BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING APRIL 07, 2022

CASE NOS. 22697-22698

BAETZ 22/15 FED COM 1H WELL BAETZ 22/15 FED COM 2H WELL

LEA COUNTY, NEW MEXICO



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

APPLICATIONS OF FASKEN OIL & RANCH, LTD, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22697-22698

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- Checklists will be provided
- Filed Application
- FASKEN Exhibit A: Affidavit of Michael Wallace, Landman
 - o FASKEN Exhibit A-1: C-102s will be provided
 - o FASKEN Exhibit A-2: General Location Map
 - o FASKEN Exhibit A-3: Land Plat and Ownership Breakdown
 - o FASKEN Exhibit A-4: Sample Well Proposal Letters & AFEs
 - o FASKEN Exhibit A-5: Chronology of Contact
- FASKEN Exhibit B: Affidavit of Adam Anderson, Geologist
 - o FASKEN Exhibit B-1: Subsea Structure Map
 - o FASKEN Exhibit B-2: Structural Cross-Section
- **FASKEN Exhibit C:** Notice Affidavit
- FASKEN Exhibit D: Affidavit of Publication

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

APPLICATION OF FASKEN OIL & RANCH, LTD, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22697

APPLICATION

Fasken Oil & Ranch, Ltd, OGRID 151416, ("Applicant"), 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 interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Sections 22 and 15, Township 20 South, Range 32 East (NMPM), Lea County New Mexico. In support of its application, Applicant states:

- 1. An entity affiliated with Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Baetz 22/15 Fed Com 1H** well to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 15.
- 3. 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.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. To allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on April 7, 2022, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing 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% charge 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

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 agrankin@hollandhart.com jbroggi@hollandhart.com

ATTORNEYS FOR FASKEN OIL & RANCH, LTD

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

APPLICATION OF FASKEN OIL & RANCH, LTD, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22698

APPLICATION

Fasken Oil & Ranch, Ltd, OGRID 151416 ("Applicant"), 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 interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 W/2 of Sections 22 and 15, Township 20 South, Range 32 East (NMPM), Lea County New Mexico. In support of its application, Applicant states:

- 1. An entity affiliated with Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Baetz 22/15 Fed Com 2H** well to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 15.
- 3. 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.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. To allow Applicant to obtain is just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on April 7, 2022, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing 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% charge 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

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

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jbroggi@hollandhart.com

ATTORNEYS FOR FASKEN OIL & RANCH, LTD

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

APPLICATIONS OF FASKEN OIL & RANCH, LTD, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22697-22698

AFFIDAVIT OF DAVID MICHAEL WALLACE (Landman)

Michael Wallace, of lawful age and being first duly sworn, declares as follows:

- 1. My name is David Michael Wallace and I am employed by Fasken Oil & Ranch ("Fasken"), as a landman. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. I am familiar with the applications filed by Fasken in these consolidated cases and the status of the lands in the subject area.
- 2. In these consolidated cases, Fasken seeks orders pooling all uncommitted interests in the Bone Spring formation (Salt Lake; Bone Spring [53560]) underlying standard 320-acre spacing units in the W/2 of Sections 22 and 15, Township 20 South, Range 32 East, NMPM, Lea County, as follows:
 - Under Case 22697, Fasken seeks to pool the Bone Spring formation underlying the W/2 W/2 of Sections 22 and 15 for the proposed Baetz 22-15 Fed Com 1H well to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 15.
 - Under Case 22698, Fasken seeks to pool the Bone Spring formation underlying the E/2 W/2 of Sections 22 and 15 for the proposed Baetz 22-15 Fed Com 2H well to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section

22 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 15.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: Fasken Oil & Ranch, Ltd.
Hearing Date: April 7, 2022
Case Nos. 22697-22698

- 3. Fasken Exhibit A-1 contains Form C-102's for the proposed initial wells in each spacing unit.
- 4. Fasken Exhibit A-2 is a general location map outlining the proposed horizontal spacing units in yellow. The acreage is comprised of federal lands.
- 5. There are no depth severances within the Bone Spring formation underlying this acreage.
- 6. Fasken Exhibit A-3 identifies the tracts of land comprising the proposed horizontal spacing units, the working interest ownership in each tract and the consolidated working interest ownership, which is the same for each proposed horizontal spacing unit. Fasken has highlighted the mineral interest owners Fasken seeks to pool, which includes a group of overriding royalty interest owners listed on the last page of this exhibit. Fasken has conducted a diligent search of the public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each of these mineral owners.
- 7. Fasken Exhibit A-4 contains a sample of the well proposal letters and AFEs sent to the working interest owners Fasken was able to locate. The costs reflected in these AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in these formations.
- 8. Fasken Exhibit A-5 contains a chronology of the contacts with the uncommitted working interest owners that Fasken was able to locate. In my opinion, Fasken has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners.
- 9. Fasken requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,000 per month while drilling and \$800 per month while

producing. These costs are consistent with what other operators are charging in this area for similar wells.

- 10. I have provided the law firm of Holland & Hart LLP with the names and addresses (where available) of the mineral owners that Fasken seeks to pool and instructed that they be notified of this hearing.
- 11. **Fasken Exhibits A-1 through A-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

David Michael Wallace

STATE OF TEXAS
COUNTY OF MIDLAND

SUBSCRIBED and SWORN to before me this _____ day of April 2022 by

Michael Wallace.

MARIA A. HERNANDEZ
Notary Public, State of Texas
Comm. Expires 03-16-2025
Notary ID 131047865

My Commission Expires:

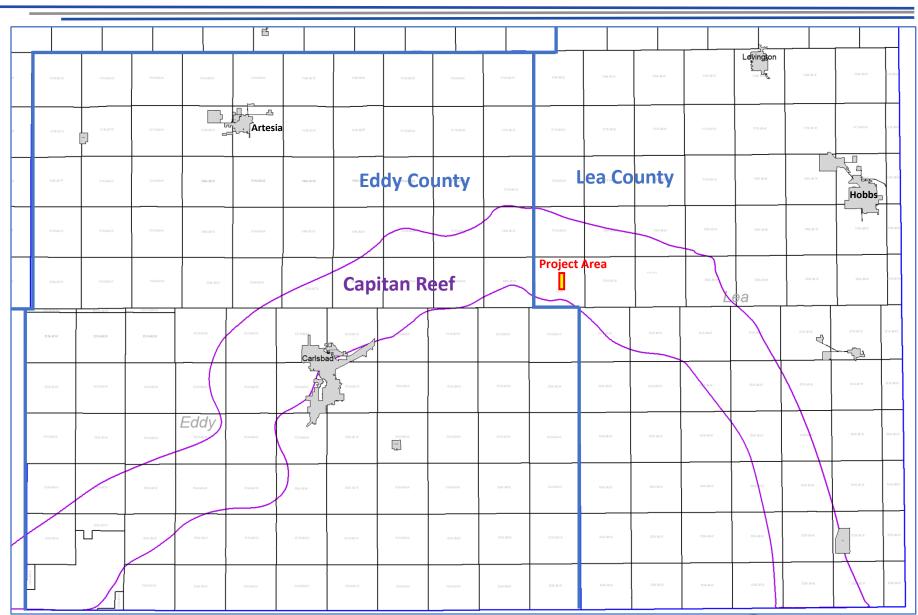
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BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No. A2

Submitted by: Fasken Oil & Ranch, Ltd. Hearing Date: April 7, 2022 Case Nos. 22697-22698

Location Map

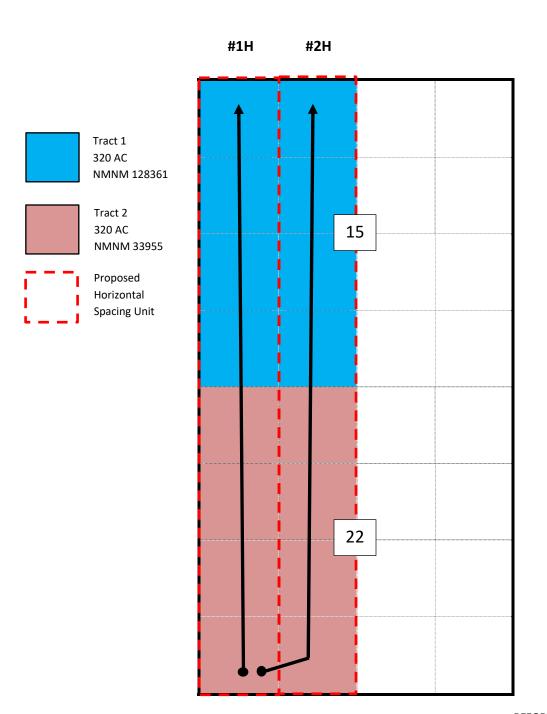




Lease Plat

Baetz 22-15 Fed Com #1H & #2H

W/2 of Sec. 22 & W/2 of Sec. 15-T20S-R32E, Lea County, NM



Baetz 22/15 Fed Com #1H

SHL: 500' FSL, 500' FWL, Sec. 22 BHL: 100' FNL, 660' FWL, Sec. 15

Baetz 22/15 Fed Com #2H

SHL: 500' FSL, 530' FWL, Sec 22 BHL: 100' FNL, 1,980' FWL, Sec 15

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. A3
Submitted by: Fasken Oil & Ranch, Ltd.
Hearing Date: April 7, 2022
Case Nos. 22697-22698

Page 1 of 5

Working Interest Owners by Tract

Tract 1: W/2 of Sec. 15-T20S-R32E
United States of America Lease NMNM 128361

Owner	Working Interest					
Fasken Land and Minerals, Ltd.	0.25000000					
Transcendent Oil and Gas Properties, LLC	0.00666667					
Escondido Oil and Gas, LLC	0.00333333					
Slash Exploration Limited Partnership	0.00781320					
Read & Stevens, Inc.	0.06510400					
G. Gail Mordka Family Trust	0.00208350					
Legacy Reserves Operating LP	0.07552100					
Tommy K. LaGrone and Mary Louise LaGrone Rev.						
Trust	0.00208350					
David Petroleum Corp.	0.01139150					
Breckenridge Partnership, Ltd.	0.00683680					
MRC Permian Company	0.09375000					
Marathon Oil Permian LLC	0.47541650					
Total:	1.0000000					

Tract 2: W/2 of Sec. 22-T20S-R32E
United States of America Lease NMNM 33955

Owner	Working Interest
Fasken Oil and Ranch, Ltd.	0.66321073
Brooks Oil and Gas Interests, Ltd.	0.00400000
Andrews H. Jackson	0.00400000
Trobaugh Properties, a Texas general partnership	0.10000000
Trainer Properties, Ltd.	0.08106130
Terri Jan Smith	0.0666667
Lenox Mineral Title Holdings, Inc.	0.0666666
Titus Oil and Gas Corporation	0.01439464
Total:	1.0000000

Working Interest by Horizontal Spacing Unit

Baetz 22-15 Fed Com #1H & Baetz 22-15 Fed Com #2H W/2 of Sec. 15 & W/2 of Sec. 22-T20S-R32E, Lea County, NM

Owner	Interest
Fasken Oil and Ranch, Ltd.	0.45660535
Transcendent Oil and Gas Properties, LLC*	0.00333335
Escondido Oil and Gas, LLC*	<mark>0.00166665</mark>
Slash Exploration Limited Partnership	<mark>0.00390660</mark>
Read & Stevens, Inc	<mark>0.03255200</mark>
G. Gail Mordka Family Trust*	<mark>0.00104175</mark>
Legacy Reserves Operating LP	<mark>0.03776050</mark>
Tommy K. LaGrone and Mary Louise LaGrone Rev.	
Trust	0.00104175
David Petroleum Corp.	0.00341840
Breckenridge Partnership, Ltd.	<mark>0.00341840</mark>
MRC Permian Company	<mark>0.04687500</mark>
Marathon Oil Permian LLC	<mark>0.23770825</mark>
Brooks Oil and Gas Interests, Ltd.	0.00200000
Andrew H. Jackson	0.00200000
Trobaugh Properties, a Texas general Partnership	0.05000000
Trainer Properties, Ltd.*	<mark>0.04053065</mark>
Terri Jan Smith	0.0333335
Lenox Mineral Title Holdings, Inc.*	0.03333333
Titus Oil and Gas Corporation*	0.00719732
Total:	1.00000000

Uncommitted Working Interest Owners seeking to Compulsory Pool

Participating and Negotiating Operating Agreement*

Overriding Royalty Interests seeking to Compulsory Pool

Owner
Marie I baetz Family 2012 Trust
Barbara Shelby Baetz Shipper
CSC3 Holdings, Ltd.
Lenox Mineral Title Holdings, Inc.
Trainer Partners, Ltd
Terri Jan Smith
R. K. Moore
Richard H. Schulze
John R. Lewis
Heir(s) or Devisee(s) of Donald C. Stephenson
Richard T. Stephenson
Benny R. Duncan
Trunk Bay Royalty Partners, Ltd.
Kimbell Royalty Holdings, LLC
Lougee Oil and Gas Trust
Martin Joyce
Nestegg Energy Corporation
MRC Permian Company
Good News Minerals, LLC
KMF Land, LLC
Post Oak Crown IV, LLC
Post Oak Crown IV-B, LLC
Mavros Minerals II, LLC
Oak Valley Mineral and Land, LP
Crown Oil Partners, LP
Collins & Jones Investments, LLC
MCT Energy Ltd.
Gerald G. Vavrek
Jesse A. Faught, Jr.
H. Jason Wacker
David W. Cromwell
LMC Energy LLC
Kaleb Smith
Deane Durham
Mike Moylett



Lynda James
General Manager
Director of Finance and
Personnel and Controller

Tommy E. Taylor Assistant General Manager Director of Oil and Gas

Charles F. Hedges, Jr. Director of Real Estate Development and

Sean N. McDaniel
Director of Investments

General Counsel

Mike Barnett Surface Properties Manager

Taylor Billingsley
Oil and Gas Operations Manager

Sally M. Kvasnicka Land Manager

Stonnie L. Pollock Exploration Manager

Sheila Simmons Marketing and Production Accounting Manager

Travis White Engineering Manager Certified Mail No.: 7020 1290 0001 6333 6764

February 10, 2022

David Petroleum Corp.
116 West First St.
Roswell, NM 88202-4702
Attn: Bill Owen, Exploration Manager

REF: Baetz 22/15 Fed Com. No. 1H and No. 2H (the "Wells") W/2 of Sections 22 and 15, Township 20 South, Range 32 East Lea County, New Mexico

To Whom It May Concern:

Fasken Oil and Ranch, Ltd. is the operator on behalf of Fasken Land and Minerals, Ltd. ("Fasken"). Fasken, as operator, herby proposes the drilling and completion of the following horizontal wells with productive laterals located on the W/2 of Sections 22 and 15-T20S-R32E (collectively, the "Operation") as follows:

Baetz 22/15 Fed Com No. 1H as a horizontal well in a legal location in the W/2 W/2 of Section's 22 and 15-T20S-R32E. The estimated SHL will be 500' FSL and 500' FWL in Section 22 and an estimated BHL will be 100' FNL and 660' FWL in Sec. 15, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 9,714' and a MD of approximately 18,814' to test the 2nd Bone Spring formation. The FTP of this well is estimated at 900' FSL and 660' FWL of Sec. 22 and the LTP of this well is estimated at 100' FNL and 660' FWL of Section 15. The total cost of the Operation is estimated to be \$9,644,873 and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

Baetz 22/15 Fed Com No. 2H as a horizontal well in a legal location in the E/2 W/2 of Section's 22 and 15-T20S-R32E. The estimated SHL will be 500' FSL and 530' FWL in Section 22 and an estimated BHL will be 100' FNL and 1,980' FWL in Sec. 15, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 9,766' and a MD of approximately 18,866' to test the 2nd Bone Spring formation. The FTP of this well is estimated at 700' FSL and 1,980' FWL of Sec. 22 and the LTP of this well is estimated at 100' FNL and 1,980' FWL of Section 15. The total cost of the Operation is estimated to be \$9,644,873 and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

Fasken reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. Fasken will advise you of such modifications.

FASKEN OIL AND RANCH, LTD., 6101 HOLIDAY HILL ROAD, MIDLAND, TEXAS 79707 (432) 687-1777

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A4
Submitted by: Fasken Oil & Ranch, Ltd.
Hearing Date: April 7, 2022
Case Nos. 22697-22698

Baetz 22/15 Fed No. 1H & No. 2H Proposal February 10, 2022 Page 2

Fasken is proposing the Wells to be drilled under the terms of a modified 1989 AAPL Horizontal Form of Operating Agreement which is enclosed for your review and approval. The proposed operating agreement will cover the W/2 of Sections 22 and 15-T20S-R32E, Lea County, New Mexico. The proposed operating agreement contains the following general provisions:

- 100%/300% Non-Consenting Penalty,
- \$8,000/\$800 Drilling and Producing rate,
- Fasken Oil and Ranch, Ltd. named as Operator,
- The Exhibit "A" to the JOA will be completed when the ownership is known.

Please indicate your participation election in the spaces provided below, sign and return this letter, the signed OA, along with the AFE and a copy of your geologic well requirements if you would like to participate.

If you do not wish to participate in the Operation, Fasken would like to discuss acquiring your interest in the referenced acreage.

In the interest of time, if we do not reach an agreement within 30 days of receipt of this letter, Fasken will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed wells.

If you have any questions or concerns, please feel free to reach out to me at (432) 687-1777 or by e-mail at mwallace@forl.com.

Thanks,

Mike Wallace
Landman

David Petroleum Corp.

	_David Petroleum Corp. elects to participate in the proposed Operation _David Petroleum Corp. elects NOT to participate in the proposed Operation.
By:	
Name:	
Title:	
E-mail:	

6101 Holiday Hill Road Midland, Texas 79707 (432) 687-1777

Received by OCD: 4/5/2022 8:58:49 PM

FASKEN OIL AND RANCH, LTD.

COST ESTIMATE DRAFT AFE

LATERAL LENGTH:.10,000' (approx)

LEASE/WELL NO.: Baetz 2215 No. 1H

COUNTY: Lea STATE: NM

FIELD: Salt Lake, 2nd Bone Springs

Released to Imaging: 4/6/2022 1:13:47 PM

TYPE OF WORK: Drill and Complete

LOCATIOI SHL Sec 22, T20S-R32E, 500' FSL and 500' FWL BHL Sec 15, T20S-R32E, 100' FNL and 660 FWL, BHL IS FINAL TAK DATE: Revised 2/10/22

\$715,200 \$8,071,045

\$8,071,045

\$9,636,873 \$9,644,873

\$2,801,300

\$3,199,500

<u>TANGIBLES</u>						
TUBULAR GOODS	SIZE	FOOTAGE	PRICE	SUB	TOTAL	DRY HOLE
	[IN]	[FT]	[\$/FT]			
Conductor Pipe	30.000	80	\$100.00	\$8,000		\$8,000
Surface Casing	20,000	1,000	\$50.00	\$50,000		\$50,000
nter. Casing	13.375	2,600	\$35.00	\$91,000		\$91,000
nter. Casing	9.625	4,600	\$52.00	\$239,200		\$239,200
•					 	\$(
Oil string	<u>5.500</u>	<u>18,868</u>	<u>\$21.00</u>	\$396,228	0040 000	
Tubing	<u>2.875</u>	9,200	<u>\$7.00</u>	\$64,400	\$848,828	\$(
VELLHEAD EQUIPMENT					_	
Starting Head				\$3,000	_	\$3,00
nter. Head				\$7,000		\$7,00
rubing Head				\$15,000		\$
Christmas Tree				\$25,000	\$50,000	\$
SUB SURFACE PRODUCTI	ON FOLID	WENT		723,332		
Tubing Anchor and/or Packe				\$5,000		\$
•				\$20,000	\$25,000	\$
Sucker Rods, Pump, BHA, e				\$20,000	\$25,000	Φ
SURFACE PRODUCTION E	-				_	
Pumping Unit c/w Prime Mov	/er			\$40,000	<u>_</u>	\$
Flowlines				\$180,000	L	\$
Fanks, Treaters, Separators,	Circ. Pum			\$215,000		\$
_abor				\$215,000	\$650,000	\$
						THE PARTY OF THE P
		TOTAL TANGI	BLES	\$1,565,828	1573828	\$398,20
INTANGIBLES						
CONTRACTOR DRILLING	COST					
		DAYS	RATE		-	
Drilling Cost		0	\$0.00	\$0		\$
Day Work		23	\$24,500	\$563,500		\$563,50
Rig Mobilization		20	<u> </u>	\$250,000	\$813,500	\$250,00
CEMENTING SERVICES &	EOLUDATE	17		\$230,000	\$615,000	\$250,00
	EQUIPMEN	41		m 40 000		0.40.00
Surface				\$40,000		\$40,00
Intermediates Combined				\$80,000		\$80,00
Oil String				\$75,000	Ú.	\$
Open Hole Whicpstock and	Cementing			\$0	\$195,000	\$
FORMATION TREATMENT	•					
Acidizing Services & Materia				\$0		\$
Fracturing Services & Mater					-	\$
	iais			\$3,500,000		
Tank Rental & Hauling				\$35,000	\$3,535,000	\$
SPECIAL SERVICES					122	
Perforating & Wireline Servi	ces			\$150,000		9
		DAYS	RATE			
Mud Logging		<u>25</u>	\$1,200	\$30,000	\$180,000	\$30,00
DRILLING FLUIDS						
Mud & Chemicals				\$200,000		\$200,00
Fresh & Brine Water/Drilling	and Fractu	rina			-	
	and Fractu	mig		\$550,000	-	\$50,00
Cuttings Hauling				\$100,000	20UC	\$10,00
Base Fluid for OBM/SBM				\$12,000	\$862,000	\$120,00
DRILLING SERVICES				50		
Bits & Reamers				\$90,000		\$90,0
Fuel				\$105,000	-	\$105,0
Directional Drilling				\$300,000	-	
•				the state of the s	_	\$300,0
Hauling/Trucking	D112			\$100,000		\$100,0
Casing Expense (Run Csg.,	PU/LD Mad	chine)		\$55,925		\$34,6
Pit Liners				\$20,000		\$20,0
Rental Equipment				\$187,800	F	\$187,8
Welding & Roustabout Labo	г			\$15,000	\$873,725	\$4,5
COMPLETION SERVICES	•			\$10,000	\$010,120	φ4,5
Pulling Unit for Completion				6470.000	r	
				\$172,800	1	
Reverse Drilling Equipment				\$0		
Flowback Services				\$105,000	1	
Coiled Tubing Unit				\$0		
Bits & Motors				\$14,400	-	3
Mud for Drilling Plugs				\$37,800	-	
Rental Equipment					-	
				\$100,000	200200000	
Hauling/Trucking				\$36,000	\$466,000	
SERVICES & MATERIALS						
Tubular Inspection & Testing				\$11,000	Î	\$5,00
Valves, Piping, & Connectio	ns			\$0	-	90,00
Roustabout Labor				\$0	-	
Cattleguard & Fencing					<u></u>	
Mine Condess 9.0 "				\$0	144500000000000000000000000000000000000	
Misc. Services & Supplies				\$30,300	\$41,300	\$26,30
LOCATION ACCESS & CLI	EAN UP					
Surveying				\$5,000		\$5,00
Road, location, pits and clea	an up			\$180,000	\$195,000	
SUPERVISION & LEGAL, E				\$100,000	\$185,000	\$180,00
Geological, Engr. & Supervi	sory Expens	se		\$189,000	\$189,000	\$144,00
Well Control Insurance				\$15,320	\$15,320	\$15,32
	400/			\$715,200	\$715,200	
CONTINGENCIES	<u>10%</u>	v.		₩/ 10,200 I	\$7 TO.ZUU T	\$240,20

TOTAL INTANGIBLES

TOTAL COST

FASKEN OIL AND RANCH, LTD.

COST ESTIMATE DRAFT AFE

LATERAL LENGTH:.10,000' (approx)

LEASE/WELL NO.: Baetz 2215 No. 2H

COUNTY: Lea STATE: NM

FIELD: Salt Lake, 2nd Bone Springs

TYPE OF WORK: Drill and Complete

LOCATIOI SHL Sec 22, T20S-R32E, 500' FSL and 530' FWL

BHL Sec 15, T20S-R32E, 100' FNL and 1980' FWL, BHL IS FINAL TADATE: Revised 2/10/22

TANGIBLES			3			
UBULAR GOODS	SIZE	FOOTAGE	PRICE	SUB	TOTAL	DRY HOLE
	[IN]	[FT]	[\$/FT]			
Conductor Pipe	30.000	80	<u>\$100.00</u>	\$8,000		\$8,000
Surface Casing	20.000	1,000	<u>\$50.00</u>	\$50,000		\$50,000
nter. Casing	13.375	2,600	<u>\$35.00</u>	\$91,000		\$91,000
nter. Casing	9.625	4,600	\$52.00	\$239,200		\$239,200
Oil string	5.500	18,868	\$21.00	\$396,228		\$0
Tubing	2.875	9,200	\$7.00	\$64,400	\$848,828	\$0
WELLHEAD EQUIPMENT					(d)	
Starting Head				\$3,000		\$3,000
nter. Head				\$7,000		\$7,000
Гubing Head				\$15,000	N 20 -00 -	\$0
Christmas Tree				\$25,000	\$50,000	\$0
SUB SURFACE PRODUCTION	N EQUIP	MENT			-	
Tubing Anchor and/or Packer				\$5,000	raise on the rest	\$0
Sucker Rods, Pump, BHA, etc				\$20,000	\$25,000	\$0
SURFACE PRODUCTION EC		Г		2.2.227	-	***
Pumping Unit c/w Prime Move	er			\$40,000	-	\$0
Flowlines				\$180,000	-	\$0
Tanks, Treaters, Separators,	Circ. Pum _l	р		\$215,000		\$0
Labor				\$215,000	\$650,000	\$0
		TOTAL TANGI	DI EQ	\$1,565,828	1573828	\$398,200
		TOTAL TANON	DLLO ,	\$1,000,020	1070020	4000,200
<u>INTANGIBLES</u> CONTRACTOR DRILLING C	OST					
CONTRACTOR DRILLING C	U 31	DAYS	RATE			
Drilling Cost		<u>0</u>	\$0.00	\$0	ſ	\$0
Day Work		23	\$24,500	\$563,500		\$563,500
Rig Mobilization		_		\$250,000	\$813,500	\$250,000
CEMENTING SERVICES & E	QUIPME	NT				
Surface				\$40,000	1	\$40,000
Intermediates Combined				\$80,000		\$80,000
Oil String				\$75,000	1	\$0
Open Hole Whicpstock and C	ementing			\$0	\$195,000	\$0
FORMATION TREATMENT						
Acidizing Services & Material				\$0	[\$0
Fracturing Services & Materia	als			\$3,500,000	1	\$0
Tank Rental & Hauling				\$35,000	\$3,535,000	\$0
SPECIAL SERVICES						
Perforating & Wireline Service	es			\$150,000		\$0
Mud Logging		DAYS <u>25</u>	RATE \$1,200	\$30,000	\$180,000	\$30,000
DRILLING FLUIDS		20	Ψ1,200	ψ30,000 [\$100,000	Ψ30,000
Mud & Chemicals				\$200,000	1	\$200,000
Fresh & Brine Water/Drilling	and Fractu	ring		\$550,000		\$50,000
Cuttings Hauling		9		\$100,000		\$10,000
Base Fluid for OBM/SBM				\$12,000	\$862,000	\$120,000
DRILLING SERVICES				Ψ12,000 <u> </u>	φουΣ,000	\$1E0,000
Bits & Reamers				\$90,000	1	\$90,000
Fuel				\$105,000		\$105,000
Directional Drilling				\$300,000		\$300,000
Hauling/Trucking				\$100,000		\$100,00
Casing Expense (Run Csg., F	PU/LD Ma	chine)		\$55,925		\$34,67
Pit Liners		•		\$20,000		\$20,000
Rental Equipment				\$187,800		\$187,80
Welding & Roustabout Labor				\$15,000	\$873,725	\$4,50
COMPLETION SERVICES						
Pulling Unit for Completion				\$172,800		\$0
Reverse Drilling Equipment	197			\$0		\$0
Flowback Services				\$105,000		\$0
Coiled Tubing Unit				\$0	l	\$0
Bits & Motors				\$14,400		\$0
Mud for Drilling Plugs				\$37,800		\$0
Rental Equipment				\$100,000		\$0
Hauling/Trucking				\$36,000	\$466,000	\$0
SERVICES & MATERIALS (THER				4.	
Tubular Inspection & Testing	_			\$11,000		\$5,000
Valves, Piping, & Connection	5			\$0		\$0
Roustabout Labor				\$0		\$0
Cattleguard & Fencing				\$0	ENTE O CACCO	\$0
Misc. Services & Supplies	A NI . 1 IP			\$30,300	\$41,300	\$26,300
LOCATION ADDRESS A	AN UP					
				\$5,000		\$5,000
Surveying				\$180,000	\$185,000	\$180,000
Surveying Road, location, pits and clear				\$100,000	Ψ105,000	Ψ100,000
Surveying Road, location, pits and clear SUPERVISION & LEGAL, E	TC.					
Geological, Engr. & Supervis	TC.	se		\$189,000	\$189,000	\$144,000
Surveying Road, location, pits and clear SUPERVISION & LEGAL, E Geological, Engr. & Supervis Well Control Insurance	TC. ory Expen			\$189,000 \$15,320	\$189,000 \$15,320	\$144,000 \$15,320
Surveying Road, location, pits and clear SUPERVISION & LEGAL, E Geological, Engr. & Supervis	TC.			\$189,000	\$189,000	\$144,000 \$15,320 \$240,200 \$2,801,300

TOTAL COST

\$9,636,873 \$9,644,873

\$3,199,500

Summary of Communications

Uncommitted Working Interest Owners:

1) Brooks Oil and Gas, Ltd.

In addition to sending well proposals, Fasken has had conversations with Brooks Oil and Gas, Ltd. regarding the project. They elected to not participate and we have offered to purchase their interest.

2) Andrew H. Jackson

In addition to sending well proposals, Fasken has had conversations with Andrew H. Jackson regarding the project. They have executed the operating agreement and elected to participate. We are waiting on Mr. Jackson to return signed communitization agreement.

3) Trainer Partners, Ltd.

In addition to sending well proposals, Fasken has had conversations with Trainer Partner, Ltd. regarding the project. They have said they are participating and signing OA. Fasken is waiting for them to return signed elections, operating agreement and communitization agreement.

4) Terri Jan Smith

In addition to sending well proposals, Fasken has had conversations with Brooks Oil and Gas, Ltd. regarding the project and we are acquiring her interest in the project. Currently drafting assignment.

5) Lenox Mineral Title Holdings, Inc.

In addition to sending well proposals, Fasken has had conversations with Lenox Mineral Title Holdings, Inc. regarding the project. They are participating in the project. We are waiting for them to return signed elections, operating agreement and communitization agreement. We are continuing to discuss joinder in project.

6) Titus Oil and Gas Corporation

In addition to sending well proposals, Fasken has had conversations with Titus Oil and Gas Corp. regarding the project. They are participating in the project. We are waiting for them to return signed elections, operating agreement and communitization agreement. We are continuing to discuss joinder in project.

7) Transcendent Oil and Gas, LLC

In addition to sending well proposals, Fasken has had conversations with Transcendent Oil and Gas, LLC regarding the project. They are participating in the project. We are waiting for them to return signed elections, operating agreement and communitization agreement.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A5
Submitted by: Fasken Oil & Ranch, Ltd.
Hearing Date: April 7, 2022
Case Nos. 22697-22698

8) Escondido Oil and Gas, LLC

In addition to sending well proposals, Fasken has had conversations with Escondido Oil and Gas, LLC regarding the project. They are participating in the project. We are waiting for them to return signed operating agreement. They have returned elections and communitization agreement.

9) Slash Exploration Limited Partnership

In addition to sending well proposals, Fasken has had conversations with Slash Exploration Limited Partnership regarding the project. They are participating in the project. We are waiting for them to return signed elections, operating agreement and communitization agreement.

10) Read & Stevens, Inc.

In addition to sending well proposals, Fasken has had conversations with Read and Stevens, Inc. regarding the project. They are participating in the project. They have returned elections and signed operating agreement. We are waiting for them to return signed communitization agreement.

11) G. Gail Mordka Family Trust

In addition to sending well proposals, Fasken has had conversations with the G. Gail Mordka Family Trust regarding the project. They are participating in the project. They have returned elections and signed operating agreement. We are waiting for them to return signed communitization agreement.

12) Legacy Reserves Operating Company

In addition to sending well proposals, Fasken has had discussions with Legacy Reserves Operating Company regarding this project and continuing to discuss voluntary joinder.

13) Tommy K. LaGrone and Mary Louise LaGrone Revocable Trust

In addition to sending well proposals, Fasken has had conversations with the LaGrone Trust regarding the project. They elected to not participate and we have offered to purchase their interest.

14) Breckenridge Partnership, Ltd.

In addition to sending well proposals, Fasken has had conversations with Breckenridge Partnership, Ltd. regarding the project. They are participating in the project. We are waiting for them to return signed elections, operating agreement and communitization agreement.

15) MRC Permian Company

In addition to sending well proposals, Fasken has had discussions with MRC Permian Company regarding this project and continuing to discuss voluntary joinder.

16) Marathon Oil Permian LLC

In addition to sending well proposals, Fasken has had discussions with MRC Permian Company regarding this project and continuing to discuss voluntary joinder. We are discussing a trade to acquire their interest.

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

APPLICATIONS OF FASKEN OIL & RANCH, LTD, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22697-22698

AFFIDAVIT OF ADAM ANDERSON, GEOLOGIST

Adam Anderson, of lawful age and being first duly sworn, declares as follows:

1. My name is Adam Anderson and I am employed by Fasken Oil & Ranch, Ltd,

("Fasken"), as a petroleum geologist.

2. I have previously testified before the New Mexico Oil Conservation Division as an

expert witness in petroleum geology. I am familiar with the applications filed by Fasken in these

consolidated cases and have conducted a geologic study of the lands in the subject area.

3. The target interval for the initial wells in the proposed spacing units is the Second

Bone Spring Sand of the Bone Spring formation.

4. **Fasken Exhibit B-1** is a subsea structure map that I prepared for the Second Bone

Spring Sand. The proposed spacing units are highlighted and show the orientation of the planned

initial wells. The structure map shows the Bone Spring formation gently dipping to the southeast.

The structure appears consistent across the proposed spacing units, and I do not observe any

faulting, pinch outs, or other geologic impediments to drilling horizontal wells.

5. Fasken Exhibit B-1 also shows a line of cross sections from A to A' using three

well logs. I chose these well logs because they show the continuity and structure of the Second

Bone Spring Sand. In my opinion, these well logs are representative of the geology in the subject

area.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. B
Submitted by: Fasken Oil & Ranch, Ltd.

Hearing Date: April 7, 2022 Case Nos. 22697-22698

- 6. **Fasken Exhibit B-2** is a structural cross-section that I prepared using logs from the representative wells shown on Exhibit B-1. Each well on the cross-section contains gamma ray, neutron porosity, density, and resistivity logs. The target interval for the proposed initial wells is shaded in yellow. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.
- 7. My geologic study confirms that the target formation underlying the subject area is suitable for development by horizontal wells and that the acreage comprising the proposed horizontal spacing units will be productive and contribute proportionately to the production from the wells.
- 8. In my opinion, the orientation of the proposed wells is appropriate because it allows us to have the surface locations on established drill islands and drill the wells up-dip which improves overall recovery of oil and gas.
- 9. The approval of Fasken's applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 10. **Fasken Exhibits B-1 and B-2** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT

Adam Anderson

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

SUBSCRIBED and SWORN to before me this day of April, 2022 by

Adam Anderson.

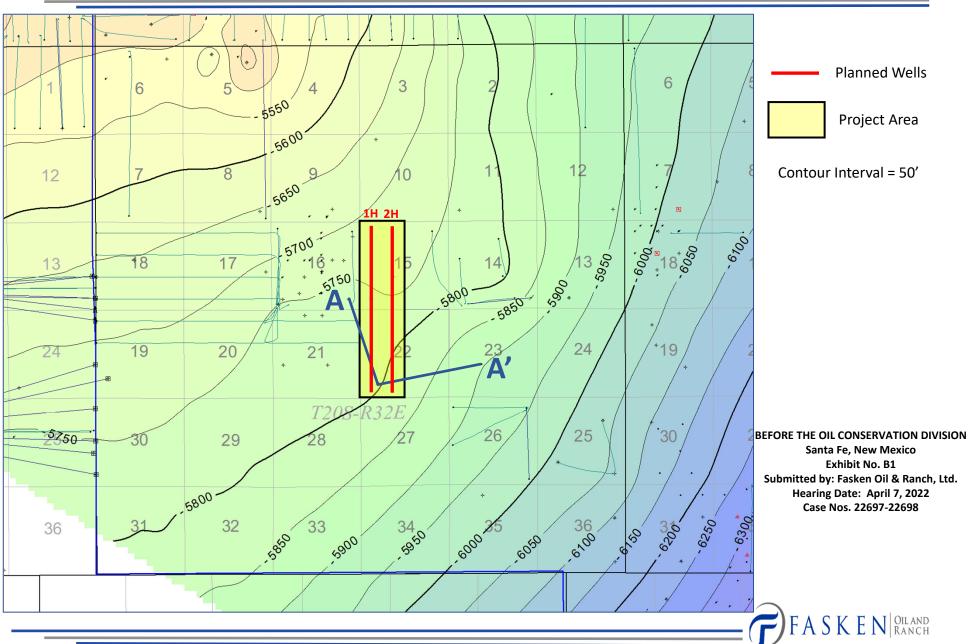


NOTARY PUBLIC

My Commission Expires:

Structure Map – Top of the Second Bone Spring Sand (Feet Subsea)

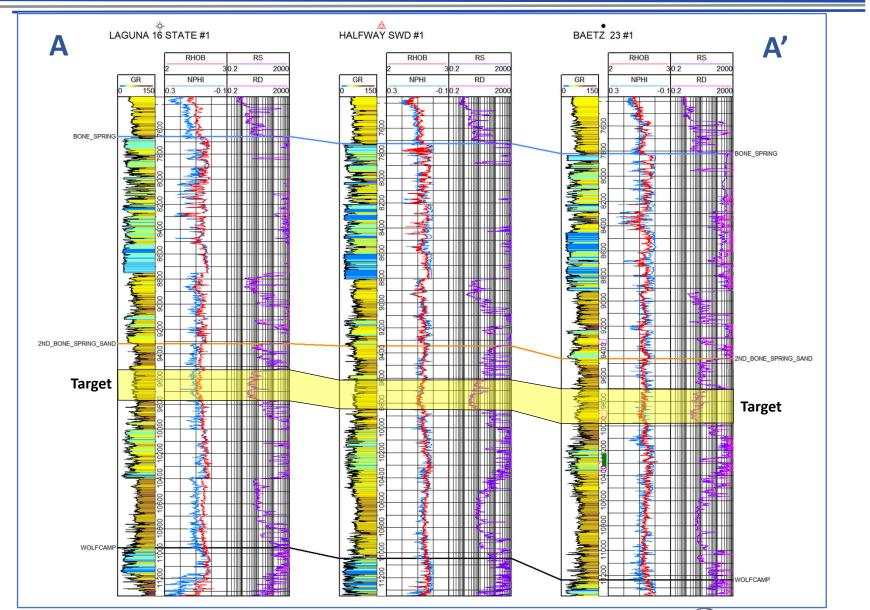
Released to Imaging: 4/6/2022 1:13:47 PM



Structural Cross Section (A - A')

Santa Fe, New Mexico
Exhibit No. B2

Submitted by: Fasken Oil & Ranch, Ltd. Hearing Date: April 7, 2022 Case Nos. 22697-22698





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

APPLICATIONS OF FASKEN OIL & RANCH, LTD, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22697-22698

AFFIDAVIT

STATE OF NEW MEXICO)	
) s	S
COUNTY OF SANTA FE)	

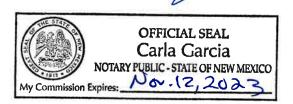
Michael H. Feldewert, attorney in fact and authorized representative Fasken Oil & Ranch, Ltd., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Michael H. Feldewert

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

My Commission Expires:

Nav. 12, 2023



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Fasken Oil & Ranch, Ltd.
Hearing Date: April 7, 2022
Case Nos. 22697-22698



Michael H. Feldewert **Partner** Phone 505.954.7287 mfeldewert@hollandhart.com

March 18, 2022

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Application of Fasken Oil & Ranch, Ltd for compulsory pooling, Lea Re:

County, New Mexico.

Baetz 22/15 Fed Com 1H well

Ladies & Gentlemen:

This letter is to advise you that Fasken Oil & Ranch, Ltd, has 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 Michael Wallace at (432) 687-1777 or at mwallace@forl.com.

Sincerely.

Michael H. Feldewert

ATTORNEY FOR FASKEN OIL & RANCH, LTD



Michael H. Feldewert **Partner** Phone 505.954.7287 mfeldewert@hollandhart.com

March 18, 2022

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

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County, New Mexico.

Baetz 22/15 Fed Com 2H well

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If you have any questions about this matter, please contact Michael Wallace at (432) 687-1777 or at mwallace@forl.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR FASKEN OIL & RANCH, LTD

Fasken Baetz 1H-2H Case Nos. 22697-22698 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered to an individual at the address at 11:54
9414811898765841871462	Marie I. Baetz Family 2012 Trust	633 Alta Ave	San Antonio	TX	78209-4431	am on March 22, 2022 in SAN ANTONIO, TX 78209.
						Your item was delivered to an individual at the address at 10:49
9414811898765841871561	Richard H. Schulze	2422 N Spojnia Rd	McHenry	IL	60050-3344	am on March 22, 2022 in MCHENRY, IL 60050.
						This is a reminder to arrange for redelivery of your item or your
9414811898765841871523	John R. Lewis	290 Woodlawn St	Vidor	TX	77662-5245	item will be returned to sender.
	Heirs or devisees of David C. Stephenson, believed to					Your item was delivered at 7:55 am on March 26, 2022 in FRITCH,
9414811898765841871509	be Richard T. Stephenson	303 Brooks Dr	Fritch	TX	79036-8555	TX 79036.
						Your package will arrive later than expected, but is still on its way.
9414811898765841871547	Benny D. Duncan	5714 Southwestern Blvd	Dallas	TX	75209-3438	It is currently in transit to the next facility.
				1		Your item was delivered to the front desk, reception area, or mail
9414811898765841871585	Trunk Bay Royalty Partners, Ltd.	PO Box 671099	Dallas	TX	75367-1099	room at 3:40 pm on March 25, 2022 in DALLAS, TX 75367.
3414011030703041071303	Traine Buy Hoyardy Farthers, Etc.	1 0 Box 071033	Danas	17	73307 1033	100 m at 51 to pm on march 25, 2022 m 57 t22 to, 177 53671
	Kimbell Royalty Holdings, LLC Attn Daniel C.					Your item was delivered to the front desk, reception area, or mail
9414811898765841871530		777 Taylor St Ste 810	Fort Worth	TX	76102 4026	room at 1:00 pm on March 22, 2022 in FORT WORTH, TX 76102.
9414811898703841871330	Lougee Oil and Gas Trust, Attn Earl S. LougeeAttn	777 Taylor St Ste 810	FOIL WOILII	17	70102-4930	Your item was delivered to an individual at the address at 12:04
9414811898765841871578	_	6614 Northport Dr	Dallas	TX	75220 4115	pm on March 22, 2022 in DALLAS, TX 75230.
9414611696765641671576		6614 Northport Dr	Dallas	17	75250-4115	Your item was delivered to an individual at the address at 2:37 pm
0.44.404.40007650.44.00024.2	Lougee Oil and Gas Trust, Attn Earl S. LougeeAttn	671.1.0	D-IId-II	TV	75220	·
9414811898765841899213	Fred Frederikense, Trustee	6714 Orchard Lane	Dallasdallas	TX	75230	on March 22, 2022 in DALLAS, TX 75230.
						Your item was picked up at the post office at 2:15 pm on March
9414811898765841899251	Martin Joyce	PO Box 2142	Roswell	NM	88202-2142	22, 2022 in ROSWELL, NM 88201.
						Your item was delivered to an individual at the address at 1:59 pm
9414811898765841899268	Martin Joyce	2905 Anna J Dr	Roswell	NM	88201-3401	on March 22, 2022 in ROSWELL, NM 88201.
						Your item was delivered to an individual at the address at 5:21 pm
9414811898765841871424	Barbara Shelby Baetz Shipper	1626 Milford St	Houston	TX	77006-6028	on March 22, 2022 in HOUSTON, TX 77006.
						Your item departed our USPS facility in COPPELL TX DISTRIBUTION
						CENTER on March 30, 2022 at 7:10 pm. The item is currently in
9414811898765841899220	Nestegg Energy CorportionAttn Joel W. Miller	2501 N 26th St.	Artesiaartesia	NM	88201	transit to the destination.
						Your item departed our ALBUQUERQUE, NM 87101 destination
						facility on March 30, 2022 at 6:28 pm. The item is currently in
9414811898765841899206	Nestegg Energy CorportionAttn Joel W. Miller	PO Box 357	Roswell	NM	88202-0357	transit to the destination.
						Your item was delivered to the front desk, reception area, or mail
9414811898765841899299	MRC Permian CompanyAttn Troy Wall	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	room at 9:42 am on March 22, 2022 in DALLAS, TX 75240.
						Your item was delivered at 10:31 am on March 22, 2022 in
9414811898765841899244	Good News Minerals, LLCAttn E. Lea Crump	PO Box 50820	Midland	TX	79710-0820	MIDLAND, TX 79705.
						Your item was delivered to the front desk, reception area, or mail
9414811898765841899282	KMF Land, LLCAttn Noam Lockshin	1144 15th St Ste 2650	Denver	со	80202-2686	room at 12:34 pm on March 21, 2022 in DENVER, CO 80202.
						Your package will arrive later than expected, but is still on its way.
9414811898765841899237	Post Oak Crown IV, LLCAttn Ryan J. Matthews	34 S Wynden Dr Ste 300	Houston	TX	77056-2531	It is currently in transit to the next facility.
		,				Your package will arrive later than expected, but is still on its way.
9414811898765841899817	Post Oak Crown IV-B, LLCAttn Ryan J. Matthews	34 S Wynden Dr Ste 300	Houston	TX	77056-2531	It is currently in transit to the next facility.
		,				Your item was delivered at 10:31 am on March 22, 2022 in
9414811898765841899855	Mavros Minerals II, LLC Attn Samantha Durham	PO Box 50820	Midland	TX	79710-0820	MIDLAND, TX 79705.
3 :2 :312337 333 :1333033	Oak Valley Mineral and Land, LP Attn Samantha			,,,		Your item was delivered at 10:31 am on March 22, 2022 in
9414811898765841899824		PO Box 50820	Midland	TX	79710-0820	MIDLAND, TX 79705.
3.1.311030703041033024			·····aiaiia	17.	. 3710 0020	Your item was delivered at 10:31 am on March 22, 2022 in
9414811898765841899848	Crown Oil Partners TP	PO Box 50820	Midland	TX	79710-0920	MIDLAND, TX 79705.
J-1-01103070J041033040	CIOTTII OII I GIUICIO, LI	1 O DOX 30020	iviidiaild	17	7.5710-0020	1410D 410, 17 75705.

Fasken Baetz 1H-2H Case Nos. 22697-22698 Postal Delivery Report

		I				Your item was delivered to an individual at the address at 12:33
0414911909765941971400	CSC3 Holdings, Ltd. Attn Courntey B. Watson	344 Terrell Rd	San Antonio	TX	79200 5019	pm on March 22, 2022 in SAN ANTONIO, TX 78209.
3414811838703841871400	CSCS Holdings, Etd. Attil Coullitey B. Watson	344 Terreii Ku	San Antonio	17	78209-3918	pin on March 22, 2022 in SAN ANTONIO, 1X 78203.
						Your item was delivered to the front desk, reception area, or mail
9414811898765841899886	Collins and Jones Investments, LLC	508 W Wall St Ste 1200	Midland	TX	79701-5076	room at 11:36 am on March 22, 2022 in MIDLAND, TX 79701.
3414011030703041033000	Commo una sones mivestmento, LEC	300 W Wall 3t 3tc 1200	Wildiana	17	73701 3070	Your item has been delivered to an agent for final delivery in
9414811898765841899831	MCT Energy Ltd	550 W Texas Ave Ste 945	Midland	TX	79701-4233	MIDLAND, TX 79701 on March 28, 2022 at 7:35 pm.
3414011030703041033031	Wier Ellergy Etc.	330 W Texas Ave Ste 343	Wildiana	17	73701 4233	Your item was delivered to an individual at the address at 12:41
9414811898765841899879	Gerald G. Vayrek	1521 2nd Ave Apt 1604	Seattle	WA	98101-4509	pm on March 22, 2022 in SEATTLE, WA 98101.
3 12 10220307 030 12033073		13212	Jeanne		30202 .303	Your item was delivered at 12:38 pm on March 23, 2022 in
9414811898765841899718	Jesse A. Faught, Jr.	PO Box 52603	Midland	TX	79710-2603	MIDLAND, TX 79705.
3 12 10220307 030 120337 20		. C DON SECON	· · · · · · · · · · · · · · · · · · ·	1.74	73710 2000	Your item was delivered to an individual at the address at 1:13 pm
9414811898765841899756	H. Jackson Wacker	5601 Hillcrest	Midland	TX	79707-9113	on March 22, 2022 in MIDLAND, TX 79701.
				1	1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Your item was delivered to an individual at the address at 9:49 am
9414811898765841899763	David W. Cromwell	2008 Country Club Dr	Midland	TX	79701-5719	on March 22, 2022 in MIDLAND, TX 79701.
		,				Your item departed our USPS facility in FORT WORTH TX
						DISTRIBUTION CENTER on March 30, 2022 at 9:30 pm. The item is
9414811898765841899725	LMC Energy LLC	550 W Texas Ave Ste 945	Midland	TX	79701-4233	currently in transit to the destination.
						Your item was delivered at 10:31 am on March 22, 2022 in
9414811898765841899701	Kaleb Smith	PO Box 50820	Midland	TX	79710-0820	MIDLAND, TX 79705.
						Your item was delivered at 10:31 am on March 22, 2022 in
9414811898765841899749	Deane Durman	PO Box 50820	Midland	TX	79710-0820	MIDLAND, TX 79705.
						Your item was delivered at 10:31 am on March 22, 2022 in
9414811898765841899787	Mike Moylett	PO Box 50820	Midland	TX	79710-0820	MIDLAND, TX 79705.
						Your item was delivered at 1:17 pm on March 24, 2022 in
9414811898765841871493	Trainer Partners, Ltd.Attn Randall Mark Trainer	PO Box 3788	Midland	TX	79702-3788	MIDLAND, TX 79701.
						Your package will arrive later than expected, but is still on its way.
9414811898765841899732	Brooks Oil and Gas Interests, Ltd.	2100 Castleford Rd Apt 312	Midland	TX	79705-1737	It is currently in transit to the next facility.
						Your item has been delivered to an agent for final delivery in
9414811898765841899770	Trobaugh Properties, a Texas general partnership	3300 N A St Bldg 4-102	Midland	TX	79705-5406	MIDLAND, TX 79705 on March 22, 2022 at 11:05 am.
						Your item was delivered to an individual at the address at 10:39
9414811898765841899916	Terri Jan Smith	102 Linden Ave	Fairmont	MN	56031-3003	am on March 23, 2022 in FAIRMONT, MN 56031.
						Your item was delivered at 1:17 pm on March 24, 2022 in
9414811898765841899954	Trainer Partners, Ltd.	PO Box 3788	Midland	TX	79702-3788	MIDLAND, TX 79701.
	Lenox Mineral Title Holdings, LLC, agent for Titus Oil					Your item has been delivered to an agent for final delivery in
9414811898765841899961		1012 Marquez Pl Unit 106B	Santa Fe	NM	87505-1833	SANTA FE, NM 87505 on March 22, 2022 at 1:39 pm.
	Lenox Mineral Title Holdings, LLC, agent for Titus Oil					Your item was delivered to an individual at the address at 12:31
9414811898765841899909	•	420 Throckmorton St Ste 1150	Ft Worth	TX	76102-3761	pm on March 22, 2022 in FORT WORTH, TX 76102.
	Titus Oil and Gas Corporation, agent for Titus Oil and					Your item was delivered to an individual at the address at 12:31
9414811898765841899992	Gas Production, LLC	420 Throckmorton St Ste 1150	Ft Worth	TX	76102-3761	pm on March 22, 2022 in FORT WORTH, TX 76102.
						Your package will arrive later than expected, but is still on its way.
9414811898765841899947	Transcendent Oil and Gas, LLC	4425 98th St Ste 200	Lubbock	TX	79424-5037	It is currently in transit to the next facility.
						Your item was delivered to an individual at the address at 3:48 pm
9414811898765841899985	Transcendent Oil and Gas, LLC	2135 Sedona Hills Pkwy	Las Cruces	NM	88011-4135	on March 22, 2022 in LAS CRUCES, NM 88011.
						Your item was delivered to an individual at the address at 10:56
9414811898765841899930	Escondido Oil and Gas, LLC	2445 Rose Bay Ct.	Trophy Club	TX	76262	am on March 24, 2022 in ROANOKE, TX 76262.
						This is a reminder to arrange for redelivery of your item or your
9414811898765841871486	Trainer Partners, Ltd. Attn Randall Mark Trainer	200 W Illinois Ave	Midland	TX	79701-4643	item will be returned to sender.
						Your item was picked up at the post office at 10:57 am on March
9414811898765841899978	Slash Exploration Limited Partnership	PO Box 1973	Roswell	NM	88202-1973	23, 2022 in ROSWELL, NM 88201.

Fasken Baetz 1H-2H Case Nos. 22697-22698 Postal Delivery Report

						This is a reminder to arrange for redelivery of your item or your
9414811898765841899619	G. Gail Mordka Family Trust	2652 Asbury Ave	Evanston	IL	60201-1677	item will be returned to sender.
						Your item was delivered to an individual at the address at 11:00
9414811898765841899657	Legacy Reserves Operating, LP	15 Smith Rd Ste 3000	Midland	TX	79705-5461	am on March 25, 2022 in MIDLAND, TX 79705.
	Tommy K. LaGrone and Mary Louis LaGrone					Your item was delivered to an individual at the address at 3:17 pm
9414811898765841899664	Revocable Trust	21 Citadel Dr	Amarillo	TX	79124-1421	on March 23, 2022 in AMARILLO, TX 79124.
						Your item was picked up at the post office at 10:57 am on March
9414811898765841899626	Breckenridge Partnership, Ltd.	PO Box 1973	Roswell	NM	88202-1973	23, 2022 in ROSWELL, NM 88201.
						Your item was delivered to the front desk, reception area, or mail
9414811898765841899602	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	room at 9:42 am on March 22, 2022 in DALLAS, TX 75240.
						Your package will arrive later than expected, but is still on its way.
9414811898765841899695	Marathon Oil Permian LLC	990 Town And Country Blvd	Houston	TX	77024-2217	It is currently in transit to the next facility.
						Your item was delivered to an individual at the address at 10:39
9414811898765841871431	Terri Jan Smith	102 Linden Ave	Fairmont	MN	56031-3003	am on March 23, 2022 in FAIRMONT, MN 56031.
						Your package will arrive later than expected, but is still on its way.
9414811898765841871479	Lenox Minerals, LLCAttn Marshall Hickey	1701 Post Oak Blvd no 171	Houston	TX	77056	It is currently in transit to the next facility.
						Your item arrived at the SANTA FE, NM 87504 post office at 8:32
9414811898765841871516	Lenox Minerals, LLCAttn Marshall Hickey	420 Throckmorton St. Ste. 115	Houston	TX	77056	am on March 28, 2022 and is ready for pickup.
						Your item was delivered to an individual at the address at 12:18
9414811898765841871554	R.K. Moore	1006 5th St	Canyon	TX	79015-5106	pm on March 22, 2022 in CANYON, TX 79015.

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 18, 2022 and ending with the issue dated March 18, 2022.

Publisher

Sworn and subscribed to before me this 18th day of March 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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

LEGAL NOTICE March 18, 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. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/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, 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: Marie I. Baetz Family 2012 Trust; Barbara Shelby Baetz Shipper, her heirs and devisees; CSC3 Holdings, Ltd.; Trainer Partners, Ltd.; Terri Jan Smith, her heirs and devisees; Lenox Minerals, LLC; R.K. Moore, his or her heirs and devisees; Richard H. Schulze, his heirs and devisees; John R. Lewis, his heirs and devisees; Heirs or devisees of David C. Stephenson, believed to be Richard T. Stephenson; Benny D. Duncan, his heirs and devisees; Trunk Bay Royalty Partners, Ltd.; Kimbell Royalty Holdings, LLC; Lougee Oil and Gas Trust, Attn: Earl S. Lougee, Attn: Fred Frederikense, Trustee; Martin Joyce, his heirs and devisees; Nestegg Energy Corportion; MRC Permian Company; Good News Minerals, LLC; KMF Land, LLC; Post Oak Crown IV, LLC; Post Oak Crown IV-B, LLC; Mavros Minerals II, LLC; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; Collins and Jones Investments, LLC; MCT Energy Ltd.; Gerald G. Vavrek, his heirs and devisees; Jesse A. Faught, Jr., his heirs and devisees; H. Jackson Wacker, his heirs and devisees; David W. Cromwell, his heirs and devisees; Mike Moylett, his heirs and devisees; Brooks Oil and Gas Interests, Ltd.; Trobaugh Properties, a Texas general partnership; Terri Jan Smith, her heirs and devisees; Trainer Partners, Ltd.; Lenox Mineral Title Holdings, LLC, agent for Titus Oil and Gas, LLC; Titus Oil and Gas Corporation, agent for Titus Oil and Gas Production, LLC; Transcendent Oil and Gas, LLC; Escondido Oil and Gas, LLC; Slash Exploration Limited Partnership; G. Gail Mordka Family Trust; Legacy Reserves Operating, LP; Tommy K. LaGrone and Mary Louis LaGrone Revocable Trust; Breckenridge Partnership, Ltd.; and Marathon Oil Permian LLC.

Case No. 22697: Application of Fasken Oil & Ranch, Ltd for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Sections 22 and 15, Township 20 South, Range 32 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Baetz 22/15 Fed Com 1H well to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 15. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, the operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 19 miles south of Maljimar, New Mexico.

67100754

HOLLAND & HART LLC PO BOX 2208 SANTA FE. NM 87504-2208 00264903

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Fasken Oil & Ranch, Ltd.
Hearing Date: April 7, 2022
Case Nos. 22697-22698

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