

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

**CASE NO. 22678**

*RED BUD 25-36-32 STATE COM 096H WELL*

**LEA COUNTY, NEW MEXICO**



AmeredeV II, LLC

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

**APPLICATION OF AMEREDEV  
OPERATING, LLC FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22678**

**TABLE OF CONTENTS**

**Ameredev Exhibit A** – Compulsory Pooling Application Checklist

**Ameredev Exhibit B** – Application

**Ameredev Exhibit C** – Affidavit of Brandon Forteza, Landman

- **Ameredev Exhibit C-1:** C-102s
- **Ameredev Exhibit C-2:** Land Plat/Unit Ownership
- **Ameredev Exhibit C-3:** Well Proposals/AFE
- **Ameredev Exhibit C-4:** Chronology of Contacts

**Ameredev Exhibit D** – Affidavit of Parker Foy, Geologist

- **Ameredev Exhibit D-1:** Project Locator Map
- **Ameredev Exhibit D-2:** Structure Map
- **Ameredev Exhibit D-3:** Line of Cross Section Map
- **Ameredev Exhibit D-4:** Cross Section Map

**Ameredev Exhibit E** – Notice Affidavit


**Ameredev Exhibit F** – Notice of Publication

# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

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

Case: 22678	APPLICANT'S RESPONSE
Date: April 7, 2022	
Applicant	Ameredev Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	<b>372224</b>
Applicant's Counsel:	Holland & Hart LLP
	Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	
Well Family	Red Bud 25-36-32 State Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Names and Pool Codes:	WC-025 G-08 S263620G; LWR Bone Spring Pool (Pool Code 98150)
Well Location Setback Rules:	Statewide horizontal well rules
Spacing Unit Size:	320-acre, more or less
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acre, more or less
Building Blocks:	quarter-quarter sections
Orientation:	South-North
Description: TRS/County	W/2 E/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	EXHIBIT C-2
Well(s)	<p><b>BEFORE THE OIL CONSERVATION DIVISION</b>  <b>Santa Fe, New Mexico</b>  <b>Exhibit No. A</b>  <b>Submitted by: Ameredev Operating, LLC</b>  <b>Hearing Date: April 07, 2022</b>  <b>Case No. 22678</b></p>

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Red Bud 25-36-32 State Com 096H (API 30-025-49591): SHL: SE/4 SE/4 (Unit P) of Section 32, Township 25 South, Range 36 East. BHL: NW/4 NE/4 (Unit B) of Section 29, Township 25 South, Range 36 East.  Completion Target: Bone Spring Well Orientation: South to North Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	EXHIBIT C-1
Completion Target (Formation, TVD and MD)	See above and C-1
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$7,000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	EXHIBIT C-2
Tract List (including lease numbers and owners)	EXHIBIT C-2
Pooled Parties (including ownership type)	EXHIBIT C-2
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	EXHIBIT C-3
List of Interest Owners (ie Exhibit A of JOA)	EXHIBIT C-2
Chronology of Contact with Non-Joined Working Interests	EXHIBIT C-4
Overhead Rates In Proposal Letter	EXHIBIT C-3
Cost Estimate to Drill and Complete	EXHIBIT C-3
Cost Estimate to Equip Well	EXHIBIT C-3

Cost Estimate for Production Facilities	EXHIBIT C-3
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D, D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1
Well Orientation (with rationale)	Exhibit D-1, D-4
Target Formation	Exhibit D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	EXHIBIT C-1
Tracts	EXHIBIT C-2
Summary of Interests, Unit Recapitulation (Tracts)	EXHIBIT C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Adam G. Rankin
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	1-Apr-22

**ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF AMEREDEV OPERATING, LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22678**

**APPLICATION**

Ameredev Operating, LLC (“Applicant”) (OGRID No. 372224), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interest in the Bone Spring formation [WC-025 G-08 S263620C; LWR Bone Spring (98150)] underlying a 320-acre, more or less, standard horizontal well spacing unit comprised of the W/2 E/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Applicant states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant proposes to initially dedicate the above-referenced spacing unit to the proposed **Red Bud 25-36-32 State Com 096H** (API 30-025-49591) to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 32 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 29.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Ameredev Operating, LLC  
Hearing Date: April 07, 2022  
Case No. 22678**

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

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:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% 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,

HOLLAND & HART LLP

By: 

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Post Office Box 2208  
Santa Fe, NM 87504  
505-998-4421  
505-983-6043 Facsimile  
mfeldewert@hollandhart.com  
arankin@hollandhart.com  
jbroggi@hollandhart.com

**ATTORNEYS FOR AMEREDEV OPERATING, LLC**



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

**APPLICATION OF AMEREDEV  
OPERATING, LLC FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22678**

**AFFIDAVIT OF BRANDON FORTEZA**

Brandon Forteza, of lawful age and being first duly sworn, declares as follows:

1. My name is Brandon Forteza. I work for Ameredev Operating, LLC (“Ameredev”) as a Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Ameredev in this case, and I am familiar with the status of the lands in the subject area.
4. None of the uncommitted parties has indicated opposition to this pooling application, and therefore I do not expect any opposition at the hearing.
5. Ameredev is seeking an order pooling all uncommitted interests in the Bone Spring formation, underlying a standard 320-acre, more or less, spacing unit comprised of the W/2 E/2 of Sections 29 and 32, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico.
6. Ameredev seeks to dedicate the above horizontal spacing unit to the proposed initial **Red Bud 25 36 32 State Com 096H Well**, which will be horizontally drilled from a

**BEFORE THE OIL CONSERVATION DIVISION**  
 Santa Fe, New Mexico  
 Exhibit No. C  
 Submitted by: Ameredev Operating, LLC  
 Hearing Date: April 07, 2022  
 Case No. 22678

surface location in the SE/4 SE/4 (Unit P) of said Section 32 to a bottom hole location in the NW/4 NE/4 (Unit B) of said Section 29.

7. Ameredev has prepared a draft Form C-102 for the proposed well, a copy of which is attached as **Ameredev Exhibit C-1**. The plat shows that the completed interval for the proposed well will comply with the Division's setback requirements for oil wells. It also shows that the well will be assigned to the WC-025 G-08 S263620C; L WR BONE SPRING Pool (Pool Code 98150).

8. There are no depth severances in the Bone Spring formation in this acreage.

9. **Ameredev Exhibit C-2** is an exhibit prepared by me that identifies the tracts of land comprising the proposed horizontal spacing unit. This proposed spacing unit includes state and fee land. This exhibit shows the interest owners and the percentage of their interest by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing unit, is also included on the exhibit. Ameredev is seeking to pool the interest owners denoted by an asterisk on the unit recapitulation.

10. Ameredev sent a well proposal letter to all working interest owners. An AFE was included with the well proposal letter. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area. Copies of the well proposal letter and the AFE are attached as **Ameredev Exhibit C-3**.

11. Ameredev seeks approval of overhead and administrative costs at \$7,000/month while drilling and \$700/month while producing. These costs are consistent with what Ameredev and other operators are charging in this area for these types of wells. Ameredev respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

12. Ameredev also requests that any pooling order include a 200% charge for the risk assumed by Ameredev in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

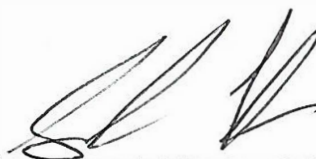
13. Ameredev has not been able to locate contact information for all of the parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the locatable uncommitted interest owners. A chronology of Ameredev's contacts with the interest owners it is seeking to pool is attached hereto as **Ameredev Exhibit C-4**.

14. If Ameredev reaches an agreement with the proposed pool parties before the Division enters an order, I will let the Division know that Ameredev is no longer seeking to pool those parties.

15. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on Ameredev Exhibit C-2. In compiling these addresses, Ameredev conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

16. **Ameredev Exhibits C-1 through C-4** were either prepared by me or compiled under my direction and supervision.

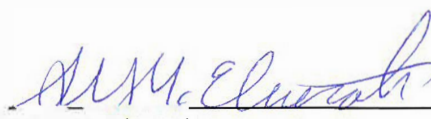
FURTHER AFFIANT SAYETH NAUGHT.



BRANDON FORTEZA

STATE OF TEXAS )  
 )  
COUNTY OF TRAVIS )

SUBSCRIBED and SWORN to before me this 15<sup>th</sup> day of April 2022 by  
Brandon Forteza.

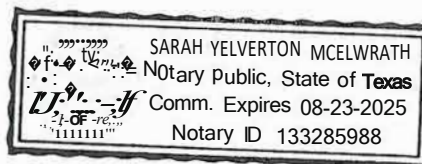


NOTARY PUBLIC

My Commission Expires:

8/23/2025

18526968\_v1



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

Submitted by: Ameredev Operating, LLC

Hearing Date: April 07, 2022

Case No. 22678

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-49591</b>		<sup>2</sup> Pool Code <b>98150</b>		<sup>3</sup> Pool Name <b>WC-025 G-08 S263620C; LWR BONE SPRING</b>	
<sup>4</sup> Property Code <b>320762</b>		<sup>5</sup> Property Name <b>RED BUD 25 36 32 STATE COM</b>			<sup>6</sup> Well Number <b>096H</b>
<sup>7</sup> OGRID No. <b>372224</b>		<sup>8</sup> Operator Name <b>AMEREDEV OPERATING, LLC.</b>			<sup>9</sup> Elevation <b>3002'</b>

<sup>10</sup>Surface Location

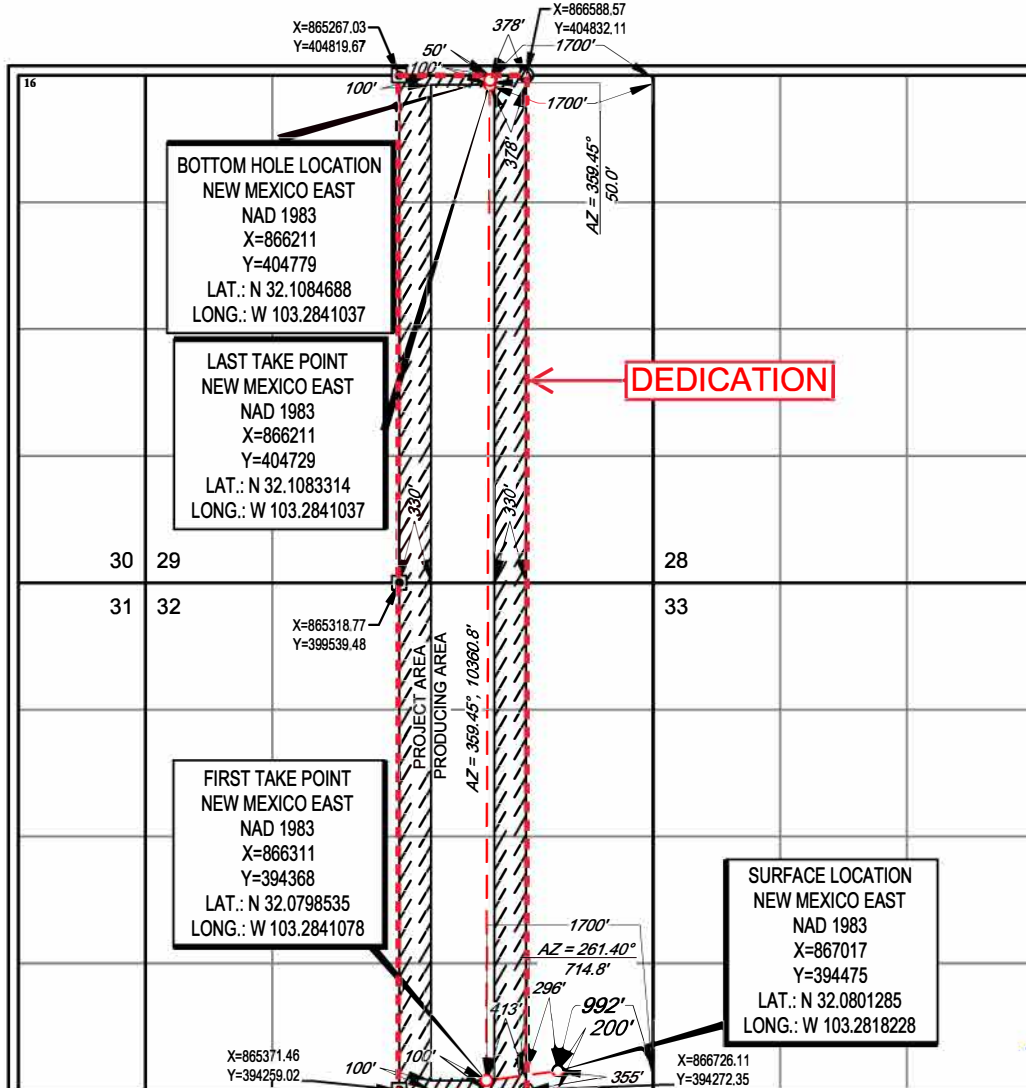
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	32	25-S	36-E	-	200'	SOUTH	992'	EAST	LEA

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	29	25-S	36-E	-	50'	NORTH	1700'	EAST	LEA

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code <b>C</b>	<sup>15</sup> 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.

*Floyd Hammond* 11/10/2021  
Signature Date

Floyd Hammond  
Printed Name

ffhammond@ameredev.com  
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 to the best of my belief.

05/02/2018  
Date of Survey

*Michael B. Brown*  
Signature and Seal of Professional Surveyor

MICHAEL B. BROWN  
NEW MEXICO  
18329  
PROFESSIONAL SURVEYOR

Member

**RED BUD STATE COM 25-36-32 096H  
T25S-R36E-SECTION 29 AND 32, W2E2  
LEA COUNTY, NEW MEXICO**

<b>SEC 29</b>	<b>TRACT 1 W2NE4 80.00 ACRES</b>	
	<b>TRACT 2 W2SE4 80.00 ACRES</b>	
<b>SEC 32</b>	<b>TRACT 3 W2NE4 80.00 ACRES</b>	
	<b>TRACT 4 W2SE4 80.00 ACRES</b>	

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C2  
Submitted by: Ameredev Operating, LLC  
Hearing Date: April 07, 2022  
Case No. 22678**



**RED BUD STATE COM 25-36-32 096H  
T25S-R36E-SECTION 29 AND 32, W2E2  
LEA COUNTY, NEW MEXICO**

**TRACT 1: W2NE4 OF SECTION 29 25S 36E**

BURLINGTON RESOURCES OIL & GAS COMPANY LP	25.0000000%
DONALD WOODS, DECEASED	0.5185185%
ST JOSEPH RESIDENCE INC	0.4583333%
KASSANDRA DAWN DITTMER	0.0054012%
NATHAN ALLEN DITTMER	0.0054012%
AMEREDEV NEW MEXICO, LLC	74.0123457%
<b>TOTAL</b>	<b>100.0000000%</b>

**TRACT 2: W2SE4 OF SECTION 29 25S 36E**

TRACY LYNN COLLINS	2.6785714%
ROY G. BARTON, JR.	2.0833333%
NANCY SEWELL SERWATKA	1.5625000%
MARY KAY LUNDWALL	0.7812500%
ANDREA NICHOLS	0.6696429%
BARBARA CAROL HUBBARD	0.6250000%
ROBERT CARLTON DEAN	0.6250000%
ESTATE OF JACK NICHOLS ROYAL, DECEASED	0.5357143%
WILLIAM B. NICHOLS	0.3348214%
TERESA J ROYAL	0.2678571%
DAVID NEWTON PAYNE, JR.	0.2232143%
JILL GRAY	0.2142857%
ANN MARIE LUNDWALL	0.1562500%
CATHERINE MARCELLA CHAPIN	0.1562500%
DAVID MARK HUBBARD	0.1562500%
DAVID WILSON DEAN	0.1562500%
JEFFERY DEAN HUBBARD	0.1562500%
MICHAEL STERLING HUBBARD	0.1562500%
ROBERT CARLTON DEAN JR	0.1562500%
JEREMY YOUNG	0.1428571%
CHARLES F. CHAMBERS, III	0.0465030%
CHARLES FREDERICK CHAMBERS FAMILY TRUST	0.0465030%
AMEREDEV NEW MEXICO, LLC	88.0691964%
<b>TOTAL</b>	<b>100.0000000%</b>

**TRACT 3: W2NE4 OF SECTION 32 25S 36E**

AMEREDEV NEW MEXICO, LLC	100.0000000%
<b>TOTAL</b>	<b>100.0000000%</b>

**TRACT 4: W2SE4 OF SECTION 32 25S 36E**

AMEREDEV NEW MEXICO, LLC	100.0000000%
<b>TOTAL</b>	<b>100.0000000%</b>

**RED BUD STATE COM 25-36-32 096H  
T25S-R36E-SECTION 29 AND 32, W2E2  
LEA COUNTY, NEW MEXICO**

*BURLINGTON RESOURCES OIL & GAS COMPANY LP	6.2500000%
*DONALD WOODS, DECEASED	0.1296296%
*ST JOSEPH RESIDENCE INC	0.1145833%
*KASSANDRA DAWN DITTMER	0.0013503%
*NATHAN ALLEN DITTMER	0.0013503%
*TRACY LYNN COLLINS	0.6696429%
*ROY G. BARTON, JR.	0.5208333%
*NANCY SEWELL SERWATKA	0.3906250%
*MARY KAY LUNDWALL	0.1953125%
*ANDREA NICHOLS	0.1674107%
*BARBARA CAROL HUBBARD	0.1562500%
*ROBERT CARLTON DEAN	0.1562500%
*ESTATE OF JACK NICHOLS ROYAL, DECEASED	0.1339286%
*WILLIAM B. NICHOLS	0.0837054%
*TERESA J ROYAL	0.0669643%
*DAVID NEWTON PAYNE, JR.	0.0558036%
*JILL GRAY	0.0535714%
*ANN MARIE LUNDWALL	0.0390625%
*CATHERINE MARCELLA CHAPIN	0.0390625%
*DAVID MARK HUBBARD	0.0390625%
*DAVID WILSON DEAN	0.0390625%
*JEFFERY DEAN HUBBARD	0.0390625%
*MICHAEL STERLING HUBBARD	0.0390625%
*ROBERT CARLTON DEAN JR	0.0390625%
*JEREMY YOUNG	0.0357143%
*CHARLES F. CHAMBERS, III	0.0116257%
*CHARLES FREDERICK CHAMBERS FAMILY TRUST	0.0116257%
AMEREDEV NEW MEXICO, LLC	90.5203855%
<b>TOTAL</b>	<b>100.0000000%</b>
*Interest Seeking to force pool	



Ameredev II, LLC  
2901 Via Fortuna, Suite 600  
Austin, Texas 78746



January 24, 2021

VIA Certified Mail

ANDREA NICHOLS  
14100 MONTFORD DRIVE APT 1236  
DALLAS, TX 75254

RE: Red Bud State Com 25-36-32 #096H Well Proposals  
Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico

Dear Owner:

Ameredev Operating, LLC (“Ameredev”), as Operator, hereby proposes to commence to drill and complete the following wells, collectively referred to as “the Wells”:

Red Bud State Com 25-36-32 #096H Well Proposal  
Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico  
SHL: 200’ FSL & 992’ FEL Section 32; BHL: 50’ FNL & 1700’ FEL Section 29  
Formation: Bone Spring  
MD: 21,736’ TVD: 11,263’

Ameredev’s records indicate ANDREA NICHOLS (“NICHOLS”) owns a 0.00167411 interest in the Well, and NICHOLS’s estimated costs associated with the Operation are approximately \$21,432.98, as shown in the included AFE.

In addition, Ameredev proposes the Operation to be governed by the terms of the 2015 Horizontal AAPL Form 610 Operating Agreement (“OA”) with the following terms:

- Contract Area consisting of 320.00 acres, more or less, out of Township 25 South, Range 36 East, W2E2 of Sections 29 and 32, with Ameredev listed as the Operator (“Contract Area”)
- 100%/300%/300% non-consent risk penalties
- \$7,000/\$700 drilling and producing overhead rates

Ameredev looks forward to working with NICHOLS on this matter. Please feel free to contact me at the information provided below with any questions. Please be advised that Ameredev may file for compulsory pooling in the near future, as such please indicate your election below and return to bforteza@ameredev.com at your earliest convenience.

Sincerely,

Brandon Forteza  
737-300-4721

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C3  
Submitted by: Ameredev Operating, LLC  
Hearing Date: April 07, 2022  
Case No. 22678

**Election Ballot for the Red Bud State Com 25-36-32 #096H Well Proposal (AFE# 2021-130)**

\_\_\_\_\_ ANDREA NICHOLS elects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2021-130.

\_\_\_\_\_ ANDREA NICHOLS elects to not participate in the proposed Operation.

**ANDREA NICHOLS**

\_\_\_\_\_

By:

Its:

**AMEREDEV**

Ameredev II, LLC

Lea County, New Mexico  
SHL: Sec. 32 25S-36E 200'FSL & 992'FEL  
BHL: Sec. 29 25S-36E 50'FNL & 1700'FEL

**Red Bud Fed State Com 25-36-32 096H**

**AFE: 2021-130**

**Capital Expenditure**

December 10<sup>th</sup>, 2021

2901 Via Fortuna

Ameredev Operating, LLC  
Building 6, Suite 600

Austin, Texas 78746



<b>Company Entity</b> Ameredev Operating, LLC	<b>Date Prepared</b> December 10, 2021
--	---

AFE Type	Project	Field Name	Cost Center	AFE No.
Capital	Red Bud State Com 25-36-32 096H	Delaware	40847	2021-130

Location	County	State	Well Type	
SHL: Sec. 32 25S-36E 200'FSL & 992'FEL BHL: Sec. 29 25S-36E 50'FNL & 1700'FEL	Lea	NM	<i>Oil</i> <i>Gas</i>	<i>Expl</i> <i>Prod</i>

Estimate Type	Start Date	Completion Date	Formation	MD
<i>Original</i>	June 29, 2022	August 12, 2022	Third Bone Spring	21,736'
<i>Revised</i>				TVD
<i>Supplemental</i>				11,263'

**Project Description**  
Drill and Complete 2 Mile Third Bone Spring Lateral and Tie In to Red Bud Central Tank Battery.

**Total Cost** **\$12,802,635.63**

**Comments on Associated Costs**  
Water disposal not included.

**Comments on AFE**  
The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well.

**Well Control Insurance**  
Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.  
Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$250,000 (100% W.I.) retention.

**Marketing Election**  
Ameredev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Ameredev, you will be subject to all of the terms of such contracts. Upon written request to Ameredev, we will share with you the terms and conditions pursuant to which gas will be sold.  
 I elect to take my gas in kind.  
 I elect to market my gas with Ameredev pursuant to the terms and conditions of its contracts.

Joint Interest Approval		
Company	Approved By	Date



Single Well Project

ed Bud State Com 25-36-32 096H Delaware

Intangibles	Code	Drilling	Geology	Dry Hole Completion	Dry Hole Cost	Pre Completion	Stimulation	Post Completion	Construction	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	0.004	\$ 165,375	\$ -	\$ -	\$ 165,375	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ 185,375
EASEMENT, ROW, AND ACQUISITION	0.006	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ 42,500	\$ 42,500	\$ 162,500
ROAD / LOCATION PREP / RESTORATION	0.008	\$ 10,001	\$ -	\$ -	\$ 10,001	\$ -	\$ 2,500	\$ -	\$ 102,000	\$ 104,500	\$ 114,501
DRILLING RIG	0.010	\$ 483,750	\$ -	\$ 43,000	\$ 526,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 526,750
COIL TUBING	0.012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 234,000	\$ -	\$ 234,000	\$ 234,000
FUEL	0.016	\$ 97,513	\$ -	\$ 3,000	\$ 100,513	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000	\$ 103,513
TRAILER, CAMP, AND CATERING	0.018	\$ 11,813	\$ -	\$ 1,050	\$ 12,863	\$ 130	\$ 845	\$ 325	\$ -	\$ 1,300	\$ 14,163
WATER & SEPTIC	0.020	\$ 26,000	\$ -	\$ -	\$ 26,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,000
SURFACE RENTALS	0.024	\$ 42,210	\$ -	\$ 2,000	\$ 44,210	\$ 2,058	\$ 92,965	\$ 6,510	\$ 5,355	\$ 106,888	\$ 151,098
DRILL BITS	0.028	\$ 165,930	\$ -	\$ -	\$ 165,930	\$ -	\$ -	\$ 3,500	\$ -	\$ 3,500	\$ 169,430
DOWNHOLE RENTALS	0.030	\$ 41,038	\$ -	\$ -	\$ 41,038	\$ -	\$ -	\$ 450	\$ -	\$ 450	\$ 41,488
DIRECTIONAL DRILLING	0.032	\$ 216,576	\$ -	\$ -	\$ 216,576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,576
COMPOSITE PLUGS	0.034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,600	\$ -	\$ -	\$ 57,600	\$ 57,600
TUBING & BHA INSPECT & REPAIR	0.042	\$ 7,345	\$ -	\$ 5,570	\$ 12,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,916
RENTAL TUBING	0.046	\$ 79,783	\$ -	\$ -	\$ 79,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,783
WELL CONTROL EQUIP / SERVICES	0.048	\$ 84,838	\$ -	\$ 4,510	\$ 89,348	\$ 3,900	\$ 150,000	\$ 7,500	\$ -	\$ 161,400	\$ 250,748
PUMP TRUCK / PRESSURE TESTING	0.054	\$ -	\$ -	\$ -	\$ -	\$ 8,500	\$ 200	\$ -	\$ -	\$ 8,700	\$ 8,700
MISC SUPPLIES & MATERIALS	0.056	\$ 4,500.00	\$ -	\$ -	\$ 4,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,500.00
MUD, ADDITIVES, AND CHEMICALS	0.060	\$ 326,130	\$ -	\$ -	\$ 326,130	\$ -	\$ 329,014	\$ 12,230	\$ -	\$ 341,244	\$ 667,374
FRAC PUMPING CHARGES	0.061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,550,000	\$ -	\$ -	\$ 3,550,000	\$ 3,550,000
WATER RIGHTS / TRANSFER / STORAGE	0.062	\$ 25,000	\$ -	\$ -	\$ 25,000	\$ 3,000	\$ 528,050	\$ 33,000	\$ -	\$ 564,050	\$ 589,050
SOLIDS CONTROL EQUIP / SERVICES	0.066	\$ 76,285	\$ -	\$ -	\$ 76,285	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,285
MUD / FLUIDS DISPOSAL CHARGES	0.068	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ -	\$ 3,800	\$ 20,000	\$ -	\$ 23,800	\$ 223,800
CASING CREWS	0.070	\$ 23,000	\$ -	\$ 14,350	\$ 37,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,350
CEMENTING	0.072	\$ 175,000	\$ -	\$ 85,000	\$ 260,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 260,000
CASING / LINER / FLOAT EQUIPMENT	0.074	\$ 28,000	\$ -	\$ 30,000	\$ 58,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,000
MOBILIZE & DEMOBILIZE	0.086	\$ 226,000	\$ -	\$ -	\$ 226,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,000
SUPERVISION / CONTRACT	0.094	\$ 78,750	\$ -	\$ 7,000	\$ 85,750	\$ 2,400	\$ 72,800	\$ 16,550	\$ 5,000	\$ 96,750	\$ 182,500
CONTRACT ROUSTABOUT	0.103	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,080	\$ 40,080	\$ 40,080
CONTRACT LANDWORK / SURVEY	0.114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000
REGULTRY / ENVIRON CONSULTANT	0.122	\$ 11,000	\$ -	\$ -	\$ 11,000	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 16,000
SAFETY AND EMERGENCY RESPONSE	0.124	\$ 2,250	\$ -	\$ 200	\$ 2,450	\$ 136	\$ 1,300	\$ 9,815	\$ 850	\$ 12,101	\$ 14,551
GEOLOGY	0.186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FLOW TESTING / EQUIP	0.194	\$ -	\$ -	\$ -	\$ -	\$ 3,150	\$ 20,000	\$ 19,400	\$ -	\$ 42,550	\$ 42,550
MUD LOGGING	0.198	\$ -	\$ 30,000.00	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
WIRELINE / PERF / PUMPDOWN COSTS	0.200	\$ 6,000	\$ -	\$ -	\$ 6,000	\$ -	\$ 461,200	\$ 20,000	\$ -	\$ 481,200	\$ 487,200
SECONDARY CONTAINMENT	0.254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ 20,000
FACILITY ELECTRIC & AUTOMATION	0.258	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ 55,000	\$ 55,000
Contingency	5.00%	\$ 136,704	\$ 1,500	\$ 9,784	\$ 147,988	\$ 1,314	\$ 267,514	\$ 19,264	\$ 17,077	\$ 305,168	\$ 453,156
Tax	6.25%	\$ 170,880	\$ 1,875	\$ 12,230	\$ 184,985	\$ 1,642	\$ 334,392	\$ 24,080	\$ 21,346	\$ 381,460	\$ 566,446
<b>Total Intangible Cost</b>		\$ 3,041,671	\$ 33,375	\$ 217,695	\$ 3,292,741	\$ 29,230	\$ 5,952,180	\$ 428,624	\$ 379,958	\$ 6,789,992	\$ 10,082,732
<b>Tangibles - Well Equipment</b>											
		Drilling	Geology	Dry Hole Completion	Dry Hole Cost	Pre Completion	Stimulation	Post Completion	Construction	After Casing Point Cost	Total Cost
CONDUCTOR PIPE	0.206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SURFACE CASING	0.210	\$ 109,200	\$ -	\$ -	\$ 109,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,200
INTERMEDIATE CASING	0.212	\$ 850,000	\$ -	\$ -	\$ 850,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 850,000
PRODUCTION CASING	0.216	\$ -	\$ -	\$ 866,400	\$ 866,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 866,400
TUBING	0.217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,175	\$ -	\$ 74,175	\$ 74,175
WELLHEAD / TREE / CHOKES	0.218	\$ 46,871	\$ -	\$ 119,911	\$ 166,782	\$ -	\$ -	\$ 90,000	\$ -	\$ 90,000	\$ 256,782
ISOLATION PACKER	0.222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000	\$ -	\$ 12,000	\$ 12,000
DOWNHOLE LIFT EQUIPMENT	0.234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,500	\$ -	\$ 8,500	\$ 8,500
<b>Tangibles - Lease Equipment</b>											
		Drilling	Geology	Dry Hole Completion	Dry Hole Cost	Pre Completion	Stimulation	Post Completion	Construction	After Casing Point Cost	Total Cost
BATTERY (HEATER TREATERS)	0.246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BATTERY (SEPARATOR)	0.248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ 75,000	\$ 75,000
BATTERY (GAS TREATING EQUIP)	0.250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
METERS AND METERING EQUIPMENT	0.274	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,700	\$ 45,700	\$ 45,700
VALVES, FITTINGS, PROD INSTRUM	0.282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ 40,000
Contingency	5.00%	\$ 50,304	\$ -	\$ 49,316	\$ 99,619	\$ -	\$ -	\$ 9,234	\$ 13,390	\$ 22,624	\$ 122,243
Tax	6.25%	\$ 62,879	\$ -	\$ 61,644	\$ 124,524	\$ -	\$ -	\$ 11,542	\$ 16,738	\$ 28,280	\$ 152,804
<b>Total Tangible Cost</b>		\$ 1,119,254	\$ -	\$ 1,097,271	\$ 2,216,525	\$ -	\$ -	\$ 205,451	\$ 297,928	\$ 503,378	\$ 2,719,904
<b>TOTAL</b>		\$ 4,160,925	\$ 33,375	\$ 1,314,966	\$ 5,509,266	\$ 29,230	\$ 5,952,180	\$ 634,075	\$ 677,885	\$ 7,293,370	\$ 12,802,636

# Chronology of Contacts

INTEREST OWNER	OWNER TYPE	OWNER INTEREST	First Attempt	2nd attempt
ANDREA NICHOLS	MI	0.001674107	1/20/2022	3/20/2022
ANN MARIE LUNDWALL	MI	0.000390625	1/20/2022	3/20/2022
BARBARA CAROL HUBBARD	MI	0.001562500	1/20/2022	3/20/2022
BURLINGTON RESOURCES OIL & GAS COMPANY LP	MI	0.062500000	1/20/2022	3/20/2022
CATHERINE MARCELLA CHAPIN	MI	0.000390625	1/20/2022	3/20/2022
CHARLES F. CHAMBERS, III	MI	0.000116257	1/20/2022	3/20/2022
CHARLES FREDERICK CHAMBERS FAMILY TRUST	MI	0.000116257	1/20/2022	3/20/2022
DAVID MARK HUBBARD	MI	0.000390625	1/20/2022	3/20/2022
DAVID NEWTON PAYNE, JR.	MI	0.000558036	1/20/2022	3/20/2022
DAVID WILSON DEAN	MI	0.000390625	1/20/2022	3/20/2022
DONALD WOODS, DECEASED	MI	0.001296296	1/20/2022	3/20/2022
ESTATE OF JACK NICHOLS ROYAL, DECEASED	MI	0.001339286	1/20/2022	3/20/2022
JEFFERY DEAN HUBBARD	MI	0.000390625	1/20/2022	3/20/2022
JEREMY YOUNG	MI	0.000357143	1/20/2022	3/20/2022
JILL GRAY	MI	0.000535714	1/20/2022	3/20/2022
KASSANDRA DAWN DITTMER	MI	0.000013503	1/20/2022	3/20/2022
MARY KAY LUNDWALL	MI	0.001953125	1/20/2022	3/20/2022
MICHAEL STERLING HUBBARD	MI	0.000390625	1/20/2022	3/20/2022
NANCY SEWELL SERWATKA	MI	0.003906250	1/20/2022	3/20/2022
NATHAN ALLEN DITTMER	MI	0.000013503	1/20/2022	3/20/2022
ROBERT CARLTON DEAN	MI	0.001562500	1/20/2022	3/20/2022
ROBERT CARLTON DEAN JR	MI	0.000390625	1/20/2022	3/20/2022
ROY G. BARTON, JR.	MI	0.005208333	1/20/2022	3/20/2022
ST JOSEPH RESIDENCE INC	MI	0.001145833	1/20/2022	3/20/2022
TERESA J ROYAL	MI	0.000669643	1/20/2022	3/20/2022
TRACY LYNN COLLINS	MI	0.006696429	1/20/2022	3/20/2022
WILLIAM B. NICHOLS	MI	0.000837054	1/20/2022	3/20/2022

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. C4  
 Submitted by: Ameredev Operating, LLC  
 Hearing Date: April 07, 2022  
 Case No. 22678

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

APPLICATIONS OF AMEREDEV  
OPERATING, LLC FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22678

AFFIDAVIT OF PARKER FOY

Parker Foy, of lawful age and being first duly sworn, declares as follows:

1. My name is Parker Foy. I work for Ameredev Operating, LLC (“Ameredev”) as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Ameredev in this case, and I have conducted a geologic study of the lands in the subject area.
4. In this case, Ameredev is targeting the Bone Spring formation.
5. **Ameredev Exhibit D-1** is a locator map that shows Ameredev’s acreage in yellow and the path of the proposed wellbore for the **Red Bud State Com 25 36 32 #096H well**. Nearby Bone Spring producing wells are marked with green dots. This map also shows the Capitan Reef Complex.
6. **Ameredev Exhibit D-2** is a subsea structure map that I prepared for the targeted interval within the Bone Spring formation with a contour interval of 50 feet. The structure map shows the Bone Spring gently dipping to the west. The Bone Spring structure appears consistent

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Ameredev Operating, LLC  
Hearing Date: April 07, 2022  
Case No. 22678

across the proposed wellbore path. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling within the spacing unit.

7. **Ameredev Exhibit D-3** is a map showing the location of the wells used to create the stratigraphic cross-section on Ameredev Exhibit D-4.

8. **Ameredev Exhibit D-4** is a stratigraphic cross-section that I prepared displaying open-hole logs run over the Bone Spring from three representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The targeted interval is labeled and marked on the left side of the exhibit. The logs in the cross-section demonstrate that the targeted interval, within the Bone Spring, is consistent in thickness across the proposed spacing unit.

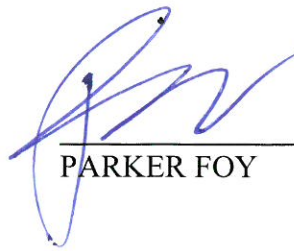
9. In my opinion, each tract comprising each of the proposed horizontal spacing units will be productive and contribute more-or-less equally to production from the wellbores.

10. In my opinion, the granting of Ameredev's applications in this is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

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

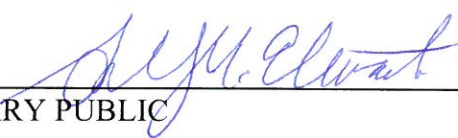
FURTHER AFFIANT SAYETH NOT.



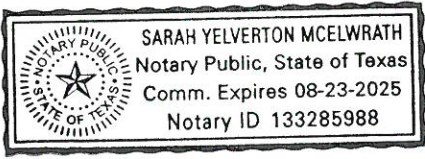
  
\_\_\_\_\_  
PARKER FOY

STATE OF TEXAS                    )  
  )  
COUNTY OF TRAVIS                )

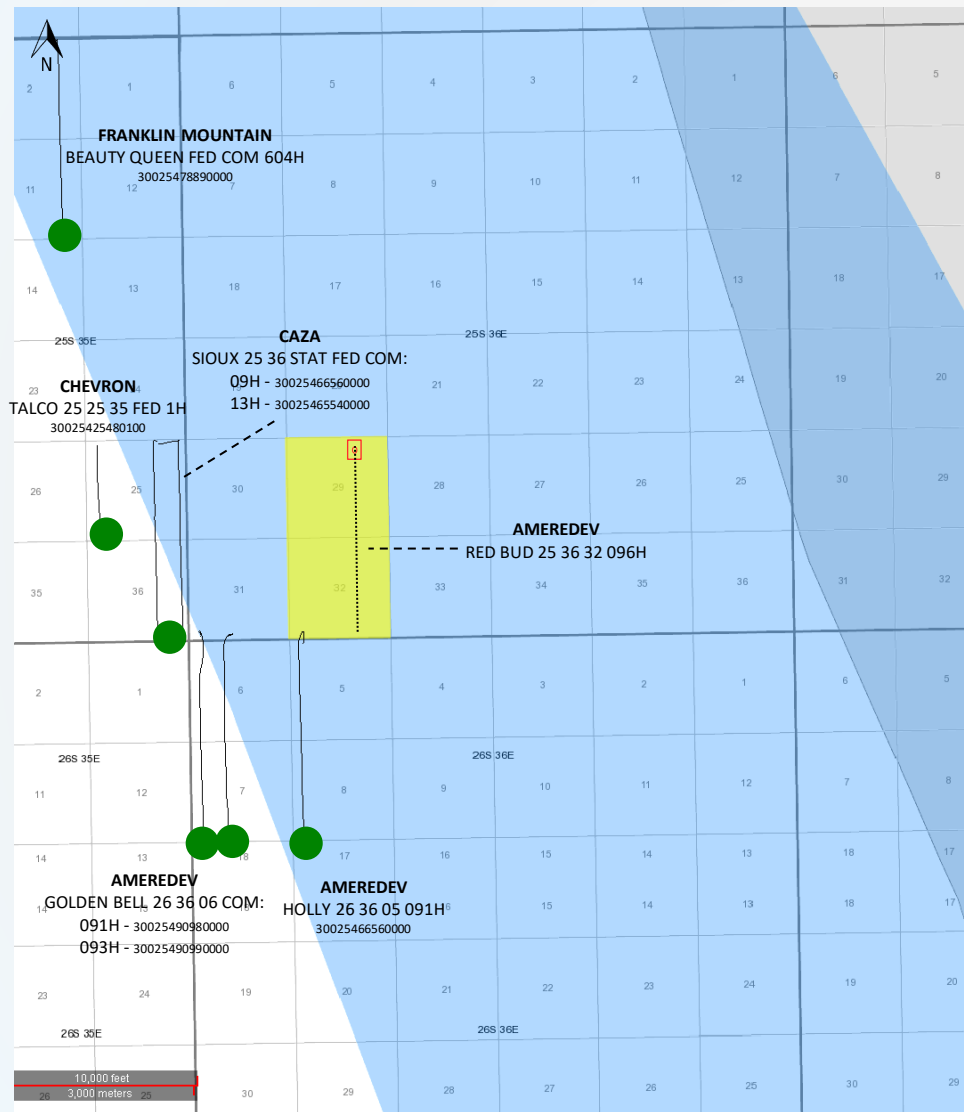
SUBSCRIBED and SWORN to before me this 1st day of April 2022 by Parker Foy.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:  
8/23/2025



# Bone Spring Pool – Capitan Reef Complex

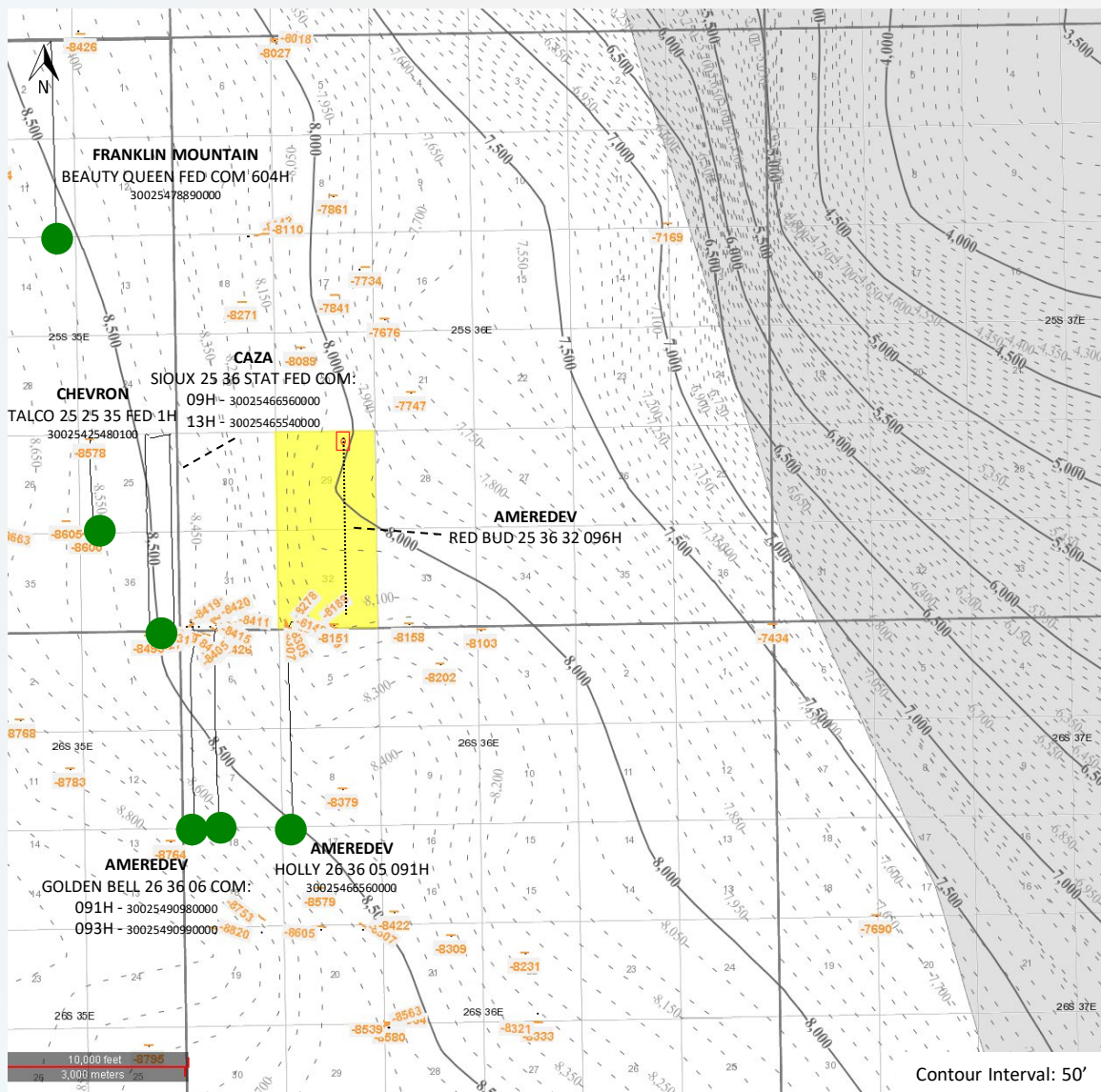


### Map Legend

BHL	SHL	Description
		Ameredev BSPG Horizontal Locations
		Producing BSPG Wells
		Ameredev Acreage
		Capitan Reef Complex

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D1  
 Submitted by: Ameredev Operating, LLC  
 Hearing Date: April 07, 2022  
 Case No. 22678

# Bone Spring Pool – BSPG Structure Map (Subsea Depth)

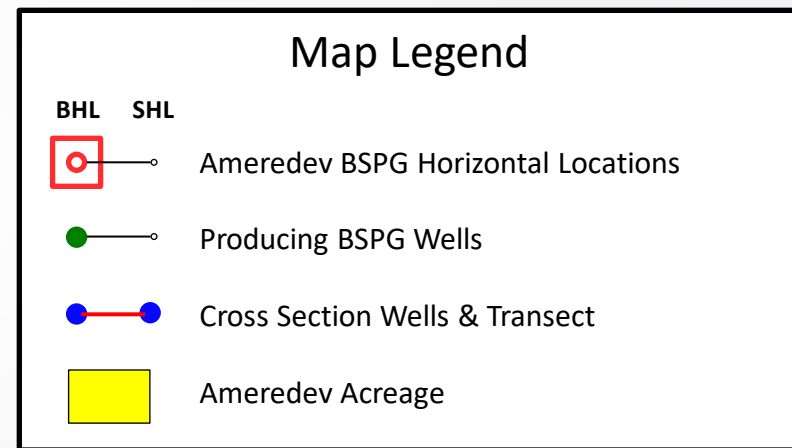
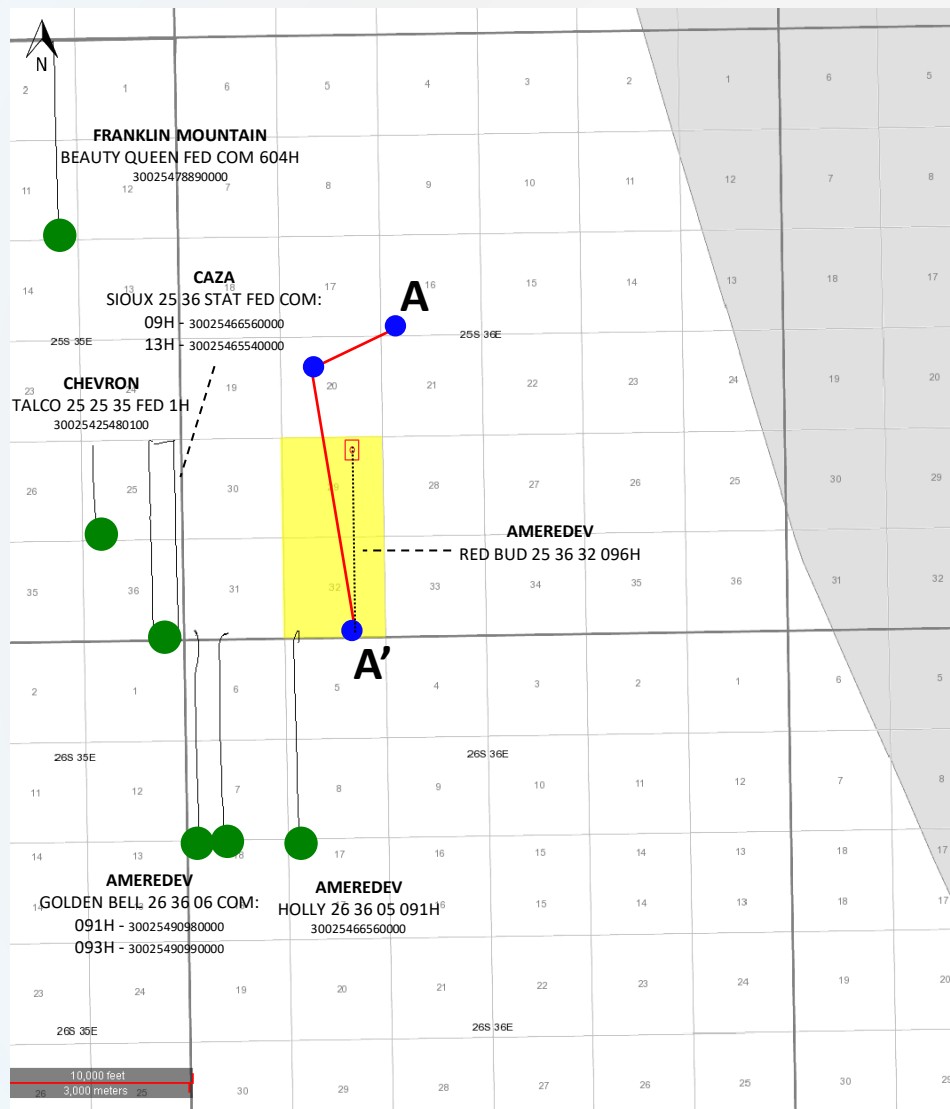


### Map Legend

- BHL SHL**
- Ameredeve BSPG Horizontal Locations
- Producing BSPG Wells
- Ameredeve Acreage

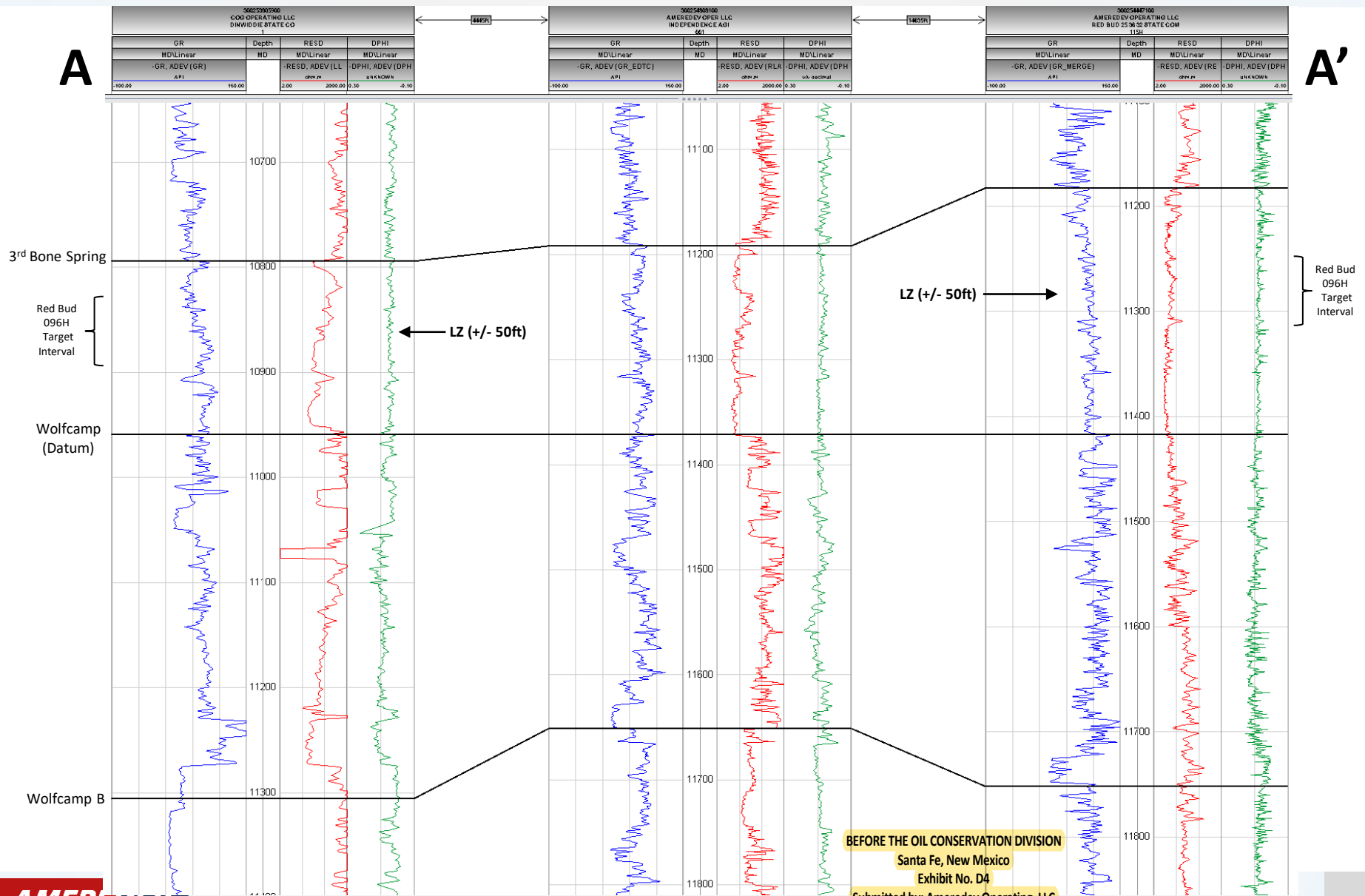
BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D2  
 Submitted by: Ameredeve Operating, LLC  
 Hearing Date: April 07, 2022  
 Case No. 22678

# Bone Spring Pool – Cross Section Map



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D3  
 Submitted by: Ameredeve Operating, LLC  
 Hearing Date: April 07, 2022  
 Case No. 22678

# Bone Spring Pool - Stratigraphic Cross Section



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

APPLICATION OF AMEREDEV
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22678

AFFIDAVIT

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

Adam G. Rankin attorney in fact and authorized representative of Ameredev Operating, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

[Handwritten signature of Adam G. Rankin]

Adam G. Rankin

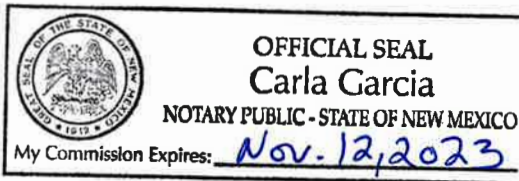
SUBSCRIBED AND SWORN to before me this 4th day of April, 2022 by Adam G. Rankin.

[Handwritten signature of Notary Public]

Notary Public

My Commission Expires:

Nov. 12, 2023



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Ameredev Operating, LLC
Hearing Date: April 07, 2022
Case No. 22678





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

March 18, 2022

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

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

**Re: Application of Ameredev Operating, LLC for compulsory pooling, Lea County, New Mexico.**  
**Red Bud 25-36-32 State Com 096H well**

Ladies & Gentlemen:

This letter is to advise you that Ameredev Operating, LLC, filed the enclosed application 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 Brandon Forteza at (737) 300-4721 or [bforteza@ameredev.com](mailto:bforteza@ameredev.com).

Sincerely,

Michael H. Feldewert  
**ATTORNEY FOR AMEREDEV OPERATING, LLC**

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

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

Ameredev - Red Bud 096H  
Case No. 22678 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765841876740	Andrea Nichols	14100 Montfort Dr Apt 1236	Dallas	TX	75254-3021	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765841876948	David Wilson Dean	2144 Trescott Dr	Tallahassee	FL	32308-0732	Your item has been delivered to an agent for final delivery in TALLAHASSEE, FL 32308 on March 22, 2022 at 2:25 pm.
9414811898765841876986	Donald Woods, Deceased	3385 Baltic Ave	Long Beach	CA	90810-2321	Your item arrived at the SANTA FE, NM 87504 post office at 8:32 am on March 28, 2022 and is ready for pickup.
9414811898765841876931	Estate Of Jack Nichols Royal, Deceased	723 Wyndham Hill Pkwy	Temple	TX	76502-1997	Your item arrived at the SANTA FE, NM 87504 post office at 8:32 am on March 28, 2022 and is ready for pickup.
9414811898765841876979	Jeffery Dean Hubbard	91-1150 Kai Oio St	Ewa Beach	HI	96706-6285	Your item was picked up at the post office at 10:18 am on March 26, 2022 in EWA BEACH, HI 96706.
9414811898765841876610	Jeremy Young	2105 Kings Rd	Carrollton	TX	75007-3227	Your item was delivered to an individual at the address at 12:40 pm on March 24, 2022 in CARROLLTON, TX 75007.
9414811898765841876658	Jill Gray	16529 Woodside Dr	Justin	TX	76247-6785	Your item was delivered to an individual at the address at 11:42 am on March 22, 2022 in JUSTIN, TX 76247.
9414811898765841876665	Kassandra Dawn Dittmer	464 S 150 E	Ivins	UT	84738-6237	Your item arrived at the SANTA FE, NM 87504 post office at 8:32 am on March 28, 2022 and is ready for pickup.
9414811898765841876603	Mary Kay Lundwall	8577 Little Swift Cir	Jacksonville	FL	32256-9642	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on March 30, 2022 at 1:19 pm. The item is currently in transit to the destination.
9414811898765841876696	Michael Sterling Hubbard	PO Box 77	Lawai	HI	96765-0077	Your item was picked up at the post office at 2:44 pm on March 23, 2022 in LAWAI, HI 96765.
9414811898765841876641	Nancy Sewell Serwatka	705 Post Oak Ct	El Paso	TX	79932-2511	Your item was delivered to an individual at the address at 9:55 am on March 22, 2022 in EL PASO, TX 79932.
9414811898765841876788	Ann Marie Lundwall	151 Grande View Dr Apt 89	Biloxi	MS	39531-4731	Your item arrived at the SANTA FE, NM 87504 post office at 7:08 am on March 29, 2022 and is ready for pickup.
9414811898765841876689	Nathan Allen Dittmer	414 N 400 W	Cedar City	UT	84721-2137	Your item was delivered to an individual at the address at 9:39 am on March 23, 2022 in CEDAR CITY, UT 84721.
9414811898765841876634	Robert Carlton Dean	601 Hillcrest St	Tallahassee	FL	32308-5015	Your item was picked up at the post office at 4:29 pm on March 24, 2022 in TALLAHASSEE, FL 32308.
9414811898765841876672	Robert Carlton Dean Jr	1399 Constitution Pl E	Tallahassee	FL	32308-7774	Your item was delivered to an individual at the address at 1:08 pm on March 22, 2022 in TALLAHASSEE, FL 32308.
9414811898765841876115	Roy G. Barton, Jr.	1919 N Turner St	Hobbs	NM	88240-2712	Your item was delivered to an individual at the address at 12:44 pm on March 22, 2022 in HOBBS, NM 88240.
9414811898765841876153	St Joseph Residence Inc	2211 N Marion Ave	Tulsa	OK	74115-3911	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on March 30, 2022 at 5:35 pm. The item is currently in transit to the destination.
9414811898765841876160	Teresa J Royal	1055 9th Ave Apt 414	San Diego	CA	92101-5529	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876122	Tracy Lynn Collins	14005 Panorama Dr	Austin	TX	78732-1033	Your item was delivered to an individual at the address at 1:11 pm on March 26, 2022 in AUSTIN, TX 78726.
9414811898765841876108	William B. Nichols	1201 Community Ln	Midland	TX	79701-4007	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876733	Barbara Carol Hubbard	2420 Kanio St	Lihue	HI	96766-8803	Your item was delivered to an individual at the address at 2:24 pm on March 23, 2022 in LIHUE, HI 96766.



Ameredev - Red Bud 096H  
Case No. 22678 Postal Delivery Report

9414811898765841876771	Burlington Resources Oil & Gas Company LP	600 W Illinois Ave	Midland	TX	79701-4882	Your item was picked up at a postal facility at 8:14 am on March 23, 2022 in MIDLAND, TX 79702.
9414811898765841876917	Catherine Marcella Chapin	1124 E 18th Ave	Spokane	WA	99203	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876962	Charles F. Chambers, III	11818 Village Park Cir	Houston	TX	77024-4418	Your item was delivered to an individual at the address at 3:36 pm on March 22, 2022 in HOUSTON, TX 77024.
9414811898765841876924	Charles Frederick Chambers Family Trust	11818 Village Park Cir	Houston	TX	77024-4418	Your item was delivered to an individual at the address at 3:36 pm on March 22, 2022 in HOUSTON, TX 77024.
9414811898765841876900	David Mark Hubbard	1923 Hokunui Pl	Lihue	HI	96766-8978	Your item was delivered to the front desk, reception area, or mail room at 10:54 am on March 23, 2022 in LIHUE, HI 96766.
9414811898765841876993	David Newton Payne, Jr.	2300 Pimmit Dr Apt 404	Falls Church	VA	22043-2816	Your item was forwarded to a different address at 9:14 am on March 23, 2022 in FALLS CHURCH, VA. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.

# 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  
March 23, 2022  
and ending with the issue dated  
March 23, 2022.



Publisher

Sworn and subscribed to before me this  
23rd day of March 2022.



Business Manager

My commission expires  
January 29, 2023

(Seal)



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

LEGAL NOTICE  
March 23, 2022

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, April 7, 2022, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than **March 27, 2022**.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e7a826ddc565491e5572809154e64648d>  
Event number: 2483 816 0092  
Event password: mJKbXvy44W2

Join by video: 24838160092@nmemnrd.webex.com  
Numeric Password: 468428  
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free  
Access code: 2483 816 0092

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

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

**To: All interest owners subject to pooling proceedings, including: Andrea Nichols, her heirs and devisees; Ann Marie Lundwall, her heirs and devisees; Barbara Carol Hubbard, her heirs and devisees; Burlington Resources Oil & Gas Company LP; Catherine Marcella Chapin, her heirs and devisees; Charles F. Chambers, III, his heirs and devisees; Charles Frederick Chambers Family Trust; David Mark Hubbard, his heirs and devisees; David Newton Payne, Jr., his heirs and devisees; David Wilson Dean, his heirs and devisees; Donald Woods, Deceased, his heirs and devisees; Estate of Jack Nichols Royal, Deceased, his heirs and devisees; Jeffery Dean Hubbard, his heirs and devisees; Jeremy Young, his heirs and devisees; Jill Gray, her heirs and devisees; Cassandra Dawn Dittmer, her heirs and devisees; Mary Kay Lundwall, her heirs and devisees; Michael Sterling Hubbard, his heirs and devisees; Nancy Sewell Serwatka, her heirs and devisees; Nathan Allen Dittmer, his heirs and devisees; Robert Carlton Dean, his heirs and devisees; Robert Carlton Dean Jr., his heirs and devisees; Roy G. Barton, Jr., his heirs and devisees; St Joseph Residence Inc; Teresa J Royal, her heirs and devisees; Tracy Lynn Collins, her heirs and devisees; and William B. Nichols, his heirs and devisees.**

**Case No. 22678: Application of Ameredev Operating, LLC for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interest in the Bone Spring formation [WC-025 G-08 S263620C; LWR Bone Spring (98150)] underlying a 320-acre, more or less, standard horizontal well spacing unit comprised of the W/2 E/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed **Red Bud 25-36-32 State Com 096H** (API 30-025-49591) to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 32 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 29. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 7 miles southwest of Jal, New Mexico. #37472

67100754

00265035

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

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. F  
Submitted by: Ameredev Operating, LLC  
Hearing Date: April 07, 2022  
Case No. 22678