

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 2, 2022**

**CASE No. 22766**

*KING EIDER 12 FED COM #501H WELL*

**LEA COUNTY, NEW MEXICO**



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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22766**

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# COMPULSORY POOLING APPLICATION CHECKLIST

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

**Case No. 22766**

**APPLICANT'S RESPONSE**

**Date: June 2, 2022**

Applicant

Centennial Resource Production, LLC

Designated Operator & OGRID (affiliation if applicable)

OGRID 372165

Applicant's Counsel:

Holland & Hart LLP

Case Title:

APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Entries of Appearance/Intervenors:

MRC Permian Company

Well Family

King Eider 12 Fed Com

## Formation/Pool

Formation Name(s) or Vertical Extent:

Bone Spring formation

Primary Product (Oil or Gas):

Oil

Pooling this vertical extent:

Bone Spring formation

Pool Name and Pool Code:

WC-025 G-06 S203511G; Bone Spring

Well Location Setback Rules:

Statewide setbacks

Spacing Unit Size:

320 acres, more or less

## Spacing Unit

Type (Horizontal/Vertical)

Horizontal

Size (Acres)

320 acres, more or less

Building Blocks:

40 acres

Orientation:

South to North

Description: TRS/County

W/2 W/2 of Sections 12 and 1, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico

Standard Horizontal Well Spacing Unit (Y/N), If No, describe

Yes

## Other Situations

Depth Severance: Y/N. If yes, description

No

Proximity Tracts: If yes, description

No

Proximity Defining Well: if yes, description

No

Applicant's Ownership in Each Tract

Exhibit C-3

## Well(s)

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)

**BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico


Exhibit No. A

Submitted by: Centennial Resource Production, LLC

Hearing Date: June 2, 2022

Case No. 22766

Well #1	<b>King Eider 12 Fed Com #501H well</b> SHL: 200' FSL and 330' FWL (Unit M) of Section 12, Township 20 South, Range 35 East BHL: 100' FNL and 330' FWL (Unit D) of Section 1, Township 20 South, Range 35 East  Completion Target: Bone Spring formation Well Orientation: south to north Completion Location expected to be: standard
Well #2	
Well #3	
Horizontal Well First and Last Take Points	<b>Exhibit C-1</b>
Completion Target (Formation, TVD and MD)	<b>Exhibit C-4, D-4</b>
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	<b>\$8,000</b>
Production Supervision/Month \$	<b>\$800</b>
Justification for Supervision Costs	<b>Exhibit C</b>
Requested Risk Charge	<b>200%</b>
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	<b>Exhibit B</b>
Proof of Mailed Notice of Hearing (20 days before hearing)	<b>Exhibit E</b>
Proof of Published Notice of Hearing (10 days before hearing)	<b>Exhibit F</b>
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	<b>Exhibit C-2</b>
Tract List (including lease numbers and owners)	<b>Exhibit C-2</b>
Pooled Parties (including ownership type)	<b>Exhibit C-3</b>
Unlocatable Parties to be Pooled	<b>No</b>
Ownership Depth Severance (including percentage above & below)	<b>N/A</b>
<b>Joinder</b>	
Sample Copy of Proposal Letter	<b>Exhibit C-4</b>
List of Interest Owners (ie Exhibit A of JOA)	<b>Exhibit C-3</b>
Chronology of Contact with Non-Joined Working Interests	<b>Exhibit C-5</b>
Overhead Rates In Proposal Letter	<b>Exhibit C-4</b>
Cost Estimate to Drill and Complete	<b>Exhibit C-4</b>
Cost Estimate to Equip Well	<b>Exhibit C-4</b>
Cost Estimate to Production Facilities	<b>Exhibit C-4</b>

<b>Geology</b>	
Summary (including special considerations)	<b>Exhibit D</b>
Spacing Unit Schematic	<b>Exhibit D-1</b>
Gunbarrel/Lateral Trajectory Schematic	<b>N/A</b>
Well Orientation (with rationale)	<b>Exhibit D</b>
Target Formation	<b>Exhibit D</b>
HSU Cross Section	<b>Exhibit D-3</b>
Depth Severance Discussion	<b>N/A</b>
<b>Forms, Figures and Tables</b>	
C-102	<b>Exhibit C-1</b>
Tracts	<b>Exhibit C-2</b>
Summary of Interests, Unit Recapitulation (Tracts)	<b>Exhibit C-3</b>
General Location Map (including basin)	<b>Exhibit D-1</b>
Well Bore Location Map	<b>Exhibit D-1</b>
Structure Contour Map - Subsea Depth	<b>Exhibit D-2</b>
Cross Section Location Map (including wells)	<b>Exhibit D-3</b>
Cross Section (including Landing Zone)	<b>Exhibit D-4</b>
<b>Additional Information</b>	
Special Provisions/Stipulations	<b>N/a</b>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	<b>Adam G. Rankin</b>
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	<b>26-May-22</b>

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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22766**

**APPLICATION**

Centennial Resource Production, LLC (“Centennial” or “Applicant”) (OGRID No. 372165), 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 spacing unit comprised of the W/2 W/2 of Sections 12 and 1, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Centennial states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced spacing unit to the following proposed initial **King Eider 12 Fed Com #501H well**, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 12, to a bottom hole location in the NW/4 NW/4 (Lot 4) of Section 1.
3. The completed interval for the well will comply with statewide setbacks.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.

**BEFORE THE OIL CONSERVATION DIVISION**

**Santa Fe, New Mexico**

**Exhibit No. B**

**Submitted by: Centennial Resource Production, LLC**

**Hearing Date: June 2, 2022**

**Case No. 22766**

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

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

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 5, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal well 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

A handwritten signature in blue ink, appearing to be 'Michael H. Feldewert', with a long horizontal stroke extending to the right.

By: \_\_\_\_\_  
Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mhfeldewert@hollandhart.com  
agrarkin@hollandhart.com  
jbroggi@hollandhart.com

**ATTORNEYS FOR CENTENNIAL RESOURCE  
PRODUCTION, LLC**



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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.**

**CASE NO. 22766**

**AFFIDAVIT OF GAVIN SMITH**

Gavin Smith, of lawful age and being first duly sworn, states the following:

1. My name is Gavin Smith and I am employed by Centennial Resource Production, LLC ("Centennial") as a Senior Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Centennial in this case and the status of the lands in the subject area.
4. None of the uncommitted parties in this case has indicated opposition to proceeding by affidavit and, therefore, I do not expect opposition at the hearing.
5. In this case, Centennial seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 12 and the W/2 W/2 of irregular Section 1, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. The spacing unit will be dedicated to the proposed initial **King Eider 12 Fed Com #501H** well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of said Section 12, to a bottom hole location in the NW/4 NW/4 (Lot 4) of said irregular Section 1.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C

Submitted by: Centennial Resource Production, LLC

Hearing Date: June 2, 2022

Case No. 22766

6. **Centennial Exhibit C-1** contains a draft Form C-102 for the proposed initial well in this standard spacing unit. It demonstrates that the completed interval for the well will meet the statewide setback requirements for horizontal oil wells and it will be assigned to the WC-025 G-06 S203511G; Bone Spring Pool [Pool code 96585].

7. **Centennial Exhibit C-2** identifies the tracts of land comprising the proposed horizontal spacing unit, the ownership interests in each tract, and ownership interest on a spacing unit basis.

8. No depth severances exist within the Bone Spring formation underlying this acreage.

9. **Centennial Exhibit C-3** identifies the uncommitted owners that Centennial is seeking to pool in the proposed horizontal spacing unit. The uncommitted owners Centennial seeks to pool include working interests, unleased mineral interests, overriding royalty interests, and non-participating royalty interests.

10. **Centennial Exhibit C-4** contains a sample of the well proposal letters and AFEs sent to owners with a working interest. The costs reflected in these AFEs are consistent with what Centennial and other operators have incurred for drilling similar horizontal wells in the area in this formation. Centennial also included lease offers to unleased mineral interest owners.

11. Centennial 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.

12. **Centennial Exhibit C-5** contains a general summary of the contacts with the uncommitted owners. As indicated in the exhibit, Centennial has made a good faith effort to locate

and has had communications with the majority of the parties that it seeks to pool in these cases in an effort to reach voluntary joinder. In my opinion, Centennial has undertaken good faith efforts to reach an agreement with the uncommitted owners.

13. Centennial has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Centennial seeks to pool and instructed that they be notified of this hearing. Centennial 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 mineral owner.

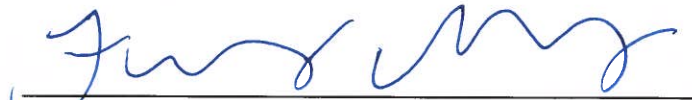
14. **Centennial Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT.

  
GAVIN SMITH

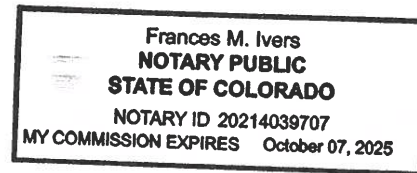
STATE OF COLORADO     )  
  )  
COUNTY OF DENVER     )

SUBSCRIBED and SWORN to before me this 3<sup>rd</sup> day of May 2022 by Gavin Smith.

  
NOTARY PUBLIC

My Commission Expires:

10/07/2025



**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code 96585	<sup>3</sup> Pool Name WC-025 G-06 S203511G; Bone Spring	
<sup>4</sup> Property Code	<sup>5</sup> Property Name KING EIDER 12 FED COM			<sup>6</sup> Well Number 501H
<sup>7</sup> OGRID No. 372165	<sup>8</sup> Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC			<sup>9</sup> Elevation 3655.3'

<sup>10</sup>Surface Location

UL or lot no. M	Section 12	Township 20S	Range 35E	Lot Idn	Feet from the 200	North/South line SOUTH	Feet from the 330	East/West line WEST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. D	Section 1	Township 20S	Range 35E	Lot Idn 4	Feet from the 100	North/South line NORTH	Feet from the 330	East/West line WEST	County LEA
<sup>12</sup> Dedicated Acres 320.56		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

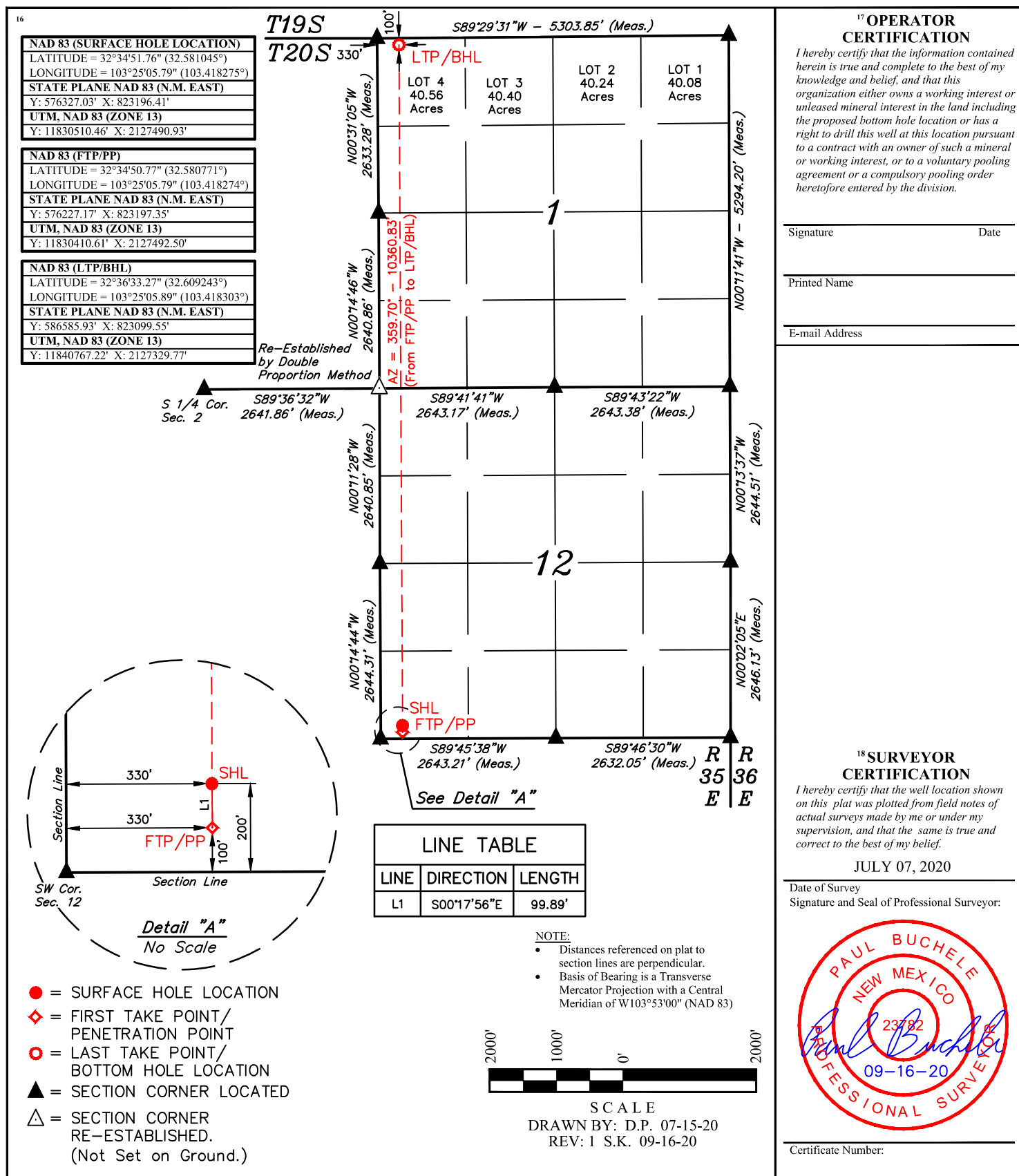
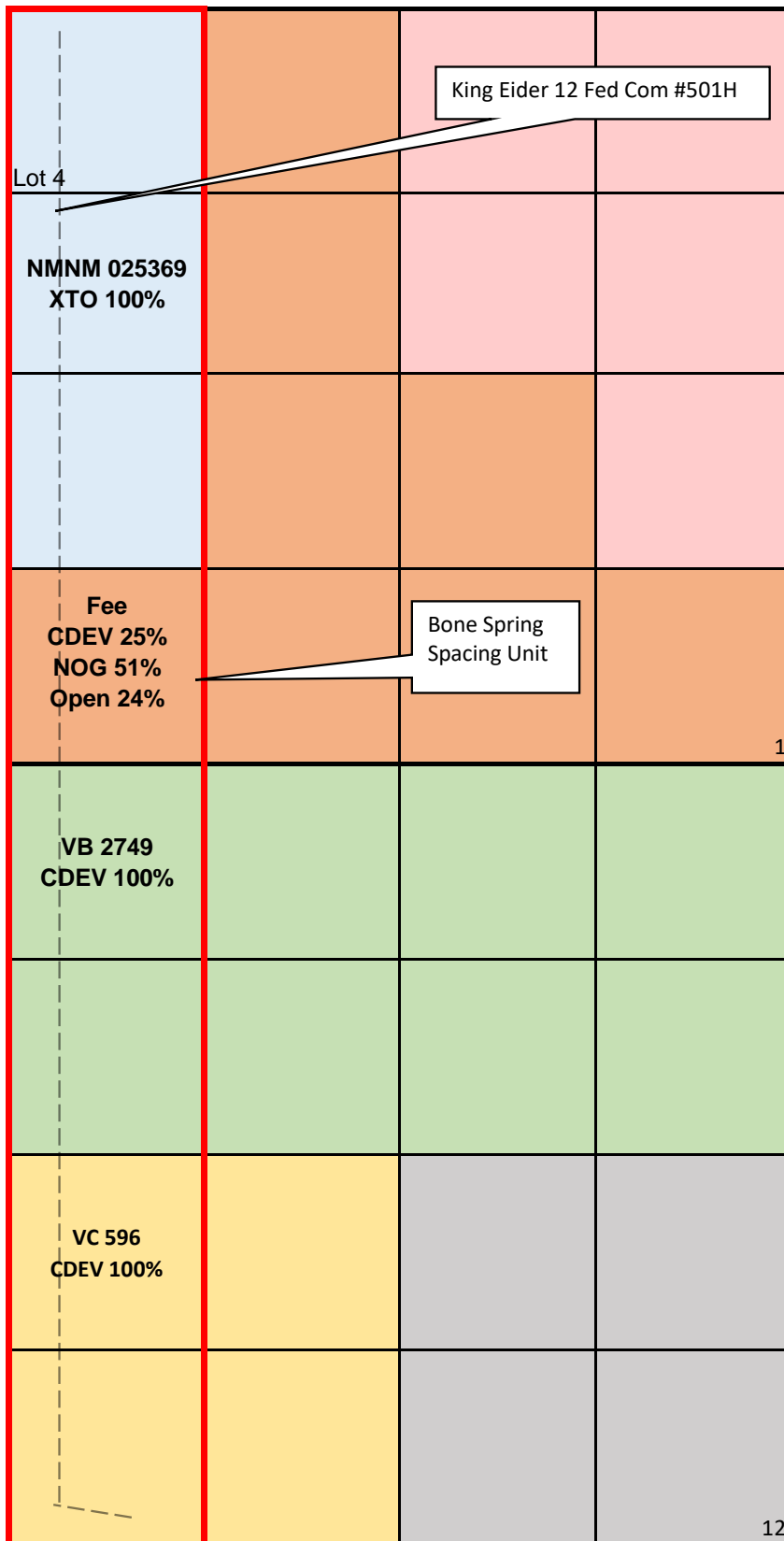


Exhibit C-2  
Ownership Map  
W/2 W/2 of Sections 12 and 1  
Township 20 South, Range 35 East, Lea County, New Mexico



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C2  
Submitted by: Centennial Resource Production, LLC  
Hearing Date: June 2, 2022  
Case No. 22766

Exhibit C-3

King Eider 12 State Com #501H

Ownership Schedule

Name	Interest Type	Working Interest
Tract 1 - Lot 4, SW/4 NW/4, NW/4 SW/4 Section 1, T20S R35E - 120.56 acres		
XTO Holdings, Inc.	Working Interest	1.00000000
Total		1.00000000
Tract 2 - SW/4 SW/4 Section 1, T20S R35E - 40 acres		
Artamyse Watts Oil, Ltd.	Unleased Mineral Interest	0.01250000
Brian Smith	Unleased Mineral Interest	0.00260417
Grace H Bunting	Unleased Mineral Interest	0.00034722
JG Armstrong Family Minerals	Unleased Mineral Interest	0.01250000
Karen Badgett	Unleased Mineral Interest	0.00052083
Magic Dog Oil and Gas	Unleased Mineral Interest	0.00500000
Mark Massick and Shalene Massick	Unleased Mineral Interest	0.00138889
Mary Helen Energy, LLC	Unleased Mineral Interest	0.00832500
MRC Permian Company	Unleased Mineral Interest	0.14166667
SevenWays Minerals	Unleased Mineral Interest	0.00833333
US Bank, Trustee of Donald Baker Trust	Unleased Mineral Interest	0.00416666
Wells Fargo, Trustee of The Carol Ann Sandquist Trust	Unleased Mineral Interest	0.00417500
Lorry Chapman Trustee of the Vicki Shore Testamentary Trust	Unleased Mineral Interest	0.00625000
Chapman Oil and Gas	Unleased Mineral Interest	0.00625000
McAlister Royalties	Unleased Mineral Interest	0.00286458
Pecos Bend Royalties	Unleased Mineral Interest	0.00859375
Warren Ventures Ltd	Unleased Mineral Interest	0.00859375
Word B Wilson Investements LP	Unleased Mineral Interest	0.00859375
Sydney Stotlar Miller	Unleased Mineral Interest	0.00083333
Derek Lee Spain	Unleased Mineral Interest	0.00046296
Barbara Jean Spain Hopkins	Unleased Mineral Interest	0.00046296
Dennis Alan Spain	Unleased Mineral Interest	0.00046296
Northern Oil and Gas	Working Interest	0.51041667
Trove Energy & Water, LLC	Working Interest	Pending Title
Blackbeard Resources, LLC	Working Interest	Pending Title
Centennial Resource Production, LLC	Working Interest	0.24468750
Total		1.00000000
Tract 3 - W/2 NW/4 Section 12, T20S R35E - 80 acres		
Roy G. Barton	ORRI	N/A
Centennial Resource Production, LLC	Working Interest	1.00000000
Total		1.00000000
Tract 4 - W/2 SW/4 Section 12, T20S R35E - 80 acres		
Centennial Resource Production, LLC	Working Interest	1.00000000
Total		1.00000000
Owners to be Pooled in 320.56 acre spacing unit		
XTO Holdings, Inc.	Working Interest	0.37609184
Northern Oil and Gas	Working Interest	0.06369062
Artamyse Watts Oil, Ltd.	Unleased Mineral Interest	0.00155977
Brian Smith	Unleased Mineral Interest	0.00032495
Heirs of Grace H Bunting	Unleased Mineral Interest	0.00004333
JG Armstrong Family Minerals	Unleased Mineral Interest	0.00155977
Karen Badgett	Unleased Mineral Interest	0.00006499
Magic Dog Oil and Gas	Unleased Mineral Interest	0.00062391
Mark Massick and Shalene Massick	Unleased Mineral Interest	0.00017331
Mary Helen Energy, LLC	Unleased Mineral Interest	0.00103881
MRC Permian Company	Unleased Mineral Interest	0.01767740
SevenWays Minerals	Unleased Mineral Interest	0.00103985
US Bank, Trustee of Donald Baker Trust	Unleased Mineral Interest	0.00051992
Wells Fargo, Trustee of The Carol Ann Sandquist Trust	Unleased Mineral Interest	0.00052096
Sydney Stotlar Miller	Unleased Mineral Interest	0.00010398
Derek Lee Spain	Unleased Mineral Interest	0.00005777

Exhibit C-3

King Eider 12 State Com #501H

Ownership Schedule

Barbara Jean Spain Hopkins	Unleased Mineral Interest	0.00005777
Dennis Alan Spain	Unleased Mineral Interest	0.00005777
Lorry Chapman Trustee of the Vicki Shore Testamentary Trust	Unleased Mineral Interest	0.00077989
Chapman Oil and Gas	Unleased Mineral Interest	0.00077989
McAlister Royalties	Unleased Mineral Interest	0.00035745
Pecos Bend Royalties	Unleased Mineral Interest	0.00107234
Warren Ventures Ltd	Unleased Mineral Interest	0.00107234
Word B Wilson Investements LP	Unleased Mineral Interest	0.00107234
Roy G. Barton Sr. & Opal Barton Rev. Trust	ORRI	N/A
Trove Energy & Water, LLC	Working Interest	Pending Title
Blackbeard Resources, LLC	Working Interest	Pending Title
Total:		0.47034096
Owners NOT being Pooled		
Centennial Resource Production, LLC	Working Interest	0.52965903
Total:		0.52965903
Total Working Interest:		1.00000000





February 23, 2022

RE: King Eider 12 Fed Com 501H  
SHL: 200' FSL Sec. 12 & 330' FWL Sec. 12 T20S R35E  
BHL: 100' FNL Sec. 1 & 330' FWL Sec. 1 T20S R35E  
Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the King Eider 12 Fed Com 501H as a horizontal well to test the Bone Spring Formation at a TVD of 10,250 feet. The W/2 W/2 of the referenced Section 12, T20S, R35E and W/2 W/2 Section 1, T20S, R35E will be dedicated to the well as the proration unit being a total of 320.56 acres. Please see the enclosed AFE in the amount of \$11,018,271.

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of March 1, 2022. The JOA contains a proposed overhead rate of \$8000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE. Should you have any questions, please contact me at [Frances.Ivers@cdevinc.com](mailto:Frances.Ivers@cdevinc.com) or at 720-499-1505.

Best Regards,

A handwritten signature in blue ink, appearing to read "Frances Ivers".

Frances Ivers  
Land Coordinator

**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. C4**  
**Submitted by: Centennial Resource Production, LLC**  
**Hearing Date: June 2, 2022**  
**Case No. 22766**



THE UNDERSIGNED HEREBY ELECTS **TO PARTICIPATE** IN THE CAPTIONED KING EIDER 12 FED COM 501H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this \_\_\_\_ day of \_\_\_\_\_, 2022.

**Owner Name:** \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

THE UNDERSIGNED HEREBY ELECTS **NOT TO PARTICIPATE** IN THE CAPTIONED KING EIDER 12 FED COM 501H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this \_\_\_\_ day of \_\_\_\_\_, 2022.

**Owner Name:** \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_



## Authorization for Expenditure

<b>AFE Number</b>	402010	Original
<b>Drilling Total (\$)</b>	\$3,449,428	
<b>Completion Total (\$)</b>	\$4,129,071	
<b>Facilities Total (\$)</b>	\$2,774,367	
<b>Flowback Total (\$)</b>	\$665,405	
<b>AFE Total (\$)</b>	\$11,018,271	

### AFE Description

<b>Property Name</b>	Well: King Eider 12 Fed Com 501H	<b>State</b>	New Mexico
<b>AFE Type</b>	Drill and Complete		
<b>Operator</b>	Centennial Resource Production, LLC	<b>Field</b>	Delaware Basin - TX
<b>Scheduled Spud Date</b>	Jul 10, 2022	<b>Estimated TVD (m)</b>	
<b>Target Zone</b>	SBSG SAND	<b>Estimated MD (m)</b>	

### Non Operator Approval

Company	
Approved By	
Title	
Date	

### Cost Estimate

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$70,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$65,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$30,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$352,500.00
8015.1800	IDC - FOOTAGE CONTRACT	\$ .00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$280,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$ .00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$69,000.00	8015.2300	IDC - FUEL / POWER	\$124,500.00
8015.2400	IDC - RIG WATER	\$18,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$123,000.00
8015.2600	IDC - MUD LOGGING	\$ .00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$55,000.00
8015.2800	IDC - CORE ANALYSIS	\$ .00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$ .00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$218,500.00	8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$17,500.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$20,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$53,000.00
8015.3700	IDC - DISPOSAL	\$115,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$ .00	8015.4100	IDC - RENTAL EQUIPMENT	\$41,000.00
8015.4200	IDC - MANCAMP	\$36,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$87,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$ .00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$13,400.00
8015.4800	IDC - OVERHEAD	\$ .00	8015.5000	IDC - WELL CONTROL INSURANCE	\$11,901.70
8015.5200	IDC - CONTINGENCY	\$131,598.10	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$ .00	8015.2150	IDC - DRILL BIT	\$85,000.00
8015.2350	IDC - FUEL/MUD	\$90,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$ .00	8020.1100	TDC - CASING - SURFACE	\$141,664.45
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$305,861.88	8020.1300	TDC - CASING - INTERMEDIATE 2	\$ .00
8020.1400	TDC - CASING - PRODUCTION	\$627,833.21	8020.1500	TDC - WELLHEAD EQUIPMENT	\$69,168.75
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$ .00	8020.1800	TDC - CONTINGENCY	\$ .00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$ .00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

8025.1200	ICC - COMPLETION RIG	\$ .00	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$25,000.00
8025.1500	ICC - FUEL / POWER	\$443,740.00	8025.1600	ICC - COILED TUBING	\$146,790.00
8025.1700	ICC - CEMENTING & SERVICES	\$ .00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$17,325.00
8025.1900	ICC - INSPECTION & TESTING	\$ .00	8025.2000	ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$340,988.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$ .00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,755,483.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$195,720.00
8025.3100	ICC - WELLHEAD/FRACTURE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$ .00
8025.3300	ICC - COMMUNICATIONS	\$ .00	8025.3400	ICC - RENTAL EQUIPMENT	\$247,500.00
8025.3500	ICC - WELLSITE SUPERVISION	\$56,700.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$ .00	8025.4200	ICC - CONTINGENCY	\$ .00
8025.3050	ICC - SOURCE WATER	\$733,950.00	8025.4400	ICC - COMPANY LABOR	\$ .00
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8030.1000	TCC - CASING - PRODUCTION	\$ .00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$ .00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$ .00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8035.1400	FAC - ROAD LOCATIONS PITS	\$20,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$200,000.00	8035.2400	FAC - SUPERVISION	\$20,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$ .00	8035.2900	FAC - TANK BATTERY	\$477,500.00
8035.3000	FAC - HEATER TREATER/SEPARATOR	\$230,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$600,000.00
8035.3300	FAC - CIRCULATING TRANSFER PUMP	\$29,500.00	8035.3400	FAC - METER & LACT	\$50,000.00
8035.3600	FAC - ELECTRICAL	\$150,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$55,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$75,000.00	8035.4500	FAC - CONTINGENCY	\$132,112.73
8035.1300	FAC - SURFACE DAMAGE / ROW	\$ .00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$25,000.00	8035.1800	FAC - FUEL / POWER	\$ .00
8035.1900	FAC - WATER DISPOSAL / SWD	\$ .00	8035.2000	FAC - WASTE DISPOSAL	\$ .00
8035.2100	FAC - INSPECTION & TESTING	\$ .00	8035.2300	FAC - FRAC TANK RENTAL	\$ .00
8035.2500	FAC - CONSULTING SERVICES	\$ .00	8035.2600	FAC - INJECTION PUMP	\$ .00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$ .00	8035.3500	FAC - COMPRESSOR	\$30,000.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$ .00
8035.4300	FAC - INSURANCE	\$ .00	8035.1310	FAC - PERMANENT EASEMENT	\$ .00
8035.4400	FAC - COMPANY LABOR	\$ .00			
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8036.1000	PLN - PERMITS LICENSES ETC	\$ .00	8036.1100	PLN - STAKING & SURVEYING	\$ .00
8036.1200	PLN - LEGAL TITLE SERVICES	\$ .00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$ .00
8036.1310	PLN - PERMANENT EASEMENT	\$78,303.03	8036.1400	PLN - ROAD LOCATIONS PITS	\$ .00
8036.1500	PLN - MATERIALS & SUPPLIES	\$ .00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$ .00
8036.1700	PLN - RENTAL EQUIPMENT	\$ .00	8036.1900	PLN - WATER DISPOSAL / SWD	\$ .00
8036.2000	PLN - WASTE DISPOSAL	\$ .00	8036.2100	PLN - INSPECTION & TESTING	\$ .00
8036.2200	PLN - CONTRACT LABOR	\$116,800.00	8036.2300	PLN - FRAC TANK RENTAL	\$ .00
8036.2400	PLN - SUPERVISION	\$ .00	8036.2500	PLN - CONSULTING SERVICES	\$ .00
8036.2700	PLN - PIPELINE	\$200,000.00	8036.2800	PLN - FLOWLINE	\$ .00
8036.2900	PLN - TANK BATTERY	\$ .00	8036.3000	PLN - SEPARATOR / SCRUBBER	\$ .00
8036.3100	PLN - TREATING EQUIPMENT	\$ .00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$ .00
8036.3300	PLN - PUMP	\$ .00	8036.3400	PLN - METER	\$ .00
8036.3500	PLN - COMPRESSOR	\$ .00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$ .00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$132,575.76	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$132,575.76
8036.3700	PLN - AUTOMATION	\$ .00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$ .00
8036.4300	PLN - INSURANCE	\$ .00	8036.4400	PLN - COMPANY LABOR	\$ .00
8036.4500	PLN - CONTINGENCY	\$ .00			
<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>	<b>Account</b>	<b>Description</b>	<b>Total (\$)</b>
8040.1100	IFC - ROADS LOCATIONS / PITS	\$ .00	8040.1200	IFC - COMPLETION RIG	\$14,175.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$ .00	8040.1500	IFC - FUEL / POWER	\$ .00
8040.1600	IFC - COILED TUBING	\$ .00	8040.1700	IFC - CEMENTING & SERVICES	\$ .00
8040.1899	IFC - FRAC WATER RECOVERY	\$172,480.00	8040.1900	IFC - INSPECTION & TESTING	\$ .00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$10,000.00	8040.2200	IFC - ELECTRIC LOGGING/PERFORATING	\$ .00
8040.2300	IFC - COMPLETION FLUID	\$ .00	8040.2400	IFC - CASING CREW AND TOOLS	\$ .00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$10,000.00	8040.2800	IFC - MATERIAL & SUPPLIES	\$ .00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$157,500.00	8040.3100	IFC - WELLHEAD/FRACTURE TREE REPAIR	\$ .00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$ .00	8040.3400	IFC - RENTAL EQUIPMENT	\$84,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$7,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$20,000.00
8040.4200	IFC - CONTINGENCY	\$ .00	8040.4400	IFC - COMPANY LABOR	\$ .00
8040.4500	IFC - SWABBING	\$ .00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$ .00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$86,250.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$ .00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$60,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$ .00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$ .00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$10,000.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$ .00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$14,000.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$5,000.00	8045.3100	TFC - MEASUREMENT EQUIPMENT	\$ .00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$ .00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$15,000.00
8045.3500	TFC - CONTINGENCY	\$ .00	8045.4400	TFC - COMPANY LABOR	\$ .00

## Exhibit C-5

Date	Action
May 22, 2020	Centennial acquired leases in Sections 1 and 12, T20S R35E, Lea County, NM
April 1, 2021	Brokers under Centennial's direction began to reach out to all unleased owners
February 23, 2022	Sent well proposals for King Eider 12 State Com #501H
March 23, 2022	Sent JOA to XTO Holdings, LLC for review
March 25, 2022	Emailed with Carol Ann Sandquist Trustee regarding lease
March 28, 2022	Emailed with Mary Helen Energy, LLC and JG Armstrong Family Minerals, LLC
March 31, 2022	Emailed with Artamyse Watts Oil Ltd. regarding lease
April 5, 2022	Filed for compulsory pooling hearing
May 3, 2022	Sent Joint Operating Agreement to Northern for review

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C5

Submitted by: Centennial Resource Production, LLC

Hearing Date: June 2, 2022

Case No. 22766

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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.**

**CASE NO. 22766**

**AFFIDAVIT OF ISABEL HARPER**

Isabel Harper, of lawful age and being first duly sworn, declares as follows:

1. My name is Isabel Harper. I work for Centennial Resource Production, LLC (“Centennial”) as a geologist.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Centennial in this case and I have conducted a geologic study of the lands in the subject area.
4. Centennial is targeting the Bone Spring formation in this case.
5. **Centennial Exhibit No. D-1** is a locator map. It shows Centennial’s acreage in yellow and the path of the proposed wellbore, with the surface hole and bottom hole locations, as well as the outline of the proposed spacing unit.
6. **Centennial Exhibit No. D-2** is a subsea structure map that I prepared off the top of the Third Bone Spring formation. The contour interval is 100 feet. The structure map shows the Bone Spring dipping gently to the west. The structure appears consistent across the proposed wellbore paths. Based on this subsea structure map, I do not observe any

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Centennial Resource Production, LLC  
Hearing Date: June 2, 2022  
Case No. 22766**

faulting, pinchouts, or other geologic impediments to developing the targeted interval with horizontal wells in this area.

7. **Centennial Exhibit No. D-3** shows a line of cross-section in blue consisting of wells penetrating the Bone Spring formation that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.

8. **Centennial Exhibit No. D-4** is a stratigraphic cross-section that I prepared displaying open-hole logs run over the Bone Spring from the representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target interval is labeled and marked. The logs in the cross-section demonstrate that the target interval is continuous and consistent in thickness across the entire spacing unit.

9. In my opinion, the stand-up orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to develop the subject acreage efficiently and effectively.

10. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.

11. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery,

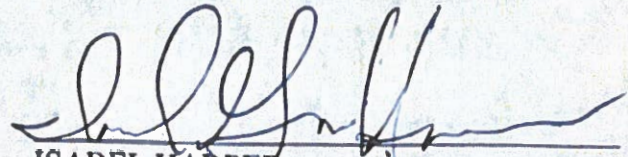


and approving Centennial's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **Centennial Exhibit Nos. D-1 through D-4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT.



  
ISABEL HARPER

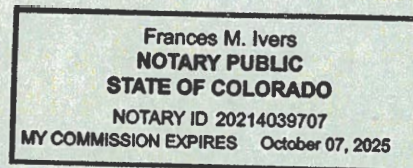
STATE OF COLORADO     )  
  )  
COUNTY OF DENVER     )

SUBSCRIBED and SWORN to before me this 30<sup>th</sup> day of April 2022 by  
Isabel Harper.

  
NOTARY PUBLIC

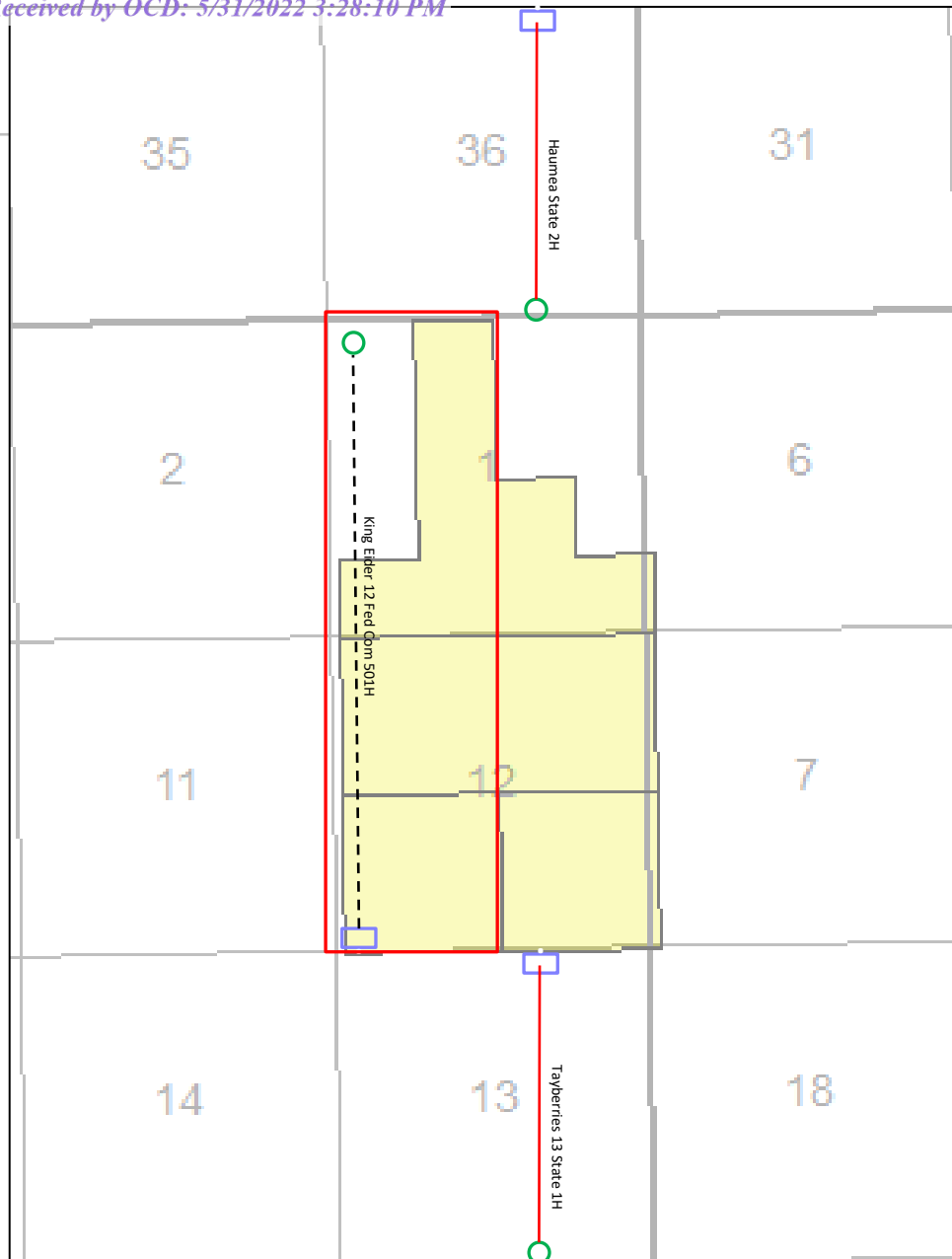
My Commission Expires:

10/07/2025

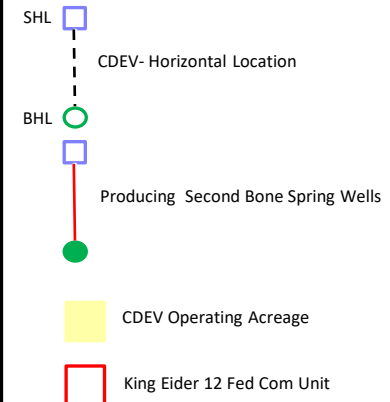




# King Eider 12 Fed Com 501H



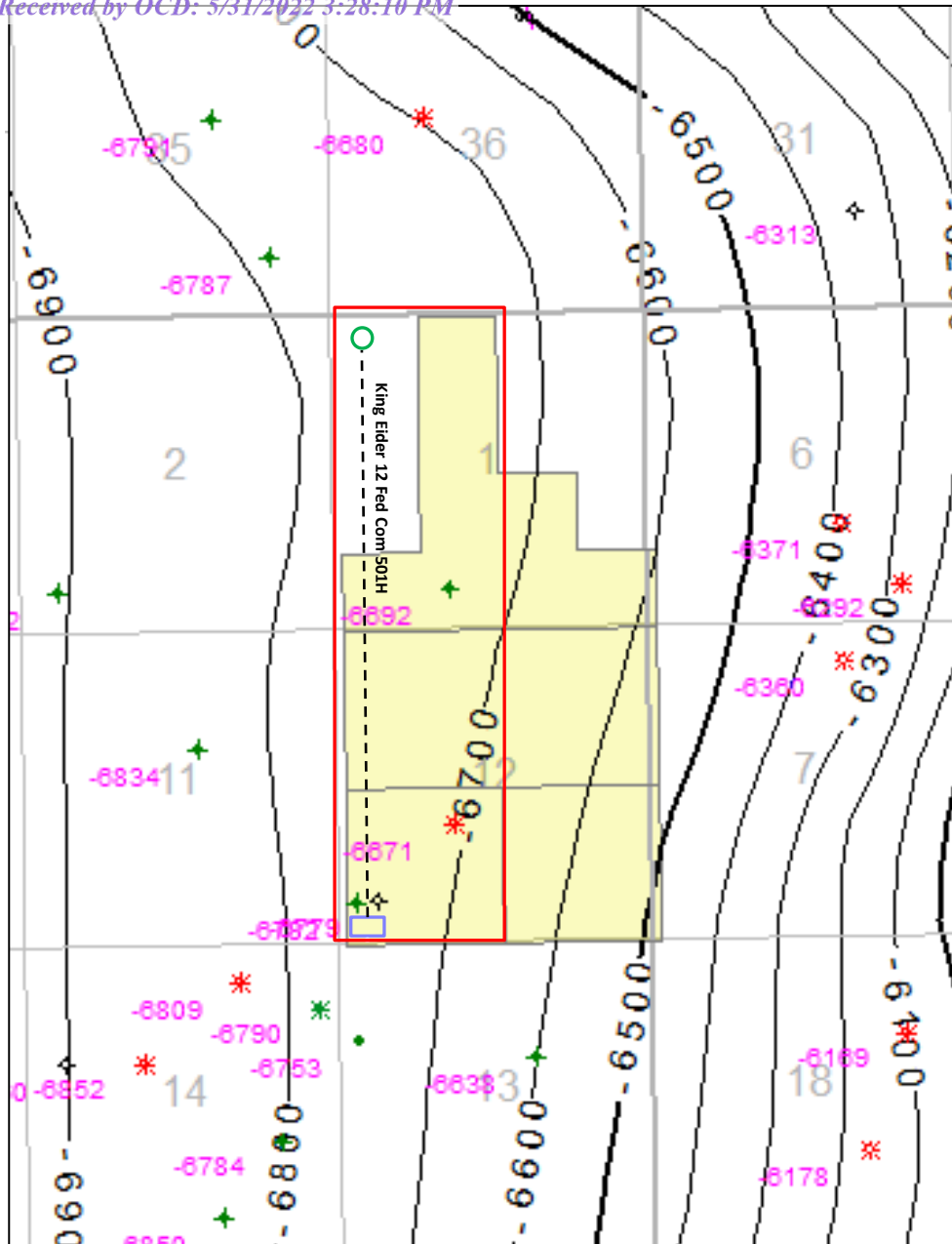
## Map Legend



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D1  
 Submitted by: Centennial Resource Production, LLC  
 Hearing Date: June 2, 2022  
 Case No. 22766

## TBSG Carb Structure Grid

## TBSG Carb Structure Grid



### Map Legend

**BEFORE THE OIL CONSERVATION DIVISION**

**Santa Fe, New Mexico**

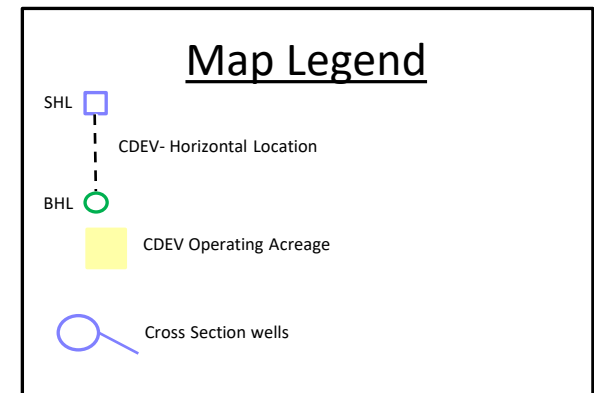
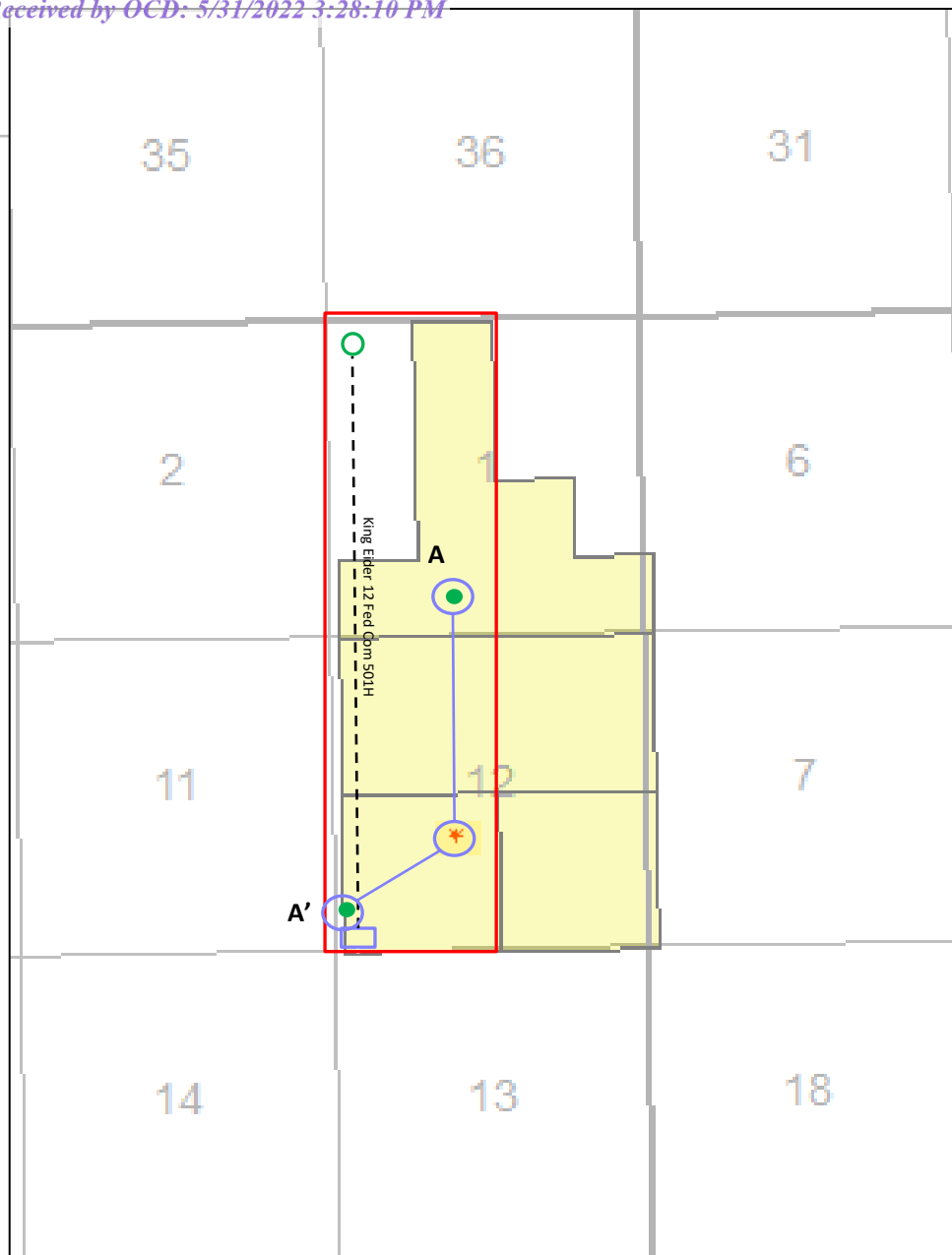
**Exhibit No. D2**

**Submitted by: Centennial Resource Production, LLC**

Hearing Date: June 2, 2022

**Case No. 22766**

# King Eider 12 Fed Com 501H



BEFORE THE OIL CONSERVATION DIVISION

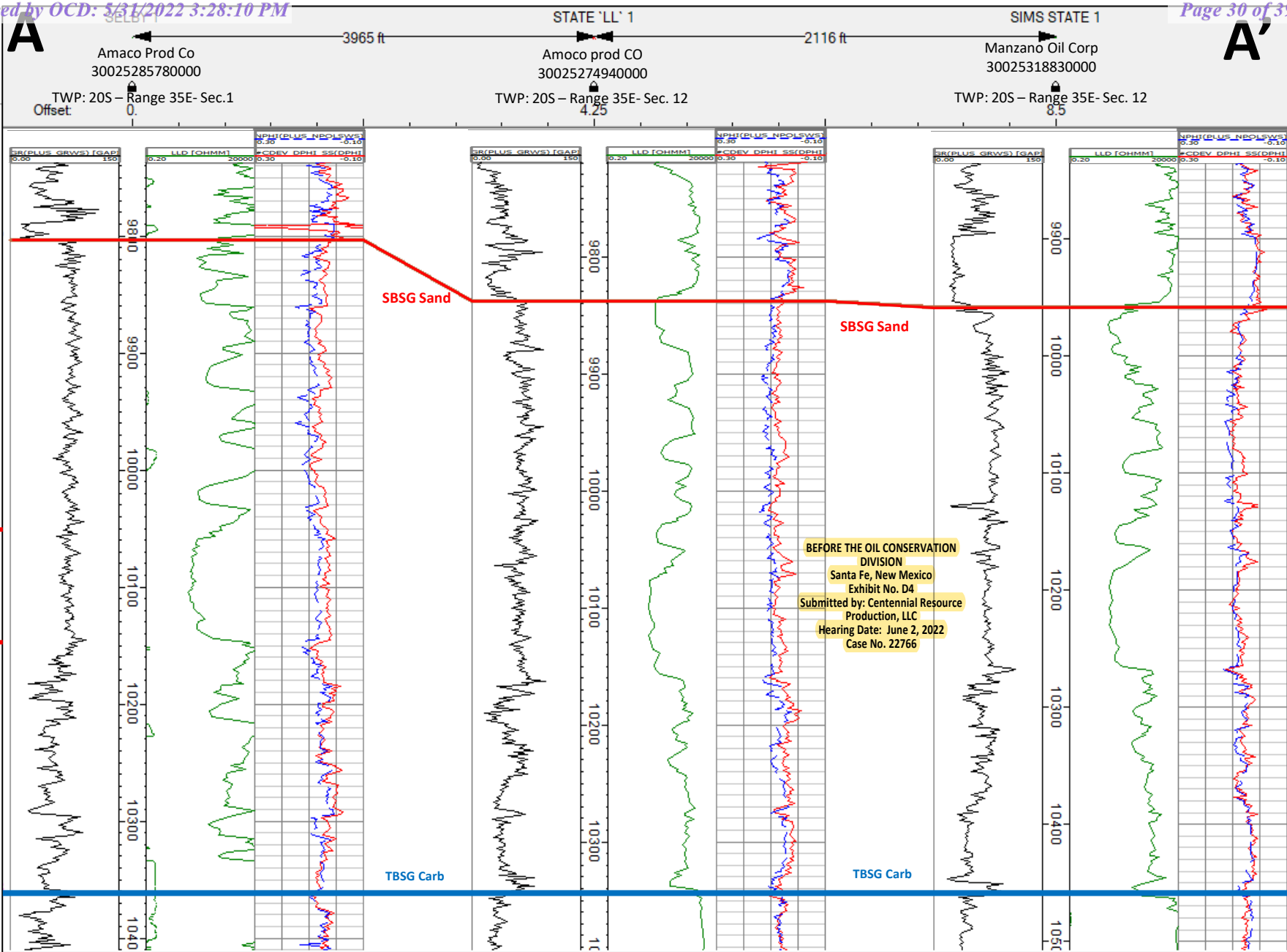
Santa Fe, New Mexico

Exhibit No. D3

Submitted by: Centennial Resource Production, LLC

Hearing Date: June 2, 2022

Case No. 22766



TD= 10,900.00

TD= 13,050.00

TD= 11,532.00

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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC  
FOR COMPULSORY POOLING, LEA  
COUNTY, NEW MEXICO.**

**CASE NO. 22766**

**AFFIDAVIT**

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

Adam G. Rankin, attorney in fact and authorized representative of the Applicant herein, being first duly sworn, upon oath, states

1. The above-referenced application and notice of the hearing on this applications was sent by certified mail to the affected parties on the date set forth in the letters attached hereto.
2. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.
3. The spreadsheets attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of May 24, 2022.
4. I caused a notice to be published to all parties subject to these compulsory pooling proceedings on April 17 and May 17, 2022. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached as Exhibit F.



Adam G. Rankin

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. E  
Submitted by: Centennial Resource Production, LLC  
Hearing Date: June 2, 2022  
Case No. 22766**

SUBSCRIBED AND SWORN to before me this 31st day of May, 2022 by Adam G. Rankin.

  
Notary Public

My Commission Expires:

Nov. 12, 2023

STATE OF NEW MEXICO  
NOTARY PUBLIC  
CARLA GARCIA  
COMMISSION# 1127528  
COMMISSION EXPIRES 11/12/2023





**Adam G. Rankin**  
Partner  
Phone (505) 988-4421  
agrarkin@hollandhart.com

April 15, 2022

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

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

**Re: Application of Centennial Resource Production, LLC for Compulsory Pooling, Lea County, New Mexico.  
King Eider 12 Fed Com #501H well**

Ladies & Gentlemen:

This letter is to advise you that Centennial Resource Production, LLC, has filed the enclosed application with the New Mexico Oil Conservation Division.

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on May 5, 2022 beginning at 8:15 a.m., until it is concluded. 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 online or in person at the Division's Santa Fe office 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 Gavin Smith, at (720) 499-1474, or [Gavin.Smith@cdevinc.com](mailto:Gavin.Smith@cdevinc.com).

Sincerely,

A handwritten signature in blue ink, appearing to read "Adam G. Rankin".

**Adam G. Rankin**  
**ATTORNEY FOR CENTENNIAL RESOURCE**  
**PRODUCTION, LLC**

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

Alaska  
Colorado  
Idaho

Montana  
Nevada  
New Mexico

Utah  
Washington, D.C.  
Wyoming



**Adam G. Rankin**  
Partner  
Phone (505) 988-4421  
agrarkin@hollandhart.com

May 13, 2022

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

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

**Re: Application of Centennial Resource Production, LLC for Compulsory Pooling, Lea County, New Mexico.  
King Eider 12 Fed Com #501H well**

Ladies & Gentlemen:

This letter is to advise you that Centennial Resource Production, LLC, has filed the enclosed application with the New Mexico Oil Conservation Division.

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on June 2, 2022 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.**

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Sincerely,

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**Adam G. Rankin**  
**ATTORNEY FOR CENTENNIAL RESOURCE**  
**PRODUCTION, LLC**

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

Alaska  
Colorado  
Idaho

Montana  
Nevada  
New Mexico

Utah  
Washington, D.C.  
Wyoming

CDEV - King Eider 501H Case No. 22766  
Postal Delivery Reports

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765875826643	XTO Holdings, LLC, Attn Bryan Cifeuentes	810 Houston St	Fort Worth	TX	76102-6203	Your item was refused by the addressee at 9:30 am on April 28, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875826186	Artamyse Watts Oil, Ltd.	PO Box 516	Iraan	TX	79744-0516	Your item was picked up at the post office at 4:14 pm on April 20, 2022 in IRAAN, TX 79744.
9414811898765875826131	Karen Bunting Badgett	PO Box 119	New Sharon	IA	50207-0119	Your item was delivered at 1:54 pm on April 22, 2022 in NEW SHARON, IA 50207.
9414811898765875826179	James R. Bunting	106 N Elm St	New Sharon	IA	50207-9495	Your item was delivered at 1:54 pm on April 22, 2022 in NEW SHARON, IA 50207.
9414811898765875826315	Donald Baker Irrevocable Trust, Attn U.S. Bank	520 Walnut St	Des Moines	IA	50309-4140	Your item was delivered to the front desk, reception area, or mail room at 9:42 am on April 19, 2022 in DES MOINES, IA 50309.
9414811898765875826353	Edwin Baker interest goes to shalene massick	5105 W 163rd St	Stilwell	KS	66085-8242	Your item was refused by the addressee at 9:15 am on May 5, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875826360	Mark & Shalene Massick, as Joint Tenants	635 S 29th Ave E	Newton	IA	50208-4987	Your item was delivered to an individual at the address at 1:49 pm on April 18, 2022 in NEWTON, IA 50208.
9414811898765875826322	Heirs of Floy Reed Schenck	10918 W Connecticut Ave	Sun City	AZ	85351-3723	Your item was refused by the addressee at 9:30 am on April 28, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875826308	Sydney Stotlar Miller	312 Goldenwest St	Huntington Beach	CA	92648-2600	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875826391	Thoedore Kent Stotlar, III	3440 Glendora Dr	San Mateo	CA	94403-3944	Your item was delivered to an individual at the address at 12:14 pm on April 20, 2022 in SAN MATEO, CA 94403.
9414811898765875826346	Sally Stotlar Bryant	276 Irish Rose Ln	Carbondale	IL	62901-5463	Your item was delivered to an individual at the address at 1:57 pm on April 18, 2022 in CARBONDALE, IL 62901.
9414811898765875826681	XTO Holdings, LLC, Attn Bryan Cifeuentes	22777 Springwoods Village Pkwy	Spring	TX	77389-1425	Your item was delivered to the front desk, reception area, or mail room at 12:42 pm on April 18, 2022 in SPRING, TX 77389.
9414811898765875826384	Timothy J. Stotlar	704 Oak St	Benton	IL	62812-1137	Your item was picked up at the post office at 3:25 pm on April 22, 2022 in BENTON, IL 62812.
9414811898765875826339	Thomas E Stotlar	403 W Reed St	Benton	IL	62812-1166	Your item was picked up at the post office at 3:25 pm on April 22, 2022 in BENTON, IL 62812.
9414811898765875826377	Dennis Alan Spain	14008 Capitol Dr	Tampa	FL	33613-2110	Your item was refused by the addressee at 9:30 am on April 28, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875826018	Barbara Jean Spain Hopkns	2308 W Eldred Dr	Tampa	FL	33603-2714	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875826056	J.E. & Beulah H. Simmons Testamentary Trusts, Attn GWIM Investement Solutions Group-Oil & Gas	301 Commerce St Ste 2400 Tx1-301-24-01	Fort Worth	TX	76102-4124	Your item was delivered to an individual at the address at 11:31 am on April 21, 2022 in FORT WORTH, TX 76102.
9414811898765875826025	Crown Oil Partners VI, LLC	PO Box 50820	Midland	TX	79710-0820	Your item was picked up at a postal facility at 10:31 am on April 19, 2022 in MIDLAND, TX 79705.
9414811898765875826001	Crump Energy Partners III, LLC	PO Box 50820	Midland	TX	79710-0820	Your item was picked up at a postal facility at 10:31 am on April 19, 2022 in MIDLAND, TX 79705.
9414811898765875826094	Trove Energy & Water, LLC	1919 N Turner St	Hobbs	NM	88240-2712	Your item was delivered to an individual at the address at 11:51 am on April 18, 2022 in HOBBS, NM 88240.
9414811898765875826049	Tumbler Operating Partners, LLC	1701 River Run Ste 306	Fort Worth	TX	76107-6547	Your item was delivered to the front desk, reception area, or mail room at 10:04 am on April 21, 2022 in DALLAS, TX 75219.
9414811898765875826087	Derek Lee Spain	2410 Burlwood Dr	Lutz	FL	33549-5511	Your item was delivered to an individual at the address at 2:03 pm on April 18, 2022 in LUTZ, FL 33549.
9414811898765875826636	MRC Permian Company	One Lincoln Centre5400 Lbj Freeway, Suite 1500	Dallas	TX	75240	Your item was delivered to an individual at the address at 10:27 am on April 25, 2022 in DALLAS, TX 75240.
9414811898765875826032	Grace H Bunting	106 N Elm St	New Sharon	IA	50207-9495	Your item was delivered at 1:54 pm on April 22, 2022 in NEW SHARON, IA 50207.
9414811898765875826070	Magic Dog Oil & Gas, Ltd	PO Box 10708	Midland	TX	79702-7708	Your item was picked up at a postal facility at 1:36 pm on May 2, 2022 in MIDLAND, TX 79701.

CDEV - King Eider 501H Case No. 22766  
Postal Delivery Reports

9414811898765875826452	Sue Jane Rea Stotlar	704 Oak St	Benton	IL	62812-1137	Your item was picked up at the post office at 3:25 pm on April 22, 2022 in BENTON, IL 62812.
9414811898765875826469	Roy G Barton Sr. & Opal Rev Trust	1919 N Turner St	Hobbs	NM	88240-2712	Your item was delivered to an individual at the address at 11:51 am on April 18, 2022 in HOBBS, NM 88240.
9414811898765875826421	Northern Oil and Gas, Inc.	4350 Baker Rd Ste 400	Minnetonka	MN	55343-8628	Your item was delivered to the front desk, reception area, or mail room at 10:47 am on April 21, 2022 in HOPKINS, MN 55343.
9414811898765875826407	Tim Goudeau	2102 N I St	Midland	TX	79705-7523	Your item has been delivered to an agent for final delivery in MIDLAND, TX 79705 on April 18, 2022 at 9:31 am.
9414811898765875826490	Richard H. Coats & Sigrid M. Coats	PO Box 10862	Midland	TX	79702-7862	Your item was delivered at 11:15 am on May 3, 2022 in MIDLAND, TX 79701.
9414811898765875826445	Charles R. Wiggins	PO Box 10862	Midland	TX	79702-7862	Your item was delivered at 11:15 am on May 3, 2022 in MIDLAND, TX 79701.
9414811898765875826483	Andrea C. Wiggins	PO Box 50331	Midland	TX	79710-0331	Your item was refused by the addressee at 9:34 am on May 19, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875826438	Morris E. Schertz	PO Box 2588	Roswell	NM	88202-2588	Your item was picked up at the post office at 12:40 pm on April 18, 2022 in ROSWELL, NM 88201.
9414811898765875826117	Brian Smith, AttnL Ronnie L. Smith	1616 Arbor Dr	Clovis	NM	88101-2302	Your item was picked up at the post office at 3:53 pm on April 20, 2022 in CLOVIS, NM 88101.
	Herring 1990 Trustwith Amendment in 2007 and Carol Ann Sandquist 1995 Management Trust, Restated in 2011,					
9414811898765875826513	Attn Wilbur Herring & Dell Herring	1310 Coronet Ave	Pasadena	CA	91107-1637	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875826551	Panhandle Properties, LLC, Attn Ross Duncan	PO Box 647	Artesia	NM	88211-0647	Your item was picked up at the post office at 10:30 am on April 18, 2022 in ARTESIA, NM 88210.
9414811898765875826155	Blackbeard Resources, LLC	200 N Loraine St Ste 300	Midland	TX	79701-4713	Your item was delivered to an individual at the address at 4:52 pm on April 18, 2022 in MIDLAND, TX 79701.
9414811898765875826162	J.G. Armstrong Family Minerals, LLC, Attn Wells Fargo Bank	PO Box 1959	Midland	TX	79702-1959	Your item was picked up at a postal facility at 10:09 am on April 28, 2022 in MIDLAND, TX 79701.
9414811898765875826124	Carol Ann Sandquist 1995 Management Trust, Attn Wells Fargo Bank	PO Box 1959	Midland	TX	79702-1959	Your item was picked up at a postal facility at 10:09 am on April 28, 2022 in MIDLAND, TX 79701.
9414811898765875826100	Mary Helen Energy, LLC, Attn Wells Fargo Bank	PO Box 1959	Midland	TX	79702-1959	Your item was picked up at a postal facility at 10:09 am on April 28, 2022 in MIDLAND, TX 79701.
9414811898765875826193	Seven Ways Minerals, Ltd.	214 W Texas Ave Ste 200	Midland	TX	79701-4630	Your item was refused by the addressee at 9:30 am on April 28, 2022 in SANTA FE, NM 87501 and is being returned to the sender.

CDEV - King Eider 501H Case No. 22766  
addl parties Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765879321762	Northern Oil and Gas, Inc.	4350 Baker Rd Ste 400	Minnetonka	MN	55343-8628	Your item was delivered to the front desk, reception area, or mail room at 10:27 am on May 17, 2022 in HOPKINS, MN 55343.
9414811898765879321724	Warren Ventures, Ltd., Attn W. Stirling Warren	808 W Wall St	Midland	TX	79701-6634	Your item was delivered to an individual at the address at 12:19 pm on May 16, 2022 in MIDLAND, TX 79701.
9414811898765879321700	Pecos Bend Royalties, LLLP, Attn C.R. Baily	PO Box 2802	Midland	TX	79702-2802	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765879321793	McAllister Royalties, LLC, Attn Jake McAlister	PO Box 1488	Midland	TX	79702-1488	Your item was delivered at 10:47 am on May 17, 2022 in MIDLAND, TX 79701.
9414811898765879321748	Word B. Wilson Investments, LP, Attn Word B Wilson	110 W Louisiana Ave Ste 200	Midland	TX	79701-3414	Your item departed our USPS facility in MIDLAND TX DISTRIBUTION CENTER on May 24, 2022 at 12:47 am. The item is currently in transit to the destination.
9414811898765879321786	Chapman Oil & Gas Properties, LLC, Attn Lorry A Chapman	3838 N Central Ave Ste 1700	Phoenix	AZ	85012-1994	Your item was delivered to the front desk, reception area, or mail room at 10:55 am on May 16, 2022 in PHOENIX, AZ 85012.
9414811898765879321731	Vicki A. Shore Testamentary Trust, Attn Lorry A Chapman	3838 N Central Ave Ste 1700	Phoenix	AZ	85012-1994	Your item was delivered to the front desk, reception area, or mail room at 10:55 am on May 16, 2022 in PHOENIX, AZ 85012.
9414811898765879321779	Herring 1990 Trust with Amendment in 2007 and Restated in 2011, Attn Wilbur Herring & Dell Herring	1310 Coronet Ave	Pasadena	CA	91107-1637	Your item departed our USPS facility in SANTA ANA CA DISTRIBUTION CENTER on May 23, 2022 at 12:57 am. The item is currently in transit to the destination.
9414811898765879321915	Panhandle Properties, LLC, Attn Ross Duncan	PO Box 647	Artesia	NM	88211-0647	Your item was picked up at the post office at 10:50 am on May 17, 2022 in ARTESIA, NM 88210.



# 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).

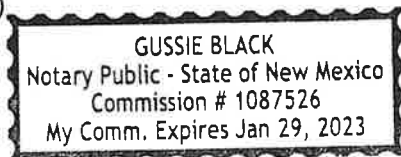
Beginning with the issue dated  
April 17, 2022  
and ending with the issue dated  
April 17, 2022.

  
Publisher

Sworn and subscribed to before me this  
17th day of April 2022.

  
Business Manager

My commission expires  
January 29, 2023  
(Seal)



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

## LEGAL NOTICE April 17, 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, May 5, 2022, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than **April 25, 2022**.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e6e26820a221263e14d01babebf368598>  
Event number: 2499 239 2503  
Event password: : DEpwUbj2232

Join by video: 24992392503@nmemnrd.webex.com  
Numeric Password: 903575  
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: : 2499 239 2503

**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: XTO Holdings, LLC; MRC Permian Company; Brian Smith, his heirs and devisees; Blackbeard Resources, LLC; J.G. Armstrong Family Minerals, LLC; Carol Ann Sandquist 1995 Management Trust; Mary Helen Energy, LLC; Seven Ways Minerals, Ltd.; Artamyse Watts Oil, Ltd.; Karen Bunting Badgett, her heirs and devisees; James R. Bunting, his heirs and devisees; Donald Baker Irrevocable Trust; Edwin Baker (interest goes to shale massick), his heirs and devisees; Mark & Shalene Massick, as Joint Tenants, their heirs and devisees; Heirs and devisees of Floy Reed Schenck; Sydney Stotlar Miller, his or her heirs and devisees; Theodore Kent Stotlar, III, his heirs and devisees; Sally Stotlar Bryant, her heirs and devisees; Timothy J. Stotlar, his heirs and devisees; Thomas E Stotlar, his heirs and devisees; Dennis Alan Spain, his heirs and devisees; Barbara Jean Spain Hopkins, her heirs and devisees; J.E. & Beulah H. Simmons Testamentary Trusts; Crown Oil Partners VI, LLC; Crump Energy Partners III, LLC; Trove Energy & Water, LLC; Tumbler Operating Partners, LLC; Derek Lee Spain, his heirs and devisees; Grace H Bunting, her heirs and devisees; Magic Dog Oil & Gas, Ltd; Sue Jane Rea Stotlar, her heirs and devisees; Roy G Barton Sr. & Opal Rev Trust; Northern Oil and Gas, Inc.; Tim Goudeau, his heirs and devisees; Richard H. Coats & Sigrid M. Coats, their heirs and devisees; Charles R. Wiggins, his heirs and devisees; Andrea C. Wiggins, her heirs and devisees; Morris E. Schertz, his heirs and devisees; Herring 1990 Trust with Amendment in 2007 and Restated in 2011; and Panhandle Properties, LLC.**

**Case No. 22766: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 12 and 1, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed initial **King Elder 12 Fed Com #501H well**, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 12, to a bottom hole location in the NW/4 NW/4 (Lot 4) of Section 1. The completed interval for the well will comply with statewide setbacks. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southwest of Hobbs, New Mexico.

#37560

STATE OF NEW MEXICO, NMI 07/004-2208

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. F**

**Submitted by: Centennial Resource Production, LLC  
Hearing Date: June 2, 2022  
Case No. 22766**



**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).

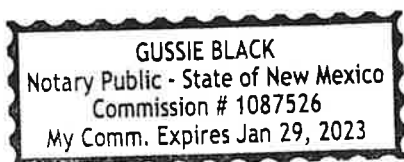
Beginning with the issue dated  
May 17, 2022  
and ending with the issue dated  
May 17, 2022.

  
Publisher

Sworn and subscribed to before me this  
17th day of May 2022.

  
Business Manager

My commission expires  
January 29, 2023  
(Seal)



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

**LEGAL NOTICE**  
May 17, 2022

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

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e5d4dc968d44b04fb315a668f626e0591>  
Event number: 2481 803 6002  
Event password: : 5vuQUIw73bi

Join by video: [24818036002@nmemnrd.webex.com](mailto:24818036002@nmemnrd.webex.com)  
You can also dial 173.243.2.68 and enter your meeting number  
Numeric Password: 156446

Join by audio: 1-844-992-4726 United States Toll Free  
Access code: 2481 803 6002

**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: Northern Oil and Gas, Inc.; Warren Ventures, Ltd.; Pecos Bend Royalties, LLLP; McAllister Royalties, LLC; Word B. Wilson Investments, LP; Chapman Oil & Gas Properties, LLC; Vicki A. Shore Testamentary Trust; Herring 1990 Trust with Amendment in 2007 and Restated in 2011; and Panhandle Properties, LLC.

Case No. 22766: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 12 and 1, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed initial **King Eider 12 Fed Com #501H well**, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 12, to a bottom hole location in the NW/4 NW/4 (Lot 4) of Section 1. The completed interval for the well will comply with statewide setbacks. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southwest of Hobbs, New Mexico.  
#37670

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