BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING OCTOBER 5, 2023

CASE No. 23777

JRU DI 7 SAWTOOTH 112H, 113H, & 117H WELLS

EDDY COUNTY, NEW MEXICO



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

APPLICATION OF XTO DELAWARE BASIN, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23777

TABLE OF CONTENTS

- XTO Exhibit A: Compulsory Pooling Application Checklist
- **XTO Exhibit B:** Application of XTO for Compulsory Pooling
- XTO Exhibit C: Affidavit of Joshua Prasatik, Landman

XTO Exhibit C-1: Resume XRO Exhibit C-2: C-102

o XTO Exhibit C-3: Land Tract Map

O XTO Exhibit C-4: Uncommitted Working Interest Owners & ORRI

o XTO Exhibit C-5: Sample Well Proposal Letter with AFEs

o XTO Exhibit C-6: Chronology of Contacts

• XTO Exhibit D: Self-Affirmed Statement of Aaron Bazzell, Geologist

XTO Exhibit D-1: Resume XTO Exhibit D-2: Locator map

o XTO Exhibit D-3: Subsea structure & cross-section map

• XTO Exhibit D-4: Structural cross-section

- XTO Exhibit E: Self-Affirmed Statement of Notice
- **XTO Exhibit F:** Affidavit of Publication for the Case

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23777	APPLICANT'S RESPONSE
Date	October 5, 2023
Applicant	XTO Delaware Basin, LLC
Designated Operator & OGRID (affiliation if applicable)	XTO Permian Operating, LLC (OGRID No. 273075)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF XTO DELAWARE BASIN, LLC COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	JRU DI 7 Sawtooth
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Sand Dunes; Wolfcamp [96991]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	799.9-acre
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	W/2 equivalent of irregular Section 5, the W/2 of Section 8, and the NW/4 of Section 17, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and	Yes
is approval of non-standard unit requested in this application?	
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes
Proximity Defining Well: if yes, description BEFORE THE OIL CONSERVATION DIVISION	The completed interval for the <u>JRU DI 7 Sawtooth</u> <u>Fed Com 112H</u> is expected to remain within 330 feet
Santa Fe, New Mexico	of the offsetting quarter-quarter sections or
Exhibit No. A Submitted by: XTO Delaware Basin, LLC	equivalent tracts to allow inclusion of these tracts in a standard horiztonal well spacing unit pursuant to
Date: October 5, 2023 Case No. 23777	NMAC 19.15.16.15.B.
Applicant's Ownership in Each Tract	Exhibit C-4

Received by OCD: 10/3/2023 3:02:21 PM Well(s)	Page
Name & API (if assigned), surface and bottom hole location,	Add wells as needed
footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	JRU DI 7 Sawtooth Fed Com 112H well
	SHL: 155' FNL, 440' FEL (Lot 1) of Section 6
	BHL: 2,590' FNL, 1,430' FWL (Unit F) of Section 17
	Target: Wolfcamp Orientation: North-South
	Completion: Proximity Well
Well #2	'JRU DI 7 Sawtooth Fed Com 113H well
	SHL: 155' FNL, 320' FEL (Lot 1) of Section 6
	BHL: 2,590' FNL, 2,305' FWL (Unit F) of Section 17 Target: Wolfcamp
	Orientation: North-South
	Completion: Standard
Well #3	JRU DI 7 Sawtooth Fed Com 117H well
	SHL: 155' FNL, 1,310' FEL (Lot 1) of Section 6 BHL: 2,590' FNL, 550' FWL (Unit E) of Section 17
	Target: Wolfcamp
	Orientation: North-South
	Completion: Standard
Horizontal Well First and Last Take Points Completion Target (Formation, TVD and MD)	Exhibit C-2 Exhibit C-5
Completion raiget (Formation, 140 and 1910)	LAMBIC C-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
If approval of Non-Standard Spacing Unit is requested, Tract Lis	
(including lease numbers and owners) of Tracts subject to notic requirements.	e N/A
Pooled Parties (including ownership type)	Exhibit C-4
Unlocatable Parties to be Pooled	N/A

Ownership நepth 6 வைவை (including percentage above &	Page 3
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4
General Location Map (including basin)	Exhibit D-2
Well Bore Location Map	Exhibit D-2
Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D-4
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provid	ed in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	Pahh Im
Date:	10/3/2023

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

APPLICATION OF XTO DELAWARE BASIN, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. <u>23777</u>

APPLICATION

XTO Delaware Basin, LLC ("XTO" or "Applicant"), through its undersigned attorneys,

hereby files this application with the Oil Conservation Division pursuant to the provisions of

NMSA § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation

underlying a 799.90-acre horizontal spacing unit comprised of the W/2 equivalent of irregular

Section 5, the W/2 of Section 8, and the NW/4 of Section 17, Township 23 South, Range 31 East,

NMPM, Eddy County, New Mexico. In support of its application, XTO states:

1. Applicant is a working interest owner in the proposed horizontal well spacing unit

and has a right to drill thereon.

2. Applicant seeks to designate XTO Permian Operating, LLC (OGRID No. 373075)

as the operator of the proposed horizontal spacing unit.

3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit

to the following proposed wells:

• JRU DI 7 Sawtooth Fed Com 117H well, to be horizontally drilled from a surface

location in the NE/4 NE/4 equivalent (Lot 1) of irregular Section 6, with a first take

point in the NW/4 NW/4 equivalent (Lot 4) of irregular Section 5 and a last take

point in the SW/4 NW/4 (Unit E) of Section 17; and

69: CF9 'H<9 'C=@7 CBG9 FJ5 H±CB'8 =J=G±CB' GUbHJ: YžBYk 'A YI]Wc 9I \]V]hBc "6 Gi Va]HHYX'Vm'LHC'8 Y`Uk UfY'6 Ug]bž @@7

- JRU DI 7 Sawtooth Fed Com 112H and JRU DI 7 Sawtooth Fed Com 113H wells, to be horizontally drilled from surface locations in the NE/4 NE/4 equivalent (Lot 1) of irregular Section 6, with first take points in the NE/4 NW/4 equivalent (Lot 3) of irregular Section 5 and last take points in the SE/4 NW/4 (Unit F) of Section 17.
- 4. The completed interval for the JRU DI 7 Sawtooth Fed Com 112H is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion of these tracts in a standard horizontal well spacing unit pursuant to NMAC 19.15.16.15.B.
- 5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the mineral owners in the proposed spacing unit.
- 6. Approval of this application will allow the efficient recovery of the oil and gas reserves underlying the subject lands, and is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

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

- A. Pooling all uncommitted interest owners in the proposed horizontal well spacing unit;
- B. Designating XTO Permian Operating, LLC as the operator of this horizontal well spacing unit and the wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;

- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Paula M. Vance

Post Office Box 2208

Santa Fe, New Mexico 87504

505-988-4421

505-983-6043 Facsimile

mhfeldewert@hollandhart.com

agrankin@hollandhart.com

jbroggi@hollandhart.com

pmvance@hollandhart.com

ATTORNEYS FOR XTO DELAWARE BASIN, LLC

CASE :

Application of XTO Delaware Basin, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a 799.90-acre horizontal spacing unit comprised of the W/2 equivalent of irregular Section 5, the W/2 of Section 8, and the NW/4 of Section 17, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit will be initially dedicated to the following proposed wells:

- JRU DI 7 Sawtooth Fed Com 117H well, to be horizontally drilled from a surface location in the NE/4 NE/4 equivalent (Lot 1) of irregular Section 6, with a first take point in the NW/4 NW/4 equivalent (Lot 4) of irregular Section 5 and a last take point in the SW/4 NW/4 (Unit E) of Section 17;
- JRU DI 7 Sawtooth Fed Com 112H and JRU DI 7 Sawtooth Fed Com 113H wells, to be horizontally drilled from surface locations in the NE/4 NE/4 equivalent (Lot 1) of irregular Section 6, with first take points in the NE/4 NW/4 equivalent (Lot 3) of irregular Section 5 and last take points in the SE/4 NW/4 (Unit F) of Section 17.

The completed interval for the JRU DI 7 Sawtooth Fed Com 112H is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion of these tracts in a horizontal well standard spacing unit pursuant to NMAC 19.15.16.15.B. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of XTO Permian Operating, LLC as operator of the wells and the imposition of a 200% charge for risk involved in drilling said well. This area is located approximately 17.5 miles northeast of Malaga, New Mexico.

Received by OCD: 10/3/2023 3:02:21 PM

Page 10 of 43

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

APPLICATION OF XTO DELAWARE BASIN, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23777

SELF AFFIRMED STATEMENT OF JOSHUA PRASATIK

1. My name is Joshua Prasatik, and I am employed by XTO Energy Inc. ("XTO") as

a Commercial & Land Advisor.

2. I have not previously testified before the New Mexico Oil Conservation Division

("Division") as an expert witness in petroleum land matters. I have included a copy of my resume

as XTO Exhibit C-1 for the Division to review and respectfully request that my credentials be

accepted as a matter of record, and I be tendered as an expert in land matters.

3. XTO seeks an order pooling all uncommitted interests in the Wolfcamp formation

SAN DUNES, WOLFCAMP (96991) underlying a 799.90-acre horizontal spacing unit comprised

of the W/2 equivalent of irregular Section 5, the W/2 of Section 8, and the NW/4 of Section 17,

Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. The spacing unit will be

dedicated to the following proposed initial wells:

JRU DI 7 Sawtooth Fed Com 117H well, to be horizontally drilled from a surface

location in the NE/4 NE/4 equivalent (Lot 1) of irregular Section 6, with a first take

point in the NW/4 NW/4 equivalent (Lot 4) of irregular Section 5 and a last take

point in the SW/4 NW/4 (Unit E) of Section 17; and

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

- JRU DI 7 Sawtooth Fed Com 112H and JRU DI 7 Sawtooth Fed Com 113H wells, to be horizontally drilled from surface locations in the NE/4 NE/4 equivalent (Lot 1) of irregular Section 6, with first take points in the NE/4 NW/4 equivalent (Lot 3) of irregular Section 5 and last take points in the SE/4 NW/4 (Unit F) of Section 17.
- 4. The completed interval for the JRU DI 7 Sawtooth Fed Com 112H is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion of these tracts in a standard horizontal well spacing unit pursuant to NMAC 19.15.16.15.B.
- XTO Exhibit C-2 contains Form C-102's for the initial wells in the proposed spacing unit.
- XTO Exhibit C-3 identifies the tracts of land comprising the proposed spacing unit and the lateral trajectory of the proposed wells. The acreage is comprised of federal lands.
- 7. XTO Exhibit C-4 identifies the working interest ownership in each tract and the consolidated working interest ownership in the proposed horizontal spacing unit. XTO has identified the owners that it seeks to pool by highlighting them in yellow. This exhibit also includes a list of the overriding royalty interest owners that XTO seeks to pool.
- 8. XTO has reviewed public records, conducted online computer searches and, where applicable, contacted known relatives to locate contact information for all the mineral owners that it seeks to pool. XTO has been able to locate addresses for all the owners it seeks to pool.
- 9. **XTO Exhibit C-5** contains a sample of the well proposal letter and AFEs sent to the working interest owners. The costs reflected in these AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in this formation.

- 10. **XTO Exhibit C-6** contains a chronology of the contacts with the uncommitted working interest owners. In my opinion, XTO has undertaken good faith efforts to reach agreement with the uncommitted mineral owners.
- 11. XTO requests that the overhead and administrative costs for the proposed wells be initially set at \$10,000 per month while drilling and \$1,000 per month while producing, and that these rates be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations." These rates are consistent with the rates charged by XTO and other operators for similar wells in this area.
- 12. XTO has provided the law firm of Holland & Hart LLP with the names and addresses of the mineral owners XTO seeks to pool and instructed that they be notified of this hearing.
- 13. **XTO Exhibits C-1 through C-6** were either prepared by me or compiled under my direction and supervision.
- 14. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Joshua Prasatik

Date

JOSHUA PRASATIK

Joshua.p.prasatik@exxonmobil.com 22777 Springwoods Village Pkwy • Spring, Texas 77389 • (346) 502-0173

ExxonMobil August 2011 - Present

Commercial & Land Advisor

11 years' experience working as a Commercial and Land Advisor for ExxonMobil's upstream conventional and unconventional assets in the Gulf of Mexico, Alaska and Lower 48 United States managing the full asset lifecycle from acquisition and development through decommissioning and divestiture. Representative experience includes resolving complex regulatory and title matters as well as negotiating joint operating agreements, leases, and acquisition & divestiture agreements.

Education

University of Houston Law Center, Houston, Texas Juris Doctor

2011

Juris Doctor

University of Texas at Dallas, Richardson, Texas Bachelor of Science in Business Administration, cum laude 2007

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

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

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

azos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District III 1000 Rio B

C-102.dwg

112H\DWG\SAWTOOTH 112H

EDDY\Wells\-05

1

_

 $\overline{\Box}$

Unit\.06

Ranch

James

NM\002

1

Energy

XTO

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-2
State of New Mexico
Energy, Minerals & Natural Resources Department Case No. 23777 Revised August 1, 2011
Submit one conty to appropriate

District Office

Submit one copy to appropriate

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

☐ AMENDED REPORT

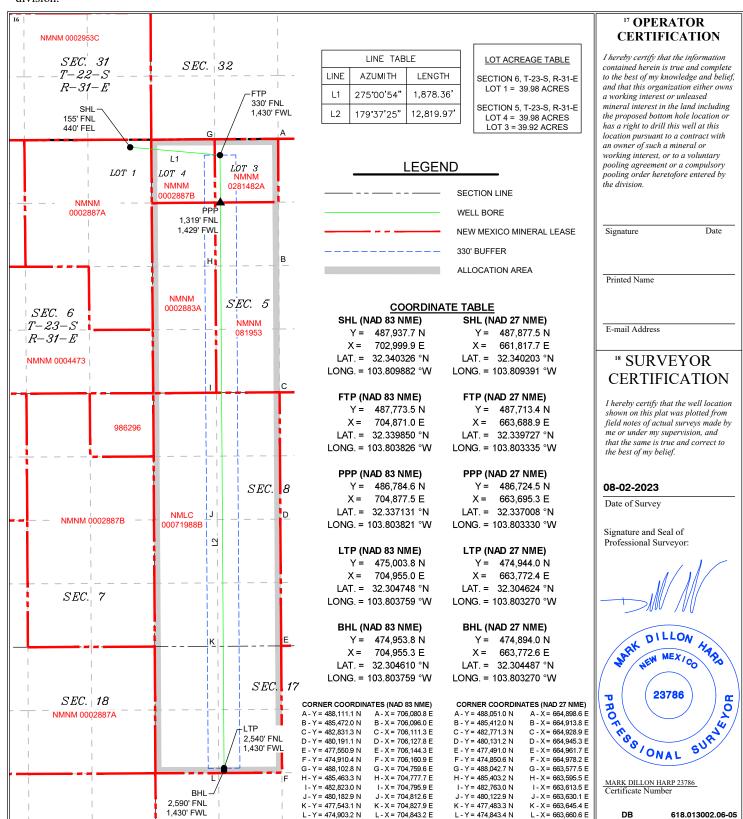
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	r ² Pool Code		³ Pool Name	
30-015-		96991	SAND DUNES; WOLFCAMP	
⁴ Property Code		⁵ P	⁵ Property Name	
333473		JRU DI 7 SAWTOOTH FED COM		112H
⁷ OGRID No.		⁸ Operator Name		⁹ Elevation
373075		XTO PERMIAN OPERATING, LLC		3,329'

¹⁰ Surface Location UL or lot no. Section Township Range North/South line Feet from the East/West line Feet from the 23 S 31 E **NORTH EAST EDDY** 1 6 440 "Bottom Hole Location If Different From Surface

UL or lot no. Section East/West line Feet from the County Township Range Lot Idn Feet from the North/South line 17 23 S 31 E 2,590 **NORTH** 1,430 WEST **EDDY** ¹⁵Order No. 12 Dedicated Acres ³ Joint or Infill ⁴Consolidation Code 799.90

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



(618.013 Released to Imaging: 10/3/2023 3:48:13 PM <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

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

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

C-102.dwg

113H\DWG\SAWTOOTH 113H

1

EDDY\Wells\-06

1

_

 $\overline{\Box}$

Unit\.06

Ranch

James

NM\002

ı

Energy

\618.013 XTO

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

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

☐ AMENDED REPORT

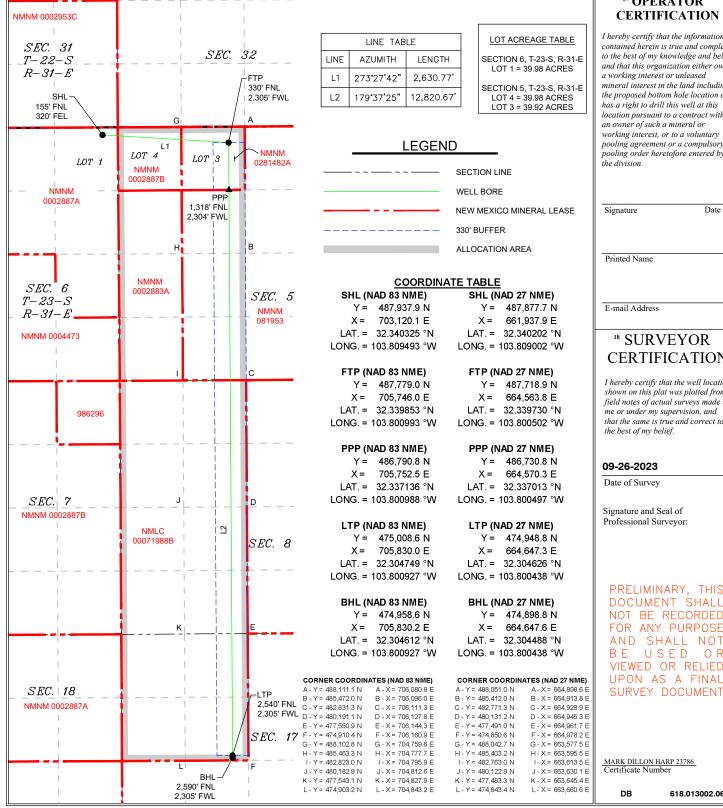
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	•	² Pool Code		ame	
30-015-		96991	SAND DUNES; WOLFCAMP		
⁴ Property Code		⁵ Property Name		⁶ Well Number	
333473		JRU DI 7 SAWTOOTH FED COM		113H	
⁷ OGRID No.		⁸ Operator Name		⁹ Elevation	
373075	XTO PERMIAN OPERATING, LLC		3,329'		

¹⁰ Surface Location UL or lot no. Section Township Range North/South line Feet from the East/West line Feet from the 23 S 31 E **NORTH** 320 **EAST EDDY** 1 6 "Bottom Hole Location If Different From Surface UL or lot no. East/West line Section Township Feet from the County Range Lot Idn Feet from the North/South line 17 23 S 31 E 2,590 **NORTH** 2,305 WEST **EDDY**

¹⁵Order No. 12 Dedicated Acres ³ Joint or Infill 14Consolidation Code 799.90

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



17 OPERATOR CERTIFICATION

thereby certify intal the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location on has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by

Date

18 SURVEYOR **CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

09-26-2023

Date of Survey

Professional Surveyor:

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT USED VIEWED OR RELIED AS A FINAL SURVEY DOCUMENT

MARK DILLON HARP 23786 Certificate Number

618.013002.06-06

Released to Imaging: 10/3/2023 3:48:13 PM

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

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

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

799.90

C-102.dwg

117H\DWG\SAWTOOTH 117H

1

EDDY\Wells\-12

1

_

 $\overline{\Box}$

Unit\.06

Ranch

James

NM\002

ı

Energy

X TO

(618.013

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

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

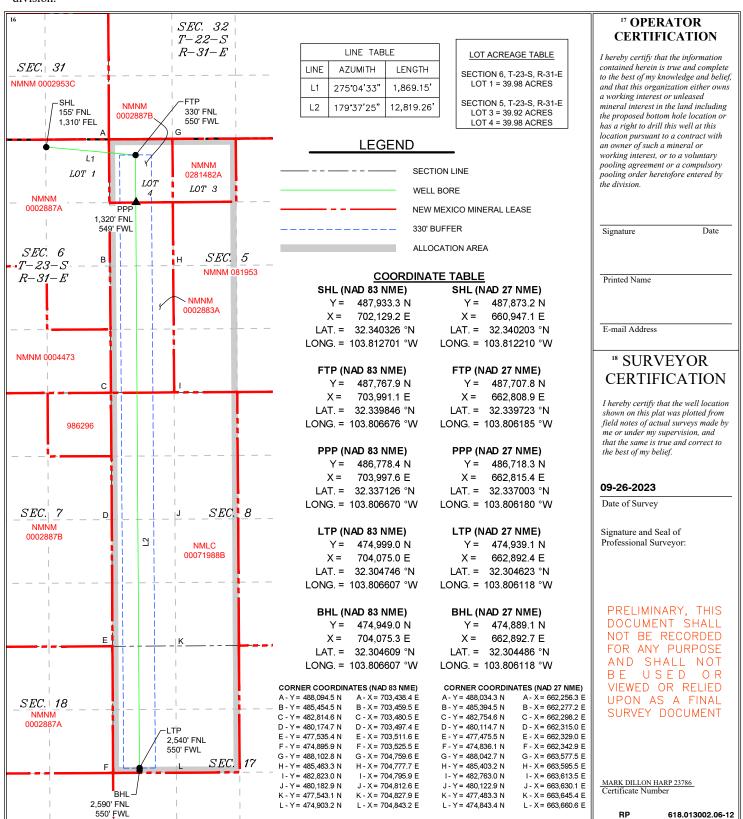
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	² Pool Code 96991 SAND DUNES; WOLFCAMP	
30-015-	96991		
⁴ Property Code	⁵ Pr	operty Name	⁶ Well Number
333473	JRU DI 7 SA	JRU DI 7 SAWTOOTH FED COM	
⁷ OGRID No.	⁸ O _l	perator Name	⁹ Elevation
373075	XTO PERMIA	XTO PERMIAN OPERATING, LLC	

¹⁰ Surface Location UL or lot no. Section Township Range North/South line Feet from the East/West line 23 S 31 E **NORTH** 1,310 **EAST EDDY** 1 6 "Bottom Hole Location If Different From Surface UL or lot no. Section East/West line Feet from the County Township Range Lot Idn Feet from the North/South line Ε 17 23 S 31 E 2,590 **NORTH** 550 WEST **EDDY** ¹⁵Order No. 12 Dedicated Acres ³ Joint or Infill ⁴Consolidation Code

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



Released to Imaging: 10/3/2023 3:48:13 PM

(P)	(M)	(N) 3	(0)
L1	tr 1 L 4 NM02887B	tr 2 L 3 NM281482A	L2
SENE (H)	SWNW (E) tr 3	SENW (F) tr 4	SWNE (G)
NESE (1)	NM02883A NWSW (L)	NM081953 NESW (K)	NWSE (J)
SESE (P)	SWSW (M)	SESW (N)	SWSE (O)
NENE (A)	NWNW (D)	NENW (C)	NWNE (B)
SENE (H)	SWNW (E)	SENW (F)	SWNE (G)
NESE (1)		9188B Sec 8 NESW (K)	NWSE (J)
SESE (P)	SWSW (M)	SESW (N)	SWSE (O)
NENE (A)		NENW (C) 9188B	NWNE (B)
SENE (H)		Sec 17 SENW (F)	7 SWNE (G)
NESE (1)	NWSW (L)	NESW (K)	NWSE ST ft

Wolfcamp Pooled Tract Basis

Tract No.	Description	Acreage	Lease	Owner	Туре	Tract WI	Tract NRI
				XTO	WI	100%	77.50%
1	Lot 4 sec 5	39.98	NM02887B	BLM / Private Owners - voluntary			
				pooled	RI / ORRI	0%	22.50%
				1	ract Totals	100%	100%
				хто	WI	100%	83.50%
				West Bend Energy Partners, L.L.C.	ORRI	0%	1.0000%
				Texas Capital Bank, Successor			
				Trustee of Residuary Trust B created	4		
				u/t/w of Jack M. Langdon, deceased	1		
					ORRI	0%	1.5000%
				Texas Capital Bank, Successor			
				Trustee of the Dora Lee Langdon			
				Article V Trust u/t/w of Dora Lee			
2	Lot 3 sec 5	39.92	NM281482A	Langdon, deceased	ORRI	0%	0.7821%
_				Frost National Bank, Successor			
				Trustee of the Clay Allison Langdon			
				Trust u/t/w of Dora Lee Langdon,			
				deceased	ORRI	0%	0.3590%
				Frost National Bank, Successor			
				Trustee of the Lee Kendall Langdon			
				Trust u/t/w of Dora Lee Langdon,		901	0.05000/
				deceased	ORRI	0%	0.3590%
				BLM / Private Owners - voluntary	DI / ODDI	00/	42.500/
<u> </u>				pooled	RI / ORRI	0%	12.50%
	1	I	1		ract Totals	100%	100%
	CVA//4 NIVA//4: VA//2			VTO		4000/	77 500/
3	SW/4 NW/4; W/2 SW/4 sec 5	120	NM02883A	XTO BLM / Private Owners - voluntary	WI	100%	77.50%
	5W/4 Sec 5				RI / ORRI	0%	22 500/
<u> </u>				pooled	ract Totals	100%	22.50% 100%
 	1		1	хто	WI	93.7500%	
	SE/4 NW/4; E/2			WIO - voluntary pooled	WI	6.2500%	82.0313% 5.4688%
4	SW/4 sec 5	120	NM081953	BLM / Private Owners - voluntary	VVI	0.2300%	5.4088%
	300/4 360 3			pooled	RI / ORRI	0.0000%	12.5000%
				T.	ract Totals	100%	12.3000%
				хто	WI	100%	77.50%
5	W/2 sec 8	320	NM079188B	BLM / Private Owners - voluntary	***	100/0	77.50%
3	11,23000	320	.41410751000	pooled	RI / ORRI	0%	22.50%
	<u> </u>	<u>l</u>	1		Fract Totals	100%	100%
				хто	WI	97.214552%	79.9709%
				WIO - voluntary pooled	WI	1.945491%	1.645885%
6	NW/4 sec 17	160	NM079188B	BLM / Private Owners - voluntary	1		
U	, . 505 27	100	14107 21000	pooled	RI / ORRI		17.651685%
				OXY USA, Inc.	WI	0.839957%	0.7315044%
	<u> </u>	799.9	1		ract Totals	100%	100%

NOTE: Pooled parties are highlighted

Case No. 23777

Wolfcamp Pooled Unit Recapitulation

Owner Name	Туре	WI	NRI
XTO	WI	98.505223%	78.231824%
WIO - voluntary pooled	WI	1.326764%	1.149633%
OXY USA, Inc.	WI	0.168012%	0.146319%
BLM / Private Owners -			
voluntary pooled	RI / ORRI	0.000000%	20.272599%
West Bend Energy Partners,			
L.L.C.	ORRI	0.000000%	0.049906%
Texas Capital Bank, Successor			
Trustee of Residuary Trust B			
created u/t/w of Jack M.			
Langdon, deceased	ORRI	0.000000%	0.074859%
Texas Capital Bank, Successor			
Trustee of the Dora Lee			
Langdon Article V Trust u/t/w			
of Dora Lee Langdon,			
deceased	ORRI	0.000000%	0.039032%
Frost National Bank,			
Successor Trustee of the Clay			
Allison Langdon Trust u/t/w of			
Dora Lee Langdon, deceased			
	ORRI	0.000000%	0.017914%
Frost National Bank,			
Successor Trustee of the Lee			
Kendall Langdon Trust u/t/w			
of Dora Lee Langdon,			
deceased	ORRI	0.000000%	0.017914%
·	Totals	100.000000%	100.000000%

NOTE: Pooled parties are highlighted



XTO Energy Inc.
Land Dept. Loc. 115
22777 Springwoods Village Pkwy
Spring TX 77389-1425
346-502-0173 - Direct Phone
joshua.p.prasatik@exxonmobil.com

VIA FEDERAL EXPRESS & EMAIL

July 28, 2023

OXY USA, Inc.

5 Greenway Plaza, Ste. 110

Houston, TX 77046

Attention: Matthew Cole, Land Negotiator

email: matthew_cole@oxy.com

RE: Well Proposals

JRU DI 7 Sawtooth Fed Com 117H, 118H, 807H, 112H, 113H, 903H, 904H, 803H, 804H & 908H

Spacing Units: 799.90 acres in Lots 3, 4, S/2 NW/4, SW/4 Sec. 5; W/2 Sec. 8; NW/4 Sec. 17

T23S-R31E, Eddy County, New Mexico

Dear Working Interest Owner:

XTO Permian Operating, LLC ("XTO") hereby proposes the drilling of the following (10) horizontal wells all in the subject spacing units:

JRU DI 7 Sawtooth Fed Com 117H-Wolfcamp X/Y

SHL: 155' FNL & 1310' FEL, Sec. 6 FTP: 330' FNL & 550' FWL, Sec. 5 LTP: 2540' FNL & 550' FWL, Sec. 17 BHL: 2590' FNL & 550' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 11,240' Proposed Total Measured Depth: +/- 23,500'

JRU DI 7 Sawtooth Fed Com 118H-Bone Spring 3rd Sand

SHL: 155' FNL & 1280' FEL, Sec. 6 FTP: 330' FNL & 990' FWL, Sec. 5 LTP: 2540' FNL & 990' FWL, Sec. 17 BHL: 2590' FNL & 990' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 11,030' Proposed Total Measured Depth: +/- 23,500'

JRU DI 7 Sawtooth Fed Com 807H-Bone Spring 3rd Shale

SHL: 155' FNL & 1340' FEL, Sec. 6 FTP: 330' FNL & 330' FWL, Sec. 5 LTP: 2540' FNL & 330' FWL, Sec. 17 BHL: 2590' FNL & 330' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 10,510' Proposed Total Measured Depth: +/- 23,500'

JRU DI 7 Sawtooth Fed Com 112H-Wolfcamp X/Y

SHL: 155' FNL & 440' FEL, Sec. 6 FTP: 330' FNL & 1430' FWL, Sec. 5 LTP: 2540' FNL & 1430' FWL, Sec. 17 BHL: 2590' FNL & 1430' FWL, Sec. 17 Proposed Total Measured Depth: +/- 11,240' Proposed Total Measured Depth: +/- 23,500'

JRU DI 7 Sawtooth Fed Com 113H-Wolfcamp X/Y

SHL: 155' FNL & 320' FEL, Sec. 6 FTP: 330' FNL & 2310' FWL, Sec. 5 LTP: 2540' FNL & 2310' FWL, Sec. 17 BHL: 2590' FNL & 2310' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 11,240' Proposed Total Measured Depth: +/- 23,500'

JRU DI 7 Sawtooth Fed Com 903H-Bone Spring 3rd Sand

SHL: 155' FNL & 380' FEL, Sec. 6 FTP: 330' FNL & 1870' FWL, Sec. 5 LTP: 2540' FNL& 1870' FWL, Sec. 17 BHL: 2590' FNL & 1870' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 11,030' Proposed Total Measured Depth: +/- 23,500'

Page 1 of 4

An ExxonMobil Subsidiary

JRU DI 7 Sawtooth Fed Com 904H-Bone Spring 3rd Shale

SHL: 155' FNL & 350' FEL, Sec. 6 FTP: 330' FNL & 2090' FWL, Sec. 5 LTP: 2450' FNL & 2090' FWL, Sec. 17 BHL: 2590' FNL & 2090' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 10,510' Proposed Total Measured Depth: +/- 23,500'

JRU DI 7 Sawtooth Fed Com 803H-Bone Spring 2nd Sand

SHL: 155' FNL & 470' FEL, Sec. 6 FTP: 330' FNL & 770' FWL, Sec. 5 LTP: 2540' FNL & 770' FWL, Sec. 17 BHL: 2590' FNL & 770' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 9,910' Proposed Total Measured Depth: +/- 23,500'

JRU DI 7 Sawtooth Fed Com 804H-Bone Spring 2nd Sand

SHL: 155' FNL & 410' FEL, Sec. 6 FTP: 330' FNL &1590' FWL, Sec. 5 LTP: 2540' FNL & 1590' FWL, Sec.17 BHL: 2590' FNL &1590' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 9,910' Proposed Total Measured Depth: +/- '

JRU DI 7 Sawtooth Fed Com 908H-Bone Spring 3rd Sand

SHL: 155' FNL & 1370' FEL, Sec. 6 FTP: 330' FNL & 110' FWL, Sec. 5 LTP: 2540' FNL & 110' FWL, Sec. 17 BHL: 2590' FNL & 110' FWL, Sec. 17 Proposed Total Vertical Depth: +/- 11,030' Proposed Total Measured Depth: +/-23,500'

The above information is estimated and may be modified as operating conditions dictate. Attached are duplicate authorization for expenditures ("AFEs") for each well in duplicate with detailed estimated expenses. Please make your election in the space provided below and return this letter (along with a signed copy of the AFE if you elect to participate) within thirty (30) days to the attention of the undersigned at the letterhead address with copy sent to the letterhead email address.

If we do not reach an agreement on the proposed operating agreement within 30 days of the date of this letter XTO will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed wells.

Any questions you have regarding this proposal may be directed to my attention.

Sincerely, Josh Prasatik

Commercial & Land Advisor

JRU DI 7 Sawtooth Fed Com 117H:
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 117H
I/we hereby elect NOT TO PARTICIPATE in the JRU DI 7 Sawtooth Fed Com 117H
IDUDITES AND FALCON 440H
JRU DI 7 Sawtooth Fed Com 118H:
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 118H
I/we hereby elect NOT TO PARTICIPATE in the JRU DI 7 Sawtooth Fed Com 118H
JRU DI 7 Sawtooth Fed Com 807H
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 807H
I/we hereby elect NOT TO PARTICIPATE in the JRU DI 7 Sawtooth Fed Com 807H
JRU DI 7 Sawtooth Fed Com 112H
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 112H
I/we hereby elect NOT TO PARTICIPATE in the JRU DI 7 Sawtooth Fed Com 112H
JRU DI 7 Sawtooth Fed Com 113H
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 113H
I/we hereby elect NOT TO PARTICIPATE in the <i>JRU DI 7 Sawtooth Fed Com 113H</i>
JRU DI 7 Sawtooth Fed Com 803H
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 803H
I/we hereby elect NOT TO PARTICIPATE in the JRU DI 7 Sawtooth Fed Com 803H
JRU DI 7 Sawtooth Fed Com 804H
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 804H
I/we hereby elect NOT TO PARTICIPATE in the JRU DI 7 Sawtooth Fed Com 804H
JRU DI 7 Sawtooth Fed Com 903H
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 903H
I/we hereby elect NOT TO PARTICIPATE in the <i>JRU DI 7 Sawtooth Fed Com 903H</i>
JRU DI 7 Sawtooth Fed Com 904H
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 904H
I/we hereby elect NOT TO PARTICIPATE in the JRU DI 7 Sawtooth Fed Com 904H
JRU DI 7 Sawtooth Fed Com 908H
I/we hereby elect to participate in the JRU DI 7 Sawtooth Fed Com 908H
I/we hereby elect NOT TO PARTICIPATE in the JRU DI 7 Sawtooth Fed Com 908H

Page 3 of 4

An **ExxonMobil** Subsidiary

Company: O	XY USA, Inc.
------------	--------------

Signed:	 	 	
Ву:	 	 	
Title:			
Date:			



AFE NO.: 2208558 DISTRICT: PERMIAN - DELAWARE

AFE DESC: D&C IN WFMP X/Y FIELD: WILDCAT DATE: 01/03/2023 ACCOUNTING ID: 2101591001

AFE TYPE: DEVELOPMENT DRILLING WELL NAME: JRU DI 7 SAWTOOTH 112H

OPERATOR: 99994331 - XTO ENERGY INC.-RU4331 STATE/COUNTY: New Mexico / Eddy SURVEY/ABSTRACT: XTO WI DECIMAL: 0.999900000

DETAIL OF EXPENDITURES	DRYHOLE	COMPLETION	EQUIP/ TIE-IN	SUPPLEMENT	TOTAL
Ex,C,Claim&Damage,Ordinary	1.00	0.00	0.00	0.00	1.00
Ex,V,Gd,Part_Wellhead,Drilling	104,656.00	0.00	0.00	0.00	104,656.00
Ex,V,Gd,Part_Wellhead,Completion	0.00	75,000.00	0.00	0.00	75,000.00
EX,V,GD,PART_WELLCASING,SURFACE	65,585.00	0.00	0.00	0.00	65,585.00
Ex,V,Gd,Part_WellCasing,Intermediate	464,674.00	0.00	0.00	0.00	464,674.00
Ex,V,Gd,Part_WellCasing,Production Liner	0.00	918,184.00	0.00	0.00	918,184.00
EX,V,GD,PART_WELLCASING,OTHER	27,908.00	0.00	0.00	0.00	27,908.00
Ex,V,Gd,Part_WellFlowLn,Main	0.00	300,000.00	0.00	0.00	300,000.00
Ex,V,Gd,Part_WellTubing, XTOWellwork	0.00	110,000.00	0.00	0.00	110,000.00
Ex,V,Gd,Part_DrillBit	120,006.00	0.00	0.00	0.00	120,006.00
Ex,V,Gd,Part_DrillMud	244,198.00	0.00	0.00	0.00	244,198.00
Ex,V,Gd,Part_OthDownholeCompletionEqpXTOWell	0.00	75,000.00	0.00	0.00	75,000.00
Ex,V,Gd,Part_ArtLift,Surf,Gas Lift	0.00	225,000.00	0.00	0.00	225,000.00
EX,V,GD,PART_INSTRMATLS,AUTOMATION	0.00	75,000.00	0.00	0.00	75,000.00
Ex,V,Gd,Suppl,Misc,NonWellwork	40,467.00	0.00	0.00	0.00	40,467.00
Ex,V,Fuel,Purch_Othr	122,797.00	0.00	0.00	0.00	122,797.00
Ex,V,Rnt&Lse,Op,Eq,DrillEqp,ExMobili&Demob,Ml	925,162.00	15,000.00	0.00	0.00	940,162.00
Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,RentSubSurfWithOp	44,653.00	0.00	0.00	0.00	44,653.00
Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,RentSurfWithOper	111,633.00	375,000.00	0.00	0.00	486,633.00
EX,V,RNT&LSE,OP,EQ,MISC_OTH,RENTSURFW	44,653.00	0.00	0.00	0.00	44,653.00
EX,V,RNT&LSE,OP,EQ,MISC_OTH,RENTSUBSU	111,633.00	0.00	0.00	0.00	111,633.00
Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,Frac Tanks	0.00	100,000.00	0.00	0.00	100,000.00
Ex,V,ContractLabor,Technical	82,265.00	30,000.00	0.00	0.00	112,265.00
Ex,V,Srv,G&G,EMOp,WellLoggCasedHole	0.00	375,000.00	0.00	0.00	375,000.00
Ex,V,Serv,LandOverhead,BrokerFee	13,954.00	0.00	0.00	0.00	13,954.00
Ex,V,Serv,Eng_O&GWellDrill	182,800.00	100,000.00	0.00	0.00	282,800.00
Ex,V,Srv,Site_SitePrep,Roads&Location	209,313.00	0.00	0.00	0.00	209,313.00
Ex,V,Serv,Trans,M&S&Eq,NonMar_Land&Cour	55,817.00	60,000.00	0.00	0.00	115,817.00
Ex,V,Srv,WasteMgmt_Oth,Drilling Fluid	0.00	40,000.00	0.00	0.00	40,000.00
Ex,V,Srv,WasteMgmt_Oth,Drilling Fluid	133,960.00	0.00	0.00	0.00	133,960.00
Ex,V,Srv,WasteMgmt_Oth,Flowback	0.00	150,000.00	0.00	0.00	150,000.00
Ex,V,Srv,WasteMgmt_Oth,Water Transfer	0.00	225,000.00	0.00	0.00	225,000.00
EX,V,SRV,WASTEMGMT_OTH,COMPLFLUIDTR	0.00	587,500.00	0.00	0.00	587,500.00
Ex,V,Srv,O&GWell,Cementing,Surf Intermed	97,679.00	0.00	0.00	0.00	97,679.00
Ex,V,Srv,O&GWell,Cementing,Production Casing	0.00	176,172.00	0.00	0.00	176,172.00
Ex,V,Srv,O&GWell,WellStimulation,Pumping	0.00	3,875,000.00	0.00	0.00	3,875,000.00
Ex,V,Serv,O&GWell,DirectionalDrill	327,923.00	0.00	0.00	0.00	327,923.00
Ex,V,Serv,O&GWell,MudLogging	23,722.00	0.00	0.00	0.00	23,722.00



AFE NO.: 2208558 DISTRICT: PERMIAN - DELAWARE

AFE DESC: D&C IN WFMP X/Y FIELD: WILDCAT DATE: 01/03/2023 ACCOUNTING ID: 2101591001

AFE TYPE: DEVELOPMENT DRILLING WELL NAME: JRU DI 7 SAWTOOTH 112H

OPERATOR: 99994331 - XTO ENERGY INC.-RU4331 STATE/COUNTY: New Mexico / Eddy SURVEY/ABSTRACT: XTO WI DECIMAL: 0.999900000

DETAIL OF EXPENDITURES	DRYHOLE	COMPLETION	EQUIP/ TIE-IN	SUPPLEMENT	TOTAL
Ex,V,Srv,O&GWell,Casing,Surf Int	83,725.00	0.00	0.00	0.00	83,725.00
Ex,V,Srv,O&GWell,Casing,Production	0.00	79,256.00	0.00	0.00	79,256.00
Ex,V,Serv,O&GWell,Completion	0.00	649,704.00	0.00	0.00	649,704.00
Ex,E,O&GJVOvrhd,CombinedFxdRate,FieldOps,Dril	0.00	20,000.00	0.00	0.00	20,000.00

TOTAL: 3,639,184.00 8,635,816.00 0.00 12,275,000.00

TOTAL THIS AFE: 3,639,184.00 8,635,816.00 0.00 12,275,000.00

*** This AFE is an estimate only. By returning one signed copy, you agree to pay your share of the actual costs incurred. ***

REMARKS:

			Non Operator Approval
Prepared By:	ANA HERNANDEZ	DATE	
Approved By:		COMPANY	
прриочес Бу.		BY	
Signature:		TITLE	



AFE NO.: 2208559 DISTRICT: PERMIAN - DELAWARE

AFE DESC: D&C IN WFMP X/Y FIELD: WILDCAT DATE: 01/03/2023 ACCOUNTING ID: 2102361001

AFE TYPE: DEVELOPMENT DRILLING WELL NAME: JRU DI 7 SAWTOOTH 113H

OPERATOR: 99994331 - XTO ENERGY INC.-RU4331 STATE/COUNTY: New Mexico / Eddy SURVEY/ABSTRACT: XTO WI DECIMAL: 0.999900000

DETAIL OF EXPENDITURES	DRYHOLE	COMPLETION	EQUIP/ TIE-IN	SUPPLEMENT	TOTAL
Ex,C,Claim&Damage,Ordinary	1.00	0.00	0.00	0.00	1.0
Ex,V,Gd,Part_Wellhead,Drilling	104,656.00	0.00	0.00	0.00	104,656.0
Ex,V,Gd,Part_Wellhead,Completion	0.00	75,000.00	0.00	0.00	75,000.0
EX,V,GD,PART_WELLCASING,SURFACE	65,585.00	0.00	0.00	0.00	65,585.0
Ex,V,Gd,Part_WellCasing,Intermediate	464,674.00	0.00	0.00	0.00	464,674.0
Ex,V,Gd,Part_WellCasing,Production Liner	0.00	918,184.00	0.00	0.00	918,184.0
EX,V,GD,PART_WELLCASING,OTHER	27,908.00	0.00	0.00	0.00	27,908.0
Ex,V,Gd,Part_WellFlowLn,Main	0.00	300,000.00	0.00	0.00	300,000.0
Ex,V,Gd,Part_WellTubing, XTOWellwork	0.00	110,000.00	0.00	0.00	110,000.0
Ex,V,Gd,Part_DrillBit	120,006.00	0.00	0.00	0.00	120,006.0
Ex,V,Gd,Part_DrillMud	244,198.00	0.00	0.00	0.00	244,198.0
Ex,V,Gd,Part_OthDownholeCompletionEqpXTOWell	0.00	75,000.00	0.00	0.00	75,000.0
Ex,V,Gd,Part_ArtLift,Surf,Gas Lift	0.00	225,000.00	0.00	0.00	225,000.0
EX,V,GD,PART_INSTRMATLS,AUTOMATION	0.00	75,000.00	0.00	0.00	75,000.0
Ex,V,Gd,Suppl,Misc,NonWellwork	40,467.00	0.00	0.00	0.00	40,467.0
Ex,V,Fuel,Purch_Othr	122,797.00	0.00	0.00	0.00	122,797.0
Ex,V,Rnt&Lse,Op,Eq,DrillEqp,ExMobili&Demob,Ml	925,162.00	15,000.00	0.00	0.00	940,162.0
Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,RentSubSurfWithOp	44,653.00	0.00	0.00	0.00	44,653.0
Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,RentSurfWithOper	111,633.00	375,000.00	0.00	0.00	486,633.0
EX,V,RNT&LSE,OP,EQ,MISC_OTH,RENTSURFW	44,653.00	0.00	0.00	0.00	44,653.0
EX,V,RNT&LSE,OP,EQ,MISC_OTH,RENTSUBSUI	111,633.00	0.00	0.00	0.00	111,633.0
Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,Frac Tanks	0.00	100,000.00	0.00	0.00	100,000.0
Ex,V,ContractLabor,Technical	82,265.00	30,000.00	0.00	0.00	112,265.0
Ex,V,Srv,G&G,EMOp,WellLoggCasedHole	0.00	375,000.00	0.00	0.00	375,000.0
Ex,V,Serv,LandOverhead,BrokerFee	13,954.00	0.00	0.00	0.00	13,954.0
Ex,V,Serv,Eng_O&GWellDrill	182,800.00	100,000.00	0.00	0.00	282,800.0
Ex,V,Srv,Site_SitePrep,Roads&Location	209,313.00	0.00	0.00	0.00	209,313.0
Ex,V,Serv,Trans,M&S&Eq,NonMar_Land&Cour	55,817.00	60,000.00	0.00	0.00	115,817.0
Ex,V,Srv,WasteMgmt_Oth,Drilling Fluid	0.00	40,000.00	0.00	0.00	40,000.0
Ex,V,Srv,WasteMgmt_Oth,Drilling Fluid	133,960.00	0.00	0.00	0.00	133,960.0
Ex,V,Srv,WasteMgmt_Oth,Flowback	0.00	150,000.00	0.00	0.00	150,000.0
Ex,V,Srv,WasteMgmt_Oth,Water Transfer	0.00	225,000.00	0.00	0.00	225,000.0
EX,V,SRV,WASTEMGMT_OTH,COMPLFLUIDTR	0.00	587,500.00	0.00	0.00	587,500.0
Ex,V,Srv,O&GWell,Cementing,Surf Intermed	97,679.00	0.00	0.00	0.00	97,679.0
Ex,V,Srv,O&GWell,Cementing,Production Casing	0.00	176,172.00	0.00	0.00	176,172.0
Ex,V,Srv,O&GWell,WellStimulation,Pumping	0.00	3,875,000.00	0.00	0.00	3,875,000.0
Ex,V,Serv,O&GWell,DirectionalDrill	327,923.00	0.00	0.00	0.00	327,923.0
Ex,V,Serv,O&GWell,MudLogging	23,722.00	0.00	0.00	0.00	23,722.0



AFE NO.: 2208559 DISTRICT: PERMIAN - DELAWARE

AFE DESC: D&C IN WFMP X/Y FIELD: WILDCAT DATE: 01/03/2023 ACCOUNTING ID: 2102361001

AFE TYPE: DEVELOPMENT DRILLING WELL NAME: JRU DI 7 SAWTOOTH 113H

OPERATOR: 99994331 - XTO ENERGY INC.-RU4331 STATE/COUNTY: New Mexico / Eddy SURVEY/ABSTRACT: XTO WI DECIMAL: 0.999900000

DETAIL OF EXPENDITURES	DRYHOLE	COMPLETION	EQUIP/ TIE-IN	SUPPLEMENT	TOTAL
Ex,V,Srv,O&GWell,Casing,Surf Int	83,725.00	0.00	0.00	0.00	83,725.00
Ex,V,Srv,O&GWell,Casing,Production	0.00	79,256.00	0.00	0.00	79,256.00
Ex,V,Serv,O&GWell,Completion	0.00	649,704.00	0.00	0.00	649,704.00
Ex,E,O&GJVOvrhd,CombinedFxdRate,FieldOps,Dril	0.00	20,000.00	0.00	0.00	20,000.00

TOTAL: 3,639,184.00 8,635,816.00 0.00 12,275,000.00

TOTAL THIS AFE: 3,639,184.00 8,635,816.00 0.00 12,275,000.00

*** This AFE is an estimate only. By returning one signed copy, you agree to pay your share of the actual costs incurred. ***

REMARKS:

			Non Operator Approval
Prepared By:	ANA HERNANDEZ	DATE	
Approved By:		COMPANY	
прриочес Бу.		BY	
Signature:		TITLE	



ACCOUNTING ID:

AFE NO.: 2304107 DISTRICT: PERMIAN - DELAWARE

AFE DESC: D&C IN Wolfcamp X/Y FIELD: WILDCAT

DATE: 01/03/2023

AFE TYPE: DEVELOPMENT DRILLING WELL NAME: JRU DI 7 SAWTOOTH FED COM 117H

OPERATOR: 99994331 - XTO ENERGY INC.-RU4331 STATE/COUNTY: New Mexico / Eddy SURVEY/ABSTRACT: XTO WI DECIMAL: 0.999900000

EQUIP / DETAIL OF EXPENDITURES DRYHOLE COMPLETION SUPPLEMENT TOTAL TIE-IN Ex,C,Claim&Damage,Ordinary 1.00 0.00 0.00 0.00 1.00 Ex,V,Gd,Part Wellhead,Drilling 104,656.00 0.00 0.00 0.00 104,656.00 Ex,V,Gd,Part Wellhead,Completion 0.00 7,559,885.00 0.00 0.00 7,559,885.00 EX,V,GD,PART WELLCASING,SURFACE 65,585.00 0.00 0.00 0.00 65,585.00 Ex,V,Gd,Part WellCasing,Intermediate 464,674.00 0.00 0.00 0.00 464,674.00 Ex,V,Gd,Part WellCasing,Production Liner 918,184.00 0.00 0.00 918,184.00 0.00 EX,V,GD,PART WELLCASING,OTHER 27,908.00 0.00 0.00 27,908.00 0.00 Ex,V,Gd,Part DrillBit 120,006.00 0.00 0.00 0.00 120,006.00 0.00 244,198.00 Ex,V,Gd,Part DrillMud 244,198.00 0.00 0.00 Ex,V,Gd,Suppl,Misc,NonWellwork 0.00 40,467.00 0.00 40,467.00 0.00 122,797.00 0.00 0.00 0.00 122,797.00 Ex,V,Fuel,Purch_Othr 0.00 Ex,V,Rnt&Lse,Op,Eq,DrillEqp,ExMobili&Demob,M 925,162.00 0.00 0.00 925,162.00 Ex,V,Rnt&Lse,Op,Eq,Misc Oth,RentSubSurfWithOp 44,653.00 0.00 0.00 0.00 44,653.00 0.00 111,633.00 Ex,V,Rnt&Lse,Op,Eq,Misc_Oth,RentSurfWithOper 111,633.00 0.00 0.00 44,653.00 EX,V,RNT&LSE,OP,EQ,MISC OTH,RENTSURFW 44,653.00 0.00 0.00 0.00 EX,V,RNT&LSE,OP,EQ,MISC_OTH,RENTSUBSU 111,633.00 0.00 0.00 0.00 111,633.00 0.00 Ex,V,ContractLabor,Technical 107,447.00 0.00 0.00 107,447.00 Ex,V,Serv,LandOverhead,BrokerFee 13,954.00 0.00 0.00 0.00 13,954.00 182,800.00 Ex,V,Serv,Eng O&GWellDrill 182,800.00 0.00 0.00 0.00 Ex,V,Srv,Site SitePrep,Roads&Location 0.00 0.00 209,313.00 209,313.00 0.00 Ex,V,Serv,Trans,M&S&Eq,NonMar Land&Cour 55,817.00 0.00 0.00 0.00 55,817.00 0.00 133,960.00 Ex,V,Srv,WasteMgmt Oth,Drilling Fluid 133,960.00 0.00 0.00 Ex,V,Srv,O&GWell,Cementing,Surf Intermed 97,679.00 0.00 97,679.00 0.00 0.00 Ex,V,Srv,O&GWell,Cementing,Production Casing 90,702.00 0.00 0.00 90,702.00 0.00 327,923.00 Ex,V,Serv,O&GWell,DirectionalDrill 327,923.00 0.00 0.00 0.00 23,722.00 Ex,V,Serv,O&GWell,MudLogging 23,722.00 0.00 0.00 0.00 Ex,V,Srv,O&GWell,Casing,Surf Int 83,725.00 0.00 0.00 0.00 83,725.00 41,863.00 Ex,V,Srv,O&GWell,Casing,Production 0.00 41,863.00 0.00 0.00 TOTAL: 3,664,366.00 8,610,634.00 0.00 12,275,000.00

TOTAL THIS AFE: 3,664,366.00 8,610,634.00 0.00 12,275,000.00

REMARKS:

^{***} This AFE is an estimate only. By returning one signed copy, you agree to pay your share of the actual costs incurred. ***



AFE NO.: 2304107	DISTRICT:	PERMIAN - DELAWARE

AFE DESC: D&C IN Wolfcamp X/Y FIELD: WILDCAT

DATE: 01/03/2023 ACCOUNTING ID:

AFE TYPE: DEVELOPMENT DRILLING WELL NAME: JRU DI 7 SAWTOOTH FED COM 117H

OPERATOR: 99994331 - XTO ENERGY INC.-RU4331 STATE/COUNTY: New Mexico / Eddy SURVEY/ABSTRACT: XTO WI DECIMAL: 0.999900000

		Non Operator Approval		
Prepared By:	TONI IZZARELLI	DATE		
A 1D		COMPANY		
Approved By:		BY		
Signature:		TITLE		

Date	Туре	WIO	Description	Tracking Number
			Emailed draft JOA with exhibits covering pooled area,	
July 20th, 2023	Email	Оху	unclded description of proposed plan to drill 10 wells	
			Emailed & mailed VIA fedex well proposals and AFEs	
July 28th, 2023	Email & FedEx	Оху	for 10 wells. Fedex package was delivered July 31, 2023.	772886271081
August 28th, 2023	Email	Оху	Followed-up regarding status of Well Proposals	
September 7th, 2023	Email	Оху	Followed-up regarding status of JOA	

Received by OCD: 10/3/2023 3:02:21 PM

Page 31 of 43

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

APPLICATION OF XTO DELAWARE BASIN, LLC FOR COMPULSORY

POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23777

SELF-AFFIRMED STATEMENT OF AARON BAZZELL

1. My name is Aaron Bazzell and I am employed by XTO Energy Inc. ("XTO") as a

Geologist.

2. I have not previously testified before the New Mexico Oil Conservation Division

("Division") as an expert witness in geology matters. I have included a copy of my resume as XTO

Exhibit D-1 for the Division to review and respectfully request that my credentials be accepted as

a matter of record, and I be tendered as an expert in geology matters.

3. I am familiar with the application filed by XTO in this case, and I have conducted

a geologic study of the lands in the subject area.

4. **XTO Exhibit D-2** is a regional map showing the location of the subject acreage

outlined in red.

5. XTO Exhibit D-3 is a subsea structure map that I prepared on top of the

Wolfcamp formation, with contour intervals of 100 feet. XTO's proposed spacing unit is outlined

in red and the general location and trajectory of the initially proposed wells are identified with

orange lines. This exhibit demonstrates that the targeted intervals dip gently to the southeast. The

Wolfcamp structure appears consistent across the wellbore paths. I do not observe any faulting,

pinchouts, or other geologic impediments in the spacing unit.

69: CF9 'H<9 'C=@7 CBG9FJ5 H±CB'8 =J=G=CB' GUbHJ: YžBYk 'A YI]Wc 9I\]V]h'Bc"8 Gi Va]hhYX'Vm'LHC'8 Y`Uk UfY'6 Ug]bž@@7

- 6. XTO Exhibit D-3 also depicts a line of cross section through the proposed horizontal spacing unit from A to A'. I chose the logs from these wells to create the cross section because they penetrate the targeted interval and are of good quality. In my opinion, these well logs are representative of the geology in the subject area.
- 7. **XTO Exhibit D-4** is a structural cross section that I prepared using the logs from the representative wells shown on XTO Exhibit D-3. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the initially proposed wells are identified on the exhibit with a red arrow. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.
- 8. My geologic study indicates the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed horizontal spacing unit will be productive and contribute proportionately to the production from the wells.
- 9. In my opinion, the standup orientation of the proposed wells is consistent with existing development in this area and appropriate due to the geologic stress.
- 10. In my opinion, approval of this application is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **XTO Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.
- 12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Aaron Bazzell

Myll

Date

Aaron Bazzell

Aaron.r.bazzell@exxonmobil.com 22777 Springwoods Village Pkwy • Spring, Texas 77389 • (346) 502-7632

ExxonMobil

December 2022 - Present

Geoscientist

Development geologist primarily working unconventional assets in the Delaware Basin. Responsible for well planning and geological operations, asset development, geological mapping and interpretation.

QEP Resources

May 2014 - March 2021

Senior Geologist

Development and operational geologist with experience working both unconventional and conventional assets in the Uinta, Greater Green River, LA Salt, and Midland Basins; federal, state, and private lands. Responsible for well planning, geological operations, asset development, A&D, geological mapping and interpretation.

Education

Colorado School of Mines, Golden, CO

2014

Master of Science in Geology

University of South Alabama, Mobile, AL

2012

Bachelor of Science in Geology

Delta State University, Cleveland, MS

2004

Bachelor of Business Administration, Marketing

Exhibit No. D-2
Submitted by: XTO Delaware Basin, LLC

Date: October 5, 2023 Case No. 23777

Exhibit D-2

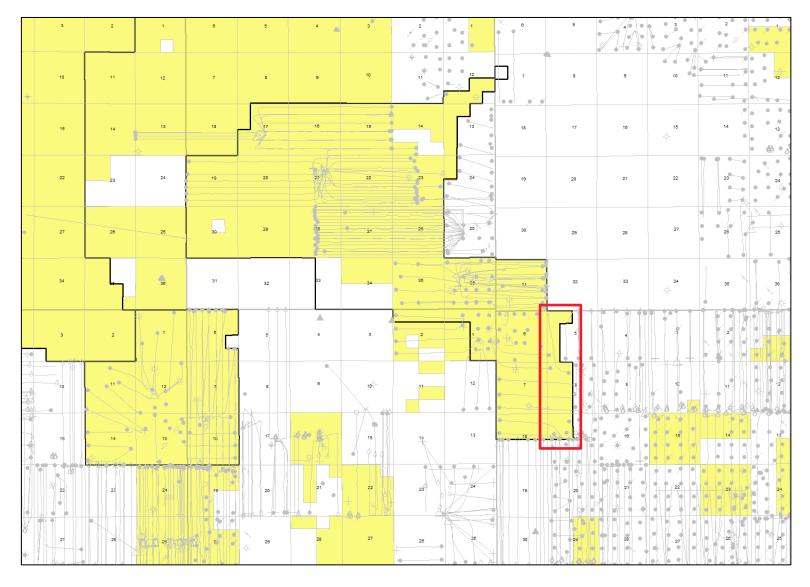
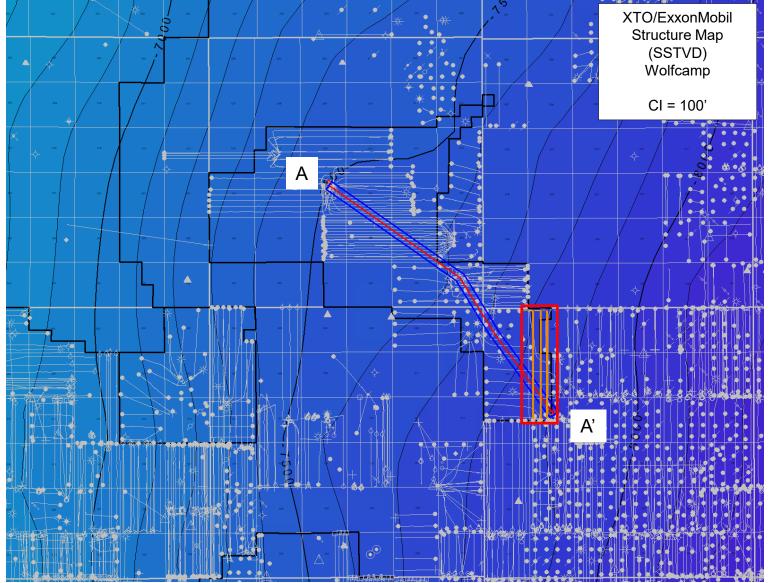


Exhibit No. D-3
Submitted by: XTO Delaware Basin, LLC
Date: October 5, 2023
Case No. 23777

Exhibit D-3



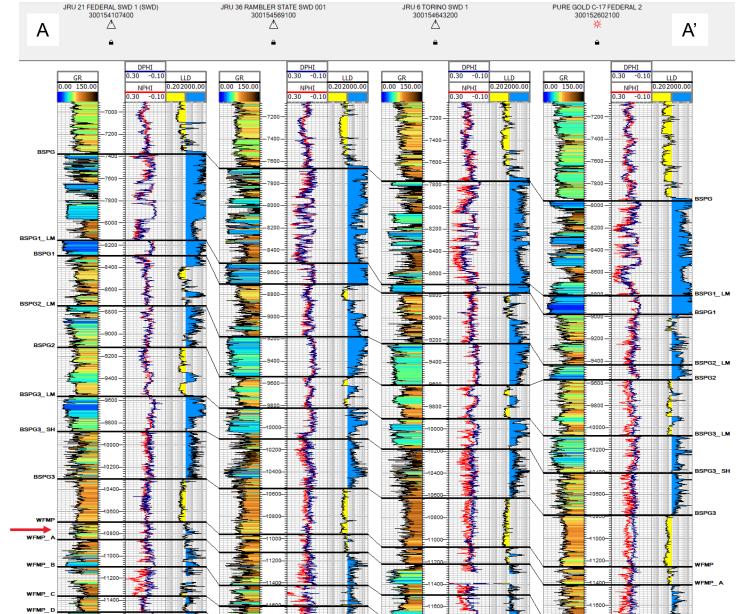
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Page 37 of 43

Exhibit No. D-4

Submitted by: XTO Delaware Basin, LLC Date: October 5, 2023

Case No. 23777

Exhibit D-4



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

APPLICATION OF XTO DELAWARE BASIN, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23777

SELF-AFFIRMED STATEMENT OF PAULA M. VANCE

1. I am attorney in fact and authorized representative of XTO Delaware Basin, LLC

("XTO"), the Applicant herein. I have personal knowledge of the matter addressed herein and am

competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application

was sent by certified mail to the locatable affected parties on the date set forth in the letter attached

hereto.

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

was provided.

4. The spreadsheet attached hereto contains the information provided by the United

States Postal Service on the status of the delivery of this notice as of October 2, 2023.

5. I caused a notice to be published to all parties subject to this compulsory pooling

proceeding. An affidavit of publication from the publication's legal clerk with a copy of the notice

publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that

the foregoing statements are true and correct. I understand that this self-affirmed statement will be

used as written testimony in this case. This statement is made on the date next to my signature

below.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Santa Fe, New Mexico Exhibit No. E Paula M. Vance

10/3/23

Date



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

September 15, 2023

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Re: Application of XTO Delaware Basin, LLC for Compulsory Pooling, Eddy County, New Mexico: JRUDI 7 Sawtooth Fed Com 112H, 113H, and 117H wells.

Ladies & Gentlemen:

This letter is to advise you that XTO Delaware Basin, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on October 5, 2023, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.nm.gov/ocd/.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

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

If you have any questions about this matter, please contact Joshua Prasatik at (346) 502-0173 or at joshua.p.prasatik@exxonmobil.com.

Sincerely,

Paula M. Vance

Patrick

ATTORNEY FOR XTO DELAWARE BASIN, LLC

XTO - Sawtooth 112H, 113H and 117H wells - Case no. 23777 Postal Delivery Report

						Your item has been delivered to an agent for final
						delivery in HOUSTON, TX 77046 on September 20,
9414811898765413394566	OXY USA Inc.	5 Greenway Plz Ste 110	Houston	TX	77046-0521	2023 at 10:52 am.
						Your item was delivered to the front desk, reception
						area, or mail room at 2:33 pm on September 20,
9414811898765413394504	West Bend Energy Partners, L.L.C.	1320 S University Dr Ste 701	Fort Worth	TX	76107-8061	2023 in FORT WORTH, TX 76107.
	Texas Capital Bank, Successor Trustee of Residuary					Your item was delivered to the front desk, reception
	Trust B Created U/T/W Of Jack M. Langdon,					area, or mail room at 12:42 pm on September 19,
9414811898765413394597	Deceased	300 Throckmorton St Ste 200	Fort Worth	TX	76102-2926	2023 in FORT WORTH, TX 76102.
	Texas Capital Bank, Successor Trustee of the Dora					Your item was delivered to the front desk, reception
	Lee Langdon Article V Trust U/T/W Of Dora Lee					area, or mail room at 12:42 pm on September 19,
9414811898765413394542	Langdon, Deceased	300 Throckmorton St Ste 200	Fort Worth	TX	76102-2926	2023 in FORT WORTH, TX 76102.
	Frost National Bank, Successor Trustee of the Clay					Your item was delivered to the front desk, reception
	Allison Langdon Trust U/T/W Of Dora Lee					area, or mail room at 11:15 am on September 19,
9414811898765413394535	Langdon, Deceased	640 Taylor St Ste 1000	Fort Worth	TX	76102-4815	2023 in FORT WORTH, TX 76102.
	Frost National Bank, Successor Trustee of the Lee					Your item was delivered to the front desk, reception
	Kendall Langdon Trust U/T/W Of Dora Lee					area, or mail room at 11:15 am on September 19,
9414811898765413394573	Langdon, Deceased	640 Taylor St Ste 1000	Fort Worth	TX	76102-4815	2023 in FORT WORTH, TX 76102.

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005826267 This is not an invoice

HOLLAND AND HART PO BOX 2208

SANTA FE, NM 87504-2208

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

09/19/2023

Subscribed and sworn before me this September 29,

NOTARY PUBLIC

My commission expires

RYAN SPELLER Notary Public State of Wisconsin

Ad # 0005826267 PO #: 23777 # of Affidavits: 1

This is not an invoice

69: CF9 'H<9 'C=@7 CBG9 FJ5 H+CB '8 =J=G+CB' GUbHJ: YžBYk 'A YI]Wc 91 \]V]hBc": Gi Va]HHYX'Vm 'LHC'8 Y Uk Uf Y'6 Ug]bž @@7 ' 8 UHY. 'CWtcVYf') ž&\$&' 7 UgY'Bc"&'+++

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPART-MENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following cases. The hearings will be conducted remotely on Thursday, October 5, 2023, beginning at 8:15 a.m. To participate in the hearings, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ obtained from Marlene Salvidrez, at Marlene.Salvidrez@em nrd.nm.gov. Documents filed in these cases may be viewed at https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hear-ing, contact Marlene Salvidrez at Marlene.Salvidrez@emnrd. nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than September 25, 2023.

Persons may view and participate in the hearings through the following link: https://nmemnrd.webex.com/nmemnrd/j.

php?MTID=m020a671a1f0dca6e32980a60729bb0f Webinar number: 2488 867 1311 Join by video system: 24888671311@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your webinar num-

Join by phone: 1-844-992-4726 United States Toll Free

+1-408-418-9388 United States Toll

Access code: 2488 867 1311

Panelist password: EiMmNJYA667 (34666592 from phones and video systems)

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

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

To: All affected interest owners, including: OXY USA Inc.; West Bend Energy Partners, L.L.C.; Texas Capital Bank, Successor Trustee of Residuary Trust B created u/t/w of Jack M. Langdon, deceased; Texas Capital Bank, Successor Trustee of the Dora Lee Langdon Article V Trust u/t/w of Dora Lee Langdon, deceased; Frost National Bank, Successor Trustee of the Clay Allison Langdon Trust u/t/w of Dora Lee Langdon of the Clay Allison Langdon Trust u/t/w of Dora Lee Langdon, deceased, and Frost National Bank, Successor Trustee of the Lee Kendall Langdon Trust u/t/w of Dora Lee Langdon, deceased.

Case No. 23777: Application of XTO Delaware Basin, LLC for Case No. 23777: Application of XTO Delaware Basin, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a 799.90-acre horizontal spacing unit comprised of the W/2 equivalent of irregular Section 5, the W/2 of Section 8, and the NW/4 of Section 17, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit will be initially dedicated to the following proposed weels: wells:

• JRU DI 7 Sawtooth Fed Com 117H well, to be horizontally drilled from a surface location in the NE/4 NE/4 equivalent (Lot 1) of irregular Section 6, with a first take point in the NW/4 NW/4 equivalent (Lot 4) of irregular Section 5 and a last take point in the SW/4 NW/4 (Unit E) of Section 17;

JRU DI 7 Sawtooth Fed Com 112H and JRU DI 7 Sawtooth

Fed Com 113H wells, to be horizontally drilled from surface locations in the NE/4 NE/4 equivalent (Lot 1) of irregular Section 6, with first take points in the NE/4 NW/4 equivalent (Lot 3) of irregular Section 5 and last take points in the SE/4 NW/4 (Unit F) of Section 17.

The completed interval for the JRU DI 7 Sawtooth Fed Com 112H is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion of these tracts in a horizontal well standard spacing unit pursuant to NMAC 19.15.16.15.B. Also to be considered unit pursuant to NMAC 19.15.16.15.B. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of XTO Permian Operating, LLC as operator of the wells and the imposition of a 200% charge for risk involved in drilling said well. This area is located approximately 17.5 miles northeast of Malaga, New Mexico.

#5826267, Current Argus, September 19, 2023