BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING NOVEMBER 17, 2022

CASE NO. 23074

WOODY FED COM 501H AND 502H WELLS

LEA COUNTY, NEW MEXICO



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

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

CASE NO. 23074

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23074	APPLICANT'S RESPONSE
Date	November 17, 2022
Applicant	Centennial Resource Production, LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID 372165
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CENTENNIAL RESOURCE
	PRODUCTION, LLC FOR COMPULSORY POOLING, LEA
Entries of Appearance/Intervenors:	COUNTY, NEW MEXICO.
Well Family	Woody 22 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	Featherstone; Bone Spring [24250]
Well Location Setback Rules:	Statewide setbacks
Spacing Unit Size:	480 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 acres, more or less
Building Blocks:	40 acres
Orientation:	South to North
Description: TRS/County	NW/4 of Section 22 and the W/2 of Section 15,
	Township 20 South, Range 35 East, NMPM, Lea
	County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Νο
Proximity Tracts: If yes, description	Yes
Proximity Defining Well: if yes, description	The completed interval of the Woody 22 Fed Com
BEFORE THE OIL CONSERVATION DIVISION	#501H well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent)
Santa Fe, New Mexico Exhibit No. A	tracts to allow inclusion of these proximity tracts
Submitted by: Centennial Resource Production, LLC	within the proposed horizontal spacing unit under
Hearing Date: November 17, 2022 Case No. 23074	NMAC 19.15.16.15.B(1)(b)
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	
• •	

Released to Imaging: 11/15/2022 2:49:24 PM

Received by OCD: 11/15/2022 2:49:00 PM Name & API (if assigned), surface and bottom hole location,	Page 4 of
footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Wood 22 Fed Com #501H well SHL: 2,144' FSL, 1,520' FWL (Unit K) of Section 22 FTP: 2,540' FNL, 1,370' FWL (Unit F) of Section 22 LTP: 100' FNL, 1,370 FWL (Unit C) of Section 15 BHL: 100' FNL, 1,370 FWL (Unit C) of Section 15 Completion Target: Bone Spring formation Well Orientation: South to North Completion Location expected to be: Proximity Trad
Well #2	Wood 22 Fed Com #502H well SHL: 2,144' FSL, 1,555 FWL (Unit K) of Section 22 FTP: 2,540' FNL, 2,265 FWL (Unit F) of Section 22 LTP: 100' FNL, 2,265' FWL (Unit C) of Section 15
	BHL: 100' FNL, 2,265' FWL (Unit C) of Section 15 Completion Target: Bone Spring formation Well Orientation: South to North Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4; D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	No
Ownership Depth Severance (including percentage above & bel	
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Released to Imaging: 11/15/2022 2:49:24 PM Overhead Rates in Proposal Letter	Exhibit C-4

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Received by OCD: 11/15/2022 2:49:00 PM	Page 5 of 4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information	provided in this checklist is complete and accurate.

Printed Name (Attorney or Party Representative):	Paula M. Vance	
Signed Name (Attorney or Party Representative):	Philip	
Date:	Tauthan	15-Nov-22

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

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

CASE NO. 23074

APPLICATION

Centennial Resource Production, LLC ("Centennial" or "Applicant"), (OGRID No. 372165) through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the NW/4 of Section 22 and the W/2 of Section 15, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Centennial states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Woody 22 Fed Com #501H** and **#502H wells**, both to be horizontally drilled from a surface location in the NE/4 SW/4 (Unit K) of Section 22 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 15.

3. The completed interval of the Woody 22 Fed Com #501H well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under NMAC 19.15.16.15.B(1)(b). BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B Submitted by: Centennial Resource Production, LLC Hearing Date: November 17, 2022 Case No. 23074

1

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

5. The pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 6, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert Adam G. Rankin

Julia Broggi Paula M. Vance Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com arankin@hollandhart.com jbroggi@hollandhart.com

ATTORNEYS FOR CENTENNIAL RESOURCE PRODUCTION, LLC

CASE ____:

Application of Centennial Recourse Production, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the NW/4 of Section 22 and the W/2 of Section 15, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Woody 22 Fed Com #501H and #502H wells, both to be horizontally drilled from a surface location in the NE/4 SW/4 (Unit K) of Section 22 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 15. The completed interval of the Woody 22 Fed Com #501H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under NMAC 19.15.16.15.B(1)(b). Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 17 miles northwest of Eunice, New Mexico.

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

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

CASE NO. 23074

SELF-AFFIRMED STATEMENT TRAVIS MACHA

My name is Travis Macha. I work for Centennial Resource Production, LLC 1. ("Centennial") as a Senior Landman.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by Centennial in this case, and I am familiar with the status of the lands in the subject area.

4. None of the uncommitted parties in this case has indicated opposition to proceeding by affidavit and, therefore, I do not expect any opposition at the hearing.

5. In Case No. 23074, Centennial seeks an order pooling all uncommitted interest owners in the Bone Spring formation Featherstone; Bone Spring Pool (24250) underlying a ed of the NW/4 of Section 22 *A*, Lea County, New Mexico. pacing unit to the proposed orizontally drilled from a **BEFORE THE OIL CONSERVATION DIVISION** Santa Fe, New Mexico Exhibit No. C standard 480-acre, more or less, horizontal well spacing unit comprised of the NW/4 of Section 22 and the W/2 of Section 15, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. Centennial seeks to pool and initially dedicate this Bone Spring spacing unit to the proposed Woody 22 Fed Com #501H and #502H wells, both to be horizontally drilled from a

Santa Fe, New Mexico Exhibit No. C Submitted by: Centennial Resource Production, LEC Hearing Date: November 17, 2022 Case No. 23074

Page 11 of 40

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

6. The completed interval of the **Woody 22 Fed Com #501H well** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under NMAC 19.15.16.15.B(1)(b).

7. **Centennial Exhibit C-1** contains a draft Form C-102 for the proposed initial wells in this standard spacing unit. The exhibit shows that the wells will be assigned to the Featherstone; Bone Spring Pool (24250).

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

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

10. **Centennial Exhibit C-3** contains a sample of the well proposal letters and AFEs sent to owners with a working interest. The costs reflected in the AFEs are consistent with what Centennial and other operators have incurred for drilling similar horizontal wells in the area in this formation.

11. Centennial requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

2

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12. **Centennial Exhibit C-5** contains a general summary of the contacts with the uncommitted interest owners. As indicated in the exhibit, Centennial has made a good faith effort to locate and has had communications with the majority of the parties that it seeks to pool in this case in an effort to reach voluntary joinder. In my opinion, Centennial has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

13. Centennial has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Centennial seeks to pool and instructed that they be notified of this hearing. Centennial has conducted a diligent search of all public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.

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

15. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

1

Travis Macha

11-10-22

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Date

District1 IG23 N. French Dr., Hobbs, NM 882:40 Phone: (373) 393-6161 Fax: (575) 393-0720 District II 811 S. Eirst St., Artesia, NM 88210 Phone: (573) 748-1283 Fax: (573) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Sant Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Case Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

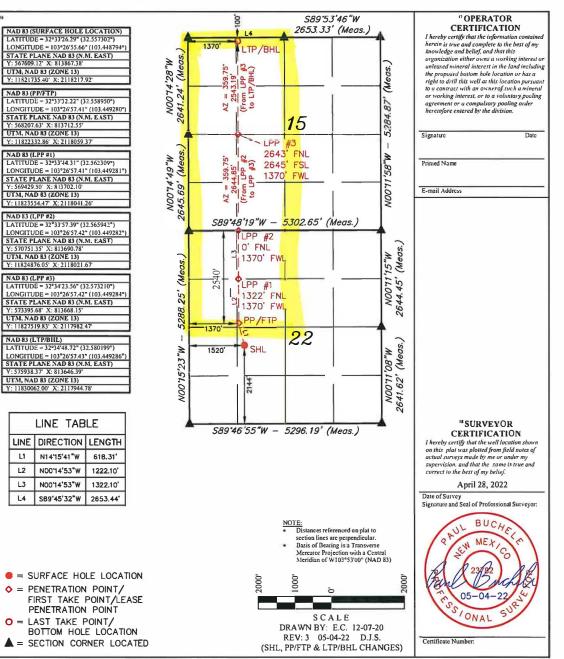
WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number 30-025-PENDING			¹ Pool Code 24250		Featherstone; Bone Spring			
4 Property C	⁴ Property Code ⁵ Property Name WOODY 22 FED COM							• Well Number 501H	
'OGRID / 37216		*Operator Name *Elevation CENTENNIAL RESOURCE PRODUCTION, LLC 3695.4'							
UL or lot no. K	Section 22	Township 20S	ip Range Lot Idn Feet from the North/South line Feet from the East/West line 35E 2144 SOUTH 1520 WEST				County LEA		
	"Bottom Hole Location If Different From Surface								
UL or lot no. C	Section 15	Township 20S	Range 35E	Lot Idn	Fect from the 100	North/South line NORTH	Feet from the 1370	East/West line WEST	County LEA

 C
 15
 20S⁻
 35E
 100

 1¹² Dedicated Acres 480
 1¹³ Joint or Infill
 1¹⁴ Consolidation Code
 1¹⁵ Order No

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



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District I 1625 N. Freuch Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Phone: (573) 393-6161 Fax: (575) 393-4020 District II 811 S. Fixt SL, Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztee, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220S. SL: Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

	API Numbe		WELL	1 Pool C	Code	AND AC	REAGE DED		Pool Name		
30-02 * Property C	25-PENI	DIN G		242	50	S Property N	me	Feather	stone; Bo	ne Spring	Well Number
-		ļ			w	OODY 22 FI	ED COM				502H
' OGRID N 37216				CENT	ENNIAL	Operator N RESOURCE	PRODUCTION,	LLC			* Elevation 3695.3'
						"Surface	Location				
UL or lot no. K	Section 22	Township 20S	Range 35E	Lot Id	n Fo	ct from the 2144	North/South line SOUTH	Feet from		East/West line WEST	County LEA
A		1 200 1		Ootton	n Uolo I		Different Fro			WEBT	LLA
UL or lot no.	Section	Township	Range	Lot Id		t from the	North/South line	Feet from		East/West line	County
C ¹² Dedicated Acro	15	20S Joint or Infill	35E ¹⁴ Consoli	idation (inde I	100	NORTH	226	5	WEST	LEA
480											
allowable wi	11 be assig	gned to this cor	mpletion un	til all i	nterests ha	ave been con	solidated or a non	ı-standard uni	t has been	approved by the	division.
5						100	S89'53	3'46 " W		"0	PERATOR
NAD 83 (SURFA	ACE HOLE	LOCATION)				14 1	2653.33	' (Meas.)			TIFICATION at the information conta
LONGITUDE =	103°26'55.25	5" (103.448680°)		1	226	5 LTP			T		complete to the best of n
<u>SГATE PLANE</u> Y: 567609.42' X	: 813902.37		M	(Meas.,		BHL			1	organization eithe	r owns a working intere- interest in the land inclu
UTM, NAD 83 (Y: 11821735.92'		.91'	86,	3.		359.75	2 <mark>2</mark>		(Meas.	the proposed botto right to drill this y	om hole location or has a vell at this location purs
NAD 83 (PP/FT		12 ((00100)	M"8C"	2641.24		359				or working interes	an owner of such a min it, or to a voluntary pool
	103°26'46.95	5" (103.446376°)	JUN	541.		AZ = 254	to L		5284.87		mpulsory pooling order
STATE PLANE Y: 568214.40' X	: 814607.39	.M. EASI)		26			15		284		
UTM, NAD 83 (Y: 11822345.23'		.03'		Ť		Î	LPP #3		20	Signature	Da
NAD 83 (LPP #			3	as.			2644' FN			-	
LATITUDE = 32 LONGITUDE =	103°26'46.96	5" (103.446377")	"07	We		359.75	2644' FS		58	Printed Name	
STATE PLANE Y: 569436.29' X	: 814596.93'		M,,07,74,00N	2645.69' (Meas.				····	W"85,11.00N	E-mail Address	
UTM, NAD 83 (Y: 11823566.87'		.92'	00	\$2.6		AZ .	to T		NOC	2 main roots	
NAD 83 (LPP #2			<	26	C 80	·48'10=W	5300 CE' (()			
LONGITUDE = 32	103°26'46.96	5° (103.446378°)		4	589		- 5302.65' (M	neas.)	k		
STATE PLANE Y: 570758.17' X						1 1	LPP #2 O'FNL		(·s		
UTM, NAD 83 (Y: 11824888.47'		.32'		15.)			2 <mark>265</mark> ' FWL		Ved Wed		
NAD 83 (LPP #		1		(Meas.)		2540'	100 ///	·	2.1.1		
LATTIUDE = 32 LONGITUDE =	103°26'46.97	7" (103.446379°)		2,			LPP #1 1322 FNL	1	NOO'11'15"W 44.45' (Mea		
STATE PLANE Y: 573401.95' X		M. EAST)		5288.25'		2	2 <mark>265</mark> ' FWL		N0071'15"W 2644.45' (Meas.)		
UTM, NAD 83 (Y: 11827531.71'	ZONE 13)	.14'		528	22	65.	PP/FTP				
NAD 83 (LTP/B				1	1555'	1	22		T		
LATTFUDE = 32 LONGITUDE =	°34'48.72" (3 103°26'46.97	32.580199°) * (103.446381°)		M.		SHL			W.		
TATE PLANE Y: 575945.92' X		.M. EAST)		2,53		<u>,</u> 1.:		1	'08"W (Meas		
UTM, NAD 83 (Y: 11830075.16'	ZÓNE 13)	.42'		N00'15'23"W		2144		1	N00'11 541.62'		
				ž					N0071'08"W 2641.62' (Meas.)		
1.163										U.S.	INVEVOD
	E TAE			-	<i>S89</i>	*46 '55 "W	- 5296.19' (1	Meas.)		CERT	URVEYOR
	ECTION	LENGTH								on this plat was p	at the well location sho lotted from field notes o
	36'32"E	929.15'								supervision, and t	de by me or under my hat the same is true an
	014'53"W	1222.13' 1322.13'								correct to the best	of my belief. 11 28, 2022
	45'32"W	2653.44'								Date of Survey	. 20, 2022
		2000.17									of Professional Surveyo
							NOTE:	mmond on what		ill	BUCHE
							section lines a	renced on plat to re perpendicular. ing is a Transverse		2ª	MEX, CO
							Mercator Proj	ection with a Cen /103°53'00" (NAI	tral	1 AU	5
	ACE UC		N			-		100 00 (NAI		AR	23/22 184
$\diamond = SURF$ $\diamond = PENE$		DLE LOCATIO				2000'	,000		2000'	Vane	Duchit
FIRST	TAKE	POINT/LEAS	SE			2			2	105	-04-22
		N POINT					SCA	LE		155510	NAL SUL
O = LAST	TAKE	POINT/					DRAWN BY:		0		

S C A L E DRAWN BY: E.C. 12-07-20 REV: 3 05-04-22 D.J.S.

(SHL, PP/FTP & LTP/BHL CHANGES)

Certificate Number

O = LAST TAKE POINT/ BOTTOM HOLE LOCATION

▲ = SECTION CORNER LOCATED

Exhibit C-2 Ownership Map Township 20 South, Range 35 East, Lea County, New Mexico

			1
		Woody Fed Com	Fed Com #501H
NMNM 025369		Woody Fed Com F	ed Com #502H
OXY: 60.96% CDEV.: 36.5%			
		Rono Saring	
NMNM 132075		Bone Spring Spacing Unit	
CDEV 100%	i -		
		15	
NMNM 016835 Exxon: 100%			
	Fee		
NMNM 141011	OXY: 60.96% CDEV: 36.58%		
Incline: 50%	i i		
BEXP II: 50%			
		22	
		DEDG	

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-2 Submitted by: Centennial Resource Production, LLC Hearing Date: November 17, 2022 Case No. 23074

Exhibit C-3 Woody 22 Fed Com #501H - #502H Ownership Schedule

Ow	nership Schedule	
Name	Interest Type	Working Interest
Tract 1 - NW/4 Sect	ion 15, T20S R35E - 160 :	acres
Charles R. Wiggins	ORRI	N/A
Andrea C. Wiggins	ORRI	N/A
Morris E. Schertz	ORRI	N/A
Richard H. Coats	ORRI	N/A
Tim Goudeau	ORRI	N/A
Occidental Permian Limited Partnership	Working Interest	0.01640000
A.G. Andrikopoulos Resources, Inc.	Working Interest	0.60960000
Centennial Resource Production, LLC (Formerly BTA		0.36580000
Centennial Resource Production, LLC	Working Interest	0.00820000
Total		1.00000000
	ion 15, T20S R35E - 160 a	
Apache	ORRI	N/A
Centennial Resource Production, LLC	Working Interest	1.00000000
Total	6	1.00000000
Unknown Successor Trustee of the W. Oscar Neuhaus Residuary		
Trust for Edward K. Neuhaus created by Last Will of W. OscarNeuhaus as amended by Second and Third Codicils	ORRI	N/A
Unknown Successor Trustee of the W. Oscar Neuhaus Residuary		
Trust for Laurance B. Neuhaus created by Last Will of W. OscarNeuhaus as amended by Second and Third Codicils	ORRI	N/A
W.O. Neuhaus III and Kay F. Neuhaus as Co-Trustees of the W.O.		IN/A
III and Kay F. Neuhaus Revocable Trust	ORRI	N/A
Houston Trust Company, in its capcity as Trustee of the Howard F Smith Jr. Trust F/B/O Louise Smith Neuhaus	ORRI	N/A
XTO Holdings, Inc.	Working Interest	1.00000000
Total	0	1.00000000
	Section 22, T20S R35E - 4	
HED Enterprises, LP	ORRI	N/A
KWF Enterprises, LP	ORRI	N/A
BEXP II Alpha, LLC	Working Interest	0.21319000
BEXP II Omega, LLC	Working Interest	0.28681000
Incline Permian, LLC	Working Interest	0.5000000
Total	working interest	1.0000000
	ection 22, T20S R35E - 80	
	Working Interest	
A.G. Andrikopoulos Resources, Inc.	Working Interest	0.01640000
		0.60960000
Centennial Resource Production, LLC (Formerly BTA		0.36580000
Centennial Resource Production, LLC	Working Interest	0.00820000
Total	1 1 . 400 .	1.00000000
	led in 480 acre spacing u	nit I
Charles R. Wiggins	ORRI	
Andrea C. Wiggins	ORRI	
Morris E. Schertz	ORRI	
Richard H. Coats	ORRI	
Tim Goudeau	ORRI	
HED Enterprises, LP	ORRI	
KWF Enterprises, LP Unknown Successor Trustee of the W. Oscar Neuhaus Residuary	ORRI	
Trust for Edward K. Neuhaus created by Last Will of W. OscarNeuhaus as amended by Second and Third Codicils	ORRI	
Unknown Successor Trustee of the W. Oscar Neuhaus Residuary Trust for Laurance B. Neuhaus created by Last Will of W. OscarNeuhaus as amended by Second and Third Codicils	ORRI	
W.O. Neuhaus III and Kay F. Neuhaus as Co-Trustees of the W.O. III and Kay F. Neuhaus Revocable Trust Houston Trust Company, in its capcity as Trustee of the Howard F	ORRI	
Smith Jr. Trust F/B/O Louise Smith Neuhaus	ORRI	
XTO Holdings, Inc.	Working Interest	0.08333333
OXY	Working Interest	0.30480000
A.G. Andrikopoulos Resources, Inc.	Working Interest	0.00820000

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Exhibit C-3 Woody 22 Fed Com #501H - #502H Ownership Schedule

	Ownership Schedule	
BEXP II Alpha, LLC	Working Interest	0.01776583
BEXP II Omega, LLC	Working Interest	0.02390083
Total:		0.47966667
Ov	wners NOT being Pooled	
Centennial Resource Production, LLC	Working Interest	0.52033333
Total:		0.52033333
Total Working Interest:		1.00000000



October 25, 2021

RE: Corrected Well Proposal Woody 22 Fed Com 501H
SHL: 2,144' FSL Sec. 22 & 1,219' FWL Sec. 22 T20S R35E
BHL: 100' FNL Sec. 15 & 330' FWL Sec. 15 T20S R35E
Lea County, New Mexico

To Whom it May Concern:

This letter is subject to the well proposal previously sent, dated October 6, 2021. Please note that the updated spacing unit below has been corrected from the previous letter.

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Woody 22 Fed Com 501H as a horizontal well to test the Bone Spring Formation at a TVD of 10,700 feet. The W/2 of the referenced Section 15 and the NW/4 of Section 22 will be dedicated to the well as the proration unit being a total of 480.00 acres. Please see the enclosed AFE in the amount of \$8,569,073.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of October 1, 2020. The JOA contains a proposed overhead rate of \$8000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

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

Best Regards,

Frances Ivers Contract Land Coordinator

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-4 Submitted by: Centennial Resource Production, LLC Hearing Date: November 17, 2022 Case No. 23074

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



THE UNDERSIGNED HEREBY ELECTS <u>**TO PARTICIPATE**</u> IN THE CAPTIONED WOODY 22 FEDERAL COM #501H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this _____ day of _____, 2020.

Owner Name:	
-------------	--

Signature: _____

By:				
2				

Title:			

THE UNDERSIGNED HEREBY ELECTS <u>NOT TO PARTICIPATE</u> IN THE CAPTIONED WOODY 22 FEDERAL COM #501H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this _	day of	, 2020.
-------------------------------	--------	---------

Owner Name: _____

Signature: _____

By:			
•			

Title:_____



Authorization for Expenditure

AFE Number	401864	Original
Drilling Total (\$)	\$3,272,671	
Completion Total (\$)	\$2,886,538	
Facilities Total (\$)	\$1,772,296	
Flowback Total (\$)	\$637,568	
AFE Total (\$)	\$8,569,073	

AFE Description				
Property Name	Well: Woody 22 Fed Com 501H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - TX	
Scheduled Spud Date	Jan 16, 2022	Estimated TVD (m)		
Target Zone	SBSG SAND	Estimated MD (m)		

Non Operator Approval

Company	
Approved By	
Title	
Date	

Cost Estimate

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$368,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$330,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$29,000.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$74,000.00	8015.2300	IDC - FUEL / POWER	\$84,500.00
8015.2400	IDC - RIG WATER	\$18,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$174,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$60,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$205,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$69,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$6,500.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$49,250.00
8015.3700	IDC - DISPOSAL	\$111,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$48,000.00
8015.4200	IDC - MANCAMP	\$52,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$105,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$13,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$12,300.00
8015.5200	IDC - CONTINGENCY	\$144,087.00	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,000.00
8015.2350	IDC - FUEL/MUD	\$105,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$72,236.72
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$162,435.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$381,543.75	8020.1500	TDC - WELLHEAD EQUIPMENT	\$69,168.75
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$61,750.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

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8025.1200	ICC - COMPLETION RIG	L	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20.000.00
8025.1200	ICC - FUEL / POWER	\$.00		ICC - COILED TUBING	\$20,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00		ICC - WATER DISPOSAL/VACUUM TRUCK	\$12,285.00
8025.1900	ICC - INSPECTION & TESTING	\$.00		ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$205,900.00		ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00		ICC - WELL STIMULATION/FRACTUR	\$1,277,002.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$105,655.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00		ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300		\$.00		ICC - RENTAL EQUIPMENT	\$203,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$52.650.00	8025.3600		\$5,000.00
8025.3700		\$15,000.00		ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00			\$.00
8025.3050	ICC - SOURCE WATER	\$581,101.00		ICC - COMPANY LABOR	\$.00
Account	Description	Total (\$)		Description	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00		TCC - PROD LINER & EQUIPMENT	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$20,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$83,750.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$215,000.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$67,500.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$331,250.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$16,250.00	8035.3400	FAC - METER & LACT	\$123,750.00
8035.3600	FAC - ELECTRICAL	\$20,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$45,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$32,500.00	8035.4500	FAC - CONTINGENCY	\$84,395.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$15,000.00	8035.1800	FAC - FUEL / POWER	\$.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$10,000.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	\$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1310	PLN - PEMANENT EASEMENT	\$24,061.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
8036.1500	PLN - MATERIALS & SUPPLIES	\$.00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1700	PLN - RENTAL EQUIPMENT	\$.00	8036.1900		
8036.2000			8030.1900	PLN - WATER DISPOSAL / SWD	\$.00
	PLN - WASTE DISPOSAL	\$.00		PLN - WATER DISPOSAL / SWD PLN - INSPECTION & TESTING	\$.00
8036.2200	PLN - WASTE DISPOSAL PLN - CONTRACT LABOR	·	8036.2100		
8036.2200 8036.2400		\$.00	8036.2100 8036.2300	PLN - INSPECTION & TESTING	\$.00
	PLN - CONTRACT LABOR	\$.00	8036.2100 8036.2300 8036.2500	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL	\$.00 \$.00
8036.2400	PLN - CONTRACT LABOR PLN - SUPERVISION	\$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2800	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES	\$.00 \$.00 \$.00
8036.2400 8036.2700	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE	\$.00 \$.00 \$.00 \$597,840.00	8036.2100 8036.2300 8036.2500 8036.2800 8036.3000	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE	\$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY	\$.00 \$.00 \$.00 \$597,840.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2500 8036.3000 8036.3200	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER	\$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT	\$.00 \$.00 \$.00 \$597,840.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2800 8036.3000 8036.3200 8036.3400	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3300	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP	\$.00 \$.00 \$597,840.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2800 8036.3000 8036.3200 8036.3200 8036.3400 8036.3600	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - METER	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3300 8036.3500	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR	\$.00 \$.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2600 8036.3000 8036.3200 8036.3400 8036.3600 8036.3600	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - METER PLN - ELECTRICAL SUPPLIES	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3300 8036.3500 8036.3610	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL	\$.00 \$.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2600 8036.3000 8036.3000 8036.3400 8036.3600 8036.3600 8036.3600 8036.3600	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - METER PLN - ELECTRICAL SUPPLIES PLN - POWER DISTRIBUTION LABOR	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3300 8036.3500 8036.3500 8036.3700	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL PLN - AUTOMATION	\$.00 \$.00 \$597,840.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2600 8036.3000 8036.3000 8036.3400 8036.3600 8036.3600 8036.3600 8036.3600	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - METER PLN - ELECTRICAL SUPPLIES PLN - POWER DISTRIBUTION LABOR PLN - SAFETY / ENVIRONMENTAL	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3300 8036.3500 8036.3610 8036.3700 8036.3700 8036.4300	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL PLN - AUTOMATION PLN - INSURANCE	\$.00 \$.00 \$597,840.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2800 8036.3000 8036.3000 8036.3000 8036.3400 8036.3600 8036.3600 8036.4000 8036.4000	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - METER PLN - ELECTRICAL SUPPLIES PLN - POWER DISTRIBUTION LABOR PLN - SAFETY / ENVIRONMENTAL	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3300 8036.3500 8036.3500 8036.3610 8036.3700 8036.4300 8036.4500 Account	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - AUTOMATION PLN - INSURANCE PLN - CONTINGENCY Description	\$.00 \$.00 \$597,840.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2600 8036.3000 8036.3200 8036.3400 8036.3600 8036.3600 8036.3600 8036.3600 8036.3600 8036.3600 8036.3600 8036.3620 8036.4000 8036.4400	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - METER PLN - ELECTRICAL SUPPLIES PLN - POWER DISTRIBUTION LABOR PLN - COMPANY LABOR	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3300 8036.3500 8036.3610 8036.3610 8036.4300 8036.4300 8036.4500 Account 8040.1100	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL PLN - AUTOMATION PLN - INSURANCE PLN - CONTINGENCY Description IFC - ROADS LOCATIONS / PITS	\$.00 \$.00 \$597,840.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2600 8036.3000 8036.3200 8036.3400 8036.3600 8036.3620 8036.3620 8036.3620 8036.4400 8036.4400 8036.1200	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - METER PLN - ELECTRICAL SUPPLIES PLN - POWER DISTRIBUTION LABOR PLN - COMPANY LABOR Description IFC - COMPLETION RIG	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3500 8036.3500 8036.3610 8036.3700 8036.4300 8036.4500 Account 8040.1100 8040.1400	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL PLN - AUTOMATION PLN - INSURANCE PLN - CONTINGENCY Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE	\$.00 \$.00 \$597,840.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2600 8036.3200 8036.3200 8036.3400 8036.3620 8036.3620 8036.3620 8036.3400 8036.3400 8036.3400 8036.3620 8036.3620 8036.4000 8036.4000 8036.1200 8036.1200 8040.1200 8040.1500	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - WALVES FITTINGS & PIPE PLN - METER PLN - POWER DISTRIBUTION LABOR PLN - SAFETY / ENVIRONMENTAL PLN - COMPANY LABOR IFC - COMPLETION RIG IFC - FUEL / POWER	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2900 8036.3100 8036.3500 8036.3500 8036.3610 8036.3700 8036.4300 8036.4500 Account 8040.1100 8040.1600	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL PLN - AUTOMATION PLN - CONTINGENCY Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE IFC - COILED TUBING	\$.00 \$.00 \$597,840.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2600 8036.3200 8036.3400 8036.3600 8036.3600 8036.3600 8036.3600 8036.3600 8036.3600 8036.3600 8036.3620 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - WALVES FITTINGS & PIPE PLN - METER PLN - ELECTRICAL SUPPLIES PLN - POWER DISTRIBUTION LABOR PLN - SAFETY / ENVIRONMENTAL PLN - COMPANY LABOR Description IFC - COMPLETION RIG IFC - CEMENTING & SERVICES	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2700 8036.3100 8036.3100 8036.3500 8036.3610 8036.3610 8036.3610 8036.4300 8036.4500 Account 8040.1100 8040.1600 8040.1899	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL PLN - AUTOMATION PLN - INSURANCE PLN - CONTINGENCY Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE IFC - COILED TUBING IFC - FRAC WATER RECOVERY	\$.00 \$.00 \$597,840.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2500 8036.3200 8036.3200 8036.3400 8036.3600 8036.3600 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8040.1200 8040.1500 8040.1700 8040.1900	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - WETER PLN - ELECTRICAL SUPPLIES PLN - SAFETY / ENVIRONMENTAL PLN - COMPANY LABOR Description IFC - COMPLETION RIG IFC - CEMENTING & SERVICES IFC - INSPECTION & TESTING	\$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
8036.2400 8036.2700 8036.2700 8036.3100 8036.3100 8036.3500 8036.3500 8036.3610 8036.3700 8036.4300 8036.4500 Account 8040.1100 8040.1400 8040.1600 8040.2000	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL PLN - AUTOMATION PLN - INSURANCE PLN - CONTINGENCY Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE IFC - FRAC WATER RECOVERY IFC - TRUCKING/VACUUM/TRANSP	\$.00 \$.00 \$.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2800 8036.3000 8036.3000 8036.3400 8036.3600 8036.3600 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8040.1200 8040.1200 8040.1700 8040.2200	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - VALVES FITTINGS & PIPE PLN - METER PLN - ELECTRICAL SUPPLIES PLN - POWER DISTRIBUTION LABOR PLN - SAFETY / ENVIRONMENTAL PLN - COMPANY LABOR IFC - COMPLETION RIG IFC - FUEL / POWER IFC - CEMENTING & SERVICES IFC - INSPECTION & TESTING IFC - ELECTRIC LOGGING/PERFORATING	\$.00 \$.00
8036.2400 8036.2700 8036.2700 8036.3100 8036.3100 8036.3500 8036.3610 8036.3610 8036.4300 8036.4500 Account 8040.1100 8040.1600 8040.1899	PLN - CONTRACT LABOR PLN - SUPERVISION PLN - PIPELINE PLN - TANK BATTERY PLN - TREATING EQUIPMENT PLN - PUMP PLN - COMPRESSOR PLN - POWER DISTRIBUTION MATERIAL PLN - AUTOMATION PLN - INSURANCE PLN - CONTINGENCY Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE IFC - COILED TUBING IFC - FRAC WATER RECOVERY	\$.00 \$.00 \$.00 \$597,840.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00	8036.2100 8036.2300 8036.2500 8036.2800 8036.3000 8036.3000 8036.3400 8036.3600 8036.3600 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8036.4000 8040.1200 8040.1700 8040.1200 8040.2200 8040.2200	PLN - INSPECTION & TESTING PLN - FRAC TANK RENTAL PLN - CONSULTING SERVICES PLN - FLOWLINE PLN - SEPARATOR / SCRUBBER PLN - VALVES FITTINGS & PIPE PLN - WETER PLN - ELECTRICAL SUPPLIES PLN - SAFETY / ENVIRONMENTAL PLN - COMPANY LABOR Description IFC - COMPLETION RIG IFC - CEMENTING & SERVICES IFC - INSPECTION & TESTING	\$.00 \$.00

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8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$63,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$7,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$10,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$10,000.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$14,000.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$10,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00

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October 25, 2021

RE: Corrected Well Proposal Woody 22 Fed Com 502H SHL: 2,144' FSL Sec. 22 & 1,254' FWL Sec. 22 T20S R35E BHL: 100' FNL Sec. 15 & 990' FWL Sec. 15 T20S R35E Lea County, New Mexico

To Whom it May Concern:

This letter is subject to the well proposal previously sent, dated October 6, 2021. Please note that the updated spacing unit below has been corrected from the previous letter.

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Woody 22 Federal Com 502H as a horizontal well to test the Bone Spring Formation at a TVD of 10,700 feet. The W/2 of the referenced Section 15 and the NW/4 of Section 22 will be dedicated to the well as the proration unit being a total of 480.00 acres. Please see the enclosed AFE in the amount of \$8,569,073.00

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of October 1, 2021. The JOA contains a proposed overhead rate of \$8000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

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

Best Regards,

Frances Ivers Contract Land Coordinator



THE UNDERSIGNED HEREBY ELECTS <u>**TO PARTICIPATE**</u> IN THE CAPTIONED WOODY 22 FEDERAL COM #502H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this _____ day of _____, 2020.

Owner Name: _____

Signature: _____

By: _____

THE UNDERSIGNED HEREBY ELECTS <u>NOT TO PARTICIPATE</u> IN THE CAPTIONED WOODY 22 FEDERAL COM #502H WELLBORE, AND TO GO NONCONSENT.

AGREED TO and ACCEPTED this _____ day of _____, 2020.

Owner Name: _____

Signature: _____

By: _____

Title:_____



Authorization for Expenditure

AFE Number	401865	Original
Drilling Total (\$)	\$3,272,671	
Completion Total (\$)	\$2,886,538	
Facilities Total (\$)	\$1,772,296	
Flowback Total (\$)	\$637,568	
AFE Total (\$)	\$8,569,073	

AFE Description				
Property Name	Well: Woody 22 Fed Com 502H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - TX	
Scheduled Spud Date	May 27, 2022	Estimated TVD (m)		
Target Zone	SBSG SAND	Estimated MD (m)		

Non Operator Approval

Company	
Approved By	
Title	
Date	

Cost Estimate

8015.1200 II 8015.1400 II 8015.1600 II	DC - PERMITS,LICENSES,ETC DC - LEGAL, TITLE SERVICES DC - ROAD, LOCATIONS, PITS	\$15,000.00 \$13,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1400 II 8015.1600 II	DC - ROAD, LOCATIONS, PITS	\$13,000.00	0045 4000		
8015.1600 II			8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
		\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
	DC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$368,000.00
8015.1800 II	DC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$330,000.00
8015.2000 II	DC - CONDUCTOR HOLE & SERVICE	\$29,000.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200 II	DC - BITS, TOOLS, STABILIZERS	\$74,000.00	8015.2300	IDC - FUEL / POWER	\$84,500.00
8015.2400 II	DC - RIG WATER	\$18,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$174,000.00
8015.2600 II	DC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$60,000.00
8015.2800 II	DC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000 II	DC - CEMENT SERV/FLOAT EQUIP	\$205,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$69,000.00
8015.3200 II	DC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$6,500.00
8015.3500 II	DC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$49,250.00
8015.3700 II	DC - DISPOSAL	\$111,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900 II	DC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$48,000.00
8015.4200 II	DC - MANCAMP	\$52,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$105,000.00
8015.4400 II	DC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$13,400.00
8015.4800 II	DC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$12,300.00
8015.5200 II	DC - CONTINGENCY	\$144,087.00	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950 II	DC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,000.00
8015.2350 II	DC - FUEL/MUD	\$105,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000 T	FDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$72,236.72
8020.1200 T	FDC - CASING - INTERMEDIATE - 1	\$162,435.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400 T	FDC - CASING - PRODUCTION	\$381,543.75	8020.1500	TDC - WELLHEAD EQUIPMENT	\$69,168.75
8020.1700 T	TDC - PACKER/DOWNHOLE TOOLS	\$61,750.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000 I	CC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

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	¢.00	9025 1400		\$20,000.00
				\$20,000.00
	,			\$12,285.00
				\$13,125.00
				\$10,000.00
				\$1,277,002.00
				\$105,655.00
				\$.00
				\$203,000.00
				\$5,000.00
				\$10,000.00
				\$.00
				\$.00
ICC - SOURCE WATER		0023.4400	ICC - COMPANY LABOR	
Description	Total (\$)	Account	Description	Total (\$)
TCC - CASING - PRODUCTION	\$.00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Description	Total (\$)	Account	Description	Total (\$)
FAC - ROAD LOCATIONS PITS	\$20,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
FAC - CONTRACT LABOR / ROUSTAB	\$83,750.00	8035.2400	FAC - SUPERVISION	\$16,000.00
FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$215,000.00
FAC - HEATER TREATER/SEPERATOR	\$67,500.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$331,250.00
FAC - CIRCULATING TRNSFER PUMP	\$16,250.00	8035.3400	FAC - METER & LACT	\$123,750.00
FAC - ELECTRICAL	\$20,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$45,000.00
FAC - FLARE/COMBUSTER	\$32,500.00	8035.4500	FAC - CONTINGENCY	\$84,395.00
FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
FAC - RENTAL EQUIPMENT	\$15,000.00	8035.1800	FAC - FUEL / POWER	\$.00
FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$10,000.00
FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
FAC - COMPANY LABOR	\$.00			I
Description	Total (\$)	Account	Description	Total (\$)
PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	\$.00
PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
PLN - PEMANENT EASEMENT	\$24,061.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
PLN - MATERIALS & SUPPLIES	\$.00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
			PLN - WATER DISPOSAL / SWD	\$.00
PLN - WASTE DISPOSAL	\$.00		PLN - INSPECTION & TESTING	\$.00
PLN - CONTRACT LABOR	\$.00			\$.00
				\$.00
				\$.00
				\$.00
				\$.00
				\$.00
				\$.00
				\$25,000.00
				\$.00
PLN - INSURANCE	\$.00	6036.4400	PLN - COMPANY LABOR	\$.00
PLN - CONTINGENCY				Total (*
PLN - CONTINGENCY Description	Total (¢)	Account	Description	
Description	Total (\$)			
Description IFC - ROADS LOCATIONS / PITS	\$.00	8040.1200	IFC - COMPLETION RIG	\$14,175.00
Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE	\$.00	8040.1200 8040.1500	IFC - COMPLETION RIG IFC - FUEL / POWER	\$14,175.00
Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE IFC - COILED TUBING	\$.00 \$6,825.00 \$.00	8040.1200 8040.1500 8040.1700	IFC - COMPLETION RIG IFC - FUEL / POWER IFC - CEMENTING & SERVICES	\$14,175.00 \$.00 \$.00
Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE IFC - COILED TUBING IFC - FRAC WATER RECOVERY	\$.00 \$6,825.00 \$.00 \$160,068.00	8040.1200 8040.1500 8040.1700 8040.1900	IFC - COMPLETION RIG IFC - FUEL / POWER IFC - CEMENTING & SERVICES IFC - INSPECTION & TESTING	\$14,175.00 \$.00 \$.00 \$.00
Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE IFC - COILED TUBING IFC - FRAC WATER RECOVERY IFC - TRUCKING/VACUUM/TRANSP	\$.00 \$6,825.00 \$.00 \$160,068.00 \$10,000.00	8040.1200 8040.1500 8040.1700 8040.1900 8040.2200	IFC - COMPLETION RIG IFC - FUEL / POWER IFC - CEMENTING & SERVICES IFC - INSPECTION & TESTING IFC - ELECTRIC LOGGING/PERFORATING	\$14,175.00 \$.00 \$.00 \$.00 \$.00 \$.00
Description IFC - ROADS LOCATIONS / PITS IFC - WIRELINE OPEN/CASED HOLE IFC - COILED TUBING IFC - FRAC WATER RECOVERY	\$.00 \$6,825.00 \$.00 \$160,068.00	8040.1200 8040.1500 8040.1700 8040.1900 8040.2200	IFC - COMPLETION RIG IFC - FUEL / POWER IFC - CEMENTING & SERVICES IFC - INSPECTION & TESTING	Total (\$) \$14,175.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00 \$.00
	TCC - CASING - PRODUCTIONTCC - PACKER/DOWNHOLE TOOLSDescriptionFAC - ROAD LOCATIONS PITSFAC - CONTRACT LABOR / ROUSTABFAC - P-LINE F-LINE LINEPIPEFAC - HEATER TREATER/SEPERATORFAC - CIRCULATING TRNSFER PUMPFAC - ELECTRICALFAC - FLARE/COMBUSTERFAC - SURFACE DAMAGE / ROWFAC - RENTAL EQUIPMENTFAC - NSPECTION & TESTINGFAC - CONSULTING SERVICESFAC - DEHYDRATOR EQUIPMENTFAC - SAFETY / ENVIRONMENTALFAC - COMPANY LABORDescriptionPLN - PERMITS LICENSES ETCPLN - PEMANENT EASEMENTPLN - PEMANENT EASEMENTPLN - RENTAL EQUIPMENT	ICC - FUEL / POWER \$192.070.00 ICC - CEMENTING & SERVICES \$.00 ICC - INSPECTION & TESTING \$205.900.00 ICC - CASING CREW AND TOOLS \$00 ICC - CONTRACT LABOR/ROUSTABOUT \$15.000.00 ICC - COMMUNICATIONS \$00 ICC - COMMUNICATIONS \$00 ICC - WELL-BAD/FRACTREE REPAIR \$40.000.00 ICC - COMMUNICATIONS \$15.000.00 ICC - WELL CONTROL INSURANCE \$00 ICC - SOURCE WATER \$581.101.00 Description Total (\$) TCC - CASING - PRODUCTION \$00 TCC - CASING - PRODUCTION \$00 TCC - CONTRACT LABOR / ROUSTAB \$83.760.00 FAC - ROAD LOCATIONS PITS \$200.000.00 FAC - ONTRACT LABOR / ROUSTAB \$83.760.00 FAC - CONTRACT LABOR / ROUSTAB \$80.700.00 FAC - CONTRACT LABOR / ROUSTAB \$80.700.00 <	ICC - FUEL / POWER \$192,07000 8025.1600 ICC - CEMENTING & SERVICES \$.00 8025.1800 ICC - ILSPECTION & TESTING \$.00 8025.2300 ICC - CASING GREW AND TOOLS \$.00 8025.2300 ICC - CONTRACT LABOR/ROUSTABOUT \$15,000.00 8025.2300 ICC - CONTRACT LABOR/ROUSTABOUT \$15,000.00 8025.300 ICC - COMULINCATIONS \$.00 8025.300 ICC - WELL STE SUPERVISION \$52,650.00 8025.300 ICC - WELL CONTROL INSURANCE \$.00 8025.400 ICC - SAFETY / ENVIRONMENTAL \$15,000.00 8025.400 ICC - SOURCE WATER \$\$81,101.00 8025.400 Description Total (\$) Account TCC - CASING - PRODUCTION \$.00 8035.200 TCC - CASING - PRODUCTION \$.00 8035.200 TCC - CASING - PRODUCTION \$.00 8035.200 FAC - ROAD LOCATIONS PITS \$20,000.00 8035.2400 FAC - CONTRACT LABOR / ROUSTAB \$83,700 8035.2400 FAC - CONTRACT LABOR / ROUSTAB \$83,700 8035.3700	ICC - FUEL / POWER \$182,070.00 8025 1800 ICC - COLLED TUBING ICC - REMENTING & SERVICES \$0.00 8025 3800 ICC - CONVECTING ICC - REMENTING & SERVICES \$0.00 8025 3000 ICC - CONVECTING ICC - REMENTING & SERVICES \$0.00 8025 3000 ICC - CONVECTING ICC - CONTRACT LABORROUSTABOUT \$15,000.00 8025 3000 ICC - WEL ISTINUATIONERRACTUR ICC - CONTRACT LABORROUSTABOUT \$15,000.00 8025 3000 ICC - REMARL COUNTRACTUR ICC - CONTRUCT LABORROUSTABOUT \$15,000.00 8025 3000 ICC - SERVICES ICC - CONTRUCT LABORROUSTABOUT \$15,000.00 8025 3000 ICC - SERVICES ICC - CONTRUCT LABORROUSTABON \$28,850.00 RCC - SERVICES ICC - SERVICES ICC - CONTRUCTING INSURANCE \$15,000.00 8025 3400 ICC - CONTRUCTING ICC - SURCE WATER \$151,000.00 8025 3400 ICC - CONTRUCTING ICC - CONTROCTINA \$100 8000 1000 ICC - SURCEWANT ICC - SURCE WATER \$1500.000 8035 3000 ICC - CONTRUCTING ICC - CONTROCT NASTRER \$1500.000

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8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$63,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$7,000.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$10,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$10,000.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$14,000.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$10,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00

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Date	Action
July 1, 2019	Centennial acquired leases in Sections 1 and 12, T20S R35E, Lea County, NM
	Brokers under Centennial's direction began to research and contact uncommitted
October 6, 2021	owners
November 4, 2021	Sent well proposals for Woody 22 Fed Com #501H and #502H
November 15, 2021	Sent JOA to XTO Holdings, LLC for review
November 29, 2021	Andrikopoulos elects to participate in the wells
June 6, 2022	BEXP II and XTO Holdings elect to participate
September 2, 2022	Filed for compulsory pooling hearing
September 12, 2022	Centennial and BTA begin to work an acreage trade
September 30, 2022	Sent JOA to OXY for review
November 10, 2022	CDEV/BTA trade closed whereas CDEV aquired BTA's interest in the Unit

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

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

CASE NO. 23074

SELF-AFFIRMED STATEMENT OF ISABEL HARPER

1. My name is Isabel Harper. I work for Centennial Resource Production, LLC ("Centennial") as a Geologist.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by Centennial in this case, and I have conducted a geologic study of the lands in the subject area.

4. Centennial is targeting the Bone Spring formation in this case.

5. **Centennial Exhibit D-1** is a locator map. It shows Centennial's acreage in yellow and the path of the proposed wellbores, with the surface hole and bottom hole locations, as well as the outline of the proposed spacing unit.

6. **Centennial Exhibit D-2** is a subsea structure map that I prepared for the targeted interval within the Bone Spring formation, with a contour interval of 50 feet. The structure map shows the Bone Spring gently dipping to the west. The Bone Spring structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontally drilling the wells proposed in the spacing unit.

7. **Centennial Exhibit D-3** shows a line of cross-section in blue consisting of wells penetrating the Bone Spring formation that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.

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

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

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

11. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving Centennial's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

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

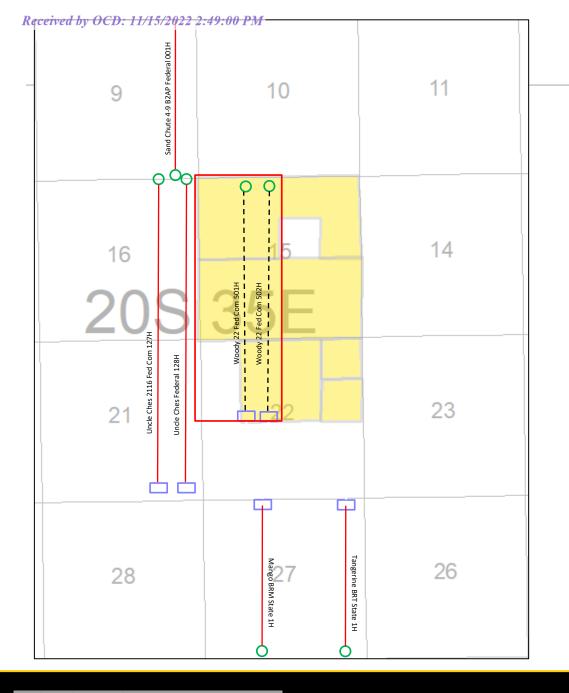
2

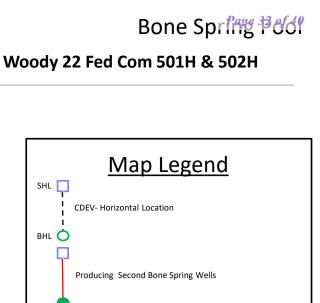
13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this selfaffirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Isabel Harper

12/15/22

Date



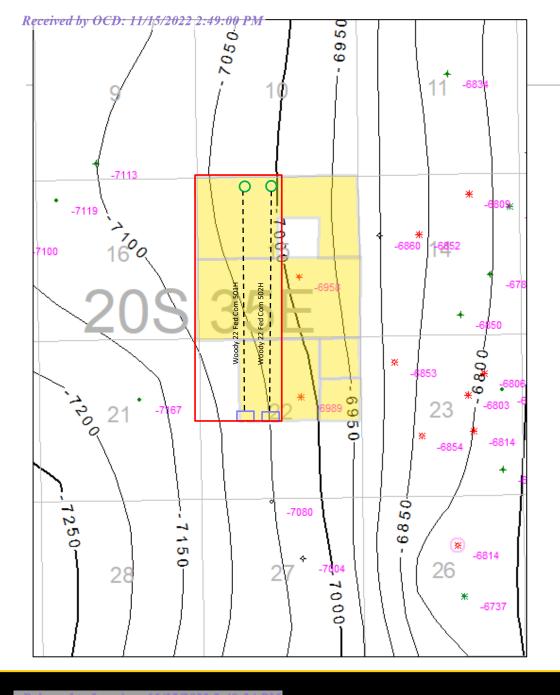


CDEV Operating Acreage

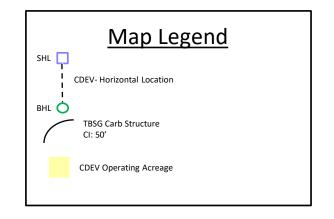
Woody State Com Unit

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-1 Submitted by: Centennial Resource Production, LLC Hearing Date: November 17, 2022 Case No. 23074



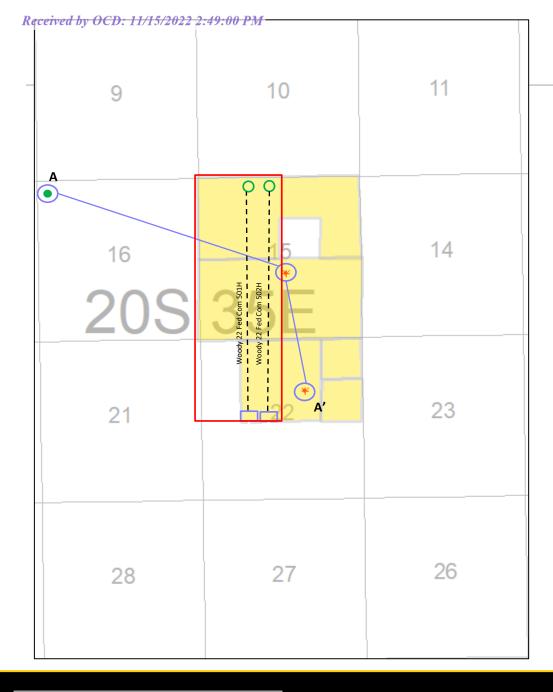


Bone Spring එරරා TBSG Carb Structure Grid



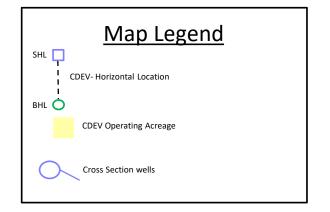
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-2 Submitted by: Centennial Resource Production, LLC Hearing Date: November 17, 2022 Case No. 23074





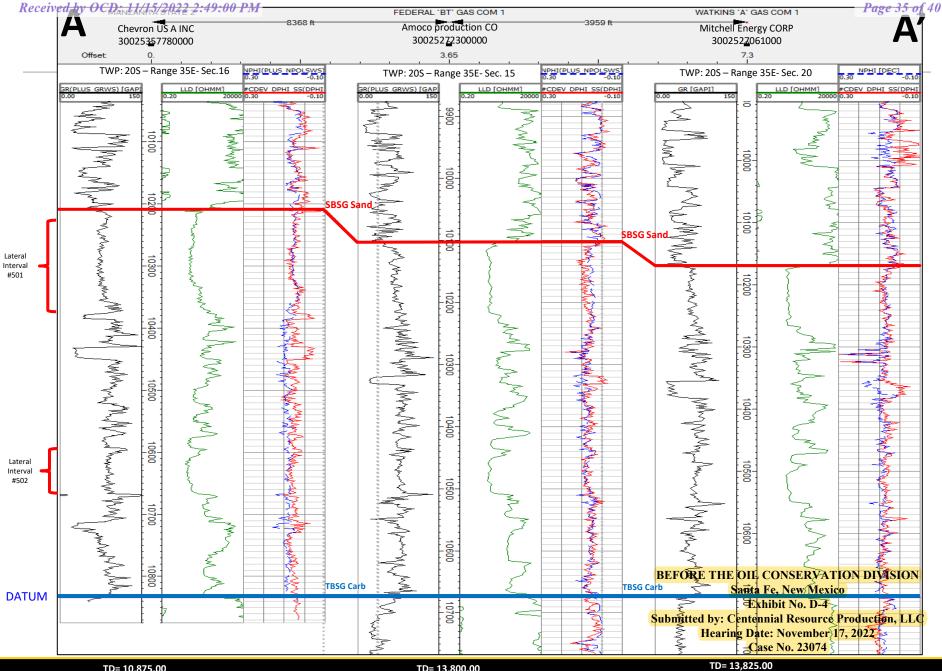
Cross Section SBSG Pool³⁴ of 40

Woody 22 Federal Com 501H and 502H



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-3 Submitted by: Centennial Resource Production, LLC Hearing Date: November 17, 2022 Case No. 23074





CENTENNIAL

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

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

CASE NO. 23074

<u>SELF-AFFIRMED STATEMENT OF</u> <u>PAULA M. VANCE</u>

1. I am attorney in fact and authorized representative of Centennial Resource Production, LLC ("Centennial"), the Applicant herein. I have personal knowledge of the matters addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of November 14, 2022.

5. I caused a notice to be published to all parties subject to these compulsory pooling proceedings on November 18, 2022. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached as Exhibit F.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. E Submitted by: Centennial Resource Production, LLC

Hearing Date: November 17, 2022 Case No. 23074 Received by OCD: 11/15/2022 2:49:00 PM

Pakto 11 1/2

Paula M. Vance

11/15/2022

Date

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Paula M. Vance Associate Phone (505) 988-4421 Email pmvance@hollandhart.com

September 16, 2022

<u>VIA CERTIFIED MAIL</u> <u>CERTIFIED RECEIPT REQUESTED</u>

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Centennial Resource Production, LLC for Compulsory Pooling, Lea County, New Mexico: <u>Woody Fed Com 501H and 502H wells.</u>

Ladies & Gentlemen:

This letter is to advise you that Centennial Resource Production, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on October 6, 2022, and the status of the hearing can be monitored through the Division's website at <u>http://www.emnrd.state.nm.us/ocd/</u>.

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

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Gavin Smith at (720) 499-1474 or Gavin.Smith@cdevinc.com.

Sincerely,

Paula M. Vance ATTORNEY FOR CENTENNIAL RESOURCE PRODUCTION, LLC

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

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

Centennial_Woody 501H and 502H Case No. 23074 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item has been delivered to an agent for final
						delivery in HOUSTON, TX 77046 on September 19, 2022
9414811898765819911336	Occidental Permian, LP	5 Greenway Plz Ste 110	Houston	ТΧ	77046-0521	at 12:18 pm.
						Your item was picked up at the post office at 1:06 pm on
9414811898765819911039	Morris E. Schertz	1407 S Sunset Ave	Roswell	NM	88203-2626	September 29, 2022 in ROSWELL, NM 88201.
						Your item was picked up at a postal facility at 9:28 am
9414811898765819911411	Apache Corporation	303 Veterans Airpark Ln Ste 1000	Midland	тх	79705-4572	on September 19, 2022 in MIDLAND, TX 79705.
						Your package will arrive later than expected, but is still
9414811898765819911459	HED Enterprises I.P.	4925 Greenville Ave Ste 500	Dallas	тх	75206 4021	on its way. It is currently in transit to the next facility.
9414811898705819911459	· · ·	4925 Greenville Ave Ste 500	Dallas	17	75200-4031	· · · ·
	Howard F. Smith, Jr. Trust f/b/o Louise Smith					Your item was delivered at 10:32 am on October 6, 2022
9414811898765819911466	Neuhaus	1001 Fannin St Ste 700	Houston	тх	//002-6///	in SANTA FE, NM 87501.
						Your item was delivered to an individual at the address
						at 12:31 pm on September 19, 2022 in SANTA FE, NM
9414811898765819911428	W.O., III and Kay F. Neuhaus Revocable Trust	479 Camino Don Miguel	Santa Fe	NM	87505-5947	87505.
						Your item was delivered to an individual at the address
	W. Oscar Neuhaus Residuary Trust f/b/o Laurence					at 11:58 am on September 19, 2022 in HOUSTON, TX
9414811898765819911404	B. Neuhaus	4874 Post Oak Timber Dr	Houston	тх	77056-2210	77056.
						Your item was delivered to an individual at the address
	W. Oscar Neuhaus Residuary Trust f/b/o Edward					at 3:26 pm on September 19, 2022 in HOUSTON, TX
9414811898765819911442		10906 Little Lisa Ln	Houston	тх	77024-5419	
5111011050705015511112			nouston	17	770213113	Your item was delivered at 10:26 am on September 19,
0/1/01100076501001127/	A.G. Andrikopoulos Resources, Inc.	PO Box 788	Cheyenne	WV	02002 0700	2022 in CHEYENNE, WY 82003.
5414811858765815511574		10 000 788	cheyenne	VV I	82003-0788	Your item was refused by the addressee at 9:37 am on
						October 13, 2022 in SANTA FE, NM 87501 and is being
9414811898765819911015	XTO Holdings, LLC	810 Houston St	Fort Worth	ТХ	76102-6203	returned to the sender.
						Your item was delivered to the front desk, reception
						area, or mail room at 12:27 pm on September 20, 2022
9414811898765819911060	Incline Energy Partners, LP	830 Taylor St	Fort Worth	TX	76102-6123	in FORT WORTH, TX 76102.
						Your package will arrive later than expected, but is still
9/1/811898765819911022	Five States Energy Company, LLC	4925 Greenville Ave Ste 1220	Dallas	тх	75206-4015	on its way. It is currently in transit to the next facility.
5414011050705015511022		+525 Greenville Ave Ste 1220	Dallas	17	75200-4015	on its way. It is currently in transit to the next facility.
						Your package will arrive later than expected, but is still
0444044000765040044000	Tim Courdeou		N Alalla sel	TV	70705 7500	
9414811898765819911008	IIM GOUDEAU	2102 N I St	Midland	тх	/9/05-/523	on its way. It is currently in transit to the next facility.
						Your item was delivered to an individual at the address
						at 10:56 am on September 20, 2022 in MIDLAND, TX
9414811898765819911091	Richard H. Coats & Sigrid M. Coats	2709 N L St	Midland	ТΧ	79705-7419	
						Your item was delivered at 11:57 am on September 23,
9414811898765819911046	Charles R. Wiggins	PO Box 10862	Midland	ТΧ	79702-7862	2022 in MIDLAND, TX 79701.
						Your item was delivered to an individual at the address
0444044000765040011001	Andrea C. Missing				70724 4242	
9414811898765819911084	Andrea C. Wiggins	4104 Tablerock Dr	Austin	ТХ	/8/31-1340	at 2:38 pm on September 19, 2022 in AUSTIN, TX 78731.

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Received by OCD: 11/15/2022 2:49:00 PM

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

luss, 11

Publisher

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

Business Manager

My commission expires January 29, 2023 (Seal) GUSSIE BLACK

Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023 This newspaper is duly qualified to publish

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 September 18, 2022

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division "Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, October 6, 2022, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than **September 26**, **2022**.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e1447be00925affa f6fcca5f41319e396

Event number: 2482 759 5959 Event password: A3ZeCT474dF

Join by video: 24827595959@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your meeting number Numeric Password: 130956

Join by audio: 1-844-992-4726 United States Toll Free Access code: 2482 759 5959

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

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

To: All interest owners subject to pooling proceedings, including: Occidental Permian, LP; A.G. Andrikopoulos Resources, Inc.: XTO Holdings, LLC; Incline Energy Partners, LP; Five States Energy Company, LLC; Tim Goudeau, his heirs and devisees; Richard H. Coats & Sigrid M. Coats, their heirs and devisees; Charles R. Wiggins, his heirs and devisees; Andrea C. Wiggins, her heirs and devisees; Morris E. Schertz, his heirs and devisees; Apache Corporation; HED Enterprises, LP; Howard F. Smith, Jr. Trust *fibio* Louise Smith Neuhaus; W.O., III and Kay F. Neuhaus Revocable Trust; W. Oscar Neuhaus Residuary Trust *fibio* Laurence B. Neuhaus; and W. Oscar Neuhaus Residuary Trust *fibio* Edward K. Neuhaus.

Case No. 23074: Application of Centennial Recourse Production, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the NW/4 of Section 22 and the W/2 of Section 15, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Woody 22 Fed Com #501H and #502H wells; both to be horizontally drilled from a surface location in the NE/4 SW/4 (Unit K), of Section 22 to a bottom hole location in the NE/4 SW/4 (Unit C) of Section 15. The completed interval of the Woody 22 Fed Com #501H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under NMAC 19.15.16.15.B(1)(b). Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operatior of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 17 miles northwest of Eunice, New Mexico.

67100754

00270978

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208 BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. F Submitted by: Centennial Resource Production, LLC Hearing Date: November 17, 2022 Case No. 23074

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