

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

APPLICATION OF STEWARD ENERGY II, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 22405

EXHIBIT INDEX

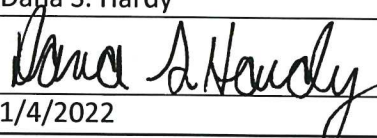
Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Taylor Warren
A-1	Application & Proposed Notice of Hearing
A-2	C-102(s)
A-3	Plat of Tracts, Ownership Interests, Pooled Parties, Unit Recapitulation
A-4	Sample Well Proposal Letter & AFE(s)
A-5	Summary of Communications
A-6	Hearing Notice Letter and Return Receipts
A-7	Affidavit of Publication
Exhibit B	Self-Affirmed Statement of Shane Seals
B-1	Location Map, Structure Map, Gunbarrel Schematic
B-2	Cross Section

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case No.:	22405
Hearing Date:	1/6/2022
Applicant	Steward Energy II, LLC
Designated Operator & OGRID	OGRID # 371682
Applicant's Counsel	Hinkle Shanor LLP
Case Title	Application of Steward Energy II, LLC for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors	N/A
Well Family	Vamonos
Formation/Pool	
Formation Name(s) or Vertical Extent	San Andres
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	San Andres
Pool Name and Pool Code	Bronco; San Andres, South Pool (Pool Code 7500)
Well Location Setback Rules	Statewide
Spacing Unit Size	320-acre
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acre
Building Blocks	quarter-quarter
Orientation	Standup
Description: TRS/County	W/2 of Section 27, Township 13 South, Range 38 East, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes, the completed interval of the Vamonos Fee #5 well will be within 330' of the line separating the W/2W/2 and E/2W/2 of Section 27 to allow for the formation of a 320-acre standard horizontal spacing unit.
Proximity Defining Well: if yes, description	Vamonos Fee #5H
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Vamonos Fee #5H (API # pending) SHL: 670 FSL & 1210 FWL (Unit M) of Section 22, T13S-R38E BHL: 100 FSL & 1210 FWL (Unit M) of Section 27, T13S-R38E Completion Target: San Andres (Approximately 5369' TVD) Completion status: Standard
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	7,000
Production Supervision/Month \$	700
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-6

Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-7
Ownership Determination	
Land Ownership Schematic of Spacing Unit	Exhibit A-3
Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit A-3
Ownership Depth Severance	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-1
Cross Section (including Landing Zone)	Exhibit B-2
Additional Information	
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:	1/4/2022

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

APPLICATION OF STEWARD ENERGY II,
LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 22405

**SELF-AFFIRMED STATEMENT
OF TAYLOR WARREN**

1. I am the land manager at Steward Energy II, LLC (“Steward”) and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my qualifications as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of the application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

4. Steward seeks an order pooling all uncommitted interests in the Bronco; San Andres, South Pool (Pool Code 7500) within the San Andres formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Section 27, Township 13 South, Range 38 East, Lea County, New Mexico (“Unit”).

5. The Unit will be dedicated to the **Vamonos Fee #5H well** (“Well”) to be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 22 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 27.

STEWARD ENERGY II, LLC

Case No. 22405

Exhibit A

6. The completed interval of the Well will be within 330' of the line separating the W/2W/2 and E/2W/2 of Section 27 to allow for the formation of a 320-acre standard horizontal spacing unit.

7. The completed interval of the Well will be orthodox.

8. **Exhibit A-2** contains the C-102 for the Well.

9. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Steward seeks to pool highlighted in yellow.

10. **Exhibit A-4** contains a sample well proposal letter and AFE sent to working interest owners for the Well. The estimated costs reflected on the AFE are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

11. Steward has conducted a diligent search of all county public records including phone directories and computer databases.

12. All interest owners Steward seeks to pool are locatable.

13. In my opinion, Steward made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-5**.

14. Steward requests overhead and administrative rates of \$7,000 per month while the Well is being drilled and \$700 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Steward and other operators in the vicinity.

15. Notice of this application and the Division hearing was timely provided to the uncommitted interests by certified mail more than 20 days prior to the hearing date. A sample of the notice letters and associated green cards are attached as **Exhibit A-6**.

16. 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-7**.

17. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

18. In my opinion, the granting of Steward's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

19. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 17 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 handwritten next to my signature below.


Taylor Warren

01/03/2022
Date

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

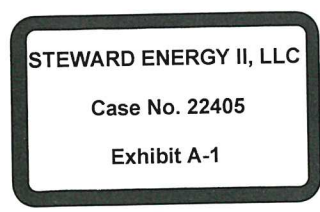
APPLICATION OF STEWARD ENERGY II,
LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 22405

APPLICATION

Pursuant to NMSA § 70-2-17, Steward Energy II, LLC (“Applicant”) applies for an order pooling all uncommitted interests within the San Andres formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Section 27, Township 13 South, Range 38 East, Lea County, New Mexico (“Unit”). Applicant states the following in support of its application:

1. Applicant (OGRID No. 371682) is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the following proposed initial well:
 - **Vamonos Fee #5H** to be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 22 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 27 (“Well”).
3. The completed interval of the Well will be orthodox.
4. The completed interval of the Well will be within 330’ of the line separating the W/2W/2 and E/2W/2 of Section 27 to allow for the formation of a 320-acre standard horizontal spacing unit.
5. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all the interest owners.



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

7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the Unit should be pooled and Applicant should be designated the operator of the Well and Unit.

WHEREFORE, Applicant requests this application be set for hearing on January 6, 2021, and that after notice and hearing the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Well;
- E. 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
- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

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
Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
mrodriguez@hinklelawfirm.com
Counsel for Steward Energy II, LLC

Application of Steward Energy II, LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant applies for an order pooling all uncommitted interests within the San Andres formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Section 27, Township 13 South, Range 38 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following proposed initial well: Vamonos Fee #5H to be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 22 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 27 ("Well"). The completed interval of the Well will be within 330' of the line separating the W/2W/2 and E/2W/2 of Section 27 to allow for the formation of a 320-acre standard horizontal spacing unit. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 14.6 miles Southeast of Tatum, New Mexico.

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

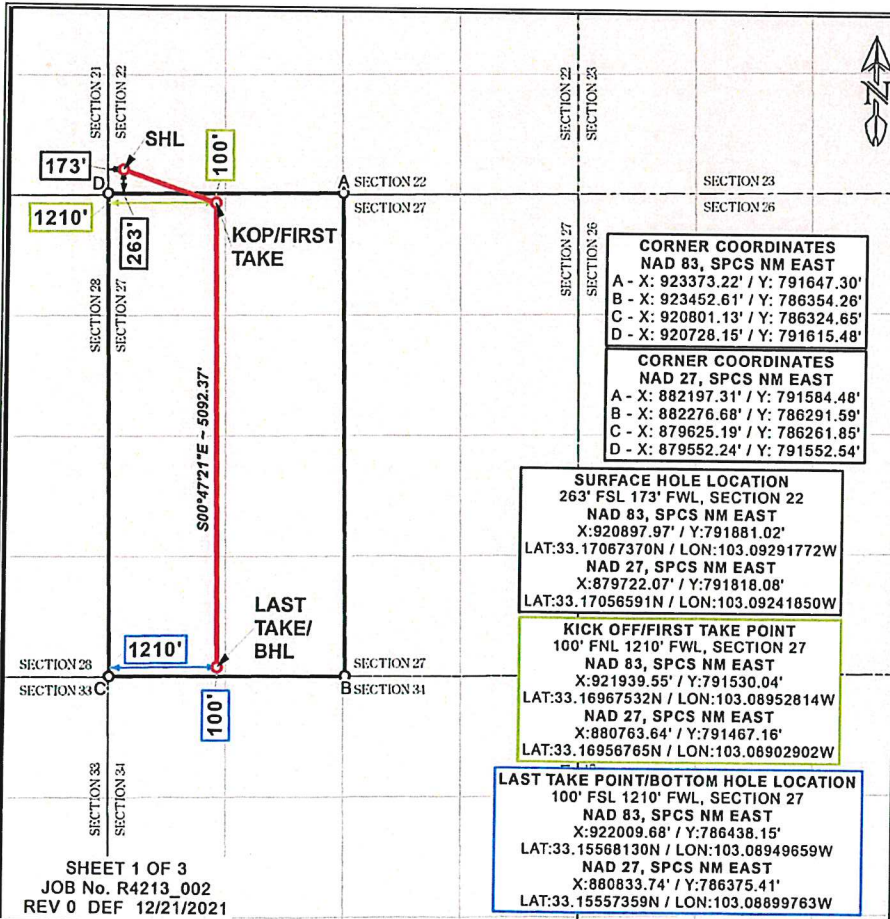
¹ API Number		² Pool Code 7500		³ Pool Name BRONCO; SAN ANDRES, SOUTH	
⁴ Property Code		⁵ Property Name VAMONOS FEE			⁶ Well Number 5H
⁷ OGRID No. 371682		⁸ Operator Name STEWARD ENERGY II, LLC			⁹ Elevation 3811'

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
M	22	13S	38E		263	SOUTH	173	WEST	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
M	27	13S	38E		100	SOUTH	1210	WEST	LEA

¹² Dedicated Acres 320.0	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.

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

PRELIMINARY
THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, RECORDATION, COMPENSANCE, SALE OR THE BASIS FOR THE ISSUANCE OF A PERMIT.

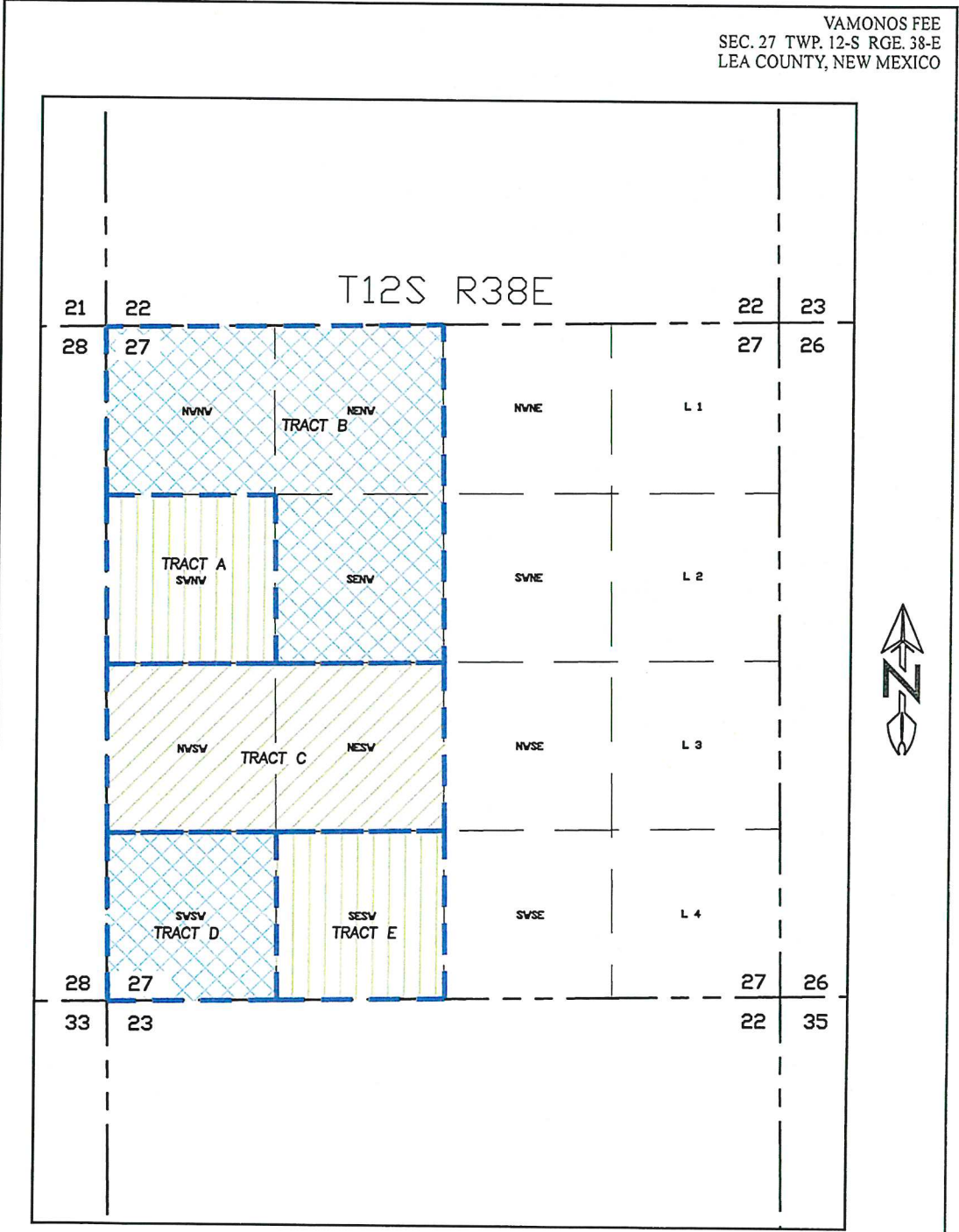
Certificate Number _____

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99990013 Convergence Angle: 00°41'16.54001"
 Horizontal Spacing Unit

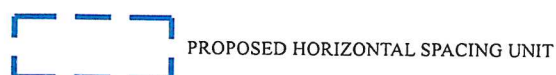
STEWARD ENERGY II, LLC
Case No. 22405
Exhibit A-2

EXHIBIT A-3

VAMONOS FEE
SEC. 27 TWP. 12-S RGE. 38-E
LEA COUNTY, NEW MEXICO



SCALE: 1" = 1,000'



OPERATOR:

 STEWARD ENERGY II, LLC

STEWARD ENERGY II, LLC
 Case No. 22405
 Exhibit A-3

SHEET 1 OF 1



PREPARED BY:
B-SQUARED GLOBAL, LLC
 510 TRENTON ST., UNIT B,
 WEST MONROE, LA 71291
 518-323-6900 OFFICE
 JOB No. B4213_001

EXHIBIT A-3

Tract A

(SW/4NW/4 of Section 27, T13S-R38E, being 40.00 Acres)

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Steward Energy II, LLC	WI	60.937500%	Committed JOA executed
G.O. Basic Energy I, LLC	WI	32.812500%	Committed JOA executed
Total:		93.750000%	

Uncommitted

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
McBride Oil and Gas Corporation	Mineral Interest	0.781250%	Executed AFE
Total:		0.781250%	
Grand Total:		100.000000%	

Tract B

(N/2NW/4 and the SE/4NW/4 of Section 27, T13S-R38E, being 120.00 Acres)

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Steward Energy II, LLC	WI	64.278187%	Committed JOA executed
G.O. Basic Energy I, LLC	WI	34.611331%	Committed JOA JOA executed
Total:		98.889518%	

Uncommitted

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Harle, Inc.	Mineral Interest	0.937500%	Executed AFE
Jan C. Dotson-Ice	Mineral Interest	0.105469%	Unleased
Alma L. Tisher and husband, Kelly B. Tisher	Mineral Interest	0.067513%	Unleased
Total:		1.110482%	
Grand Total:		100.000000%	

Tract C

(N/2SW/4 of Section 27, T13S-R38E, being 80.00 Acres)

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Steward Energy II, LLC	WI	40.761094%	Committed JOA executed
G.O. Basic Energy I, LLC	WI	21.948281%	Committed JOA JOA executed
		Total:	62.709375%

Uncommitted

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
James Raymond Cone, Jr., a/k/a Jim Cone	Mineral Interest	20.312500%	Unleased
Estate of Dora Vandagriff, a/k/a Rebecca Dora Vandagriff	Mineral Interest	9.375000%	Unleased
Howard H. Cone Trust "A", u/w/o Hubert E. Cone	Mineral Interest	2.500000%	Unleased
Jesse A. Cone Trust "A", u/w/o Hubert E. Cone	Mineral Interest	2.500000%	Unleased
Mary Cone Lewis Trust "A", u/w/o Hubert E. Cone	Mineral Interest	2.500000%	Unleased
Billy Glen Spradlin	Mineral Interest	0.103125%	Unleased
		Total:	37.290625%
		Grand Total:	100.000000%

Tract D

(SW/4SW/4 of Section 27, T13S-R38E, being 40.00 Acres)

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Steward Energy II, LLC	WI	65.000000%	Committed JOA executed
G.O. Basic Energy I, LLC	WI	35.000000%	Committed JOA JOA executed
		Total:	100.000000%
		Grand Total:	100.000000%

Tract E

(SE/4SW/4 of Section 27, T13S-R38E, being 40.00 Acres)

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Steward Energy II, LLC	WI	65.000000%	Committed JOA executed
G.O. Basic Energy I, LLC	WI	35.000000%	Committed JOA JOA executed
		Total:	62.709375%
		Grand Total:	100.000000%

Recapitulation

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>
Steward Energy II, LLC	WI	58.161781%
G.O. Basic Energy I, LLC	WI	31.317882%
Total:		89.479663%

Uncommitted

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>
McBride Oil and Gas Corporation	Mineral Interest	0.781250%
Harle, Inc.	Mineral Interest	0.351563%
Jan C. Dotson-Ice	Mineral Interest	0.039551%
Alma L. Tisher and husband, Kelly B. Tisher	Mineral Interest	0.025317%
James Raymond Cone, Jr., a/k/a Jim Cone	Mineral Interest	5.078125%
Estate of Dora Vandagriff, a/k/a Rebecca Dora Vandagriff	Mineral Interest	2.343750%
Howard H. Cone Trust "A", u/w/o Hubert E. Cone	Mineral Interest	0.625000%
Jesse A. Cone Trust "A", u/w/o Hubert E. Cone	Mineral Interest	0.625000%
Mary Cone Lewis Trust "A", u/w/o Hubert E. Cone	Mineral Interest	0.625000%
Billy Glen Spradlin	Mineral Interest	0.025781%
Total:		10.520337%
Grand Total:		100.000000% WI



STEWARD ENERGY

*****VIA CERTIFIED U.S.P.S. MAIL #7017 2620 0000 3197 4227*****

November 4, 2021

**Re: Steward Energy II, LLC
Well Proposal – Vamonos Fee #5H
W/2 of Section 27
Township 13 South, Range 38 East, N.M.P.M.
Lea County, New Mexico**

Alma L. Tisher and husband, Kelly B. Tisher
1225 S. Downing St.
Denver, CO 80210

Dear Mineral Owner,

This letter will serve as notice regarding the plans of Steward Energy II, LLC ("Steward") to drill the Vamonos Fee #5H ("Well") as a horizontal well, targeting the San Andres Formation with an approximate total depth drilled of 10,880 feet. The Well's surface hole will be located approximately 670 feet from the south boundary line and 1210' feet from the west boundary line of Section 22, Township 13 South, Range 38 East, N.M.P.M. and is subject to change based on final determination. The producing intervals of the Well will be located within a standard horizontal spacing unit described as being the West Half (W/2) of Section 27, Township 13 South, Range 38 East, N.M.P.M. ("Spacing Unit"). The Well's first take point will be located approximately 100 feet from the north boundary line and 1210 feet from the west boundary line of the Spacing Unit. The Well's last take point will be located approximately 100 feet from the south boundary line and 1210 feet from the west boundary line of the Spacing Unit.

Steward's ownership records indicate that you own an unleased mineral interest located within the Spacing Unit, and as an unleased mineral owner you are offered participation in the Well based upon your proportionate mineral interest in the Spacing Unit. Your proportionate interest and share of cost in the Well are noted at the bottom of the attached Authorization for Expenditure ("AFE"). The itemized cost of the Well is listed on the AFE, and the total cost for drilling is \$1,467,530, with an additional \$2,020,500 to complete the well (Total \$3,488.030). *This AFE is an estimate only and an unleased mineral owner, by execution of same, commits to pay its proportionate share of actual cost incurred.*

Please indicate your election as to your participation in the Well by checking the appropriate box in the space provided below and returning the second page of this letter to Steward using the enclosed envelope. In the event you elect to participate in the well, please also sign the bottom of the attached AFE, and include it within the envelope as well.

STEWARD ENERGY II, LLC
Case No. 22405
Exhibit A-4

Well Proposal
Vamonos Fee #5H
November 4, 2021

Please be advised that Steward has requested a risk penalty in accordance with New Mexico law. In the event you elect NOT to participate, but do desire to lease your mineral interest, please contact Steward's Land Department and request to speak with a Landman regarding your unleased interest.

Your election must be received by Steward within 30 days of the date this proposal was received by you. Failure to respond within 30 days shall be deemed an election NOT to participate. Please send your election to:

Steward Energy II, LLC
Land Department
2600 N. Dallas Parkway, Suite 400
Frisco, Texas 75094

For questions regarding this well proposal please contact the Land Department via email land@stewardenergy.net or call (214) 297-0500.

Respectfully,

Cooper Newlan
Landman

Attachment

Proportionate Interest: 0.025317%

The undersigned elects to not to participate in the Vamonos Fee #5H well with their proportionate interest.

Alma L. Tisher and husband, Kelly B. Tisher

By: _____ Date: _____

By: _____ Date: _____



STEWARD
ENERGY II

AUTHORIZATION FOR EXPENDITURE

Well Name: Vamonos Fee #5H
 Operator: Steward Energy II, LLC
 Well Type: Horizontal Oil
 Legal (S/T/R): W/2 of Section 27
 Township 13 South, Range 38 East, N.M.P.M.

AFE Number: 2204008DR
 AFE Date: 11/4/2021
 County, State: Lea, NM
 Prep. By: Tim Hilton

AFE Type: New Drill
 Prop. Depth: Approx 10,880' MD, 5,369' TVD
 Field: Bronco, San Andres, South

Surface Location: 670' FSL & 1210' FWL of Section 22, T13S, R38E, N.M.P.M.
 Bottom Hole Location: 100' FSL & 1210' FWL of Section 27, T13S, R38E, N.M.P.M.

Project Description: **The drilling and completion of an approximate one mile horizontal well with the San Andres as the target formation; including pilot hole.**

Account #	Cost Breakdown	Drilling	Completion Cost	Total
8200.100	Land, Surveying & Legal	\$22,000		\$22,000
8200.101	Abstract, Title & Permit	\$70,000		\$70,000
8200.102	ROW & Surface Damages	\$25,000		\$25,000
8200.103	Road, Pad Location & Pit Building	\$58,500		\$58,500
8200.104	Environ, Reg & Safety	\$4,950		\$4,950
8200.105	Well Insurance	\$2,200		\$2,200
8200.113	Contract Labor	\$5,850		\$5,850
8200.114	Consulting Services & Contract Supervision	\$50,500		\$50,500
8200.120	Vacuum & Pump Truck	\$4,500		\$4,500
8200.122	Material Transportation	\$10,400		\$10,400
8200.126	Fuel	\$38,600		\$38,600
8200.131	Chemical-Downhole Treating	\$12,160		\$12,160
8200.132	Mud & Additives	\$40,000		\$40,000
8200.140	Mob/Demob	\$90,000		\$90,000
8200.141	Mud Disposal/Pit Closure	\$180,000		\$180,000
8200.142	Trailer Rental, Camp & Catering	\$22,700		\$22,700
8200.144	Drilling Rig - Daywork or Footage	\$142,800		\$142,800
8200.149	Bits, Mills & Reamers	\$34,500		\$34,500
8200.151	Directional Services	\$102,000		\$102,000
8200.154	Open Hole Logs	\$40,000		\$40,000
8200.160	Casing Crews & Services	\$18,700		\$18,700
8200.161	Cementing Services	\$84,000		\$84,000
8200.170	Water Purchase & Transfer	\$29,000		\$29,000
8200.175	Surface Equipment Rental & Services	\$49,800		\$49,800
8200.176	Downhole Equipment Rental & Services	\$36,400		\$36,400
8200.193	Downhole Inspection/Testing - Casing, Tubing & Rods	\$32,650		\$32,650
8200.301	Overhead	\$10,000		\$10,000
IDC Total:		\$1,217,210		\$1,217,210
8250.200	Conductor/Drive Pipe	\$13,600		\$13,600
8250.201	Surface Casing	\$47,400		\$47,400
8250.203	Production Casing	\$143,640		\$143,640
8250.205	Wellhead Equipment, Flow Tee & Meter Run	\$12,880		\$12,880
8250.214	Other Downhole Equipment	\$32,800		\$32,800
TDC Total:		\$250,320		\$250,320
Drilling Total:		\$1,467,530		\$1,467,530

Account #	Cost Breakdown	Drilling	Completion Cost	Total
8300.114	Consulting Services & Contract Supervision		\$52,000	\$52,000
8300.120	Vacuum & Pump Truck		\$6,000	\$6,000
8300.122	Material Transportation		\$13,000	\$13,000
8300.126	Fuel		\$42,000	\$42,000
8300.131	Chemicals - Downhole Treating		\$3,500	\$3,500
8300.142	Trailer Rental, Camp & Catering		\$3,000	\$3,000
8300.143	Well Control - BOP, Isolation Assy		\$45,000	\$45,000
8300.146	Completion/Workover Rig		\$31,450	\$31,450
8300.148	Reverse Unit		\$16,000	\$16,000
8300.149	Bits, Mills & Reamers		\$3,500	\$3,500
8300.164	Wireline & Perforating		\$58,000	\$58,000
8300.170	Water Purchase & Transfer		\$145,250	\$145,250
8300.171	Stimulation - Frac, Acid, Gravel Pack		\$500,000	\$500,000
8300.175	Surface Equipment Rental & Services		\$36,000	\$36,000
8300.176	Downhole Equipment Rental & Services		\$21,000	\$21,000
8300.179	Elect & Generator R&M		\$21,000	\$21,000
ICC Total:			\$996,700	\$996,700
8350.205	Wellhead Equipment, Flow Tee & Meter Run		\$12,000	\$12,000
8350.206	Tubing		\$25,000	\$25,000
8350.211	Electric Submersible Pumps		\$262,500	\$225,500
8350.213	Frac Plugs, Bridge Plus, Packers, Tubing Anchors		\$19,000	\$19,000
8350.221	Surface VSD, Transformer, POC & Associated Equipment		\$21,000	\$20,000
8350.234	Surface Pump & LACT's		\$2,500	\$2,500
TCC Total:			\$342,000	\$342,000
8600.100	Land, Surveying, & Legal		\$10,000	\$10,000
8600.103	Road, Pad Location & Pit Building		\$13,000	\$13,000
8600.111	Company Supervision		\$12,500	\$12,500
8600.120	Vacuum & Pump Truck		\$2,500	\$2,500
8600.122	Material Transportation		\$4,800	\$4,800
8600.175	Surface Equipment Rental & Services		\$4,500	\$4,500
IFC Total:			\$47,300	\$47,300
8650.222	Instrumentation & Meters		\$23,000	\$23,000
8650.223	SCADA & Communications		\$32,000	\$32,000
8650.224	Electrical Installation & Power Generation		\$90,000	\$90,000
8650.229	Prod & SWD Facility Inst.		\$66,000	\$66,000
8650.230	Compressor, Dehy, Line Heater		\$27,000	\$27,000
8650.231	Separator, Heater Treater, FWKO		\$79,000	\$79,000
8650.232	Tanks, Walkways & Stairs		\$150,000	\$150,000
8650.233	Flowline & Gathering Lines		\$5,000	\$5,000
8650.234	Surface Pump & LACTs		\$12,500	\$12,500
8650.235	Miscellaneous Non-Controllable - Pipe, Valves & Fittings		\$150,000	\$150,000
TFC Total:			\$634,500	\$634,500
Completion Total:			\$2,020,500	\$2,020,500
			Drilling & Completion Total:	\$3,488,030
Net %: 0.025317%			Net Total:	\$883

Approved by: _____ Signature _____

Alma L. Tisher: _____ Date: _____

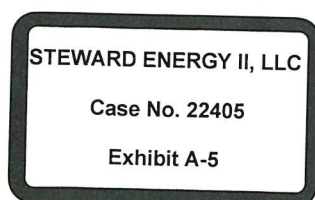
Kelly B. Tisher: _____ Date: _____

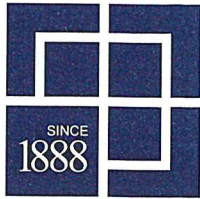
This AFE is an estimate only and non-operator, by execution of same, commits to pay its proportionate share of actual cost incurred.

EXHIBIT A-5

Chronology of contact with locatable uncommitted interest

- January 2019 – Steward Energy II, LLC begins acquiring oil and gas leases from the original 74 mineral owners located in Tracts A, B, C, D and E. To date Steward Energy II, LLC has acquired 64 oil and gas leases within Tracts A, B, C, D and E.
- November 4, 2021 – Steward Energy II, LLC sends the Vamonos Fee #5H well proposals to the uncommitted unleased mineral owners via certified U.S. Mail.
- December 16, 2021 – Steward Energy II, LLC has received 2 executed election letters from uncommitted unleased mineral owners who chose to participate in the drilling and completion of the Vamonos Fee #5H.





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 9, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL INTERESTED PARTIES SUBJECT TO NOTICE

Re: Case No. 22405 - Application of Steward Energy II, LLC for Compulsory Pooling, 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.

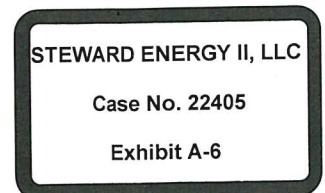
Please do not hesitate to contact me if you have any questions about this matter.

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 1720
ARTESIA, NEW MEXICO 88211
575-622-6510
(FAX) 575-746-6316

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

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7021 0350 0001 3336 1522

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$ 873071-9998

Sent To
 Howard H. Cone Trust "A" u/w/o
 Hubert E. Cone, Trustee
 6 Evergreen Drive
 Round Rock, TX 78664

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

SENDER: COMPLETE THIS SECTION

- Article Addressed to:
 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:
 Howard H. Cone Trust "A" u/w/o
 Hubert E. Cone, Trustee
 6 Evergreen Drive
 Round Rock, TX 78664

COMPLETE THIS SECTION ON DELIVERY

- Signature: *[Signature]* Agent Addressage
- Received by (Printed Name): *H Cone* C. Date of Delivery: *12/19/21*
- Service Type:
 - Adult Signature
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Collect on Delivery Restricted Delivery
 - Insured Mail (over \$500)
 - Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery
- Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

Domestic Return Receipt

7019 2970 0000 7643 3680

CERTIFIED MAIL® RECEIPT
Domestic Mail Only

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OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To _____

Street and _____ James Raymond Cone, Jr. aka Jim Cone

City, State, _____ P.O. Box 10217

_____ Lubbock, TX 79406

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>A. Signature</p> <p><input checked="" type="checkbox"/> <i>Jim Cone</i> <input type="checkbox"/> Agent</p> <p><input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____</p> <p>C. Date of Delivery _____</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes</p> <p>If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>James Raymond Cone, Jr. aka Jim Cone P.O. Box 10217 Lubbock, TX 79406</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 checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input 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 <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 2429 02</p> <p>7019 2970 0000 7643 3680</p>	

7019 2970 0000 7643 3697

U.S. Postal Service
CERTIFIED MAIL® RECEIPT
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OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____


Postage \$ _____

Total Postage and Fees \$ _____

Sent To Jesse A. Cone Trust "A" u/w/o Hubert E. Cone,
 Street and c/o Jesse A. Cone, Trustee
 113 Eagle Drive
 City, State Alamogordo, NM 88310

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>A. Signature <i>Jesse A. Cone</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Jesse A. Cone</i> C. Date of Delivery <i>12/13/21</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>
<p>1. Article Addressed to:</p> <p>Jesse A. Cone Trust "A" u/w/o Hubert E. Cone, c/o Jesse A. Cone, Trustee 113 Eagle Drive Alamogordo, NM 88310</p> <p> 9590 9402 6746 1074 2429 19</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 checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input 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 <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>7019 2970 0000 7643 3697</p>	

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

Domestic Return Receipt

7019 2970 0000 7643 3703

CERTIFIED MAIL® RECEIPT
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For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To
 Street and A1 Mary Cone Lewis Trust "A" u/w/o Hubert E. Cone, c/o Mary Cone Lewis, Trustee
 4501 Upland Avenue
 City, State, Z Lubbock, TX 79407-5107

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

SANTA FE MAIN POST OFFICE
DEC 09 2021
87501-9998

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 <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) GA RIG CIG</p> <p>C. Date of Delivery 12/09/2021</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>Mary Cone Lewis Trust "A" u/w/o Hubert E. Cone, c/o Mary Cone Lewis, Trustee 4501 Upland Avenue Lubbock, TX 79407-5107</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 checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input 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 envelope)</p> <p>9590 9402 6746 1074 2429 26</p> <p>7019 2970 0000 7643 3703</p>	

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

Domestic Return Receipt

7021 0350 0001 3336 1539

U.S. Postal Service
CERTIFIED MAIL® RECEIPT
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OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To Billy Glen Spradlin
 Street and 29 Rim Road
 City, State Kilgore, TX 75662

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

SANTA FE MAIN POST OFFICE
 DEC 09 2021
 87501-9998

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 <input checked="" type="checkbox"/> COVID19/01 <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery 12/13/21</p> <p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Billy Glen Spradlin 29 Rim Road Kilgore, TX 75662</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 checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input 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>7021 0350 0001 3336 1539</p>	
<p>9590 9402 6746 1074 2428 89</p>	
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p>	<p>Domestic Return Receipt</p>

7021 0350 0001 3336 1508

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OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To Alma L. Tisher and Kelly B. Tisher

Street a P.O. Box 533

City, Sta Littleton, CO 80160

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>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>Alma L. Tisher</u> C. Date of Delivery <u>12/23/21</u></p> <p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>
<p>1. Article Addressed to:</p> <p>Alma L. Tisher and Kelly B. Tisher P.O. Box 533 Littleton, CO 80160</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Priority-Mail Express®</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation 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>9590 9402 6746 1074 2428 58</p> <p>Article Number (Transfer from service label) 7021 0350 0001 3336 1508</p>	

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

Domestic Return Receipt

7021 0350 0001 3336 1515

U.S. Postal Service™
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OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

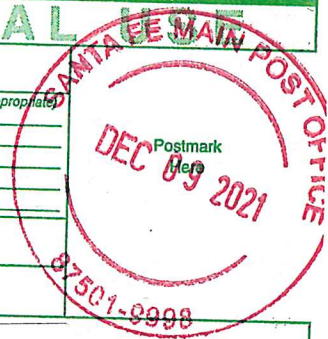
Total Postage and Fees \$ _____

Sent To Alma L. Tisher and Kelly B. Tisher

Street a 1225 S. Downing Street

City, Sta Denver, CO 80210

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



7021 0350 0001 3336 1492

CERTIFIED MAIL® RECEIPT
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OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To Alma L. Tisher and Kelly B. Tisher
8025 S. Santa Fe Drive
Littleton, CO 80120

Street and City, State, ZIP+4®

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:

Alma L. Tisher and Kelly B. Tisher
8025 S. Santa Fe Drive
Littleton, CO 80120



9590 9402 6746 1074 2434 35

2. Article Number (Transfer from service label)
7021 0350 0001 3336 1492

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

X _____

B. Received by (Printed Name) _____ C. Date of Delivery _____

019 _____

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

3. Service Type
- Adult Signature
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Collect on Delivery Restricted Delivery
 - Insured Mail
 - Insured Mail Restricted Delivery (over \$500)
 - Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery

Domestic Return Receipt

7020 0640 0000 0304 1838

U.S. Postal Service
CERTIFIED MAIL® RECEIPT
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For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To Estate of Dora Vandagriff a/k/a Rebecca Dora Vandagriff, c/o James Raymond Cone, Jr. aka Jim Cone
 Street and P.O. Box 10217
 City, State Lubbock, TX 79406

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:

Estate of Dora Vandagriff a/k/a Rebecca Dora Vandagriff, c/o James Raymond Cone, Jr. aka Jim Cone
 P.O. Box 10217
 Lubbock, TX 79406



9590 9402 6746 1074 2429 40

2. Article Number (Transfer from service label)
 7020 0640 0000 0304 1838

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

X *Jim Cone*

B. Received by (Printed Name) C. Date of Delivery

JIM CONE

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

3. Service Type
- Adult Signature Priority Mail Express®
- Adult Signature Restricted Delivery Registered Mail™
- Certified Mail® Certified Mail Restricted Delivery Registered Mail Restricted Delivery
- Collect on Delivery Signature Confirmation™
- Collect on Delivery Restricted Delivery Signature Confirmation Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

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

Domestic Return Receipt

7021 0350 0001 3336 1546

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT <i>Domestic Mail Only</i>	
For delivery information, visit our website at www.usps.com ®	
OFFICIAL RECEIPT	
Certified Mail Fee \$ _____	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$ _____	
<input type="checkbox"/> Return Receipt (electronic) \$ _____	
<input type="checkbox"/> Certified Mail Restricted Delivery \$ _____	
<input type="checkbox"/> Adult Signature Required \$ _____	
<input type="checkbox"/> Adult Signature Restricted Delivery \$ _____	
Postage \$ _____	
Total Postage and Fees \$ _____	
Sent To Jan C. Dotson-Ice P.O. Box 7366 Covington, WA	
Street and Ap. _____	
City, State, Zi _____	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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).

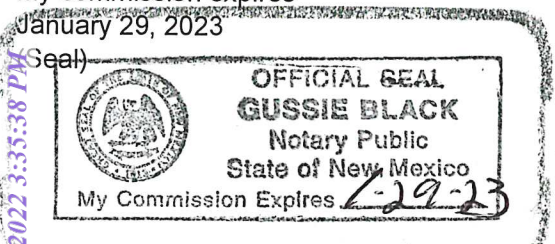
Beginning with the issue dated
December 14, 2021
and ending with the issue dated
December 14, 2021.


Publisher

Sworn and subscribed to before me this
14th day of December 2021.


Business Manager

My commission expires
January 29, 2023



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

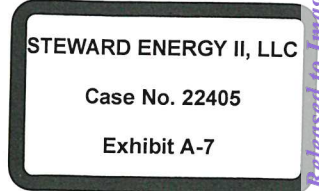
LEGAL NOTICE December 14, 2021

This is to notify all interested parties, including Alma L. Tisher, Kelly B. Tisher; Howard H. Cone Trust "A"; Billy Glen Spradlin; Jan C. Dotson-Ice; James Raymond Cone, Jr. a/k/a Jim Cone; Jesse A. Cone Trust "A"; Mary Cone Lewis Trust "A"; Estate of Dora Vandagriff a/k/a Rebecca Dora Vandagriff; Harle, Inc.; McBride Oil and Gas Corporation and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Steward Energy II, LLC (Case No. 22405). 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>. Applicant applies for an order pooling all uncommitted interests within the San Andres formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Section 27, Township 13 South, Range 38 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following proposed initial well: Vamonos Fee #5H to be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 22 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 27 ("Well"). The completed interval of the Well will be within 330' of the line separating the W/2W/2 and E/2W/2 of Section 27 to allow for the formation of a 320-acre standard horizontal spacing unit. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 14.6 miles Southeast of Tatum, New Mexico.
#37124

02107475

00261626

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



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

APPLICATION OF STEWARD ENERGY II,
LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 22405

SELF-AFFIRMED STATEMENT
OF SHANE SEALS

1. I am a geologist at Steward Energy II, LLC (“Steward”) and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced case.

3. **Exhibit B-1** is a location map for the proposed horizontal spacing unit (“Unit”) within the San Andres formation. The approximate wellbore path for the proposed **Vamonos Fee #5** well (“Well”) is represented by a green dashed line. Existing producing wells in the targeted interval are represented by solid lines.

4. **Exhibit B-1** also contains a subsea structure map for the top of the Pi Marker of the San Andres formation that is representative of the targeted interval within the formation. The data points are indicated by red circles. The approximate wellbore path for the Well is depicted by green dashed line. The map demonstrates the formation is gently dipping to the south. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

STEWARD ENERGY II, LLC

Case No. 22405

Exhibit B

5. **Exhibit B-1** identifies three wells penetrating the targeted interval I used to construct a stratigraphic cross-section from A to A'. I used these well logs because they penetrate the targeted interval, are of good quality, and are representative of the geology in the area.

6. **Exhibit B-2** is a stratigraphic cross-section using the representative wells identified on **Exhibit B-1**. It contains gamma ray, resistivity and porosity logs. The proposed interval of interest for the Well is labeled on the exhibit. This cross-section demonstrates the target interval is continuous across the Unit.

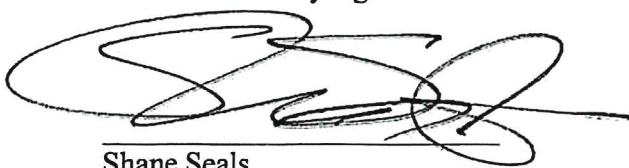
7. In my opinion, a standup orientation for the Well is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and a slightly dominant stress regime that yields a preferred fracture orientation in this portion of the trend.

8. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Well.

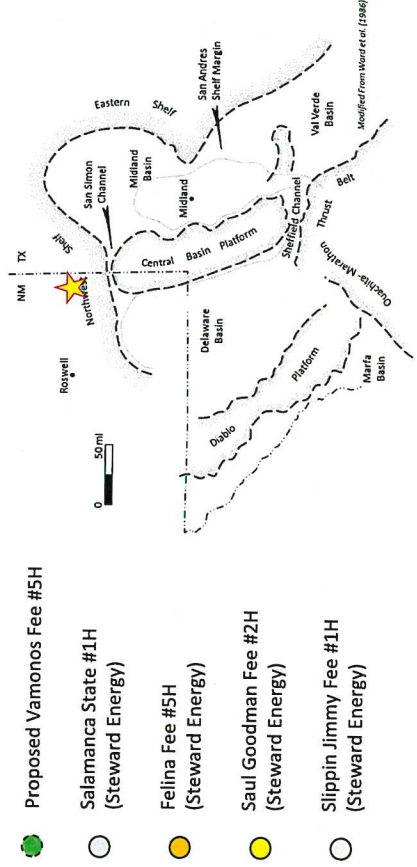
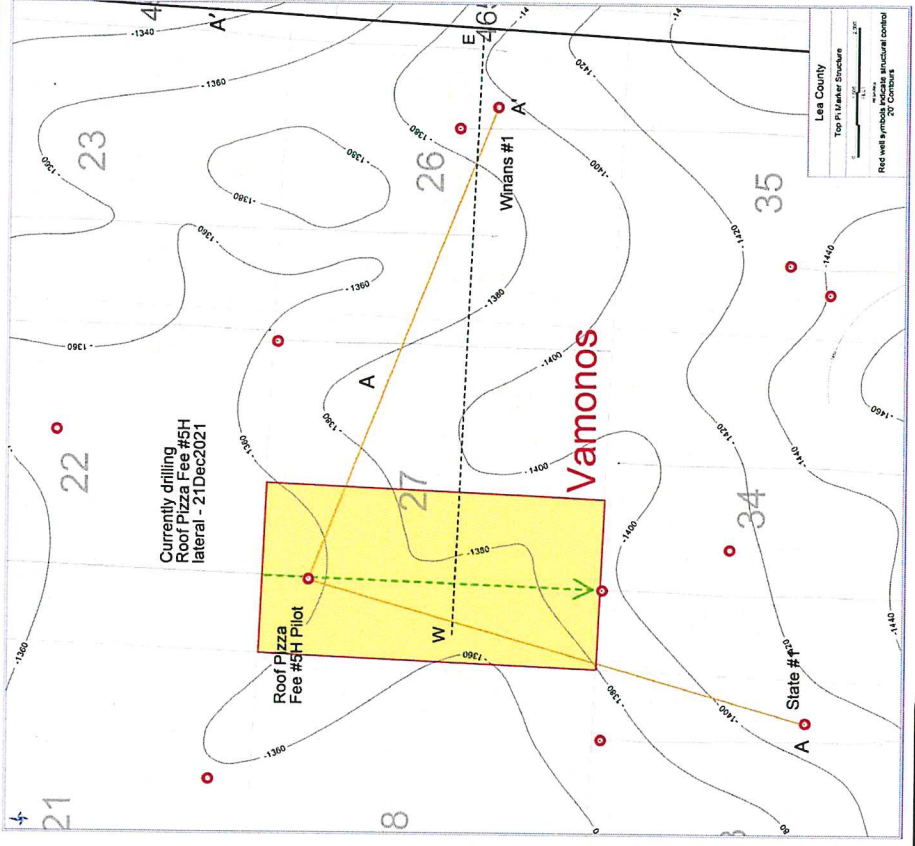
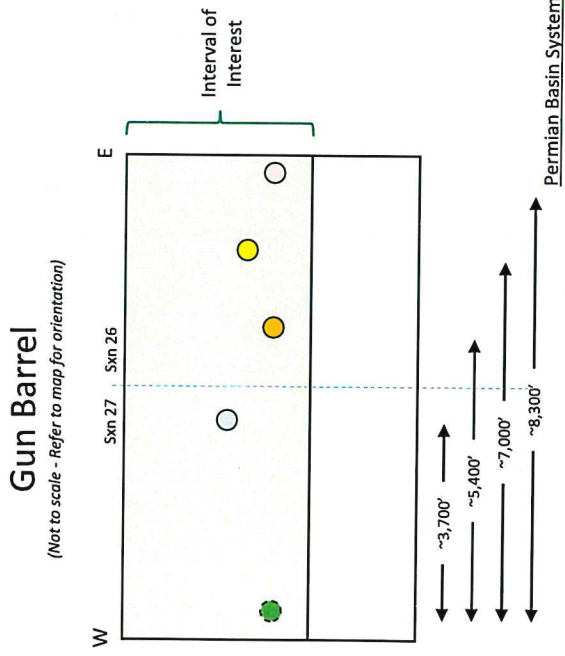
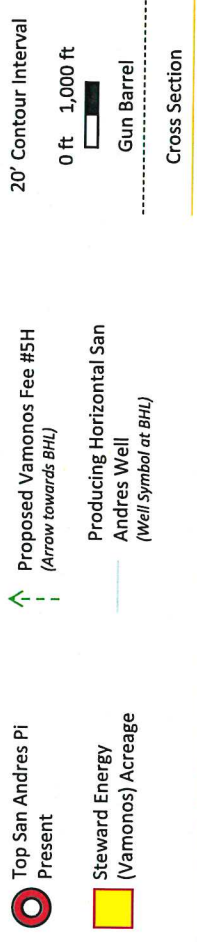
9. In my opinion, the granting of Steward's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

10. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony in paragraphs 1 through 10 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.

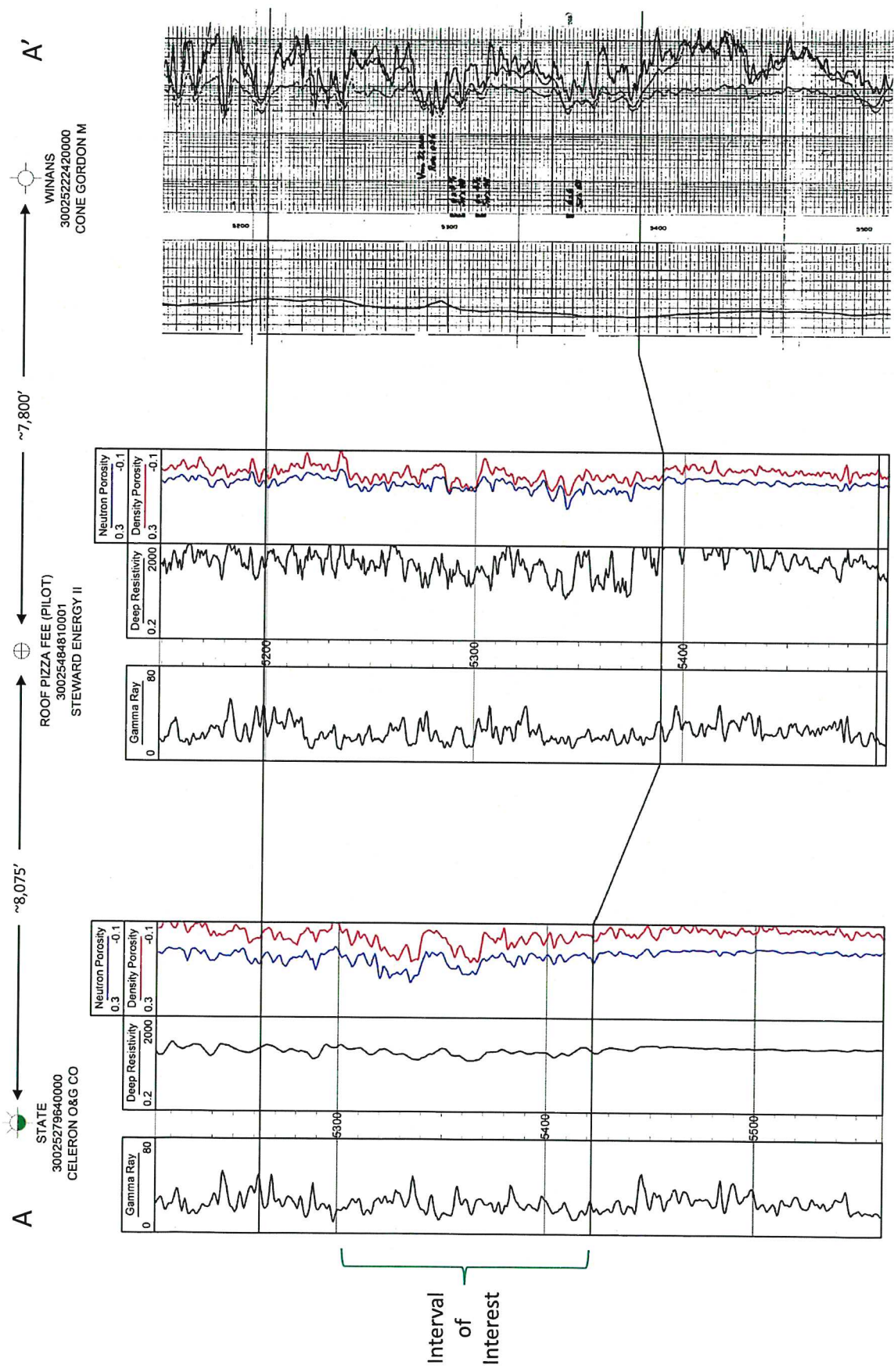

Shane Seals

12/21/2021
Date



- Proposed Vamonos Fee #5H
- Salamanca State #1H (Steward Energy)
- Felina Fee #5H (Steward Energy)
- Saul Goodman Fee #2H (Steward Energy)
- Slippin Jimmy Fee #1H (Steward Energy)

STEWARD ENERGY II, LLC
 Case No. 22405
 Exhibit B-1



STEWARD ENERGY II, LLC
 Case No. 22405
 Exhibit B-2