

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING APRIL 07, 2022**

CASE NOS. 22611-22614

PERLA VERDE 31 STATE 1H, 2H, 3H AND 4H WELLS

LEA COUNTY, NEW MEXICO



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

**APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13903 TO ADD AN
ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22611
(formerly Case 15206)**

**APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13904 TO ADD AN
ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22612
(formerly Case 15207)**

**APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13905 TO ADD AN
ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22613
(formerly Case 15208)**

**APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13906 TO ADD AN
ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22614
(formerly Case 15209)**

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

**APPLICATION OF XTO ENERGY INC.
TO AMEND ORDER R-13903 TO ADD
AN ADDITIONAL POOLED PARTY,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22611
(formerly Case 15206)**

APPLICATION

XTO Energy Inc. (“XTO”), through its undersigned attorneys, files this application with the Oil Conservation Division to amend pooling Order R-13903 to add an additional mineral owner to the terms of the pooling order. In support of its application XTO states:

1. XTO Energy Inc. (OGRID No. 5380) is the designated operator under Order R-13903 entered in Case No. 15206 on October 10, 2014.
2. Order R-13903 pooled uncommitted mineral interests in the Bone Spring formation [WC-025 G-08 S203506D; Bone Spring Pool (97983)] underlying a standard 156.8-acre horizontal spacing unit comprised of the W/2 W/2 of Section 31, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.
3. This standard horizontal well spacing unit is currently dedicated to the **Perla Verde 31 State 1H** (API No. 30-025-42063), a horizontal well drilled from a surface location in Lot 4 to a bottomhole location in Lot 1 of Section 31.
4. Applicant has discovered an unleased mineral owner in the pooled acreage that was not subject to the pooling proceedings giving rise to Order R-13903.
5. Application has sought and been unable to obtain voluntary agreement for the development of these lands from this additional mineral owner.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and, after notice and hearing as required by law, the Division enter an order placing this additional mineral owner under the terms of Order R-13903.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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Adam G. Rankin
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ATTORNEYS FOR XTO ENERGY INC.

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

**APPLICATION OF XTO ENERGY INC.
TO AMEND ORDER R-13904 TO ADD
AN ADDITIONAL POOLED PARTY,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22612
(formerly Case 15207)**

APPLICATION

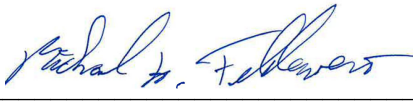
XTO Energy Inc. ("XTO"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend pooling Order R-13904 to add an additional mineral owner to the pooling order. In support of its application XTO states:

1. XTO Energy Inc. (OGRID No. 5380) is the designated operator under Order R-13904 entered in Case No. 15207 on October 10, 2014.
2. Order R-13904 pooled uncommitted mineral interests in the Bone Spring formation [WC-025 G-08 S203506D; Bone Spring Pool (97983)] underlying a standard 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 31, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.
3. This standard horizontal well spacing unit is currently dedicated to the **Perla Verde 31 State 2H** (API No. 30-025-41861), a horizontal well drilled from a surface location in Unit O to a bottomhole location in Unit B of Section 31.
4. Applicant has discovered an unleased mineral owner in the pooled acreage that was not subject to the pooling proceedings giving rise to Order R-13904.
5. Application has sought and been unable to obtain voluntary agreement for the development of these lands from this additional mineral owner.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and, after notice and hearing as required by law, the Division enter an order placing this additional mineral owner under the terms of Order R-13904.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR XTO ENERGY INC.

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

**APPLICATION OF XTO ENERGY INC.
TO AMEND ORDER R-13905 TO ADD
AN ADDITIONAL POOLED PARTY,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22613
(formerly Case 15208)**

APPLICATION

XTO Energy Inc. (“XTO”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend pooling Order R-13905 to add an additional mineral owner to the pooling order. In support of its application XTO states:

1. XTO Energy Inc. (OGRID No. 5380) is the designated operator under Order R-13905 entered in Case No. 15208 on October 10, 2014.
2. Order R-13905 pooled uncommitted mineral interests in the Bone Spring formation [WC-025 G-08 S203506D; Bone Spring Pool (97983)] underlying a standard 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 31, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.
3. This standard horizontal well spacing unit is currently dedicated to the **Perla Verde 31 State 3H** (API No. 30-025-41862), a horizontal well drilled from a surface location in Unit N to a bottomhole location in Unit C of Section 31.
4. Applicant has discovered an unleased mineral owner in the pooled acreage that was not subject to the pooling proceedings giving rise to Order R-13905.
5. Application has sought and been unable to obtain voluntary agreement for the development of these lands from this additional mineral owner.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and, after notice and hearing as required by law, the Division enter an order placing this additional mineral owner under the terms of Order R-13905.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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ATTORNEYS FOR XTO ENERGY INC.

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

**APPLICATION OF XTO ENERGY INC.
TO AMEND ORDER R-13906 TO ADD
AN ADDITIONAL POOLED PARTY,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22614
(formerly Case 15209)**

APPLICATION

XTO Energy Inc. (“XTO”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend pooling Order R-13906 to add an additional mineral owner to the pooling order. In support of its application XTO states:

1. XTO Energy Inc. (OGRID No. 5380) is the designated operator under Order R-13906 entered in Case No. 15209 on October 10, 2014.
2. Order R-13906 pooled uncommitted mineral interests in the Bone Spring formation [WC-025 G-08 S203506D; Bone Spring Pool (97983)] underlying a standard 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 31, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.
3. This standard horizontal well spacing unit is currently dedicated to the **Perla Verde 31 State 4H** (API No. 30-025-41863), a horizontal well drilled from a surface location in Unit P to a bottomhole location in Unit A of Section 31.
4. Applicant has discovered an unleased mineral owner in the pooled acreage that was not subject to the pooling proceedings giving rise to Order R-13906.
5. Application has sought and been unable to obtain voluntary agreement for the development of these lands from this additional mineral owner.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and, after notice and hearing as required by law, the Division enter an order placing this additional mineral owner under the terms of Order R-13906.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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ATTORNEYS FOR XTO ENERGY INC.

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

APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13903 TO ADD AN ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.

**CASE NO. 22611
(formerly Case 15206)**

APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13904 TO ADD AN ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.

**CASE NO. 22612
(formerly Case 15207)**

APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13905 TO ADD AN ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.

**CASE NO. 22613
(formerly Case 15208)**

APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13906 TO ADD AN ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.

**CASE NO. 22614
(formerly Case 15209)**

AFFIDAVIT OF BRYAN J. CIFUENTES (Landman)

Bryan J. Cifuentes, of lawful age and being first duly sworn, declares as follows:

1. My name is Bryan J. Cifuentes and I am employed by XTO Energy Inc. ("XTO") as a landman. I am familiar with the applications filed by XTO in these consolidated cases and the status of the lands in the subject area.

2. This is my first time testifying before the New Mexico Oil Conservation Division. My educational background and relevant work history are outlined on XTO Exhibit A-1. I believe that these credentials qualify me to testimony as an expert in petroleum land matters.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Case Nos. 22611-22614
Submitted by: XTO ENERGY INC.
Hearing Date: April 07, 2022**

3. XTO seeks to add an additional working interest owner to the terms of pooling orders R-13903, R-13904, R-13905 and R-13906 issued by the Division following the consolidation and hearing of Case Nos. 15206, 15207, 15208 and 15209 in October of 2014. This series of orders pooled uncommitted minerals owns in four standup spacing units in the Bone Spring formation [WC-025 G-08 S203506D; Bone Spring Pool (97983)] underlying Section 31, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico, as follows:

- Order R-13903 pooled the W/2 W/2 of Section 31 currently dedicated to the **Perla Verde 31 State 1H** (API No. 30-025-42063), a horizontal well drilled from a surface location in Lot 4 to a bottomhole location in Lot 1.
- Order R-13904 pooled the W/2 E/2 of Section 31 which is currently dedicated to the **Perla Verde 31 State 2H** (API No. 30-025-41861), a horizontal well drilled from a surface location in Unit O to a bottomhole location in Unit B.
- Order R-13905 pooled the E/2 W/2 of Section 31 and is currently dedicated to the **Perla Verde 31 State 3H** (API No. 30-025-41862), a horizontal well drilled from a surface location in Unit N to a bottomhole location in Unit C.
- Order R-13906 pooled the E/2 E/2 of Section 31 and is currently dedicated to the **Perla Verde 31 State 4H** (API No. 30-025-41863), a horizontal well drilled from a surface location in Unit P to a bottomhole location in Unit A.

4. In 2014, XTO provided notice of the pooling proceedings giving rise to these orders by publication to J.M. Zachary, Lola Zachary and their heirs or devisees. XTO has recently discovered that in 2009, D.M. Royalties, Ltd was assigned a

portion of the mineral interests originally owned by J.M. Zachary and his wife, Lola Zachary, through a series of conveyances.

5. Since XTO did not discover these conveyances in 2014, notice of the hearing was not provided directly to D.M. Royalties, Ltd. XTO is now curing any notice issues that may exist for D.M. Royalties, Ltd, by filing these applications to add this entity as a pooled party.

6. XTO Exhibit A-2 contains the well proposal letter and AFEs sent to D.M. Royalties, Ltd. identifying each spacing unit and the dedicated wells. This letter also identifies the working interest that XTO understands D.M. Royalties, Ltd. holds in each spacing unit. The costs reflected in these AFEs are the actual costs incurred by XTO to drill the wells dedicated to the pooled spacing units.

7. XTO Exhibit A-3 contains a chronology of the contacts with D.M. Royalties Ltd. I believe that XTO has undertaken good faith efforts to reach an agreement with this uncommitted working interest owner.

8. I have provided the law firm of Holland & Hart LLP with the addresses for D.M. Royalties, Ltd. and instructed that it be notified of this hearing.

9. XTO Exhibits A-1 through A-3 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

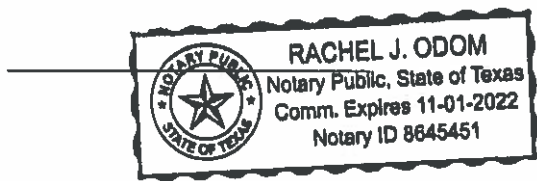

Bryan J. Cifuentes

STATE OF TEXAS)
)
COUNTY OF Harris)

SUBSCRIBED and SWORN to before me this 4 day of April 2022 by
Bryan J. Cifuentes.

Rachel J. Odom
NOTARY PUBLIC

My Commission Expires:



EDUCATION

2007 - Bachelor's Degree in Economics – The University of Texas at Austin
2011 - Petroleum Land Management Certification – The University of Houston – Downtown
2017 - Texas Real Estate License

RELEVANT WORK EXPERIENCE:

ExxonMobil Corporation – Spring, TX **Land Representative – 07/2018 to Present**

- Lead and negotiate acreage acquisitions, leases, and trades/swaps with major energy companies to strategically add company value to the existing lease portfolio
- Negotiate a variety of complex agreements with competitors that enable the company to quickly acquire permits to drill wells in our top tier acreage properties
- Lead and increase our competitive advantage by leading weekly scouting reports to build and share business/market outlook, identify new opportunities which could expand our company portfolio, and protect our corporate value.
- Coordinate all the land and regulatory responsibilities in our rigorous 2020-2021 development plan in our core acreage position within our southern Oklahoma territory
- Strong networking skills within and outside the organization – Collaborate with various individuals at different levels to exchange ideas, mentor, plan and organize, to meet personal/team goals.

Marathon Oil Corporation – Houston, TX **Staff Land Specialist – 09/2011 to 7/2018**

- Prepared and reviewed a variety of commercial contracts including oil and gas leases, acreage assignments, joint operating agreements, production sharing agreements, letter agreements, etc., and administer their compliance
- Prepared all the necessary state regulatory documents to maintain a critical drill schedule with groundbreaking deadlines
- Collaborated with Geologists and Reservoir Engineers to identify potential futures areas of development
- Performed due diligence with a team of senior professionals for major acquisitions and divesture sales.
- Reviewed title opinions and secure necessary curative documents.

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. A1
Case Nos. 22611-22614
Submitted by: XTO ENERGY INC.
Hearing Date: April 07, 2022



XTO Energy Inc.
EMHC.W4.4A.375
22777 Springwoods Village Pkwy
Spring TX 77389-1425
832-625-9417 - Direct Phone
Bryan.Cifuentes@exxonmobil.com

November 17, 2021

VIA U. S. CERTIFIED MAIL

Ms. Joni James, Land Manager
D.M. Royalties, Ltd.
4971 E I-20 Service Rd N Ste. 302
Willow Park, TX 76087

Re: Well Proposals
Perla Verde 31 State 1H, 2H, 3H & 4H Wells
Section 31, T19S, R35E
Lea County, New Mexico

Dear Ms. James:

As you are aware, XTO Energy Inc. drilled and completed the following four (4) wells in the Bone Spring Formation in Lea County, New Mexico:

- 1) **Perla Verde 31 State 1H (API 30-025-42063)**
W/2 W/2 Section 31, T19S, R35E
SHL: 170' FSL & 330' FEL
BHL: 200' FNL & 330' FEL
Spud: 11/25/2014, First Production: 02/07/2015
AFE: 1403784
Estimated D.M. Royalties, Ltd. WI: 0.1875%
- 2) **Perla Verde 31 State 2H (API 30-025-41861)**
W/2 E/2 Section 31, T19S, R35E
SHL: 230' FSL & 2060' FEL
BHL: 300' FNL & 1865' FEL
Spud: 10/11/2014, First Production: 12/21/2014
AFE: 1403785
Estimated D.M. Royalties, Ltd. WI: 0.2500%
- 3) **Perla Verde 31 State 3H (API 30-025-41862)**
E/2 W/2 Section 31, T19S, R35E
SHL: 170' FSL & 1860' FEL
BHL: 200' FNL & 1863' FWL
Spud: 06/30/2015, First Production: 08/19/2015
AFE: 1403787
Estimated D.M. Royalties, Ltd. WI: 0.1875%
- 4) **Perla Verde 31 State 4H (API 30-025-41863)**
E/2 E/2 Section 31, T19S, R35E
SHL: 170' FSL & 330' FEL
BHL: 200' FNL & 330' FEL
Spud: 01/13/2015, First Production: 03/02/2015
AFE: 1403786
Estimated D.M. Royalties, Ltd. WI: 0.2500%

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A2
Case Nos. 22611-22614
Submitted by: XTO ENERGY INC.
Hearing Date: April 07, 2022

D.M. Royalties, Ltd.
November 17, 2021
Well Proposals
Perla Verde 31 State 1H, 2H, 3H & 4H Wells
Page 2

The above wells were not previously proposed to D.M. Royalties, Ltd. (DM) due to title examination not reflecting D.M. with ownership at the time that the wells were drilled.

XTO Energy Inc. (XTO), as Operator, hereby requests DM's participation election for the drilling and completion of the above referenced wells. The enclosed Authorities for Expenditure (AFEs) reflect the estimated and actual costs for the drilling and completion of each well.

XTO is proposing the wells under the terms of the modified two separate A.A.P.L. Form 610-1989 (Horiz.) Operating Agreements, one for the E/2 of Section 31, T19S, R35E, and the other for the W/2 of the same section. The Operating Agreements are enclosed for your review and approval, both of which have the following general provisions:

- 100% / 300% Non-Consent Penalties
- \$7,500 / \$700 COPAS Adjustable Drilling and Producing Rates
- XTO Energy Inc. as the named Operator

XTO shows DM's working interest in each well to be as set-out above.

Please signify DM's participation election in the wells proposed herein by signing on behalf on DM and returning to XTO the following documents originally executed on behalf of DM to my attention to the letterhead address within thirty (30) days of receipt of this letter:

- One copy of the election ballot pages for each well
- One copy each of the enclosed AFEs
- One copy each of the enclosed Ratifications of Operating Agreement for the enclosed Operating Agreements covering the lands in which the wells are located.

If you should have any questions, please do not hesitate to contact me by phone or e-mail. Technical questions may be directed to Mr. Cole Bondo at 432-301-8550, cole.bondo@exxonmobil.com

Yours truly,



Bryan Cifuentes, RPL
Senior Land Advisor

/cks
Encl.

D.M. Royalties, Ltd.
November 17, 2021
Well Proposals
Perla Verde 31 State 1H, 2H, 3H & 4H Wells
Page 3

XTO ENERGY INC.
WELL ELECTION REQUEST
PERLA VERDE 31 STATE 1H, 2H, 3H AND 4H
November 15, 2021

PERLA VERDE 31 STATE 1H

___ ELECT TO PARTICIPATE in the drilling and completion of the Perla Verde 31 State 1H Well.

___ ELECT **NOT** TO PARTICIPATE in the drilling and completion of the Perla Verde 31 State 1H Well, **subject to the risk penalty as provided by the governing Operating Agreement or by applicable State of New Mexico Law.**

PERLA VERDE 31 STATE 2H

___ ELECT TO PARTICIPATE in the drilling and completion of the Perla Verde 31 State 2H Well.

___ ELECT **NOT** TO PARTICIPATE in the drilling and completion of the Perla Verde 31 State 2H Well, **subject to the risk penalty as provided by the governing Operating Agreement or by applicable State of New Mexico Law.**

PERLA VERDE 31 STATE 3H

___ ELECT TO PARTICIPATE in the drilling and completion of the Perla Verde 31 State 3H Well.

___ ELECT **NOT** TO PARTICIPATE in the drilling and completion of the Perla Verde 31 State 3H Well, **subject to the risk penalty as provided by the governing Operating Agreement or by applicable State of New Mexico Law.**

PERLA VERDE 31 STATE 4H

___ ELECT TO PARTICIPATE in the drilling and completion of the Perla Verde 31 State 4H Well.

___ ELECT **NOT** TO PARTICIPATE in the drilling and completion of the Perla Verde 31 State 4H Well, **subject to the risk penalty as provided by the governing Operating Agreement or by applicable State of New Mexico Law.**

D. M. Royalties, Ltd.

By: _____
Printed Name: _____
Title: _____
Date: _____

XTO ENERGY INC. AUTHORITY FOR EXPENDITURE

| | | |
|---|--------------------|--|
| AFE NO.: 1403784 | Tract | PERMIAN - MIDLAND |
| AFE DESC: D&C - HORZ IN 3RD BONE SPRING | PROPERTY/WELL | EOG 2Q14 NM/LOVING TRADE |
| DATE: 4/19/2014 12:00:00AM | OPERATOR: | PROPERTY #: |
| AFE TYPE: DEVELOPMENT DRILLING | 99994331 - XTO | 1149661001 |
| GROSS/NET: GROSS | ENERGY INC.-RU4331 | PROPERTY NAME: PERLA VERDE 31 STATE 001H |
| | | STATE/COUNTY: New Mexico / Lea |

| DETAIL OF EXPENDITURES | DRYHOLE | COMPLETION | EQUIP/TIE-IN | SUPPLEMENT | TOTAL | ACTUAL |
|---------------------------------|--------------|--------------|--------------|------------|--------------|--------------|
| Ex,V,Gd,Part_Wellhead,Drilling | 28,000.00 | 15,000.00 | | | 43,000.00 | 23,179.76 |
| Ex,V,Gd,Part_Wellhead,Comple | | | | | | 12,431.40 |
| EX,V,GD,PART_WELLCASING, | 73,000.00 | | | | 73,000.00 | 87,514.39 |
| Ex,V,Gd,Part_WellCasing,Interr | 103,000.00 | | | | 103,000.00 | 117,581.05 |
| Ex,V,Gd,Part_WellCasing,Produ | | 260,800.00 | | | 260,800.00 | 544,188.11 |
| EX,V,GD,PART_WELLCASING, | 20,000.00 | | | | 20,000.00 | |
| Ex,V,Gd,Part_WellFlowLn,Main | | 4,000.00 | | | 4,000.00 | 2,785.50 |
| Ex,V,Gd,Part_WellTubing, XTOv | | 96,000.00 | | | 96,000.00 | 74,856.73 |
| Ex,V,Gd,Part_DrillBit | 107,333.00 | 40,000.00 | | | 147,333.00 | 127,620.12 |
| Ex,V,Gd,Part_DrillMud | 190,000.00 | | | | 190,000.00 | 159,378.84 |
| Ex,V,Gd,Part_OthDownholeCorr | | 420,000.00 | | | 420,000.00 | 95,298.70 |
| Ex,V,Gd,Part_ArtLift,Downhole,) | | 120,000.00 | | | 120,000.00 | 30,543.71 |
| EX,V,GD,PART_ARTLIFT,SURF | | 7,817.00 | | | 7,817.00 | 24,540.12 |
| Ex,V,Gd,Part_ElectrMats | | | | | | 34,539.03 |
| EX,V,GD,PART_FABR,SEP,DEI | | 100,000.00 | | | 100,000.00 | 102,828.75 |
| Ex,V,Gd,Part_Fabr,Tank Bat | | 100,000.00 | | | 100,000.00 | 249,876.35 |
| Ex,V,Gd,Part_RotatingEqp | | 40,000.00 | | | 40,000.00 | 22,608.00 |
| Ex,V,Gd,Suppl,Misc,NonWellwo: | 9,000.00 | | | | 9,000.00 | 32,628.08 |
| Ex,V,Fuel,Purch_Othr | 181,000.00 | | | | 181,000.00 | 328,023.32 |
| Ex,V,Rnt&Lse,Op,Eq,DrillEqp,E) | 1,048,000.00 | 25,000.00 | | | 1,073,000.00 | 1,273,400.99 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | 30,000.00 | 10,000.00 | | | 40,000.00 | 191,053.96 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | 166,000.00 | 45,000.00 | | | 211,000.00 | 519,549.20 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | | 125,000.00 | | | 125,000.00 | 26,046.24 |
| Ex,V,ContractLabor,Technical | | 6,800.00 | | | 6,800.00 | 106,295.76 |
| Ex,V,ContractLabor,Fabrication | 44,000.00 | | | | 44,000.00 | 68,497.88 |
| Ex,V,Srv,G&G,EMOp,WellLoggC | 68,000.00 | | | | 68,000.00 | 16,937.75 |
| Ex,V,Srv,G&G,EMOp,WellLoggC | | 15,000.00 | | | 15,000.00 | 16,184.20 |
| Ex,V,Serv,LandOverhead,Broke | 18,000.00 | | | | 18,000.00 | 8,782.65 |
| Ex,V,Serv,Eng_O&GWellDrill | 134,250.00 | 15,000.00 | | | 149,250.00 | 307,053.94 |
| Ex,V,Srv,Site_SitePrep,Comple | | | | | | 2,852.85 |
| Ex,V,Srv,Site_SitePrep,DrilPadC | 218,000.00 | | | | 218,000.00 | 241,073.49 |
| Ex,V,Srv,Legal,Advice,OC,Well | | | | | | 5,632.81 |
| Ex,V,Srv,Inspect&Test,NonEnvir | | | | | | 522.85 |
| Ex,V,Serv,Trans,M&S&Eq,Nonlv | 31,000.00 | | | | 31,000.00 | 46,796.67 |
| Ex,V,Srv,WasteMgmt_Oth,Drillin | | 40,000.00 | | | 40,000.00 | 118,169.09 |
| Ex,V,Srv,WasteMgmt_Oth,Drillin | 268,000.00 | 15,000.00 | | | 283,000.00 | 289,281.27 |
| Ex,V,Srv,WasteMgmt_Oth,Flowt | | 300,000.00 | | | 300,000.00 | 125,139.20 |
| Ex,V,Srv,WasteMgmt_Oth,Wate | | 40,000.00 | | | 40,000.00 | 34,705.52 |
| EX,V,SRV,WASTEMGMT_OTH, | | 125,000.00 | | | 125,000.00 | 172,668.18 |
| Ex,V,Srv,O&GWell,Cementing,S | 122,000.00 | | | | 122,000.00 | 97,814.74 |
| Ex,V,Srv,O&GWell,Cementing,P | | 214,000.00 | | | 214,000.00 | 247,949.98 |
| Ex,V,Srv,O&GWell,WellStimulati | | 1,650,000.00 | | | 1,650,000.00 | 2,236,342.88 |
| Ex,V,Srv,O&GWell,WellStimulati | | 50,000.00 | | | 50,000.00 | |
| Ex,V,Serv,O&GWell,Othr | | 15,000.00 | | | 15,000.00 | |
| Ex,V,Serv,O&GWell,DirectionalC | 182,000.00 | | | | 182,000.00 | 233,484.38 |
| Ex,V,Serv,O&GWell,MudLogginç | | | | | | 43,206.38 |
| Ex,V,Serv,O&GWell,Fishing | | | | | | 47,330.70 |
| Ex,V,Srv,O&GWell,Casing,Surf I | 25,000.00 | | | | 25,000.00 | 22,927.92 |

XTO ENERGY INC.
AUTHORITY FOR EXPENDITURE

| | | |
|---|--------------------|--|
| AFE NO.: 1403784 | Tract | PERMIAN - MIDLAND |
| AFE DESC: D&C - HORZ IN 3RD BONE SPRING | PROPERTY/WELL | EOG 2Q14 NM/LOVING TRADE |
| DATE: 4/19/2014 12:00:00AM | OPERATOR: | PROPERTY #: |
| AFE TYPE: DEVELOPMENT DRILLING | 99994331 - XTO | 1149661001 |
| GROSS/NET: GROSS | ENERGY INC.-RU4331 | PROPERTY NAME: PERLA VERDE 31 STATE 001H |
| | STATE/COUNTY: | New Mexico / Lea |

| DETAIL OF EXPENDITURES | DRYHOLE | COMPLETION | EQUIP/TIE-IN | SUPPLEMENT | TOTAL | ACTUAL |
|-------------------------------|---------------------|---------------------|--------------|------------|---------------------|---------------------|
| Ex,V,Srv,O&GWell,Casing,Prodt | | 29,000.00 | | | 29,000.00 | 27,313.77 |
| Ex,V,Serv,O&GWell,Completion | | | | | | 377,733.70 |
| Ex,E,O&GJVOrhd,CombinedFx | 11,000.00 | | | | 11,000.00 | 24,241.89 |
| TOTAL: | 3,076,583.00 | 3,923,417.00 | | | 7,000,000.00 | 8,999,412.80 |

| | | | | | | |
|------------------------|---------------------|---------------------|--|--|---------------------|---------------------|
| TOTAL THIS AFE: | 3,076,583.00 | 3,923,417.00 | | | 7,000,000.00 | 8,999,412.80 |
|------------------------|---------------------|---------------------|--|--|---------------------|---------------------|

XTO ENERGY INC. AUTHORITY FOR EXPENDITURE

| | | |
|---|--------------------|---------------------------|
| AFE NO.: 1403785 | Tract | PERMIAN - MIDLAND |
| AFE DESC: D&C - HORZ IN 3RD BONE SPRING | PROPERTY/WELL | EOG 2Q14 NM/LOVING TRADE |
| DATE: 4/19/2014 12:00:00AM | PROPERTY #: | 1149631001 |
| OPERATOR: 99994331 - XTO | PROPERTY NAME: | PERLA VERDE 31 STATE 002H |
| AFE TYPE: DEVELOPMENT DRILLING | STATE/COUNTY: | New Mexico / Lea |
| GROSS/NET: GROSS | ENERGY INC.-RU4331 | |

| DETAIL OF EXPENDITURES | DRYHOLE | COMPLETION | EQUIP/TIE-IN | SUPPLEMENT | TOTAL | ACTUAL |
|---------------------------------|--------------|--------------|--------------|------------|--------------|--------------|
| Ex,V,Gd,Part_Wellhead,Drilling | 28,000.00 | 15,000.00 | | | 43,000.00 | 39,218.11 |
| Ex,V,Gd,Part_Wellhead,Comple | | | | | | 13,795.64 |
| EX,V,GD,PART_WELLCASING, | 73,000.00 | | | | 73,000.00 | 89,986.07 |
| Ex,V,Gd,Part_WellCasing,Interr | 103,000.00 | | | | 103,000.00 | 117,487.16 |
| Ex,V,Gd,Part_WellCasing,Produ | | 260,800.00 | | | 260,800.00 | 302,280.34 |
| EX,V,GD,PART_WELLCASING, | 20,000.00 | | | | 20,000.00 | |
| Ex,V,Gd,Part_WellFlowLn,Main | | 4,000.00 | | | 4,000.00 | 5,002.43 |
| Ex,V,Gd,Part_WellTubing, XTO\ | | 96,000.00 | | | 96,000.00 | 68,697.20 |
| Ex,V,Gd,Part_DrillBit | 107,333.00 | 40,000.00 | | | 147,333.00 | 139,412.08 |
| Ex,V,Gd,Part_DrillMud | 190,000.00 | | | | 190,000.00 | 256,405.16 |
| Ex,V,Gd,Part_OthDownholeCorr | | 420,000.00 | | | 420,000.00 | 246,462.77 |
| Ex,V,Gd,Part_ArtLift,Downhole,) | | 120,000.00 | | | 120,000.00 | 262,668.93 |
| EX,V,GD,PART_ARTLIFT,SURF | | 7,817.00 | | | 7,817.00 | 200,800.40 |
| Ex,V,Gd,Part_ElectrMats | | | | | | 54,431.99 |
| EX,V,GD,PART_FABR,SEP,DEI | | 100,000.00 | | | 100,000.00 | 4,045.84 |
| Ex,V,Gd,Part_Fabr,Tank Bat | | 100,000.00 | | | 100,000.00 | 229,800.68 |
| EX,V,GD,PART_INSTRMATLS,) | | | | | | 8,851.31 |
| EX,V,GD,PART_WO&STIMULA | | | | | | 1,768.18 |
| Ex,V,Gd,Part_RotatingEqp | | 40,000.00 | | | 40,000.00 | 15,360.00 |
| Ex,V,Gd,Suppl,Clothg&OthRel,S | | | | | | 1,162.00 |
| Ex,V,Gd,Suppl,Misc,NonWellwo | 9,000.00 | | | | 9,000.00 | 8,227.82 |
| Ex,V,Fuel,Purch_Othr | 181,000.00 | | | | 181,000.00 | 344,807.17 |
| Ex,V,Rnt&Lse,Op,Eq,DrillEqp,E) | 1,048,000.00 | 25,000.00 | | | 1,073,000.00 | 1,211,087.97 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | 30,000.00 | 10,000.00 | | | 40,000.00 | 268,169.56 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | 166,000.00 | 45,000.00 | | | 211,000.00 | 458,578.03 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | | 125,000.00 | | | 125,000.00 | 121,720.66 |
| Ex,V,ContractLabor,Technical | | 6,800.00 | | | 6,800.00 | 88,462.13 |
| Ex,V,ContractLabor,Fabrication | 44,000.00 | | | | 44,000.00 | 26,719.00 |
| Ex,V,Srv,G&G,EMOp,WellLoggC | 68,000.00 | | | | 68,000.00 | 68,806.79 |
| Ex,V,Srv,G&G,EMOp,WellLoggC | | 15,000.00 | | | 15,000.00 | 30,466.05 |
| Ex,V,Serv,LandOverhead,Broke | 18,000.00 | | | | 18,000.00 | 15,306.99 |
| Ex,V,Serv,Eng_O&GWellDrill | 134,250.00 | 15,000.00 | | | 149,250.00 | 289,959.26 |
| Ex,V,Srv,Site_SitePrep,Comple | | | | | | 4,977.84 |
| Ex,V,Srv,Site_SitePrep,DrilPadC | 218,000.00 | | | | 218,000.00 | 314,080.65 |
| Ex,V,Srv,Legal,Advice,OC,Well | | | | | | 5,632.79 |
| Ex,V,Serv,Trans,M&S&Eq,NonV | 31,000.00 | | | | 31,000.00 | 85,819.68 |
| Ex,V,Srv,WasteMgmt_Oth,Drillin | | 40,000.00 | | | 40,000.00 | 168,124.85 |
| Ex,V,Srv,WasteMgmt_Oth,Drillin | 268,000.00 | 15,000.00 | | | 283,000.00 | 277,853.40 |
| Ex,V,Srv,WasteMgmt_Oth,Flowt | | 300,000.00 | | | 300,000.00 | 155,607.50 |
| Ex,V,Srv,WasteMgmt_Oth,Wate | | 40,000.00 | | | 40,000.00 | 29,682.10 |
| EX,V,SRV,WASTEMGMT_OTH, | | 125,000.00 | | | 125,000.00 | 112,085.72 |
| Ex,V,Srv,O&GWell,Cementing,S | 122,000.00 | | | | 122,000.00 | 118,464.86 |
| Ex,V,Srv,O&GWell,Cementing,P | | 214,000.00 | | | 214,000.00 | 250,847.61 |
| Ex,V,Srv,O&GWell,WellStimulati | | 1,650,000.00 | | | 1,650,000.00 | 2,623,183.24 |
| Ex,V,Srv,O&GWell,WellStimulati | | 50,000.00 | | | 50,000.00 | |
| Ex,V,Serv,O&GWell,Othr | | 15,000.00 | | | 15,000.00 | |
| Ex,V,Serv,O&GWell,DirectionalC | 182,000.00 | | | | 182,000.00 | 410,525.95 |
| Ex,V,Serv,O&GWell,MudLogginç | | | | | | 9,835.80 |

XTO ENERGY INC.
AUTHORITY FOR EXPENDITURE

| | | |
|---|--------------------|--|
| AFE NO.: 1403785 | Tract | PERMIAN - MIDLAND |
| AFE DESC: D&C - HORZ IN 3RD BONE SPRING | PROPERTY/WELL | EOG 2Q14 NM/LOVING TRADE |
| DATE: 4/19/2014 12:00:00AM | OPERATOR: | PROPERTY #: |
| AFE TYPE: DEVELOPMENT DRILLING | 99994331 - XTO | 1149631001 |
| GROSS/NET: GROSS | ENERGY INC.-RU4331 | PROPERTY NAME: PERLA VERDE 31 STATE 002H |
| | STATE/COUNTY: | New Mexico / Lea |

| DETAIL OF EXPENDITURES | DRYHOLE | COMPLETION | EQUIP/TIE-IN | SUPPLEMENT | TOTAL | ACTUAL |
|--------------------------------|---------------------|---------------------|--------------|------------|---------------------|---------------------|
| Ex,V,Srv,O&GWell,Casing,Surf I | 25,000.00 | | | | 25,000.00 | 21,742.37 |
| Ex,V,Srv,O&GWell,Casing,Prodt | | 29,000.00 | | | 29,000.00 | 20,191.11 |
| Ex,V,Serv,O&GWell,Completion | | | | | | 322,510.77 |
| Ex,E,O&GJVOrhd,CombinedFx | 11,000.00 | | | | 11,000.00 | 26,469.77 |
| TOTAL: | 3,076,583.00 | 3,923,417.00 | | | 7,000,000.00 | 9,947,583.73 |

| | | | | | | |
|------------------------|---------------------|---------------------|--|--|---------------------|---------------------|
| TOTAL THIS AFE: | 3,076,583.00 | 3,923,417.00 | | | 7,000,000.00 | 9,947,583.73 |
|------------------------|---------------------|---------------------|--|--|---------------------|---------------------|

XTO ENERGY INC. AUTHORITY FOR EXPENDITURE

| | | |
|---|--------------------|---------------------------|
| AFE NO.: 1403787 | Tract | PERMIAN - MIDLAND |
| AFE DESC: D&C - HORZ IN 3RD BONE SPRING | PROPERTY/WELL | EOG 2Q14 NM/LOVING TRADE |
| DATE: 4/19/2014 12:00:00AM | PROPERTY #: | 1149641001 |
| OPERATOR: 99994331 - XTO | PROPERTY NAME: | PERLA VERDE 31 STATE 003H |
| AFE TYPE: DEVELOPMENT DRILLING | STATE/COUNTY: | New Mexico / Lea |
| GROSS/NET: GROSS | ENERGY INC.-RU4331 | |

| DETAIL OF EXPENDITURES | DRYHOLE | COMPLETION | EQUIP/TIE-IN | SUPPLEMENT | TOTAL | ACTUAL |
|---------------------------------|--------------|--------------|--------------|------------|--------------|------------|
| Ex,V,Gd,Part_Wellhead,Drilling | 28,000.00 | 15,000.00 | | | 43,000.00 | 50,326.48 |
| Ex,V,Gd,Part_Wellhead,Comple | | | | | | 21,806.91 |
| EX,V,GD,PART_WELLCASING, | 73,000.00 | | | | 73,000.00 | 65,495.16 |
| Ex,V,Gd,Part_WellCasing,Interr | 103,000.00 | | | | 103,000.00 | 92,037.05 |
| Ex,V,Gd,Part_WellCasing,Produ | | 260,800.00 | | | 260,800.00 | 254,267.05 |
| EX,V,GD,PART_WELLCASING, | 20,000.00 | | | | 20,000.00 | |
| Ex,V,Gd,Part_WellFlowLn,Main | | 4,000.00 | | | 4,000.00 | 10,301.38 |
| Ex,V,Gd,Part_WellTubing, XTO\ | | 96,000.00 | | | 96,000.00 | 53,703.37 |
| Ex,V,Gd,Part_DrillBit | 107,333.00 | 40,000.00 | | | 147,333.00 | 64,449.89 |
| Ex,V,Gd,Part_DrillMud | 190,000.00 | | | | 190,000.00 | 78,397.36 |
| Ex,V,Gd,Part_OthDownholeCorr | | 420,000.00 | | | 420,000.00 | 28,144.81 |
| Ex,V,Gd,Part_ArtLift,Downhole,) | | 120,000.00 | | | 120,000.00 | 132,652.74 |
| EX,V,GD,PART_ARTLIFT,SURF | | 7,817.00 | | | 7,817.00 | 61,794.43 |
| Ex,V,Gd,Part_ElectrMats | | | | | | 45,376.36 |
| EX,V,GD,PART_FABR,SEP,DEI | | 100,000.00 | | | 100,000.00 | 10,264.12 |
| Ex,V,Gd,Part_Fabr,Tank Bat | | 100,000.00 | | | 100,000.00 | 210,122.16 |
| EX,V,GD,PART_WO&STIMULA` | | | | | | 2,747.22 |
| Ex,V,Gd,Part_RotatingEqp | | 40,000.00 | | | 40,000.00 | |
| Ex,V,Gd,Suppl,Clothg&OthRel,S | | | | | | 684.77 |
| Ex,V,Gd,Suppl,Misc,NonWellwoi | 9,000.00 | | | | 9,000.00 | 6,401.12 |
| Ex,V,Fuel,Purch_Othr | 181,000.00 | | | | 181,000.00 | 111,307.09 |
| Ex,V,Rnt&Lse,Op,Eq,DrillEqp,E) | 1,048,000.00 | 25,000.00 | | | 1,073,000.00 | 557,008.54 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | 30,000.00 | 10,000.00 | | | 40,000.00 | 48,655.67 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | 166,000.00 | 45,000.00 | | | 211,000.00 | 239,564.46 |
| EX,V,RNT&LSE,OP,EQ,MISC_C | | | | | | 8,567.61 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | | 125,000.00 | | | 125,000.00 | 32,910.35 |
| Ex,V,ContractLabor,Technical | | 6,800.00 | | | 6,800.00 | 138,921.49 |
| Ex,V,ContractLabor,Fabrication | 44,000.00 | | | | 44,000.00 | 61,362.85 |
| Ex,V,Srv,G&G,EMOp,WellLoggC | 68,000.00 | | | | 68,000.00 | 39,290.28 |
| Ex,V,Srv,G&G,EMOp,WellLoggC | | 15,000.00 | | | 15,000.00 | 77,672.72 |
| Ex,V,Serv,LandOverhead,Broke | 18,000.00 | | | | 18,000.00 | 15,209.45 |
| Ex,V,Serv,Eng_O&GWellDrill | 134,250.00 | 15,000.00 | | | 149,250.00 | 204,296.36 |
| Ex,V,Srv,Site_SitePrep,Comple | | | | | | 14,967.00 |
| Ex,V,Srv,Site_SitePrep,DrilPadC | 218,000.00 | | | | 218,000.00 | 205,032.12 |
| Ex,V,Srv,Legal,Advice,OC,Well | | | | | | 5,632.79 |
| Ex,V,Serv,Trans,M&S&Eq,NonV | 31,000.00 | | | | 31,000.00 | 34,625.35 |
| Ex,V,Srv,WasteMgmt_Oth,Drillin | | 40,000.00 | | | 40,000.00 | 116,434.37 |
| Ex,V,Srv,WasteMgmt_Oth,Drillin | 268,000.00 | 15,000.00 | | | 283,000.00 | 276,244.06 |
| Ex,V,Srv,WasteMgmt_Oth,Flowt | | 300,000.00 | | | 300,000.00 | 80,578.70 |
| Ex,V,Srv,WasteMgmt_Oth,Wate | | 40,000.00 | | | 40,000.00 | 25,179.05 |
| EX,V,SRV,WASTEMGMT_OTH, | | 125,000.00 | | | 125,000.00 | 24,556.19 |
| Ex,V,Srv,O&GWell,Cementing,S | 122,000.00 | | | | 122,000.00 | 47,803.36 |
| Ex,V,Srv,O&GWell,Cementing,P | | 214,000.00 | | | 214,000.00 | 104,130.44 |
| Ex,V,Srv,O&GWell,WellStimulati | | 1,650,000.00 | | | 1,650,000.00 | 975,433.74 |
| Ex,V,Srv,O&GWell,WellStimulati | | 50,000.00 | | | 50,000.00 | |
| Ex,V,Serv,O&GWell,Othr | | 15,000.00 | | | 15,000.00 | |
| Ex,V,Serv,O&GWell,DirectionalC | 182,000.00 | | | | 182,000.00 | 98,445.69 |
| Ex,V,Srv,O&GWell,Casing,Surf I | 25,000.00 | | | | 25,000.00 | 10,885.44 |

XTO ENERGY INC.
AUTHORITY FOR EXPENDITURE

| | | |
|---|--------------------|--|
| AFE NO.: 1403787 | Tract | PERMIAN - MIDLAND |
| AFE DESC: D&C - HORZ IN 3RD BONE SPRING | PROPERTY/WELL | EOG 2Q14 NM/LOVING TRADE |
| DATE: 4/19/2014 12:00:00AM | OPERATOR: | PROPERTY #: |
| AFE TYPE: DEVELOPMENT DRILLING | 99994331 - XTO | 1149641001 |
| GROSS/NET: GROSS | ENERGY INC.-RU4331 | PROPERTY NAME: PERLA VERDE 31 STATE 003H |
| | STATE/COUNTY: | New Mexico / Lea |

| DETAIL OF EXPENDITURES | DRYHOLE | COMPLETION | EQUIP/TIE-IN | SUPPLEMENT | TOTAL | ACTUAL |
|-------------------------------|---------------------|---------------------|--------------|------------|---------------------|---------------------|
| Ex,V,Srv,O&GWell,Casing,Prodt | | 29,000.00 | | | 29,000.00 | 13,504.85 |
| Ex,V,Serv,O&GWell,Completion | | | | | | 100,567.94 |
| Ex,E,O&GJVOrhd,CombinedFx | 11,000.00 | | | | 11,000.00 | 19,438.59 |
| TOTAL: | 3,076,583.00 | 3,923,417.00 | | | 7,000,000.00 | 4,877,198.93 |

| | | | | | | |
|------------------------|---------------------|---------------------|--|--|---------------------|---------------------|
| TOTAL THIS AFE: | 3,076,583.00 | 3,923,417.00 | | | 7,000,000.00 | 4,877,198.93 |
|------------------------|---------------------|---------------------|--|--|---------------------|---------------------|

XTO ENERGY INC. AUTHORITY FOR EXPENDITURE

| | | |
|---|--------------------|---------------------------|
| AFE NO.: 1403786 | Tract | PERMIAN - MIDLAND |
| AFE DESC: D&C - HORZ IN 3RD BONE SPRING | PROPERTY/WELL | EOG 2Q14 NM/LOVING TRADE |
| DATE: 4/19/2014 12:00:00AM | PROPERTY #: | 1149651001 |
| OPERATOR: 99994331 - XTO | PROPERTY NAME: | PERLA VERDE 31 STATE 004H |
| AFE TYPE: DEVELOPMENT DRILLING | STATE/COUNTY: | New Mexico / Lea |
| GROSS/NET: GROSS | ENERGY INC.-RU4331 | |

| DETAIL OF EXPENDITURES | DRYHOLE | COMPLETION | EQUIP/TIE-IN | SUPPLEMENT | TOTAL | ACTUAL |
|---------------------------------|--------------|--------------|--------------|------------|--------------|--------------|
| Ex,V,Gd,Part_Wellhead,Drilling | 28,000.00 | 15,000.00 | | | 43,000.00 | 26,887.02 |
| Ex,V,Gd,Part_Wellhead,Comple | | | | | | 11,956.86 |
| EX,V,GD,PART_WELLCASING, | 73,000.00 | | | | 73,000.00 | 82,531.62 |
| Ex,V,Gd,Part_WellCasing,Interr | 103,000.00 | | | | 103,000.00 | 124,428.49 |
| Ex,V,Gd,Part_WellCasing,Produ | | 260,800.00 | | | 260,800.00 | 268,667.02 |
| EX,V,GD,PART_WELLCASING, | 20,000.00 | | | | 20,000.00 | |
| Ex,V,Gd,Part_WellFlowLn,Main | | 4,000.00 | | | 4,000.00 | 125,117.80 |
| Ex,V,Gd,Part_WellTubing, XTOv | | 96,000.00 | | | 96,000.00 | 66,812.53 |
| Ex,V,Gd,Part_DrillBit | 107,333.00 | 40,000.00 | | | 147,333.00 | 61,631.05 |
| Ex,V,Gd,Part_DrillMud | 190,000.00 | | | | 190,000.00 | 219,820.44 |
| Ex,V,Gd,Part_OthDownholeCorr | | 420,000.00 | | | 420,000.00 | 281,765.12 |
| Ex,V,Gd,Part_ArtLift,Downhole,) | | 120,000.00 | | | 120,000.00 | 38,016.71 |
| EX,V,GD,PART_ARTLIFT,SURF | | 7,817.00 | | | 7,817.00 | 24,879.27 |
| Ex,V,Gd,Part_ElectrMats | | | | | | 47,234.29 |
| EX,V,GD,PART_FABR,SEP,DEI | | 100,000.00 | | | 100,000.00 | 22,063.71 |
| Ex,V,Gd,Part_Fabr,Tank Bat | | 100,000.00 | | | 100,000.00 | 249,658.16 |
| EX,V,GD,PART_INSTRMATLS,) | | | | | | 43,841.16 |
| Ex,V,Gd,Part_RotatingEqp | | 40,000.00 | | | 40,000.00 | |
| Ex,V,Gd,Suppl,Misc,NonWellwoi | 9,000.00 | | | | 9,000.00 | 10,383.73 |
| Ex,V,Fuel,Purch_Othr | 181,000.00 | | | | 181,000.00 | 261,430.22 |
| Ex,V,Rnt&Lse,Op,Eq,DrillEqp,E) | 1,048,000.00 | 25,000.00 | | | 1,073,000.00 | 1,010,386.91 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | 30,000.00 | 10,000.00 | | | 40,000.00 | 87,212.74 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | 166,000.00 | 45,000.00 | | | 211,000.00 | 251,289.66 |
| Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,I | | 125,000.00 | | | 125,000.00 | 54,871.56 |
| Ex,V,ContractLabor,Technical | | 6,800.00 | | | 6,800.00 | 128,495.79 |
| Ex,V,ContractLabor,Fabrication | 44,000.00 | | | | 44,000.00 | 36,688.22 |
| Ex,V,Srv,G&G,EMOp,WellLoggC | 68,000.00 | | | | 68,000.00 | 43,499.39 |
| Ex,V,Srv,G&G,EMOp,WellLoggC | | 15,000.00 | | | 15,000.00 | 24,502.09 |
| Ex,V,Serv,LandOverhead,Broke | 18,000.00 | | | | 18,000.00 | 8,462.34 |
| Ex,V,Serv,Eng_O&GWellDrill | 134,250.00 | 15,000.00 | | | 149,250.00 | 153,875.78 |
| Ex,V,Srv,Site_SitePrep,Comple | | | | | | 15,446.69 |
| Ex,V,Srv,Site_SitePrep,DrilPadC | 218,000.00 | | | | 218,000.00 | 165,205.75 |
| Ex,V,Srv,Legal,Advice,OC,Well | | | | | | 5,632.81 |
| Ex,V,Serv,Trans,M&S&Eq,Nonlv | 31,000.00 | | | | 31,000.00 | 33,842.49 |
| Ex,V,Srv,WasteMgmt_Oth,Drillin | | 40,000.00 | | | 40,000.00 | 102,093.39 |
| Ex,V,Srv,WasteMgmt_Oth,Drillin | 268,000.00 | 15,000.00 | | | 283,000.00 | 259,663.56 |
| Ex,V,Srv,WasteMgmt_Oth,Flowt | | 300,000.00 | | | 300,000.00 | 60,220.55 |
| Ex,V,Srv,WasteMgmt_Oth,Wate | | 40,000.00 | | | 40,000.00 | 29,608.43 |
| EX,V,SRV,WASTEMGMT_OTH, | | 125,000.00 | | | 125,000.00 | 30,088.42 |
| Ex,V,Srv,O&GWell,Cementing,S | 122,000.00 | | | | 122,000.00 | 80,909.58 |
| Ex,V,Srv,O&GWell,Cementing,P | | 214,000.00 | | | 214,000.00 | 94,421.32 |
| Ex,V,Srv,O&GWell,WellStimulati | | 1,650,000.00 | | | 1,650,000.00 | 1,469,891.46 |
| Ex,V,Srv,O&GWell,WellStimulati | | 50,000.00 | | | 50,000.00 | |
| Ex,V,Serv,O&GWell,Othr | | 15,000.00 | | | 15,000.00 | |
| Ex,V,Serv,O&GWell,DirectionalC | 182,000.00 | | | | 182,000.00 | 142,660.47 |
| Ex,V,Srv,O&GWell,Casing,Surf I | 25,000.00 | | | | 25,000.00 | 17,494.85 |
| Ex,V,Srv,O&GWell,Casing,Prodt | | 29,000.00 | | | 29,000.00 | 23,562.05 |
| Ex,V,Serv,O&GWell,Completion | | | | | | 248,687.63 |

XTO ENERGY INC.
AUTHORITY FOR EXPENDITURE

| | | |
|---|--------------------|--|
| AFE NO.: 1403786 | Tract | PERMIAN - MIDLAND |
| AFE DESC: D&C - HORZ IN 3RD BONE SPRING | PROPERTY/WELL | EOG 2Q14 NM/LOVING TRADE |
| DATE: 4/19/2014 12:00:00AM | OPERATOR: | PROPERTY #: |
| AFE TYPE: DEVELOPMENT DRILLING | 99994331 - XTO | 1149651001 |
| GROSS/NET: GROSS | ENERGY INC.-RU4331 | PROPERTY NAME: PERLA VERDE 31 STATE 004H |
| | STATE/COUNTY: | New Mexico / Lea |

| DETAIL OF EXPENDITURES | DRYHOLE | COMPLETION | EQUIP/TIE-IN | SUPPLEMENT | TOTAL | ACTUAL |
|---------------------------|---------------------|---------------------|--------------|------------|---------------------|---------------------|
| Ex,E,O&GJVOrhd,CombinedFx | 11,000.00 | | | | 11,000.00 | 13,064.70 |
| TOTAL: | 3,076,583.00 | 3,923,417.00 | | | 7,000,000.00 | 6,558,903.83 |
| TOTAL THIS AFE: | 3,076,583.00 | 3,923,417.00 | | | 7,000,000.00 | 6,558,903.83 |

Summary of Communications

11/17/2021 – Well proposals and JOA ratifications were prepared and sent to D.M. Royalties LTD. Email sent by Bryan Cifuentes to notify D.M. Royalties LTD about delivery

11/30/2021 – 1/28/2022: Email correspondence with D.M. Royalties LTD to address the well proposals and JOA ratifications, suspended revenues, overpayments, working interest in the Perla Verde wells, and the necessity to apply for forced pooling.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A3
Case Nos. 22611-22614
Submitted by: XTO ENERGY INC.
Hearing Date: April 07, 2022**

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

**APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13903 TO ADD AN
ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22611
(formerly Case 15206)**

**APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13904 TO ADD AN
ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22612
(formerly Case 15207)**

**APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13905 TO ADD AN
ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22613
(formerly Case 15208)**

**APPLICATION OF XTO ENERGY INC. TO AMEND ORDER R-13906 TO ADD AN
ADDITIONAL POOLED PARTY, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22614
(formerly Case 15209)**

AFFIDAVIT

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

Michael H. Feldewert, attorney in fact and authorized representative of XTO Energy Inc.,
the Applicant herein, being first duly sworn, upon oath, states that the above-referenced
Applications have been provided under the notice letters and proof of receipts attached hereto.



Michael H. Feldewert

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Case Nos. 22611-22614
Submitted by: XTO ENERGY INC.
Hearing Date: April 07, 2022**

SUBSCRIBED AND SWORN to before me this 4th day of April, 2022 by Michael H.

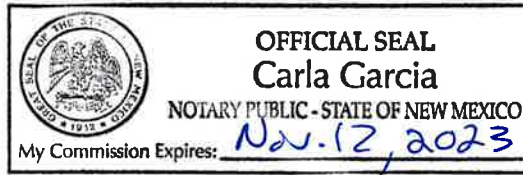
Feldewert.



Notary Public

My Commission Expires:

Nov. 12, 2023





Michael H. Feldewert
Partner
Phone (505) 988-4421
mfeldewert@hollandhart.com

March 18, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

Ms. Joni James, Land Manager
D.M. Royalties, Ltd.
4971 E I-20 Service Rd N Ste. 302
Willow Park, TX 76087

Re: Applications of XTO Energy Inc. to Amend Order R-13903 to Add an Additional Pooled Party, Lea County, New Mexico. Perla Verde 31 State 1H, 2H, 3H and 4H wells

Ladies & Gentlemen:

This letter is to advise you that XTO Energy Inc. has filed the enclosed applications with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on April 7, 2022, and the status of the hearing can be monitored through the Division’s website at <http://www.emnrd.state.nm.us/ocd/>.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division’s Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Bryan Cifuentes at (832) 625-9417 or at Bryan.Cifuentes@exxonmobile.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR XTO ENERGY INC

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

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

| Tracking Number | Recipient | Status |
|------------------------|--|------------------------------|
| 9214890194038369899590 | Ms Joni James Land Manager D M Royalties Ltd 4971 E I-20 Service Rd N Ste 302 Willow Park TX 76087 | Delivered Signature Received |