APPLICATION OF RIDGE RUNNER RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-21609, LEA COUNTY, NEW MEXICO.

CASE NO. 23676 ORDER NO. R-21609

HEARING EXHIBITS

Exhibit A	Self-Affirmed Statement of Crystal Emerald McGinnis		
A-1	Application & Proposed Notice of Hearing		
A-2	Order No. R-21609		
A-3	Plat of Tracts, Tract Ownership, Additional Pooled Party		
A-4	Chronology of Contact		
Exhibit B	Self-Affirmed Statement of Dana S. Hardy		
B-1	Sample Notice Letter		
B-2	Chart of Notice		
B-3	Copies of Certified Mail Receipts and Returns		
B-4	Affidavit of Publication for July 14, 2023		

APPLICATION OF RIDGE RUNNER RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-21609, LEA COUNTY, NEW MEXICO.

CASE NO. 23676 ORDER NO. R-21609

SELF-AFFIRMED STATEMENT OF CRYSTAL EMERALD MCGINNIS

- 1. I am a Landman with Ridge Runner Resources Operating, LLC ("Ridge Runner"). 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 this case. Copies of the 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. On February 23, 2021, the Division entered Order No. R-21609 ("Order") in Case No. 21635, which pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the W/2 W/2 of Sections 2 and 11, Township 20 South, Range 35 East, Lea County, New Mexico ("Unit"). The Order further dedicated the Unit to the Zeus 2-11 Fed Com #1H well ("Well") and designated Applicant as operator of the Unit and Well.
- 5. On April 13, 2023, the Division entered Order No. R-21609-C in Case No. 23280 granting an extension to drill the Well within the Unit until February 23, 2024. A copy of the Order is attached as **Exhibit A-2**.

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit A

- 6. Since Order No. R-21609 was entered, Ridge Runner has identified an additional uncommitted interest in the Unit that has not been pooled under the terms of the Order.
- 7. **Exhibit A-3** provides a plat of the tracts included in the Unit, identifies the interests in each tract, and identifies the additional uncommitted interest to be pooled under the terms of the Order, which is highlighted in yellow.
- 8. The additional interest, APCOT Finadel Joint Venture, appears to be unlocatable as it is a defunct partnership. In an attempt to provide APCOT-Finadel Joint Venture notice and the opportunity to participate in the Zeus Unit, I conducted numerous searches in the county records and online searches, including Eddy County, Chaves County, Lea County, the state of Wyoming and the State of Louisiana. I was also able to locate information about APCOT-Finadel Joint Venture on the Louisiana Secretary of State's Commercial Division's website. It was discovered that Apcot-Finadel Joint Venture was registered by the State of Louisiana Secretary of State on November 8, 1982, and was issued Charter Number 08222790L. The State of Louisiana Secretary of State classified Apcot Finadel Joint Venture as terminated on March 24, 2014. The entity no longer exists and the chain of title stops on March 24, 2014.
- 9. In my opinion, Ridge Runner made a good-faith effort to reach voluntary joinder as indicated by the chronology of contact described in **Exhibit A-4**.
- 10. Ridge Runner requests the additional uncommitted interest be pooled under the terms of the Order.
- 11. In my opinion, the granting of Ridge Runner's application would serve the interests of conservation and 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 that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my signature below.

Crystal Emerald McGinnis

Date

APPLICATION OF RIDGE RUNNER RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-21609, LEA COUNTY, NEW MEXICO.

CASE NO. 23676 ORDER NO. R-21609

APPLICATION

Pursuant to NMSA § 70-2-17, Ridge Runner Resources Operating, LLC ("Applicant") (OGRID No. 373013) files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional uncommitted interests under the terms of Division Order No. R-21609. Applicant states the following in support of its application.

- 1. On February 23, 2021, the Division entered Order No. R-21609 ("Order") in Case No. 21635, which pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the W/2 W/2 of Sections 2 and 11, Township 20 South, Range 35 East, Lea County ("Unit"). The Order further dedicated the Unit to the Zeus 2-11 Fed Com #1H well ("Well") and designated Applicant as operator of the Unit and Well.
- 2. On April 13, 2023, the Division entered Order No. R-21609-C in Case No. 23280 granting an extension to drill the Well within the Unit until February 23, 2024.
- 3. Since the Order was entered, Applicant has identified additional interests in the Unit that have not been pooled under the terms of the Order.
- 4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit A-1 5. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled into the Unit pursuant to the terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on August 3, 2023, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-21609.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean Yarithza Peña P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com

Counsel for Ridge Runner Resources Operating,

LLC

Application of Ridge Runner Resources Operating, LLC To Pool Additional Interests Under Order No. R-21609, Lea County, New Mexico. Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-21609. Order No R-21609 ("Order") pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the W/2 W/2 of Sections 2 and 11, Township 20 South, Range 35 East, Lea County, New Mexico ("Unit"). Order R-21609 further dedicated the Unit to the Zeus 2-11 Fed Com #1H well ("Well") and designated Applicant as operator of the Unit and Well. Order No. R-21609-C was entered on April 13, 2023, and granted an extension to drill the Well until February 23, 2024. Since the Order was entered, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Well is located approximately 16 miles Southwest of Hobbs, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY RIDGE RUNNER RESOURCES OPERATING, LLC

CASE NO. 21635 ORDER NO. R-21609

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on February 18, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Ridge Runner Resources Operating, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit A-2

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

CASE NO. 21635 ORDER NO. R-21609

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election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

CASE NO. 21635 ORDER NO. R-21609

Page 3 of 7

- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 2/23/2021

Exhibit A

COMPULSORY POOLING	G APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION I	MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 21635 APPLICANT'S RESPONSE		
Date: 2/2/21		
Applicant	Ridge Runner Resources Operating, LLC	
Designated Operator & OGRID (affiliation if applicable)	Ridge Runner Resources Operating, LLC, OGRID 373013	
Applicant's Counsel: Dana S. Hardy		
Case Title:	APPLICATION OF RIDGE RUNNER RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO	
Entries of Appearance/Intervenors:	None	
Well Family	Zeus	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring Formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Bone Spring formation	
Pool Name and Pool Code:	Pearl Bone Spring South Pool, Code 49685	
Well Location Setback Rules:	Standard	
Spacing Unit Size:	40 acres	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	320 acres	
Building Blocks:	40 acre	
Orientation:	North-South	
Description: TRS/County	W/2 W/2 of Sections 2 and 11, Township 20 South, Range 3 East, Lea County	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes	
Other Situations		
Depth Severance: Y/N. If yes, description	No	
Proximity Tracts: If yes, description	No	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	Exhibit A-3	
Well(s)		
Name & API (if assigned), surface and bottom hole location, ootages, completion target, orientation, completion status standard or non-standard)		

Well #1	Zeus 2-11 Fed Com #1H (API unassigned) SHL: 108' FNL and 330' FWL of Section 2-T20S-R35E BHL: 100' FSL and 330' FWL of Section 11-T20S-R35E FTP: 675' FNL & 330' FWL of Section 2-T20S-R35E LTP: 100' FSL & 330' FWL of Section 11-T20S-R35E		
Horizontal Well First and Last Take Points			
Completion Target (Formation, TVD and MD)	Bone Spring Formation,19,544' TMD 9,430'		
AFE Capex and Operating Costs			
	\$8000.00, Exhibit A		
Drilling Supervision/Month \$	\$8000.00, Exhibit A \$800, Exhibit A		
Drilling Supervision/Month \$ Production Supervision/Month \$			
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs	\$800, Exhibit A		
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge	\$800, Exhibit A Exhibit A		
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing	\$800, Exhibit A Exhibit A		
Drilling Supervision/Month \$ Production Supervision/Month \$ Iustification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing)	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A		
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing) Proof of Published Notice of Hearing (10 days before hearing)	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A Exhibit A-8		
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing) Proof of Published Notice of Hearing (10 days before hearing) Dwnership Determination	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A Exhibit A-8 Exhibit A-9		
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing) Proof of Published Notice of Hearing (10 days before hearing) Dwnership Determination Land Ownership Schematic of the Spacing Unit	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A Exhibit A-8 Exhibit A-9 Exhibit A-10 Exhibit A-3		
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing) Proof of Published Notice of Hearing (10 days before hearing) Dwnership Determination Land Ownership Schematic of the Spacing Unit Fract List (including lease numbers and owners)	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A Exhibit A-8 Exhibit A-9 Exhibit A-10 Exhibit A-3 Exhibit A-3		
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing) Proof of Published Notice of Hearing (10 days before hearing) Ownership Determination Land Ownership Schematic of the Spacing Unit Fract List (including lease numbers and owners)	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A Exhibit A-8 Exhibit A-9 Exhibit A-10 Exhibit A-3		
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Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proposed Notice of Hearing (20 days before hearing) Proof of Mailed Notice of Hearing (10 days before hearing) Dwnership Determination Land Ownership Schematic of the Spacing Unit Tract List (including lease numbers and owners) Pooled Parties (including ownership type) Unlocatable Parties to be Pooled Dwnership Depth Severance (including percentage above &	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A Exhibit A-8 Exhibit A-9 Exhibit A-10 Exhibit A-3 Exhibit A-3 Exhibit A-3		
Drilling Supervision/Month \$ Production Supervision/Month \$ Justification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing) Proof of Published Notice of Hearing (10 days before hearing) Dwnership Determination Land Ownership Schematic of the Spacing Unit Tract List (including lease numbers and owners) Pooled Parties (including ownership type) Unlocatable Parties to be Pooled Dwnership Depth Severance (including percentage above & Delow)	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A Exhibit A-8 Exhibit A-9 Exhibit A-10 Exhibit A-3 Exhibit A-3 Exhibit A-3 Exhibit A-3 Exhibit A-3		
Drilling Supervision/Month \$ Production Supervision/Month \$ Dustification for Supervision Costs Requested Risk Charge Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing) Proof of Published Notice of Hearing (10 days before hearing) Ownership Determination Land Ownership Schematic of the Spacing Unit Tract List (including lease numbers and owners) Pooled Parties (including ownership type) Unlocatable Parties to be Pooled Dwnership Depth Severance (including percentage above & nelow) Joinder Sample Copy of Proposal Letter	\$800, Exhibit A Exhibit A Cost plus 200%, Exhibit A Exhibit A-8 Exhibit A-9 Exhibit A-10 Exhibit A-3 Exhibit A-3 Exhibit A-3 Exhibit A-3 Exhibit A-3		

Chronology of Contact with Non-Joined Working Interests	Exhibit A-6		
Overhead Rates In Proposal Letter	\$800/\$8,000, Exhibit A-5		
Cost Estimate to Drill and Complete	Exhibit A-11		
Cost Estimate to Equip Well	Exhibit A-11		
Cost Estimate for Production Facilities	Exhibit A-11		
Geology			
Summary (including special considerations)	Exhibit B		
Spacing Unit Schematic	Exhibit B-1		
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-3		
Well Orientation (with rationale)	Exhibit B		
Target Formation	Bone Spring, Exhibit B		
HSU Cross Section	Exhibit B-6		
Depth Severance Discussion	None, Exhibit A		
Forms, Figures and Tables			
C-102	Exhibit A-2		
Tracts	Exhibit A-3		
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3, A-4		
General Location Map (including basin)	Exhibit B-1		
Well Bore Location Map	Exhibits B-1, B-3		
Structure Contour Map - Subsea Depth	Exhibit B-4		
Cross Section Location Map (including wells)	Exhibit B-1		
Cross Section (including Landing Zone)	Exhibit B-6		
Additional Information			
Special Provisions/Stipulations	None		
CERTIFICATION: I hereby certify that the information	provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Dana S. Hardy		
Signed Name (Attorney or Party Representative):	Mann Shoudh		
Date:	2/2/2021		

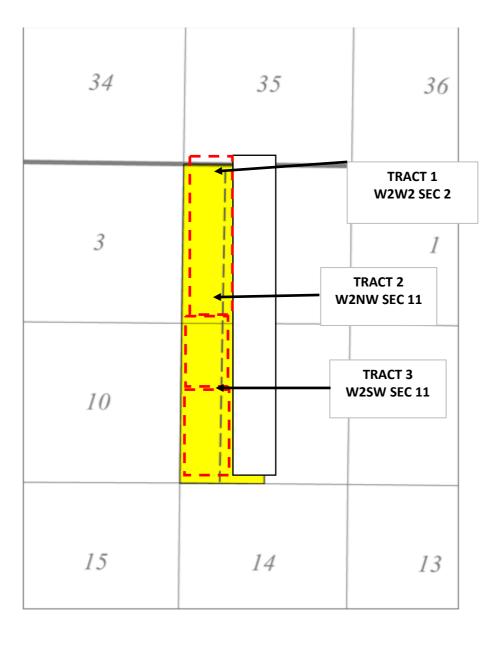
R-21609
Zeus Well(s) W2W2 Section 2 and W2W2 Section 11, T-20-S, R-35-E, Lea County - 320.62 unit acres

TRACT NO.	LEGAL	GROSS UNIT ACRES	TRACT INTEREST	UNIT INTEREST	STATUS	OWNER
1	W2W2 Section 2	160.62	1.000000	0.50096688	COMMITTED	RIDGE RUNNER HOLDINGS, LLC
TRACT 1 TOTALS:		160.62	1.000000	0.50096688		
2	W2NW Section 11	80.00	0.750000	0.18713742	FORCE POOLED	GERONIMO HOLDING CORPORATION
2	W2SW Section 11	80.00	0.250000	0.06237914	UNCOMMITTED	APCOT-FINADEL JOINT VENTURE
TRACT 2 TOTALS:		80.00	1.000000	0.24951656		
3	W2SW Section 11	80.00	1.000000	0.24951656	FORCE POOLED	AMERICAN STANDARD CORPORATION
TRACT 3 TOTA	ALS:	80.00	1.000000	0.24951656		

UNIT TOTALS: 320.62 1.00000000

ADDITIONAL UNCOMMITTED INTEREST TO BE POOLED HIGHLIGHTED IN YELLOW

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit A-3



A-5 R-21609

Zeus 2-11 Federal Com #3H

W2W2 Section 2 and E2W2 Section 11, T-20-S, R-35-E, Lea County - 320 unit acres, more or less Chronology of Contact

Date of Contact	Туре	Participants	Subject
2/23/2021	Force Pool	Ridge Runner Resources Operating, LLC & Total E&P USA	Operator force pooled the interest of Total E&P USA
6/16/2023	Phone Call	Emerald McGinnis (Ridge Runner)	left phone message for Alex Will is with Total regarding the Apcot chain of title
6/19/2023	Phone Call	CT Corporation and Emerald McGinnis Landman	CT Corporation was listed on the Lousiana SEC filing as an Agent for Apcot. Emerald spoke with an representative of CT Corporation and was informed that Apcot was a terminated entity.
6/20/2023	Phone Call	Emerald McGinnis (Ridge Runner) and Alex Willis with Total E&P	Total is a successor to Final Oil and Chemical Company who was thought at one time to be a successor in title. This why Ridge Runner force pooled Total in 2021. It was determined that there is no public record of a transfer of the subject interest out of Apcot. Alex Willis did not have any additional information to provide and did not see evidence that Total owned any interest in the subject interest.
6/21/2023	email	Emerald McGinnis (Ridge Runner) and Alex Willis with Total E&P	Emerald sent a follow up email to Alex recapping the conversation.

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit A-4

APPLICATION OF RIDGE RUNNER RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-21609, LEA COUNTY, NEW MEXICO.

CASE NO. 23676 ORDER NO. R-21609

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

- 1. I am attorney in fact and authorized representative of Ridge Runner Resources Operating, LLC, the Applicant herein.
 - 2. I am familiar with the Notice Letter attached as **Exhibit B-1**.
- 3. The above-refered Application was provided, along with the Notice Letter, to APCOT Finadel Joint Venture to the addresses set out in the chart attached as **Exhibit B-2**.
- 4. Exhibit B-2 also provides the date the Notice Letter was sent and the date each return was received.
- 5. Copies of the certified mail green cards and white slips are attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.
- 6. On July 14, 2023, I caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, along with a copy of the notice publication, is attached as **Exhibit B-4**.
- 7. 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 it 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.

/s/ Dana S. Hardy
Dana S. Hardy

August 1, 2023

Date

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit B



HINKLE SHANOR LLP

ATTORNEYS AT LAW

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

July 11, 2023

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

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

Re: Case No. 23676 – Application of Ridge Runner Resources Operating, LLC to Pool Additional Interests Under Order No. R-21609, Lea County, New Mexico.

APCOT - Finadel Joint Venture:

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 **August 3**, **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: https://www.emnrd.nm.gov/ocd/hearing-info/. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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://www.apps.emnrd.nm.gov/ocd/ocdpermitting/) or via e-mail to ocd.hearings@emnrd.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 Emerald McGinnis, CPL, of Ridge Runner Resources, LLC, at (432) 349-5471, if you have any questions.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

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

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit B-1

APPLICATION OF RIDGE RUNNER RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-21609, LEA COUNTY, NEW MEXICO.

CASE NO. 23676 ORDER NO. R-21609

NOTICE LETTER CHART

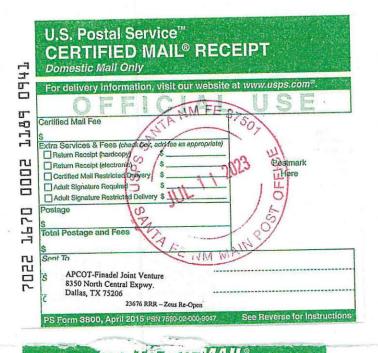
PARTY	NOTICE LETTER SENT	RETURN RECEIVED
APCOT-Finadel Joint Venture	07/11/23	Per USPS Tracking
1300 Hibernia Bldg.		(Last Checked 07/27/23):
New Orleans, LA 70112		
		07/26/23 – Item in transit
		to next facility.
APCOT-Finadel Joint Venture	07/11/23	07/26/23
8350 North Central Expwy.		
Dallas, TX 75206		Return to sender.
APCOT-Finadel Joint Venture	07/11/23	07/24/23
c/o CT Corporation System		
3867 Plaza Tower Dr.		
Baton Rouge, LA 70816		
APCOT-Finadel Joint Venture	07/11/23	07/28/23
P.O. Box 2159		
Dallas, TX 75221		Return to sender.

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit B-2



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: APCOT-Finadel Joint Venture c/o CT Corporation System 3867 Plaza Tower Dr. Baton Rouge, LA 70816 	A. Signature X		
9590 9402 7635 2122 6512 04 2. Article Number (Transfer from service label) 7022 1670 0002 1189 093	3. Service Type Hinkle Shanor LLE Priority Mail Express® Adult Signature Confirmation™ Registered Mail™ Restricted Certified Mail® Certified Mail® Serviced Delivery Signature Confirmation™ Signature Confirmation™ Collect on Delivery Restricted Delivery Signature Confirmation Restricted Delivery Insured Mail Restricted Delivery Restricted Delivery Restricted Delivery (over \$500)		
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt		

Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit B-3



HINKLE SHANOR LLP ATTORNEYS AT LAW

POST OFFICE BOX 2068 SANTA FE, NEW MEXICO 87504





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Hinkle Shanor LLP Santa Fe NM 87504 APCOT-Finadel Joint Venture

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HINKLE SHANOR LLP ATTORNEYS AT LAW

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Hinkle Shanor LLP Santa Fe NM 87504 APCOT-Finadel Joint Venture P.O. Box 2159 Dallas, TX 75221

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FAQs >

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Preparing for Delivery

Moving Through Network

In Transit to Next Facility

July 26, 2023

Departed USPS Regional Facility

NEW ORLEANS LA DISTRIBUTION CENTER July 25, 2023, 10:43 pm

Arrived at USPS Regional Facility

NEW ORLEANS LA DISTRIBUTION CENTER July 25, 2023, 1:15 pm

Departed USPS Facility

ALBUQUERQUE, NM 87101 July 11, 2023, 10:13 pm Feedback

Arrived at USPS Facility
ALBUQUERQUE, NM 87101
July 11, 2023, 9:12 pm

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USPS Tracking Plus®	~
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Contact USPS Tracking support for further assistance.

FAQs

July 19, 2023

Notice of Rejected Service of Process - Log# 544315559

Agent Served: CT Corporation

Party Served: APCOT-FINADEL JOINT VENTURE

Jurisdiction Served: Louisiana

Title of Action: APPLICATION OF RIDGE RUNNER RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-21609, LEA COUNTY, NEW MEXICO vs. APCOT-

Finadel Joint Venture Case No. 23676

Dear Sir/Madam:

We have received documents from you in the above-referenced matter, but we are not able to forward the documents to any party due to the reason indicated below.

☐ Not Agent: According to our records and/or the records of t	he Secretary	of State,	we are not the registered
agent for the party you are attempting to serve.			

Documents Do Not Correctly Identify the Intended Recipient: The name of the party that you are trying to serve appears to be incomplete and/or there are other errors in how you have identified the party that you are trying to serve. Our company is the registered agent for service of process for hundreds of thousands of entities, and because of your errors in identifying the party that you are trying to serve, we are unable to determine the identity of the party that you are attempting to serve.

Inactive Entity: The entity that you are attempting to serve is either discontinued on our records and/or inactive with the Secretary of State. Accordingly, we no longer have any active agreement with the entity to operate as its registered agent for service of process, and we no longer have current delivery instructions on file.

To be clear, for the aforementioned reason(s), we have not been able to forward the documents that you are attempting to serve to any party. We are writing this letter to you so that you can take action to address the problems that we have identified. If you do not correct the errors identified herein, the party you are trying to serve will not receive notice of these documents.

Please email SOPInquiries@wolterskluwer.com if you believe that you have received this letter in error or if you need further assistance.

Very truly yours, C T Corporation System

(Returned To)

HINKLE SHANOR LLP Dana S. Hardy POST OFFICE BOX 2068, SANTA FE, NM 87504 Released to Imaging: 8/15/2023 11:39:05 AM

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated July 14, 2023 and ending with the issue dated July 14, 2023.

Publisher

Sworn and subscribed to before me this 14th day of July 2023.

Business Manager

My commission expires

January 29, 2027

(Seal)

STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

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

LEGAL NOTICE July 14, 2023

This is to notify all interested parties, including APCOT-Finadel Joint Venture; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Ridge Runner Resources Operating, LLC (Case No. 23676). The hearing will be conducted remotely on August 3, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that https://www.emnrd.nm.gov/ocd/hearing-info/. Applicant applies for an order pooling additional uncommitted interests under the terms of Division Order No. R-21609. Order No R-21609 ("Order") pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the W/2 W/2 of Sections 2 and 11, Township 20 South, Range 35 East, Lea County, New Mexico ("Unit"). Order R-21609 further dedicated the Unit to the Zeus 2-11 Fed Com #1H well ("Well") and designated Applicant as operator of the Unit and Well. Order No. R-21609-C was entered the Unit and Well. Order No. H-21609-C was entered on April 13, 2023, and granted an extension to drill the Well until February 23, 2024. Since the Order was entered, Applicant has identified additional interests in the Unit that should be pooled under theterms of the Order. The Well, is located approximately 16 miles Southwest of Hobbs, New Maxico. Mexico. #00280633

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

> Ridge Runner Resources Operating, LLC Case No. 23676 Exhibit B-4