

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

CASE No. 22290

DRAGON FRUIT 19 STATE COM #501H & #503H 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
APPROVAL OF A NON-STANDARD
SPACING UNIT IN THE BONE SPRING
FORMATION AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 22290

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COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case No. 22290	APPLICANT'S RESPONSE
Date: November 5, 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:	PRODUCTION, LLC FOR APPROVAL OF A NON-STANDARD SPACING UNIT IN THE BONE SPRING FORMATION AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
<p style="text-align: center;">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. 22290</p>	
Entries of Appearance/Intervenors:	N/A
Well Family	Dragon Fruit 19 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:	WC-025 G-07 S213430M; Bone Spring, Pool
Well Location Setback Rules:	Statewide oil
Spacing Unit Size:	480-acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480-acres
Building Blocks:	40-acre
Orientation:	Standup
Description: TRS/County	E/2 of Section 18, and the NE/4 of Section 19, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	No, E/2 of Section 18, and the NE/4 of Section 19, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No

Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Yes
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<p>Dragon Fruit 19 State Com #501H well, API No. 30-025-pending SHL:2205 FSL and 1470 FEL (Unit J) of Section 19, BHL:100 FNL and 2310 FEL (Unit B) of Section 18.</p> <p>Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: standard</p>
Well #2	<p>Dragon Fruit 19 State Com #502H well, API No. 30-025-pending SHL:2205 FSL and 1440 FEL (Unit J) of Section 19, BHL:100 FNL and 1320 FEL (Unit A) of Section 18.</p> <p>Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: standard</p>
Well #3	<p>Dragon Fruit 19 State Com #502H well, API No. 30-025-pending SHL:2205 FSL and 1410 FEL (Unit J) of Section 19, BHL:100 FNL and 330 FEL (Unit A) of Section 18.</p> <p>Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: standard</p>
Horizontal Well First and Last Take Points	Exhibit C-1

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-1
Tract List (including lease numbers and owners)	Exhibit C-1
Pooled Parties (including ownership type)	Exhibit C-3, Exhibit E
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-1, 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
Tracts	Exhibit C-2

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):	
Date:	2-Nov-21

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

**APPLICATION OF CENTENNIAL
RESOURCE PRODUCTION, LLC FOR
APPROVAL OF A NON-STANDARD
SPACING UNIT IN THE BONE SPRING
FORMATION AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 22290

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 approving a non-standard 480-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 18 and the NE/4 of Section 19, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all uncommitted interests in the Bone Spring formation. In support of its application, Centennial states:

1. Applicant is a working interest owner in the proposed non-standard horizontal spacing unit and has the right to drill thereon.
2. There is a single pool within the Bone Spring formation underlying the proposed non-standard spacing unit: WC-025 G-07 S213430M; Bone Spring, Pool (Pool Code 97962).
3. Within the proposed non-standard spacing unit, Centennial intends to drill or has drilled the following wells within the WC-025 G-07 S213430M; Bone Spring, Pool (Pool Code 97962):

**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. 22290**

- the **Dragon Fruit 19 State Com #501H well**, to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 19, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and
- the **Dragon Fruit 19 State Com #503H well**, to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 19, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18.

4. Applicant's drilling program for this area will develop the Bone Spring formation underlying each of the 40-acre tracts comprising the proposed non-standard project area.

5. Applicant seeks to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit.

6. 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.

7. Division Rules contemplate and encourage oil and gas development, where possible, in enlarged areas of common ownership to minimize surface disturbance and to promote efficient well spacing. *See, e.g.*, 19.15.16.7.P NMAC; 19.15.16.15.B(8) NMAC; 19.15.16.15.C(7) NMAC.

8. Approval of this application will allow Applicant to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks and pipelines, and promote effective well spacing.

9. Notice of this application will be provided as required by Division rules.

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

11. 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



By: _____

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
agrarkin@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
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CASE NO. 22290

**AFFIDAVIT OF GAVIN SMITH
IN SUPPORT OF CASE NO. 22290**

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 non-standard unit and pooling case proceeding by affidavits, and therefore I do not expect any opposition at the hearing.

5. In this case, Centennial seeks an order approving a non-standard 480-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 18, and the NE/4 of Section 19, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all uncommitted interests in the Bone Spring formation.

**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. 22290**

6. **Centennial's Exhibit C-1** is a land plat outlining the acreage comprising the non-standard unit being pooled and identifying the tracts of state lands comprising the proposed non-standard spacing unit. Centennial owns the majority of the working interest in Bone Spring formation underlying these proposed non-standard unit. **Centennial Exhibit C-1** 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.

7. Within the proposed non-standard spacing unit, Centennial intends to drill or has drilled the following wells within the WC-025 G-07 S213430M; Bone Spring, Pool (Pool Code 97962):

- the **Dragon Fruit 19 State Com #501H well**, to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 19, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and
- the **Dragon Fruit 19 State Com #503H well**, to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 19, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18.

8. **Centennial Exhibit C-2** is the Form C-102 for the proposed initial well for this horizontal spacing unit that reflects that the wells are located in the WC-025 G-07 S213430M; Bone Spring, Pool (Pool Code 97962).

9. The completed intervals for each of these wells will comply with statewide setbacks for oil wells.

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

11. Centennial's drilling program for this area will develop the Bone Spring formation underlying each of the 40-acre tracts comprising the proposed non-standard project area. Future development in the Bone Spring formation will contain additional wells that will require a non-standard project area. The non-standard project area also matches the contract area of the proposed Joint Operating Agreements.

12. Centennial seeks approval of the non-standard units to allow for Centennial's preferred development plans, within this subject area. Centennial seeks to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit. Centennial's proposed non-standard spacing unit will allow it to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks and pipelines, and promote effective well spacing

13. Centennial has been informed by the New Mexico State Land Office that there is no objection to a non-standard unit within this subject area to allow commingling and thereby a reduction of the necessary surface facilities, as shown on **Centennial Exhibit C-3**.

14. 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 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**.

15. 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.

16. 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.

17. 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.

18. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners and affected parties shown on **Centennial Exhibit C-1**. 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.

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

FURTHER AFFIANT SAYETH NOT.

Gavin Smith
GAVIN SMITH

STATE OF COLORADO)
COUNTY OF Denver)

SUBSCRIBED and SWORN to before me this 2nd day of November
2021 by Gavin Smith.

Frances M. Ivers
NOTARY PUBLIC

My Commission Expires:

October 7, 2025

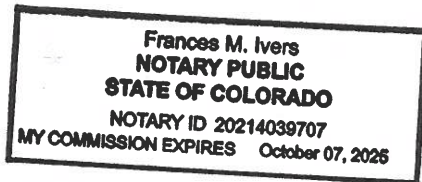


Exhibit C-2
Ownership Map
Township 21 South, Range 34 East, Lea County, New Mexico

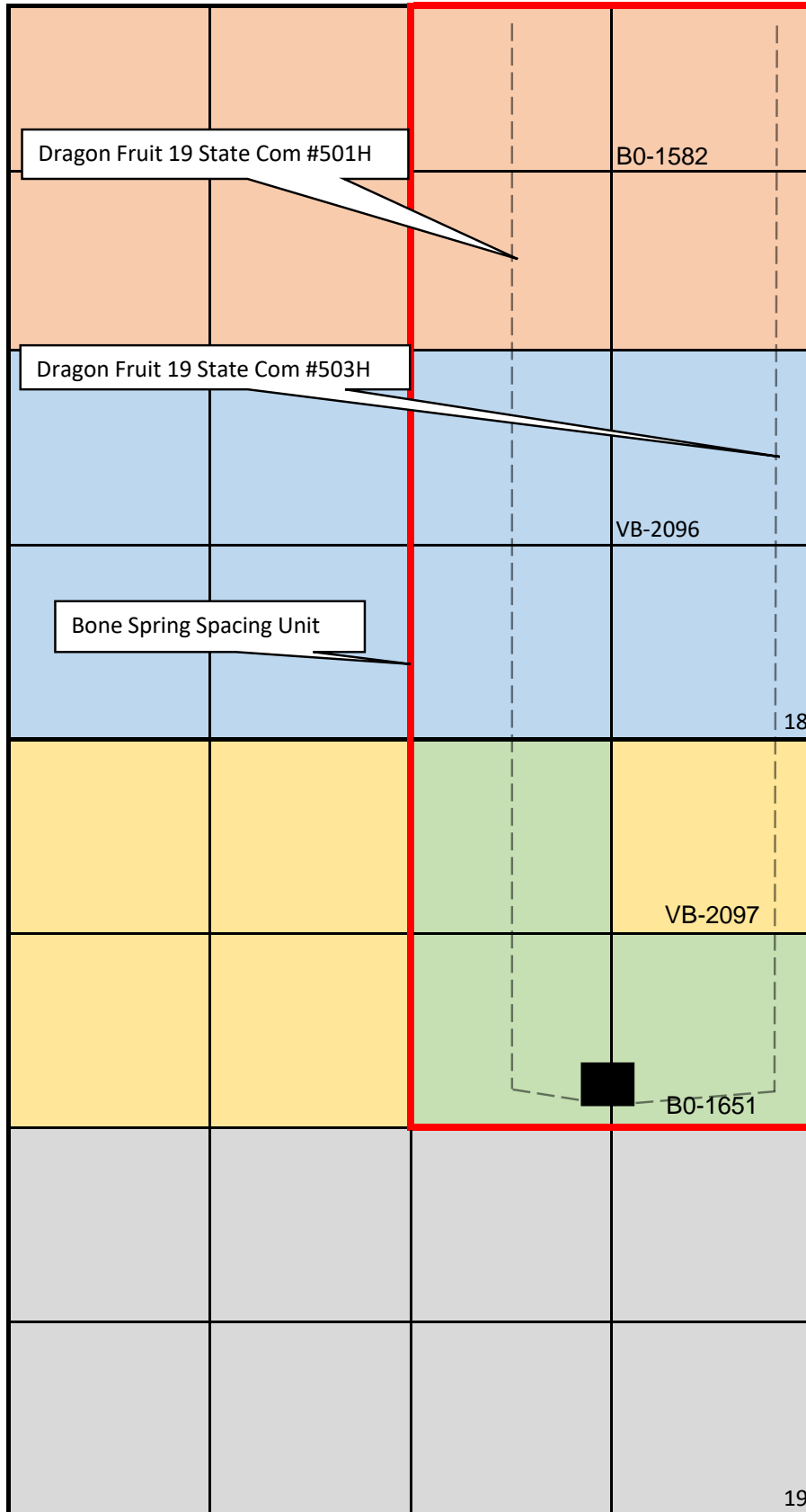


Exhibit C-3 Dragon Fruit 19 State Com Ownership Schedule

Name	Address	Interest Type	Working Interest
Owners to be Pooled			
GMT New Mexico Royalty Company, LLC	16602 Palm Royal Drive, Apt #1519	ORRI	N/A
The Scott Evans Wilson Bypass Trust	4601 Mirador Drive Austin, TX 78735	ORRI	N/A
Family Trust u/w/o Richard K. Barr Beverly Jean Renfro Barr, Trustee	8027 Chalk Knoll Drive Austin, TX 78735	ORRI	N/A
The Allar Company	P.O. Box 1567 Graham, Texas 76540	Working Interest	0.06981877
XTO Energy, Inc.	22777 Springwoods Village Pkwy Spring, TX 77389	Working Interest	0.33333333
MRC Permian Company	5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	Working Interest	0.15900435
Total:			0.56215645

ADD ORRI

Owners NOT being Pooled			
Centennial Resource Production, LLC	1001 17th St., Suite 1800 Denver, CO 80202	Working Interest	0.43784355
Total:			0.43784355

Total Working Interest:			1.00000000
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District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

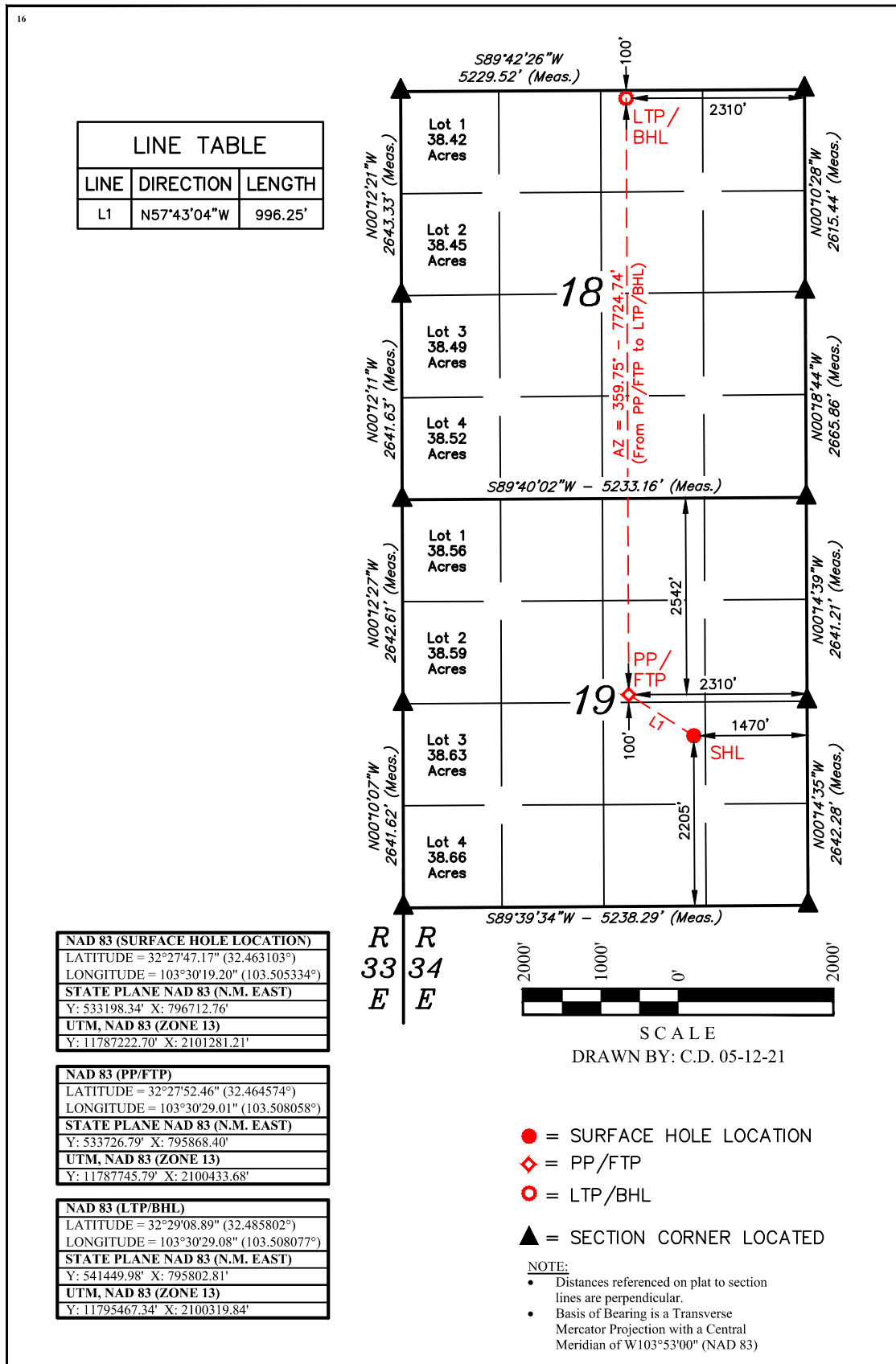
Surface Location

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County. Includes sub-tables for Dedicated Acres, Joint or Infill, Consolidation Code, Order No.

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



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

Signature Date
Printed Name
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.

MAY 08, 2021
Date of Survey
Signature and Seal of Professional Surveyor:

Professional Surveyor seal for Paul Buchele, New Mexico, No. 23782, dated 05-12-21. Certificate Number: _____

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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Phone: (575) 748-1283 Fax: (575) 748-9720
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Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DRAGON FRUIT 19 STATE COM			⁶ Well Number 302H
⁷ OGRID No.		⁸ Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC			⁹ Elevation 3735.7'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	19	21S	34E		2205	SOUTH	1440	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	18	21S	34E		100	NORTH	1320	EAST	LEA
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N12°20'41"E	550.64'

18

19

¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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

MAY 08, 2021

Date of Survey _____
Signature and Seal of Professional Surveyor: _____

Certificate Number: _____

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°27'47.17" (32.463103°)
LONGITUDE = 103°30'18.85" (103.505237°)
STATE PLANE NAD 83 (N.M. EAST)
Y: 533198.66' X: 796742.76'
UTM, NAD 83 (ZONE 13)
Y: 11787223.20' X: 2101311.19'

NAD 83 (PP/FTP)
LATITUDE = 32°27'52.49" (32.464581°)
LONGITUDE = 103°30'17.46" (103.504849°)
STATE PLANE NAD 83 (N.M. EAST)
Y: 533736.97' X: 796858.19'
UTM, NAD 83 (ZONE 13)
Y: 11787762.16' X: 2101423.25'

NAD 83 (LTP/BHL)
LATITUDE = 32°29'08.90" (32.485807°)
LONGITUDE = 103°30'17.52" (103.504867°)
STATE PLANE NAD 83 (N.M. EAST)
Y: 541459.22' X: 796792.60'
UTM, NAD 83 (ZONE 13)
Y: 11795482.75' X: 2101309.42'

SCALE
DRAWN BY: C.D. 05-12-21

● = SURFACE HOLE LOCATION
◆ = PP/FTP
○ = LTP/BHL
▲ = SECTION CORNER LOCATED

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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Phone: (575) 748-1283 Fax: (575) 748-9720
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DRAGON FRUIT 19 STATE COM			⁶ Well Number 303H
⁷ OGRID No.		⁸ Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC			⁹ Elevation 3736.2'

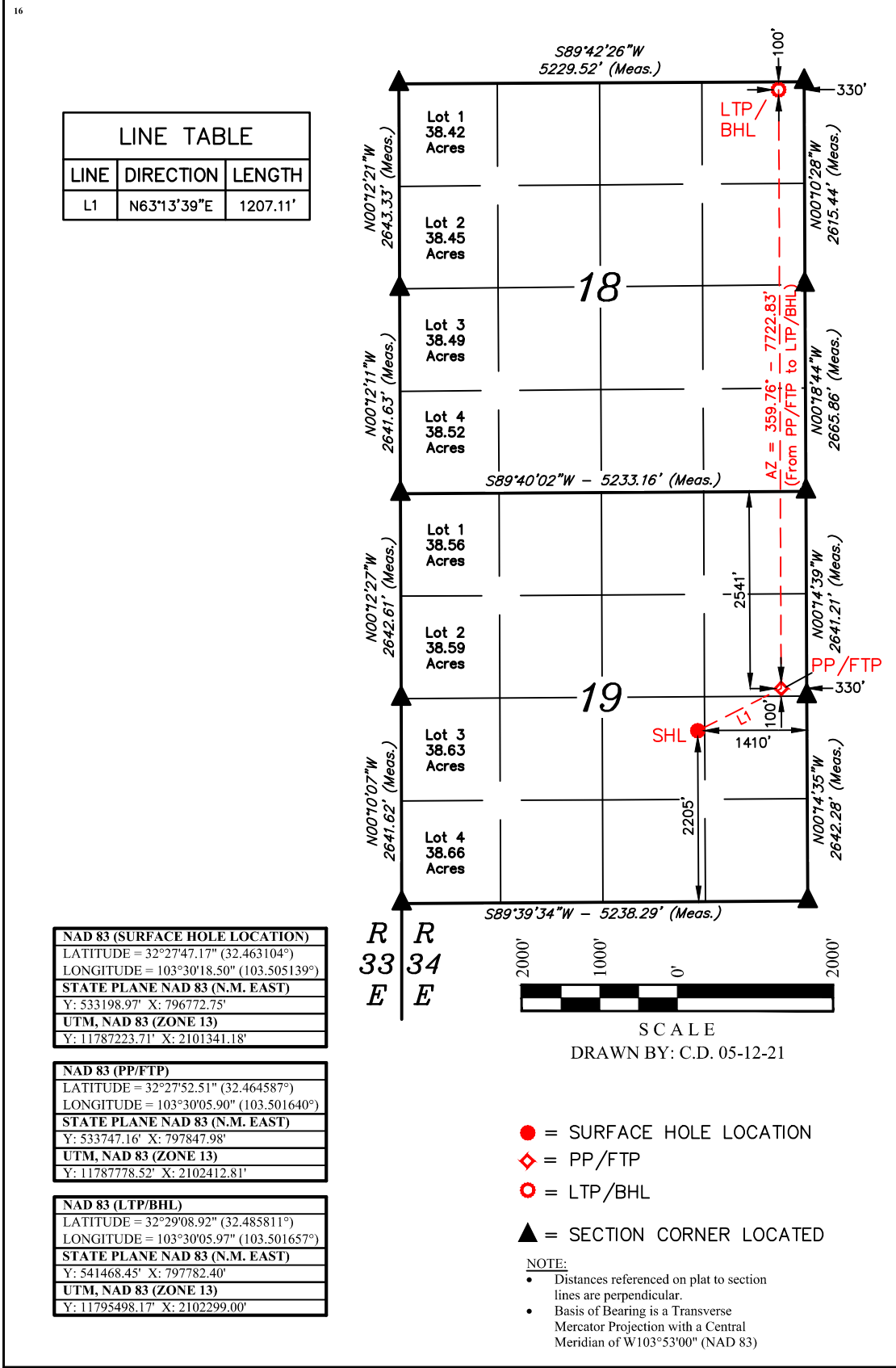
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	19	21S	34E		2205	SOUTH	1410	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	18	21S	34E		100	NORTH	330	EAST	LEA
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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



¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____
 Printed Name _____
 E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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

MAY 08, 2021

Date of Survey _____
 Signature and Seal of Professional Surveyor: _____

PAUL BUCHELE
 NEW MEXICO
 23782
 05-12-21
 PROFESSIONAL SURVEYOR

Certificate Number: _____

Kaitlyn A. Luck

From: Gavin Smith <Gavin.Smith@cdevinc.com>
Sent: Monday, November 1, 2021 1:38 PM
To: Kaitlyn A. Luck
Subject: Fwd: -EXTERNAL- RE: Dragon Fruit State Com #501H and #503H

External Email

Kaitlyn,

FYI

Sent from my iPhone

Begin forwarded message:

From: "Dawson, Scott" <sdawson@slo.state.nm.us>
Date: November 1, 2021 at 1:32:15 PM MDT
To: Gavin Smith <Gavin.Smith@cdevinc.com>
Subject: -EXTERNAL- RE: Dragon Fruit State Com #501H and #503H

Hi Gavin,

If OCD is o.k. with it – we are too.

They approve the C-102's.

Thanks Gavin,

****Due to the Coronavirus, State Land Office facilities are closed to the public until further notice. Business operations remain open and our staff can be reached at (505) 827-5760 or <https://www.nmstatelands.org/about/staff-directory/>**



Scott Dawson

*Petroleum Specialist Advanced
Units Manager/Geologist
Oil, Gas and Minerals Division
505.827.5791
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
 Santa Fe, NM 87504-1148*

**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. 22290**

sdawson@slo.state.nm.us
nmstatelands.org
[@NMLandOffice](https://twitter.com/NMLandOffice)

.....
CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

From: Gavin Smith [mailto:Gavin.Smith@cdevinc.com]
Sent: Friday, October 29, 2021 10:27 AM
To: Dawson, Scott <sdawson@slo.state.nm.us>
Subject: [EXTERNAL] Dragon Fruit State Com #501H and #503H

Scott,

Hope you are doing well. Centennial is in the process of applying for a non-standard spacing unit for the Dragon Fruit State Com #501H and #503H. All future development here in the 1st Bone Spring and Avalon will be 3 wells so there will be a middle well. We had to drop the Dragonfruit #502H to offset depletion that we need to space off of. Will the State have any issues with this expanded spacing unit covering the E/2 of Section 18 and the NE/4 of Section 19, all in T21S R34E, Lea County, NM? The dedicated acres on the spacing unit will be 480 acres. This is set for hearing next week and I just wanted to make sure you did not have any issues.

See the attached C-102s for reference and let me know if you have any questions.

Thanks,

Gavin Smith, CPL | Sr. Landman
Centennial Resource Production, LLC
1001 17th Street, Suite 1800
Denver, CO 80202
P: (720) 499-1474
C: (720) 576-6508



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CAUTION: This email originated from outside of the organization. If it appears to be internal, check directly with assumed source



August 24, 2021

RE: Dragon Fruit 19 State Com #501H
SHL: 2,185' FSL Sec. 19 & 1,340' FEL Sec. 19 T21S R34E
BHL: 100' FSL Sec. 18 & 1,715' FEL Sec. 18 T21S R34E
Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Dragon Fruit 19 State Com #501H as a horizontal well to test the Bone Spring Formation at a TVD of 10,600 feet. The E/2 of the referenced Section 18 and NE/4 of Section 19 will be dedicated to the well as the proration unit being a total of 480.00 acres. Please see the enclosed AFE in the amount of \$7,349,611.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of August 1, 2021. The JOA contains a proposed overhead rate of \$8,000 per day for drilling and \$800 per day 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 a copy to gavin.smith@cdevinc.com. Should you have any questions, please call me at (720) 499-1474.

Best Regards

A handwritten signature in black ink, appearing to read 'Gavin Smith', is written over a light blue horizontal line.

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. 22290



THE UNDERSIGNED HEREBY ELECTS **TO PARTICIPATE** IN THE CAPTIONED DRAGON FRUIT 19 STATE COM #501H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this ____ day of _____, 2021.

Owner Name: _____

Signature: _____

By: _____

Title: _____

THE UNDERSIGNED HEREBY ELECTS **NOT TO PARTICIPATE** IN THE CAPTIONED DRAGON FRUIT 19 STATE COM #501H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this ____ day of _____, 2021.

Owner Name: _____

Signature: _____

By: _____

Title: _____



AFE Number	401726	Original
Drilling Total (\$)	\$2,813,882	
Completion Total (\$)	\$2,680,202	
Facilities Total (\$)	\$1,298,729	
Flowback Total (\$)	\$556,799	
AFE Total (\$)	\$7,349,611	

Authorization for Expenditure

AFE Description

Property Name	Well: Dragon Fruit 19 State Com 501H	State	New Mexico
AFE Type	Drill and Complete		
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - NM
Scheduled Spud Date	November 11, 2021	Estimated TVD (ft)	
Target Zone	SBSG SAND UPPER	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	\$10,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$10,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$90,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$80,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$25,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$315,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$194,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$50,000.00	8015.2300	IDC - FUEL / POWER	\$80,000.00
8015.2400	IDC - RIG WATER	\$16,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$176,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$35,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$175,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$53,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$30,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$27,500.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$54,000.00
8015.3700	IDC - DISPOSAL	\$108,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$22,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$46,000.00
8015.4200	IDC - MANCAMP	\$28,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$89,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$12,000.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$12,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$11,860.00
8015.5200	IDC - CONTINGENCY	\$135,102.80	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,500.00
8015.2350	IDC - FUEL/MUD	\$55,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$58,968.75
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$166,600.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$348,075.00	8020.1500	TDC - WELLHEAD EQUIPMENT	\$65,875.00
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$70,000.00	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

8025.1200	ICC - COMPLETION RIG	\$.00	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1500	ICC - FUEL / POWER	\$196,448.00	8025.1600	ICC - COILED TUBING	\$72,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$12,915.00
8025.1900	ICC - INSPECTION & TESTING	\$.00	8025.2000	ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$182,300.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,344,949.61
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$107,142.86
8025.3100	ICC - WELLHEAD/FRACTURE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400	ICC - RENTAL EQUIPMENT	\$187,200.00
8025.3500	ICC - WELLSITE SUPERVISION	\$37,800.00	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	\$353,571.43	8025.4400	ICC - COMPANY LABOR	\$.00

Account	Description	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00

Account	Description	Total (\$)
8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00

Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$20,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$177,500.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$76,500.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$16,250.00
8035.3600	FAC - ELECTRICAL	\$47,500.00
8035.3800	FAC - FLARE/COMBUSTER	\$18,750.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00
8035.1700	FAC - RENTAL EQUIPMENT	\$26,950.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00
8035.4300	FAC - INSURANCE	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00

Account	Description	Total (\$)
8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2900	FAC - TANK BATTERY	\$180,750.00
8035.3200	FAC - VALVES FITTINGS & PIPE	\$225,000.00
8035.3400	FAC - METER & LACT	\$123,750.00
8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$45,000.00
8035.4500	FAC - CONTINGENCY	\$61,844.23
8035.1500	FAC - MATERIALS & SUPPLIES	\$15,000.00
8035.1800	FAC - FUEL / POWER	\$.00
8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2600	FAC - INJECTION PUMP	\$.00
8035.3500	FAC - COMPRESSOR	\$.00
8035.4100	FAC - OVERHEAD	\$.00
8035.1310	FAC - PERMANENT EASEMENT	\$.00

Account	Description	Total (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00
8036.1310	PLN - PERMANENT EASEMENT	\$10,151.52
8036.1500	PLN - MATERIALS & SUPPLIES	\$.00
8036.1700	PLN - RENTAL EQUIPMENT	\$.00
8036.2000	PLN - WASTE DISPOSAL	\$.00
8036.2200	PLN - CONTRACT LABOR	\$.00
8036.2400	PLN - SUPERVISION	\$.00
8036.2700	PLN - PIPELINE	\$180,480.00
8036.2900	PLN - TANK BATTERY	\$.00
8036.3100	PLN - TREATING EQUIPMENT	\$.00
8036.3300	PLN - PUMP	\$.00
8036.3500	PLN - COMPRESSOR	\$.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$15,151.52
8036.3700	PLN - AUTOMATION	\$.00
8036.4300	PLN - INSURANCE	\$.00
8036.4500	PLN - CONTINGENCY	\$.00

Account	Description	Total (\$)
8036.1100	PLN - STAKING & SURVEYING	\$.00
8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1900	PLN - WATER DISPOSAL / SWD	\$.00
8036.2100	PLN - INSPECTION & TESTING	\$.00
8036.2300	PLN - FRAC TANK RENTAL	\$.00
8036.2500	PLN - CONSULTING SERVICES	\$.00
8036.2800	PLN - FLOWLINE	\$12,000.00
8036.3000	PLN - SEPARATOR / SCRUBBER	\$.00
8036.3200	PLN - VALVES FITTINGS & PIPE	\$.00
8036.3400	PLN - METER	\$.00
8036.3600	PLN - ELECTRICAL SUPPLIES	\$.00
8036.3620	PLN - POWER DISTRIBUTION LABOR	\$15,151.52
8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$.00
8036.4400	PLN - COMPANY LABOR	\$.00

Account	Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS	\$.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$7,000.00
8040.1600	IFC - COILED TUBING	\$.00
8040.1899	IFC - FRAC WATER RECOVERY	\$155,799.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$6,000.00
8040.2300	IFC - COMPLETION FLUID	\$.00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$5,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$120,000.00

Account	Description	Total (\$)
8040.1200	IFC - COMPLETION RIG	\$13,500.00
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	\$.00
8040.3100	IFC - WELLHEAD/FRACTURE TREE REPAIR	\$.00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$60,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$7,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$15,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.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	\$14,000.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$20,000.00	8045.3100	TFC - MEASUREMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$20,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00



August 24, 2021

RE: Dragon Fruit 19 State Com #503H
SHL: 2,215' FSL Sec. 19 & 1,340' FEL Sec. 19 T21S R34E
BHL: 100' FSL Sec. 18 & 835' FEL Sec. 18 T21S R34E
Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Dragon Fruit 19 State Com #503H as a horizontal well to test the Bone Spring Formation at a TVD of 10,600 feet. The E/2 of the referenced Section 18 and NE/4 of Section 19 will be dedicated to the well as the proration unit being a total of 480.00 acres. Please see the enclosed AFE in the amount of \$7,349,611.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of August 1, 2021. The JOA contains a proposed overhead rate of \$8,000 per day for drilling and \$800 per day 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 a copy to gavin.smith@cdevinc.com. Should you have any questions, please call me at (720) 499-1474.

Best Regards

A handwritten signature in black ink, appearing to read 'Gavin Smith', is written over a white background.

Gavin Smith, CPL
Senior Landman



THE UNDERSIGNED HEREBY ELECTS **TO PARTICIPATE** IN THE CAPTIONED DRAGON FRUIT 19 STATE COM #503H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this ____ day of _____, 2021.

Owner Name: _____

Signature: _____

By: _____

Title: _____

THE UNDERSIGNED HEREBY ELECTS **NOT TO PARTICIPATE** IN THE CAPTIONED DRAGON FRUIT 19 STATE COM #503H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this ____ day of _____, 2021.

Owner Name: _____

Signature: _____

By: _____

Title: _____



AFE Number	401727	Original
Drilling Total (\$)	\$2,813,882	
Completion Total (\$)	\$2,680,202	
Facilities Total (\$)	\$1,298,729	
Flowback Total (\$)	\$556,799	
AFE Total (\$)	\$7,349,611	

Authorization for Expenditure

AFE Description

Property Name	Well: Dragon Fruit 19 State Com 503H	State	New Mexico
AFE Type	Drill and Complete		
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - NM
Scheduled Spud Date	Nov. 26, 2021	Estimated TVD	
(ft) Target Zone	SBSG SAND UPPER	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	\$10,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$10,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$90,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$80,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$25,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$315,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$194,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$50,000.00	8015.2300	IDC - FUEL / POWER	\$80,000.00
8015.2400	IDC - RIG WATER	\$16,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$176,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$35,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$175,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$53,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$30,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$27,500.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$54,000.00
8015.3700	IDC - DISPOSAL	\$108,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$22,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$46,000.00
8015.4200	IDC - MANCAMP	\$28,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$89,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$12,000.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$12,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$11,860.00
8015.5200	IDC - CONTINGENCY	\$135,102.80	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,500.00
8015.2350	IDC - FUEL/MUD	\$55,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$58,968.75
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$166,600.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$348,075.00	8020.1500	TDC - WELLHEAD EQUIPMENT	\$65,875.00
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$70,000.00	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

8025.1200	ICC - COMPLETION RIG	\$.00	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1500	ICC - FUEL / POWER	\$196,448.00	8025.1600	ICC - COILED TUBING	\$72,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$12,915.00
8025.1900	ICC - INSPECTION & TESTING	\$.00	8025.2000	ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$182,300.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,344,949.61
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$107,142.86
8025.3100	ICC - WELLHEAD/FRACTURE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400	ICC - RENTAL EQUIPMENT	\$187,200.00
8025.3500	ICC - WELLSITE SUPERVISION	\$37,800.00	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	\$353,571.43	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	\$177,500.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$180,750.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$76,500.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$225,000.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$16,250.00	8035.3400	FAC - METER & LACT	\$123,750.00
8035.3600	FAC - ELECTRICAL	\$47,500.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$45,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$18,750.00	8035.4500	FAC - CONTINGENCY	\$61,844.23
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$15,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$26,950.00	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	\$.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PERMANENT 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 - PERMANENT EASEMENT	\$10,151.52	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	\$.00	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	\$180,480.00	8036.2800	PLN - FLOWLINE	\$12,000.00
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	\$15,151.52	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$15,151.52
8036.3700	PLN - AUTOMATION	\$.00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$.00
8036.4300	PLN - INSURANCE	\$.00	8036.4400	PLN - COMPANY LABOR	\$.00
8036.4500	PLN - CONTINGENCY	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS	\$.00	8040.1200	IFC - COMPLETION RIG	\$13,500.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$7,000.00	8040.1500	IFC - FUEL / POWER	\$.00
8040.1600	IFC - COILED TUBING	\$.00	8040.1700	IFC - CEMENTING & SERVICES	\$.00
8040.1899	IFC - FRAC WATER RECOVERY	\$155,799.00	8040.1900	IFC - INSPECTION & TESTING	\$.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$6,000.00	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	\$5,000.00	8040.2800	IFC - MATERIAL & SUPPLIES	\$.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$120,000.00	8040.3100	IFC - WELLHEAD/FRACTURE REPAIR	\$.00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$60,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$7,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$15,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.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	\$14,000.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$20,000.00	8045.3100	TFC - MEASUREMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$20,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00

Exhibit C-5

Date	Action
June 1, 2021	Began researching title and updating ownership
August 24, 2021	Sent initial well proposals for the Dragon Fruit 19 State Com #501H & #503H
September 7, 2021	Discussed Dragon Fruit proposals and JOA with Brett Woody at XTO
September 15, 2021	Discussed Dragon Fruit proposals and JOA with David Johns at Matador
October 5, 2021	Filed for compulsory pooling hearing

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. 22290

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

APPLICATION OF CENTENNIAL
RESOURCE PRODUCTION, LLC FOR
APPROVAL OF A NON-STANDARD
SPACING UNIT IN THE BONE SPRING
FORMATION AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22290

AFFIDAVIT OF ISABEL HARPER
IN SUPPORT OF CASE NO. 22290

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 for approval of a non-standard horizontal spacing unit in the Bone Spring formations and I have conducted a geologic study of the lands in the subject area.
4. Centennial is targeting the Bone Spring formation with the proposed non-standard unit in this case.
5. Centennial **Exhibit D-1** is a locator map that outlines the proposed non-standard spacing unit in the Bone Spring formations. It shows the path of the wellbores for the **Dragon Fruit 19 State Com #501H well** and the **Dragon Fruit 19 State Com #503H well**.

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. 22290

6. Centennial **Exhibit D-2** depicts a subsea structure map that I prepared off the top of the Third Bone Spring Carbonate formation with a contour interval of 50 feet. The **Dragon Fruit 19 State Com #501H well** and the **Dragon Fruit 19 State Com #503H well** are depicted with black dashed lines, and I have identified the surface and bottom hole locations for the wells. The structure map shows the top of the Bone Spring is gently dipping to the southwest in the spacing. The structure appears consistent across the intended wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling these proposed wells within this non-standard spacing unit in the Bone Spring formation.

7. Centennial **Exhibit D-2** also shows the location of the wells used to create the stratigraphic cross-section from A to A' on Centennial **Exhibit D-3**. These three wells are representative of the geology in the Bone Spring formation underlying the proposed non-standard horizontal spacing unit.

8. Centennial **Exhibit D-3** is a stratigraphic cross-section that I prepared displaying open-hole logs run over the Second Bone Spring formation from the three representative wells denoted from A to A' on Centennial Exhibit D-2. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The targeted intervals are labeled and marked. The logs in the cross-section demonstrate that the targeted intervals, within the Bone Spring formation, are consistent in thickness, across the proposed nonstandard horizontal spacing units.

9. In my opinion, the standup orientation of the wells is the preferred orientation for horizontal well development of the targeted intervals in the Bone Spring formation in this area. This standup orientation will efficiently and effectively develop

the subject acreage, and the proposed non-standard units will result in significant efficiencies due to the ability of Centennial to consolidate surface facilities.

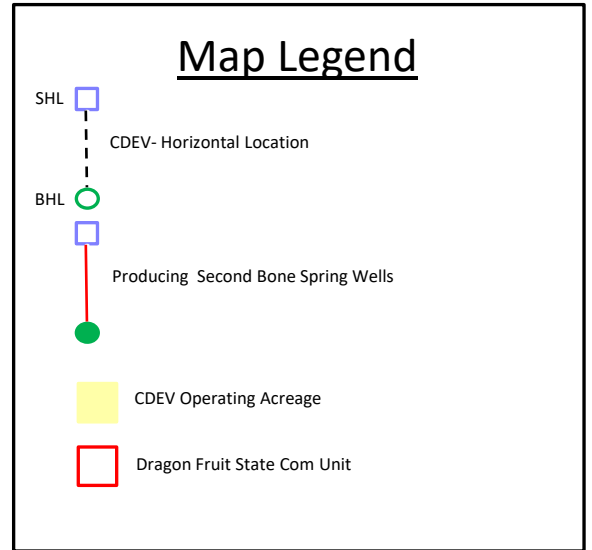
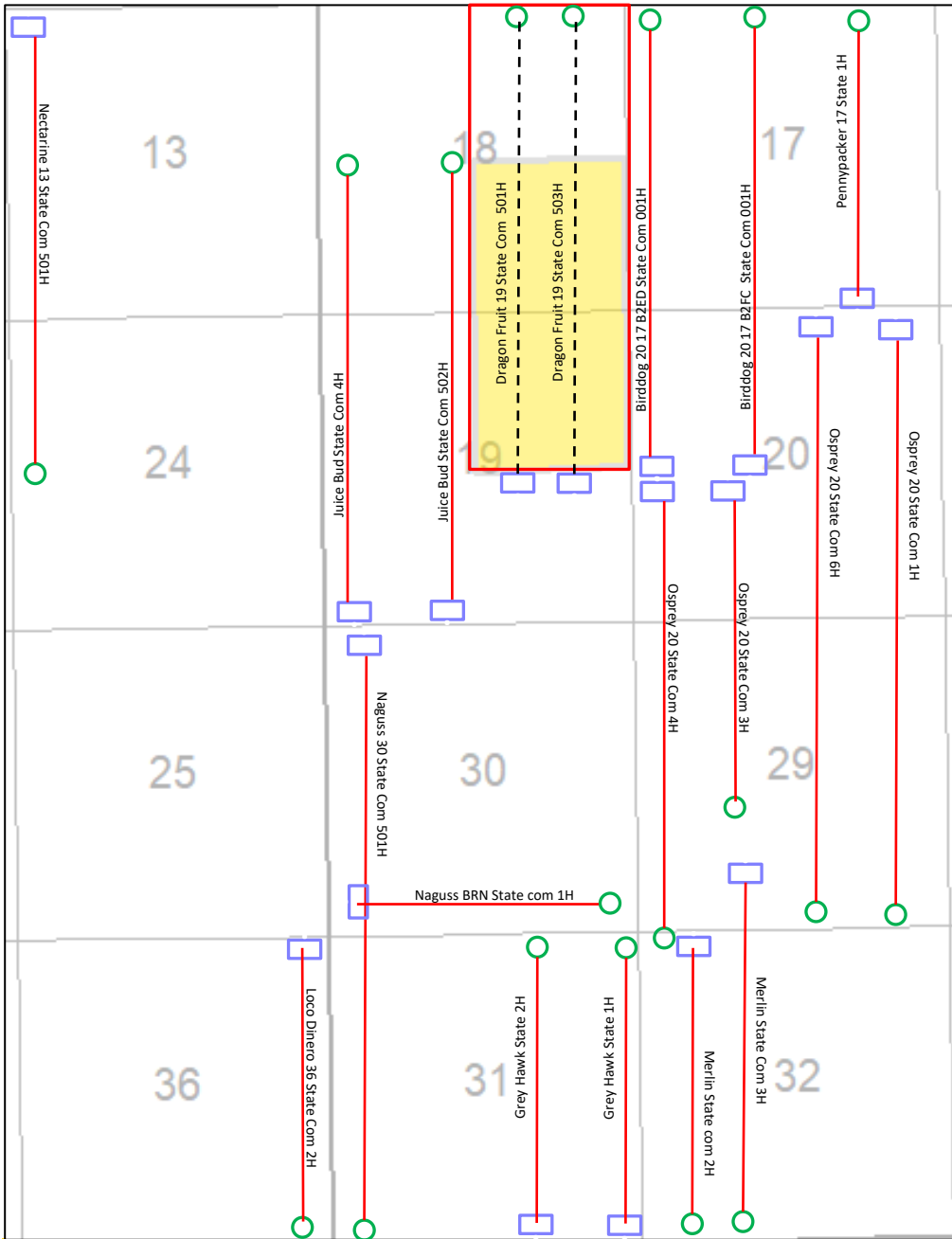
10. In my opinion, each tract comprising the proposed non-standard horizontal spacing unit will be productive and contribute more-or-less equally to production from the wellbores.

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

12. Centennial **Exhibits D-1** through **D-3** were either prepared by me or compiled under my direction and supervision.

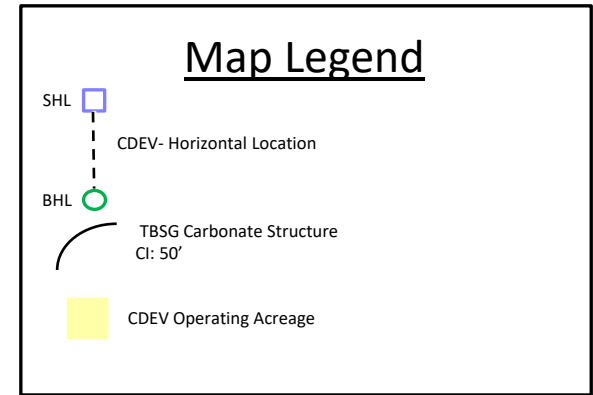
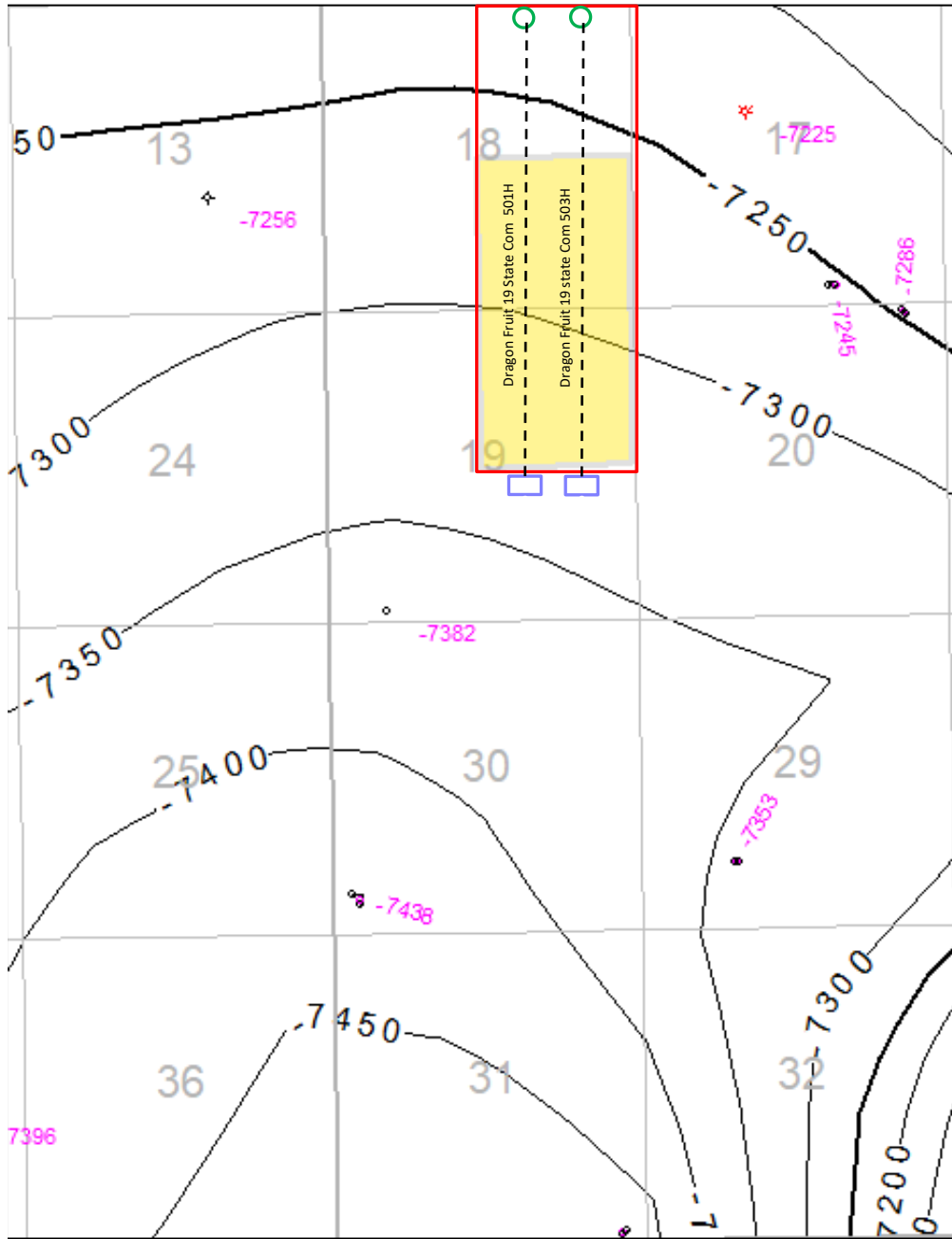
FURTHER AFFIANT SAYETH NOT.

Bone Spring Pool Dragon Fruit 19 State Com 501H and 503H

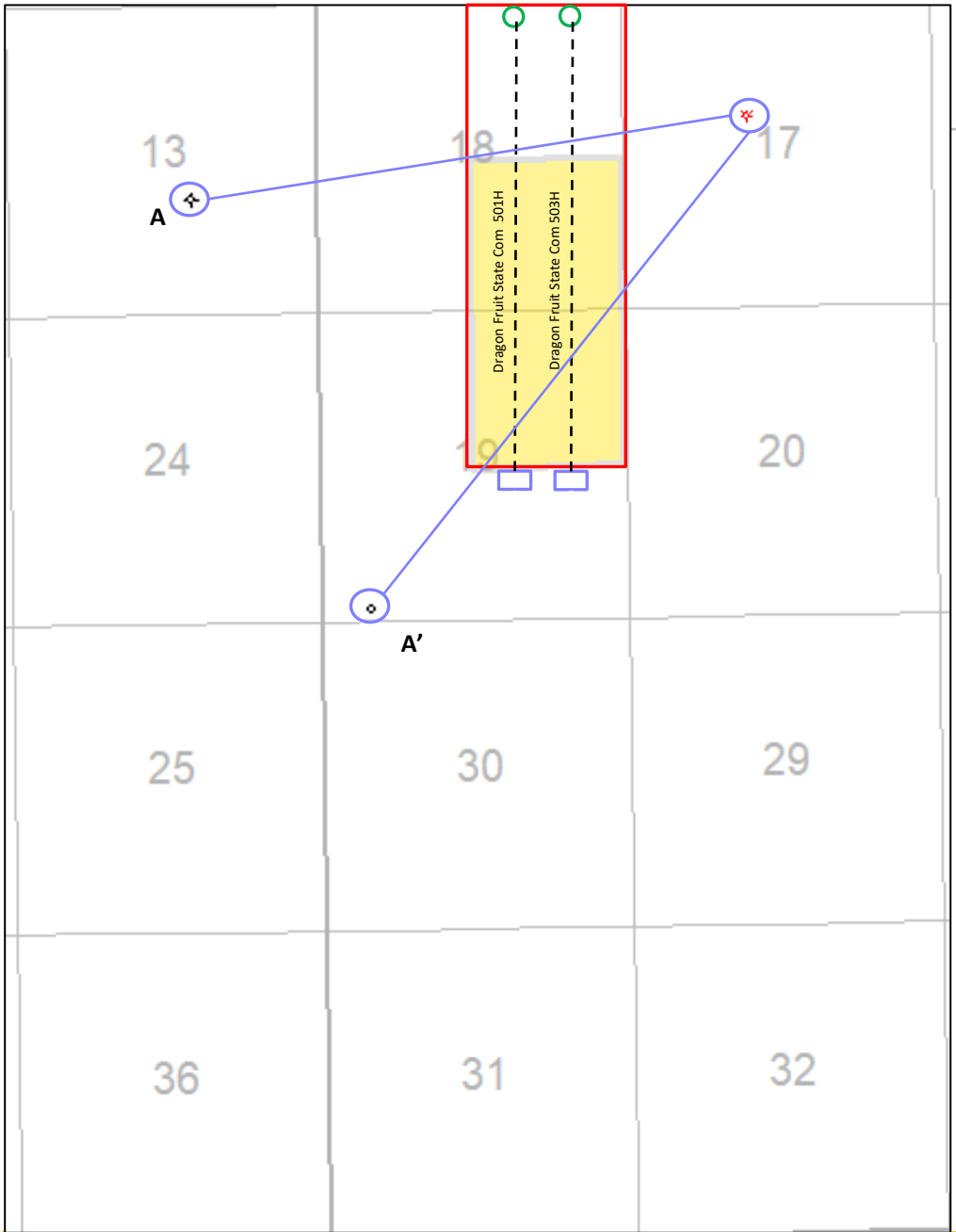


BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D1
 Submitted by: Centennial Resource Production, LLC
 Hearing Date: November 04, 2021
 Case No. 22290

Bone Spring Pool TBSG Carb Structure Grid



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D2
 Submitted by: Centennial Resource Production, LLC
 Hearing Date: November 04, 2021
 Case No. 22290

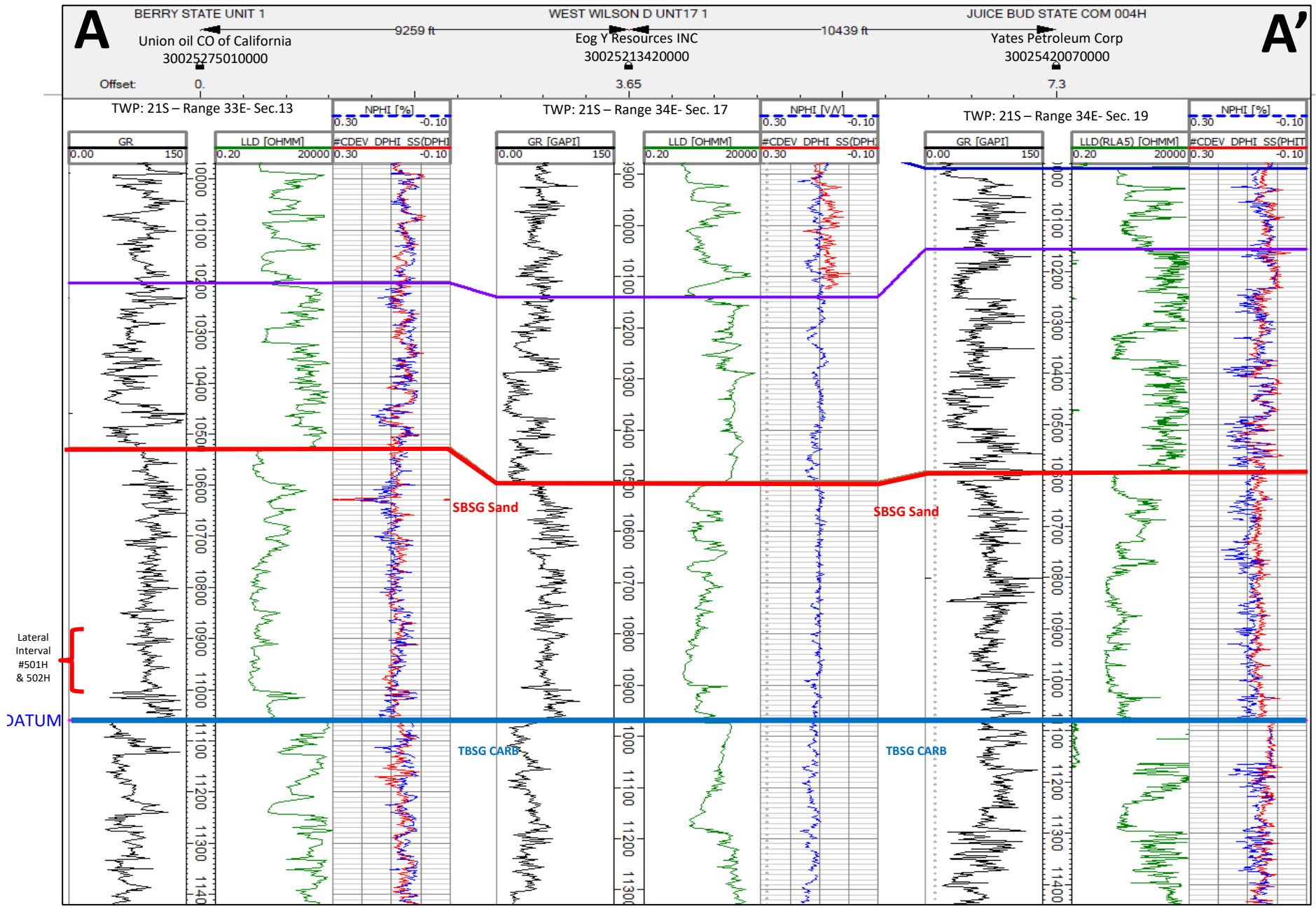


**Cross Section TBSG Pool
Dragon Fruit 501H & 503H**

Map Legend

- SHL CDEV- Horizontal Location
- BHL CDEV Operating Acreage
- CDEV Operating Acreage
- Cross Section wells

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. 22290



TD= 14,500.00 TD= 14,300.00 TD= 12,158.00

CENTENNIAL

4

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

APPLICATION OF CENTENNIAL
RESOURCE PRODUCTION, LLC FOR
APPROVAL OF A NON-STANDARD
SPACING UNIT IN THE BONE SPRING
FORMATION AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22290

AFFIDAVIT OF GRAYSON VILES
IN SUPPORT OF CASE NO. 22290

Grayson Viles, of lawful age and being first duly sworn, declares as follows:

1. My name is Grayson Viles and I am employed by Centennial Resource Production, LLC (“Centennial”) as a petroleum reservoir engineer.

2. This is my first time testifying before the New Mexico Oil Conservation Division. **Centennial Exhibit E-1** provides my educational background and work history since joining Centennial in 2019. My responsibilities have included the New Mexico Permian Basin since December of 2019. I believe my credentials qualify me to testify as an expert witness in petroleum engineering matters.

3. I am familiar with the application filed by Centennial in this case and the surface production facilities required to develop the oil underlying Sections 18 and 19, Township 21 South, Range 34 East, in Lea County, New Mexico. Centennial plans to develop the Bone Spring formation underlying Sections 18 and 19 with the Dragon Fruit 19 State Com #501H and #503H wells. The Dragon Fruit 19 State Com #502H was cancelled in order to space the wells further away from existing depletion to the West.

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. 22290

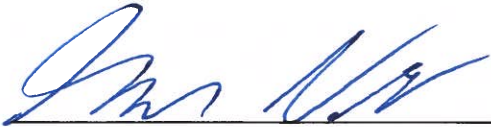
4. **Centennial Exhibit E-2** shows the proposed tank battery and related surface production facilities for the Dragon Fruit 19 State Com #501H and #503H wells. Approval of Centennial's application will allow the company to commingle production from these wells drilled in Sections 18 and 19 at this proposed Tank Battery. Commingling the production of the Dragon Fruit 19 State Com #501H and Dragon Fruit 19 State Com #503H and all future wells will result in a cost savings of approximately \$1,298,728.00.

5. **Centennial Exhibit E-3** shows the C-102 plats for the Dragon Fruit 19 State Com #301H - #303H planned development of the First Bone Spring formation for the Dragon Fruit unit and shows the wells are spaced at 990 feet for optimal development. This layout will benefit from the non-standard spacing unit due to the spacing of the future Dragon Fruit 19 State Com #302H.

6. In my opinion, approval of the non-standard spacing units requested under Centennial's application in this case is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

7. **Centennial Exhibits E-1 through E-3** were either prepared by me or compiled under my direction and supervision.

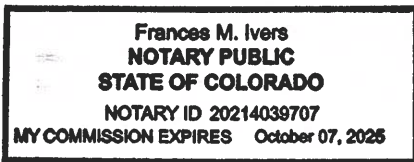
FURTHER AFFIANT SAYETH NOT.

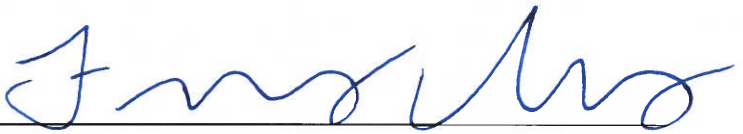


Grayson Viles

STATE OF COLORADO)
)
COUNTY OF DENVER)

SUBSCRIBED and SWORN to before me this 2nd day of November, 2021, by
Grayson Viles.





NOTARY PUBLIC

My Commission Expires:

October 7, 2025

Grayson Charles Viles

grayson_viles@yahoo.com | 972.854.2268 | 1560 Market Street #802, Denver, CO 80202

Summary

Over ten years of Petroleum Engineering experience with an emphasis on reservoir engineering, asset development, economic evaluations, production analysis and data analytics. Worked in many active unconventional plays, including the Wolfcamp and Spraberry/Bone Spring trends in the Permian Basin, the Haynesville, Bakken, TMS and Eaglebine shales. Software proficiencies include Aries, Spotfire, Harmony and MS Office products.

Professional Experience

Centennial Resource Development | Denver, CO | 2019 to Current

Sr. Reservoir Engineer

- Sole Reservoir Engineer leading or assisting with all related job functions for Lea County, New Mexico asset
- Work with multi-functional team to create, implement and optimize multi-rig development program across 25,000-acre asset
- Identify and evaluate economics of acreage trades, acquisitions and divestitures to enhance company value

Encana Corporation | Denver, CO / Dallas, TX | 2011 to 2019

Sr. Evaluations Engineer | Business Development | 2018 to 2019

- Identify, screen and evaluate acquisition opportunities in U.S. shale basins that
- are accretive to company strategy and financials, with a focus on the Permian
- Lead internal engineering effort, including evaluation of PDP and development program value for divestiture prospects
- Led evaluation of Williston Basin assets for merger with Newfield Exploration

Sr. Reservoir Engineer | Permian Basin | 2014 to 2018

- Managed creation and maintenance of all basin type curves and associated economics
- Evaluated economics of non-op well participations, well interventions, lease retention programs and acreage trades
- Utilized internal and public production databases to analyze competitor trends and implement learnings into company operations
- Worked with Production Engineering team to select and pilot new artificial lift technologies
- Worked with Completions Engineering team to identify fracture stimulation designs that optimize well productivity
- Worked with integrated Reservoir Science teams to identify well communication

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. E1

Submitted by: Centennial Resource Production, LLC

Hearing Date: November 04, 2021

Case No. 22290

- events and coordinate well interference tests to determine optimal well spacing
- Prepared basin-wide Production Budget Outlook on a monthly basis, while asset grew from 60,000 to 90,000 boe/d
- Prepared 2017 SEC and ASC Reserve evaluation for asset
- Created Five-Year Development Plan (2019-2023) for asset
- Optimized annual development programs by creating Excel and Spotfire based tool that models production and capital impact of scheduling changes
- Maintained production forecasts for 350+ vertical wells and made recommendations for well interventions and shut-ins
- Implemented process to identify and remediate vertical leases in jeopardy of lapsing cessation clauses

Reservoir Engineer | Haynesville Shale | 2013 to 2014

- Managed Aries production database for 150+ horizontal wells
- Prepared basin-wide Capital Expenditure Budget Outlook on a monthly basis
- Prepared 2014 SEC Reserves evaluation for asset
- Created Five-Year Plan for asset
- Identified underperforming wells to refrac and worked with Completion Engineering team to optimize job design
- Evaluated company and partner economics for potential Joint Venture
- Created type curves incorporated in Haynesville asset marketing and divestiture

Drilling Engineer | Eaglebine Shale | 2013

Reservoir Engineer | Haynesville Shale | 2013

Drilling Engineer | Tuscaloosa Marine Shale (TMS) | 2012 to 2013

Facilities Engineer | Haynesville Shale | 2011 to 2012

Undergraduate Experience

Office Intern, XTO Energy, Fort Worth, Texas	Summer 2009
Field Intern, Samson Resources, Elk City, Oklahoma	Summer 2008
Field Intern, Samson Companies, Longview, Texas	Summer 2007

Education

The University of Oklahoma	Norman, OK
B.S. Petroleum Engineering	December 2010

Skills

Experienced with Aries, Petra, Spotfire, Harmony, Excel, Access, Mosaic, CMG, IHS Markit Enerdeq and DrillingInfo

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name DRAGON FRUIT 19 STATE COM			⁶ Well Number 301H	
⁷ OGRID No.		⁸ Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC			⁹ Elevation 3735.5'	

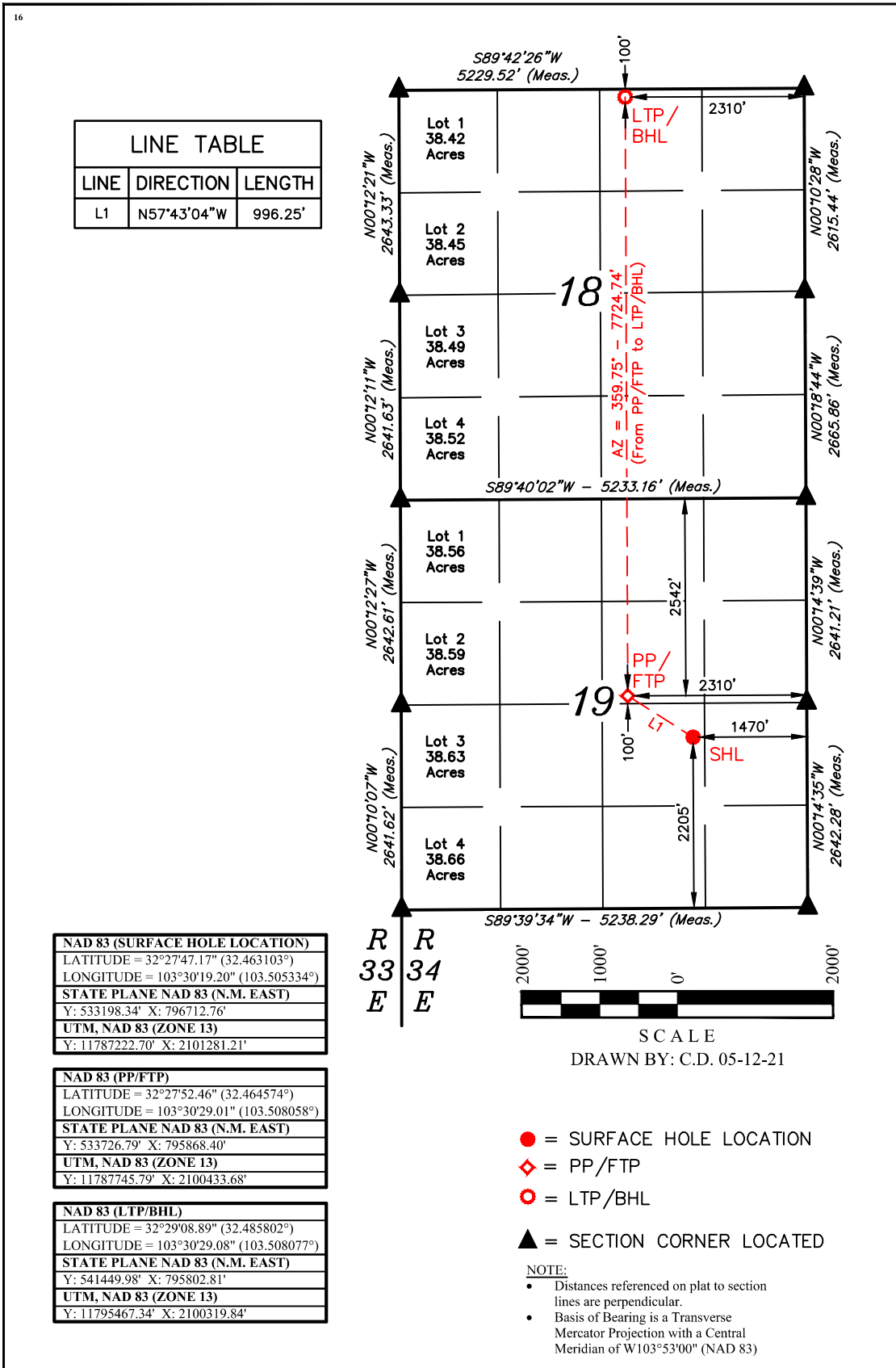
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	19	21S	34E		2205	SOUTH	1470	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	18	21S	34E		100	NORTH	2310	EAST	LEA
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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



¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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

MAY 08, 2021

Date of Survey _____
 Signature and Seal of Professional Surveyor: _____

PAUL BUCHELE
 NEW MEXICO
 23782
 PROFESSIONAL SURVEYOR
 05-12-21

Certificate Number: _____

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
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1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
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Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DRAGON FRUIT 19 STATE COM			⁶ Well Number 302H
⁷ OGRID No.		⁸ Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC			⁹ Elevation 3735.7'

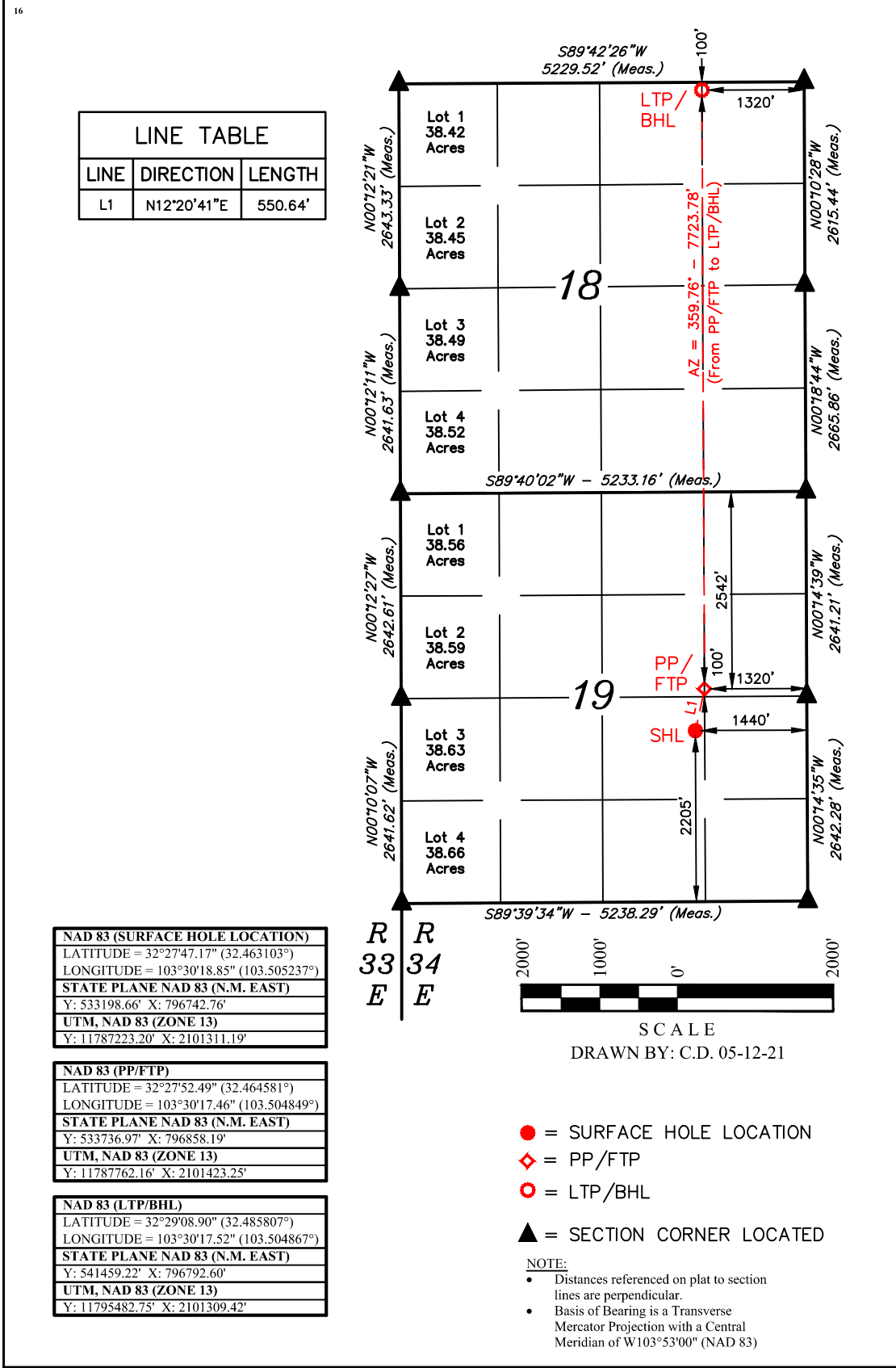
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	19	21S	34E		2205	SOUTH	1440	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	18	21S	34E		100	NORTH	1320	EAST	LEA
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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



¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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

MAY 08, 2021

Date of Survey _____
 Signature and Seal of Professional Surveyor: _____

PAUL BUCHELE
 NEW MEXICO
 23782
 PROFESSIONAL SURVEYOR
 05-12-21

Certificate Number: _____

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DRAGON FRUIT 19 STATE COM			⁶ Well Number 303H
⁷ OGRID No.		⁸ Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC			⁹ Elevation 3736.2'

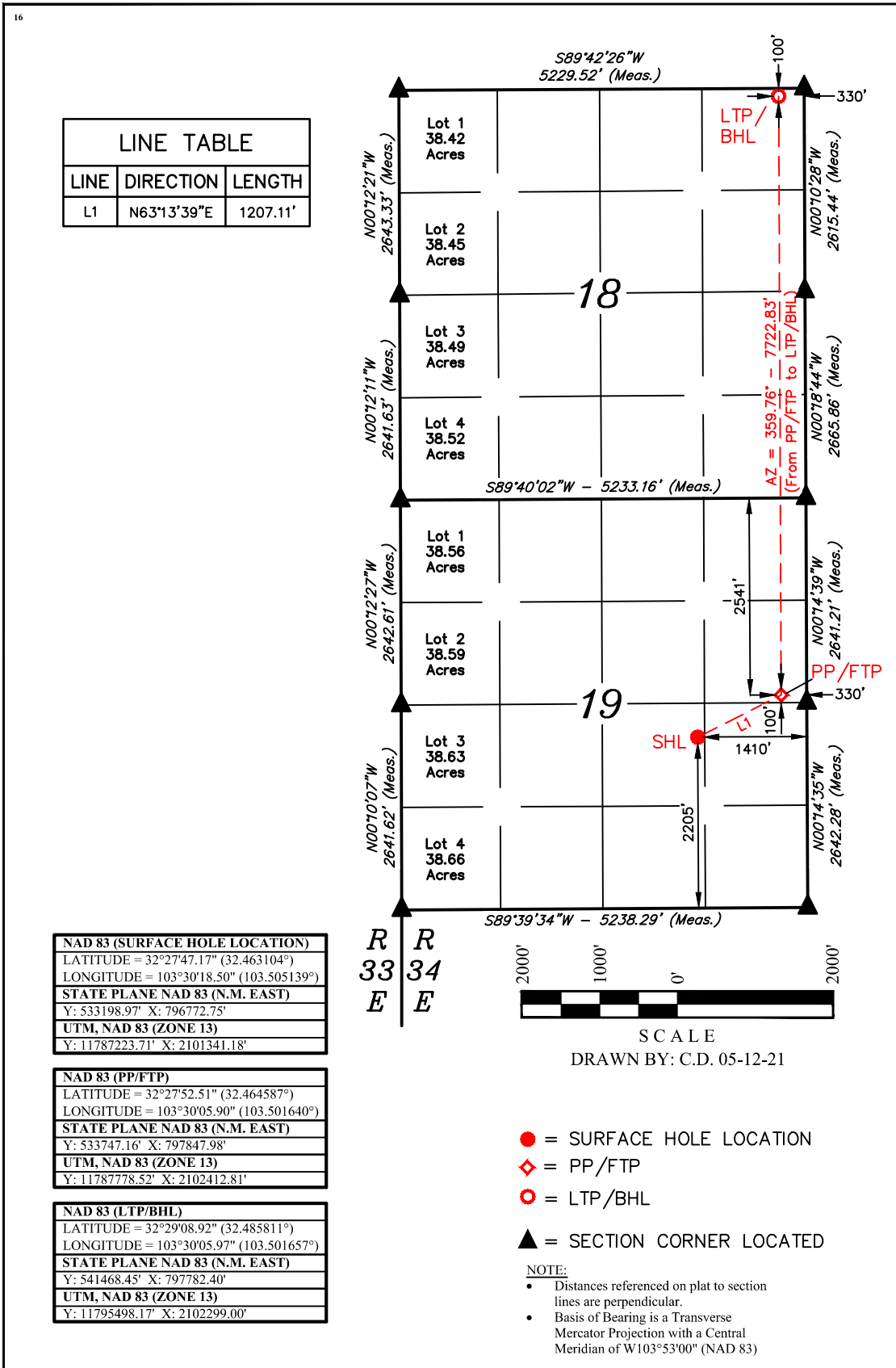
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	19	21S	34E		2205	SOUTH	1410	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	18	21S	34E		100	NORTH	330	EAST	LEA
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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



¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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

MAY 08, 2021

Date of Survey _____
 Signature and Seal of Professional Surveyor: _____

PAUL BUCHELE
 NEW MEXICO
 23782
 05-12-21
 PROFESSIONAL SURVEYOR

Certificate Number: _____

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

APPLICATION OF CENTENNIAL
RESOURCE PRODUCTION, LLC FOR
APPROVAL OF A NON-STANDARD
SPACING UNIT IN THE BONE SPRING
FORMATION AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22290

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 above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.



Kaitlyn A. Luck

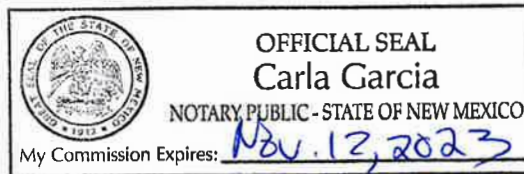
SUBSCRIBED AND SWORN to before me this 2nd day of November, 2021 by Kaitlyn A. Luck.



Notary Public

My Commission Expires:

Nov. 12, 2023



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. 22290



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

October 15, 2021

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of Centennial Resource Production, LLC for approval of a non-standard spacing unit in the Bone Spring formation and compulsory pooling, Lea County, New Mexico.
Dragon Fruit 19 State Com #501H & #503H wells**

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,

**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_Dragon Fruit 501H 503H nonstandard
Case No. 22290 postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765850504962	The Allar Company	PO Box 1567	Graham	TX	76450-7567	Your item was picked up at the post office at 10:08 am on October 21, 2021 in GRAHAM, TX 76450.
9414811898765850504924	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to an individual at the address at 1:32 pm on October 19, 2021 in DALLAS, TX 75240.
9414811898765850504900	XTO Energy, Inc.	22777 Springwoods Village Pkwy	Spring	TX	77389-1425	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765850504993	GMT New Mexico Royalty Company, LLC	1500 S Broadway Ste 200	Denver	CO	80210-2608	Your item was returned to the sender on October 27, 2021 at 4:00 pm in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.
9414811898765850504948	The Scott Evans Wilson Bypass Trust, Cynthia	4601 Mirador Dr	Austin	TX	78735-1554	Your item has been delivered to an agent for final delivery in AUSTIN, TX 78735 on October 18, 2021 at 1:40 pm.



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 21, 2021
and ending with the issue dated
October 21, 2021.



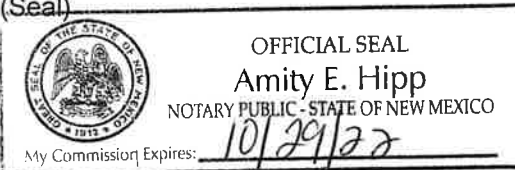
Publisher

Sworn and subscribed to before me this
21st day of October 2021.



Circulation Clerk

My commission expires
October 29, 2022

(Seal)


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 21, 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 ("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 hearing will be conducted on **Thursday, November 4, 2021, beginning at 8:15 a.m.** To participate in the electronic 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 affected parties, including: The Ailar Company; MRC Permian Company; XTO Energy, Inc.; GMT New Mexico Royalty Company, LLC; Family Trust u/w/o Richard K. Barr Beverly Jean Renfro, Trustee; and The Scott Evans Wilson Bypass Trust Cynthia Mae Wilson, Trustee.

Case No. 22290: Application of Centennial Resource Production, LLC for approval of a non-standard spacing unit in the Bone Spring formation and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order approving 480-acre, more or less, non-standard horizontal spacing unit comprised of the E/2 of Section 18 and the NE/4 of Section 19, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all interests in the Bone Spring formation. The acreage underlying the proposed non-standard spacing unit is located within the WC-025 G-07 S213430M; Bone Spring, Pool (Pool Code 97962), and Centennial has proposed the following initial wells in the nonstandard spacing unit:

- the **Dragon Fruit 19 State Com #501H well** (API No. 30-025-46184), to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 19, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and
 - the **Dragon Fruit 19 State Com #503H well**, to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 19, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18.
- The completed interval for the well will comply with statewide setbacks. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, 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 Eunice, New Mexico.
#36951

67100754

00259754

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

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. G**

Submitted by: Centennial Resource Production, LLC
Hearing Date: November 04, 2021
Case No. 22290