Description Property Name** Well: Gordita 6 State Com 602H State New Mexico Drill and Complete AFE Type Delaware Basin - NM Operator Centennial Resource Production, LLC Field Dec 29, 2021 **Scheduled Spud Date** Estimated TVD (ft) TBSG SAND **Target Zone** Estimated MD (ft)

#### Non Operator Approval

Company	
Approved By	
Title	
Date	

#### **Cost Estimate**

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$70,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$60,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$30,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$336,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$300,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$70,000.00	8015.2300	IDC - FUEL / POWER	\$80,500.00
8015.2400	IDC - RIG WATER	\$17,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$165,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$55,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$195,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$44,000.00
8015.3700	IDC - DISPOSAL	\$105,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$45,000.00
8015.4200	IDC - MANCAMP	\$47,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$99,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$12,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$11,790.00
8015.5200	IDC - CONTINGENCY	\$130,961.40	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$84,000.00
8015.2350	IDC - FUEL/MUD	\$100,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$68,796.88
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$151,937.50	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$436,050.00	8020.1500	TDC - WELLHEAD EQUIPMENT	\$65,875.00
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$60,000.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

Page 1 of 3

8025.1200	ICC - COMPLETION RIG	\$.00	8025.1400
8025.1500	ICC - FUEL / POWER	\$278,407.00	8025.1600
8025.1700	ICC - CEMENTING & SERVICES	\$.00	8025.1800
8025.1900	ICC - INSPECTION & TESTING	\$.00	8025.2000
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$272,533.00	8025.2300
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400
8025.3500	ICC - WELLSITE SUPERVISION	\$59,400.00	8025.3600
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00	8025.4200
8025.3050	ICC - SOURCE WATER	\$321,637.00	8025.4400
Account	Description	Total (\$)	Account
8030.1000	TCC - CASING - PRODUCTION	\$.00	8030.1600
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000
Account	Description	Total (\$)	Account
8035.1400	FAC - ROAD LOCATIONS PITS	\$20,000.00	8035.1600
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$61,667.00	8035.2400
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$52,000.00	8035.3200
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$9,667.00	8035.3400
8035.3600	FAC - ELECTRICAL	\$13,333.00	8035.3700
8035.3800	FAC - FLARE/COMBUSTER	\$21,667.00	8035.4500
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500
8035.1700	FAC - RENTAL EQUIPMENT	\$15,000.00	8035.1800
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100
8035.4300	FAC - INSURANCE	\$.00	8035.1310
8035.4400	FAC - COMPANY LABOR	\$.00	
Account		Total (\$)	A
8036.1000	Description PLN - PERMITS LICENSES ETC	\$.00	Account 8036.1100
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	
8036.1310	PLN - PEMANENT EASEMENT		8036.1300
		\$6,465.00	8036.1400
8036.1500	PLN - MATERIALS & SUPPLIES PLN - RENTAL EQUIPMENT	\$.00	8036.1600
8036.1700		\$.00	8036.1900
8036.2000	PLN - WASTE DISPOSAL	\$.00	8036.2100
8036.2200		\$.00	8036.2300
8036.2400	PLN - SUPERVISION	\$.00	8036.2500
8036.2700	PLN - PIPELINE	\$165,440.00	8036.2800
8036.2900	PLN - TANK BATTERY	\$.00	8036.3000
8036.3100	PLN - TREATING EQUIPMENT	\$.00	8036.3200
8036.3300	PLN - PUMP	\$.00	8036.3400
8036.3500	PLN - COMPRESSOR	\$.00	8036.3600
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$6,313.00	8036.3620
8036.3700	PLN - AUTOMATION	\$.00	8036.4000
8036.4300	PLN - INSURANCE	\$.00	8036.4400
8036.4500	PLN - CONTINGENCY	\$.00	
Account	Description	Total (\$)	Account
8040.1100	IFC - ROADS LOCATIONS / PITS	\$.00	8040.1200
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500
8040.1600	IFC - COILED TUBING	\$.00	8040.1700
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28	8040.1900
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00	8040.2200
8040.2300	IFC - COMPLETION FLUID	\$.00	8040.2400
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$.00	8040.2800
8040.2900	IFC - WELL TESTING / FLOWBACK	\$.00	8040.3100
		and the second sec	

8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1600	ICC - COILED TUBING	\$101,000.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$17,955.00
8025.2000	ICC - TRUCKING	\$13,125.00
8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,830,482.00
8025.3000	ICC - WATER HANDLING	\$150,298.00
8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3400	ICC - RENTAL EQUIPMENT	\$272,000.00
8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4200	ICC - CONTINGENCY	\$.00
8025.4400	ICC - COMPANY LABOR	\$.00
Account	Description	Total (\$)
8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Account	Description	Total (\$)
8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.1600 8035.2400	FAC - TRANSPORTATION TRUCKING FAC - SUPERVISION	
		\$10,000.00
8035.2400	FAC - SUPERVISION	\$10,000.00 \$16,000.00
8035.2400 8035.2900	FAC - SUPERVISION FAC - TANK BATTERY	\$10,000.00 \$16,000.00 \$113,833.00
8035.2400 8035.2900 8035.3200	FAC - SUPERVISION FAC - TANK BATTERY FAC - VALVES FITTINGS & PIPE	\$10,000.00 \$16,000.00 \$113,833.00 \$187,500.00
8035.2400 8035.2900 8035.3200 8035.3400	FAC - SUPERVISION FAC - TANK BATTERY FAC - VALVES FITTINGS & PIPE FAC - METER & LACT	\$10,000.00 \$16,000.00 \$113,833.00 \$187,500.00 \$82,500.00
8035.2400 8035.2900 8035.3200 8035.3400 8035.3700	FAC - SUPERVISION FAC - TANK BATTERY FAC - VALVES FITTINGS & PIPE FAC - METER & LACT FAC - COMM TELEMETRY & AUTOMAT	\$10,000.00 \$16,000.00 \$113,833.00 \$187,500.00 \$82,500.00 \$45,000.00
8035.2400 8035.2900 8035.3200 8035.3400 8035.3700 8035.4500	FAC - SUPERVISION FAC - TANK BATTERY FAC - VALVES FITTINGS & PIPE FAC - METER & LACT FAC - COMM TELEMETRY & AUTOMAT FAC - CONTINGENCY	\$10,000.00 \$16,000.00 \$113,833.00 \$113,833.00 \$187,500.00 \$82,500.00 \$45,000.00 \$42,468.00
8035.2400           8035.2900           8035.3200           8035.3400           8035.3700           8035.4500           8035.1500           8035.1800	FAC - SUPERVISION FAC - TANK BATTERY FAC - VALVES FITTINGS & PIPE FAC - METER & LACT FAC - COMM TELEMETRY & AUTOMAT FAC - CONTINGENCY FAC - MATERIALS & SUPPLIES	\$10,000.00 \$16,000.00 \$113,833.00 \$187,500.00 \$82,500.00 \$45,000.00 \$42,468.00 \$5,000.00
8035.2400           8035.2900           8035.3200           8035.3400           8035.3700           8035.4500           8035.1500           8035.1800           8035.2000	FAC - SUPERVISION FAC - TANK BATTERY FAC - VALVES FITTINGS & PIPE FAC - METER & LACT FAC - COMM TELEMETRY & AUTOMAT FAC - CONTINGENCY FAC - MATERIALS & SUPPLIES FAC - FUEL / POWER	\$10,000.00 \$16,000.00 \$113,833.00 \$187,500.00 \$82,500.00 \$45,000.00 \$42,468.00 \$5,000.00 \$.00
8035.2400 8035.2900 8035.3200 8035.3400 8035.3700 8035.4500 8035.1500	FAC - SUPERVISION FAC - TANK BATTERY FAC - VALVES FITTINGS & PIPE FAC - METER & LACT FAC - COMM TELEMETRY & AUTOMAT FAC - CONTINGENCY FAC - MATERIALS & SUPPLIES FAC - FUEL / POWER FAC - WASTE DISPOSAL	\$10,000.00 \$16,000.00 \$113,833.00 \$187,500.00 \$82,500.00 \$45,000.00 \$42,468.00 \$5,000.00 \$.00 \$.00
8035.2400           8035.2900           8035.3200           8035.3400           8035.3700           8035.4500           8035.1500           8035.1800           8035.2000           8035.2000	FAC - SUPERVISION         FAC - TANK BATTERY         FAC - VALVES FITTINGS & PIPE         FAC - METER & LACT         FAC - COMM TELEMETRY & AUTOMAT         FAC - CONTINGENCY         FAC - MATERIALS & SUPPLIES         FAC - FUEL / POWER         FAC - WASTE DISPOSAL         FAC - FRAC TANK RENTAL	\$10,000.00 \$16,000.00 \$113,833.00 \$113,833.00 \$82,500.00 \$45,000.00 \$42,468.00 \$5,000.00 \$.00 \$.00 \$.00
8035.2400           8035.2900           8035.3200           8035.3400           8035.3700           8035.4500           8035.1500           8035.1600           8035.2000           8035.2000           8035.2000           8035.2000           8035.2000	FAC - SUPERVISION         FAC - TANK BATTERY         FAC - VALVES FITTINGS & PIPE         FAC - METER & LACT         FAC - COMM TELEMETRY & AUTOMAT         FAC - CONTINGENCY         FAC - MATERIALS & SUPPLIES         FAC - FUEL / POWER         FAC - WASTE DISPOSAL         FAC - FRAC TANK RENTAL         FAC - INJECTION PUMP	\$10,000.00 \$16,000.00 \$113,833.00 \$187,500.00 \$82,500.00 \$445,000.00 \$442,468.00 \$5,000.00 \$.00 \$.00 \$.00 \$.00 \$.00

Description	Total (\$)
PLN - STAKING & SURVEYING	\$.00
PLN - SURFACE DAMAGE / ROW	\$.00
PLN - ROAD LOCATIONS PITS	\$.00
PLN - TRANSPORTATION TRUCKING	\$.00
PLN - WATER DISPOSAL / SWD	\$.00
PLN - INSPECTION & TESTING	\$.00
PLN - FRAC TANK RENTAL	\$.00
PLN - CONSULTING SERVICES	\$.00
PLN - FLOWLINE	\$.00
PLN - SEPARATOR / SCRUBBER	\$.00
PLN - VALVES FITTINGS & PIPE	\$.00
PLN - METER	\$.00
PLN - ELECTRICAL SUPPLIES	\$.00
PLN - POWER DISTRIBUTION LABOR	\$6,313.00
PLN - SAFETY / ENVIRONMENTAL	\$.00
PLN - COMPANY LABOR	\$.00
	PLN - STAKING & SURVEYING         PLN - SURFACE DAMAGE / ROW         PLN - ROAD LOCATIONS PITS         PLN - TRANSPORTATION TRUCKING         PLN - TRANSPORTATION TRUCKING         PLN - WATER DISPOSAL / SWD         PLN - INSPECTION & TESTING         PLN - FRAC TANK RENTAL         PLN - CONSULTING SERVICES         PLN - FLOWLINE         PLN - SEPARATOR / SCRUBBER         PLN - WATER         PLN - METER         PLN - ELECTRICAL SUPPLIES         PLN - POWER DISTRIBUTION LABOR         PLN - SAFETY / ENVIRONMENTAL

Account	Description	Total (\$)
8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1500	IFC - FUEL / POWER	\$.00
8040.1700	IFC - CEMENTING & SERVICES	\$.00
8040.1900	IFC - INSPECTION & TESTING	\$.00
8040.2200	IFC - ELECTRIC LOGGING/PERFORATING	\$.00
8040.2400	IFC - CASING CREW AND TOOLS	\$.00
8040.2800	IFC - MATERIAL & SUPPLIES	\$150,000.00
8040.3100	IFC - WELLHEAD/FRAC TREE REPAIR	\$.00

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8040.3200	IFC - FISHING TOOLS & SERVICES	\$70,000.00	8040.3400	IFC - RENTAL EQUIPMENT	\$3,600.00
8040.3500	IFC - WELLSITE SUPERVISION	\$5,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$5,000.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,100.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00



September 8, 2021

RE: Gordita 6 State Com #603H
 SHL: 275' FSL Sec. 6 & 1380' FWL Sec. 6 T22S R35E
 BHL: 100' FSL Sec. 18 & 2456' FWL Sec. 18 T22S R35E
 Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Gordita 6 State Com #603H as a horizontal well to test the Bone Spring Formation at a TVD of 10,900 feet. The W/2 of the Section 7, Township 22 South, Range 35 East and the W/2 of Section 18, Township 22 South, Range 35 East, Lea County, New Mexico will be dedicated to the well as the proration unit being a total of 619.28 acres. Please see the enclosed AFE in the amount of \$8,165,101.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of September 1, 2021. The JOA contains a proposed overhead rate of \$8,000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at gavin.smith@cdevinc.com. Should you have any questions, please call me at (720) 499-1474.

Best Regards

Sit

Gavin Smith, CPL Senior Landman

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



# THE UNDERSIGNED HEREBY ELECTS **TO PARTICIPATE** IN THE CAPTIONED GORDITA 6 STATE COM #603H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Owner Name: \_\_\_\_\_

Signature:	
0	

Rv.			
Dy.			

Title:\_\_\_\_\_

# THE UNDERSIGNED HEREBY ELECTS **<u>NOT TO PARTICIPATE</u>** IN THE CAPTIONED GORDITA 6 STATE COM #603H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this	day of	, 2021.

Owner Name:

Signature:

|--|

Title:	

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



# Authorization for Expenditure

AFE Number	401842	Original
Drilling Total (\$)	\$3,076,311	
Completion Total (\$)	\$3,489,587	
Facilities Total (\$)	\$891,833	
Flowback Total (\$)	\$707,370	· · · · · · · · · · · · · · · · · · ·
AFE Total (\$)	\$8,165,101	
		· · · · · · ·

AFE Description				
Property Name	Well: Gordita 6 State Com 603H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - NM	
Scheduled Spud Date	Jan 13, 2022	Estimated TVD (ft)		
Target Zone	TBSG SAND	Estimated MD (ft)		

#### Non Operator Approval

Company	
Approved By	
Title	
Date	 _

#### **Cost Estimate**

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$70,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$60,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$30,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$336,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$300,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$70,000.00	8015.2300	IDC - FUEL / POWER	\$80,500.00
8015.2400	IDC - RIG WATER	\$17,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$165,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$55,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$195,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$44,000.00
8015.3700	IDC - DISPOSAL	\$105,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$45,000.00
8015.4200	IDC - MANCAMP	\$47,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$99,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$12,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$11,790.00
8015.5200	IDC - CONTINGENCY	\$130,961.40	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$84,000.00
8015.2350	IDC - FUEL/MUD	\$100,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$68,796.88
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$151,937.50	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$436,050.00	8020.1500	TDC - WELLHEAD EQUIPMENT	\$65,875.00
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$60,000.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

		1			
8025.1200	ICC - COMPLETION RIG	\$.00		ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1500	ICC - FUEL / POWER	\$278,407.00		ICC - COILED TUBING	\$101,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00		ICC - WATER DISPOSAL/VACUUM TRUCK	\$17,955.00
8025.1900	ICC - INSPECTION & TESTING	\$.00		ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$272,533.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	· · · · · · · · · · · · · · · · · · ·	ICC - WELL STIMULATION/FRACTUR	\$1,830,482.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00		ICC - WATER HANDLING	\$150,298.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00		ICC - RENTAL EQUIPMENT	\$272,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$59,400.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00	8025.4200	ICC - CONTINGENCY	\$.00
8025.3050	ICC - SOURCE WATER	\$321,637.00	8025.4400	ICC - COMPANY LABOR	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$20,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$61,667.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$113,833.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$52,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$187,500.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$9,667.00	8035.3400	FAC - METER & LACT	\$82,500.00
8035.3600	FAC - ELECTRICAL	\$13,333.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$45,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$21,667.00	8035.4500	FAC - CONTINGENCY	\$42,468.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035,1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$15,000.00	8035.1800	FAC - FUEL / POWER	\$.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$6,667.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00			
Account	Description	Total (\$)	Account	Description	Tetel (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	Total (\$) \$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1310	PLN - PEMANENT EASEMENT	\$6,465.00	8036.1400	PLN - SORFACE DAMAGE / ROW	
8036.1500	PLN - MATERIALS & SUPPLIES	\$0,405.00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1700	PLN - RENTAL EQUIPMENT	\$.00	<del></del>	PLN - WATER DISPOSAL / SWD	\$.00
8036.2000	PLN - WASTE DISPOSAL		8036.2100	PLN - INSPECTION & TESTING	\$.00
8036.2200	PLN - CONTRACT LABOR	\$.00		PLN - FRAC TANK RENTAL	\$.00
8036.2400	PLN - SUPERVISION	\$.00		PLN - CONSULTING SERVICES	\$.00
		\$165,440.00			\$.00
8036.2700	PLN - PIPELINE PLN - TANK BATTERY				
8036.2900	PLN - TANK BATTERY PLN - TREATING EQUIPMENT	\$.00		PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE	\$.00
	· · · · · · · · · · · · · · · · · · ·				\$.00
8036.3300	PLN - PUMP PLN - COMPRESSOR	\$.00	8036.3400		\$.00
8036.3500	PLN - POWER DISTRIBUTION MATERIAL	\$.00	8036.3600	PLN - ELECTRICAL SUPPLIES PLN - POWER DISTRIBUTION LABOR	\$.00
8036.3700					
8036.3700	PLN - AUTOMATION PLN - INSURANCE	\$.00		PLN - SAFETY / ENVIRONMENTAL PLN - COMPANY LABOR	\$.00
		<u> </u>	6030.4400	PEN - COMPANY LABOR	\$.00
8036.4500	PLN - CONTINGENCY	\$.00			
Account	Description	Total (\$)		Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS	\$.00		IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500	IFC - FUEL / POWER	\$.00
8040.1600	IFC - COILED TUBING	\$.00	8040.1700	IFC - CEMENTING & SERVICES	\$.00
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28	8040.1900	IFC - INSPECTION & TESTING	\$.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00	8040.2200	IFC - ELECTRIC LOGGING/PERFORATING	\$.00
8040.2300	IFC - COMPLETION FLUID	\$.00	8040.2400	IFC - CASING CREW AND TOOLS	\$.00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$.00	8040.2800	IFC - MATERIAL & SUPPLIES	\$150,000.00
		L	8040 2400		1 0.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$.00	8040.3100	IFC - WELLHEAD/FRAC TREE REPAIR	\$.00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$70,000.00	8040.3400	IFC - RENTAL EQUIPMENT	\$3,600.00
8040.3500	IFC - WELLSITE SUPERVISION	\$5,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$5,000.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,100.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00

Date	Action
September 8, 2021	Sent initial well proposals for Gordita 18 State Com #601H-#603H
September 10, 2021	Attempted to contact remaining principle owners of Doil Oil & Gas Corp.
	Contacted by Tony James at Atlas OBO Energy, LP and answered various questions
September 29, 2021	about planned development
October 5, 2021	Filed for compulsory pooling hearing
October 7, 2021	Sent Atlas OBO Energy, LP an Operating Agreement to review

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C5 Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252

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

## APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

### **CASE NO. 22252**

### AFFIDAVIT OF ISABEL HARPER IN SUPPORT OF CASE NO. 22252

Isabel harper, of lawful age and being first duly sworn, declares as follows:

1. My name is Isabel Harper. I work for Centennial Resource Production, LLC ("Centennial") as a Geologist.

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

3. I am familiar with the application filed by Centennial in this case, and I have conducted a geologic study of the lands in the subject area.

4. Centennial is targeting the Third Bone Spring interval, within the Bone Spring formation, with the proposed Gordita 6 State Com #601H well, Gordita 6 State Com #602H well, and Gordita 6 State Com #603H well.

5. **Centennial Exhibit D-1** are two project locator maps, reflecting the proposed spacing unit in Sections 7 and 18 in relation to the surrounding area. This map shows the proposed Third Bone Spring wells, depicted by dashed lines and the offsetting Third Bone Spring Sand producing wells.

6. **Centennial Exhibit D-2** is a subsea structure map that I prepared for the Base of the Bone Spring formation and that is representative of the targeted intervals. The structure map

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252 shows that the formation is gently dipping to the Southwest in this area. I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted interval with horizontal wells in this area.

7. **Centennial Exhibit D-3** overlays a cross-section line in blue consisting of three wells penetrating the Bone Spring formation that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.

8. **Centennial Exhibit D-4** is a cross section using the representative wells depicted on Exhibit D-3. Each well in the cross-section contains gamma ray, resistivity, and porosity logs. The proposed targeted interval in the Bone Spring formations is labeled on the exhibit. The crosssection demonstrates that the targeted interval extends across the proposed spacing unit.

9. In my opinion, the stand-up orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage.

10. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells, and the acreage comprising the proposed spacing units will contribute more-or-less equally to the production from the wellbores.

11. In my opinion, the granting of Centennial application in this case will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **Centennial Exhibits D-1** through **D-4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

2

Isabel Harpe

STATE OF COLORADO COUNTY OF DERVER

SUBSCRIBED and SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_ day of \_\_\_\_\_\_ 2021 by Isabel Harper.

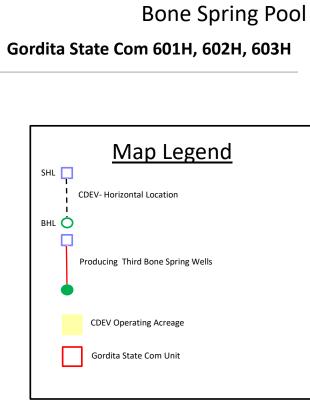
NOTARY PUBLIC

My Commission Expires:

October 7, 202

Frances M. Ivers NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20214039707 MY COMMISSION EXPIRES October 07, 2025

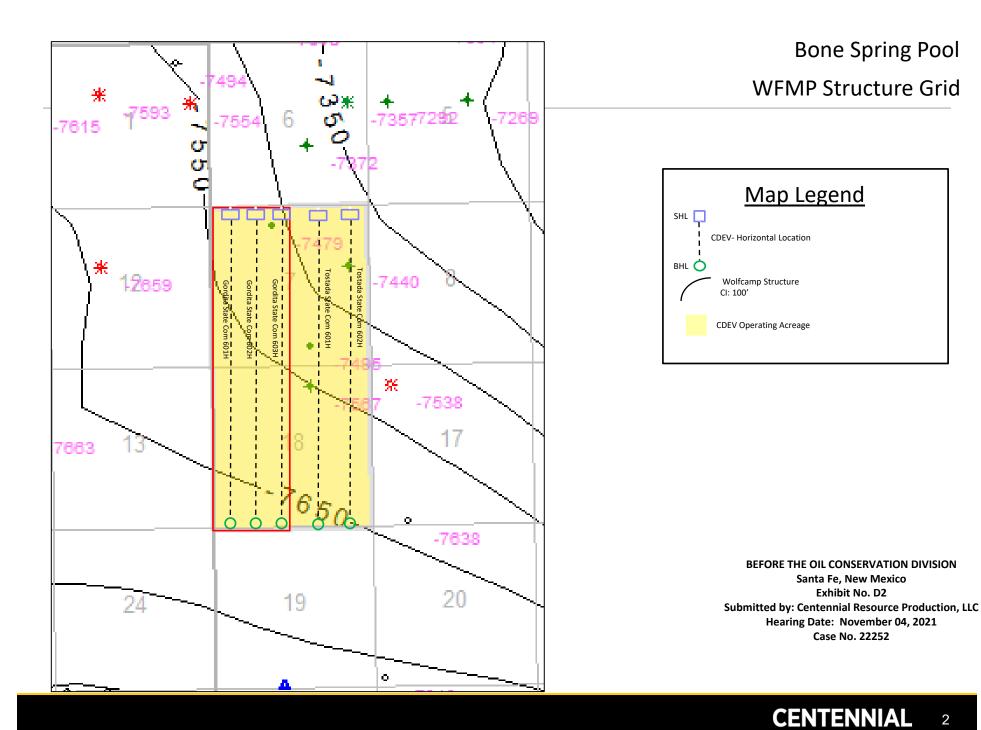
Gordita State	5	6	Chorizo 12 State Com 603HR	Chorizo 12 State Com 602H
SHL CDEV- Hou BHL O Producing	8	Tostada State Com 602H Tostada State Com 601H Gordita State Com 603H Gordita State Com 603H Gordita State Com 603H		6 Com 601H
BEFORE THE OIL CO Santa Fe Exhi	17		C T Com 603H	HL00 mO 3 State Com 00 H
Submitted by: Centenn Hearing Date: Case	20 Bridge State Unit 602H	19	24	Merchant Livestock State Com 24 1H Merchant Livestock State Com 24 2H



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D1 Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252

# CENTENNIAL 1

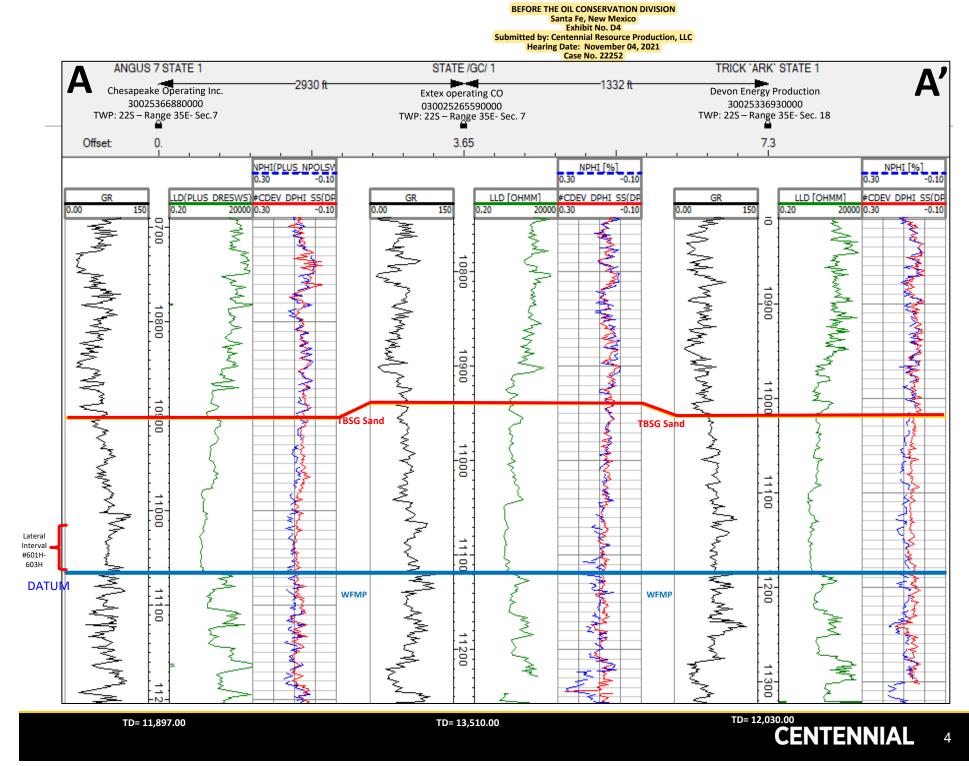
Page 38 of 46



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1	6	5	Cross Section TBSG Pool Gordita State Com 601H-603H
12	Tostada State Com 602H Tostada State Com 601H Tostada State Com 601H Gordita State Com 603H Gordita State Com 602H	8	Map Legend SHL CDEV- Horizontal Location BHL C CDEV Operating Acreage Cross Section wells
13	A' 8	17	
24	19	20	BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D3 Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252

Received by OCD: 11/3/2021 9:29:10 AM



Received by OCD: 11/3/2021 9:29:10 AM

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

APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

# CASE NO. 22252

## **AFFIDAVIT**

STATE OF NEW MEXICO ) ) ss. COUNTY OF SANTA FE )

Kaitlyn A. Luck, attorney in fact and authorized representative of Centennial Resource Production, LLC, the Applicant herein, being first duly sworn, upon oath, states that the abovereferenced Application has been provided under the notice letters and proof of receipts attached hereto.

Kaitlyn A. Luck

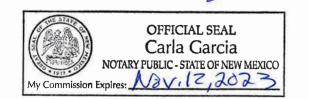
SUBSCRIBED AND SWORN to before me this 2nd day of November, 2021 by Kaitlyn

A. Luck.

Notary Public

My Commission Expires:

Way. 12, 200



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. E Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252



Kaitlyn A. Luck Associate Phone (505) 988-4421 kaluck@hollandhart.com

October 15, 2021

# <u>VIA CERTIFIED MAIL</u> <u>CERTIFIED RECEIPT REQUESTED</u>

# **TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

## Re: Application of Centennial Resource Production, LLC for Compulsory Pooling, Lea County, New Mexico. <u>Gordita 6 State Com #601H-603H well</u>

Ladies & Gentlemen:

This letter is to advise you that Centennial Resource Production, LLC, has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on November 4, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic 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 by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office 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 Gavin Smith, at (720) 499-1474, or Gavin.Smith@cdevinc.com.

Sincerely,

Kaitlyn A. Luck ATTORNEY FOR CENTENNIAL RESOURCE PRODUCTION, 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

#### Centennial\_Gordita 601H-603H -Case No. 22252 postal delivery report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
		· · ·				We attempted to deliver your package at 11:38 am on October 18, 2021 in
						GOLDEN, CO 80401 but could not access the delivery location. We will redeliver
9414811898765850504696	Doil Oil & Gas Corporation	1536 Cole Blvd Ste 225	Lakewood	со	80401-3413	on the next business day.
5111011050705050501050			Lukewood		00101 0110	Your item was delivered to the front desk, reception area, or mail room at 1:47
9414811898765850504108	Grewal Royaly, LLC	45 Rockefeller Plz Ste 2410	New York	NY	10111 2402	pm on October 25, 2021 in NEW YORK, NY 10111.
9414811898783830304108		43 ROCKETEIIET PIZ SLE 2410	INEW TOTK	INT	10111-2495	
						Your item was delivered at 9:29 am on October 18, 2021 in FORT WORTH, TX
9414811898765850504191	Pegasus Resources, LLC	PO Box 470698	Fort Worth	ТХ	76147-0698	
						Your item was delivered at 9:27 am on October 18, 2021 in FORT WORTH, TX
9414811898765850504146	McMullen Minerals, LLC	PO Box 470857	Fort Worth	TX	76147-0857	76147.
						Your item was delivered to an individual at the address at 1:09 pm on October
9414811898765850504184	McMullen Minerals, LLC	2821 W 7th St Ste 515	Fort Worth	ТХ	76107-8912	18, 2021 in FORT WORTH, TX 76107.
						Your item was delivered to an individual at the address at 1:01 pm on October
9414811898765850504139	Leo K. Birkby	10432 E Palo Brea Dr	Scottsdale	AZ	85262-3332	19, 2021 in SCOTTSDALE, AZ 85262.
						Your item was delivered to an individual at the address at 4:26 pm on October
9414811898765850504313	Deets D. Justice	310 Pleasant Dr	Austin	тх	787/6-5510	19, 2021 in AUSTIN, TX 78746.
5414811858705850504515	Deets D. Justice	STO Fleasant Di	Austin	1	78740-3313	
						Your item was delivered to an individual at the address at 11:20 am on October
9414811898765850504351	YMC Royalty Company, LP	15603 Kuykendahl Rd Ste 200	Houston	ТХ	77090-3655	19, 2021 in HOUSTON, TX 77090.
						Your item was delivered to an individual at the address at 11:20 am on October
9414811898765850504306	Atlas OBO Energy	15603 Kuykendahl Rd Ste 200	Houston	TX	77090-3655	19, 2021 in HOUSTON, TX 77090.
						Your item was delivered to an individual at the address at 4:11 pm on October
9414811898765850504399	David J. Darling1	746 Palmer Ave	Glenwood Springs	со	81601-3541	18, 2021 in GLENWOOD SPRINGS, CO 81601.
						Your item was delivered to an individual at the address at 9:14 am on October
9414811898765850504344	Amy Darling Wood	16602 Palm Royal Dr Apt 1519	Tampa	FL	33647-2686	22, 2021 in LUTZ, FL 33559.
5414011050705050504544		10002 Failt Royal DI Apt 1313	Tampa	1.5	55047 2000	Your item was delivered to the front desk, reception area, or mail room at 6:09
044 404 400076505050504644			Delles	TV	75220 2222	
9414811898765850504641	Don On & Gas Corporation	12045 Tavel Cir	Dallas	TX	75230-2233	pm on October 18, 2021 in DALLAS, TX 75230.
						Your item was returned to the sender on October 27, 2021 at 4:00 pm in SANTA
9414811898765850504382	Amy Darling Wood	5255 Shoreline Cir	Sanford	FL	32771-7167	FE, NM 87501 because the addressee moved and left no forwarding address.
						Your item has been delivered to an agent for final delivery in OJAI, CA 93023 on
9414811898765850504337	Laurance Howard Merritt	221 S Lomita Ave	Ojai	CA	93023-2216	October 18, 2021 at 12:25 pm.
						Your item was delivered to an individual at the address at 2:47 pm on October
9414811898765850504375	Elodie Brown	15 Cypress Pt	Wimberley	тх	78676-9414	21, 2021 in DALLAS, TX 75208.
						,
						Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on October
044 404 4000 7050 5050 404 0			N 4: -III	TV	70705 6240	
9414811898765850504016	Elouie Brown	3231 W Shandon Ave	Midland	TX	79705-6248	27, 2021 at 6:36 pm. The item is currently in transit to the destination.
						Your item was delivered to an individual at the address at 2:55 pm on October
9414811898765850504054	Pecas Management, LP	3138 Quail Valley East Dr	Missouri City	TX	77489-6088	21, 2021 in MISSOURI CITY, TX 77489.
						Your package will arrive later than expected, but is still on its way. It is currently
9414811898765850504023	Karen Johnston	2017 Quail Hollow Run	Carlsbad	NM	88220-4181	in transit to the next facility.
						Your package will arrive later than expected, but is still on its way. It is currently
9414811898765850504009	Karen Johnston	2504 N Crown Cir	Carlsbad	NM	88220-8808	in transit to the next facility.
	System For The Use And Benefit					, ,
	Of The Board of Regents for the					
	University of Texas University					
	Of Texas M.D. Anderson Caner					Your item was picked up at a postal facility at 11:39 am on October 21, 2021 in
		DO Day FF1	Midland	TX	79702-0551	MIDLAND, TX 79701.
9414811898765850504047	Center	PO Box 551	Ivitalatia	17		,
9414811898765850504047	Center Presbyterian Healthcare	PO BOX 551				Your item was delivered to an individual at the address at 5:52 pm on October

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#### Centennial\_Gordita 601H-603H -Case No. 22252 postal delivery report

	Presbyterian Village North					Your item was delivered to the front desk, reception area, or mail room at 4:02
9414811898765850504030	Foundation	8560 Anderson Creek Cir	Dallas	ТХ	75243-1375	pm on October 18, 2021 in DALLAS, TX 75243.
						Your item was delivered to the front desk, reception area, or mail room at 3:42
9414811898765850504689	Pioneer Exploration, LLC	15603 Kuykendahl Rd Ste 200	Houston	ТХ	77090-3655	pm on October 21, 2021 in HOUSTON, TX 77056.
	Pioneer Exploration, LLC / Atlas					Your item was returned to the sender on October 27, 2021 at 4:00 pm in SANTA
9414811898765850504634	Operating	3501 Allen Pkwy	Houston	TX	77019-1809	FE, NM 87501 because the addressee moved and left no forwarding address.
						Your item departed our COPPELL TX DISTRIBUTION CENTER destination facility
						on October 28, 2021 at 8:52 am. The item is currently in transit to the
9414811898765850504672	Saba Energy, Inc.	2112 Hurd Dr	Irving	ТХ	75038-4332	destination.
						Your item was returned to the sender on October 27, 2021 at 4:00 pm in SANTA
9414811898765850504115	Saba Energy, Inc.	4500 W Illinois Ave Ste 213	Midland	ТХ	79703-5485	FE, NM 87501 because the addressee moved and left no forwarding address.
						Your item was returned to the sender on October 27, 2021 at 4:00 pm in SANTA
9414811898765850504153	Saba Energy, Inc.	1603 E 19th St Ste 202	Edmond	ОК	73013-6625	FE, NM 87501 because the addressee moved and left no forwarding address.
						Your item has been delivered to an agent for final delivery in MIDLAND, TX 7970
9414811898765850504160	Legacy Reserves Operating, LP	303 W Wall St Ste 1800	Midland	ТΧ	79701-5106	on October 25, 2021 at 11:15 am.
						Your item has been delivered to an agent for final delivery in MIDLAND, TX 7970
9414811898765850504122	Legacy Reserves Operating, LP	15 Smith Rd Ste 3000	Midland	тх	79705-5461	on October 21, 2021 at 12:06 pm.

100

# Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

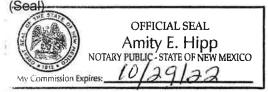
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated October 22, 2021 and ending with the issue dated October 22, 2021.

Publisher

Sworn and subscribed to before me this 22nd day of October 2021.

My commission expires October 29, 2022



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

LEGAL NOTICE October 22, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The public hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene, Salvidrez@state.nm.us, Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than October 24, 2021.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12bd776b32e14edf7deee3425ea99347 Event number: 2497 665 1056 Event password: JYvf8wjp55w

Join by video: 24976651056@nmemnrd.webex.com Numeric Password: 256526 You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free Access code: 2497 665 1056

> STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Doil Oil & Gas Corporation; Pioneer Exploration, LLC; Pioneer Exploration, LLC / Atlas Operating; Saba Energy, Inc.; Legacy Reserves Operating, LP; Grewal (Royalty), LLC; Pegasus Resources, LLC; McMullen Minerals, LLC; Leo K. Birkby, his heirs and devisees; Deets D. Justice, his or her heirs and devisees; YMC Royalty Company, LP; Atlas OBO Energy; David J. Darling, his heirs and devisees; Amy Darling Wood, her heirs and devsiees; Laurance Howard Merritt, his heirs and devisees; Elodie Brown, her heirs and devsiees; Pecas Management, LP; Karen Johnston, her heirs and devsiees; The Board of Regents of the University of Texas System for the use and benefit of The University of Texas M.D. Anderson Cancer Center; Presbyterian Healthcare Foundation; and Presbyterian Village North Foundation.

Case No. 22252: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 7 and 18, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed wells: (1) the **Gordita 6 State Com #601H well**, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 6, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 6, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 18; and (2) the **Gordita 6 State Com #602H well**, and (3) the **Gordita 6 State Com #603H well**, both are to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 6, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 18. The completed interval of the proposed **Gordita 6 State Com #602H well** will remain within 330 feet of the quarter-quarter line separating the W/2 W/2 from the E/2 W/2 of Sections 7 and 18, to allow inclusion of this acreage into a standard horizontal well spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost there of, the actual operating costs and charges for supervision, the designation of applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles west of Eurice. New Mexico. Said area is located approximately 14 miles west of Eunice, New Mexico. #36953

67100754

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208 00259775

**BEFORE THE OIL CONSERVATION DIVISION** Santa Fe. New Mexico Exhibit No. F Submitted by: Centennial Resource Production, LLC Hearing Date: November 04, 2021 Case No. 22252