BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 18, 2022

Case Nos. 22230 & 22231

Ruby Fed Com 501H Ruby Fed Com 502H

Lea County, New Mexico

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

APPLICATION OF LEGACY OPERATING RESOURCES LP FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS. 22230 and 22231

AFFIDAVIT

STATE OF COLORADO)) ss. CITY AND COUNTY OF DENVER)

James Parrot, attorney in fact and authorized representative of Legacy Reserves Operating LP, the Applicant herein, being first duly sworn, upon oath, states and provides notice that the evidentiary record as created by the submitted "Exhibit Packet" to the above-referenced Applications is being resubmitted. This resubmitted Exhibit Packet contains modifications consisting of minor changes to the geology and engineering exhibits, which includes updates to Exhibit D-3 Ruby Stratigraphic Cross Section and the inclusion of Exhibit D-4 Geology Conclusions, and other updates to relevant dates, pagination, and to include relevant signatures. Additionally, the Chronology of Events and various lands exhibits, Exhibits C-3 and C-4, were updated to reflect the latest updates to WI ownership due to executions of elections, JOAs, and lease assignments, which occurred since the last packet was filed. The changes were necessitated by the Division's decision to continue the applications over Legacy's objection.

James

SUBSCRIBED AND SWORN to before me on August 1, 2022 by James P. Parrot.

My commission expires:

NOTARY PUBLIC

TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894002026 MY COMMISSION EXPIRES OCTOBER 4, 2025

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

APPLICATIONS OF LEGACY RESERVES OPERATING LP FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 22230 – 22231

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Legacy Exhibit D: Affidavit of John Stewart, Petroleum Geologist

- Legacy Exhibit D-1: Base Map
- Legacy Exhibit D-2: Bone Spring Structure Map
- Legacy Exhibit D-3: Bone Spring Cross Section
- Legacy Exhibit D-4: Geology Conclusions

Legacy Exhibit E: Notice Affidavit

Legacy Exhibit F: Affidavit of Publication

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS Case: 22230 (Ruby 501H) **APPLICANT'S RESPONSE** Date: 8/11/2022 Applicant Legacy Reserves Operating LP 294281 Designated Operator & OGRID (affiliation if applicable) Applicant's Counsel: James Parrot, Beatty & Wozniak, P.C. Case Title: Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico Entries of Appearance/Intervenors: COG Operating LLC, EOA; PBEX, LLC and EGL Resources, Inc.; Earthstone Permian LLC and Earthstone Operating, LLC, EOA; Faskin Oil & Ranch, Ltd., EOA Well Family Formation/Pool Formation Name(s) or Vertical Extent: **Bone Spring** Primary Product (Oil or Gas): Oil Pooling this vertical extent: **Entire Formation** Pool Name and Pool Code: Tonto; Bone Spring, East [59475] Well Location Setback Rules: Statewide Rules Spacing Unit Size: 320 acres **Spacing Unit** Type (Horizontal/Vertical) Horizontal Size (Acres) 320 acres, more or less **Building Blocks:** Quarter-Quarter sections Orientation: North-South Description: TRS/County W/2E/2 of Sections 15 and 22, T-19-S, R-33-E, Lea County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes **Other Situations** Depth Severance: Y/N. If yes, description Ν Proximity Tracts: If yes, description No Proximity Defining Well: if yes, description N/A Applicant's Ownership in Each Tract Exhibit C Well(s) Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status

(standard or non-standard)

Ruby Fed Com 501H Well (API No. Pending)
SHL: NE/4NE/4 (Lot A) of Section 15, Township 19 South,
Range 33 East, N.M.P.M.
BHL: SW/4SE/4 (Lot O) of Section 22, Township 19 South,
Range 33 East, N.M.P.M.
Completion Target: Bone Spring Formation Well Orientation: North to South
Completion Location: Standard
Exhibit C-2
Exhibits C-5, C-6, and D-2
\$8,000
\$800
Exhibit C
200%
Exhibits B and E
Exhibit E
Exhibit F
Exhibits C-2, C-3, and C-4
Exhibits C-2, C-3, and C-4
Exhibits C-3 and C-4
Exhibits C-3 and C-4
None
Exhibit C-5
Exhibits C-4 and C-5
,
Exhibit C-7
Exhibit C-7 Exhibits C-5 and C-6
Exhibits C-5 and C-6

Geology		
Summary (including special considerations)	Exhibit D	
Spacing Unit Schematic	Exhibits C-2, C-3, and D-1	
Gunbarrel/Lateral Trajectory Schematic	Exhibits C-3, D-1, and D-2	
Well Orientation (with rationale)	Exhibit D	
Target Formation	Exhibit D	
HSU Cross Section	Exhibit D-2	
Depth Severance Discussion	N/A	
Geology Conclusions	Exhibit D-4	
Forms, Figures and Tables		
C-102	Exhibit C-2	
Tracts	Exhibit C-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-3 and C-4	
General Location Map (including basin)	Exhibit C-1	
Well Bore Location Map	Exhibit C-2, D-1, and D-2	
Structure Contour Map - Subsea Depth	Exhibit D-2	
Cross Section Location Map (including wells)	Exhibit D-1	
Cross Section (including Landing Zone)	Exhibit D-3	
Additional Information		
Special Provisions/Stipulations		
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	James P. Parrot	
Signed Name (Attorney or Party Representative):		
Date:	August 11, 2022	

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22231 (RUBY 502H)	APPLICANT'S RESPONSE
Date: 8/11/2022	
Applicant	Legacy Reserves Operating LP
Designated Operator & OGRID (affiliation if applicable)	294281
Applicant's Counsel:	James Parrot, Beatty &Wozniak, P.C.
Case Title:	Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	COG Operating LLC, EOA; PBEX, LLC and EGL Resources, Inc.; Earthstone Permian LLC and Earthstone Operating, LLC, EOA; Faskin Oil & Ranch, Ltd., EOA
Well Family	
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Formation
Pool Name and Pool Code:	Tonto; Bone Spring, East [59475]
Well Location Setback Rules:	Statewide Rules
Spacing Unit Size:	320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres, more or less
Building Blocks:	Quarter-Quarter sections
Orientation:	North-South
Description: TRS/County	E/2E/2 of Sections 15 and 22, T-19-S, R-33-E, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Ν
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

Well #1	Ruby Fed Com 502H Well (API No. Pending)
	SHL: NE/4NE/4 (Lot A) of Section 15, Township 19
	South, Range 33 East, N.M.P.M.
	BHL: SE/4SE/4 (Lot P) of Section 22, Township 19
	South, Range 33 East, N.M.P.M.
	Completion Target: Bone Spring Formation
	Well Orientation: North to South
	Completion Location: Standard
Well #2	
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Terret (Ferretion TVD on (1142)	
Completion Target (Formation, TVD and MD)	Exhibits C-5, C-6, and D-2
AFF Canay and Onerating Costs	
AFE Capex and Operating Costs	\$8,000
Drilling Supervision/Month \$ Production Supervision/Month \$	\$8,000
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibits B and E
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibits C-2, C-3, and C-4
Tract List (including lease numbers and owners)	Exhibits C-2, C-3, and C-4
Pooled Parties (including ownership type)	Exhibits C-3 and C-4
Unlocatable Parties to be Pooled	Exhibits C-3 and C-4
Ownership Depth Severance (including percentage above &	
below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibits C-4 and C-5
Chronology of Contact with Non-Joined Working Interests	Exhibit C-7
Overhead Rates In Proposal Letter	Exhibits C-5 and C-6
Cost Estimate to Drill and Complete	Exhibit C-6

Cost Estimate to Equip Well	Exhibit C-6
Cost Estimate for Production Facilities	Exhibit C-6
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibits C-2, C-3, and D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibits C-3, D-1, and D-2
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-2
Depth Severance Discussion	N/A
Geology Conclusions	Exhibit D-4
Forms, Figures and Tables	
C-102	Exhibit C-2
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Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-3 and C-4
General Location Map (including basin)	Exhibit C-1
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Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-1
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information prov	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	James P. Parrot
Signed Name (Attorney or Party Representative):	
Date:	August 11, 2022

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

APPLICATION OF LEGACY RESERVES OPERATING LP FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22230

APPLICATION

Legacy Reserves Operating LP ("Legacy") OGRID No. 294281 through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the W¹/₂E¹/₂ of Section 15 and W¹/₂E¹/₂ of Section 22, Township 19 South, Range 33 East, N.M.P.M, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit.

In support of its Application, Legacy states the following:

1. Legacy is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.

2. Legacy proposes and dedicates the Ruby Fed Com 501H Well as an initial well to the HSU.

3. Legacy proposes the Ruby Fed Com 501H Well, an oil well, to be horizontally drilled from a surface location in the NE¹/₄NE¹/₄ of Section 15, Township 19 South, Range 33 East, N.M.P.M, to a bottom hole location in the SW¹/₄SE¹/₄ of Section 22, Township 19 South, Range 33 East, N.M.P.M.

1

4. The well is orthodox in its location, and its take points and lateral comply with Statewide Rules for setbacks.

5. Legacy has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the well or in the commitment of their interests to the well for its development within the proposed HSU.

6. The pooling of all interests in the Bone Spring formation within the proposed HSU, and creation of the spacing unit, will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Legacy requests that all uncommitted interests in this HSU be pooled and that Legacy be designated the operator of the proposed horizontal well and HSU.

WHEREFORE, Legacy requests that this Application be set for hearing on October 23, 2021, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Approving the creation of a standard 320-acre, more or less, spacing and proration unit comprised of the W¹/₂E¹/₂ of Section 15 and the W¹/₂E¹/₂ of Section 22, Township 19 South, Range 33 East, Lea County, New Mexico;

B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU.

C. Approving the Ruby Fed Com 501H Well as the well for the HSU.

D. Designating Legacy as operator of this HSU and the horizontal well to be drilled thereon;

E. Authorizing Legacy to recover its costs of drilling, equipping, and completing the well;

F. Approving actual operating charges and costs of supervision, to the maximum

extent allowable, while drilling and after completion, together with a provision adjusting the rates

pursuant to the COPAS accounting procedures; and

G. Setting a 200% charge for the risk assumed by Legacy in drilling and completing

the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted

BEATTY & WOZNIAK, P.C.

aludiah Kitterhouse

Jobediah Rittenhouse 1675 Broadway, Suite 600 Denver, CO 80202 (303) 407-4457 jrittenhouse@bwenergylaw.com *Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico.* Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the W½E½ of Section 15 and W½E½ of Section 22, Township 19 South, Range 33 East, N.M.P.M, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Ruby Fed Com 501H Well, an oil well, to be horizontally drilled from a surface location in the NE¼NE¼ of Section 15, Township 19 South, Range 33 East, N.M.P.M, to a bottom hole location in the SW¼SE¼ of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southwest of Lovington, New Mexico.

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

APPLICATION OF LEGACY RESERVES OPERATING LP FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22231

APPLICATION

Legacy Reserves Operating LP ("Legacy") OGRID No. 294281 through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the E½E½ of Section 15 and E½E½ of Section 22, Township 19 South, Range 33 East, N.M.P.M, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit.

In support of its Application, Legacy states the following:

1. Legacy is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.

2. Legacy proposes and dedicates the Ruby Fed Com 502H Well as an initial well to the HSU.

3. Legacy proposes the Ruby Fed Com 502H Well, an oil well, to be horizontally drilled from a surface location in the NW¼NE¼ of Section 15, Township 19 South, Range 33 East, N.M.P.M, to a bottom hole location in the SE¼SE¼ of Section 22, Township 19 South, Range 33 East, N.M.P.M.

1

4. The well is orthodox in its location, and its take points and lateral comply with Statewide Rules for setbacks.

5. Legacy has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the well or in the commitment of their interests to the well for its development within the proposed HSU.

6. The pooling of all interests in the Bone Spring formation within the proposed HSU, and creation of the spacing unit, will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Legacy requests that all uncommitted interests in this HSU be pooled and that Legacy be designated the operator of the proposed horizontal well and HSU.

WHEREFORE, Legacy requests that this Application be set for hearing on October 23, 2021, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Approving the creation of a standard 320-acre, more or less, spacing and proration unit comprised of the $E\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $E\frac{1}{2}E\frac{1}{2}$ of Section 22, Township 19 South, Range 33 East, Lea County, New Mexico;

B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU.

C. Approving the Ruby Fed Com 502H Well as the well for the HSU.

D. Designating Legacy as operator of this HSU and the horizontal well to be drilled thereon;

E. Authorizing Legacy to recover its costs of drilling, equipping, and completing the well;

F. Approving actual operating charges and costs of supervision, to the maximum

extent allowable, while drilling and after completion, together with a provision adjusting the rates

pursuant to the COPAS accounting procedures; and

G. Setting a 200% charge for the risk assumed by Legacy in drilling and completing

the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted

BEATTY & WOZNIAK, P.C.

aludiah Kitterhouse

Jobediah Rittenhouse 1675 Broadway, Suite 600 Denver, CO 80202 (303) 407-4457 jrittenhouse@bwenergylaw.com Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the E¹/₂E¹/₂ of Section 15 and E¹/₂E¹/₂ of Section 22, Township 19 South, Range 33 East, N.M.P.M, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Ruby Fed Com 502H Well, an oil well, to be horizontally drilled from a surface location in the NW¹/₄NE¹/₄ of Section 15, Township 19 South, Range 33 East, N.M.P.M, to a bottom hole location in the SE¹/₄SE¹/₄ of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southwest of Lovington, New Mexico.

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

APPLICATIONS OF LEGACY RESERVES OPERATING LP FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22230 - 22231

AFFIDAVIT OF BRETT WILLIS

Brett Willis, being first duly sworn upon oath, deposes and states as follows:

 My name is Brett Willis, and I am employed by Legacy Reserves Operating LP ("Legacy") as a Senior Landman.

2. I have not previously testified before the New Mexico Oil Conservation Division ("Division"). I have several years of experience in petroleum land matters, and I have worked directly or in a supervisory role with the properties that are the subject of these matters. I ask that the Division accept my credentials as those of an expert witness in petroleum land matters and made a matter of record.

a. I have a Bachelor of Arts Degree in Marketing from Oral Roberts University and a Master of Business Administration in Oil and Gas Management from the Aberdeen Business School of Robert Gordon University.

b. I have a Certified Professional Landman (CPL) certification from the American Association of Professional Landmen (AAPL).

c. I have worked in petroleum land matters since April 2011, which includes experience in the Permian Basin.

3. I am submitting this affidavit in support of Legacy's applications in the abovereferenced cases pursuant to 19.15.4.12.(A)(1) NMAC.

4. I am familiar with the applications filed by Legacy in these consolidated cases and the status of the lands in the subject area.

5. The uncommitted mineral owners subject to the requested relief of these cases have not indicated any objection to the presentation of these applications by affidavit, and I do not anticipate any objection at the hearing.

6. Under these consolidated cases, Legacy seeks orders from the Division (1) creating standard 320-acre, more or less, spacing and proration units comprised of lands in Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation as follows:

a. In **Case No. 22230**, Legacy seeks to create a spacing and proration unit and pool all uncommitted mineral interest owners underlying a standard 320-acre horizontal unit comprised of the $W'_{2}E'_{2}$ of Section 15 and $W'_{2}E'_{2}$ of Section 22, and to dedicate the **Ruby Fed Com 501H Well** (API No. Pending) as an initial well to the unit, to be horizontally drilled from a surface location in the NE'_4NE'_4 of Section 15, to a bottom hole location in the SW'_4SE'_4 of Section 22.

b. In **Case No. 22231**, Legacy seeks to create a spacing and proration unit and pool all uncommitted mineral interest owners underlying a standard 320-acre horizontal unit comprised of the $E\frac{1}{2}E\frac{1}{2}$ of Section 15 and $E\frac{1}{2}E\frac{1}{2}$ of Section 22, and to dedicate the **Ruby Fed Com 502H Well** (API No. Pending) as an initial well to the unit, to be horizontally drilled from a surface location in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 15, to a bottom hole location in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 22. 7. Legacy Exhibit C-1 is a general location map showing the proposed Bone Spring formation spacing units. The acreage subject to the applications are federal lands.

8. Legacy Exhibit C-2 contains the Form C-102s for the proposed Bone Spring wells to be drilled and completed in the subject units. The location of each well is orthodox and meets the Division's offset requirements.

9. A review of the Bone Spring Formation underlying the subject lands indicated that there are no overlapping spacing units in the Bone Spring Formation.

10. Legacy Exhibit C-3 outlines the proposed Bone Spring units and tracts therein.

11. Legacy Exhibit C-4 sets forth the parties being pooled, the nature of their interests, and their last known address. The exhibit identifies the tract number, tract percentage interest, and spacing unit percentage interest for each mineral owner. In compiling these addresses, I conducted a diligent search of the public records in Lea County, New Mexico, where the well(s) is located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. All working interest owners and overriding royalty interest owners were locatable and noticed, and there are no unleased mineral interest owners. Legacy caused notice to be published in the Albuquerque Journal and in the Current-Argus, newspapers of general circulation in Lea County, New Mexico. I provided the law firm of Beatty & Wozniak, P.C. with the names and addresses for these mineral owners and instructed that each owner be provided notice of the hearing in these matters.

12. Legacy Exhibits C-5 contains the well proposal letter(s) sent in July 2021 to each mineral interest owner.

13. Legacy Exhibit C-6 contains the AFE for each proposed well. The estimated costs of the wells set forth in the AFEs is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

14. Legacy Exhibit C-7 sets forth a chronology of the contacts with owners. Legacy has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

15. The interest owners being pooled have been contacted regarding the proposed wells but have failed or refused to voluntarily commit their interests in the wells. However, Legacy remains in discussions with some of the interest owners to voluntarily enter into a Joint Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between Legacy and another interest owner or owners, Legacy requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and the protection of correlative rights.

16. Legacy requests overhead and administrative rates of \$8,000/month for drilling each well and \$800/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Legacy requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

17. Legacy requests the maximum cost, plus 200% risk charge be assessed against nonconsenting working interest owners.

18. Legacy requests that it be designated operator of the units and wells.

19. Exhibit C-1 through Exhibit C-7 were either prepared by me or compiled from Legacy's company business records under my direct supervision.

20. The granting of these applications is in the best interest of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.

21. I hereby swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate..

[Remainder of page left intentionally blank]

FURTHER AFFIANT SAYETH NOT.

Dated this $\underline{M_{44}}$ day of $\underline{M_{44}}$,2021. Brett Willis Legacy Reserves Operating LP

STATE OF COLORADO

)) ss.)

CITY AND COUNTY OF DENVER

The foregoing instrument was subscribed and sworn to before me this $|q|^p$ day of M[M], 202/²/₂ by Brett Willis, Senior Landman for Legacy Reserves Operating LP.

Witness my hand and official seal.

My commission expires: 05 25 2025

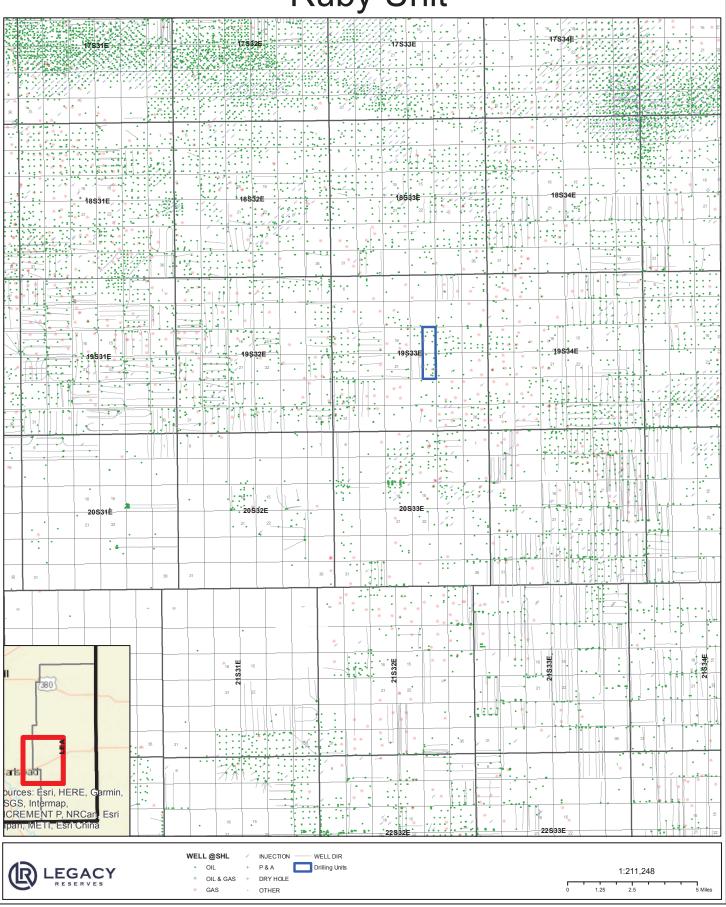
SHERI L HERING Notary Public State of Colorado Notary ID # 20054029730 My Commission Expires 05-25-2025



BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 18, 2022

Case Nos. 22230-22231

Ruby Unit

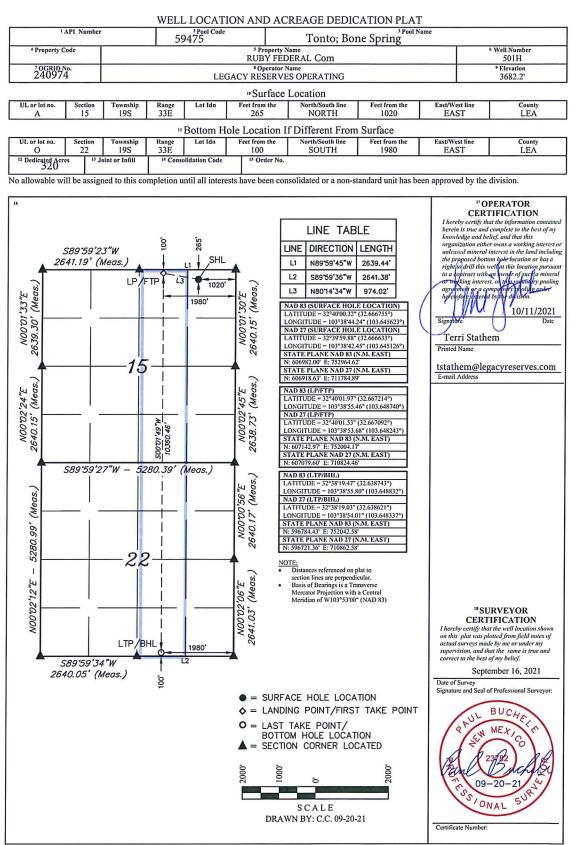


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Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit C-1 District 1 fi23 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District III 811 S. First St., Artesia, 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. R. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3420

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

AMENDED REPORT



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 District I

 Idc3 N, French Dr., Hobbs, NM 88240

 Phome: (575) 393-6161

 Pistrict II

 Bill S, First SL, Artesia, NM 88210

 Phone: (575) 748-1283

 Phone: (575) 748-1283

 Particl II

 District III

 Diotrict III

 Diotrict IN

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 Phone: (505) 334-6178

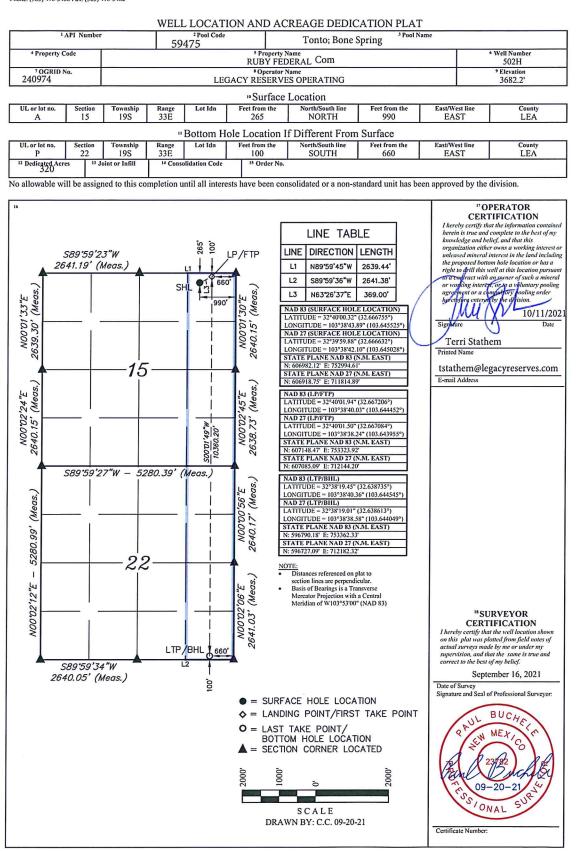
 District IV

 I220 S, St. Francis Dr., Santa Fe, NM 87505

 Phone: (505) 476-3460

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

AMENDED REPORT



Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit C-2 Released to Imaging: 8/11/2022 3:39:07 PM

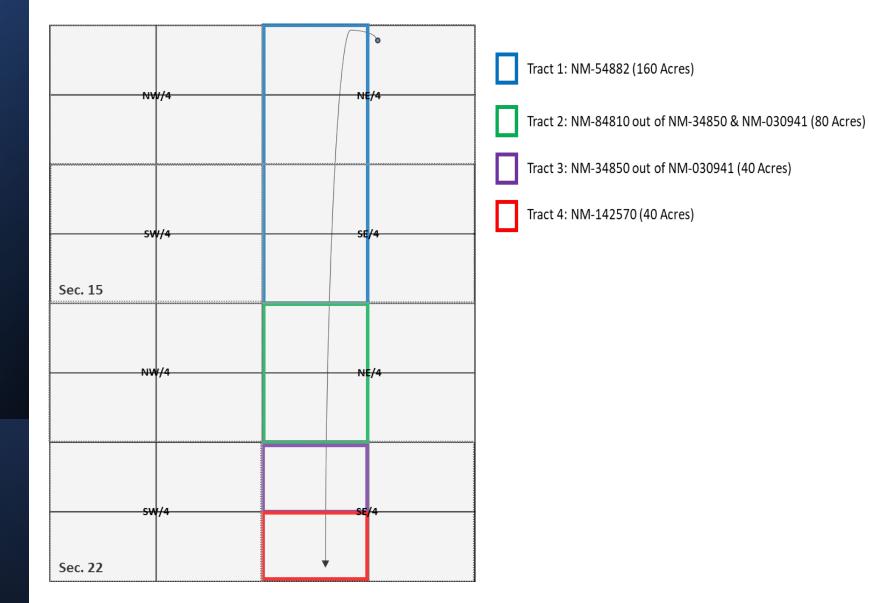
Ruby Fed Com 501H

 19 South, 33 East, N.M.P.M.

 Section 15:
 W½E½

 Section 22:
 W½E½

Lea County, New Mexico Bone Spring Formation



Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit C-3 ase Nos. 22230 - 22231

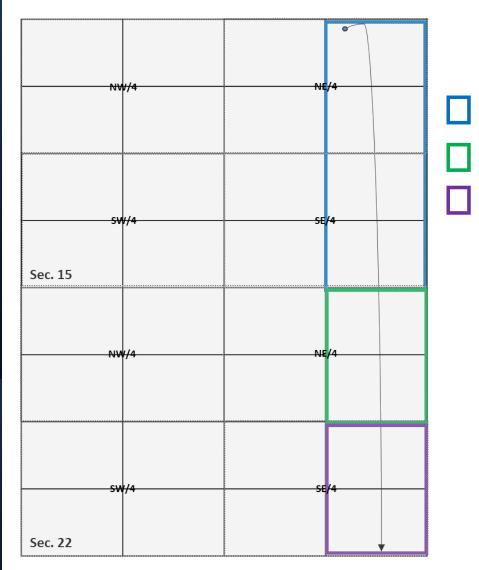
Ruby Fed Com 502H

 19 South, 33 East, N.M.P.M.

 Section 15:
 E½E½

 Section 22:
 E½E½

Lea County, New Mexico Bone Spring Formation





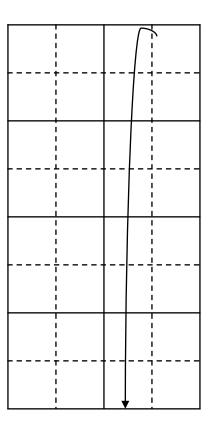
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Tract 3: NM-142570 (80 Acres)

Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit C-3

Working Interest Ownership Ruby Fed Com 501H

OWNER	INTEREST	STATUS
Legacy Reserves Operating LP	47.8125%	Committed
PBEX, LLC ¹	25.0000%	Uncommitted
Fasken Land & Minerals Ltd.	14.0625%	Uncommitted
Gross Family LP	0.5000%	Uncommitted
Ball Oil & Gas, LLC	0.1250%	Uncommitted
Earthstone Energy, Inc.	12.5000%	Uncommitted



¹PBEX, LLC has conceptually agreed with Legacy to assign to Legacy their interest in the subject property. The assignment of the PBEX, LLC interests to Legacy is expected to close no later than August 24, 2022.

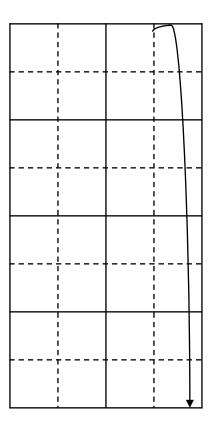
Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit C-4

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Released to Imaging: 8/11/2022 3:39:07 PM

Working Interest Ownership Ruby Fed Com 502H

OWNER	INTEREST	STATUS
Legacy Reserves Operating LP	60.3125%	Committed
PBEX, LLC ²	25.0000%	Uncommitted
Fasken Land & Minerals Ltd.	14.0625%	Uncommitted
Gross Family LP	0.5000%	Uncommitted
Ball Oil & Gas, LLC	0.1250%	Uncommitted



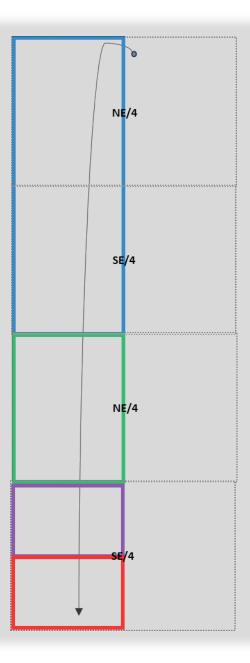
²PBEX, LLC has conceptually agreed with Legacy to assign to Legacy their interest in the subject property. The assignment of the PBEX, LLC interests to Legacy is expected to close no later than August 24, 2022.

Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit C-4

Released to Imaging: 8/11/2022 3:39:07 PM

Received by OCD: 8/11/2022 3:33:47 PM

Working Interest (Tract Ownership) Ruby Fed Com 501H



Tract 1: NM-54882 (160 Acres)

OWNER	NET ACRES	TRACT WI	STATUS
Legacy Reserves Operating LP	113.00	0.70625000	Committed
Fasken Land & Minerals Ltd.	45.00	0.28125000	Uncommitted
Gross Family LP	1.60	0.01000000	Uncommitted
Ball Oil & Gas LLC	0.40	0.00250000	Uncommitted

Tract 2: NM-84810 out of NM-34850 & NM-030941 (80 Acres)

OWNER	NET ACRES	TRACT WI	STATUS
PBEX, LLC	80.00	1.00000000	Committed



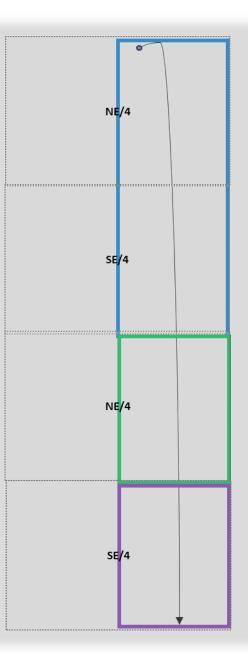
OWNER	NET ACRES	TRACT WI	STATUS
Earthstone Energy, Inc.	40.00	1.0000000	Uncommitted

Tract 4: NM-142570 (40 Acres)

OWNER	NET ACRES	TRACT WI	STATUS
Legacy Reserves Operating LP	40.00	1.0000000	Committed

Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit C-4 Received by OCD: 8/11/2022 3:33:47 PM

Working Interest (Tract Ownership) Ruby Fed Com 502H



Tract 1: NM-54882 (160 Acres)

OWNER	NET ACRES	TRACT WI	STATUS
Legacy Reserves Operating LP	113.00	0.70625000	Committed
Fasken Land & Minerals Ltd.	45.00	0.28125000	Uncommitted
Gross Family LP	1.60	0.01000000	Uncommitted
Ball Oil & Gas LLC	0.40	0.00250000	Uncommitted

Tract 2: NM-84810 out of NM-34850 & NM-030941 (80 Acres)

OWNER	NET ACRES	TRACT WI	STATUS
PBEX, LLC	80.00	1.0000000	Uncommitted

Tract 3: NM-142570 (80 Acres)

OWNER	NET ACRES	TRACT WI	STATUS
Legacy Reserves Operating LP	80.00	1.00000000	Committed

Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit C-4

Page 34 of 155



VIA CERTIFIED MAIL

July 29, 2021

ConocoPhillips Company 600 W. Illinois Ave. Midland, TX 79701

Re: Ruby Federal Com #501H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #501H**: to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SW/4SE/4 (Lot O) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the W/2 of the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Legacy Reserves Inc. = 15 Smith Road, Suite 3000; Midland, TX 79705 = Phone: (432) 689-5200 =www.legacyreserves.com

Thank you for your consideration of this proposal. If you are interested in divesting of your interest or if you have any questions, please contact Teri Greer at (432) 689-5246 or tgreer@legacyreserves.com.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

ConocoPhillips Company hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.

Not to participate in the **Ruby Federal Com #501H**.

ConocoPhillips Company

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Occidental Permian LP 5 E Greenway Plaza Suite 110 Houston, TX 77046

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

• The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #501H**: to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SW/4SE/4 (Lot O) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the W/2 of the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Occidental Permian LP hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.

Not to participate in the Ruby Federal Com #501H.

Occidental Permian LP

By:

(signature)

Title: Date:

Phone:



July 29, 2021

COG Operating LLC 600 W. Illinois Ave. Midland, TX 79701

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

• The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #501H**: to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SW/4SE/4 (Lot O) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the W/2 of the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

COG Operating LLC hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.

Not to participate in the Ruby Federal Com #501H.

COG Operating LLC

By: (signature)
Title: Date: Phone: _____



July 29, 2021

Gross Family LP 210 Lea Ave. South Roswell, NM 88201

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

• The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #501H**: to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SW/4SE/4 (Lot O) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the W/2 of the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Gross Family LP hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.

Not to participate in the Ruby Federal Com #501H.

Gross Family LP

By:

(signature)

Title: Date:

Phone:



July 29, 2021

Ball Oil & Gas LLC PO Box 1401 Roswell, NM 88202

Re: Ruby Federal Com #501H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #501H**: to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SW/4SE/4 (Lot O) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the W/2 of the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Ball Oil & Gas LLC hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.

Not to participate in the Ruby Federal Com #501H.

Ball Oil & Gas LLC

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Devon Energy Production Partners 333 W. Sheridan Ave. Oklahoma City, OK 73102

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Devon Energy Production Partners hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
 - Not to participate in the Ruby Federal Com #501H.

Devon Energy Production Partners

(signature)	
-	(signature)

.



July 29, 2021

Chisholm Energy 801 Cherry Street, Suite 1200 Fort Worth, TX 76102

Re: Ruby Federal Com #501H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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- Legacy Reserves Operating LP named as Operator.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Chisholm Energy hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.

Not to participate in the Ruby Federal Com #501H.

Chisholm Energy

By:

(signature)

Title: Date:

Phone:



July 29, 2021

ConocoPhillips Company 600 W. Illinois Ave. Midland, TX 79701

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

 The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #502H:** to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SE/4SE/4 (Lot P) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

ConocoPhillips Company hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the Ruby Federal Com #502H.

ConocoPhillips Company

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

COG Operating LLC 600 W. Illinois Ave. Midland, TX 79701

Re: Ruby Federal Com #502H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

COG Operating LLC hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the **Ruby Federal Com #502H**.

COG Operating LLC

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Gross Family LP 210 Lea Ave. South Roswell, NM 88201

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

 The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #502H:** to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SE/4SE/4 (Lot P) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the E/4 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Gross Family LP hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the Ruby Federal Com #502H.

Gross Family LP

By:	
-	(signature)
m1.1	
Title:	
Date:	
Phone:	



July 29, 2021

Ball Oil & Gas LLC PO Box 1401 Roswell, NM 88202

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Ball Oil & Gas LLC hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the Ruby Federal Com #502H.

Ball Oil & Gas LLC

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Devon Energy Production Partners 333 W. Sheridan Ave. Oklahoma City, OK 73102

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Devon Energy Production Partners hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.
- Not to participate in the Ruby Federal Com #502H.

Devon Energy Production Partners

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Chisholm Energy 801 Cherry Street, Suite 1200 Fort Worth, TX 76102

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Chisholm Energy hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.
 - Not to participate in the Ruby Federal Com #502H.

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

JAY REISER, TRUSTEE OF THE JAY REISER 2013 TRUST 24110 VALLE DEL ORO SANTA CLARITA, CA 91321

Re: Ruby Federal Com #501H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

JAY REISER, TRUSTEE OF THE JAY REISER 2013 TRUST hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
- Not to participate in the Ruby Federal Com #501H.

JAY REISER, TRUSTEE OF THE JAY REISER 2013 TRUST

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

COG OPERATING LLC 600 W. ILLINOIS AVE. MIDLAND, TX 79701

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

COG OPERATING LLC hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
 - Not to participate in the Ruby Federal Com #501H.

COG OPERATING LLC

By:	
	(signature)
Title:	
Date:	
Phone:	

.



July 29, 2021

NORTEX CORPORATION 1415 LOUISIANA STREET HOUSTON, TX 77002

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

NORTEX CORPORATION hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
 - Not to participate in the Ruby Federal Com #501H.

NORTEX CORPORATION

By:	
	(signature)
Title:	
Date:	
Phone:	

.



July 29, 2021

WILLS ROYALTY INC. PO BOX 1658 CARLSBAD, NM 88221

Re: Ruby Federal Com #501H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

WILLS ROYALTY INC. hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
 - Not to participate in the Ruby Federal Com #501H.

WILLS ROYALTY INC.

By:	
	(signature)
Title:	
Date:	
Phone:	

.



July 29, 2021

NANCY SEATON LIVING TRUST 1834 EAST CINNABAR PHOENIX, ARIZONA 85020

Re: Ruby Federal Com #501H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

NANCY SEATON LIVING TRUST hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
- Not to participate in the Ruby Federal Com #501H.

NANCY SEATON LIVING TRUST

By: (signature)
Title: ______
Date: ______
Phone: ______



July 29, 2021

SPENCER FAMILY HOLDINGS, LLC 3379 S. LOS ALTOS STREET MILLCREEK, UTAH 84109

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

SPENCER FAMILY HOLDINGS, LLC hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
 - Not to participate in the Ruby Federal Com #501H.

SPENCER FAMILY HOLDINGS, LLC

By:	
	(signature)
Title:	
Date:	
Phone:	

.



July 29, 2021

MCDANIELS FAMILY TRUST 14801 NORTH 12TH STREET PHOENIX, ARIZONA 85022

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

MCDANIELS FAMILY TRUST hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
 - Not to participate in the Ruby Federal Com #501H.

MCDANIELS FAMILY TRUST

By:	
	(signature)
Title:	
Date:	
Phone:	

.



July 29, 2021

ERIN BRADY, TRUSTEE OF THE ERIN BRADY LIVING TRUST 4629 CLYBOURN AVE. TOLUCA LAKE, CA 91602

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #501H**: to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SW/4SE/4 (Lot O) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the W/2 of the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

ERIN BRADY, TRUSTEE OF THE ERIN BRADY LIVING TRUST hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.

Not to participate in the Ruby Federal Com #501H.

ERIN BRADY, TRUSTEE OF THE ERIN BRADY LIVING TRUST

By:	
	(signature)
Title:	
Date:	
Phone:	

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July 29, 2021

DANIEL BRADY, TRUSTEE OF THE DANIEL BRADY LIVING TRUST 518 PIER AVE. #7 SANTA MONICA, CA 90405

Re: Ruby Federal Com #501H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

DANIEL BRADY, TRUSTEE OF THE DANIEL BRADY LIVING TRUST hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
- Not to participate in the Ruby Federal Com #501H.

DANIEL BRADY, TRUSTEE OF THE DANIEL BRADY LIVING TRUST

By:	
	(signature)
Title:	
Date:	
Phone:	

.



July 29, 2021

PATRICK BRADY AND KIMBERLY BRADY, TRUSTEE OF THE PATRICK BRADY & KIMBERLY BRADY LIVING TRUST 330 CHERRY HILL CT. THOUSAND OAKS, CA 91320

Re: Ruby Federal Com #501H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the W/2 of the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

PATRICK BRADY AND KIMBERLY BRADY, TRUSTEE OF THE PATRICK BRADY & KIMBERLY BRADY LIVING TRUST hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.

Not to participate in the Ruby Federal Com #501H.

PATRICK BRADY AND KIMBERLY BRADY, TRUSTEE OF THE PATRICK BRADY & KIMBERLY BRADY LIVING TRUST



July 29, 2021

OXY USA WTP LP 5 GREENWAY PLAZA, SUITE 110 HOUSTON, TEXAS 77046

Re: **Ruby Federal Com #501H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #501H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFE with your participation election. Please be aware that the enclosed AFE is only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

OXY USA WTP LP hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #501H** well.
- Not to participate in the Ruby Federal Com #501H.

OXY USA WTP LP

By:	
	(signature)
Title:	
Date:	
Phone:	

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July 29, 2021

Jay Reiser, Trustee of the Jay Reiser 2013 Trust 24110 Valle Del Oro Santa Clarita, CA 91321

Re: Ruby Federal Com #502H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Jay Reiser, Trustee of the Jay Reiser 2013 Trust hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the **Ruby Federal Com #502H**.

Jay Reiser, Trustee of the Jay Reiser 2013 Trust

By:	
	(signature)
TT: 1	
Title:	
Date:	
Phone:	



July 29, 2021

COG Operating LLC 600 W. Illinois Ave. Midland, TX 79701

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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- Legacy Reserves Operating LP named as Operator.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

COG Operating LLC hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the Ruby Federal Com #502H.

COG Operating LLC

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Nortex Corporation 1415 Louisiana Street Houston, TX 77002

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Nortex Corporation hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the **Ruby Federal Com #502H**.

Nortex Corporation

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Wills Royalty Inc. PO Box 1658 Carlsbad, NM 88221

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

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- \$8,000/\$800 Drilling and producing rate;
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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Wills Royalty Inc. hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the Ruby Federal Com #502H.

Wills	Royalty	Inc.
******	1to yaire y	Inc.

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Nancy Seaton Living Trust 1834 East Cinnabar Phoenix, Arizona 85020

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Nancy Seaton Living Trust hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.
- Not to participate in the Ruby Federal Com #502H.

Nancy Seaton Living Trust

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Spencer Family Holdings, LLC 3379 S. Los Altos Street Millcreek, Utah 84109

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Spencer Family Holdings, LLC hereby elects to:

- Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.
 - Not to participate in the **Ruby Federal Com #502H**.

Spencer Family Holdings, LLC

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

McDaniels Family Trust 14801 North 12th Street Phoenix, Arizona 85022

Re: **Ruby Federal Com #502H** Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

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Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

McDaniels Family Trust hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the **Ruby Federal Com #502H**.

McDaniels Family Trust

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Erin Brady, Trustee of the Erin Brady Living Trust 4629 Clybourn Ave. Toluca Lake, CA 91602

Re: Ruby Federal Com #502H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

 The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #502H:** to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SE/4SE/4 (Lot P) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the E/4 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFEs with your participation election. Please be aware that the enclosed AFEs are only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Erin Brady, Trustee of the Erin Brady Living Trust hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the **Ruby Federal Com #502H**.

Erin Brady, Trustee of the Erin Brady Living Trust

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Daniel Brady, Trustee of the Daniel Brady Living Trust 518 Pier Ave. #7 Santa Monica, CA 90405

Re: Ruby Federal Com #502H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

 The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #502H:** to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SE/4SE/4 (Lot P) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the E/4 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFEs with your participation election. Please be aware that the enclosed AFEs are only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Daniel Brady, Trustee of the Daniel Brady Living Trust hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the **Ruby Federal Com #502H**.

Daniel Brady, Trustee of the Daniel Brady Living Trust

By:	
	(signature)
Title:	
Date:	
Phone:	



July 29, 2021

Patrick Brady and Kimberly Brady, Trustee of the Patrick Brady & Kimberly Brady Living Trust 330 Cherry Hill Ct. Thousand Oaks, CA 91320

Re: Ruby Federal Com #502H Participation Proposal Lea County, New Mexico

Dear Sir/Madam:

Legacy Reserves Operating LP ("Legacy") proposes the drilling and completion of the Ruby Federal Com #502H (the "Well") located in Sections 15 & 22, Township 19 South, Range 33 East, Lea County, New Mexico.

In connection with the above, please note the following:

 The estimated cost of drilling, testing, completing, and equipping of each well is itemized on the enclosed Authority for Expenditures ("AFE") dated April 20, 2021.

 \Box **Ruby Federal Com #502H:** to be drilled from the legal location with a proposed surface hole location in the NE/4NE/4 (Lot A) of Section 15-19S-33E and a proposed bottom hole location in the SE/4SE/4 (Lot P) of Section 22-19S-33E. The well will have a targeted interval within the Bone Spring Formation and will be drilled horizontally in the Bone Spring (~9,950' TVD) to a measured depth of approximately 19,800'.

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

Legacy is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement ("Operating Agreement"). The Operating Agreement dated August 1, 2021, by and between Legacy Reserves Operating LP, as Operator and various Non-Operators, covers the E/4 of Sections 15 and 22, Township 19 South, Range 33 East, Lea County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Legacy Reserves Operating LP named as Operator.

Legacy requests that you indicate your election in the drilling and completion of the Well in the spaces provided below, sign and return one (1) copy of this letter to the undersigned. If your election is to participate in the drilling and completion of the Well, please also sign and return a copy of the enclosed AFEs with your participation election. Please be aware that the enclosed AFEs are only an <u>estimate</u> of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Sincerely,

LEGACY RESERVES OPERATING LP

Taylor Thoreson Director of Land

[Enclosures.]

Patrick Brady and Kimberly Brady, Trustee of the Patrick Brady & Kimberly Brady Living Trust hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Legacy's **Ruby Federal Com #502H** well.

Not to participate in the Ruby Federal Com #502H.

Patrick Brady and Kimberly Brady, Trustee of the Patrick Brady & Kimberly Brady Living Trust

(signature)	
	(signature)

Legacy Reserves	Cost Estimate	9		
Location: Sec 15, T19S R33E, Lea County, NM	Property #:			
Field: TONTO	Estimated start:			
Depth: 9550' TVD / 19500' MD	Estimated completion:			
Originator: STEVE OWEN	Type: Drill & Complete			
Date prepared: 2021-04-20	WI:			
Well name: Ruby 501H	API #:			
Description: Drill and Complete 2 Mile 2nd Bone Springs Lateral				
	opinigo Eutor			
Description	Code	Estimated Cost	Net Cost	
DRILLING INTANGIBLE COSTS				
IDC-SITE PREP / LOCATION SURVEY	830.050	120,000		
IDC-RIG MOVE IN / MOVE OUT	830.060	160,000		
IDC-DRILLING RIG	830.070	600,000		
IDC- RENTAL / TOOLS-EQUIP	830.100	75,000		
IDC-BITS	830.110	100,000		
IDC-MUD / CHEMICALS	830.120	230,000		
IDC-WATER	830.130	32,000		
IDC- DRILLING FLUID DISPOSAL				
IDC-EQUIPMENT TRANSPORTATION	830.150	10,000		
IDC-FORM EVAL/ELEC LOGGING/MUD LOGGING	830.170	29,824		
IDC-CEMENTING SERVICES	830.180	250,000		
IDC-DIRECTIONAL SERVICES/MWD/GYROS	830.190	315,000		
IDC-FISHING SERVICES	830.200			
IDC-DRILLSTRING INSPECTION	830.230	23,000		
IDC-CASING CREWS	830.270	70,000		
IDC-CONTRACT LABOR	830.280	130,000		
IDC-CAMP EXPENSES	830.300	85,000		
IDC-PROFESSIONAL SRVC/CONSULT	830.310	89,000		
IDC-WELL CONTROL INSURANCE	830.320	4,000		
IDC-DAMAGES	830.380	2,000		
IDC-PERMITTING	830.390	0		
IDC-FUEL / POWER	830.400	80,000		
IDC-COMPANY LABOR/SUPERVISION	830.700			
IDC-DRILLING OVERHEAD	830.720	5,047		
Total Drilling Intangible Costs	=	2,409,871		
DRILLING TANGIBLE COSTS				
TDC-CONDUCTOR	840.100			
TDC-SURFACE CASING	840.110	60,000		
TDC-INTERMEDIATE I CASING	840.150	180,000		
TDC-INTERMEDIATE II CASING	840.200	0		
TDC - PRODUCTION CASING/LINER	840.210	350,000		
TDC-WELLHEAD EQUIPMENT	840.250	58,000		
TDC-MISCELLANEOUS DRLG TANGIBLES	840.500	57,352		
DRILLING CONTINGENCIES	840.510			
Total Drilling Tangible Costs		705,352		
	PERCENT			
Total Drilling Contingency	10%	311,522		
Total Drilling Costs	=	3,426,745		

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COMPLETION INTANGIBLE COSTS			
ICC- RENTAL / TOOLS-EQUIP	850.100	300,000	
ICC-BITS	850.110		
ICC-MUD / CHEMICALS	850.120	80,000	
ICC-WATER, SWD	850.130	615,857	
ICC-EQUIPMENT TRANSPORTATION	850.150	20,000	
ICC-LOGGING / PERFORATING / PLUGS	850.170	190,000	
ICC-CEMENTING SERVICES	850.180	,	
ICC-FISHING SERVICES	850.200		
ICC-TUBULAR TESTING / INSPECTION	850.230	5,000	
ICC-STIMULATION	850.250	1,586,000	
ICC-CONTRACT LABOR	850.280	225,000	
ICC-PROFESSIONAL SRVC/CONSULT	850.310	135,000	
ICC-PULLING UNIT / CTU	850.400	300,000	
ICC-COMPANY LABOR/SUPERVISION	850.700	15,000	
ICC-COMPLETION OVERHEAD	850.720	10,000	
Total Completion Intangible Costs		3,481,857	
		3,401,007	
COMPLETION TANGIBLE COSTS			
TSS-PACKERS & SUBSURFACE EQUIP	860.120	30,000	
TSS-PRODUCTION TUBING	860.160	59,162	
TSS-DOWNHOLE ARTIFICIAL LIFT & RODS	860.180	53,784	
TSS-MISCELLANEOUS TSS	860.500	14,900	
Total Completion Tangible Costs		157,846	
	PERCENT	,	
Total Completion Contingency	10%	363,970	
Total Completion Costs		4,003,673	
	870.100	0	
TS-INSTALLATION & CONTRACT LABOR	870.170		
TS-ELECTRICAL SVCS & EQUIPMENT		200,000	
	870.470	38,363	
TS-FLOWLINES	870.530	38,363 30,000	
TS-FLOWLINES TS-MISCELLANEOUS	870.530 870.900	38,363 30,000 72,200	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK	870.530 870.900 850.050	38,363 30,000 72,200 25,000	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES	870.530 870.900	38,363 30,000 72,200 25,000 2,000	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES	870.530 870.900 850.050 850.380 870.140	38,363 30,000 72,200 25,000 2,000 61,667	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS	870.530 870.900 850.050 850.380	38,363 30,000 72,200 25,000 2,000 61,667 116,667	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES	870.530 870.900 850.050 850.380 870.140	38,363 30,000 72,200 25,000 2,000 61,667	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS	870.530 870.900 850.050 850.380 870.140 870.200	38,363 30,000 72,200 25,000 2,000 61,667 116,667	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE	870.530 870.900 850.050 850.380 870.140 870.200 870.210	38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE TS-SEPATORS & HEATER TREATERS	870.530 870.900 850.050 850.380 870.140 870.200 870.210 870.220	38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333 56,667	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE TS-SEPATORS & HEATER TREATERS TS-COMPRESSOR, DEHYDRATOR, VRU	870.530 870.900 850.050 850.380 870.140 870.200 870.210 870.220 870.230	38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333 56,667 5,000	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE TS-SEPATORS & HEATER TREATERS TS-COMPRESSOR, DEHYDRATOR, VRU TS-METERING EQUIP & LACT UNIT	870.530 870.900 850.050 850.380 870.140 870.200 870.210 870.220 870.230 870.230	38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333 56,667 5,000 11,800	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE TS-SEPATORS & HEATER TREATERS TS-COMPRESSOR, DEHYDRATOR, VRU TS-METERING EQUIP & LACT UNIT	870.530 870.900 850.050 850.380 870.140 870.200 870.210 870.220 870.230 870.240 870.240	38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333 56,667 5,000 11,800	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE TS-SEPATORS & HEATER TREATERS TS-COMPRESSOR, DEHYDRATOR, VRU TS-METERING EQUIP & LACT UNIT TS-CONSTRUCTION OVERHEAD	870.530 870.900 850.050 850.380 870.140 870.200 870.210 870.220 870.230 870.230 870.240 870.720 PERCENT	38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333 56,667 5,000 11,800 5,000	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE TS-SEPATORS & HEATER TREATERS TS-COMPRESSOR, DEHYDRATOR, VRU TS-METERING EQUIP & LACT UNIT TS-CONSTRUCTION OVERHEAD Surface and Facilities Contengency Total Surface and Facilities Costs	870.530 870.900 850.050 850.380 870.140 870.200 870.210 870.220 870.230 870.230 870.240 870.720 PERCENT 5%	38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333 56,667 5,000 11,800 5,000 31,885 669,582	
TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE TS-SEPATORS & HEATER TREATERS TS-COMPRESSOR, DEHYDRATOR, VRU TS-METERING EQUIP & LACT UNIT TS-CONSTRUCTION OVERHEAD Surface and Facilities Contengency	870.530 870.900 850.050 850.380 870.140 870.200 870.210 870.220 870.230 870.230 870.240 870.720 PERCENT	38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333 56,667 5,000 11,800 5,000 31,885	

COMPANY APPROVALS

TITLE	SIGNATURE
DRILLING MANAGER:	
PERMIAN BUSINESS MANAGER:	
OPERATIONS EVP	
CEO	

PARTNER APPROVAL

COMPANY NAME	
NAME	
TITLE	
SIGNATURE	

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Legacy Reserves	Cost Estimate			
Location: Sec 15, T19S R33E, Lea County, NM		Property #:		
Field: TONTO	Estimated start:			
Depth: 9550' TVD / 19500' MD Estimated completion:				
Originator: STEVE OWEN	Type: Drill & Complete			
Date prepared: 2021-04-20	WI:			
Well name: Ruby 502H	API #:			
Description: Drill and Complete 2 Mile 2nd Bone Springs Lateral				
Description	Code	Estimated Cost	Net Cost	
DRILLING INTANGIBLE COSTS				
IDC-SITE PREP / LOCATION SURVEY	830.050	120,000		
IDC-RIG MOVE IN / MOVE OUT	830.060	160,000		
IDC-DRILLING RIG	830.070	600,000		
IDC- RENTAL / TOOLS-EQUIP	830.100	75,000		
IDC-BITS	830.110	100,000		
IDC-MUD / CHEMICALS	830.120	230,000		
IDC-WATER	830.130	32,000		
IDC- DRILLING FLUID DISPOSAL				
IDC-EQUIPMENT TRANSPORTATION	830.150	10,000		
IDC-FORM EVAL/ELEC LOGGING/MUD LOGGING	830.170	29,824		
IDC-CEMENTING SERVICES	830.180	250,000		
IDC-DIRECTIONAL SERVICES/MWD/GYROS	830.190	315,000		
IDC-FISHING SERVICES	830.200			
IDC-DRILLSTRING INSPECTION	830.230	23,000		
IDC-CASING CREWS	830.270	70,000		
IDC-CONTRACT LABOR	830.280	130,000		
IDC-CAMP EXPENSES	830.300	85,000		
IDC-PROFESSIONAL SRVC/CONSULT	830.310	89,000		
IDC-WELL CONTROL INSURANCE	830.320	4,000		
IDC-DAMAGES	830.380	2,000		
IDC-PERMITTING	830.390	0		
IDC-FUEL / POWER	830.400	80,000		
IDC-COMPANY LABOR/SUPERVISION	830.700			
IDC-DRILLING OVERHEAD	830.720	5,047		
Total Drilling Intangible Costs	=	2,409,871		
DRILLING TANGIBLE COSTS				
TDC-CONDUCTOR	840.100			
TDC-SURFACE CASING	840.110	60,000		
TDC-INTERMEDIATE I CASING	840.150	180,000		
TDC-INTERMEDIATE II CASING	840.200	0		
TDC - PRODUCTION CASING/LINER	840.210	350,000		
TDC-WELLHEAD EQUIPMENT	840.250	58,000		
TDC-MISCELLANEOUS DRLG TANGIBLES	840.500	57,352		
DRILLING CONTINGENCIES	840.510			
Total Drilling Tangible Costs		705,352		
	PERCENT			
Total Drilling Contingency	10%	311,522		
Total Drilling Costs	=	3,426,745		

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COMPLETION INTANGIBLE COSTS			
ICC- RENTAL / TOOLS-EQUIP	850.100	300,000	
ICC-BITS	850.110	,	
ICC-MUD / CHEMICALS	850.120	80,000	
ICC-WATER, SWD	850.130	615,857	
ICC-EQUIPMENT TRANSPORTATION	850,150	20,000	
ICC-LOGGING / PERFORATING / PLUGS	850.170	190,000	
ICC-CEMENTING SERVICES	850.180		
ICC-FISHING SERVICES	850.200		
ICC-TUBULAR TESTING / INSPECTION	850.230	5,000	
ICC-STIMULATION	850.250	1,586,000	
ICC-CONTRACT LABOR	850.280	225,000	
ICC-PROFESSIONAL SRVC/CONSULT	850.310	135,000	
ICC-PULLING UNIT / CTU	850.400	300,000	
ICC-COMPANY LABOR/SUPERVISION	850.700	15,000	
ICC-COMPLETION OVERHEAD	850.720	10,000	
Total Completion Intangible Costs	630.720	3,481,857	
Total Completion Intaligible Costs		5,401,057	
COMPLETION TANGIBLE COSTS			
TSS-PACKERS & SUBSURFACE EQUIP	860.120	30,000	
TSS-PRODUCTION TUBING	860.160	59,162	
TSS-DOWNHOLE ARTIFICIAL LIFT & RODS	860.180	53,784	
TSS-MISCELLANEOUS TSS	860.500	14,900	
Total Completion Tangible Costs		157,846	
i õ			
	PERCENT		
Total Completion Contingency	PERCENT 10%	363,970	
Total Completion Contingency Total Completion Costs		363,970 4,003,673	
Total Completion Costs SURFACE AND FACILITIES	10%	4,003,673	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT			
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR	10%	4,003,673	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT	870.100	4,003,673	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR	10% 	4,003,673 0 200,000	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT	10% 870.100 870.170 870.470	4,003,673 0 200,000 38,363	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT TS-FLOWLINES	10% 870.100 870.170 870.470 870.530	4,003,673 0 200,000 38,363 30,000	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT TS-FLOWLINES TS-MISCELLANEOUS	10% 870.100 870.170 870.470 870.530 870.900	4,003,673 0 200,000 38,363 30,000 72,200	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK	10% 870.100 870.170 870.470 870.530 870.900 850.050	4,003,673 0 200,000 38,363 30,000 72,200 25,000	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES	10% 870.100 870.170 870.470 870.530 870.900 850.050 850.380	4,003,673 0 200,000 38,363 30,000 72,200 25,000 2,000	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES	10% 870.100 870.170 870.470 870.530 870.900 850.050 850.380 870.140	4,003,673 0 200,000 38,363 30,000 72,200 25,000 2,000 61,667	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS	10% 870.100 870.170 870.470 870.530 870.900 850.050 850.380 870.140 870.200	4,003,673 0 200,000 38,363 30,000 72,200 25,000 2,000 61,667 116,667	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE	10% 870.100 870.170 870.470 870.530 870.900 850.050 850.380 870.140 870.200 870.210	4,003,673 0 200,000 38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333	
Total Completion Costs SURFACE AND FACILITIES TS-PUMPING UNIT TS-INSTALLATION & CONTRACT LABOR TS-ELECTRICAL SVCS & EQUIPMENT TS-FLOWLINES TS-MISCELLANEOUS TS-DIRTWORK TS-DAMAGES TS-FITTINGS & SUPPLIES TS-STORAGE TANKS TS-MATLS:PUMPS/LINEPIPE TS-SEPATORS & HEATER TREATERS	10% 870.100 870.170 870.470 870.530 870.900 850.050 850.380 870.140 870.200 870.210 870.220	4,003,673 0 200,000 38,363 30,000 72,200 25,000 2,000 61,667 116,667 13,333 56,667	
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COMPANY APPROVALS

TITLE	SIGNATURE
DRILLING MANAGER:	
PERMIAN BUSINESS MANAGER:	
OPERATIONS EVP	
CEO	

PARTNER APPROVAL

COMPANY NAME		
NAME		
TITLE		
SIGNATURE		

.

CHRONOLOGY OF EVENTS

Date	Parties	Pooling Unit	Notes/Discussion
			First iteration of Well Proposals provided to WI
			Partners whereby Legacy proposed 3 wells to WI
4/23/2021	All WI Parties	Ruby	partners
			COP delivers possible lease tracts (which includes
			COP's interest in Ruby & Sapphire) to Legacy that
			COP would consider trading (assigning) to Legacy in a
5/4/2021	Conoco Phillips (COP)	Ruby & Sapphire	lease trade.
			Legacy responds to COP's trade proposal that was
5/20/2021	СОР	Ruby & Sapphire	provided to Legacy on 5/4/2021.
			Chisholm proposes a three way trade between
			Legacy, PBEX and Chisholm, whereby the parties
			consolidate interests in their own planned operated
6/3/2021	Chisholm Energy (Chisholm)	Ruby	units.
			Legacy provides Chisholm a counter-proposal to their
6/11/2021	Chisholm	Ruby	6/3/2021 lease trade proposal.
			Second iteration of Well Proposals provided to WI
			Partners and reduced the well count from 3 to 2
			(only proposed the 501H and 502H), resulting in well
			locations changing thus requiring an additional well
7/29/2021	All WI Parties	Ruby	proposals
			Chisholm indicated to Legacy that PBEX desired to
			alter the proposed three way trade between
			Chisholm, Legacy and PBEX to the extent that the
8/5/2021	Chisholm	Ruby	trade stalled.
0/40/2024			Legacy requests a visit with PBEX at Summer NAPE to
8/13/2021	EGL Resources/PBEX (PBEX)	Ruby	discuss the Chisholm three way trade proposal.
			In lieu of the meeting at Summer NAPE, PBEX and
0/10/2024		D h	Legacy have a phone discussion to discuss the
8/16/2021	PBEX	Ruby	Chisholm three way trade proposal.
			COD provides Legany a final trade proposal which is a
9/24/2021	COD	Puby & Compliant	COP provides Legacy a final trade proposal, which is a
8/24/2021	СОР	Ruby & Sapphire	counter proposal to Legacy's proposal on 5/20/2021.
0/12/2021	COD	Duby & Complian	Legacy responds to COP's 8/24/2021 trade proposal with a counter proposal
9/13/2021	СОР	Ruby & Sapphire	with a counter-proposal.
			Legacy inquiring with COP to confirm which lands are
11/16/2021	СОР	Ruby & Sapphire	to be included in the Legacy/COP trade.
11/10/2021	LUP	nuny a sapprille	COP requested that Legacy conitnue their Ruby &
			Sapphire pooling hearings to ensure the trade closes
11/17/2021	СОР	Puby & Comphine	
11/17/2021	COP	Ruby & Sapphire	prior to the hearing date.

			Legacy agrees to continue the Ruby & Sapphire
			pooling hearings so long as the Legacy/COP trade is
11/17/2021	СОР	Ruby & Sapphire	closed by year-end 2021.
11/1//2021			
			PBEX provides Legacy a well proopsal/AFE package
			for their planned Casino Royale development which
			becomes a competing application to Legacy's pre-
11/23/2021	PBEX	Ruby	existing/approved Ruby Pooling Application.
11/23/2021		Ruby	
			Legacy provides PBEX with interests in certain leases
			in Texas, which is the beginning of possible trade
			negotiations whereby Legacy attempts to trade PBEX
1/11/2022	PBEX	Ruby	a lease in Texas in exchange for PBEX's lease in Ruby.
_,,			Legacy and COG closed trade, made effective
			12/1/2021 (Legacy acquired COG's interest in Ruby &
1/17/2022	СОР	Ruby & Sapphire	Sapphire)
, , -			Legacy follows up with the potential trade
1/26/2022	PBEX	Ruby	discussions first discussed on 1/11/2022.
			PBEX repsonds to Legacy's inquiry on 1/26/2022
			reassuring Legacy that PBEX is evaluating a potential
			trade, but does not confirm PBEX can agree to any
1/27/2022	PBEX	Ruby	possible trade.
			PBEX and Legacy have lunch to discuss possible trade
2/10/2022	PBEX	Ruby	proposals/ideas.
			PBEX requests confirmation from Legacy about the
			lease Legacy proposed to trade to PBEX in exchange
2/14/2022	PBEX	Ruby	for PBEX's interest in Ruby.
2/24/2022	PBEX	Ruby	Legacy responds to PBEX's 2/14/2022 inquiry.
			Provided well proposals and JOA's to Fasken once
3/7/2022	Fasken	Ruby	title confirmed Faskens ownership in Ruby
			Legacy provided JOA's to all WI partners in the Ruby
3/8/2022	All WI Parties	Ruby	wells
			PBEX provides Legacy a formal proposal whereby
			PBEX assigns Legacy their Ruby lease in exchange for
3/9/2022	PBEX	Ruby	lands unrelated to Ruby & Sapphire.
			Legacy informs PBEX that their proposed trade was
			too much in favor of PBEX in order to proceed and
			requests that PBEX add additional acreage in order to
3/9/2022	PBEX	Ruby	make the trade more equitable.
			Legacy provides PBEX with the Ruby Well Proposals
3/15/2022	PBEX	Ruby	and correspoding AFE's/JOA.

			Democrate time from both to see a out for the to see
			Representatives from both Legacy and Earthstone
			joined a call to discuss how the parties could
			accomplish a leasehold trade that would be mutualy
4/28/2022	Earthstone	Ruby	beneficial.
			Legacy and Earthstone discussed possible leasehold
			trade ideas whereby Earthstone would assign to
			Legacy the working interest Earthston owns in the
7/7/2022	Earthstone	Ruby	Ruby Unit.
			Legacy spoke with a Landman at Earthstone.
			Earthstone indicated to Legacy that Earthstone
			would 1) leave in place their Motion of Appearance
			for the Ruby Unit application and 2) that they will not
			be formally protesting the Legacy Ruby Unit
8/11/2022	Earthstone	Ruby	application.

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

APPLICATIONS OF LEGACY RESERVES OPERATING LP FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22230 - 22231

AFFIDAVIT OF JOHN STEWART

John Stewart, being first duly sworn upon oath, deposes and states as follows:

 My name is John Stewart, and I am employed by Legacy Reserves Operating LP ("Legacy") as a Senior Geologist.

2. I have not previously testified before the New Mexico Oil Conservation Division ("Division"). I have fifteen plus years of experience in petroleum geological matters, and I am familiar with the subject applications and the geology involved. I ask that the Division accept my credentials as those of an expert witness in petroleum geological matters and made a matter of record.

a. I have a Bachelor of Science Degree in Geology from The University of Texas of the Permian Basin and a Master of Science Degree in Geology from The University of Texas of the Permian Basin.

b. I have worked in matters of petroleum geology since 2006, which includes experience in the Permian Basin.

3. I am submitting this affidavit in support of Legacy's applications in the abovereferenced cases pursuant to 19.15.4.12.(A)(1) NMAC.

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4. Legacy Exhibit D-1 is a base map of the lands showing the proposed Bone Spring formation spacing units and wells.

5. Legacy Exhibit D-2 is a structure map showing the depth (subsea) to the top of the 2nd Bone Spring formation, a marker that defines the top of the target interval for the proposed well(s). Contour interval of 25'. The units being pooled are outlined in bold, and the proposed wells are identified. The structure map shows regional down-dip to the southeast. I do not observe any faulting, pinchouts, or other geologic impediments to developing this target interval.

6. Legacy Exhibit D-3 is a stratigraphic cross-section flattened on the top of the 2nd Bone Spring formation. Each well in the cross-section contains a gamma ray, resistivity, and porosity log. The cross-section demonstrates continuity and consistent thickness across the target zone, and the well logs on the cross-section give a representative sample of the 2nd Bone Spring Sand. The landing zone is highlighted on the exhibit.

7. Based on the attached exhibits, I hereby conclude as follows:

a. The target formation is present and continuous throughout the lands subject to the applications.

b. The horizontal spacing and proration unit is justified from a geologic standpoint.

c. There are no structural impediments or faulting that will interfere with horizontal development.

d. Each quarter-quarter section in the unit will contribute more or less equally to production, and I can confirm each quarter section along the lateral will also contribute more or less equally to production.

e. To best accommodate our development, a North-South well orientation was chosen. The wells will run sub-perpendicular to the inferred orientation of the maximum horizontal stress.

8. **Exhibit D-1** through **Exhibit D-3** were either prepared by me or compiled from Legacy's company business records under my direct supervision.

9. The granting of these applications is in the best interest of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.

10. I hereby swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate.

[Remainder of page left intentionally blank]

FURTHER AFFIANT SAYETH NOT.

Dated this _____ day of _____, 2021.

John Stewart Legacy Reserves Operating LP

STATE OF TEXAS

CITY AND COUNTY OF MIDLAND

The foregoing instrument was subscribed and sworn to before me this $\underline{9^{\ddagger}}$ day of $\underline{1000}$, 2021, by John Stewart, Senior Geologist for Legacy Reserves Operating LP.

) ss.

)

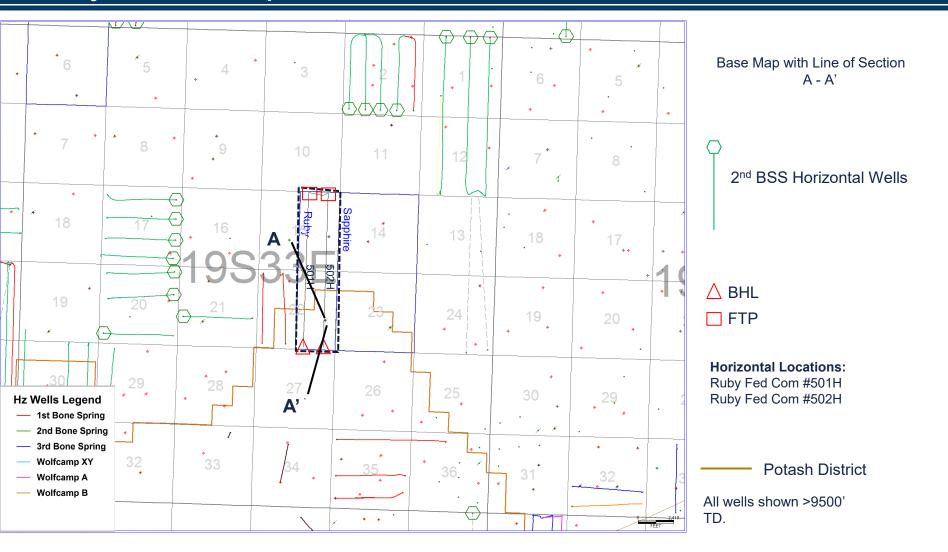
Witness my hand and official seal.

My commission expires: July 18, 2025

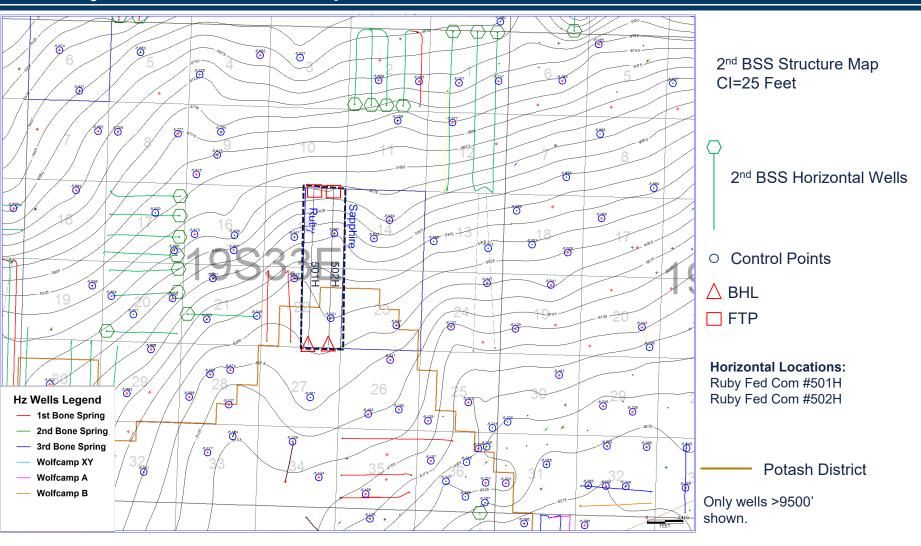
Thereoa. & Ferres

THERESA L. FORRESTER ID #8396586 Commission Expires July 18, 2025

Ruby Base Map Exhibit D-1



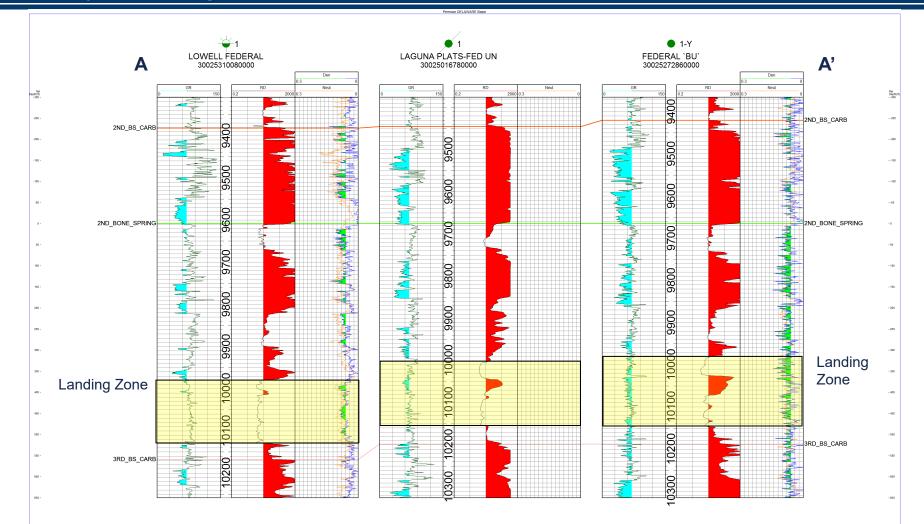
Ruby Structure Map Exhibit D-2





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Ruby Stratigraphic Cross Section Exhibit D-3



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Geology Conclusions Exhibit D-4

- The target formation is present and continuous throughout the lands subject to the applications.
- The horizontal spacing and proration unit is justified from a geologic standpoint.
- There are no structural impediments or faulting that will interfere with horizontal development.
- Each quarter-quarter section in the unit will contribute more or less equally to production, and I can confirm each quarter section along the lateral will also contribute more or less equally to production.
- To best accommodate our development, a North-South well orientation was chosen. The wells will run sub-perpendicular to the inferred orientation of the maximum horizontal stress.
- The granting of these applications is in the best interest of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.



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

APPLICATION OF LEGACY OPERATING RESOURCES LP FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS. 22230 and 22231

AFFIDAVIT

STATE OF COLORADO)) ss. CITY AND COUNTY OF DENVER)

James Parrot, attorney in fact and authorized representative of Legacy Reserves Operating LP, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under Notice Letters dated October 8, 2021, which the Applicant mailed via U.S. Postal Service Certified Mail. In Case No. 22231, a Supplemental Notice Letter dated November 16, 2021 corrected the legal description of the Surface Hole Location. Notice was provided to the interested parties and was delivered on or around October 12, 2021 and November 20, 2021, as shown on certified mail receipts attached as Exhibit E.

Applicant also published notice of the Application in the Albuquerque Journal on October 11, 2021, in the Carlsbad Current Argus on November 20, 2021, and in the Hobbs News-Sun on June 28, 2022. Proofs of publication are shown on Exhibit F.

James P Parrol

Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit E

SUBSCRIBED AND SWORN to before me on August <u>11</u>, 2022 by James P. Parrot.

My commission expires:

TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894002026 MY COMMISSION EXPIRES OCTOBER 4, 2025

NOTARY PUBLIC

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October 8, 2021

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO SPACING AND POOLING PROCEEDING

Re: Application of Legacy Reserves Operating LP for horizontal spacing and compulsory pooling, Lea County, New Mexico Ruby Fed Com 501H Well (Case No. 22230)

Dear Interest Owners:

This letter is to advise you that Legacy Reserves Operating LP ("Legacy") has filed the enclosed application, Case Nos. 22230, with the New Mexico Oil Conservation Division for creating a standard horizontal spacing unit and the compulsory pooling of the Bone Spring formation involving the Ruby Fed Com 501H Well.

In Case No. 22230, Legacy plans to space and pool the $W^{1/2}E^{1/2}$ of Section 15 and $W^{1/2}E^{1/2}$ of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, a standard unit encompassing 320 acres, more or less, dedicated to the Ruby Fed Com 501H Well.

A hearing has been requested before a Division Examiner on November 4, 2021, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For information about remote access, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441.

You are being notified as an interest owner and 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 NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date.

This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Brett Willis at (720) 943-5248 or at <u>bwillis@legacyreserves.com</u>.

Sincerely,

Jaluelah Kitterhouse

Jobediah Rittenhouse

Attorney for Legacy Reserves Operating LP

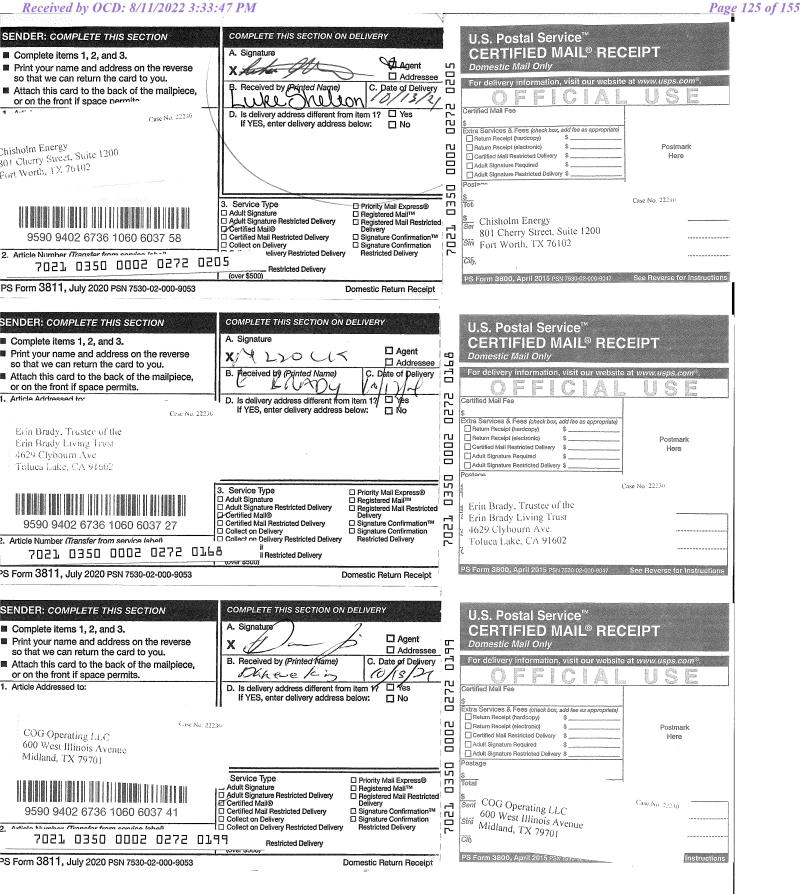
Page 122 of 155



U.S. Postal Service™ COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION **CERTIFIED MAIL® RECEIPT** A. Signature Complete items 1, 2, and 3. 黳 UTtic Mail Only Agent Print your name and address on the reverse Dur ក៍រ XMM so that we can return the card to you. B. Received (by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, 9 13-21 or on the front if space permits. ertified Mail Fee ☐ Yes D. Is delivery address different from item 1? гu If YES, enter delivery address below: D No Extra Services & Fees (check b Case No. 22230 гu Return Receipt (electronic) Postmark Willis Royalty Inc. Certified Mail Restricted Delivery Here c/o CNB Bank - Trusts Adult Signature Required 202 W. Stevens Street Adult Signature Restricted Delivery 50 Carlsbad, NM 88220 ost m Tota 3. Service Type Case No. 22230 Priority Mail Express® Willis Royalty Inc. □ Registered Mail™
 □ Registered Mail Restricted Delivery
 □ Signature Confirmation™ Adult Signatur c/o CNB Bank - Trusts Ser Adult Signature Restricted Delivery
 Certified Mail® ٦ 702. 202 W. Stevens Street Certified Mail Restricted Delivery Ŝtr 9590 9402 6736 1060 6037 72 Signature Confirmation Restricted Delivery Carlsbad, NM 88220 Collect on Delive Collect on Delivery Restricted Delivery 2. Article Number (Transfer from service label) Ċil,, 7021 0350 0002 0272 0229 all Restricted Delivery PS Form 3800, April 2015 PSN 7580-PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. U.S. Postal Service[™] Agent Print your name and address on the reverse **CERTIFIED MAIL® RECEIPT** Х IA 410 Addressee so that we can return the card to you. Date of Delivery B. Received by (Printed Name) 81 Domestic Mail Only Attach this card to the back of the mailpiece, 2## 19 or on the front if space permits. For delivery informatio D. Is delivery address different from item 1? Article Addressed to: If YES, enter delivery address below: Ø No ru Certified Mail Fe 'n Case No. 22230 Extra Services & Fees (check box. Return Receipt (hardcopy) aybaw Operating, LLC 202 Postmark 626 Cole Avenue, Suite 300 Certified Mail Restricted Delivery Here Dallas, TX 75204 Adult Signature Required Ξ Adult Signature Restricted Delivery \$ Priority Mail Express®
 Registered Mail™M
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 Signature Confirmation Restricted Delivery 350 ostage Jot Case No. 22230 Certified Mail Restricted Delivery 9590 9402 6736 1060 6038 33 7021 Collect on Delivery Ser Raybaw Operating, LLC Collect on Delivery Restricted Delivery 2. Article Number (Transfer from service label) 2626 Cole Avenue, Suite 300 red Mail Stre 7021 0350 0002 0272 0281 ail Restricted Delivery Dallas, TX 75204 Ĉiĥ PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt PS Form 3800, April 2015 PSN 7530-02-000-5 COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION U.S. Postal Service[™] A. Signature Complete items 1, 2, and 3. **CERTIFIED MAIL® RECEIPT** 🛛 Agent Print your name and address on the reverse Х m Domestic Mail Only Addressee 120 so that we can return the card to you. B. Received by (Printed Name, C, Date of Delivery erv informatic Attach this card to the back of the mailpiece, 10/12/ or on the front if space permits. D. Is delivery address different from item 1? T Yes ги Article Addressed to: Certified Mail Fee If YES, enter delivery address below: □ No xtra Services & Fees (check box, add fee as appropriate) Case No. 22230 Return Receipt (hardcopy) гu Return Receipt (electronic) Patrick Brady & Kimberly Brady, Trustee of the Postmark Certified Mail Restricted Delivery Here Patrick Brady & Kimberly Brady Living Trust Adult Signature Required Adult Signature Restricted Delivery 330 Cherry Hill Ct. Thousand Oaks, CA 91320 ostac 5 Service Type Adult Signature Adult Signature Restricted Delivery Priority Mail Express®
 Registered Mail^{™M}
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 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 Image: Agent X Image: Addressee B. Received by (Printed Name) C. Date of Delivery D:: he. 5 e 10	
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PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

October 8, 2021

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO SPACING AND POOLING PROCEEDING

Re: Application of Legacy Reserves Operating LP for horizontal spacing and compulsory pooling, Lea County, New Mexico Ruby Fed Com 502H Well (Case No. 22231)

Dear Interest Owners:

This letter is to advise you that Legacy Reserves Operating LP ("Legacy") has filed the enclosed application, Case Nos. 22231, with the New Mexico Oil Conservation Division for creating a standard horizontal spacing unit and the compulsory pooling of the Bone Spring formation involving the Ruby Fed Com 502H Well.

In Case No. 22231, Legacy plans to space and pool $E\frac{1}{2}E\frac{1}{2}$ of Section 15 and $E\frac{1}{2}E\frac{1}{2}$ of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, a standard unit encompassing 320 acres, more or less, dedicated to the Ruby Fed Com 502H Well.

A hearing has been requested before a Division Examiner on November 4, 2021, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For information about remote access, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441.

You are being notified as an interest owner and 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 NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date.

This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Brett Willis at (720) 943-5248 or at <u>bwillis@legacyreserves.com</u>.

Sincerely,

aludah Kitterhouse

Jobediah Rittenhouse

Attorney for Legacy Reserves Operating LP



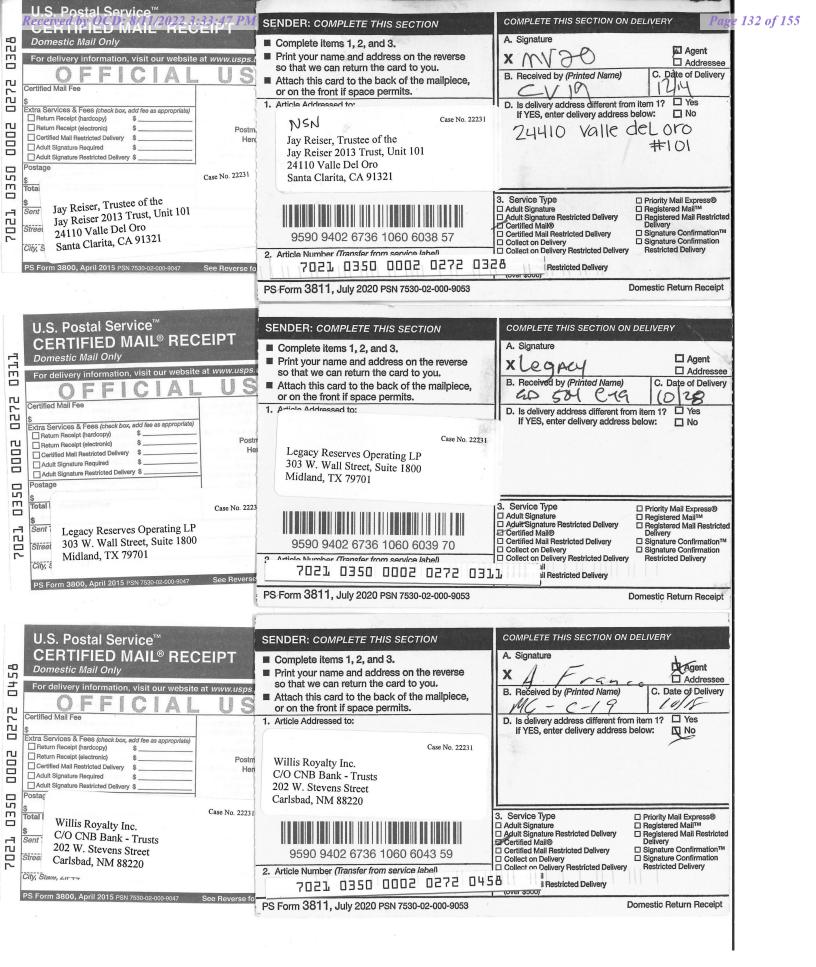
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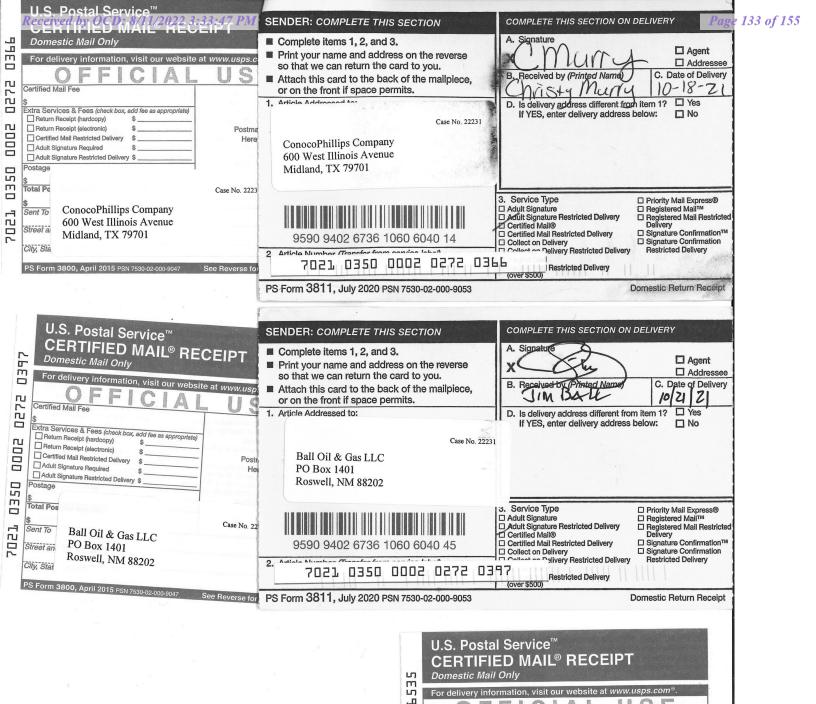
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Jay Reiser, Trustee of the Jay Reiser 2013 Trust, 24410 Valle Del Oro, #101

Santa Clarita, CA 91321

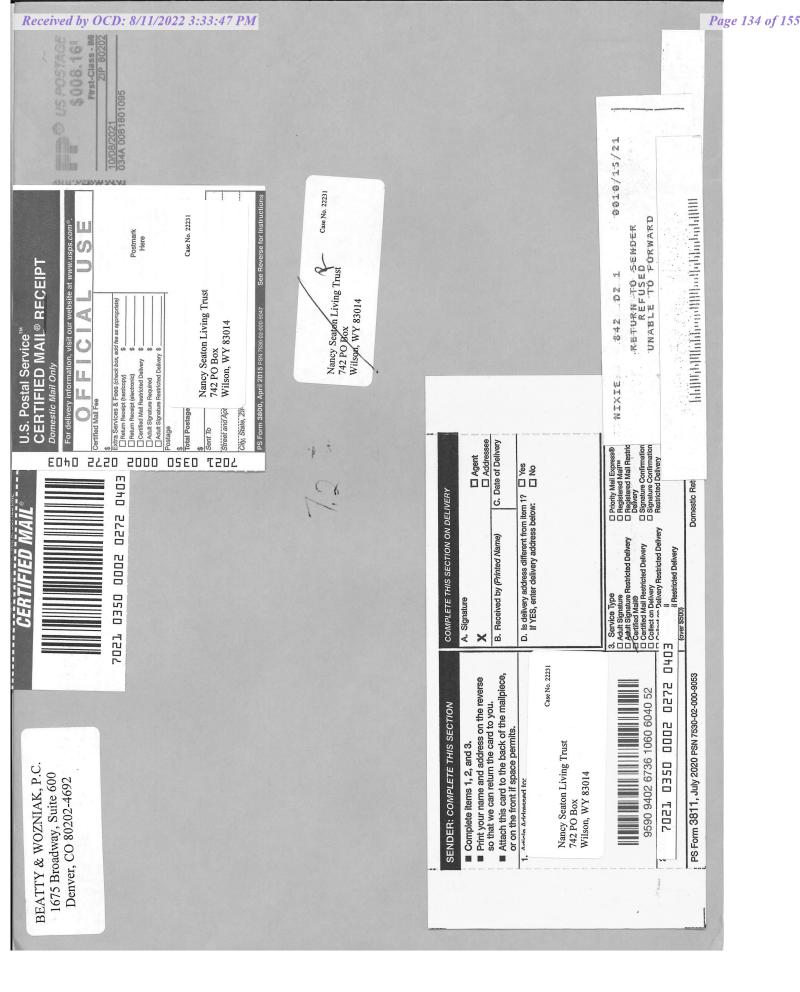
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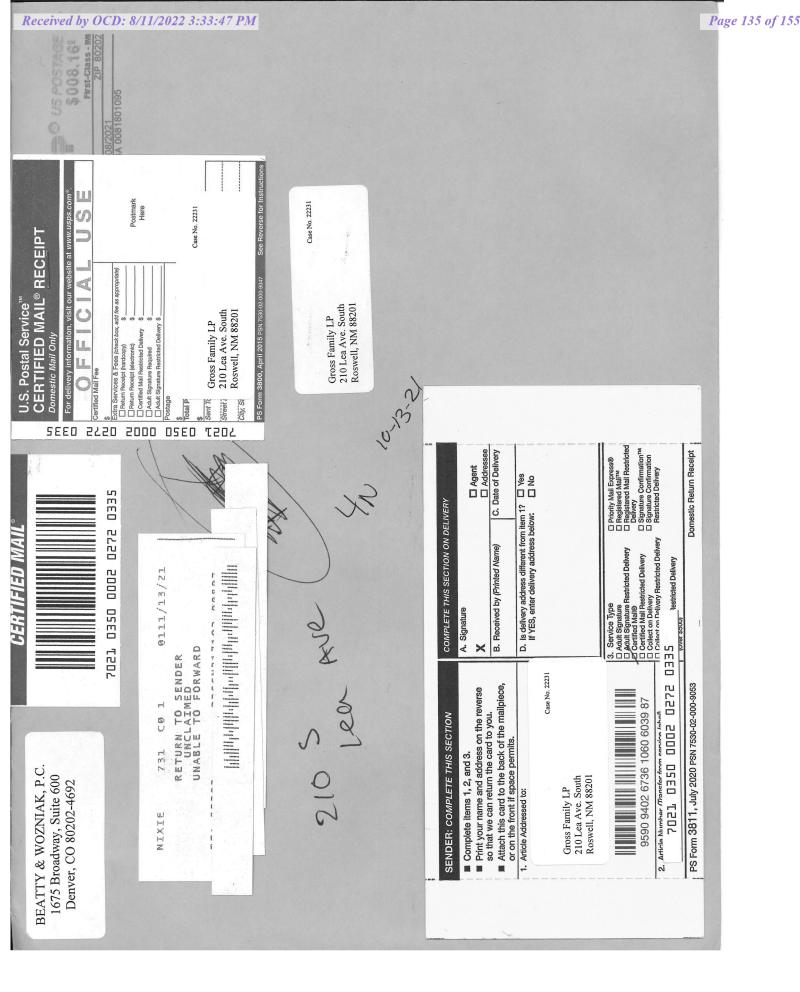
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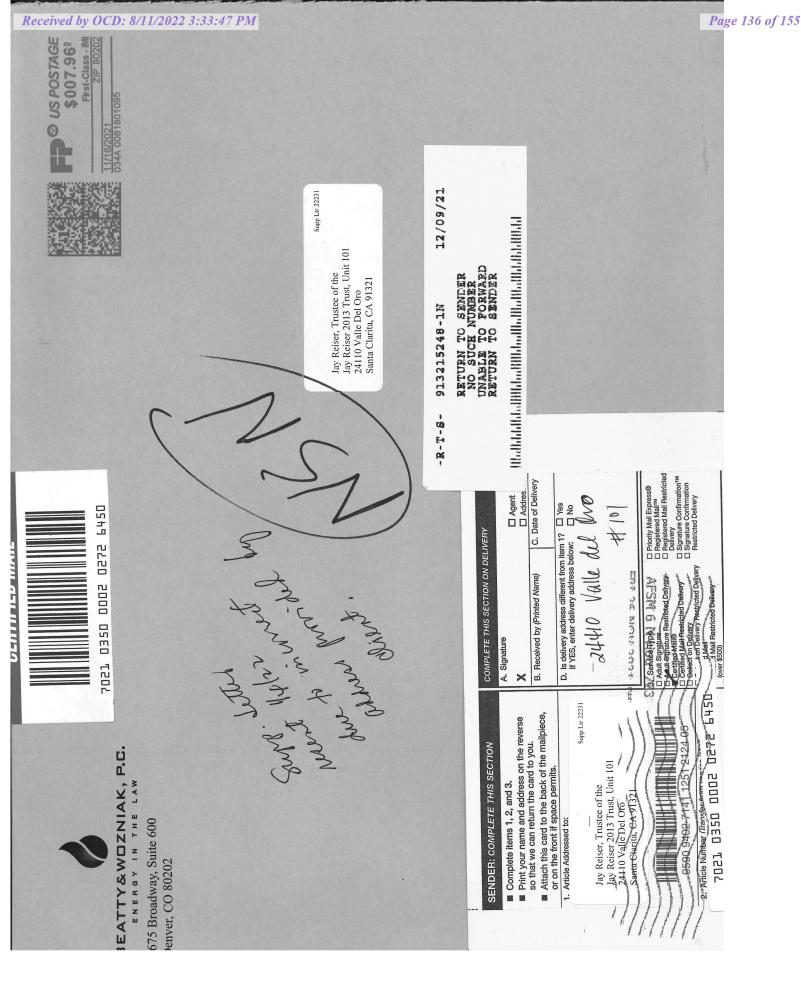
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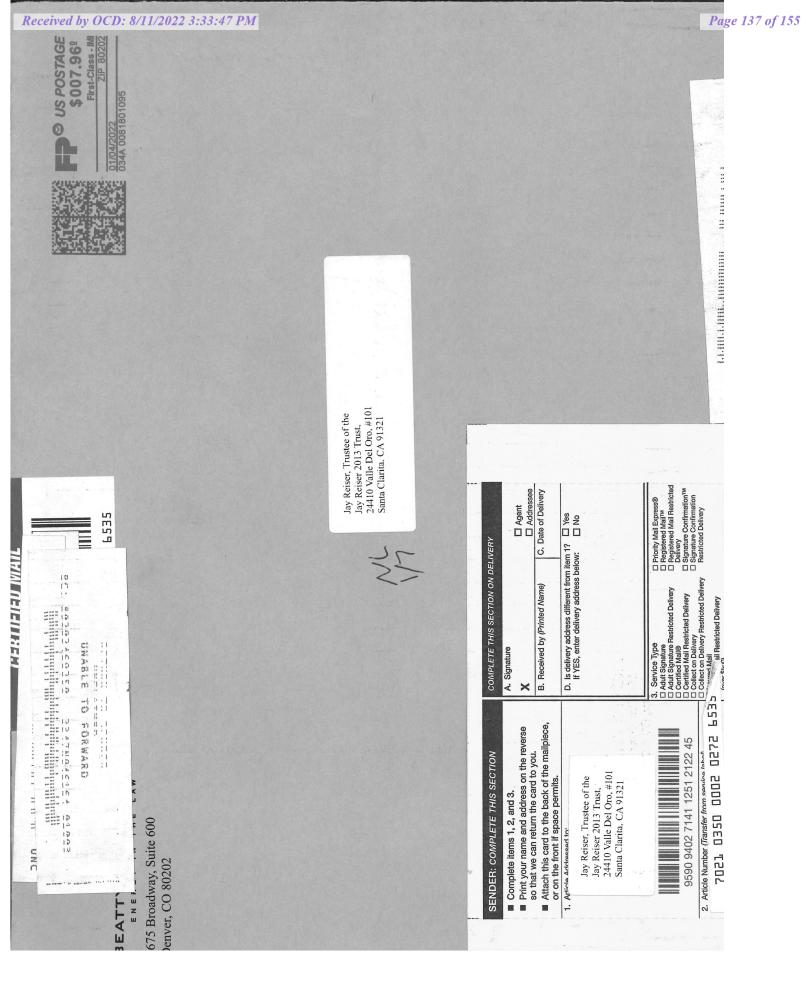
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November 16, 2021

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO SPACING AND POOLING PROCEEDING

Re: Supplemental Information Letter

Application of Legacy Reserves Operating LP for horizontal spacing and compulsory pooling, Lea County, New Mexico Ruby Fed Com 502H Well (Case No. 22231)

Dear Interest Owners:

Reference is made to that certain letter dated October 8, 2011 ("Letter"), regarding the subject Application of Legacy Reserves Operating LP ("Legacy") filed in Case No. 22231 with the New Mexico Oil Conservation Division to create a standard horizontal spacing unit and the compulsory pooling of the Bone Spring formation involving the Ruby Fed Com 502H Well. A copy of the Application was enclosed with Letter.

The Application incorrectly identified the Surface Hole Location ("SHL") for the Ruby Fed Com 502H Well. For clarification purposes, Legacy submits the following supplemental information for the subject Application, which accurately sets forth the SHL for the Ruby Fed Com 502H Well. This information is for notice purposes only and requires no action on your part.

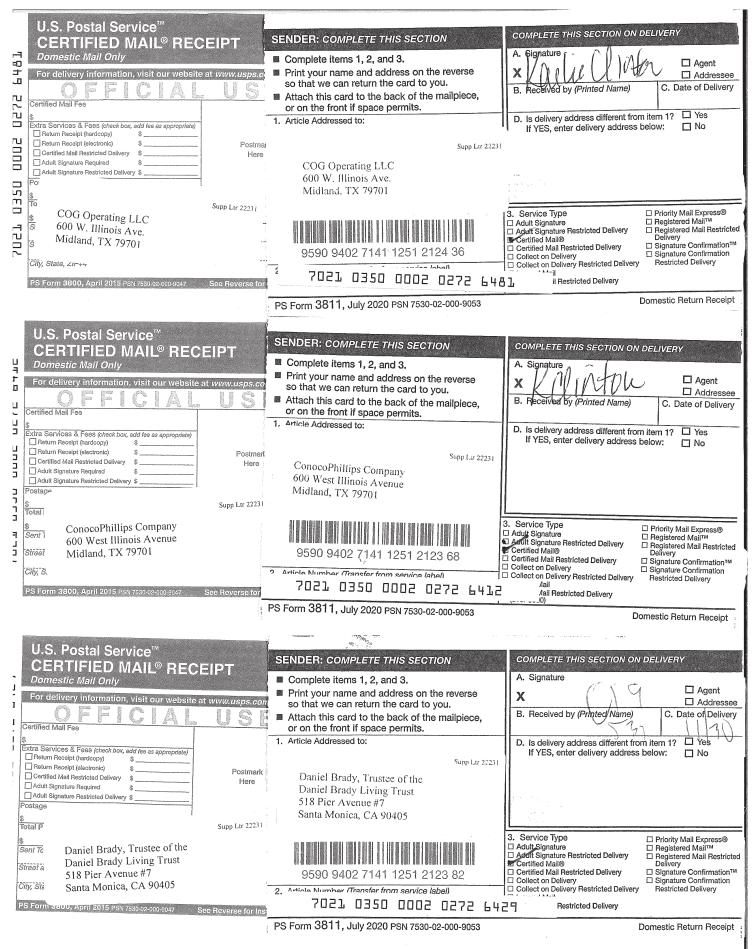
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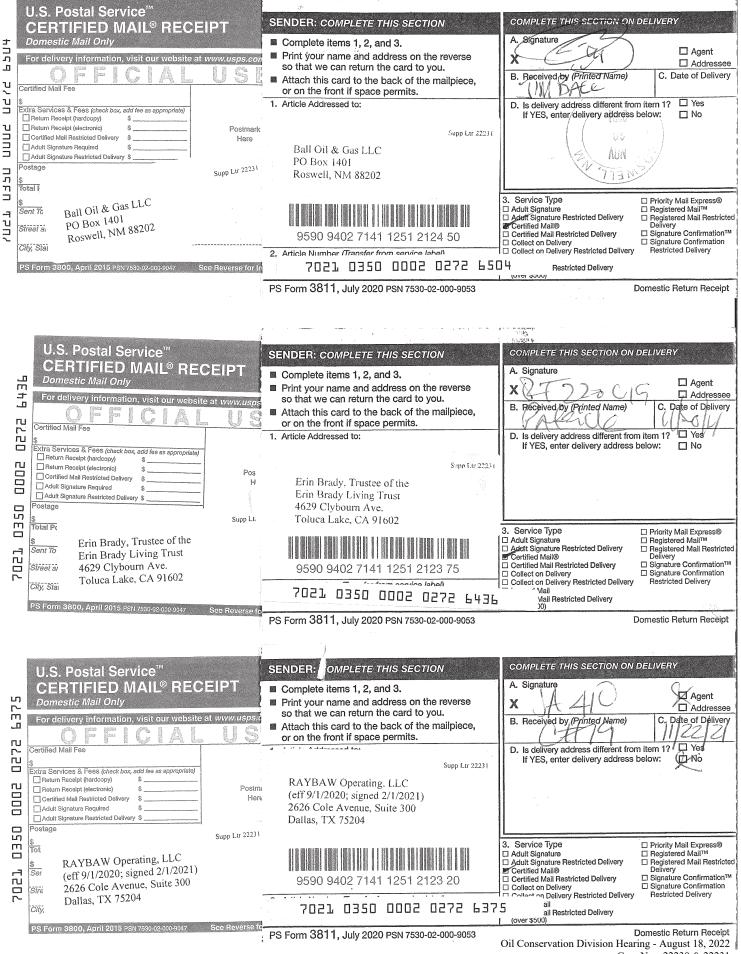
If you have any questions regarding this supplemental information, please contact Brett Willis at (720) 943-5248 or at <u>bwillis@legacyreserves.com</u>.

Sincerely,

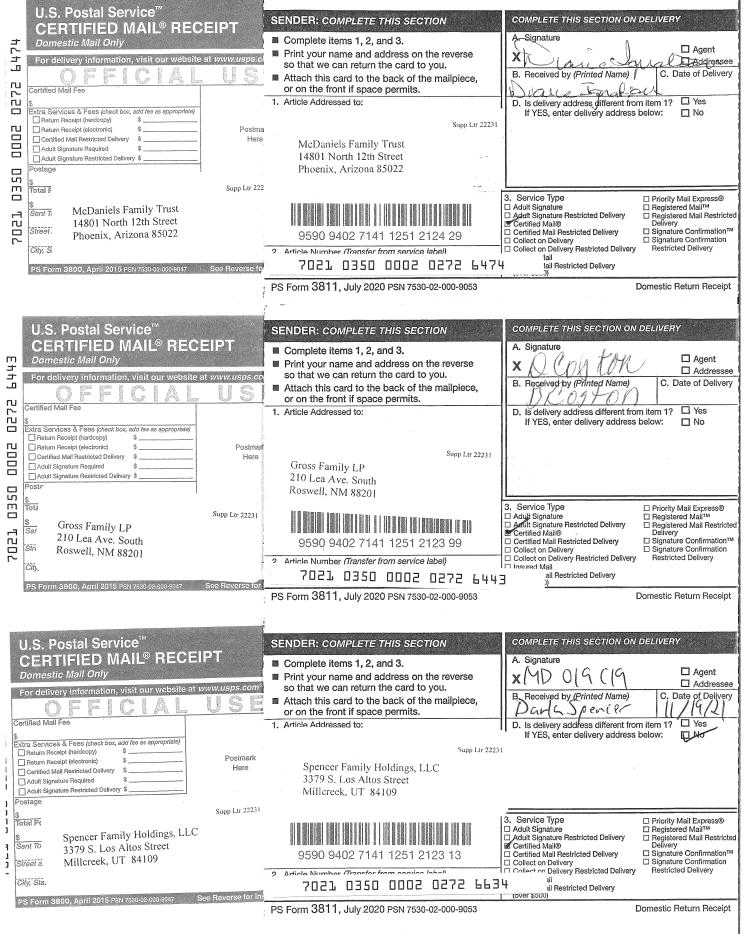
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Attorney for Legacy Reserves Operating LP





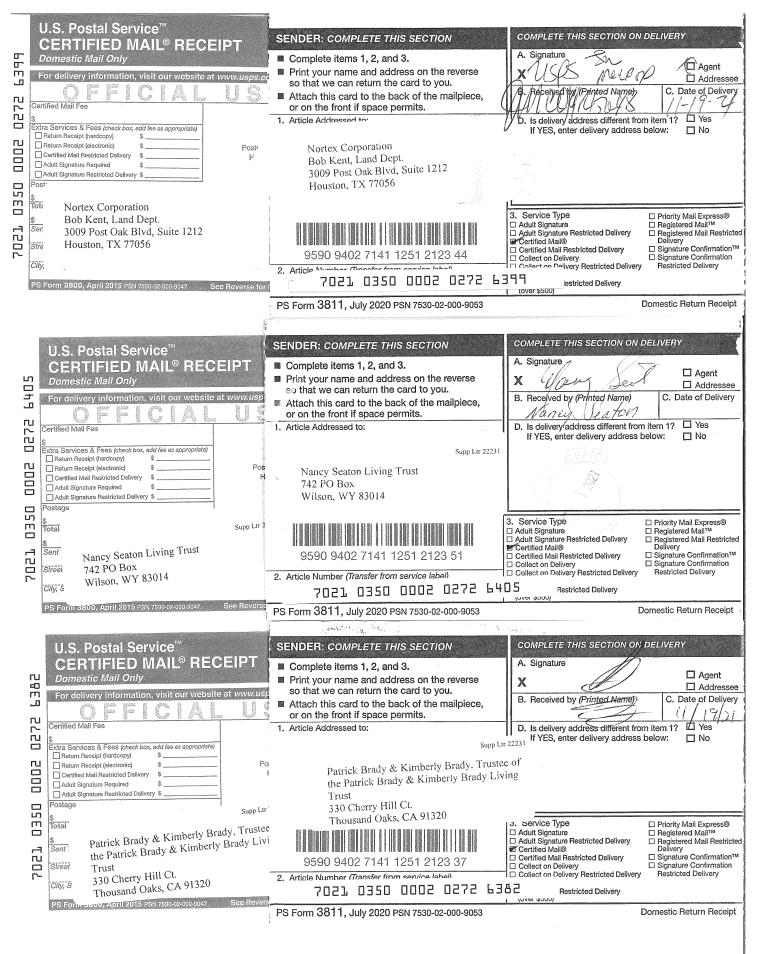
Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit E

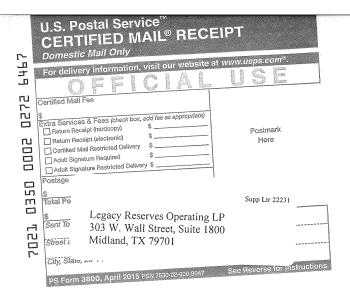


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Oil Conservation Division Hearing - August 18, 2022

Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit E





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Page 144

LEGAL NOTICE October 11, 2021

DAVIT OF PUBLICATION

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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 Re-sources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings ez, the undersigned, authorized Representative of the Albuquerque Journal, on oath 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 hearings will be conducted remotely. The hearing will be conducted remotely. The hearing will be conducted remotely. The hearing will be conducted remotely. The beginning at 8:15 A.M. To participate in the electronic hear-ing, see the instructions posted below. The docket may be viewed at http://www.emrd.state.mm.us/IOCD/hearings-info/ or obtained from Martene Salvidrez @state. mm.us. Documents filed in the case may be viewed at https:// you are an individual with a disability who needs a reader, am-polifier, gualified sign language interpreter, or other form of auxilplifier, qualified sign language interpreter, or other form of auxil-iary aid or service to attend or participate in the hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800) 659-1779, no later than October 24, 2021

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.

Principal Meridian whether or not so stated.)

TO: All overriding royalty interest owners and pooled par-ties, including Legacy Reserves Operating LP, Ball Oil & Gas LLC, Chisholm Energy, COG Operating LLC, ConocoPhillips Company, Daniel Brady, Trustee of the Daniel Brady Living Trust, Erin Brady, Trustee of the Erin Brady Living Trust, Gross Family LP, Jay Reiser, Trustee of the Jay Reiser 2013 Trust, McDaniels Family Trust, Nancy Seaton Living Trust, Nortex Corporation, Bob Kent, Land Dept., Occidental Permian LP, Oxy USA WTP LP, Patrick Brady and Kimberly Brady, Trustee of the Patrick Brady & Kimberly Brady, Living Trust, RAYBAW Operating, LLC, Spencer Family Holdings, LLC, Willis Royalty Inc.

Inc. CASE NO: 22230: Application of Legacy Reserves Operat-ing LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the W½E½ of Section 15 and W½E½ of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, under-lying said unit. The proposed well to be dedicated to the hori-zontal spacing unit is the **Ruby Fed Com 501H Well**, an oil well, to be horizontally drilled from a surface location in the NE¼ME¼ of Section 15, Township 19 South, Range 33 East, N. M.P.M., to a bottom hole location in the SW¼SE¼ of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervi-sion; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approxi-mately 3 miles southwest of Lovington, New Mexico.

Journal: October 11, 2021

Christina White Notary Public State of New Mexico viv Commission Expires: tell

subscribed before me, a Notary Public, in and NOTE: All land descriptions herein refer to the New Mexico ty of Bernalillo and State of New Mexico this 2021

of

\$408.67

October

come at the end of month.

DF NEW MEXICO

Bernalillo

1097734 NUMBER

Received by OCD: 8/11/2022 3:33:47 PM

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO

County of Bernalillo SS

CASE NO: 22230

Dage 145 of 155

Elise Rodriguez, the undersigned, authorized Representative of the Albuquerque Journal, on oath states that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, that payment therefore has been made of assessed as court cost; and that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

10/11/2021



Sworn and subscribed before me, a Notary Public, in and for the County of Bernalillo and State of New Mexico this

of

2021

day of October

PRICE _

11

Statement to come at the end of month.

\$408.67

ACCOUNT NUMBER

1097734

CASE NO: 22230: Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the abovestyled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the W½E½ of Section 15 and W½E½ of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the **Ruby Fed Com 501H Well**, an oil well, to be horizontally drilled from a surface location in the NE¼NE¼ of Section 15, Township 19 South, Range 33 East, N.M.P.M. M.P.M., to a bottom hole location in the SW¼SE¼ of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southwest of Lovington, New Mexico.

Journal: October 11, 2021

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005010380 This is not an invoice

BEATTY & WOZNIAK, P. C. 216 SIXTEENTH STREET, SUITE 11

DENVER, CO 80202

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

11/20/2021

Legal Clerk

Subscribed and sworn before me this November 20, 2021:

State of WI, County of Brown NOTARY PUBLIC

7-25

My commission expires

Ad # 0005010380 PO #: 0005010380 # of Affidavits1

This is not an invoice

KATHLEEN ALLEN Notary Public State of Wiscensin

LEGAL NOTICE November 20, 2021

STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DE-PARTMENT OIL CONSERVATION DIVI-

SION, SANTE 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 hearings will be conducted remotely. The hearing will be conducted on Thursday, December 2, 2021, beginning at 8:15 A.M. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://ww w.emrd.state.nm.us/OCD/h earings-info/ or obtained from Marlene Salvidrez@state.nm.u s. Documents filed in the case may be viewed at https: //ocdimage.emrd.state.nm. us/imaging/CaseFileCriteria.a spx. 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 the hearing. contact Marlene Salvidrez at Marlene.Salvidr ez@state.nm.us, or the New Mexico Relay Network at 1-800) 659-1779, no later than November 22, 2021.

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 overriding royalty interest owners and pooled parties, including Legacy Reserves Operating LP, Ball Oil & Gas LLC, Chisholm Energy, COG Operating LLC, ConocoPhillips Company, Daniel Brady, Trustee of the Daniel Brady, Trustee of the Daniel Brady, Living Trust, Erin Brady Living Trust, Erin Brady Living Trust, Gross Family LP, Jay Reiser, Trustee of the Jay Reiser, Trustee of the Jay Reiser, Trustee of the Jay Reiser, Anniels Trust, McDaniels Family Trust, Nortex Corporation, Bob Kent, Land Dept., Occidental Permian LP, Oxy USA WTP LP, Patrick Brady and Kimberly Brady, Trustee of the Patrick Brady & Kimberly Brady Living Trust, RAYBAW Operating, LLC, Spencer Family Holdings, LLC, Willis Royalty Inc. CASE NO: 22230: Applica-

CASE NO: 22230: Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the

Oil Conservation Division Hearing - August 18, 2022 Case Nos. 22230 & 22231 Legacy Reserves Operating LP - Exhibit F Released to Imaging: 8/11/2022 3:39:07 PM

above-styled table seeks an order from the Division: (1) creating a standard 320acre, more or less, spacing and proration unit comprised of the W/EE/2 of Section 15 and W/2E/2 of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Ruby Fed Com 501H Well, an oil well, to be horizontally drilled from a surface location in the NE4NE44 of Section 15, Township 19 South, Range 33 East, N.M.P.M., to a bottom hole location in the SW/4SE44 of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operator of the Applicant as Operator of the Applicant as Operator of the well and unit; and a 200% charge for the well and lands are located approximately 3 miles southwest of Lovington, New Mexico. #0005010380, Current Argus, November 20, 2021



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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 Re-sources 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 Heatth Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on **Thursday, November 4, 2021, beginning at 8:15 A.M.** To participate in the electronic hear-ing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings-info/ or viewed at http://www.emnrd.state.nm.us/OCD/hearings-info/ or obtained from Marlene Salvidrez at Marlene.Salvidrez@state. nm.us. Documents filed in the case may be viewed at https:// ocdimage.emnd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxilary aid or service to attend or participate in the hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800) 659-1779, n⊛ later than October 24, 2021

> 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 overriding royalty interest owners and pooled par-ties, including Legacy Reserves Operating LP, Ball Oil & Gas LLC, Chisholm Energy, COG Operating LLC, ConocoPhillips Company, Daniel Brady, Trustee of the Daniel Brady Living Trust, Erin Brady, Trustee of the Erin Brady Living Trust, Gross Family LP, Jay Reiser, Trustee of the Jay Reiser 2013 Trust, McDaniels Family Trust, Nancy Seaton Living Trust, Nortex Corporation, Bob Kent, Land Dept., Patrick Brady and Kimberly Brady, Trustee of the Patrick Brady & Kimberly LC, Willis Royalty Inc.

CASE NO: 22231: Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the División: (1) creating a standard 320acre, more or less, spacing and proration unit comprised of the E½E½ of Section 15 and E½E½ of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spac-ing unit is the **Ruby Fed Com 502H Well**, an oil well, to be hor-izontally drilled from a surface location in the NW/ANE¼ of Sec-tion 15, Township 19 South, Range 33 East, N.M.P.M., to a bottom hole location in the SE¼SE¼ of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in lo-cation and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southwest of Lovington, New Mexico.

Journal: October 11, 2021

Received by OCD: 8/11/2022 3:33:47 PM

DAVIT OF PUBLICATION

DF NEW MEXICO

SS Bernalillo

ez, the undersigned, authorized Representative of the Albuquerque Journal, on oath his newspaper is duly qualified to publish legal notices or advertisements within the ection 3, Chapter 167, Session Laws of 1937, that payment therefore has been made as court cost; and that the notice, copy of which is hereto attached, was published in

Official Seal Christina White Notary Public State of New Mexico My Commission Expires: GI 5 subscribed before me, 'a Notary Public, in and ty of Bernalillo and State of New Mexico this October 2021 \$340.15

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO

County of Bernalillo SS

Elise Rodriguez, the undersigned, authorized Representative of the Albuquerque Journal, on oath states that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, that payment therefore has been made of assessed as court cost; and that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

10/11/2021

Sworn and subscribed before me, a Notary Public, in and for the County of Bernalillo and State of New Mexico this 11 day of October of 2021

PRICE

Statement to come at the end of month.

\$340.15

ACCOUNT NUMBER ______1097734

CASE NO: 22231: Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320acre, more or less, spacing and proration unit comprised of the E½E½ of Section 15 and E½E½ of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the **Ruby Fed Com 502H Wel**I, an oil well, to be horizontally drilled from a surface location in the NW¼NE¼ of Section 15, Township 19 South, Range 33 East, N.M.P.M., to a bottom hole location in the SE¼SE¼ of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and tands are located approximately 3 miles southwest of Lovington, New Mexico.

Journal: October 11, 2021

Received by OCD: 8/11/2022 3:33:47 PM

ige 150 of 155

ASE NO: 22231

Official Seal Christina White Notary Public State of New Mexico

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My Commission Expires:

Affidavit of Publication Ad # 0005010390 This is not an invoice

BEATTY & WOZNIAK, P. C. 216 SIXTEENTH STREET, SUITE 11

DENVER, CO 80202

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

11/20/2021

egal Clerk

Subscribed and sworn before me this November 20,

2021:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

Ad # 0005010390 PO #: 0005010390 # of Affidavits1

Received by OCD: 8/11/2022 3:33:47 PM

This is not an invoice

KATHLEEN ALLEN Notary Public State of Wisconsin

LEGAL NOTICE November 20, 2021

STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DE-PARTMENT

OIL CONSERVATION DIVI-SION, SANTE 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 hearings will be conducted remotely. The hearing will be conducted on Thursday, December 2, 2021, beginning at 8:15 A.M. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://ww w.emrrd.state.nm.us/OCD/h earings.info/ or obtained from Marlene Salvidrez@state.nm. us/imaging/CaseFileCriteria.a spx. 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 the hearing, contact Marlene.Salvidrez Salvidrez at Marlene.Salvidrez atte.m.us, or the New Mexico Relay Network at 1-800) 659-1779, no later than November 22, 2021.

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 overriding royalty interest owners and pooled parties, including Legacy Reserves Operating LP, Ball Oil & Gas LLC, Chisholm Energy, COG Operating LLC, ConocoPhillips Company, Daniel Brady, Trustee of the Daniel Brady Living Trust, Erin Brady Living Trust, Erin Brady Living Trust, Gross Family LP, Jay Reiser, Trustee of the Jay Reiser, Trustee of the Jay Reiser 2013 Trust, McDaniels Family Trust, Nortex Corporation, Bob Kent, Land Dept., Patrick Brady and Kimberly Brady, Trustee of the Patrick Brady & Kimberly Brady Living Trust, RAYBAW Operating, LLC, Spencer Family Holdings, LLC, Willis Royalty Inc.

CASE NO: 22231: Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an

Page 153 of 155

order nom the Division. (1) creating a standard 320acre, more or less, spacing and proration unit comprised of the EVEV of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Ruby Fed Com 502H Well, an oil well, to be horizontally drilled from a surface location in the NEWANEW of Section 15, Township 19 South, Range 33 East, N.M.P.M., to a bottom hole location in the SEVSEV of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southwest of Lovington, New Mexico. #0005010390, Current Argus, November 20, 2021

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 June 28, 2022 and ending with the issue dated June 28, 2022.

Publisher

Sworn and subscribed to before me this 28th day of June 2022.

Business Manager

My commission expires January 29, 2023 (Seal)

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

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

LEGAL NOTICE June 28, 2022

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Cill Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the CiDVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on Thursday, July 7, 2022, beginning at 8:15 A.M. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <u>http://www.emnrd.state.nm.us/OCD/hearings.inle/</u> or obtained from Marlene <u>Salvidrez at Marlene.Salvidrez@state.nm.us/Dacuments filed in the case may</u> bu viewed at <u>https://ocdimage.emnrd.state.nm.us/magi/Casef_liaCriterfa.aspx.fit</u> 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 altend or cvarticipate in the hearing, contact. Marlene Salvidrez at Marlene Salvidrez at Marlene 21 https://www.eti.com.oc.

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

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CASE NO: 22230: Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant In the above styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the W/sE% of Section 15 and W/sE% of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Ruby Fed Com 501H Well, an oil well, to be horizontaily drilled from a surface location in the NEK/NEK of Section 15, Township 19 South, Range 33 East, N.M.P.M., to a bottom hole location in the SW/SEK of Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodox in-location and the take points and lateral comply with Statewide R ulesfor selbacks; also to be considered will be the cost of drilling and completing the well and-the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and tands are located approximately 3 miles southwest of Lovington, New Mexico; #37602

67112105

MARY FINNEY

BEATTY & WOZNIAK, P.C.

500 DON GASPAR AVE.

SANTA FE, NM 87505

00268335

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 June 28, 2022 and ending with the issue dated June 28, 2022.

são //

Publisher

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LEGAL LEGAL LEGAL LEGAL NOTICE June 28, 2022 STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION, SANTE FE, NEW MEXICO The State of New Mexico, Energy Minerals and Natural Resources Departmen Oil Conservation Division ("Division") hereby gives notice that the Division wi 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 an hearings will be conducted remotely. The hearing will be conducted of Thursday, July 7, 2022, beginning at 8:15 A.M. To participate in the electroni-hearing, see the instructions posted below. The docket may be viewed a <u>http://www.emrid.state.nm.us/OCD/hearings-into/</u> or obtained from Marlen-Salvidroz at <u>Marlene.Salvidrez@state.nm.us.</u> Documents filed in the case may be viewed at <u>https://ocdimage.emuird.state.nm.us/imagin/CaseFileCriteria.asp</u> It you are an individual with a disability who needs a reader, amplifier, qualifie sign language interpreter, or other form of auxiliary aid or service to attend participate in the hearing, contact Marlene Salvidrez a <u>Marlene.Salvidrez@state.nm.us.</u> or the New Mexico Relay Network at 1-800 659-1779, no later than June 28, 2022. 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 Meridia whether or not so stated.) TO: All overriding royalty Interest owners and pooled partles, Including Legacy Reserves Operating LP, Ball Oll & Gas LLC, Chisholm Energy, COC Operating LLC, ConocoPhillips Company, Danlel Brady, Trustee of the Danle Brady Living Trust, Erin Brady, Trustee of the Erin Brady Living Trust, Gros Family LP, Jay Reiser, Trustee of the Jay Reiser 2013 Trust, McDaniels Famil Trust, Nancy Seaton Living Trust, Nortex Corporation, Bob Kent, Land Dept Patrick Brady and Kimberly Brady, Trustee of the Patrick Brady & Kimbert Brady Living Trust, RAYBAW Operating, LLC, Spencer Family Holdings, LLC Willis Royaliy Inc. CASE NO; 22231: Application of Legacy Reserves Operating LP for i Horizontal Spacing Unit and Compulsory Pooling, Lea County, Nev Mexico. Applicant in the above-styled cause seeks an order from the Divisior (1) creating a standard 320-acre, more or less, spacing and proralion unit comprised of the EWEW of Section 15 and EWEW of Section 22, Township 11 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and (2) pooling a uncommitted mineral interests in the Bone Spring formation, designated as an o pool, underlying said unit. The proposed well to be dedicated to the horizonte spacing unit is the Ruby Fed Com 502H Well, an oil well, to be horizontal drilled from a surface location in the NEMNEW of Section 15, Township 11 South, Range 33 East, N.M.P.M., to a bottom hole location in the SEWSEW c Section 22, Township 19 South, Range 33 East, N.M.P.M. The well is orthodo: in location and the take points and lateral comply with Statewide Rules to setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges fo supervision; the designation of the Applicant as Operator of the well and unit and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southwest of Lovington, Nev Mexico. #37803 #37803 00268336 67112105 MARY FINNEY BEATTY & WOZNIAK, P.C. 500 DON GASPAR AVE. SANTA FE, NM 87505 Oil Conservation Division Hearing - August 18, 2022

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