

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

APPLICATION OF RIDGE RUNNER
RESOURCES OPERATING, LLC FOR
EXTENSION TO COMMENCE DRILLING
OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 22380
ORDER NO. R-21610 (Re-Open)

HEARING EXHIBITS

Exhibit A	Self-Affirmed Statement of Michael Burke
A-1	Applications & Proposed Notice of
A-2	Hearing Division Order No. R-21610
A-3	Hearing Notice Letter and Return Receipts
A-4	Affidavit of Publication

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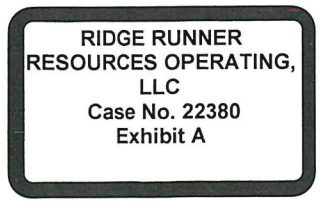
SELF-AFFIRMED STATEMENT
OF MICHAEL BURKE

1. I am a geologist for Ridge Runner Resources Operating, LLC (“Ridge Runner”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the Division, and my qualifications as an expert in petroleum geology matters were accepted. I am familiar with the above-referenced application and the matters involved. Copies of the application and proposed hearing notice are attached as **Exhibit A-1**.

2. The Division entered Order No. R-21610 (“Order”) in Case No. 21636 on February 23, 2021.

3. The Order pooled all uncommitted mineral interests in the Bone Spring formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2W/2 of Sections 2 and 11, Township 20 South, Range 35 East in Lea County, New Mexico (“Unit”), dedicated the unit to the Zeus 2-11 Fed Com #2H (“Well”), and designated Applicant as the operator of the Unit and the Well. A copy of the Order is attached as **Exhibit A-2**.

4. Paragraphs 19 and 20 of the Order require Applicant to commence drilling the Well by February 23, 2022, one year from the date the Order was entered, unless Applicant obtains an extension from the Division Director for good cause shown.



5. Good cause exists for an extension to commence drilling the Well due to delays in the issuance of a drilling permit. Applicant intends to commence drilling the Well in the first half of 2022.

6. In order to provide operational flexibility, Ridge Runner requests the Division amend the Order to extend the deadline to commence drilling the Well to a year from when an amended order is issued.

7. Ridge Runner further requests the other provisions of the Order remain in force and effect.

8. Ridge Runner is in good standing under the statewide rules and regulations.

9. In my opinion, the granting of Ridge Runner's application would best serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

10. Notice of this application and the Division hearing was provided to all interested parties entitled to notice at least 20 days prior to the hearing date. A sample notice letter and associated receipts are attached as **Exhibit A-3**.

11. Notice of this application and the Division hearing was published more than ten business days prior to the hearing date. The affidavit of publication is attached as **Exhibit A-4**.

12. The exhibits to my Self-Affirmed Statement were either prepared by me or under my supervision or were compiled from company business records.

13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 12 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.


Michael Burke

12-21-2021
Date

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

APPLICATION OF RIDGE RUNNER
RESOURCES OPERATING, LLC FOR
EXTENSION TO COMMENCE DRILLING
OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 22380
ORDER NO. R-21610 (Re-Open)

APPLICATION

Ridge Runner Resources Operating, LLC (“Applicant”) (OGRID No. 373013) files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-21610 to extend the time to commence drilling operations to one year from the date of the amended order. In support of its application, Applicant states the following:

1. The Division entered Order No. R-21610 (“Order”) in Case No. 21636 on February 23, 2021.
2. The Order pooled all uncommitted mineral interests in the Bone Spring formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2W/2 of Sections 2 and 11, Township 20 South, Range 35 East in Lea County, New Mexico (“Unit”) and dedicated the unit to the Zeus 2-11 Fed Com #2H (“Well”).
3. The Order designated Applicant as the operator of the Unit and the Well.
4. Paragraphs 19 and 20 of the Order require Applicant to commence drilling the Well by February 23, 2022, one year from the date the Order was entered, unless Applicant obtains an extension from the Division Director for good cause shown.
5. Good cause exists for Applicant’s extension request due to delays in the issuance of a drilling permit. Applicant intends to commence drilling the Well in the first half of 2022.
6. Accordingly, Applicant requests the deadline to commence drilling the Well be extended one year from the date an amended order is entered.

RIDGE RUNNER
RESOURCES OPERATING,
LLC
Case No. 22380
Exhibit A-1

WHEREFORE, Applicant requests this application be set for hearing on January 6, 2022, and after notice and hearing, the Division amend Order No. R-21610 to extend the time to commence drilling the Well to one year from the date an amended order is entered.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy
Michael Rodriguez
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
dhardy@hinklelawfirm.com
mrodriguez@hinklelawfirm.com
Attorneys for Ridge Runner Resources Operating, LLC

Application of Ridge Runner Resources Operating, LLC for Extension to Commence Drilling Operations, Lea County, New Mexico. Ridge Runner Resources Operating, LLC (“Applicant”) seeks an order amending Order No. R-21610 to extend the time to commence drilling operations to one year from the date of the amended order. The Division entered Order No. R-21610 (“Order”) in Case No. 21636 on February 23, 2021. The Order pooled all uncommitted mineral interests in the Bone Spring formation in as 320-acre, more or less, standard horizontal spacing unit comprised of the E/2W/2 of Sections 2 and 11, Township 20 South, Range 35 East in Lea County, New Mexico (“Unit”) and dedicated the unit to the Zeus 2-11 Fed Com #2H (“Well”). The Order designated Applicant as the operator of the Unit and the Well. Paragraphs 19 and 20 of the Order require Applicant to commence drilling the Well by February 23, 2022, one year from the date the Order was entered, unless Applicant obtains an extension from the Division Director for good cause shown. Good cause exists for Applicant’s extension request due to delays in the issuance of a drilling permit. Applicant intends to commence drilling the Well in the first half of 2022. Applicant requests the Division amend Order No. R-21610 to extend the time to commence drilling the Well to one year from the date an amended order is entered. The Well is located approximately 16 miles southwest of Hobbs, New Mexico.

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

IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
RIDGE RUNNER RESOURCES OPERATING, LLC

CASE NO. 21636
ORDER NO. R-21610

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on February 18, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Ridge Runner Resources Operating, LLC (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

<p>RIDGE RUNNER RESOURCES OPERATING, LLC Case No. 22380 Exhibit A-2</p>

- Page 8 of 19
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



 ADRIENNE SANDOVAL
 DIRECTOR
 AES/jag

Date: 2/23/2021

CASE NO. 21636
ORDER NO. R-21610

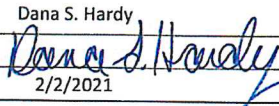
Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 21636	APPLICANT'S RESPONSE
Date: 2/2/21	
Applicant	Ridge Runner Resources Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Ridge Runner Resources Operating, LLC, OGRID 373013
Applicant's Counsel:	Dana S. Hardy
Case Title:	APPLICATION OF RIDGE RUNNER RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	None
Well Family	Zeus
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	Pearl Bone Spring South Pool, Code 49685
Well Location Setback Rules:	Standard
Spacing Unit Size:	40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acre
Orientation:	North-South
Description: TRS/County	E/2 W/2 of Sections 2 and 11, Township 20 South, Range 35 East, Lea County
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	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

CASE NO. 21636
ORDER NO. R-21610

Well #1	Zeus 2-11 Fed Com #2H (API unassigned) SHL: 108' FNL and 2310' FWL of Section 2-T20S-R35E BHL: 100' FSL and 2310' FWL of Section 11-T20S-R35E
Horizontal Well First and Last Take Points	FTP: 675' FNL & 2310' FWL of Section 2-T20S-R35E LTP: 100' FSL & 2310' FWL of Section 11-T20S-R35E
Completion Target (Formation, TVD and MD)	Bone Spring Formation, 19,544' TMD 9,430'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000.00, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	Cost plus 200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-8
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-9
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-10
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit A-3
Ownership Depth Severance (including percentage above & below)	None, Exhibit A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibits A-3, A-7

CASE NO. 21636
ORDER NO. R-21610

Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	\$800/\$8,000, Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-11
Cost Estimate to Equip Well	Exhibit A-11
Cost Estimate for Production Facilities	Exhibit A-11
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-3
Well Orientation (with rationale)	Exhibit B
Target Formation	Bone Spring, Exhibit B
HSU Cross Section	Exhibit B-6
Depth Severance Discussion	None, Exhibit A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3, A-4
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits B-1, B-3
Structure Contour Map - Subsea Depth	Exhibit B-4
Cross Section Location Map (including wells)	Exhibit B-1
Cross Section (including Landing Zone)	Exhibit B-6
Additional Information	
Special Provisions/Stipulations	None
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	
Date:	2/2/2021

CASE NO. 21636
 ORDER NO. R-21610



HINKLE SHANOR LLP
ATTORNEYS AT LAW
PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

WRITER:

Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

December 6, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL INTERESTED PARTIES SUBJECT TO NOTICE

Re: Case No. 22380 - Application of Ridge Runner Resources Operating, LLC for Extension to Commence Drilling Operations, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **January 6, 2022** beginning at 8:15 a.m.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. 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.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division's Santa Fe office or submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.state.nm.us/ocd/ocdpermitting/>) 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.

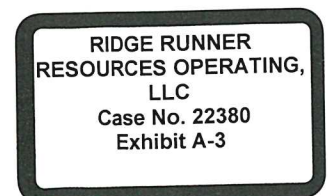
Please do not hesitate to contact me if you have any questions about this matter.

Sincerely,

/s/ Dana S. Hardy _____

Dana S. Hardy

Enclosure



PO BOX 10
ROSWELL, NEW MEXICO 88202
575-622-6510
(FAX) 575-623-9332

PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554
(FAX) 505-982-8623

7601 JEFFERSON ST NE • SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

7021 0350 0001 3336 0655

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Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To

Street and James W. Adams, Trustee
Adams Family Trust
7740 El Pastel

City, State Dallas, TX 75248

Postmark Here **DEC 06 2021**

USPS

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

James W. Adams, Trustee
Adams Family Trust
7740 El Pastel
Dallas, TX 75248

9590 9402 6746 1074 2435 34

2. Article Number (Transfer from service label)

7021 0350 0001 3336 0655

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) _____

C. Date of Delivery _____

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

3. Service Type

Adult Signature Priority Mail Express®

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Insured Mail Restricted Delivery (over \$500)

Domestic Return Receipt

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Adult Signature Required \$ _____

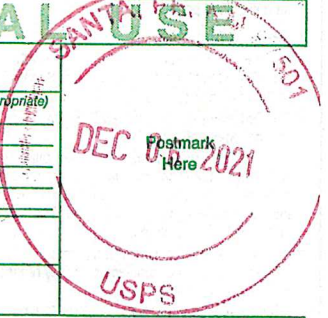
Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To American Standard Energy
 Street and Apt 400 W. Illinois St., #950
 City, State, Zip Midland, TX 79701

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



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HINKLE SHANOR LLP
 ATTORNEYS AT LAW
 POST OFFICE BOX 2068
 SANTA FE, NEW MEXICO 87504

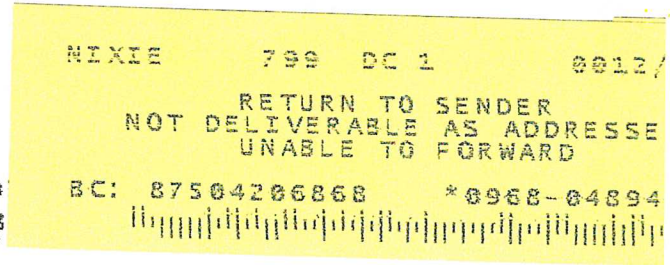
12/24/2021



7021 0350 0001 3336 0662



American Standard Energy
 400 W. Illinois St., #950
 Midland, TX 79701



7021 0350 0001 3336 0679

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Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To Blue Ruby Operating, LLC
7201 East CR 112
Midland, TX 79706

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Postmark Here DEC 14 2021

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X <i>SR</i> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>SR</i> C. Date of Delivery <i>11/19/21</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Blue Ruby Operating, LLC 7201 East CR 112 Midland, TX 79706</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input checked="" type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>9590 9402 6746 1074 2435 10</p> <p>7021 0350 0001 3336 0679</p>	

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

Domestic Return Receipt

7021 0350 0001 3336 0686

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Certified Mail Fee \$ _____

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Return Receipt (hardcopy) \$ _____

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Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

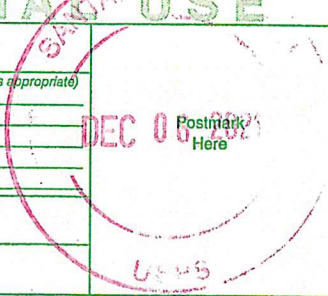
Total Postage and Fees \$ _____

Sent To

Street and Apt. Nortex Corporation
3009 Post Oak Boulevard, Ste. 1212
Houston, TX 77056

City, State, ZIP _____

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p>Nortex Corporation 3009 Post Oak Blvd., Ste. 1212 Houston, TX 77056</p> <p>2. Article Number (Transfer from service label) 7021 0350 0001 3336 0686</p>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>C. Date of Delivery Dec 06 2019</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input checked="" type="checkbox"/> Certified Mail®</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p> <p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

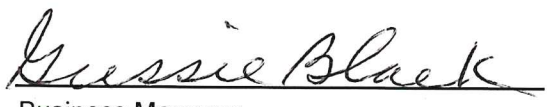
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
December 16, 2021
and ending with the issue dated
December 16, 2021.



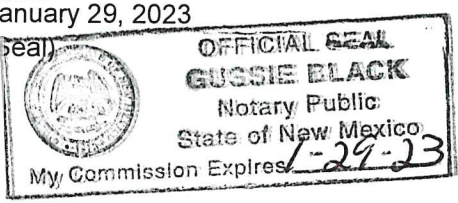
Publisher

Sworn and subscribed to before me this
16th day of December 2021.



Business Manager

My commission expires
January 29, 2023



LEGAL NOTICE
December 16, 2021

This is to notify all interested parties, including James W. Adams, Trustee; American Standard Energy; Blue Ruby Operating, LLC; Nortex Corporation; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Ridge Runner Resources Operating, LLC (Case No. 22380). 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 January 6, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>. Ridge Runner Resources Operating, LLC ("Applicant") seeks an order amending Order No. R-21610 to extend the time to commence drilling operations to one year from the date of the amended order. The Division entered Order No. R-21610 ("Order") in Case No. 21636 on February 23, 2021. The Order pooled all uncommitted mineral interests in the Bone Spring formation in as 320-acre, more or less, standard horizontal spacing unit comprised of the E/2W/2 of Sections 2 and 11, Township 20 South, Range 35 East in Lea County, New Mexico ("Unit") and dedicated the unit to the Zeus 2-11 Fed Com #2H ("Well"). The Order designated Applicant as the operator of the Unit and the Well. Paragraphs 19 and 20 of the Order require Applicant to commence drilling the Well by February 23, 2022, one year from the date the Order was entered, unless Applicant obtains an extension from the Division Director for good cause shown. Good cause exists for Applicant's extension request due to delays in the issuance of a drilling permit. Applicant intends to commence drilling the Well in the first half of 2022. Applicant requests the Division amend Order No. R-21610 to extend the time to commence drilling the Well to one year from the date an amended order is entered. The Well is located approximately 16 miles southwest of Hobbs, New Mexico.
#37129

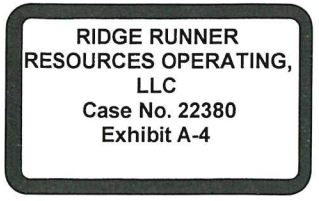
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his newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

02107475

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GILBERT
HINKLE, SHANOR LLP
PO BOX 2068
SANTA FE, NM 87504



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