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

APPLICATION OF V-F PETROLEUM INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 23227

HEARING EXHIBITS

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Ryan Curry
A-1	Application & Proposed Notice of Hearing
A-2	C-102s
A-3	Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation
A-4	Sample Well Proposal Letter & AFEs
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Michael Burke
B-1	Location Map
B-2	First Bone Spring Subsea Structure Map
B-3	Second Bone Spring Subsea Structure Map
B-4	Third Bone Spring Subsea Structure Map
B-5	Stratigraphic Cross-Section
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Sample Notice Letter to All Interested Parties
C-2	Chart of Notice to All Interested Parties, Copies of Certified Mail Receipts and Returns

COMPULSOR? POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23227	APPLICANT'S RESPONSE
Date	January 5, 2023
Applicant	V-F Petroleum Inc.
Designated Operator & OGRID (affiliation if applicable)	OGRID # 24010
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of V-F Petroleum, Inc, for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None.
Well Family	Cache River
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	WC-025 G-07 5223505N; Bone Spring Formation (Pool Code 98136)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240-acre
Building Blocks:	quarter-quarter
Orientation:	North/South
Description: TRS/County	W/2 SE/4 of Section 29 and the W/2 E/2 of Section 32, Township 21 South, Range 35 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

	Ţ]
WR delived by OCD: 12/30/2022 10:00:08 AM	Cache River 29 32 State Com #103H (API #) Page 3 of 4
	SHL: 2540' FSL & 1980' FEL (Unit J), Section 29, T21S-R35E BHL: 100' FSL & 1980' FEL (Unit O), Section 32, T21S-R35E
	Completion Target: Bone Spring (Approx. 9300' TVD)
Well #2	Cache River 29 32 State Com #203H (API #)
	SHL: 2540' FSL & 1980' FEL (Unit J), Section 29, T21S-R35E
	BHL: 100' FSL & 1980' FEL (Unit O), Section 32, T21S-R35E
	Completion Target: Bone Spring (Approx. 10100' TVD)
Well #3	Cache River 29 32 State Com #303H (API #)
	SHL: 2540' FSL & 1980' FEL (Unit J), Section 29, T21S-R35E BHL: 100' FSL & 1980' FEL (Unit O), Section 32, T21S-R35E
	Completion Target: Bone Spring (Approx. 10805' TVD)
	competion to Bed Serie change the series of
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing)	N/A
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List	
(including lease numbers and owners) of Tracts subject to notice	
requirements. Pooled Parties (including ownership type)	N/A Exhibit A-3
Unlocatable Parties to be Pooled Ownership Depth Severance (including percentage above &	N/A
	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B

spaceneyetherschematic30/2022 10:00:08 AM	Exhibit B-1 Page 4 d	of 4.
Gunbarrel/Lateral Trajectory Schematic	N/A	
Well Orientation (with rationale)	Exhibit B	
Target Formation	Exhibit B	
HSU Cross Section	Exhibit B-1	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit A-2	
Tracts	Exhibit A-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3	
General Location Map (including basin)	Exhibit B-1	
Well Bore Location Map	Exhibit B-1	
Structure Contour Map - Subsea Depth	Exhibit B-2, Exhibit B-3, Exhibit B-4	
Cross Section Location Map (including wells)	Exhibit B-2, Exhibit B-3, Exhibit B-4	
Cross Section (including Landing Zone)	Exhibit B-5	
Additional Information		
Special Provisions/Stipulations		
CERTIFICATION: I hereby certify that the information pro-	vided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy	
Signed Name (Attorney or Party Representative):	Dana S. Hardy	
Date:	28-Dec-22	

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

APPLICATION OF V-F PETROLEUM INC, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 23227

SELF-AFFIRMED STATEMENT OF RYAN CURRY

1. I am a Landman with V-F Petroleum Inc. ("V-F"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of V-F's Application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit. Therefore, I do not expect any opposition at hearing.

4. V-F applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2 SE/4 of Section 29 and the W/2 E/2 of Section 32, Township 21 South, Range 35 East, Lea County, New Mexico ("Unit").

5. The Unit will be dedicated to the following wells, which will be completed in the WC-025 G-07 5223505N; Bone Spring Formation (98136) Pool:

• Cache River 29 32 State Com #103H well, which will be horizontally drilled from a surface hole location in the NW/4 SE/4 (Unit J) of Section 29 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 32;

V-F Petroleum Inc. Case No. 23227 Exhibit A

- Cache River 29 32 State Com #203H well, which will be horizontally drilled from a surface hole location in the NW/4 SE/4 (Unit J) of Section 29 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 32; and
- Cache River 29 32 State Com #303H well, which will be horizontally drilled from a surface hole location in the NW/4 SE/4 (Unit J) of Section 29 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 32.
- 6. The completed intervals of the Wells will be orthodox.
- 7. **Exhibit A-2** contains the C-102s for the Wells.

8. **Exhibit A-3** contains a plat that identifies ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests V-F seeks to pool highlighted in yellow. All of the parties are locatable in that V-F believes it located valid addresses for them. To locate the interest owners, I performed internet searched on multiple databases, including Lexis-Nexis Accurint, which is a paid subscription service.

9. V-F has conducted a diligent search of all county public records including phone directories and computer databases.

10. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to the working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

11. In my opinion, V-F made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit** A-5.

12. V-F requests overhead and administrative rates of \$8,000.00 per month while the Wells are being drilled and \$800.00 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by V-F and other operators in the vicinity.

13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

14. In my opinion, the granting of V-F's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

15. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Ryan B Curry Ryan Curry

<u>12/19/22</u> Date

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

APPLICATION OF V-F PETROLEUM INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 23227

APPLICATION

Pursuant to NMSA 1978, § 70-2-17, V-F Petroleum Inc. (OGRID No. 24010) ("V-F" or "Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2 SE/4 of Section 29 and the W/2 E/2 of Section 32, Township 21 South, Range 35 East, Lea County, New Mexico ("Unit"). In support of this application, V-F states the following:

- 1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
 - 2. The Unit will be dedicated to the following wells ("Wells"):
 - a. The Cache River 29 32 State Com #103H well, to be drilled from a surface hole location in the NW/4 SE/4 (Unit J) of Section 29 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 32;
 - b. The Cache River 29 32 State Com #203H well, to be drilled from a surface hole location in the NW/4 SE/4 (Unit J) of Section 29 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 32; and
 - c. The Cache River 29 32 State Com #303H well, to be drilled from a surface hole location in the NW/4 SE/4 (Unit J) of Section 29 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 32.
 - 3. The completed intervals of the Wells will be orthodox.

V-F Petroleum Inc. Case No. 23227 Exhibit A-1 4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.

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

6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 5, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the Wells;
- E. 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
- F. 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,

HINKLE SHANOR LLP

<u>/s/ Dana S. Hardy</u>

Dana S. Hardy Jaclyn M. McLean Yarithza Peña P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 98208623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com *Counsel for V-F Petroleum Inc.* **Application of V-F Petroleum, Inc. for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted interests in the Bone Spring Formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2 SE/4 of Section 29 and the W/2 E/2 of Section 32, Township 21 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the **Cache River 29 32 State Com #103H**, **Cache River 29 32 State Com # 203H**, and the **Cache River 29 32 State Com # 303H** wells, which will be drilled from a surface hole location in the NW/4 SE/4 (Unit J) of Section 29 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 32. The completed intervals of the wells will be orthodox. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 13 miles west of Eunice, New Mexico.

DISTRICT I 1825 N. French Dr., 1 Phone (576) 393-6161 F DISTRICT II 811 S. First St., A Phone (576) 748-1233 F DISTRICT III 1000 Rio Brazos R Phone (505) 334-6178 F	ax: (575) 393-07 rtesia, NM 8 ax: (575) 748-97 d Aztec. NM	20 8210 20 87410	OIL	CON 12	nerals an SER 20 Sou	d Natural $VATI$ th St.	Ext w Mexico Resources Departmo ON DIVIS Francis Dr. Mexico 87505	Sul	Revised Aug	
DISTRICT IV 1220 S. St. Francis D Phone (505) 476-3460 F	r., Santa Fe, N Fax: (505) 476-34	M 87505 62	WELL LO	CATION	I AND	ACREA	GE DEDICATIO	ON PLAT	□ AMENDED	REPORT
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V-F Petroleum Inc.

Case No. 23227 Exhibit A-2 Page 12 of 43

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DISTRICT I 1825 N. French Dr., Hobbs, NM 86240 Phone (575) 393-6161 Fax: (576) 393-0720 DISTRICT II 811 S. First St., Artesia, NM 86210 Phone (575) 746-1263 Fax: (575) 746-9720

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone (505) 334-6176 Fax: (506) 334-6170 DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone (506) 476-3460 Fax: (506) 476-3462 State of New Mexico Energy, Minerals and Natural Resources Department Form C-102 Revised August 4, 2011

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

□ AMENDED REPORT

ADI	Number		η	Pool Code		1		Pool Name		
API	Number			98136			WC-025 G-	07 S223505N;	Bone Spring	
Property C	Code	Č.		70150	Prop	erty Nam		07 3223303IN,		ımber
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UL or lot No.	Section	Township	Range	Lot Idn	Feet fro	om the	SOUTH/South line	Feet from the	East/West line	County
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DISTRICT I 1825 N. French Dr., Hobbs, NM 88240 Phone (875) 393-6181 Fax: (575) 393-0720 DISTRICT II 811 S. First St., Artesia, NM 88210 Phone (575) 746-1263 Fax: (575) 746-9720

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Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

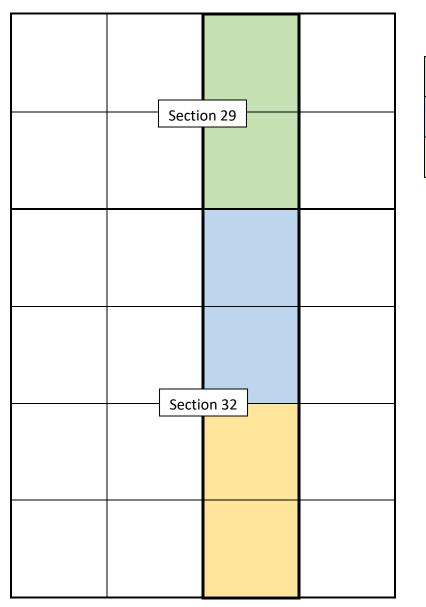
□ AMENDED REPORT

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API N	lumber			Pool Code		Pool Name					
		š	-	98136	Bone Spring Well Number						
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Released to Imaging: 12/30/2022 10:01:51 AM

V-F Petroleum Inc. Cache River 29 32 State Com 103H, 203H, 303H

Township 21 South – Range 35 East, N.M.P.M. Section 29: W/2SE/4 Section 32: W/2E/2 Lea County, New Mexico Limited in Depth to the Bone Spring Formation



Tract 1
State of NM E0-1921
Tract 2
State of NM E0-1924
Tract 3
State of NM VC-600-1

V-F Petroleum Inc. Case No. 23227 Exhibit A-3

Tract 1: Section 29: W/2SE/4 (80.00 Acres more or less)	
V-F Petroleum, Inc.	3.650000%
Gahr Energy Company	7.310000%
J.M. Gahr	7.620000%
Fuel Products, Inc.	13.630000%
COG Operating LLC	57.750000%
Rutter & Wilbanks	0.540000%
Michael Christopher Finseth	2.500000%
Heirs or Devisees of Patricia Doyle Finseth	1.000000%
Legacy Reserves Operating, LP	3.000000%
The Ninety-Six Corporation	3.000000%
Total	100.00000%
Tract 2: Section 32: W/2NE/4 (80.00 Acres more or less)	
ConocoPhillips Company	100.000000%
conocor minps company	100.00000070
Tract 3: Section 32: W/2SE/4 (80.00 Acres more or less)	
Permian Resources Operating, LLC	100.000000%
Unit Working Interest	
V-F Petroleum, Inc.	1.216667%
Gahr Energy Company	2.436667%
J.M. Gahr	2.540000%
Fuel Products, Inc.	4.543333%
COG Operating LLC	19.250000%
Rutter & Wilbanks	0.180000%
Michael Christopher Finseth	0.833333%
Heirs or Devisees of Patricia Doyle Finseth	0.333333%
The Ninety-Six Corporation	1.000000%
Legacy Reserves Operating, LP	1.000000%
Permian Resources Operating, LLC	33.333333%
ConocoPhillips Company	33.333334%
Total	100.000000%
Total Committed to Unit	63.500000%
Total Seeking to Pool	36.500000%
Parties We Seek to Pool	



Physical Address: 500 W. Texas, Suite 350, Midland, Texas, 79701; Phone 432-683-3344; Mailing Address: P.O. Box 1889, Midland, Texas, 79702; e-mail: ryan@vfpetroleum.com

August 31, 2022

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

Transmitted Via United States Postal System – Certified Mail – Return Receipt Requested

RE: Well Proposals – Cache River 29 32 State Com Wells Township 21 South – Range 35 East, N.M.P.M. W/2SE/4 of Section 29 & W/2E/2 of Section 32 240 Acres, more or less – Bone Spring Formation Lea County, New Mexico

Ladies and/or Gentlemen:

V-F Petroleum, Inc., as operator, ("V-F") hereby proposes to drill, complete and equip each of the below referenced horizontal wells at the locations so indicated, to respectively test the Bone Spring formation as herein described.

Cache River 29 32 State Com #103H, to be drilled to a depth sufficient to test the Bone Spring Formation at an approximated measured depth of 17,220' and total vertical depth of 9,300'. The estimated surface hole location is 2,540' FSL and 1,980' FEL of Section 29 (Unit Letter J) or an approved location in Section 29. The estimated bottom hole location is 100' FSL and 1,980' FEL of Section 32 (Unit Letter O) or an approved location in Section 32. The dedicated spacing unit will consist of the W/2SE/4 of Section 29 & the W/2E/2 of Section 32, T21S-R35E, Lea County, NM. The estimated cost to drill, complete and equip this well is \$9,413,270 as shown on the enclosed AFE.

Cache River 29 32 State Com #203H, to be drilled to a depth sufficient to test the Bone Spring Formation at an approximated measured depth of 17,920' and total vertical depth of 10,100'. The estimated surface hole location is 2,540' FSL and 1,980' FEL of Section 29 (Unit Letter J) or an approved location in Section 29. The estimated bottom hole location is 100' FSL and 1,980' FEL of Section 32 (Unit Letter O) or an approved location in Section 32. The dedicated spacing unit will consist of the W/2SE/4 of Section 29 & the W/2E/2 of Section 32, T21S-R35E, Lea County, NM. The estimated cost to drill, complete and equip this well is \$9,955,920 as shown on the enclosed AFE.

Cache River 29 32 State Com #303H, to be drilled to a depth sufficient to test the Bone Spring Formation at an approximated measured depth of 18,625' and total vertical depth of 10,805'. The estimated surface hole location is 2,540' FSL and 1,980' FEL of Section 29 (Unit Letter J) or an approved location in Section 29. The estimated bottom hole location is 100' FSL and 1,980' FEL of Section 32 (Unit Letter O) or an approved location in Section 32. The dedicated spacing unit will consist of the W/2SE/4 of Section 29 & the W/2E/2 of Section 32, T21S-R35E, Lea County, NM. The estimated cost to drill, complete and equip this well is \$10,239,505 as shown on the enclosed AFE.

V-F Petroleum Inc. Case No. 23227 Exhibit A-4 V-F is proposing these wells under the terms of a new A.A.P.L. Form 610 - 1989 Model Form Operating Agreement, Horizontal Modifications ("Operating Agreement"), designating V-F Petroleum Inc. as Operator, covering the W/2SE/4 of Section 29 and the W/2E/2 of Section 32, T21S, R35E, N.M.P.M, Lea County, New Mexico, containing approximately 240 acres, more or less, covering the Bone Spring formation ("Contract Area") with the following general provisions:

- 100%/300% Non-Consenting Penalty;
- \$8,000/\$800 Drilling and Producing Rate; and
- V-F Petroleum Inc. named Operator.

If you should desire not to participate in the drilling and completion of the wells herein proposed, V-F is willing to discuss an alternative proposal to acquire your oil and gas interests in this area.

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

Please indicate your intention to either **<u>participate</u> or <u>not participate</u>** in the drilling, completion and equipping of each of the above referenced wells by placing an "X" in the appropriate spaces provided below, and return one (1) executed copy of this letter, one (1) executed AFE for each well you have elected **<u>to participate</u>** and one (1) executed copy of the enclosed Operating Agreement. If you have any questions or concerns, please do not hesitate in contacting Ryan Curry, Landman for V-F Petroleum Inc. by phone at (432) 683-3344 or by email at <u>ryan@vfpetroleum.com</u>.

Best Regards,

Repor B Cerry

Ryan Curry Landman

Enclosures

Elections set forth on the following pages

ELECTIONS

Elect to Participate in the Cache River 29 32 State Com #103H Well
Elect Not to Participate in the Cache River 29 32 State Com #103H Well
Elect <u>to</u> Participate in the <u>Cache River 29 32 State Com #203H Well</u> Elect Not to Participate in the Cache River 29 32 State Com #203H Well
Elect to Participate in the Cache River 29 32 State Com #303H Well
Elect Not to Participate in the Cache River 29 32 State Com #303H Well

By: COG Operating LLC Title: _____

Date:

		ļ	/-F]	Petro	oleu	m In	IC.		API No.	
						PENDITURE			AFE Number	
v			7	-	evised: Aug	gust 31,2022			Well Type	First BS Sand Horizontal Oil Well 1.5 Mile
X	Original Drill Well		Supplement Workover	t		Revision Facilities		Re-Entry Plug & Abandon	Projected TD: Proposal	MD 17,220' New Drill 9,300' TVD
Lease Name/V			County / St	ate	Formation	1 definites	Basin	Field or Prospect	SHL: Unit Letter J of Se	
	29 32 State Co	m #103H	Lea	NM	1st Bone S	Spring	Permian	Rawhide (San Simon)	BHL: Unit Letter O of S	
Acct								COST BEFORE	COMPLETION	TOTAL
Code			INTANG	IBLE DESC	RIPTION			CASING POINT	COST	WELL COST
501	PERMITS &	ENVIROMEN	NTAL SERV	ICES				\$10,000	\$10,000	\$20,000
516	TITLE OPINI	ON, CURATI	IVE & POOL	.ING				\$25,000		\$25,000
501		STAKE LOC	CATION					\$5,000		\$5,000
501	DAMAGES &							\$25,000		\$25,000
502/711	ROADS, LOO							\$100,000	\$10,000	\$110,000
503		IG MOBILIZA	ATION COS			005.000		\$250,000		\$250,000
503 503	DRILLING R RIG HOUSIN				days @	\$25,000		\$675,000 \$54,000		\$675,000 \$54,000
503	STEERING	0		30	days @ days @	\$1,800		\$34,000		\$34,000
503		RS & DIRECT	TIONAL		uays (a			\$165,000		\$165,000
517		OP & DISPOS		27	days @	\$4,000		\$108,000		\$105,000
505		C CHEMICAI		27	uuys u	\$1,000		\$156,000	\$60,000	\$216,000
505/716		ne & Fresh); F		R				\$40,000	\$465,000	\$505,000
503	BITS, REAM							\$125,000		\$125,000
503	FUEL			60750	gallons @	\$5		\$303,750		\$303,750
504	CEMENTING	SURFACE						\$35,500		\$35,500
504	CEMENTING	INTERMED	DIATE					\$70,000		\$70,000
701	CEMENTING	F PRODUCTIO	ON						\$120,000	\$120,000
509/705	TUBULAR S	ERVICES						\$20,000	\$30,000	\$50,000
509/705	CASING CRI	EWS / HYDRA	AULIC CAT	WALK				\$20,000	\$25,000	\$45,000
513/708	FLOAT EQU	IPMENT, CEN	NTRALIZER	S, ECP'S, D	V TOOLS			\$12,000	\$35,000	\$47,000
507	TESTING; CO	OMPLETION,	, FLOWBAC	K					\$110,000	\$110,000
508	OPEN HOLE	LOGGING								
508	MUD LOGGI				days @	\$2,000		\$36,000		\$36,000
509/705		HOURLY LA	BOR, SAFE	ГҮ РАҮ				\$65,000		
509/713	EQUIPMENT							\$52,000	\$135,000	\$187,000
509/714		TRANSPORT						\$22,000		\$22,000
715		N UNIT; COI							\$310,000	\$310,000
704		N STIMULAT			C N LICC				\$2,000,000	\$2,000,000
702/03		E LOGGING,		ING & FRA	C PLUGS			620.000	\$195,000	\$195,000
510/11/706		ENGINEERI		27	1 @	62.000		\$30,000	\$55,000	\$85,000
509/705		CONSULTAN			days @	\$3,000		\$81,000	\$52,000	\$133,000
				27						
514	DRILLING W	`	A/O)	27	days @	\$200		\$5,400	\$5,000	\$10,400
515/705	INSURANCE	ì	A/O)	27	days @	\$200		\$35,000	\$15,000	\$50,000
515/705 513/708	INSURANCE MISCELLAN	E IEOUS	A/O)	27	days @	\$200		\$35,000 \$30,000	\$15,000 \$181,000	\$50,000 \$211,000
515/705 513/708 509/705	INSURANCE	E IEOUS NCY (10%)		27	days @	\$200		\$35,000	\$15,000	\$50,000
515/705 513/708 509/705	INSURANCE MISCELLAN CONTINGEN	E IEOUS NCY (10%)	OST			\$200		\$35,000 \$30,000 \$252,000	\$15,000 \$181,000 \$380,000	\$50,000 \$211,000 \$632,000
515/705 513/708 509/705 TOTAL INT	INSURANCE MISCELLAN CONTINGEN	E IEOUS NCY (10%)	OST	27 BLE DESCR		\$200		\$35,000 \$30,000 \$252,000 \$2,807,650	\$15,000 \$181,000 \$380,000 \$4,193,000	\$50,000 \$211,000 \$632,000 \$7,000,650
515/705 513/708 509/705 TOTAL INT Acct	INSURANCE MISCELLAN CONTINGEN	E IEOUS NCY (10%)	OST			\$200 Weight	Price/Ft.	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL
515/705 513/708 509/705 TOTAL INT Acct Code	INSURANCE MISCELLAN CONTINGEN	EOUS CY (10%) TIMATED CO	OST TANGI	BLE DESCR	IPTION		Price/Ft. \$365.00	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE	EEOUS ICY (10%) TIMATED CO	OST TANGII Length 120' 1,800'	BLE DESCR Grade K-55 K-55	IPTION Size 20 13 3/8"	Weight 54.5	\$365.00 \$105.00	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800 \$189,000
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE INTERMEDI.	EOUS CY (10%) TIMATED CO R ATE	OST TANGII Length 120'	BLE DESCR Grade K-55	IPTION Size 20	Weight	\$365.00	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800
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515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 620/820 820	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE INTERMEDI INTERMEDI PRODUCTIO	ECUS CY (10%) TIMATED CO R ATE ATE N	OST TANGII Length 120' 1,800'	BLE DESCR Grade K-55 K-55	IPTION Size 20 13 3/8"	Weight 54.5	\$365.00 \$105.00	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800 \$189,000
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515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 820 820 821 621/824 825 825 825 825 822 823	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE INTERMEDI INTERMEDI PRODUCTIO PRODUCTIO TUBING (Co. WELLHEAD PRODUCTIO POWER SOU RODS AND I PACKERS, B HEATER TR	ECOUS RCY (10%) TIMATED CO TIMATED CO R ATE ATE NN LINER ated) EQUIPMENT IN FACILITY IRCE PUMP (FG & : PPS, ESP, DO'	OST TANGII Length 120' 1,800' 5,400' 17,260' 9,000' F ENCLOSUF STEEL) WNHOLE E ERATOR, FW	BLE DESCR Grade K-55 K-55 J55 & 180 P110 L-80 RE	IPTION Size 20 13 3/8" 9 5/8" 5 1/2"	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION COST \$638,620 \$144,000 \$185,000 \$63,000	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$638,620 \$638,620 \$144,000 \$144,000 \$185,000
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515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 821 621/824 825 825 825 822 823 827 831 830 622/820 TOTAL TA 941-945 ESTIMATE TOTAL TA 941-945 ESTIMATE TOTAL AF APPROVA	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE INTERMEDI INTERMEDI PRODUCTIO POWER SOU RODS AND I PACKERS, B HEATER TRI GAS SALES FLOWLINES TANKS (WA MISCELLAN CONTINGEN MISCELLAN CONTINGEN TANKS (WA MISCELLAN CONTINGEN TANKS (WA MISCELLAN CONTINGEN TANKS (WA MISCELLAN CONTINGEN TANKS (WA MISCELLAN CONTINGEN	EOUS ITIMATED CO TIMATED CO R ATE ATE ATE ATE N N LINER ated) EQUIPMENT N FACILITY PCCE PUMP (FG & : PS, ESP, DO' EATER, SEPE LINE & MET S, VALVES, C TER AND PR EOUS ICY (10%) MATED COS' ig, Cmt, Clear COST PTANCE:	OST TANGII Length 120' 1,800' 5,400' 17,260' 9,000' T 'ENCLOSUH STEEL) WNHOLE E ERATOR, FV 'ER RUN CONNECTION RODUCTION T T nup, Misc., S	BLE DESCR Grade K-55 J55 & 180 P110 L-80 RE QUIPMENT VKO NS ()	IPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20 6.5	\$365.00 \$105.00 \$63.00 \$37.00 \$16.00 \$16.00 IT IS REC AUTHOR OPERATI	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$33,51,650 \$3,551,6	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION COST \$638,620 \$144,000 \$18,000 \$18,000 \$18,000 \$185,000 \$125,000 \$125,000 \$125,000 \$125,000 \$15,000 \$15,000 \$17,18,620 \$1,718,620 \$5,911,620 HEREIN ARE ESTIMAT	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$315,000 \$15,000 \$15,000 \$15,000 \$115,000 \$125,000 \$175,000 \$175,000 \$175,000 \$104,000 \$219,000 \$2,412,620 \$9,413,270 ES ONLY AND APPROVAL OF THIS INCURRED IN CONDUCTING THE THE HEREIN SET OUT.
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 620/820 820 820 821 621/824 825 825 822 823 827 831 830 622/820 TOTAL TA 941-945 ESTIMATE TOTAL TA 941-945 ESTIMATE TOTAL AF APPROVA	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE INTERMEDI INTERMEDI PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO POWER SOU RODS AND I PACKERS, B HEATER TRI GAS SALES FLOWLINES TANKS (WA MISCELLAN CONTINGEN TANKS (WA MISCELAN CONTINGEN TANKS (WA MISCELAN CONTINGE	EOUS ACY (10%) TIMATED CO TIMATED CO R ATE ATE ATE ATE DN LINER ated) EQUIPMENT DN FACILITY PCCE PUMP (FG & : PS, ESP, DO' EATER, SEPE LINE & MET 5, VALVES, C TER AND PR IEOUS ICY (10%) MATED COS' D COST D COST PTANCE:	OST TANGII Length 120' 1,800' 5,400' 17,260' 9,000' F 'ENCLOSUF STEEL) WNHOLE E ERATOR, FV 'ER RUN 'CONNECTION CODUCTION T T nup, Misc., S	BLE DESCR Grade K-55 K-55 J55 & 180 P110 L-80 KE QUIPMENT VKO NS D	IPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20 6.5	\$365.00 \$105.00 \$63.00 \$37.00 \$16.00 \$16.00 IT IS REC AUTHOR OPERATI	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$28,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,000 \$340,000 \$50,000 \$53,551,650 \$3,551,650 \$3,551,650 \$3,551,650	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION COST \$638,620 \$144,000 \$18,000 \$18,000 \$18,000 \$185,000 \$125,000 \$125,000 \$125,000 \$125,000 \$15,000 \$15,000 \$17,18,620 \$1,718,620 \$5,911,620 HEREIN ARE ESTIMAT	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$315,000 \$315,000 \$315,000 \$315,000 \$3175,000 \$3175,000 \$3175,000 \$3175,000 \$314,000 \$3219,000 \$32412,620 \$39,413,270 ES ONLY AND APPROVAL OF THIS INCURRED IN CONDUCTING THE THE HEREIN SET OUT. Date: August 31,2022
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 620/820 820 820 821 621/824 825 825 822 823 827 831 830 622/820 TOTAL TA 941-945 ESTIMATE TOTAL TA 941-945 ESTIMATE TOTAL AF APPROVA	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE INTERMEDI INTERMEDI PRODUCTIO POWER SOU RODS AND I PACKERS, B HEATER TRI GAS SALES FLOWLINES TANKS (WA MISCELLAN CONTINGEN MISCELLAN CONTINGEN TANKS (WA MISCELLAN CONTINGEN TANKS (WA MISCELLAN CONTINGEN TANKS (WA MISCELLAN CONTINGEN TANKS (WA MISCELLAN CONTINGEN	EOUS ACY (10%) TIMATED CO TIMATED CO R ATE ATE ATE ATE DN LINER ated) EQUIPMENT DN FACILITY PCCE PUMP (FG & : PS, ESP, DO' EATER, SEPE LINE & MET 5, VALVES, C TER AND PR IEOUS ICY (10%) MATED COS' D COST D COST PTANCE:	OST TANGII Length 120' 1,800' 5,400' 17,260' 9,000' F 'ENCLOSUF STEEL) WNHOLE E ERATOR, FV 'ER RUN 'CONNECTION CODUCTION T T nup, Misc., S	BLE DESCR Grade K-55 K-55 J55 & 180 P110 L-80 KE QUIPMENT VKO NS D	IPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20 6.5	\$365.00 \$105.00 \$63.00 \$37.00 \$16.00 \$16.00 IT IS REC AUTHOR OPERATI	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$33,50,000 \$33,50,000 \$694,000 \$33,551,650 \$3,55	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION COST \$638,620 \$144,000 \$18,000 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$177,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$177,000 \$175,000 \$177,000 \$177,000 \$175,000 \$177,000 \$177,000 \$177,000 \$177,000 \$177,000 \$177,000 \$175,000 \$177,000 \$170,000	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 822 823 827 831 830 622/820 TOTAL TA 941-945 ESTIMATE TOTAL AF APPROVA WI OWNER W.I Title Signature	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE INTERMEDI INTERMEDI PRODUCTIO POWER SOU RODS AND I PACKERS, B HEATER TRI GAS SALES FLOWLINES TANKS (WA MISCELLAN CONTINGEN MISCELLAN CONTINGEN I AND ACCE R	EOUS ICY (10%) TIMATED CO R ATE ATE ATE NN N LINER ated) EQUIPMENT N FACILITY PCE PUMP (FG & : PS, ESP, DO' EATER, SEPE LINE & MET I, VALVES, C TER AND PR EOUS ICY (10%) MATED COST PTANCE:	OST TANGII Length 120' 1,800' 5,400' 17,260' 9,000' T 'ENCLOSUF STEEL) WNHOLE E ERATOR, FV 'ER RUN CONNECTION RODUCTION RODUCTION	BLE DESCR Grade K-55 J55 & 180 P110 L-80 RE QUIPMENT VKO NS () ervices	IPTION Size 20 13 3/8" 9 5/8" 2.875	Weight 54.5 40 20 6.5 6.5	\$365.00 \$105.00 \$63.00 \$37.00 \$16.00 \$16.00 IT IS REC AUTHOR OPERATI Prepared by *Optional	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$2,807,650 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$28,000 \$340,200 \$28,000 \$28,000 \$28,000 \$340,200 \$30,000 \$30,000 \$63,000 \$33,551,650 \$33,551,650 \$33,501,650 OGNIZED THAT AMOUNTS I ZATION SHALL EXTEND TO ON SPECIFIED, WHETHER N ': Engineering OEE Insurance ADD \$23,000 to	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION COST \$638,620 \$144,000 \$18,000 \$18,000 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000 \$175,000 \$175,000 \$177,00	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$638,620 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$189,000 \$190,000 \$1104,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$124,2620 \$9,413,270 ES ONLY AND APPROVAL OF THIS INCURRED IN CONDUCTING THE THE HEREIN SET OUT.
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 822 823 827 831 830 622/820 TOTAL TA 941-945 ESTIMATE TOTAL AF APPROVA WI OWNER W.I Title Signature	INSURANCE MISCELLAN CONTINGEN TANGIBLE ES CONDUCTO SURFACE INTERMEDI INTERMEDI PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO PRODUCTIO POWER SOU RODS AND I PACKERS, B HEATER TRI GAS SALES FLOWLINES TANKS (WA MISCELLAN CONTINGEN TANKS (WA MISCELAN CONTINGEN TANKS (WA MISCELAN CONTINGE	EOUS ICY (10%) TIMATED CO R ATE ATE ATE NN N LINER ated) EQUIPMENT N FACILITY PCE PUMP (FG & : PS, ESP, DO' EATER, SEPE LINE & MET I, VALVES, C TER AND PR EOUS ICY (10%) MATED COST PTANCE:	OST TANGII Length 120' 1,800' 5,400' 17,260' 9,000' T 'ENCLOSUF STEEL) WNHOLE E ERATOR, FV 'ER RUN CONNECTION RODUCTION RODUCTION	BLE DESCR Grade K-55 J55 & 180 P110 L-80 RE QUIPMENT VKO NS () ervices	IPTION Size 20 13 3/8" 9 5/8" 2.875	Weight 54.5 40 20 6.5 6.5	\$365.00 \$105.00 \$63.00 \$37.00 \$16.00 \$16.00 IT IS REC AUTHOR OPERATI Prepared by *Optional Ple	\$35,000 \$30,000 \$252,000 \$2,807,650 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$33,50,000 \$33,50,000 \$694,000 \$33,551,650 \$3,55	\$15,000 \$181,000 \$380,000 \$4,193,000 COMPLETION COST \$638,620 \$144,000 \$144,000 \$18,000 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000 \$125,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$175,000 \$177,000 \$175,000 \$177,000 \$177,000 \$177,000 \$175,000 \$177,000	\$50,000 \$211,000 \$632,000 \$7,000,650 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$315,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$125,000 \$3175,000 \$3175,000 \$3175,000 \$3175,000 \$3175,000 \$3144,000 \$3175,000 \$3175,000 \$3144,000 \$3175,000 \$3144,000 \$3175,000 \$3144,000\$314,000\$3140,000\$3140,000\$3140,000\$3140,000\$3140,000\$3140

				oleu				API No.	
					PENDITURE	£		AFE Number	
X	Original	Supplemen	•	Revised: 0	8-31-2022 Revision	r	Re-Entry	Well Type Projected TD:	Second BS Sand Horizontal Oil Well 1.5 Mile MD 17,920'
X	Drill Well	Workover	L		Facilities		Plug & Abandon	Proposal	New Drill 10,100' TVD
ease Name/V		County / St	ate	Formation		Basin	Field or Prospect	SHL: Unit Letter J of Se	
Cache River 2	29 32 State Com #203H	Lea	NM	2nd Bone	Spring	Permian	Rawhide (San Simon)	BHL: Unit Letter O of S	ection 32, T21S-R35E
Acct		INTANG	IBLE DESC	RIPTION			COST BEFORE	COMPLETION	TOTAL
Code				iui non			CASING POINT	COST	WELL COST
501	PERMITS & ENVIRO						\$30,000	\$10,000	\$40,000
516	TITLE OPINION, CUI		.ING				\$25,000		\$25,000
501 501	SURVEYING STAKE DAMAGES & R-O-W						\$5,000		\$5,000
502/711	ROADS, LOCATION,		TC				\$100,000	\$10,000	\$110,000
503	DRILLING RIG MOB						\$250,000	\$10,000	\$250,000
503	DRILLING - DAYS			days @	\$25,000		\$750,000		\$750,000
503	RIG HOUSING		33	days @	\$1,800		\$59,400		\$59,400
503	STEERING			days @					
503	MUD MOTORS & DII	RECTIONAL					\$165,000		\$165,000
517	CLOSED LOOP & DIS		30	days @	\$5,000		\$150,000		\$150,000
505	MUD & FRAC CHEM		D				\$156,000	\$60,000	\$216,000
505/716	WATER (Brine & Fres BITS, REAMERS, ETC		R				\$40,000	\$465,000	\$505,000
503 503	FUEL	<i></i>	67500	gallons @	\$5		\$132,800 \$337,500		\$132,800 \$337,500
503 504	CEMENTING SURFA	CF	07300	ganons @	\$5		\$35,500		\$35,500
504	CEMENTING INTERN						\$70,000		\$70,000
701	CEMENTING PRODU						\$7,0,000	\$130,000	\$130,000
509/705	TUBULAR SERVICES						\$20,000	\$36,000	\$56,000
509/705	CASING CREWS / HY	DRAULIC CAT	WALK				\$20,000	\$28,000	\$48,000
513/708	FLOAT EQUIPMENT	, CENTRALIZEF	S, ECP'S, E	V TOOLS			\$12,000	\$38,000	\$50,000
507	TESTING; COMPLET	ION, FLOWBAC	K					\$110,000	\$110,000
508	OPEN HOLE LOGGIN	lG							
508	MUD LOGGING		24	days @	\$2,000		\$48,000		\$48,000
509/705	WELDING, HOURLY		ГҮ РАҮ				\$67,000		
509/713	EQUIPMENT RENTA						\$54,000	\$135,000	\$189,000
509/714	TRUCKING, TRANSF						\$24,000	\$12,000	\$36,000
715 704	COMPLETION UNIT; FORMATION STIMU							\$335,000 \$2,100,000	\$335,000 \$2,100,000
702/03	CASED HOLE LOGG		· ·	C PLUGS				\$2,100,000	\$236,000
510/11/706	GEOLOGIC / ENGINE	<i>.</i>		ic i Loob			\$35,000	\$56,000	\$91,000
509/705	CONTRACT CONSUL		30	days @	\$3,500		\$105,000	\$52,000	\$157,000
514	DRILLING WELL RA			days @	\$200		\$6,000	\$5,000	\$11,000
515/705	INSURANCE	· /							
							\$38,000	\$15,000	\$53,000
513/708	MISCELLANEOUS						\$38,000 \$30,000	\$15,000 \$191,000	\$53,000 \$221,000
513/708 509/705		(o)							
509/705	MISCELLANEOUS						\$30,000 \$275,000 \$3,065,200	\$191,000 \$401,000 \$4,425,000	\$221,000 \$676,000 \$7,490,200
509/705 TOTAL INT Acct	MISCELLANEOUS CONTINGENCY (10%	D COST	BLE DESCI	RIPTION			\$30,000 \$275,000 \$3,065,200 COST BEFORE	\$191,000 \$401,000 \$4,425,000 COMPLETION	\$221,000 \$676,000 \$7,490,200 TOTAL
509/705 TOTAL INT Acct Code	MISCELLANEOUS CONTINGENCY (10%	D COST TANGI					\$30,000 \$275,000 \$3,065,200	\$191,000 \$401,000 \$4,425,000	\$221,000 \$676,000 \$7,490,200
509/705 TOTAL INT Acct Code 620/820	MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE	D COST TANGI Length	Grade	Size	Weight	Price/Ft.	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT	\$191,000 \$401,000 \$4,425,000 COMPLETION	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST
509/705 TOTAL INT Acct Code 620/820 620/820	MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE	D COST TANGI Length 120'	Grade K-55	Size 20		\$365.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800	\$191,000 \$401,000 \$4,425,000 COMPLETION	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800
509/705 TOTAL INT Acct Code 620/820 620/820 620/820	MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE CONDUCTOR SURFACE	D COST TANGI Length 120' 1,800'	Grade K-55 K-55	Size 20 13 3/8"	54.5	\$365.00 \$105.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000	\$191,000 \$401,000 \$4,425,000 COMPLETION	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820	MISCELLANEOUS CONTINGENCY (10% CANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE	D COST TANGI Length 120'	Grade K-55	Size 20		\$365.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800	\$191,000 \$401,000 \$4,425,000 COMPLETION	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800
509/705 TOTAL INT Acet Code 620/820 620/820 620/820 620/820 620/820	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE	D COST TANGI Length 120' 1,800' 5,400'	Grade K-55 K-55 L-80	Size 20 13 3/8" 9 5/8"	54.5 40	\$365.00 \$105.00 \$63.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000	\$191,000 \$401,000 \$4,425,000 COMPLETION COST	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820	MISCELLANEOUS CONTINGENCY (10% CANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE	D COST TANGI Length 120' 1,800' 5,400' 17,960'	Grade K-55 K-55	Size 20 13 3/8"	54.5	\$365.00 \$105.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000	\$191,000 \$401,000 \$4,425,000 COMPLETION	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 620/820 820	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION	D COST TANGI Length 120' 1,800' 5,400' 17,960'	Grade K-55 K-55 L-80	Size 20 13 3/8" 9 5/8"	54.5 40	\$365.00 \$105.00 \$63.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000	\$191,000 \$401,000 \$4,425,000 COMPLETION COST	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINEE	D COST TANGI 120' 1,800' 5,400' 17,960' 8 10,200'	Grade K-55 K-55 L-80 P110	Size 20 13 3/8" 9 5/8" 5 1/2"	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$664,520	\$221,000 \$676,000 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$664,520
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821	MISCELLANEOUS CONTINGENCY (10%) FANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated)	D COST TANGI 120' 1,800' 5,400' 17,960' 8 10,200' IENT	Grade K-55 K-55 L-80 P110 L-80	Size 20 13 3/8" 9 5/8" 5 1/2"	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$664,520 \$163,200	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$664,520 \$163,200 \$46,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825	MISCELLANEOUS CONTINGENCY (10%) FANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE	D COST TANGI 120' 1,800' 5,400' 17,960' 8 10,200' IENT JITY ENCLOSU	Grade K-55 K-55 L-80 P110 L-80	Size 20 13 3/8" 9 5/8" 5 1/2"	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$664,520 \$163,200 \$18,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$163,200 \$163,200 \$46,000 \$185,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 822	MISCELLANEOUS CONTINGENCY (10%) FANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (Fo	D COST TANGI 120' 1,800' 5,400' 17,960' 8 10,200' 10,2	Grade K-55 K-55 L-80 P110 L-80 RE	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$664,520 \$163,200 \$185,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$664,520 \$163,200
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 822 823	MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP.	D COST TANGI 120' 1,800' 5,400' 17,960' 10,200' IENT ITY ENCLOSUI G & STEEL) , DOWNHOLE E	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$664,520 \$163,200 \$185,000 \$185,000 \$63,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$163,200 \$163,200 \$46,000 \$185,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 822 823 827	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, 5	D COST TANGI 120' 1,800' 5,400' 17,960' 10,200' IENT ITY ENCLOSUI G & STEEL) , DOWNHOLE E SEPERATOR, FW	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$163,200 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$163,200 \$163,200 \$163,200 \$163,200 \$185,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 822 823 827 831	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & 1	D COST TANGI 120' 1,800' 5,400' 5,400' 17,960' R 10,200' IENT JUY ENCLOSUI G & STEEL) , DOWNHOLE E SEPERATOR, FW METER RUN	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$163,200 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$163,200 \$163,200 \$163,200 \$163,200 \$163,000 \$185,000 \$15,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 822 823 827 831 830	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPN PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & 1 FLOWLINES, VALVE	D COST TANGI 120' 1,800' 5,400' 17,960' R 10,200' IENT JUY ENCLOSUI G & STEEL) , DOWNHOLE E SEPERATOR, FW METER RUN IS, CONNECTIO	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$163,200 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$163,200 \$163,200 \$163,200 \$163,200 \$185,000 \$15,000 \$15,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 825 822 823 827 831 830 827	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPN PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, ; GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER AND	D COST TANGI 120' 1,800' 5,400' 17,960' R 10,200' IENT JUY ENCLOSUI G & STEEL) , DOWNHOLE E SEPERATOR, FW METER RUN IS, CONNECTIO	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$163,200 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000 \$125,000 \$175,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$163,200 \$163,200 \$163,200 \$163,000 \$185,000 \$15,000 \$15,000 \$115,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 825 822 823 827 831 830	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPN PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & 1 FLOWLINES, VALVE	D COST TANGI 120' 1,800' 5,400' 17,960' 10,200' fENT JITY ENCLOSUI G & STEEL) , DOWNHOLE E SEPERATOR, FW METER RUN ES, CONNECTIO D PRODUCTION	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$163,200 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000	\$221,000 \$676,000 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$163,200 \$163,200 \$163,200 \$163,200 \$163,200 \$15,000 \$15,000 \$115,000 \$115,000 \$115,000 \$115,000 \$115,000 \$1175,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 822 823 827 831 830 827 830 622/820	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPN PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, 1 GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER AND MISCELLANEOUS	D COST TANGI 120' 1,800' 5,400' 17,960' 10,200' fENT JITY ENCLOSUI G & STEEL) , DOWNHOLE E SEPERATOR, FW METER RUN ES, CONNECTION D PRODUCTION	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$28,000 \$28,000 \$28,000 \$30,000	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$6664,520 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000 \$125,000 \$175,000 \$77,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$185,000 \$163,200 \$163,200 \$163,200 \$163,200 \$163,200 \$15,000 \$115,000 \$115,000 \$115,000 \$115,000 \$1175,000 \$1175,000 \$107,000 \$107,000 \$1224,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 821 621/824 825 822 823 827 831 830 827 830 622/820 TOTAL TAT	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, 1 GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER AND MISCELLANEOUS CONTINGENCY (10%)	D COST TANGI Length 120' 1,800' 5,400' 10,200' IENT JITY ENCLOSUI G & STEEL) , DOWNHOLE E SEPERATOR, FW METER RUN ES, CONNECTIO D PRODUCTION 6) COST	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO NS ()	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$28,000 \$28,000 \$30,000 \$30,000 \$63,000	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$6664,520 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000 \$125,000 \$175,000 \$175,000 \$177,000 \$161,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$185,000 \$163,200 \$163,200 \$163,200 \$163,200 \$163,200 \$15,000 \$115,000 \$115,000 \$115,000 \$115,000 \$1175,000 \$1175,000 \$107,000 \$107,000 \$1224,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 821 621/824 825 822 823 827 831 830 622/820 TOTAL TAI 941-945	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, 1 GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER AND MISCELLANEOUS CONTINGENCY (10%	D COST TANGI Length 120' 1,800' 5,400' 10,200' IENT JITY ENCLOSUI G & STEEL) , DOWNHOLE E SEPERATOR, FW METER RUN ES, CONNECTIO D PRODUCTION 6) COST	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO NS ()	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$3340,200 \$3340,200 \$340,000 \$63,000 \$63,000	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$6664,520 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000 \$125,000 \$175,000 \$175,000 \$177,000 \$161,000	\$221,000 \$676,000 \$7,490,200 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$163,200 \$163,200 \$163,200 \$163,000 \$185,000
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 820 821 621/824 825 825 822 823 827 831 830 827 831 830 622/820 TOTAL TAI 941-945 STIMATE TOTAL AFI	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER ANI MISCELLANEOUS CONTINGENCY (10% NGIBLE ESTIMATED P&A Costs, Rig, Cmt, 1 D DRY HOLE COST E ESTIMATED COST	D COST TANGI 120' 1,800' 5,400' 12,800' 5,400' 10,200' fENT fENT fENT fENT fENT fENT fENT fENT	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO NS ()	Size 20 13 3/8" 9.5/8" 5 1/2" 2.875	54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$30,000 \$275,000 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$28,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,000 \$694,000 \$50,000	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$6664,520 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000 \$125,000 \$175,000 \$175,000 \$177,000 \$161,000	\$221,00 \$676,00 \$7,490,20 TOTAL WELL COST \$43,80 \$189,00 \$340,20 \$340,20 \$163,20 \$175,00 \$175,00 \$175,00 \$107,00 \$107,00 \$224,00 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 822 823 827 831 830 827 831 830 622/820 TOTAL TAT 941-945 ESTIMATE TOTAL AFT APPROVAL	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, 1 GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER ANI MISCELLANEOUS CONTINGENCY (10% NGIBLE ESTIMATED P&A Costs, Rig, Cmt, 4 D DRY HOLE COST E ESTIMATED COST L AND ACCEPTANCI	D COST TANGI	Grade K-55 L-80 P110 L-80 RE QUIPMENT VKO NS ()	Size 20 13 3/8" 9 5/8" 5 1/2" 2.875		\$365.00 \$105.00 \$63.00 \$37.00 \$16.00 \$16.00 IT IS REC AUTHOR OPERATI	\$30,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$33,000 \$694,000 \$63,000 \$33,809,200 \$3,809,200 \$3,759,200	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$163,200 \$163,200 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000 \$125,000 \$177,000 \$177,000 \$177,000 \$177,000 \$161,000 \$1,771,720 \$6,196,720 HEREIN ARE ESTIMAT THE ACTUAL COSTS	\$221,00 \$676,00 \$7,490,20 TOTAL WELL COST \$43,80 \$189,00 \$340,20 \$543,80 \$189,00 \$340,20 \$543,80 \$185,00 \$163,20 \$664,521 \$664,521 \$5664,521 \$5163,20 \$46,00 \$185,00 \$185,00 \$63,00 \$185,00 \$63,00 \$125,00 \$125,00 \$115,00 \$125,00 \$175,00 \$125,00 \$175,00 \$1224,00 \$175,00\$15,00\$15,00\$15,00\$15,00\$15,00\$15,00\$15,00\$
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 822 823 827 831 830 622/820 TOTAL TAI 941-945 ESTIMATE TOTAL AFI APPROVAL WI OWNER W.I.	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, 1 GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER ANI MISCELLANEOUS CONTINGENCY (10% NGIBLE ESTIMATED P&A Costs, Rig, Cmt, 4 D DRY HOLE COST E ESTIMATED COST L AND ACCEPTANCI	D COST TANGI	Grade K-55 L-80 P110 L-80 RE QUIPMENT VKO NS ()	Size 20 13 3/8" 9 5/8" 5 1/2" 2.875		S365.00 S105.00 S63.00 S37.00 S16.00 S16.00 IT IS REC AUTHOR OPERATI	S30,000 S275,000 COST BEFORE CASING POINT S43,800 S189,000 S340,200 S340,200 S340,200 S340,200 S340,200 S3,30,000 S694,000 S694,000 S50,000 S3,809,200 S3,759,200 OGNIZED THAT AMOUNTS I IZATION SHALL EXTEND TO ON SPECIFIED, WHETHER N	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$664,520 \$163,200 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000 \$125,000 \$175,000 \$175,000 \$177,000 \$177,000 \$161,000 \$177,71,720 \$6,196,720 HEREIN ARE ESTIMAT THE ACTUAL COSTS IORE OR LESS THAN	S221,000 S676,000 S7,490,200 TOTAL WELL COST S43,800 S189,000 S340,200 S340,200 S140,000 S140,000 S163,000 S163,000 S163,000 S163,000 S15,000 S15,000 S15,000 S125,000 S125,00
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 822 823 827 831 830 622/820 TOTAL TAI 941-945 ESTIMATE TOTAL AFI APPROVAL WI OWNER W.I. Title Signature	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, 1 GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER ANI MISCELLANEOUS CONTINGENCY (10% NGIBLE ESTIMATED P&A Costs, Rig, Cmt, 4 D DRY HOLE COST E ESTIMATED COST L AND ACCEPTANCI	D COST TANGI	Grade K-55 L-80 P110 L-80 RE QUIPMENT VKO NS ()	Size 20 13 3/8" 9 5/8" 5 1/2" 2.875		S365.00 S105.00 S63.00 S37.00 S16.00 S16.00 IT IS REC AUTHOR OPERATION Prepared by *Optional	\$30,000 \$275,000 \$275,000 \$3,065,200 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$340,200 \$28,000 \$33,000 \$330,000 \$63,000 \$63,000 \$50,000 \$33,809,200 \$33,759,200 OGNIZED THAT AMOUNTS I IZATION SHALL EXTEND TO ON SPECIFIED, WHETHER N /: Engineering ØEE Insurance ADD \$23,000 to	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$664,520 \$163,200 \$163,200 \$185,000 \$185,000 \$185,000 \$185,000 \$125,000 \$125,000 \$175,000 \$175,000 \$177,000 \$177,000 \$177,000 \$161,000 \$1,771,720 \$6,196,720 HEREIN ARE ESTIMAT OTHE ACTUAL COSTS IORE OR LESS THAN	S221,000 S676,000 S7,490,200 TOTAL WELL COST S43,800 S189,000 S340,200 S340,200 S163,200 S163,200 S163,200 S163,200 S163,000 S185,000 S185,000 S185,000 S185,000 S185,000 S1125,000 S125,000 S12
509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 820 820 820 820 821 621/824 825 825 822 823 827 831 830 622/820 FOTAL TAI 941-945 STIMATE FOTAL AFI VI OWNER W.I. Title	MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINEF TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACII POWER SOURCE RODS AND PUMP (F4 PACKERS, BP'S, ESP, HEATER TREATER, 1 GAS SALES LINE & 1 FLOWLINES, VALVE TANKS (WATER ANI MISCELLANEOUS CONTINGENCY (10% NGIBLE ESTIMATED P&A Costs, Rig, Cmt, 4 D DRY HOLE COST E ESTIMATED COST L AND ACCEPTANCI	D COST TANGI	Grade K-55 L-80 P110 L-80 RE QUIPMENT VKO NS ()	Size 20 13 3/8" 9 5/8" 5 1/2" 2.875		\$365.00 \$105.00 \$63.00 \$37.00 \$37.00 \$16.00 \$16.00 \$16.00 Prepared by *Optional Prepared by	S30,000 S275,000 COST BEFORE CASING POINT S43,800 S189,000 S340,200 S340,200 S340,200 S340,200 S340,200 S3,30,000 S694,000 S694,000 S50,000 S3,809,200 S3,759,200 OGNIZED THAT AMOUNTS I IZATION SHALL EXTEND TO ON SPECIFIED, WHETHER N	\$191,000 \$401,000 \$4,425,000 COMPLETION COST \$600,000 \$100,0000\$100,0000\$100,0000\$100,000\$100,0000\$1000\$1000\$1000\$1000\$1	S221,00 S676,00 S7,490,20 TOTAL WELL COST S43,80 S189,00 S340,20 S43,80 S189,00 S340,20 S464,52 S163,20 S464,52 S163,20 S163,20 S163,20 S163,20 S163,20 S163,20 S163,20 S163,20 S163,20 S163,20 S163,20 S163,20 S175,00 S125,00 S125,00 S125,00 S125,00 S125,00 S125,00 S125,00 S125,00 S125,00 S125,00 S107,00 S224 S22 Date: S225 S37 S37 S37 S37 S37 S37 S37 S37

		V-F	Petro	oleu	m In	IC.		API No.	
		AUTHO	ORIZATIO	N FOR EX	PENDITURE			AFE Number	
		Date	Prepared /	Revised: 0	8-31-2022		-	Well Type	Third BS Sand Horizontal Oil Well 1.5 Mile
X	Original	Supplement	t		Revision		Re-Entry	Projected TD:	MD 18,625'
X	Drill Well	Workover			Facilities		Plug & Abandon	Proposal	New Drill 10,805' TVD
ease Name/V		County / Sta		Formation	~ .	Basin	Field or Prospect	SHL: Unit Letter J of S	
	29 32 State Com #303H	Lea	NM	3rd Bone	Spring	Permian	Rawhide (San Simon)	BHL: Unit Letter O of S	
Acct		INTANG	IBLE DESC	RIPTION			COST BEFORE	COMPLETION	TOTAL
Code							CASING POINT	COST	WELL COST
501	PERMITS & ENVIRO						\$30,000	\$10,000	\$40,000
516	TITLE OPINION, CUR		.ING				\$25,000		\$25,000
501	SURVEYING STAKE	LOCATION					\$5,000		\$5,000
501	DAMAGES & R-O-W'	s					\$25,000		\$25,000
502/711	ROADS, LOCATION,	PITS, LINERS, E	ETC.				\$100,000	\$10,000	\$110,00
503	DRILLING RIG MOBI	LIZATION COS	Т				\$250,000		\$250,00
503	DRILLING - DAYS		32	days @	\$25,000		\$800,000		\$800,00
503	RIG HOUSING		35	days @	\$1,800		\$63,000		\$63,00
503	STEERING			days @					
503	MUD MOTORS & DIF	RECTIONAL					\$165,000		\$165,00
517	CLOSED LOOP & DIS	SPOSAL	32	days @	\$5,000		\$160,000		\$160,00
505	MUD & FRAC CHEM	ICALS					\$156,000	\$60,000	\$216,00
505/716	WATER (Brine & Fres	h); FRAC WATE	R				\$40,000	\$465,000	\$505,00
503	BITS, REAMERS, ETC	2.					\$125,000		\$125,00
503	FUEL		72000	gallons @	\$5		\$360,000		\$360,00
504	CEMENTING SURFA	CE		- 0			\$35,500		\$35,50
504	CEMENTING INTERN						\$70,000		\$70,00
701	CEMENTING PRODU						\$70,000	\$140,000	\$140,000
509/705	TUBULAR SERVICES						\$20,000	\$40,000	\$60,000
509/705	CASING CREWS / HY		WALK				\$20,000	\$30,000	\$50,000
513/708	FLOAT EQUIPMENT,			V TOOLS			\$12,000	\$47,000	\$59,00
507	TESTING; COMPLET			V TOOLS			\$12,000	\$110,000	\$110,000
508	OPEN HOLE LOGGIN		ix.					\$110,000	\$110,000
508	MUD LOGGING		26	days @	\$2,000		\$52,000		\$52,000
		LADOD CAFE		uays @	\$2,000				\$52,000
509/705	WELDING, HOURLY		I Y PAY				\$69,000	0125.000	0101.00
509/713	EQUIPMENT RENTA						\$56,000	\$135,000	\$191,000
509/714	TRUCKING, TRANSP						\$26,000	\$12,000	\$38,000
715	COMPLETION UNIT;							\$350,000	\$350,000
704	FORMATION STIMU							\$2,175,000	\$2,175,000
702/03	CASED HOLE LOGG		TNG & FRA	C PLUGS				\$250,000	\$250,000
510/11/706	GEOLOGIC / ENGINE	ERING					\$37,000	\$57,000	\$94,000
509/705	CONTRACT CONSUL	TANTS	30	days @	\$3,500		\$105,000	\$52,000	\$157,000
514									
514	DRILLING WELL RA	TE (A/O)	30	days @	\$200		\$6,000	\$5,000	
515/705	DRILLING WELL RA	TE (A/O)	30	days @	\$200		\$6,000 \$39,000	\$5,000 \$15,000	\$11,000
		TE (A/O)	30	days @	\$200		\$39,000 \$30,000		\$11,000 \$54,000 \$227,000
515/705 513/708 509/705	INSURANCE MISCELLANEOUS CONTINGENCY (10%))	30	days @	\$200		\$39,000 \$30,000 \$284,000	\$15,000 \$197,000 \$415,000	\$11,000 \$54,000 \$227,000 \$699,000
515/705 513/708 509/705	INSURANCE MISCELLANEOUS))	30	days @	\$200		\$39,000 \$30,000 \$284,000 \$3,165,500	\$15,000 \$197,000	\$11,000 \$54,000 \$227,000 \$699,000
515/705 513/708 509/705 TOTAL INT Acct	INSURANCE MISCELLANEOUS CONTINGENCY (10%	b) D COST			\$200		\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL
515/705 513/708 509/705 TOTAL INT	INSURANCE MISCELLANEOUS CONTINGENCY (10%	b) D COST	30 BLE DESCR		\$200		\$39,000 \$30,000 \$284,000 \$3,165,500	\$15,000 \$197,000 \$415,000 \$4,575,000	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500
515/705 513/708 509/705 TOTAL INT Acct	INSURANCE MISCELLANEOUS CONTINGENCY (10%	b) D COST			\$200 Weight	Price/Ft.	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION	\$11,00 \$54,00 \$227,00 \$699,00 \$7,740,50 TOTAL
515/705 513/708 509/705 TOTAL INT Acct Code	INSURANCE MISCELLANEOUS CONTINGENCY (10%) D COST TANGII	BLE DESCF	LIPTION		Price/Ft. \$365.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST
515/705 513/708 509/705 TOTAL INT Acct Code 620/820	INSURANCE MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE	5) D COST TANGII Length	BLE DESCR Grade	LIPTION Size			\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820	INSURANCE MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE CONDUCTOR	b) D COST TANGII Length 120'	BLE DESCF Grade K-55	RIPTION Size 20	Weight	\$365.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820	INSURANCE MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE CONDUCTOR SURFACE	5) D COST TANGII 120' 1,800'	BLE DESCR Grade K-55 K-55	Size 20 13 3/8"	Weight 54.5	\$365.00 \$105.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820	INSURANCE MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE	5) D COST TANGII 120' 1,800'	BLE DESCR Grade K-55 K-55	Size 20 13 3/8"	Weight 54.5	\$365.00 \$105.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820	INSURANCE MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE	5) D COST TANGII 120' 1,800' 5,400' 18,665'	Grade K-55 K-55 L-80	Size 20 13 3/8" 9 5/8"	Weight 54.5 40	\$365.00 \$105.00 \$63.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION COST	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 620/820 820	INSURANCE MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION	5) D COST TANGII 120' 1,800' 5,400' 18,665'	Grade K-55 K-55 L-80	Size 20 13 3/8" 9 5/8"	Weight 54.5 40	\$365.00 \$105.00 \$63.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION COST	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 620/820 820 820	INSURANCE MISCELLANEOUS CONTINGENCY (10% FANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER	i) D COST TANGII 120' 1,800' 5,400' 18,665' 10,400'	Grade K-55 K-55 L-80 P110	UPTION Size 20 13 3/8" 9 5/8" 5 1/2"	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION COST \$690,605	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$690,609 \$166,400
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 620/820 820 820 821	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated)	i) D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' IENT	Grade K-55 K-55 L-80 P110 L-80	UPTION Size 20 13 3/8" 9 5/8" 5 1/2"	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION COST \$690,605 \$166,400	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,2
515/705 513/708 509/705 TOTAL INT Acct 620/820 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM	i) D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' IENT	Grade K-55 K-55 L-80 P110 L-80	UPTION Size 20 13 3/8" 9 5/8" 5 1/2"	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION COST \$690,605 \$166,400 \$18,000	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$185,000 \$185,000
515/705 513/708 509/705 TOTAL INT Acct 620/820 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE CONDUCTOR SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL	i) D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' IENT ITY ENCLOSUF	Grade K-55 K-55 L-80 P110 L-80	UPTION Size 20 13 3/8" 9 5/8" 5 1/2"	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION COST \$690,605 \$166,400 \$18,000 \$185,000	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$185,000 \$185,000
515/705 513/708 509/705 TOTAL INT Acct 620/820 620/820 620/820 620/820 620/820 620/820 820 820 820 820 821 621/824 825 825	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE	i) D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' IENT ITY ENCLOSUF G & STEEL)	Grade K-55 K-55 L-80 P110 L-80 RE	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION COST \$690,605 \$166,400 \$18,000 \$185,000	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$186,000 \$166,400 \$185,000
515/705 513/708 509/705 TOTAL INT Acet Code 620/820 620/820 620/820 620/820 620/820 620/820 820 820 820 820 821 621/824 825 825 825 822	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (FO	i) D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' IENT ITY ENCLOSUF G & STEEL) DOWNHOLE E	Grade K-55 K-55 L-80 P110 L-80 RE	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$197,000 \$415,000 \$4,575,000 COMPLETION COST \$690,605 \$166,400 \$18,000 \$185,000	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000
515/705 513/708 509/705 TOTAL INT Acet Code 620/820 620/820 620/820 620/820 620/820 620/820 820 820 820 820 821 621/824 825 825 825 825 822 823	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (FO PACKERS, BP'S, ESP,	D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' EENT ITY ENCLOSUF G & STEEL) DOWNHOLE EA SEPERATOR, FV	Grade K-55 K-55 L-80 P110 L-80 RE	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$197,000 \$415,000 \$44,575,000 COMPLETION COST \$6690,605 \$166,400 \$18,000 \$185,000 \$63,000	\$11,000 \$54,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$690,605 \$690,605 \$166,400 \$166,400 \$185,000
515/705 513/708 509/705 TOTAL INT Acet Code 620/820 620/820 620/820 620/820 620/820 820 820 820 820 821 621/824 825 825 825 825 822 823 827 831	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (FO PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & N	D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' IENT ITY ENCLOSUF G & STEEL) DOWNHOLE EA SEPERATOR, FW METER RUN	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$197,000 \$415,000 \$415,000 COMPLETION COST \$166,400 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$185,000 \$185,000 \$63,000 \$15,000
515/705 513/708 509/705 TOTAL INT Acet Code 620/820 620/820 620/820 620/820 620/820 820 820 820 820 821 621/824 825 825 825 825 825 822 823 827 831 830	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (FO PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & N FLOWLINES, VALVE	D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' IENT ITY ENCLOSUF G & STEEL) DOWNHOLE EN SEPERATOR, FW METER RUN S, CONNECTIO	BLE DESCF Grade K-55 L-80 P110 L-80 RE QUIPMENT VKO	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200	\$15,000 \$197,000 \$415,000 \$44,575,000 COMPLETION COST \$166,400 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000	\$11,00 \$54,00 \$227,00 \$699,00 \$7,740,50 TOTAL WELL COST \$43,80 \$189,00 \$340,20 \$189,00 \$340,20 \$185,00 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$166,40 \$15,00 \$15,00 \$125,00
515/705 513/708 509/705 TOTAL INT Acet Code 620/820 620/820 620/820 620/820 620/820 820 820 820 820 820 821 621/824 825 825 825 825 825 825 825 822 823 827 831 830 827	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (FO PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & M FLOWLINES, VALVE TANKS (WATER ANI	D COST TANGII 120' 1,800' 5,400' 18,665' 10,400' IENT ITY ENCLOSUF G & STEEL) DOWNHOLE EN SEPERATOR, FW METER RUN S, CONNECTIO	BLE DESCF Grade K-55 L-80 P110 L-80 RE QUIPMENT VKO	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$28,000 \$28,000	\$15,000 \$197,000 \$415,000 COMPLETION COST \$690,605 \$166,400 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000 \$175,000	\$11,000 \$54,000 \$227,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$189,000 \$189,000 \$340,200 \$189,000 \$340,200 \$189,000 \$340,200 \$340,200 \$15,000 \$15,000 \$15,000 \$175,000
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 620/820 820 820 820 820 821 621/824 825 825 825 825 825 825 825 822 823 827 831 830 827 830	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (FO PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & M FLOWLINES, VALVE TANKS (WATER ANI MISCELLANEOUS	D COST TANGII Length 120' 1,800' 5,400' 18,665' 10,400' IENT JULY ENCLOSUF G & STEEL) DOWNHOLE EA SEPERATOR, FW METER RUN IS, CONNECTION D PRODUCTION	BLE DESCF Grade K-55 L-80 P110 L-80 RE QUIPMENT VKO	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$28,000 \$28,000 \$28,000	\$15,000 \$197,000 \$415,000 COMPLETION COST \$166,400 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000 \$175,000 \$778,000	\$11,000 \$54,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$189,000 \$189,000 \$340,200 \$189,000 \$340,200 \$185,000 \$15,000 \$15,000 \$15,000 \$15,000 \$15,000 \$108,000
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 822 823 827 831 830 827 830 622/820	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (FO PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & M FLOWLINES, VALVE TANKS (WATER ANI MISCELLANEOUS CONTINGENCY (10%	D COST TANGII Length 120' 1,800' 5,400' 18,665' 10,400' IENT ITY ENCLOSUF G & STEEL) DOWNHOLE EF SEPERATOR, FV METER RUN IS, CONNECTION D PRODUCTION	BLE DESCF Grade K-55 L-80 P110 L-80 RE QUIPMENT VKO	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$28,000 \$28,000	\$15,000 \$197,000 \$415,000 COMPLETION COST \$690,605 \$166,400 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000 \$175,000	\$11,00 \$54,00 \$227,00 \$699,00 \$7,740,50 TOTAL WELL COST \$43,80 \$189,00 \$340,20 \$340,20 \$189,00 \$340,20 \$189,00 \$340,20 \$189,00 \$340,20 \$189,00 \$340,20 \$189,00 \$340,20 \$185,00 \$185,00 \$125,00 \$125,00 \$108,00 \$108,00 \$227,00
515/705 513/708 509/705 TOTAL INT Acct Code 620/820 620/820 620/820 620/820 620/820 820 820 820 821 621/824 825 825 825 822 823 827 831 830 827 830 622/820 TOTAL TAI	INSURANCE MISCELLANEOUS CONTINGENCY (10% TANGIBLE ESTIMATE SURFACE INTERMEDIATE INTERMEDIATE PRODUCTION PRODUCTION LINER TUBING (Coated) WELLHEAD EQUIPM PRODUCTION FACIL POWER SOURCE RODS AND PUMP (FO PACKERS, BP'S, ESP, HEATER TREATER, S GAS SALES LINE & M FLOWLINES, VALVE TANKS (WATER ANI MISCELLANEOUS CONTINGENCY (10%	D COST TANGII Length 120' 1,800' 5,400' 18,665' 10,400' IENT ITY ENCLOSUF G & STEEL) DOWNHOLE EF SEPERATOR, FV METER RUN IS, CONNECTION D PRODUCTION	Grade K-55 K-55 L-80 P110 L-80 RE QUIPMENT VKO NS ()	UPTION Size 20 13 3/8" 9 5/8" 5 1/2" 2.875	Weight 54.5 40 20	\$365.00 \$105.00 \$63.00 \$37.00	\$39,000 \$30,000 \$284,000 \$3,165,500 COST BEFORE CASING POINT \$43,800 \$189,000 \$340,200 \$340,200 \$28,000 \$28,000 \$28,000 \$30,000 \$30,000 \$63,000 \$694,000	\$15,000 \$197,000 \$415,000 COMPLETION COST \$690,605 \$166,400 \$18,000 \$185,000 \$185,000 \$125,000 \$125,000 \$175,000 \$175,000 \$175,000 \$164,000	\$11,000 \$54,000 \$699,000 \$7,740,500 TOTAL WELL COST \$43,800 \$189,000 \$340,200 \$340,200 \$185,000 \$185,000 \$63,000 \$15,000 \$15,000 \$15,000
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Chronology of Contact

9/2/2022: Well proposals, AFEs and Operating Agreements for Cache River 29 32 State Com 103H, 203H and 303H were sent via certified mail to working interest owners in the project.

9/9/2022: Provided additional information to The Ninety-Six Corporation via email

9/9/2022: Email communication with Rutter & Wilbanks regarding the proposal

9/15/2022: Provided additional information to Legacy Reserves about their ownership and anticipated timing of the development

9/15/2022: Reached out to Michael Christopher Finseth regarding the proposal

9/19/2022: Extended offer to purchase Legacy's interest in the project

10/5/2022: Additional communication with Michael Christopher Finseth about the project and his claim to his mother's interest (Patricia Doyle Finseth)

10/17/2022: Additional email correspondence with the Ninety-Six Corporation about their interest to participate in the proposed development

11/4/2022: Well proposals, AFEs and Operating Agreements for Cache River 29 32 State Com 103H, 203H and 303H were sent via certified mail to additional working interest owners in the project.

11/9/2022: Email correspondence with Michael Christopher Finseth on behalf of himself and the estate of Patricia Doyle Finseth regarding the proposed development

11/18/2022: Offer extended to Permian Resources for an acquisition of their interest in the proposed development

11/28/2022: Provided additional information on AFEs to Permian Resources

12/2/2022: Email communication with Legacy to check on the status of their JOA review

12/13/2022: Email communication with Michael Christopher Finseth regarding Patricia Doyle Finseth's estate

V-F Petroleum Inc. Case No. 23227 Exhibit A-5

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

APPLICATION OF V-F PETROLEUM, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 23227

SELF-AFFIRMED STATEMENT OF MICHAEL BURKE

1. I am a geologist for V-F Petroleum, Inc. ("V-F"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced case.

3. Exhibit B-1 is a location map of the proposed horizontal spacing unit ("Unit"). The approximate wellbore paths for the proposed Cache River 29 32 State Com #103H, Cache River 29 32 State Com #203H, and the Cache River 29 32 State Com #303H wells are represented by dashed lines. Existing producing wells in the targeted interval are represented by solid lines.

4. **Exhibit B-2** is a subsea structure map for that is representative of the 1st Bone Spring Sand target interval. The data points are indicated by red X-marks along with their corresponding subsea values posted above in blue. The approximate wellbore paths are depicted by dashed lines. The map demonstrates the formation is gently dipping to the southwest in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

5. **Exhibit B-3** is a subsea structure map for that is representative of the 2nd Bone Spring Sand target interval. The data points are indicated by red X-marks along with their

> V-F Petroleum Inc. Case No. 23227 Exhibit B

corresponding subsea values posted above in blue. The approximate wellbore paths are depicted by dashed lines. The map demonstrates the formation is gently dipping to the southwest in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

6. **Exhibit B-4** is a subsea structure map that is representative of the 3rd Bone Spring Sand target interval. The data points are indicated by red X-marks along with their corresponding subsea values posted above in blue. The approximate wellbore paths are depicted by a dashed line. The map demonstrates the formation is gently dipping to the southwest in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted interval with horizontal wells.

7. **Exhibits B-2, B-3,** and **B-4** also identify three (3) wells penetrating the targeted intervals used to construct a stratigraphic cross-section from A to A'. I used these well logs because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the area.

8. **Exhibit B-5** is a stratigraphic cross-section using the representative wells identified on **Exhibits B-2, B-3**, and **B-4**. It contains gamma ray, resistivity, and porosity logs. The proposed landing zones for the wells are labeled on the exhibit. This cross-section demonstrates the target intervals are continuous across the Units.

9. In my opinion, a stand-up orientation for the wells is appropriate to properly develop the subject acreage because of an established directional pattern and the known fracture orientation in this portion of the trend. Stand-up orientation is also supported by a study of the production of stand-up vs laydown orientation in the area, with stand-up well results being significantly better.

2

10. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute equally to the production of the wells.

11. In my opinion, the granting of V-F's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

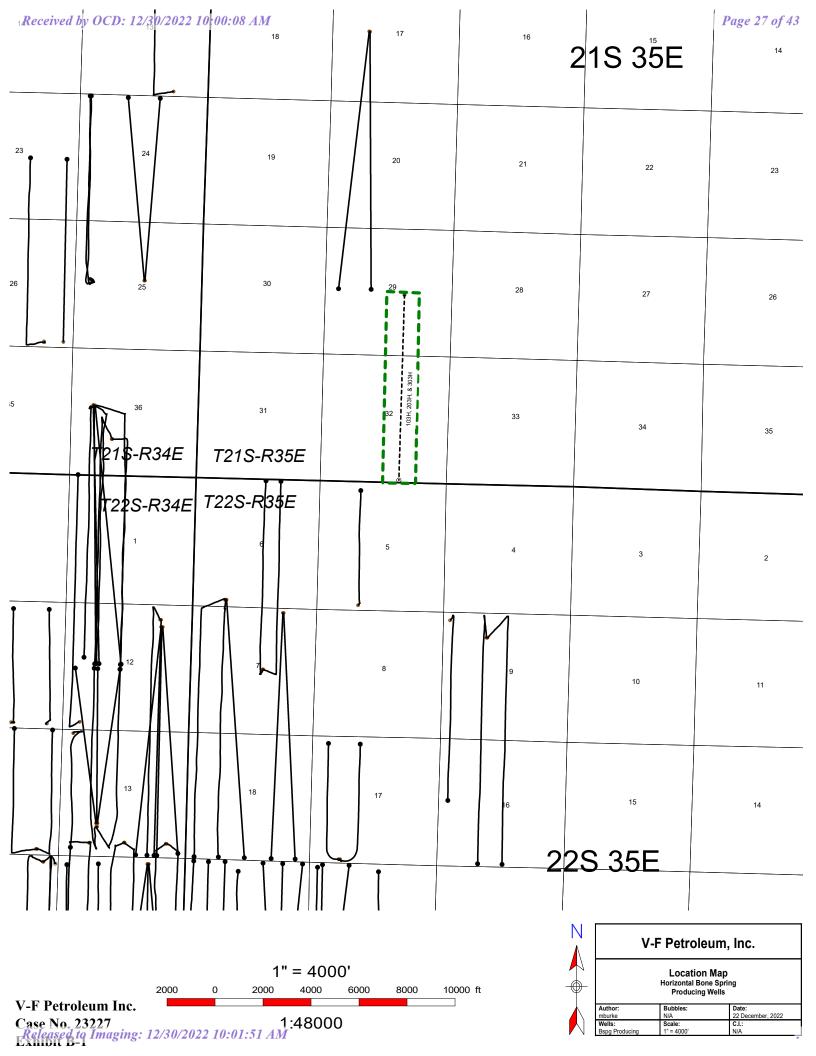
12. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

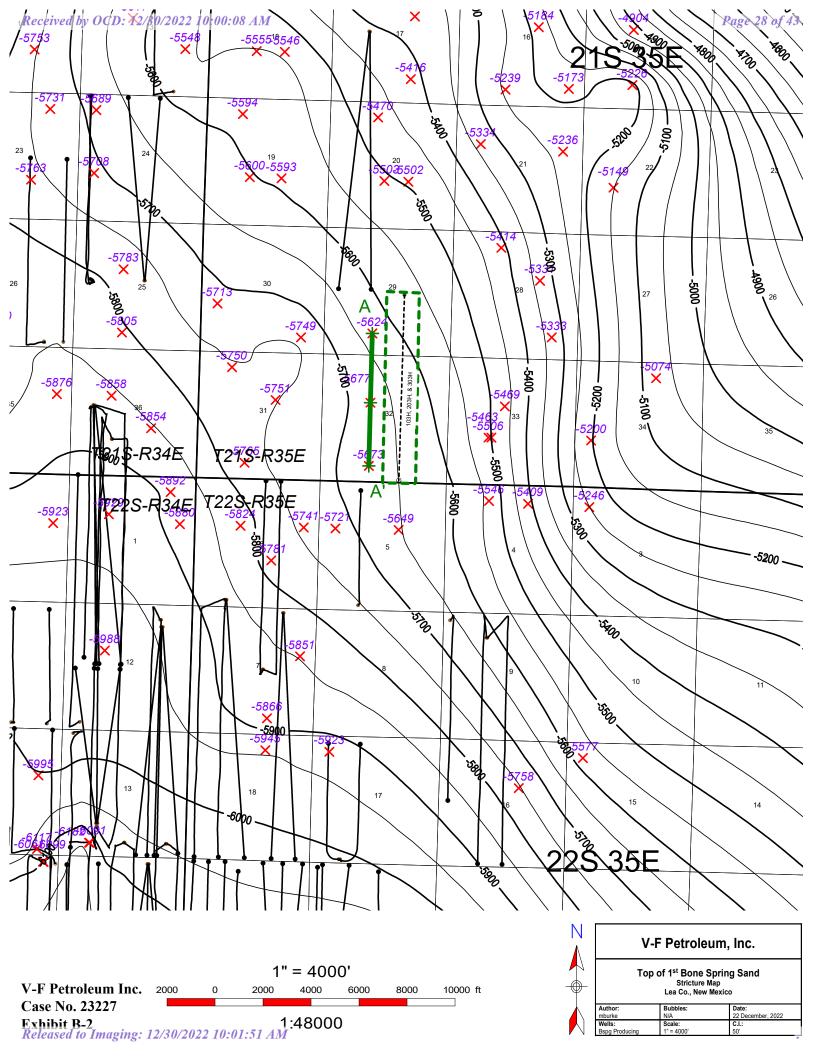
13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.

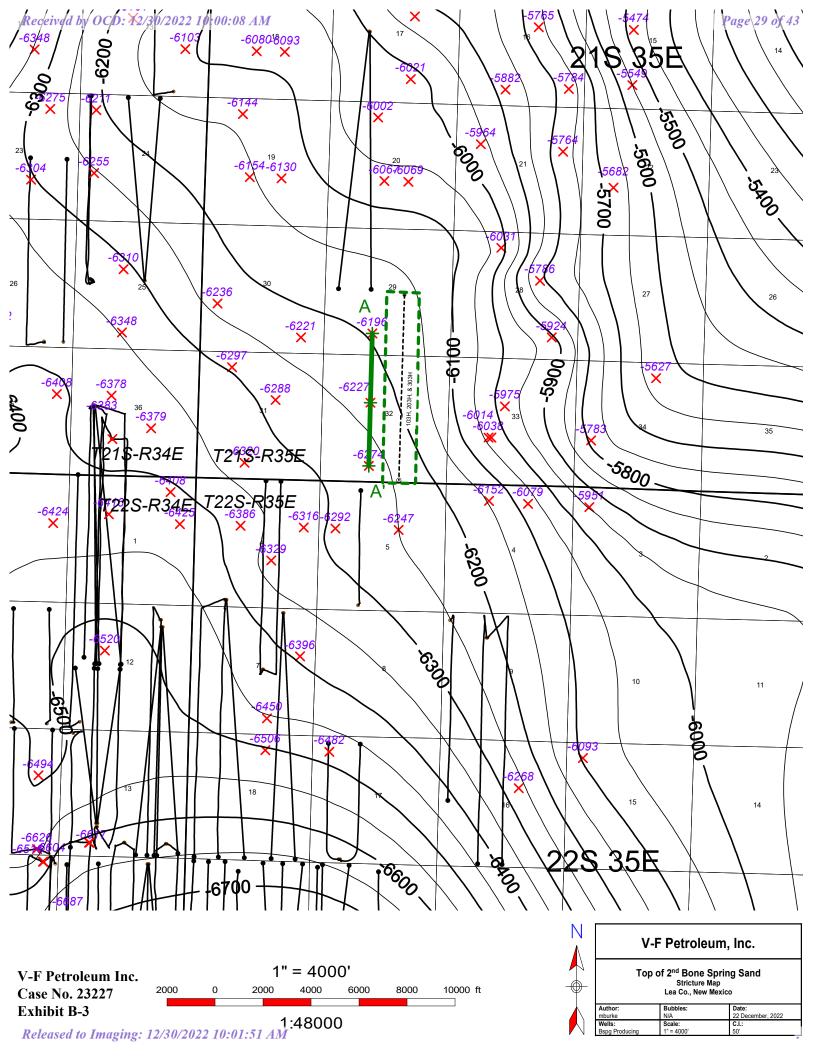
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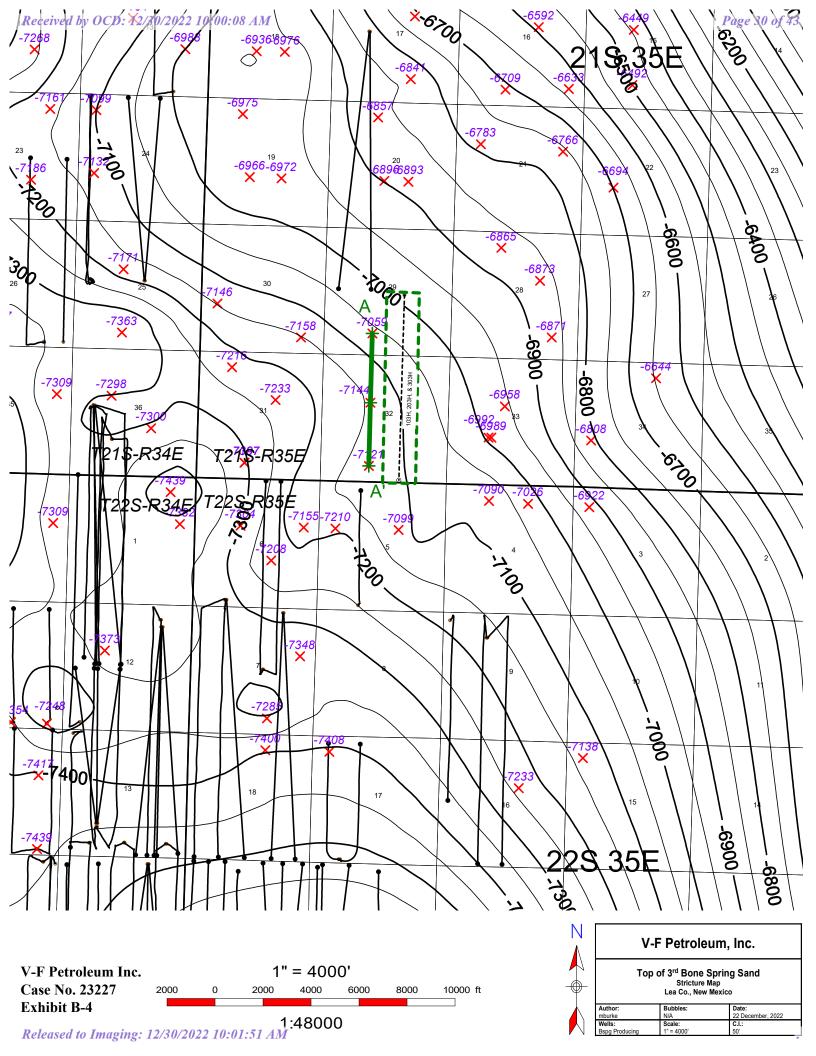
Michael Burke

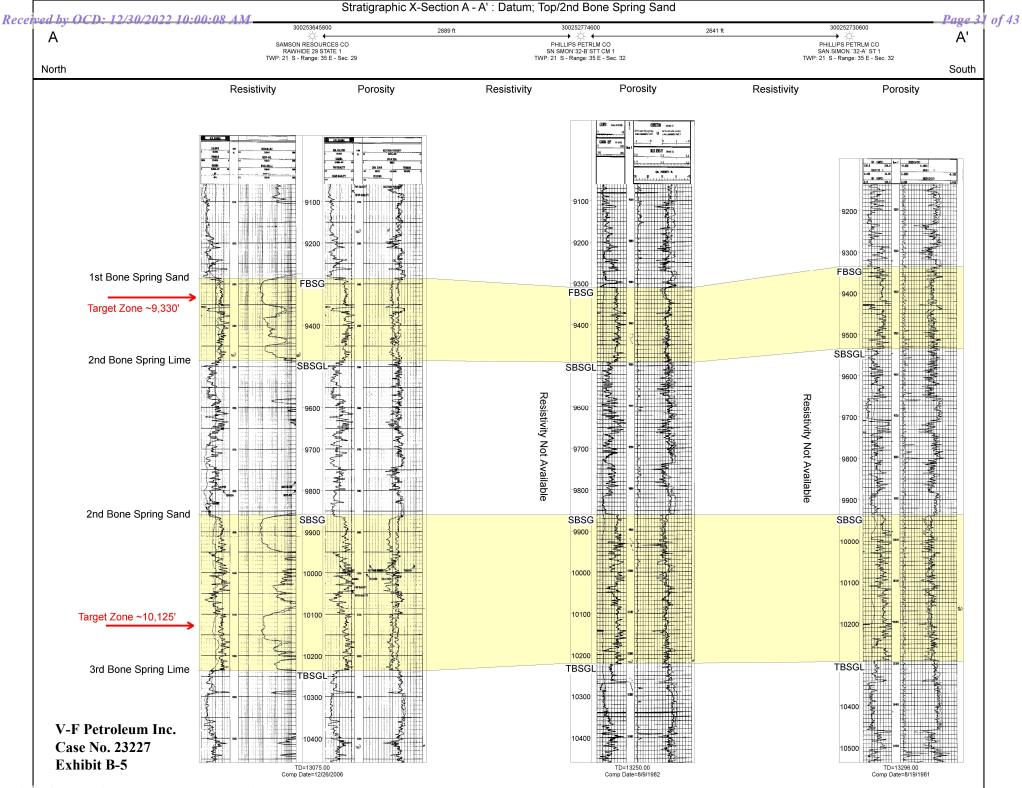
<u>/2-23-202</u>2 Date







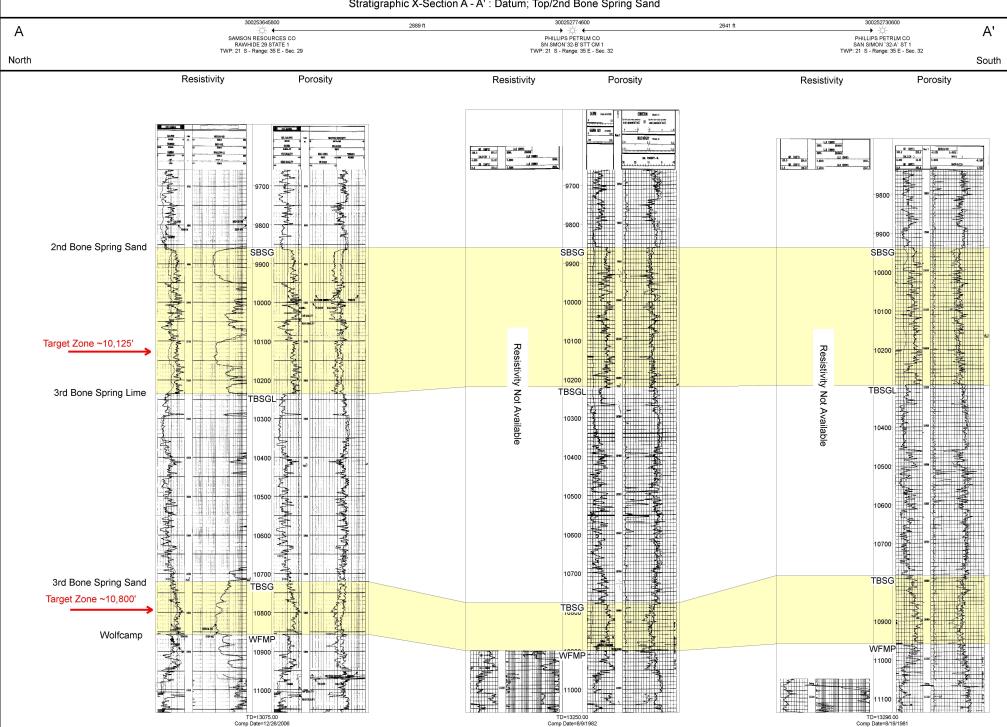




Released to Imaging: 12/30/2022 10:01:51 AM

Received by OCD: 12/30/2022 10:00:08 AM

Stratigraphic X-Section A - A' : Datum; Top/2nd Bone Spring Sand



Released to Imaging: 12/30/2022 10:01:51 AM

Page 32 of 43

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

APPLICATIONS OF V-F PETROLEUM, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 23277

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

1. I am attorney in fact and authorized representative of V-F Petroleum, Inc., the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit C-1**.

3. The above-reference Application was provided, along with the Notice Letter, to the recipients listed in **Exhibit C-2**. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received and includes copies of the certified mail green cards and white slips as supporting documentation for proof of mailing.

4. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 4 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

<u>/s/ Dana S. Hardy</u> Dana S. Hardy December 30, 2022 Date

> V-F Petroleum Inc. Case No. 23227 Exhibit C



HINKLE SHANOR LLP

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

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

Deember 6, 2022

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

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 23227 - Application of V-F Petroleum, Inc., for Compulsory Pooling, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **January 5**, **2023** beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (https://wwwapps.emnrd.state.nm.us/ocd/ocdpermitting/) or via e-mail to ocd.hearings@enmrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

Please contact Ryan Curry, Landman for V-F Petroleum Inc., by phone at (432) 683-3344 if you have any questions.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

V-F Petroleum Inc. Case No. 23227 Exhibit C-1

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321

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

APPLICATION OF V-F PETROLEUM INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 23227

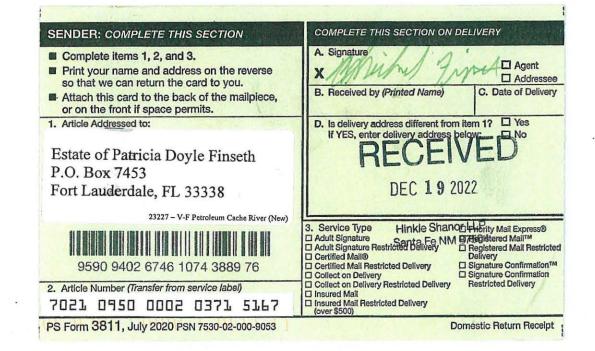
NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Estate of Patricia Doyle Finseth	12/06/22	12/19/22
P.O. Box 7453		
Fort Lauderdale, FL 33338		
Michael Christopher Finseth	12/06/22	12/19/22
P.O. Box 7453		
Fort Lauderdale, FL 33338		
Legacy Reserves Operating, LP	12/06/22	Per USPS Tracking (Last
1775 Sherman St., Suite 1400		Checked 12/27/22):
Denver, CO 80203		
		12/08/22 – Delivered to
		individual at the address.
The Ninety-Six Corporation	12/06/22	12/12/22
223 West Wall St., Suite 700		
Midland, TX 79701		
Permian Resources Operating, LLC	12/06/22	12/12/22
300 N. Marienfeld St., Suite 1000		
Midland, TX 79701		

V-F Petroleum Inc. Case No. 23227 Exhibit C-2

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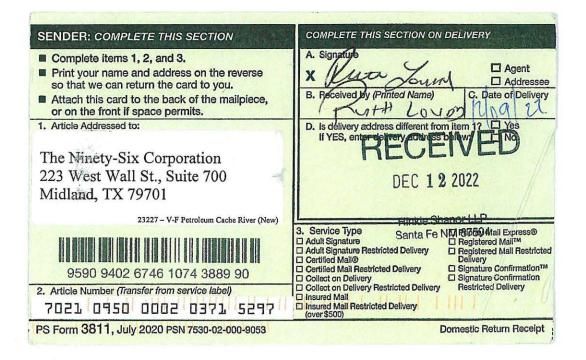




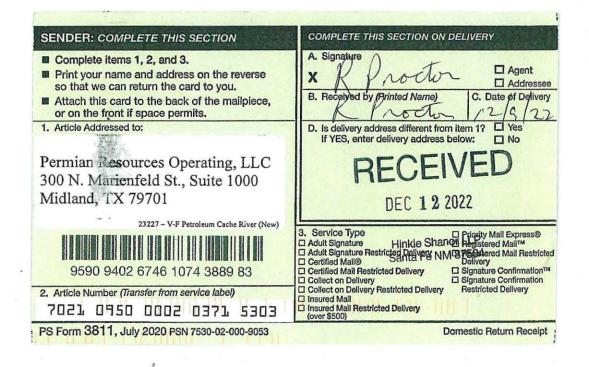


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