APPLICATION OF CATENA RESOURCES OPERATING, LLC TO AMEND ORDER NO. R-21492, LEA COUNTY, NEW MEXICO.

CASE NO. 22718 ORDER NO. R-21492 (Re-Open Case No. 21459)

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Compulsory Pooling Checklist for Case No. 22718

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

ALL INFORMATION IN THE APPLICATION MUST	DE SUPPURIED DE SIGNED AFFIDAVIIS
Case No.:	22718
Hearing Date:	5/5/2022
Applicant	Catena Resources Operating, LLC
Designated Operator & OGRID	328449
Applicant's Counsel	Hinkle Shanor LLP
Case Title	Application of Catena Resources Operating, LLC for Compulsory
	Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors	COG Operating LLC
Well Family	Mariner
Formation/Pool	
Formation Name(s) or Vertical Extent	Wolfcamp
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	Wolfcamp Formation
Pool Name and Pool Code	Scharb; Wolfcamp (55640)
Well Location Setback Rules	Standard
Spacing Unit Size	320
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320
Building Blocks	quarter-quarter
Orientation	North/South
Description: TRS/County	W/2 E/2 of Sections 6 and 7,Township 19 South, Range 35 East,
	Lea County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Well(s)	
Name & API (if assigned), surface and bottom hole location,	Add wells as needed
footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Mariner W2E2 06 07 W1 State Com 1H (API # pending)
	SHL: 422' FNL & 2329' FEL, Unit B, Section 18, T19S-R35E
	BHL: 100' FNL & 1980' FEL, Unit B, Section 6, T19S-R35E
	Completion Target: Wolfcamp (Approx. 10,870' TVD)
	Well Orientation: South to North
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,500.00
Production Supervision/Month \$	\$850.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C-1
Released Rulinea Netice 20 Rearling (20 days before hearing)	Exhibit C-1, C-2

	_,
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-2
Well Bore Location Map	Exhibit B-2
Structure Contour Man - Subsea Denth	Fyhihit B-3

Structure Contour Map - Subsea Depth Cross Section Location Map (including wells) Exhibit B-3 Cross Section (including Landing Zone) Exhibit B-4 **Additional Information**

CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.

Printed Name (Attorney or Party Representative): Dana S. Hardy /s/ Dana S. Hardy Signed Name (Attorney or Party Representative): Date:

APPLICATION OF CATENA RESOURCES OPERATING, LLC TO AMEND ORDER NO. R-21492, LEA COUNTY, NEW MEXICO.

CASE NO. 22718
ORDER NO. R-21492
(Re-Open Case No. 21459)

SELF-AFFIRMED STATEMENT OF CATO CLARK

- 1. I am the Vice President of Land at Catena Resources Operating, LLC ("Catena") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum land matters were accepted and made a matter of record.
- 2. I am familiar with the land matters involved in the above-referenced case. Copies of the application and hearing notice are attached hereto as **Exhibit A-1**.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.
- 4. On October 13, 2020, the Division entered Order No. R-21492 ("Order") in Case No. 21459, which pooled all uncommitted interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 south, Range 35 East, NMPM, Lea County ("Unit"). The Order further dedicated the Unit to the Mariner 193507 1H Well, to be drilled from a surface hole location in Unit A of Section 18 to a bottom hole location in Lot 1 of Section 6; and designated Applicant as operator of the Unit and the Mariner 193507 1H Well.

Catena Resources Operating, LLC
Case No. 22718
Exhibit A

- 5. Catena subsequently sought an extension of time to commence drill the Well until October 13, 2022, which was approved by Order No. R-21492-A.
- 6. Since Order No. R-21492 was issued, Catena has revised its development plans and seeks to amend the Unit so that it consists of a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 6 and 7, Township 19 South, Range 35 East in Lea County. Applicant seeks to dedicate this spacing unit to the proposed Mariner W2 E2 06 07 W1 State Com 1H well (the "Well"), which will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 18 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 6.
- 7. Since Order No. R-21492 was entered, Catena has also identified additional interest owners whose interest should be pooled under the terms of the Order.
 - 8. **Exhibit A-2** contains the C-102 for the Well.
- 9. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, unit recapitulation, and identifies the additional uncommitted interests to be pooled under the terms of Order No. R-21492.
- 10. **Exhibit A-4** is the well proposal letter and AFE sent to the additional interest owners to be pooled under the terms of Order No. R-21492.
- 11. Catena has conducted a diligent search of all public records in Lea County, including phone directors and computer databases.
 - 12. All interest owners Catena seeks to pool are locatable.
- 13. In my opinion, Catena made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit** A-5.

- 14. Catena requests overhead and administrative rates of \$8,500 per month while the Well is being drilled and \$850 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Catena and other operators in the vicinity.
- 15. In my opinion, the granting of Catena's application would serve the interests of conservation and the prevention of waste.
- 16. The attached exhibits attached were either prepared by me or under my supervision or were compiled from company business records.
- 17. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 18 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Cato Clark

Date

APPLICATION OF CATENA RESOURCES OPERATING, LLC TO AMEND ORDER NO. R-21492, LEA COUNTY, NEW MEXICO

Case No. <u>22718</u> Order No. R-21492 (Re-Open Case No. 21459)

APPLICATION

Catena Resources Operating, LLC ("Applicant" or "Catena") (OGRID No. 328449), by and through the undersigned counsel, files this application requesting that the Oil Conservation Division ("Division") amend Order No. R-21492 ("Order") to: (1) reduce the size of the approved horizontal spacing unit from 640-acres to 320-acres, more or less, consisting of the W/2 E/2 of Sections 6 and 7, Township 19 South, Range 35 East in Lea County; (2) amend the location of the initial well approved by the Order; and (3) pool additional interest owners under the terms of the Order. In support of its application, Catena states the following.

- 1. Division Order No. R-21492, entered on October 13, 2020 in Case No. 21459: pooled uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 South, Range 35 East, NMPM, Lea County ("the Unit"); dedicated the Unit to the Mariner 193507 1H Well, to be drilled from a surface hole location in Unit A of Section 18 to a bottom hole location in Lot 1 of Section 6; and designated Catena as the operator of the Unit and the well.
- 2. Catena subsequently sought an extension of the time to commence drilling the well until October 13, 2022, which was approved by Order No. R-21492-A.
- 3. Since Order No. R-21492 was issued, Catena has revised its development plans and seeks to amend the Unit so that it consists of a 320-acre, more or less, standard horizontal spacing

Catena Resources Operating, LLC
Case No. 22718
Exhibit A-1

unit comprised of the W/2 E/2 of Sections 6 and 7, Township 19 South, Range 35 East in Lea County. Catena seeks to dedicate this spacing unit to the proposed **Mariner W2 E2 06 07 W1 State Com 1H** well (the "Well"), which will be horizontally drilled form a surface location in the NW/4 NE/4 (Unit B) of Section 18 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 6.

- 4. The completed interval of the Well will be orthodox.
- 5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject Unit and therefore seeks to pool interest owners under the terms of Order No. R-21492.
- 6. Amending the Unit dedicated to the Well and the location of the Well, and pooling interest owners under the terms of Order No. 21492, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 7. In order to allow Catena to obtain its just and fair share of the oil and gas underlying the subject lands, Order No. R-21492 should be amended as set forth above.
- 8. Catena requests that the other terms of Order Nos. R-21492 and R-21492-A remain in effect.

WHEREFORE, Catena requests that this application be set for hearing on May 5, 2022 and that, after notice and hearing, the Division enter an order:

- A. Amending the horizontal spacing unit approved by Order No. R-21492 to consist of a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 6 and 7 of Township 19 South, Range 35 East;
 - B. Amending the location of the initial well approved by Order No. R-21492; and
 - C. Pooling additional interest owners under the terms of Order No. R-21492.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy
Jaclyn M. McLean
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623

Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

Counsel for Catena Resources Operating, LLC

Application of Catena Resources Operating, LLC to Amend Order No. R-21492, Lea County, New Mexico. Order No. R-21492 issued in Case No. 21459: pooled uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 South, Range 35 East, NMPM, Lea County ("the Unit"); dedicated the Unit to the Mariner 193507 1H Well, to be drilled from a surface hole location in Unit A of Section 18 to a bottom hole location in Lot 1 of Section 6; and designated Catena as the operator of the Unit and the well. Catena seeks to: amend the Unit so that it consists of a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 6 and 7, Township 19 South, Range 35 East in Lea County; dedicate the Unit to the proposed Mariner W2 E2 06 07 W1 State Com 1H well (the "Well"), which will be horizontally drilled form a surface location in the NW/4 NE/4 (Unit B) of Section 18 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18 miles west of Hobbs.

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 DISTRICT II 811 S. First St., Artesia, N.M. 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

<u>DISTRICT III</u> 1000 Rio Brazos Rd., Aztec, N.M. 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

<u>DISTRICT IV</u> 1220 S. St. Francis Dr., Santa Fe, N.M. 87505 Phone: (505) 476-3480 Fax: (505) 476-3482 State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, N.M. 87505 Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	*Pool Code	FLZSdI-I a'XS_b	
⁴ Property Code	⁶ Proper	y Name	⁶ Well Number
	Mariner W2E2 07	Mariner W2E2 07 06 W1 State Com	
OGRID No.	⁸ Operat	or Name	⁹ Elevation
328449	Catena Resource	s Operating, LLC	3883

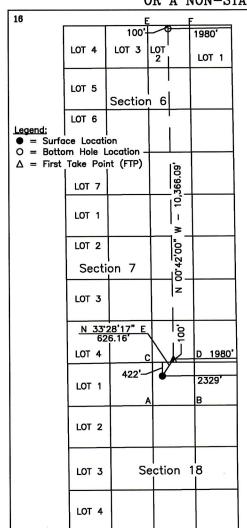
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	18	19 S	35 E		422	North	2329	East	Lea

¹¹ Bottom Hole Location If Different From Surface

			Door	0111 1101	DOCUMENT I	Dillor Circ I I C	III DUIIUUU		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	6	19 S	35 E	Lot 2	100	North	1980	East	Lea
18 Dedicated Acre	3		18 Joint or	Infill 14 Co	onsolidation Code	¹⁵ Order No.			
3	320								

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



SCALE: 1"=3000"

SURFACE LOCATION NAD 83 NME SEC. 18, T19S, R35E Y=607312.52 N X=799130.22 E LAT.=32.6667515' N LONG.=103.4956055' W

FIRST TAKE POINT NAD 83 NME
100' FSL, 1980' FEL
SEC. 7, T19S, R35E
Y=607834.85 N
X=799475.56 E
LAT.=32.6681796' N
LONG.=103.4944699' W

BOTTOM HOLE LOCATION NAD 83 NME SEC. 6, T19S, R35E Y=618200.17 N X=799348.94 E LAT.=32.6966705' N LONG.=103.4946151' W

CORNER COORDINATES TABLE NAD 83 NME

A - Y= 606400.61 N, X= 798821.81 E B - Y= 606406.16 N, X= 800143.40 E C - Y= 607733.76 N, X= 798811.74 E D - Y= 607735.92 N, X= 800134.29 E E - Y= 618297.82 N, X= 798684.07 E F - Y= 618302.48 N, X= 800005.88 E

CORNER COORDINATES TABLE NAD 83 NME

A - LAT.=32.6642519* N, LONG.=103.4966310* W B - LAT.=32.6642385* N, LONG.=103.4923367* W C - LAT.=32.6679162* N, LONG.=103.4966295* W D - LAT.=32.6678934* N, LONG.=103.4923320* W E - LAT.=32.6969533* N, LONG.=103.4927737* W F - LAT.=32.6969374* N, LONG.=103.4924772* W

Catena Resources Operating, LLC

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 organisation 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.

Byron Barnes 04/22/2022
Signature Date

Byron W. Barnes

barnes@catenares.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 and correct to the best of my belief.

1/13/22



Case No. 22718

EXHIBIT A-3 Mariner W2E2 07 06 W1 State Com 1H Proposed Wolfcamp Spacing Unit Lea County, New Mexico W2E2 Sections 6 & 7 -T19S-R35E

			ı		
Catena Re	esources Operating (CRO)	78.10%		Tract 1 CRO 100%	
Parties to	be Pooled			CKO 100%	
	rating LLC (COG)	15.65%			
-	ings, LLC (XTO)	6.25%	Section 6		
	<u>Total</u>	100.00%		Tract 2	
				CRO 100%	
				Tract 3	
				COG 100%	
Tuo ete				Tract 4	
Tracts Tract 1	W/2 NE/4	Section 6		CRO 100%	
Tract 2	NW/4 SE/4	Section 6		CKO 100/0	
Tract 3	SW/4 SE/4	Section 6			
Tract 4	W/2 NE/4	Section 7	Section 7		
Tract 5	NW/4 SE/4	Section 7		Tract 5	
Tract 6	SW/4 SE/4	Section 7		CRO 50%	
				XTO 50%	
					.
				Tract 6	
				CRO 75%	ı l
				COG 25%	

Catena Resources Operating, LLC
Case No. 22718
Exhibit A-3



2/23/2022

Via Certified Mail: 9314 8699 0430 0092 2116 85

COG Operating, LLC c/o ConocoPhillips Attn: Baylor Mitchell 600 W. Illinois Ave. Midland, TX 79701

RE: Mariner W2E2 06 07 W1 State Com 1H

W/2 E/2 Section 6 T19S R35E, W/2 E/2 Section 7 T19S R35E

Lea County, NM

Dear Working Interest Owner,

Catena Resources Operating, LLC ("Catena") as Operator hereby proposes to drill and operate the captioned horizontal well, as further described in the enclosed AFE, (hereinafter, the "Well"):

Well Name	SHL	BHL	Target Formation	Proposed TVD	Proposed TMD
Mariner W2E2 06 07 W1 State Com 1H	420' FNL, 2330' FEL, 18-19S-35E	100' FNL, 1980' FEL, 6-19S-35E	Wolfcamp A	10,870'	22,000'

The Estimated Well Costs for the Well are \$8,694,255.00.

As an alternative to your participation, Catena proposes to acquire your interest via term assignment, subject to due diligence and title verification satisfactory to Catena, should you so elect.

In any event, Catena respectfully requests you (i) indicate your election by initialing next to one of the three (3) options on the following page, (ii) execute one copy of this letter, and (iii) in the event you elect to participate in the drilling and completion of the Well, execute one copy of the enclosed AFE, and return all of same to the undersigned at the letterhead address or the email address reflected below within 30 days of your receipt hereof. In the event of your participation, Catena will furnish a proposed joint operating agreement upon request.

Should you have any questions regarding the foregoing, please feel free to contact the undersigned at any of the points indicated below.

Best regards,

Cato Clark

1001 Fannin St.

22nd Floor

Vice President, Land

Catena Resources Operating, LLC

1001 Fannin Street, 22nd Floor Houston, TX 77002

Direct: 346.200.7894 Clark@catenares.com

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Catena Resources Operating, LLC
Case No. 22718

BY ITS INITIALS & EXECUTION IN THE SPACE PROVIDED BELOW, THE UNDERSIGNED:
CONSENTS TO PARTICIPATE TO THE FULL EXTENT OF ITS INTEREST IN THE PROPOSED OPERATION(S) AND BEAR ITS PROPORTIONATE SHARE OF ALL COSTS AND EXPENSES ASSOCIATED THEREWITH
OR
DOES NOT CONSENT TO PARTICIPATE IN THE PROPOSED OPERATION(S)
OR
REQUESTS CATENA DELIVER A TERM ASSIGNMENT FOR REVIEW AND EXECUTION
COG Operating, LLC c/o ConocoPhillips
Ву:
Title:
Date:

		WEL	L COST ESTIMATE					AFE NO. P2111B
ATENA	WELL NAME:		96 07 W1 State Com 1H		DATE:		2/21/2022	TEITIB
RESDURCES	FIELD NAME: LOCATION:	Section	on 7.T195-R35E		START DATE: COMPLETE DATE;			
V L 3 L D X L E S	COUNTY / ST:	Le	a County, NM 1 stages and POL with ES	P and Building	ORIGINAL:			
	Facility				SUPPLEMENT:			
INTANGIBLE COSTS Legal Fees & Title Opinions		9250	DRILLING \$100,000	ACCT CODE 9400	COMPLETION	ACCT 9501	FACILITIES	FOTAL \$100,000
Survey/Staking/Permits/Bonds Row / Surface Damages		9251 9252	\$25,000 \$25,000	9401 9402	\$10.000	9502 9512		\$35,000
Loc Rsrv Pit Construction		9253	\$100,000	9403		9510		\$25,000 \$100,000
Rd & Loc Rerv Pit Reclamation Frac Pond		9254 9255		9404 9405	\$25,000			\$0 \$25,000
Gate Guard Mouse/Rathole/Conductor		9256 9257	\$25,000	9406				\$0 \$25,000
Mobilization / Demobilization Drilling - Daywork		9258 9259	\$135,000 \$600,000	9407				\$135,000
Drilling - Footage Drilling - Turnkey		9260 9261		3				\$0
Completion/ Snubbing / Wo Unit		9262		9408	\$20,000			\$0 \$20,000
Trailer House / Communications Drill Bits		9263 9264	\$15,000 \$60,000	9409 9410				\$15,000 \$60,000
Directional Equip/Gyro Surveys Downhole Tool (Stabil Renta)		9265 9266	\$250,000 \$35,000	9411 9412	\$85,000			\$250,000 \$100,000
Mud / Chemicals Fuel / Power		9267 9268	\$165,000 \$150,000	9413 9414	\$5,000 \$40,692			\$170.000 \$190,692
Water Supply Well Equipment		9269	\$130,000	9415				\$0
Water / Water Hauling Offsite Water/Cutting Disposal		9270 9271	\$80,000	9416 9417	\$468,286 \$45,000			\$468,286 \$125,000
Transportation / Hauling Inspection/Tubular Testing		9272 9273	\$40,000 \$25,000	9418 9419		9509		\$40,000 \$25,000
Laydown Machine/Cast Crew/Tong Cement Float Equip & Services		9274 9275	\$25,000 \$150,000	9420				\$25,000
Mud Logging		9276	\$40,000	9421				\$150,000 \$40,000
Logging - Open Hole Logging - Cased Hole		9277 9278	-	9422 9423				#VALUEI
Coring/Analysis Drill Stem Tst Perforating		9279 9280		9424				\$0 \$0
Wireline / Slickline Services Equipment Rental		9281 9282	\$160,000	9425 9426	\$285,500 \$223,980	9511		\$285,500 \$383,980
Pumping Services / Rental		9283	91000000	9427	\$57,500	9311		\$57,500
Acidizing & Fracturing Coil Tubing Unit		9284 9285		9428 9429	\$2,500,000 \$412,500			\$2,500,000 \$412,500
Flow Testing Swabbing Fishing/Sidetrack Services		9286 928 7		9430 9431	\$73,038			\$73,038
Nipple Up / Bope Testing Overhead		9288 9289	\$20,000	9432 9433				\$20,000
Wellsite Consult Serv/Supervis		9290	\$105,000	9434	\$93,557	9503		\$0 \$198,557
Eng/Geo/Lab Trace Diagnostics Roustabout / Contract Labor		9291 9292	\$50,000 \$120,000	9435 9436	\$20,000	9515 9504		\$50,000 \$140,000
Welding Services Insurance		9293 9294	\$15,000	9437 9438		9505		\$15,000 \$0
Miscellaneous P&A Costs		9295 9296		9439 9440	\$100,000	9506		\$100,000 \$0
Safety / Eh&S		9297		9441		9507		\$0
Contingency Non-Op Drilling Intangible		9298 9299		9442 9443	\$133,202	9514 9513		\$133.202 \$0
Pipeline Install/ Intersonnect		9300		9444		9508		\$0
Pipeline Install/ Interconnect Facility Installation TBD		9300		9444	175,000	9508		\$175,000 \$175,000
Pipeline Install/ Intersonnect Facility Installation TBD TBD		9300		9444	175,000	9508		\$175,000 \$0 \$0
Pipeline Install/ Interconnect Facility Installation TBD		9300		9444	175,000	9508		\$175,000 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD		9300		9444		9508		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TBD TBD TBD	STS		\$2,515,000		\$4,753,25 5		\$0	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS	STS Feet SF1	9300 ACCT	\$2.515,000 DRILLING	9444 ACCT CODE		9508	\$0 FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TTD TBD TBD TBD	Feet LF1	ACCT 9350	DRILLING		\$4,753,25 5			\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.288.255 **TOTAL***
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS Conductor Size Conductor Size 13.36* 145 Intermediate Casing / Liner 9.56*		9350 9351 9352			\$4,753,25 5			\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$7.285,255 **TOTAL*** \$0 \$112,000 \$115,000
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS Size Conductor Surface Casing 13-3/8"	Feet \$#F1	9350 9351	DRILLING \$112,000		\$4,753,25 5			\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.288.255 **TOTAL*** \$0 \$0 \$112,000
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE CO: TANGIBLE COSTS Size Conductor Surface Casing 13-3/6" 14 fintermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner Production Casing / Liner Casing Tie Back	Feet 15/F1 2,000 \$56,00 4,000 \$ 39,00	9350 9351 9352	\$112,000 \$156,000	ACCT CODE 9451 9452	\$4,753,25 5			\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.285,235 **TOTAL \$0 \$112,000 \$150,000 \$462,000
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS Size Conductor Size Conductor Size 13-3/6" 1st Intermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner Casing Tie Back Liner Hanger Assembly Tubing	Feet 15/F1 2,000 \$56,00 4,000 \$ 39,00	9350 9351 9352	\$112,000 \$156,000 \$462,000	9451 9452 9453 9453	\$4,753,25 5			\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.285,255 **TOTAL** \$0 \$112,000 \$155,000 \$462,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS Size Conductor Surface Casing 1st Intermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner Casing Tie Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Etc.	Feet 15/F1 2,000 \$56,00 4,000 \$ 39,00	9350 9351 9352	\$112,000 \$156,000	9451 9451 9452 9453 9454 9455 9455	\$4,753,255 COMPLETION	ACCY		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.288,255 TOTAL \$0 \$112,000 \$115,000 \$4452,000 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50
Pipeline Install/ Intersonnect Facility Installation TBD	Feet 15/F1 2,000 \$56,00 4,000 \$ 39,00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9453 9454 9455 9456 9457 9457 9458	\$4,753,255 COMPLETION \$60,000	9521 9522		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS Size Conductor Surface Casing 1st Intermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner Casing Tie Back Liner Hanger Assembly Liner Hanger Assembly Calling Equipment - OHMS / Etc. Wollhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Siniker Bars Aytificial Lift Other - ESP	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9453 9453 9454 9455 9455 9457 9458 9459	\$4,753,255 COMPLETION	ACCT 9521		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.285,255 **TOTAL** \$0 \$112,000 \$155,000 \$0 \$0 \$50,000 \$155,000 \$55,000 \$55,000 \$55,000 \$55,000 \$55,000 \$55,000 \$55,000 \$55,000
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS TANGIBLE COSTS Size Conductor Surface Casing 1 1st Intermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner Casing Tie Back Liner Hanger Assembly Tubing Caling Equipment - OHMS / Exc. Wollhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Sinker Bars Artificial Lift Other - ESP Wellhead Equipment Completions - Production Tree Tanks / Tank Steps / Stairs	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9451 9452 9453 9454 9455 9456 9457 9458 9459 9460 9461	\$4,753,255 COMPLETION \$60,000	9521 9522 9523 9524 9524		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.288,255 **TOTAL** \$0 \$112,000 \$150,000 \$50 \$60,000 \$55,000 \$50,000
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS TANGIBLE COSTS Size Conductor Surface Casing Liner 13-3/8" 1st Intermediate Casing / Liner Production Casing / Liner Production Casing / Liner Production Casing / Liner Casing Tie Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Etc. Welhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Sinker Bars Aufficial Lift Other - ESP Welhead Equipment Completions - Production Tree Tanks / Tank Steps / Stairs Gas Treating / Dehydration Equipment Separation Equipment	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9452 9453 9454 9455 9456 9457 9459 9460 9461 9462 9463	\$4,753,255 COMPLETION \$60,000	9521 9522 9522 9523 9524 9525 9526 9527		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.288,255 **TOTAL** \$0 \$112,000 \$155,000 \$442,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000
Pipeline Install/ Intersonnect Facility Installation TBD	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9451 9452 9453 9453 9455 9455 9455 9456 9461 9461 9462 9463 9464 9465	\$4,753,255 COMPLETION \$60,000 \$59,000	9521 9522 9522 9523 9524 9525 9526 9527 9528		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.288,255 **TOTAL** \$0 \$112,000 \$155,000 \$60,000 \$50 \$65,000 \$50 \$65,000 \$50 \$65,000 \$50 \$50 \$50,000 \$50 \$50,000 \$50 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS Size Conductor Surface Casing 1st Intermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner Casing Tie Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Etc. Wolhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Sinker Bars Rofs / Pony Rods / Sin	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9453 9453 9454 9455 9455 9456 9459 9460 9461 9462 9463 9464	\$4,753,255 COMPLETION \$60,000 \$59,000	9521 9521 9522 9523 9524 9525 9526 9527 9528		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS Size Conductor Surface Casing 13-3/6" 1st Intermediate Casing / Liner 2nd Intermediate Casing / Liner 2nd Intermediate Casing / Liner Casing Tie Back Liner Hanger Assembly Tubing Casing Tie Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Etc. Wollhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Sinker Bars Aufficial Lift Other - ESP Wellhead Equipment Completions - Production Tree Tanks / Tank Steps / Stairs Gas Treating / Dehydration Equipment Separation Equipment, Heater Treater Surface Pumps Filters Buildings Interconnect Piping / Manifolds / Headers Flowlines / Connections / Valves	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9451 9452 9453 9454 9455 9456 9457 9460 9461 9462 9463 9464 9465 9466 9467 9466	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000	9521 9522 9523 9523 9525 9526 9527 9528 9529 9530 9531		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$7.268,255 **TOTAL** \$0 \$112,000 \$150,000 \$50 \$60,000 \$55,000 \$50,
Pipeline Install/ Intersonnect Facility Installation TBD	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9452 9453 9454 9455 9456 9457 9460 9461 9462 9463 9464 9465 9466 9467 9468 9469 9470	\$4,753,255 COMPLETION \$60,000 \$59,000 \$200,000	9521 9522 9522 9523 9524 9525 9526 9527 9530 9531 9531 9532 9533 9534		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9453 9454 9455 9456 9457 9459 9460 9461 9461 9462 9463 9464 9465 9466 9467 9466 9467 9468 9470 9471	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000	9521 9522 9522 9523 9524 9525 9526 9527 9529 9530 9531 9532 9533 9534 9535 9536		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD TBD TBD TBD TBD TBD TBD TBD TBD TOTAL INTANGIBLE COSTS Size Conductor Surface Casing 1st Intermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner Casing Tie Back Liner Hanger Assembly Tubing Casing Equipment Of Six	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9453 9454 9455 9456 9457 9458 9460 9461 9462 9463 9464 9465 9466 9467 9468 9469 9470 9471	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000	9521 9522 9523 9524 9526 9526 9529 9530 9531 9532 9533 9533 9534		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9453 9454 9455 9455 9456 9457 9461 9461 9463 9464 9463 9464 9465 9466 9467 9468 9469 9470 9471 9472 9473	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000	9521 9522 9522 9523 9524 9525 9526 9529 9530 9531 9531 9532 9533 9534 9535 9535		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353	\$112,000 \$156,000 \$462,000	9451 9452 9453 9454 9455 9456 9457 9459 9460 9461 9463 9464 9465 9465 9466 9467 9468 9469 9470 9471 9472 9473 9473 9474 9475 9474	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000	9521 9522 9522 9523 9524 9525 9526 9530 9531 9532 9533 9534 9535 9536 9537 9538 9539 9541		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet 2.000 \$56.00 4,000 \$ 39.00	9350 9351 9352 9353 9354	\$112,000 \$156,000 \$462,000	9451 9452 9453 9454 9455 9455 9455 9459 9460 9461 9462 9463 9465 9466 9467 9468 9469 9470 9471 9472 9473 9474 9475 9479	\$4,753,255 COMPLETION \$60,000 \$500,000 \$100,000 \$550,000	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00	9350 9351 9352 9353 9354	\$112,000 \$156,000 \$462,000	9451 9451 9452 9453 9454 9455 9457 9458 9457 9460 9461 9462 9463 9464 9465 9466 9467 9468 9469 9470 9471 9472 9473 9474 9475	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$25,000 \$50,000	9521 9522 9523 9524 9525 9526 9529 9530 9531 9532 9533 9534 9535 9536 9536 9537 9538 9539		\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00	9350 9351 9352 9353 9354	\$112,000 \$156,000 \$462,000 \$462,000	9451 9452 9453 9454 9455 9455 9455 9459 9460 9461 9462 9463 9465 9466 9467 9468 9469 9470 9471 9472 9473 9474 9475 9479	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$25,000 \$50,000	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539	FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00	9350 9351 9352 9353 9354	\$112,000 \$156,000 \$462,000 \$462,000 \$15,000 \$85,000	9451 9452 9453 9454 9455 9455 9455 9459 9460 9461 9462 9463 9465 9466 9467 9468 9469 9470 9471 9472 9473 9474 9475 9479	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$250,000 \$25,000 \$25,000 \$25,000 \$4,753,255	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539	FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00	9350 9351 9352 9353 9354	\$112,000 \$156,000 \$462,000 \$462,000 \$35,000 \$35,000	9451 9452 9453 9454 9455 9455 9455 9459 9460 9461 9462 9463 9465 9466 9467 9468 9469 9470 9471 9472 9473 9474 9475 9479	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$25,000 \$25,000 \$106,000 \$5106,000 \$53,69,255	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539	FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00	9350 9351 9352 9353 9354	\$112,000 \$156,000 \$156,000 \$462,000 \$15,000 \$85,000 \$3,000 \$3,000 \$3,000 \$3,000 \$3,000	9451 9452 9453 9454 9455 9456 9457 9459 9461 9462 9463 9464 9465 9467 9468 9469 9470 9471 9472 9473 9474 9475 9478 9478 9479 9479 9479	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$25,000 \$50,000 \$106,000 \$5,369,255 Date:	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539	FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00	9350 9351 9352 9353 9354	\$112,000 \$156,000 \$156,000 \$462,000 \$15,000 \$85,000 \$3,000 \$3,000 \$3,000 \$3,000 \$3,000	9451 9452 9453 9454 9455 9456 9457 9459 9461 9462 9463 9464 9465 9467 9468 9469 9470 9471 9472 9473 9474 9475 9478 9478 9479 9479 9479	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$25,000 \$50,000 \$106,000 \$5,369,255 Date:	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539	FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00 21,000 \$22,00 37S gree to pay your share of the actual costs overed by Operator's Extra Expense hase my own well control insurance	9350 9351 9352 9353 9354 9354 policy.	\$112,000 \$156,000 \$156,000 \$462,000 \$15,000 \$35,000 \$35,000 \$3,025,000	9451 9452 9453 9454 9455 9457 9458 9457 9461 9462 9463 9464 9465 9467 9468 9469 9470 9471 9472 9473 9474 9475 9476 9477 9478 9478 9479 9480	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$25,000 \$50,000 \$106,000 \$5,369,255 Date:	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539	FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00 21,000 \$22,00 21,000 \$22,00 control insurance of the actual costs overed by Operator's Extra Expensions are my own well control insurance actual costs overed by Operator's to be covered.	9350 9351 9352 9353 9354 9354 policy.	\$112,000 \$156,000 \$156,000 \$462,000 \$15,000 \$35,000 \$35,000 \$3,025,000	9451 9452 9453 9454 9455 9457 9458 9457 9461 9462 9463 9464 9465 9467 9468 9469 9470 9471 9472 9473 9474 9475 9476 9477 9478 9478 9479 9480	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$25,000 \$50,000 \$106,000 \$5,369,255 Date:	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539	FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Pipeline Install/ Intersonnect Facility Installation TBD	Feet \$#F1 2,000 \$56,00 4,000 \$ 19,00 21,000 \$22,00 21,000 \$22,00 37S gree to pay your share of the actual costs overed by Operator's Extra Expense hase my own well control insurance	9350 9351 9352 9353 9354 9354 policy.	\$112,000 \$156,000 \$156,000 \$462,000 \$15,000 \$35,000 \$35,000 \$3,025,000	9451 9452 9453 9454 9455 9457 9458 9457 9461 9462 9463 9464 9465 9467 9468 9469 9470 9471 9472 9473 9474 9475 9476 9477 9478 9478 9479 9480	\$4,753,255 COMPLETION \$60,000 \$50,000 \$100,000 \$25,000 \$50,000 \$106,000 \$5,369,255 Date:	9521 9522 9522 9523 9524 9525 9526 9527 9529 9531 9533 9534 9535 9536 9536 9536 9536 9537 9538 9539	FACILITIES	\$175,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0

Exhibit A-5

<u>Catena Resources Operating, LLC – Mariner W2E2 06 07 W1 State Com 1H Discussion Timeline</u>

COG Operating LLC c/o ConocoPhillips Company

Catena Resources Operating, LLC sent original well proposals on February 23, 2022. At such time, Catena and ConocoPhillips (formerly Concho Oil & Gas) were already engaged in discussions regarding the proposed well. Catena and ConocoPhillips are in ongoing discussions on the well proposal.

XTO Holding, LLC

Catena Resources Operating, LLC sent original well proposals on February 23, 2022. At such time, Catena and XTO Holdings, LLC were already engaged in discussions regarding the proposed well. Catena and XTO Holdings, LLC are in ongoing discussions on the well proposal.

Catena Resources Operating, LLC
Case No. 22718
Exhibit A-5

APPLICATION OF CATENA RESOURCES OPERATING, LLC TO AMEND ORDER NO. R-21492, LEA COUNTY, NEW MEXICO.

CASE NO. 22718
ORDER NO. R-21492
(Re-Open Case No. 21459)

SELF-AFFIRMED STATEMENT OF CATHERINE HENRY

- 1. I am a geologist at Catena Resources Operating, LLC ("Catena") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have not previously testified before the New Mexico Oil Conservation Division ("Division").
- 2. I have a MS in Geology and 5 years of experience in the petroleum industry. My experience has focused on well planning, well log analysis, resource development, resource mapping, and resource evaluation for horizontal development programs primarily in the Delaware, Permian, and Williston Basins. A copy of my resume is attached as **Exhibit B-1**.
 - 3. I am familiar with the geological matters that pertain to the above-referenced case.
- 4. **Exhibit B-2** is a project location map that shows the location of the proposed horizontal well spacing unit.
- 5. Catena is targeting the Wolfcamp formation. **Exhibit B-3** is a subsea structure map that I prepared for this interval with 100-foot contours. The proposed horizontal well spacing unit is highlighted in red and the initial well is depicted with a green dashed line. Existing producing wells in the Wolfcamp formation are represented by solid orange lines. The structure map shows the Wolfcamp formation dipping to the South. The structure appears consistent across the proposed

Catena Resources Operating, LLC
Case No. 22718
Exhibit B

spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to drilling horizontal wells in this area.

- 6. **Exhibit B-3** also shows a cross-section line in red running North to South reflecting three wells penetrating the Wolfcamp formation that I used to construct a stratigraphic cross-section from A to A'. These wells contain good logs and I consider them representative of the geology in the subject area.
- 7. **Exhibit B-4** is a stratigraphic cross-section that I prepared using the logs from the three wells noted on Exhibit B-3. Each well in the cross-section contains the gamma ray in the first track, and resistivity in the second track. The initial target interval is labeled and marked. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.
- 8. **Exhibit B-5** is a Gross Isopach map of the Wolfcamp formation. The proposed horizontal well spacing unit is highlighted in red and the initial well is depicted with a green dashed line. Existing producing wells in the Wolfcamp formation are represented by solid orange lines. The anticipated gross thickness of the Wolfcamp formation interval is 500 to 600 ft. The gross isopach map demonstrates that the Wolfcamp formation is present across the proposed spacing unit. The location of the previous cross-section from A-A' in Exhibit B-4 is also shown as a red line on this map.
- 9. In my opinion the stand-up orientation of the proposed well is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage.

- 10. Based on my geologic study, the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will be productive and contribute proportionately to the production from the well.
- 11. In my opinion, the granting of Catena's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 12. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.
- 13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony in paragraphs 1 through 12 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.

Cuttine Henry

4/27/2022

Exhibit B-1 Catherine Elizabeth Henry

5+ year petroleum industry career, conventionally and unconventionally trained geologist with experience working in with both upstream and midstream businesses.

PROFESSIONAL EXPERIENCE

PERCUSSION PETROLEUM II, LLC & CATENA RESOURCES OPERATING, LLC – Houston, TX Geologist II

12/2021-Present

- Responsible for providing geological support for horizontal drilling program
- Utilizing subsurface technical analysis to plan pad locations and development pattern well layouts for multi-bench development
- Providing subsurface analysis and guidance on SWD well locations and interval of interest

GULF COAST SEQUESTRATION – Houston, TX

9/2021 - 11/2021

Geologist – Contract

- Collaborated with geoscience team to accomplish near-term business needs. This included collecting and interpreting historic production data from DrillingInfo, maintaining ArcGIS project, and digitizing raster logs in Petra.
- Contributed to and analyzed the permitting process with the EPA, shallow onshore Gulf Coast geology, and the full cycle CCUS process.

OASIS PETROLEUM – Houston, TX

2017 - 2021

Geologist II

1/2020 - 3/2021

- Utilized SWD geologist role to de-risk inventory by identifying drill risk in core acreage areas and assisting with new casing design. This yielded program management accomplishments with significant business impact:
 - o Planned and took on geological responsibilities for a 12 well drilling program
 - Successfully managed ideas across different functional groups; implemented new working standard for the organization on drilling operations through over-pressured corridors.
- Portfolio Management: risk ranked core acreage (404k net acres) at the DSU level and assigned cost with each risk tier. Resulted in capital inputs for project economics for every DSU to support corporate planning group.

Geologist I 7/2017 - 1/2020

- Redesigned saltwater disposal (SWD) geologist role that successfully impacted both upstream and midstream businesses.
 - o Developed geologic interpretation of complex fluvial/deltaic Inyan Kara stratigraphy across Williston Basin that significantly impacted well planning and operations.
 - o Collaborated with cross-functional team of reservoir and facility engineers to characterize conventional reservoir.
 - Spearheaded successful material balance and decline curve analysis to achieve pore volume of reservoir and tie back to reservoir pressure. Completed analysis of pressure fall-off tests of 10+ wells used to predict EUI of saltwater disposal wells in sand tank.
 - Responsible for scouting new SWD permits; incorporate pipeline/infrastructure and state regulations with new locations; geosteering new SWDs; assisted BD group with third party business opportunities; monitored OBO activity in the basin.
- Operations Geologist (7/2017 7/2018)
 - Drilled 15+ wells to completion while demonstrating ability to stay in target zone in both Bakken and Three Forks formations.
 - Generated structure and isopach maps of target formations; produced geoprogs for permitting.
 - Proactively communicated with drilling/execution team as well as field personnel on geohazards and target changes.
 - o Partnered with completions engineers on frac recommendation design; identified geohazards in the area (Lodgepole, Pronghorn thick, offset Mission Canyon production); utilized microseismic data.

CENTERPOINT ENERGY – Houston, TX

8/2016 - 7/2017

Project Lead - Infrastructure Data Specialist

• Data Specialist: responsible for locating work orders for natural gas pipeline installation in the Houston area using SAP. Duties included validating pipeline attributes in ArcMap and meeting time restraints of the project.

Catena Resources Operating, LLC
Case No. 22718
Exhibit B-1

Exhibit B-1

EDUCATION

MBA Candidate, Class of 2023 Texas A&M University Houston, TX

MS in Geology, 2016 University of Mississippi Oxford, MS

BS in Geology, 2014 Graduated with Honor Millsaps College, Jackson, MS

RELATED EXPERIENCE

UNIVERSITY OF MISSISSIPPI - Oxford, MS

8/2014 - 5/2016

Teaching Assistant-Courses: ArcGIS and Intro to Geology

ENERVEST, LTD. – Houston, TX

Summer 2015; Winter 2014 - 2015

Geoscience Intern

- Completed multiple geologic projects in the Fort Worth Basin, Texas. Results yielded structure maps for the Atoka, Bend, and Marble Falls Formations, net pay maps, and cross-sections.
- Used 2D and 3D seismic profile mapping and well log correlation on IHS Kingdom (SMT) to focus on recompletion opportunities up-hole of the Barnett Shale. Project concluded production to be associated with stratigraphic traps rather than structural, with several legacy wells as recompletion candidates.

JURA-SEACH, INC. - Jackson, MS

Fall 2012 - Summer 2014

Geoscience Intern

Completed multiple projects in Little Cedar Creek Field, southwest AL. Project responsibilities included 2D seismic profile mapping on Kingdom (IHS), well log correlation, core analysis, and building geological structure and stratigraphic cross-sections of the Smackover and Norphlet Formations.

SKILLS & TRAINING

Software: IHS Kingdom · Petra · ArcGIS · Spotfire · StarSteer · LatNav · DrillingInfo · Adobe Illustrator · Microsoft Office

Nautilus Training:

- **Practical Subsurface Mapping**
- Formation Evaluation: Principles and Practices
- Low Resistivity Pay Evaluation
- Reservoir Engineering for Non-Reservoir Engineers

Geophysics for Subsurface Professionals

In-housetraining: Reservoir Engineering for Non-Reservoir Engineers Short Course: ExxonMobil - "Integrated Basin and Play Analysis" (IBA): AAPG/SEG Student Expo In-house Franklin-Covey trainings: Social Styles & SevenHabits of Highly Effective People

2019 2015

2017; 2018

HONORS, AWARDS & AFFILIATIONS

Mississippi Geological Society - Boland Scholarship Recipient

2014

Awarded to one student from each institution in Mississippi for hard work and dedication to the geosciences and community.

Mississippi Academy of Science

2014

Best oral presentation in Geology and Geography division at the Mississippi Academy of Science Annual Meeting. Honorable mention in the Millsaps-HHMI Undergraduate Scholars Symposium poster presentation.

Wendell B. Johnson Memorial Award

2013

Awarded to a junior geology major at Millsaps College with an outstanding record of scholarship, research, and service **Dudley Hughes Exploration Internship**

2012; 2013

Endowment funds internships that focus on oil and gas exploration; funded internship at Jura-Search, Inc.

American Association of Petroleum Geologists - Member **Houston Geological Society** – Member

Saint Cecilia Catholic Church – Parishioner and LifeTeen

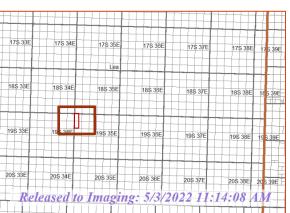
Association for Women Geoscientists - Member

Core Team Volunteer

Exhibit B-2: Locator Map







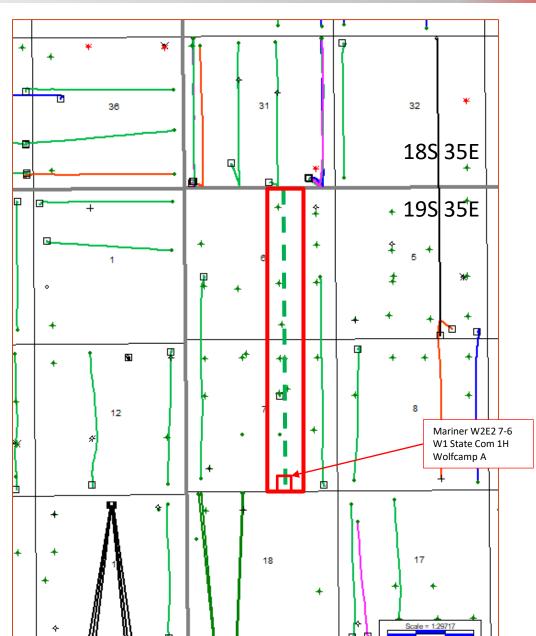
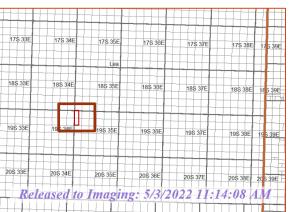
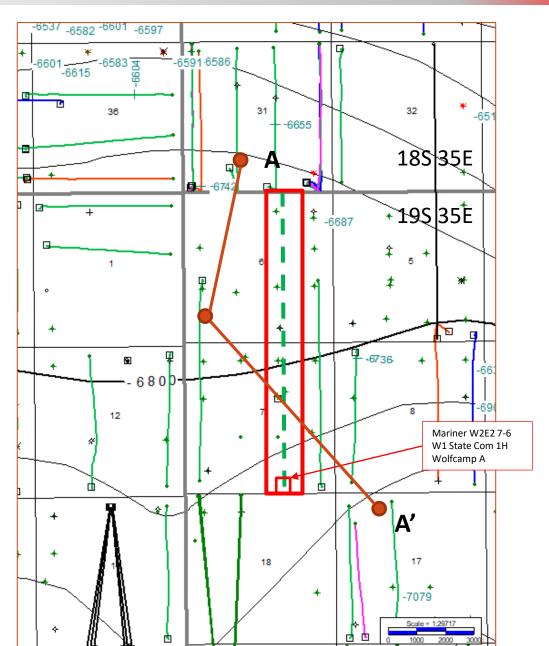


Exhibit B-3: Wolfcamp Top SSTVD









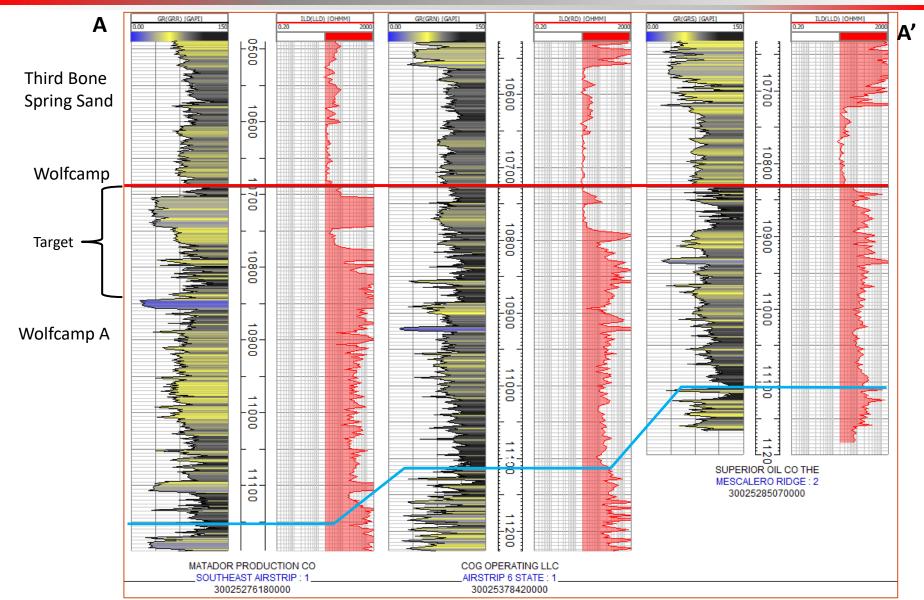
Catena Resources Operating, LLC

Case No. 22718

Exhibit B-4

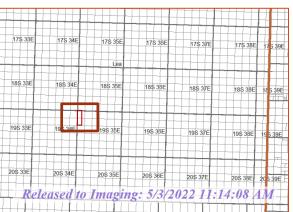


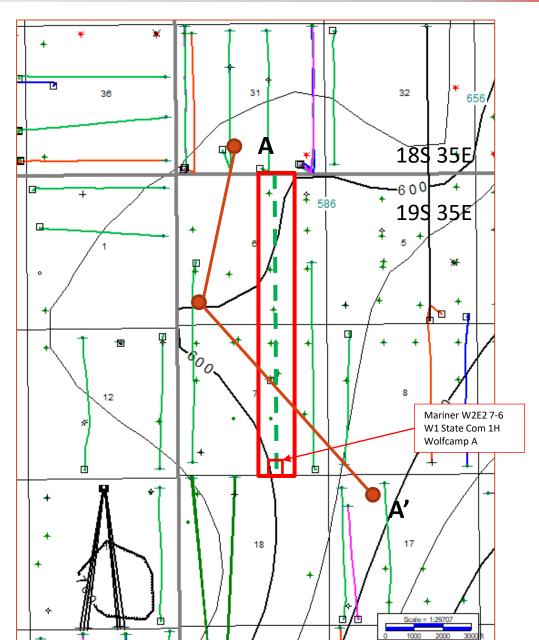
Exhibit B-4: Stratigraphic Cross section A-A' – Wolfcamp Datum





First Bone Spring Second Bone Spring Third Bone Spring Wolfcamp A





APPLICATION OF CATENA RESOURCES OPERATING LLC TO AMEND ORDER NO. R-21492, LEA COUNTY, NEW MEXICO.

Case No. 22718 Order No. R-21492 (Re-Open Case No. 21459)

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

- I am attorney in fact and authorized representative of Catena Resources Operating
 LLC, the Applicant herein, and being first duly sworn, upon oath, state as follows.
- 2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter to be sent to the parties set out in the chart attached as **Exhibit C-2**.
- 3. The above-referenced Application was provided, along with the Notice Letters, to the recipients listed in Exhibit C-2. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received and includes copies of the certified mail receipts and white slips.
- 4. On April 7, 2022, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, along with a copy of the notice publication, is attached as **Exhibit C-3**.

/s/ Dana S. Hardy	5/3/2022
Dana S. Hardy	Date

Catena Resources Operating, LLC Case No. 22718 Exhibit C



HINKLE SHANOR LLP

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

WRITER:

Dana S. Hardy, Partner dhardy@hinklelawfirm.com

March 31, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Case No. 22718 - Application of Catena Resources Operating, LLC to Amend Order No. R-21492, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that Catena Resources Operating, LLC filed the enclosed application with the New Mexico Oil Conservation Division. The hearing will be conducted on **May 5, 2022** beginning at 8:15 a.m.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division's Santa Fe office or electronically submitted to ocd.hearings@state.nm.us and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

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

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

Catena Resources Operating, LLC Case No. 22718 Exhibit C-1

PO BOX 10
ROSWELL, NEW MEXICO 88202
575-622-6510
(FAX) 575-623-9332
Released to Imaging: 5/3/2022 11:14:08 AM

PO BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623 7601 JEFFERSON ST NE • SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321

APPLICATION OF CATENA RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22718

NOTICE LETTERS

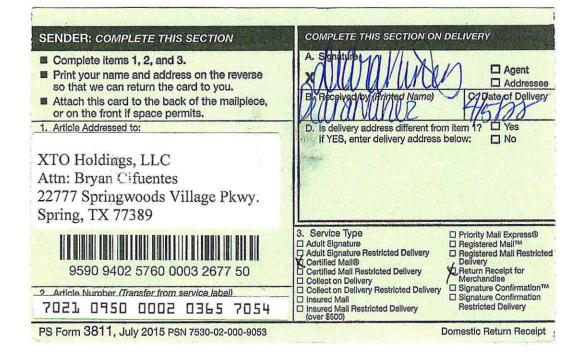
PARTY	NOTICE LETTER SENT	RETURN RECEIVED
COG Operating, LLC	03/31/22	04/18/22
c/o ConocoPhillips		
Attn: Baylor Mitchell		
600 W. Illinois Avenue		
Midland, TX 79701		
XTO Holdings, LLC	03/31/22	04/11/22
Attn: Bryan Cifuentes		
22777 Springwoods Village Pkwy.		
Spring, TX 77389		

Catena Resources Operating, LLC Case No. 22718 Exhibit C-2



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature M. Heceived by (Printed Name)	☐ Agent ☐ Addressee C. Date of Delivery
1. Article Addressed to: COG Opensing LLC c/o ConocoPhillips Attn: Bay! in Mitchell 600 W. Illinois Ave.	D. Is delivery address different from If YES, enter delivery address	
Midland, TX 79701		





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 April 07, 2022 and ending with the issue dated April 07, 2022.

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

3usiness Manager

My commission expires lanuary 29, 2023

Seal)

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

his newspaper is duly qualified to publish egal notices or advertisements within the neaning of Section 3, Chapter 167, Laws of 937 and payment of fees for said

LEGAL NOTICE April 7, 2022

This is to notify all interested parties, including COG Operating LLC c/o ConocoPhillips; XTO Holdings, LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a Mexico Oii Conservation Division will conduct a hearing on an application submitted by Catena Resources Operating, LLC (Case No. 22718). During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted on May 5, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: http://www.emnrd.state.nm.us/OCD/hearings.html. Order No. R-21492 issued in Case No. 21459: pooled uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 South, Range 35 East, NMPM, Lea County ("the Unit"); dedicated the Unit to the Mariner 193507 1H Well, to be drilled from a surface hole location in Unit A of Section 18 to a bottom hole location in Lot 1 of Section 6; and designated Catena as the operator of the Unit and the well. Catena seeks to: amend the Unit so that it consists of a 320seeks to: amend the Unit so that it consists of a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 6 and 7, Township 19 South, Range 35 East in Lea County; dedicate the Unit to the proposed Mariner W2 E2 06 07 W1 State Com 1H well (the "Well"), which will be horizontally drilled form a surface location in the NW/4 NE/4 (Unit B) of Section 18 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 6: and location in the NW/4 NE/4 (Unit B) of Section 6; and pool interest owners under the terms of Order No. R-21492. The Well is located approximately 18 miles west of Hobbs. #37520

02107475

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

00265551

Catena Resources Operating, LLC Case No. 22718 Exhibit C-3