Before the Oil Conservation Division Examiner Hearing October 5, 2023

Case No. 23755
Decimus Fed Com 801H
Decimus Fed Com 701H
Decimus Fed Com 802H
Decimus Fed Com 702H
Decimus Fed Com 803H
Decimus Fed Com 703H
Decimus Fed Com 804H
Decimus Fed Com 704H



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

IN THE MATTER OF THE APPLICATION OF

MARATHON OIL PERMIAN LLC FOR COMPUSLORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23755

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23755	APPLICANT'S RESPONSE
Date	November 2, 2023
Applicant	Marathon Oil Permian LLC
Designated Operator & OGRID (affiliation if applicable)	Marathon Oil Permian LLC OGRID No. 372098
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.
Case Title:	Application of Marathon Oil Permian LLC for Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	Faskin Oil & Ranch LTD.
Well Family	Decimus
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code:	Purple Sage; Wolfcamp (Gas) Pool (Code 98220)
Well Location Setback Rules:	State-Wide Rules Apply
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	Approx. 1276-acres
Building Blocks:	320-Acres
Orientation:	North/South
Description: TRS/County	S/2 of Sections 5 and 6, and the N/2 of Sections 7 and 8, Township South, Range 28 East, N.M.P.M., Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	Yes.
Proximity Defining Well: if yes, description	The completed intervals for the Decimus Fed Com 702H and Decin Fed Com 803H wells are expected to be less than 330' from the adjoining racts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit.
Applicant's Ownership in Each Tract	See Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

Ownership Determination	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit B.7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B.7
Proposed Notice of Hearing	Exhibit B.7
Notice of Hearing	
Requested Risk Charge	200%
Justification for Supervision Costs	See Exhibit B Pargraph 23
Production Supervision/Month \$	\$800.00
Drilling Supervision/Month \$	\$8,000.00
	SHL: 605' FNL & 272' FEL, Section 12, T23S, R27E BHL: 1650' FNL & 330' FEL, Section 8, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 10,160 TVD)
Well #7: Decimus Fed Com 804H	
Well #5: Decimus Fed Com 803H	SHL: 505' FNL & 271' FEL, Section 12, T23S, R27E BHL: 300' FNL & 330' FEL, Section 8, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 10,010 TVD)
Well #3: Decimus Fed Com 802H	SHL: 1640' FSL & 302' FWL, Section 6, T23S, R28E BHL: 990' FSL & 330' FEL, Section 5, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 10,010 TVD)
Well #1: Decimus Fed Com 801H	SHL: 1700' FSL & 302' FWL, Section 6, T23S, R28E BHL: 2310' FSL & 330' FEL, Section 5, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 10,010 TVD)
	SHL: 635' FNL & 272' FEL, Section 12, T23S, R27E BHL: 2310' FNL & 330' FEL, Section 8, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 9,480 TVD)
Well #8: Decimus Fed Com 704H	
TVCII HO. DECITIUS I EU COIII / OSII	SHL: 536' FNL & 271' FEL, Section 12, T23S, R27E BHL: 990' FNL & 330' FEL, Section 8, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 9,480 TVD)
Well #6: Decimus Fed Com 703H	SHL: 1610' FSL & 302' FWL, Section 6, T23S, R28E BHL: 300' FSL & 330' FEL, Section 5, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 9,330 TVD)
Well #4: Decimus Fed Com 702H	
Well W2. Decimas rea com 70111	SHL: 1670' FSL & 302' FWL, Section 6, T23S, R28E BHL: 1650' FSL & 330' FEL, Section 5, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 9,330 TVD)
Well #2: Decimus Fed Com 701H	2

Land Ownership Schematic of the Spacing Unit	Exhibit B.3
Tract List (including lease numbers and owners)	Exhibit B.3
If approval of Non-Standard Spacing Unit is requested, Tract List	
(including lease numbers and owners) of Tracts subject to notice	N/A
requirements.	
Pooled Parties (including ownership type)	Exhibit B.3
Unlocatable Parties to be Pooled Ownership Depth Severance (including percentage above &	Exhibit B.3
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.4
Overhead Rates In Proposal Letter	Exhibit B.5
Cost Estimate to Drill and Complete	Exhibit B.6
Cost Estimate to Equip Well	Exhibit B.6
Cost Estimate for Production Facilities	Exhibit B.6
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.2
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.2
Well Orientation (with rationale)	Exhibit C.11
Target Formation	Exhibit C.3 to C.6 & Exhibit C.7 to C.10
HSU Cross Section	Exhibit C.5 & Exhibit C.9
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.1
Well Bore Location Map	Exhibit C.2
Structure Contour Map - Subsea Depth	Exhibit C.3 & Exhibit C.7
Cross Section Location Map (including wells)	Exhibit C.4 & Exhibit C.8
Cross Section (including Landing Zone)	Exhibit C.5 & Exhibit C.9
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provide	d in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett
Date:	10/31/2
<u> </u>	1

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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 23755

SELF AFFIRMED DECLARATION OF RYAN GYLLENBAND

Ryan Gyllenband hereby states and declares as follows:

- 1. I am over the age of 18, I am a landman for Marathon Oil Permian LLC ("Marathon") and have personal knowledge of the matters stated herein.
- 2. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum landman were accepted as a matter of record.
 - 3. My area of responsibility at Marathon includes the area Eddy County in New Mexico.
- 4. I am familiar with the application filed by Marathon in this case, which is attached as **Exhibit B.1.**
 - 5. I am familiar with the status of the lands that are subject to this application.
- 6. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced application.
- 7. The purpose of the application is to force pool all uncommitted interests into the horizontal spacing unit described below, and in the wells to be drilled in the unit.
- 8. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells.
- 9. In this case, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a standard 1280-acre, more or less, Wolfcamp horizontal spacing unit

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underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.

- 10. This spacing unit will be dedicated to the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells, to be horizontally drilled.
 - 11. Attached as **Exhibit B.2** are the proposed C-102s for the wells.
- 12. The C-102s identify the proposed surface hole locations and the bottom hole locations, and the first take points. The C-102s also identify the pool and pool code.
- 13. These wells will be located within the Purple Sage Wolfcamp Gas Pool, which is subject to special pool rules that establish 330-foot setback requirements. The wells will comply with the Purple Sage Wolfcamp pool rules.
 - 14. The producing areas for the wells is expected to be orthodox.
- 15. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts and the Division's rules allow for the inclusion of proximity tracts within the proposed standard spacing unit for the wells.
 - 16. There are no depth severances within the proposed spacing unit.
- 17. **Exhibit B.3** includes a lease tract map outlining the unit being pooled. Exhibit B.3 also includes the parties being pooled, the nature, and the percent of their interests.
- 18. I have conducted a diligent search of the public records in the county where the wells are located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed the working interest owners well proposals, including an Authorization for Expenditure.
- 19. In my opinion, Marathon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

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- Exhibit B.4 is a summary of my contacts with the working interest owners and the 20. unleased mineral interest owners.
- Exhibit B.5 is a sample of the well proposal letter that was sent to all working interest 21. owners and unleased mineral interest owners. The proposal letter identifies the proposed surface hole location, and proposed first and last take points, and approximate TVD/MD for the wells.
- Exhibit B.6 contains the Authorization for Expenditure for the proposed wells. The 22. estimated cost of the wells set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.
- Marathon requests overhead and administrative rates of \$8,000.00/month for drilling 23. a well and \$800.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Marathon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- Marathon requests the maximum cost plus 200% risk charge be assessed against non-24. consenting working interest owners.
 - 25. Marathon requests that it be designated operator of the wells.
 - The parties Marathon is seeking to pool were notified of this hearing. 26.
- Marathon seeks to pool overriding royalty interest owners, and they were also 27. provided notice of this hearing.
- Exhibit B.7 is an affidavit of notice prepared by counsel for Marathon that shows the 28. parties who were notified of this hearing, the status of whether they received notice, and an affidavit of publication from the Carlsbad Current Argus newspaper, showing that notice of this hearing was published on August 17, 2023.
- The attachments to this declaration were prepared by me, or compiled from company 29. business records, or were prepared at my direction.

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30. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

[Signature page follows]

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I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated this 2nd day of October, 2023.

Ryan Øyllenband

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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. **23755**

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to form a 1280-acre, more or less, standard spacing unit.
- 3. Marathon plans to drill the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled.
- 4. These wells will be located within the Purple Sage Wolfcamp Gas Pool, which is subject to special pool rules that establish 330 foot setback requirements.
 - 5. These wells will comply with the Division's setback requirements for this pool.

- 6. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
- 7. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 8. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 7, 2023 and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico;
- B. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- C. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By: Dema M. Bennett

Deana M. Bennett Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant

CASE NO. 23755: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 1280-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.5 miles northwest of Loving, NM.

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

Phone: (505) 334-6178 Fax: (505) 334-6170 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

1 API Number

1000 Rio Brazos Road, Aztec, NM 87410

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

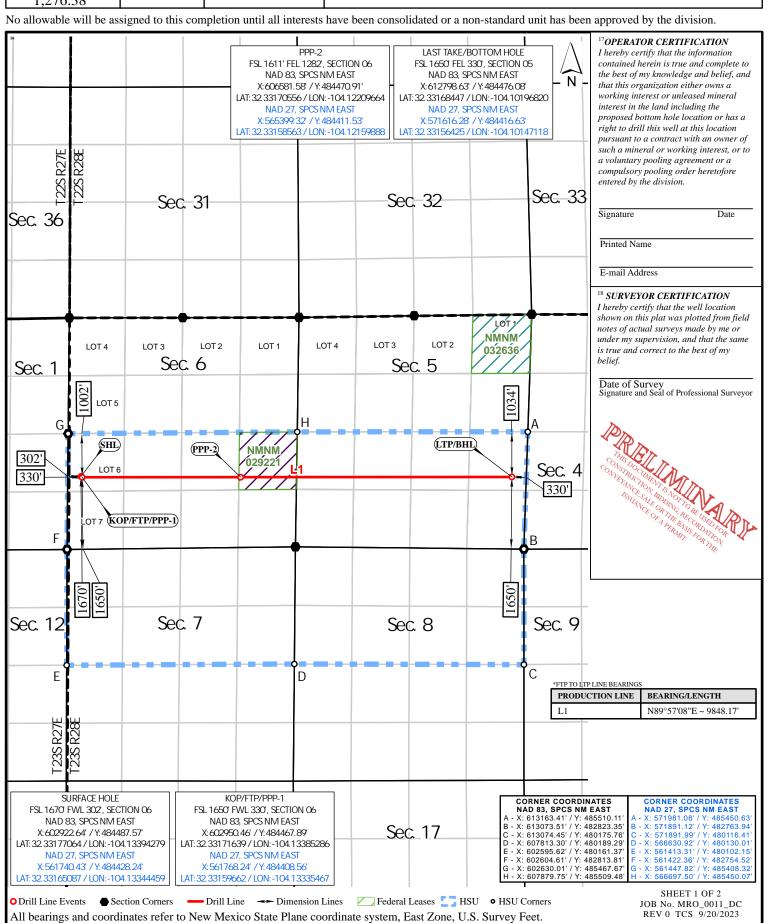
811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III

Phone: (575) 393-6161 Fax: (575) 393-0720

WELL LOCATION AND ACREAGE DEDICATION PLAT

				98220)	PURPL	iAS)				
⁴ Property Coo	de		Froperty Name DECIMUS FED COM *Well Number 701H								
⁷ ogrid № 372098			MARATHON OIL PERMIAN LLC Soperator Name Output Outp								
	¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
L 6	6	23S	28E		1670'	SOUTH	302'	WEST	EDDY		
	¹¹ Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
I	5	23S	28E		1650'	SOUTH	330'	EAST	EAST EDDY		
12 Dedicated Acres 1 276 38	13 J	oint or Infill	¹⁴ Cons	olidation Code	1 Code 15 Order No.						



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District III

Phone: (575) 393-6161 Fax: (575) 393-0720

1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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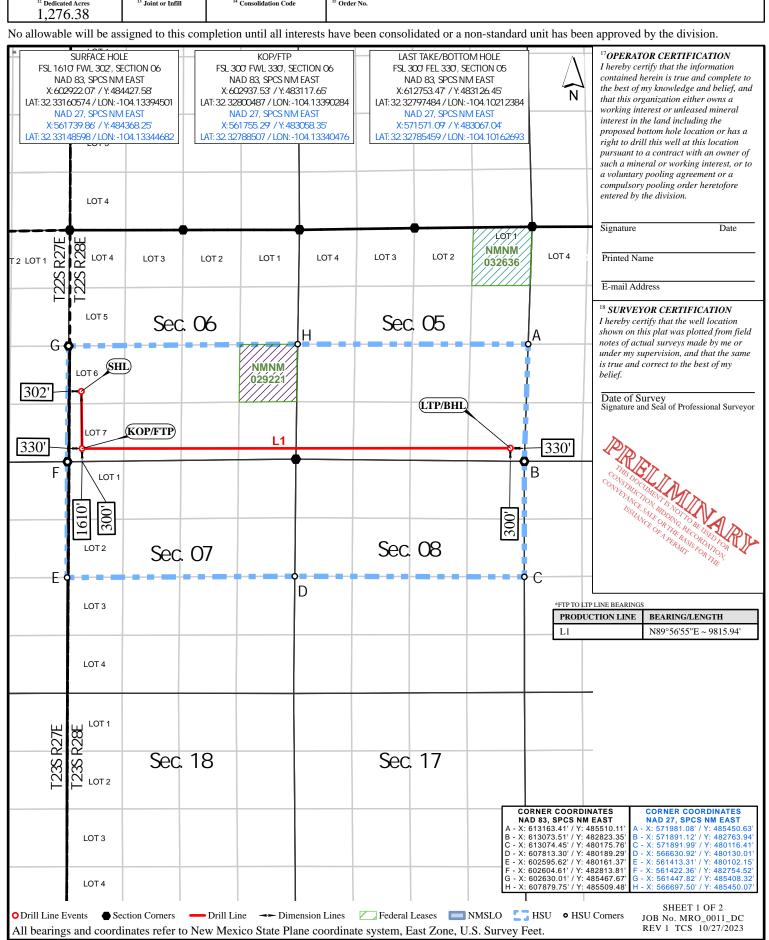
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WELL LOCATION AND ACREAGE DEDICATION PLAI									
¹ API Number	² I	Pool Code							
	9	8220	AMP (GAS)						
4 Property Code		⁶ Well Number							
		702H							
7 OGRID No.		⁸ Operator Name							
372098	N	3044'							
10 0 0 7									

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L 6	6	23S	28E		1610'	SOUTH	302'	WEST	EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	5	23S	28E		300'	SOUTH	330'	EAST	EDDY



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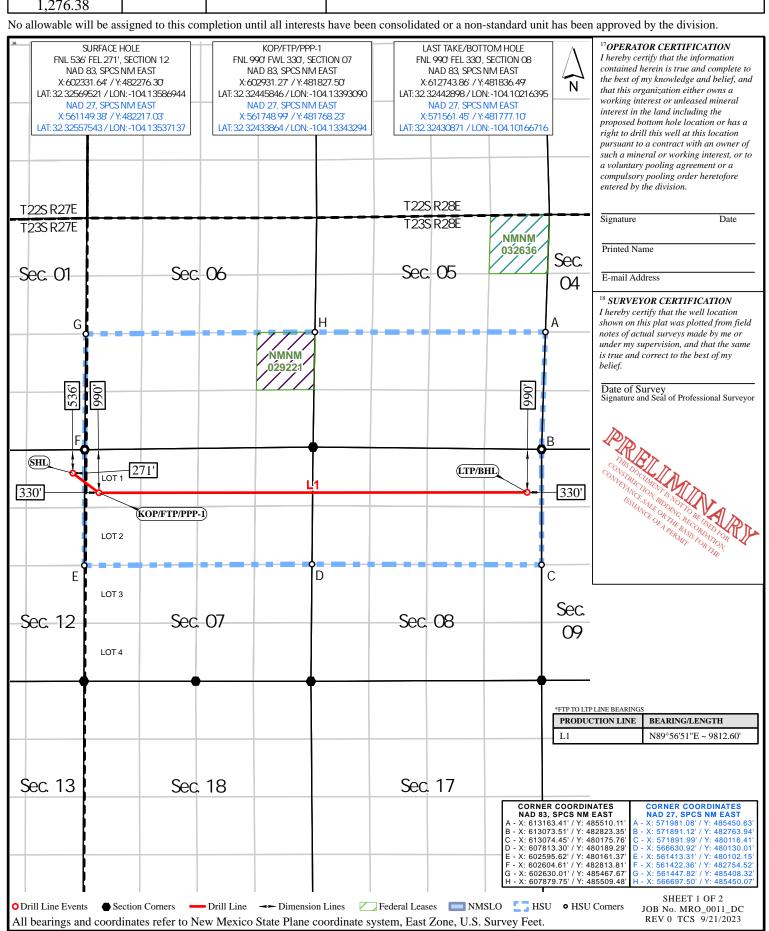
Phone: (575) 393-6161 Fax: (575) 393-0720

WELL LOCATION AND ACREAGE DEDICATION PLAT

WEEL EGGMION AND ACKEMOE DEDICATION TEM										
¹ API Number		² Pool Code 98220	AMP (GAS)							
⁴ Property Code			operty Name JS FED COM	⁶ Well Number 703H						
⁷ OGRID No. 372098			oerator Name OIL PERMIAN LLC	⁹ Elevation 3044'						

¹⁰ Surface Location

ı	A	12	23S	27E		536'	NORTH	271'	EAST	EDDY	
	¹¹ Bottom Hole Location If Different From Surface										
ſ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
	A	8	23S	28E		990'	NORTH	330'	EAST	EDDY	
ſ	12 Dedicated Acres	¹³ J	oint or Infill	14 Cons	olidation Code	15 Order No.					



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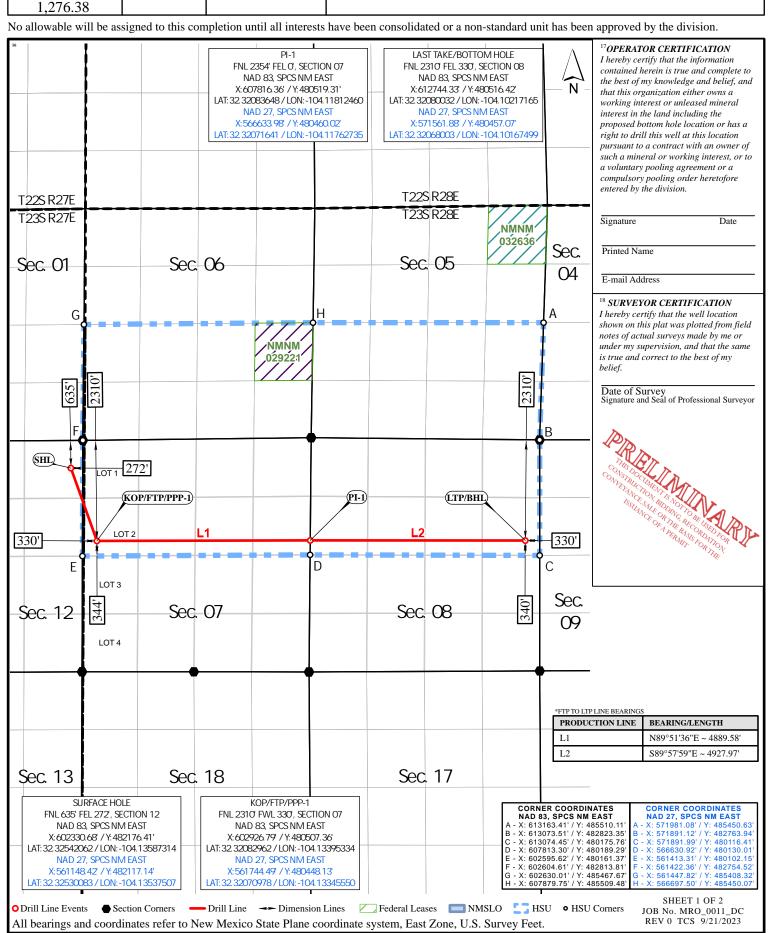
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WELL LOCATION AND ACREAGE DEDICATION PLAT

WEEL EOCATION AND ACREAGE DEDICATION TEAT									
¹ API Number		² Pool Code 98220	AMP (GAS)						
⁴ Property Code		⁵ Pr	roperty Name US FED COM	⁶ Well Number 704H					
⁷ OGRID No. 372098		MARATHON	⁹ Elevation 3044'						
¹⁰ Surface Location									

l	Α	1.	Z	233	2/E		033	NORTH	212	EASI	EDD1
					¹¹ B	ottom F	Hole Location	n If Different Fi	rom Surface		
- [UL or lot no.	Secti	ion	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	Н	۶ ا	3	23S	28E		2310'	NORTH	330'	EAST	EDDY
ŀ	12	\rightarrow	13					1,01(111	220	2.101	
¹² Dedicated Acres ¹³ Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No.											



23S

28Ĕ

EAST

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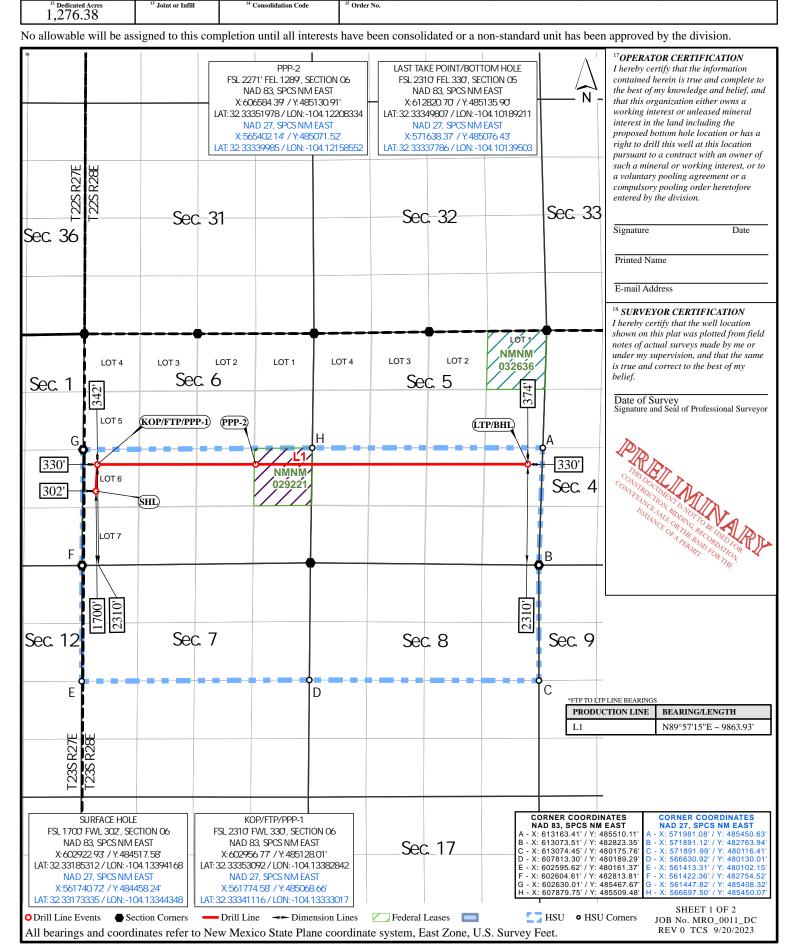
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 A		98220 PURPLE SAGE; WOLFCAMP (GAS)				AS)				
⁴ Property Code Property Name DECIMUS FED COM								⁶ Well Number 801H		
	7 OGRID No. 372098 MARATHON OIL PERMIAN LLC								⁹ Elevation 3044'	
	¹⁰ Surface Location									
UL or lot no.	Section 6	Township Range Lot Idn Feet from the North/South line SOUTH SOUTH East/West line WEST E.					EDDY			
	11 Bottom Hole Location If Different From Surface									

SOUTH

330'

2310'



6

23S

WEST

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☐ AMENDED REPORT

EDDY

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

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: (575) 393-6161 Fax: (575) 393-0720

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

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

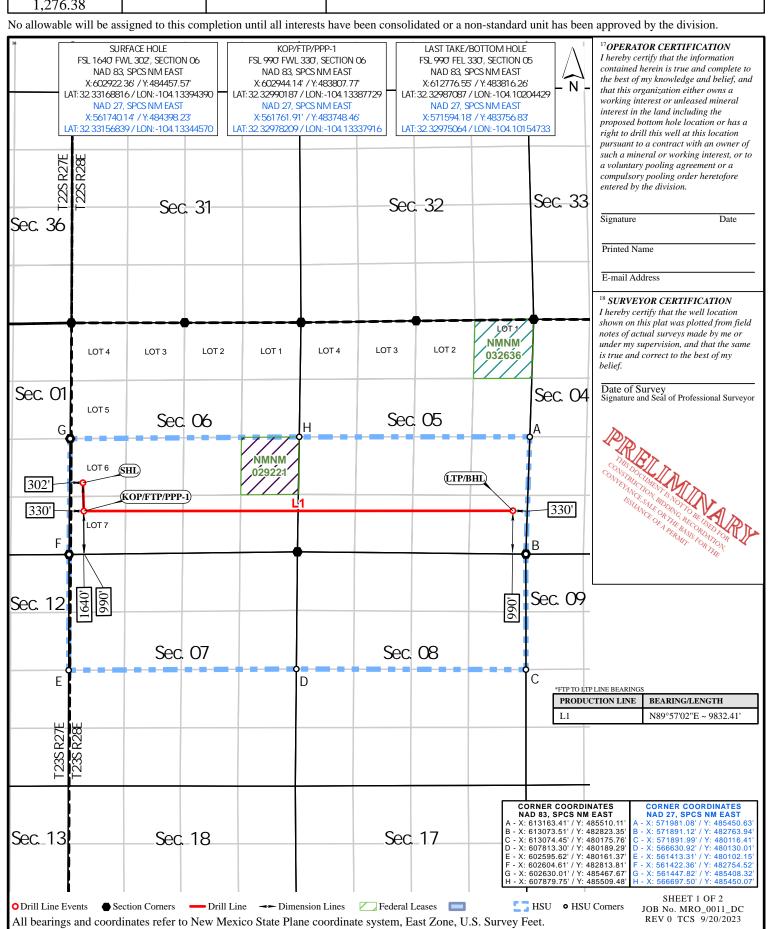
L 6

WELL LOCATION AND ACREAGE DEDICATION PLAT

WELL ECCHIONING MERENCE DEDICATION LEAD												
¹ API Number	•	² Pool Coo 9822		LFCAMP (G	AS)							
⁴ Property Code				⁶ Well Number 802H								
⁷ OGRID No. 372098		MAF		⁹ Elevation 3044'								
¹⁰ Surface Location												

1640' SOUTH 302'

			B	Bottom I	Hole Location	n If Different Fi	rom Surface		
UL or lot no. P	Section 5	Township 23S	28E	Lot Idn	Feet from the 990'	North/South line SOUTH	Feet from the 330'	EAST EAST	EDDY
¹² Dedicated Acres 1 276 38	¹³ Jo	oint or Infill	¹⁴ Cons	solidation Code	¹⁵ Order No.				



23S

28E

EAST

OCD Examiner Hearing 11-2-23

No. 23755

Form C-102 Registed August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

EDDY

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

District III 1000 Rio Brazos 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

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<u>A</u>

Phone: (575) 393-6161 Fax: (575) 393-0720

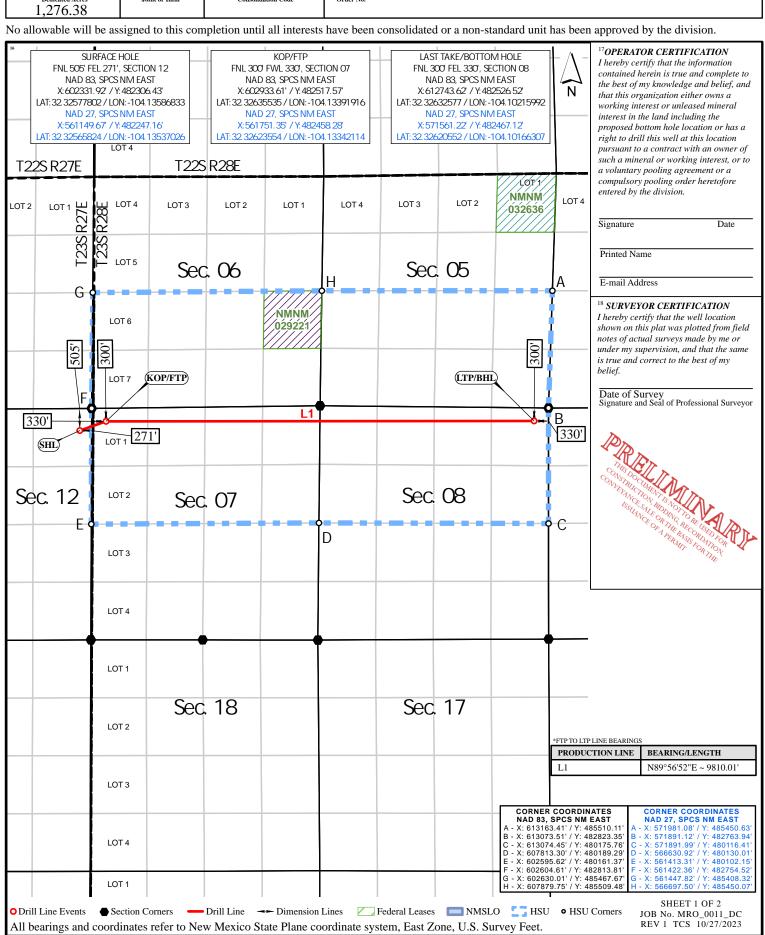
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 A	PI Number			² Pool Code 9822		PURPI	LE SAGE; WO	OLFCA	AMP (G	SAS)
⁴ Property Cod	de		•		DECIMUS	Name	,		`	⁶ Well Number 803H
⁷ OGRID No 372098				MAF	RATHON OII	r Name L PERMIAN LL	С			⁹ Elevation 3044'
					¹⁰ Surface L	ocation				
UL or lot no.	Section 12	Township 23S	Range 27E	Lot Idn	Feet from the 505'	North/South line NORTH	Feet from the 271'		West line AST	County EDDY
			¹¹ B	ottom l	Hole Location	on If Different F	rom Surface			

NORTH

330'

300'



OCD Examiner Hearing 11-2-23

No. 23755

Form C-102 Revised August 1, 2011

Submit offe copy to appropriate

District Office

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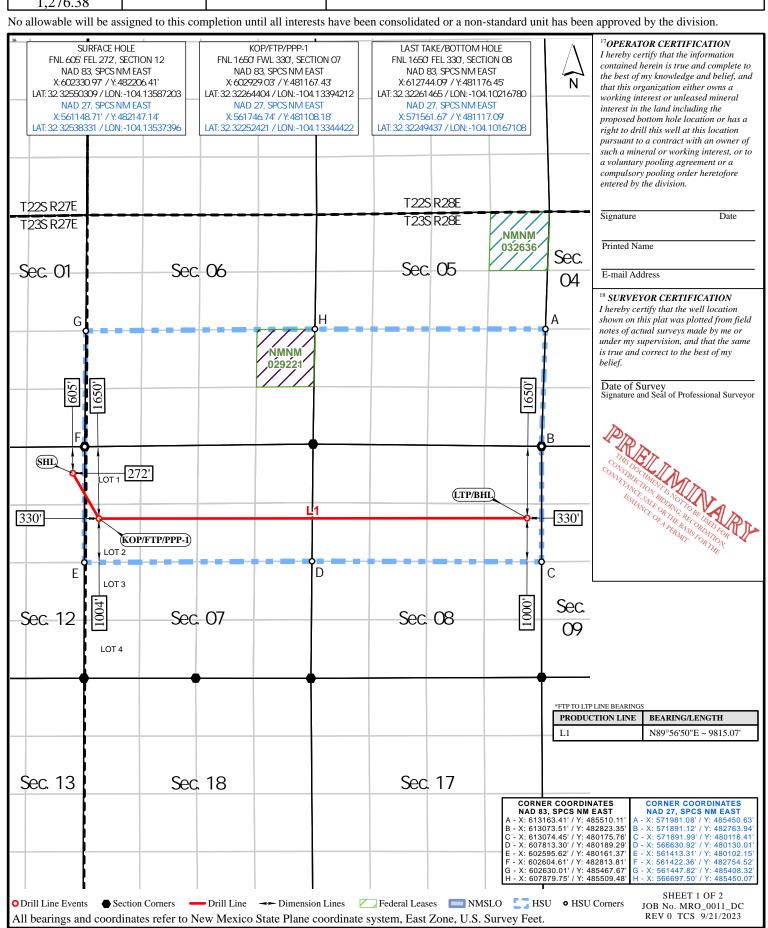
<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

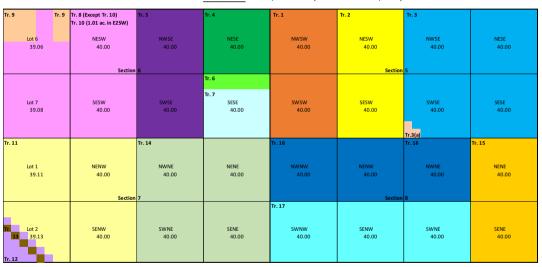
	WELL LOCATION AND	ACKEAGE DEDICATION FLAT	
¹ API Number	² Pool Code 98220	PURPLE SAGE; WOLFC	AMP (GAS)
⁴ Property Code		roperty Name US FED COM	⁶ Well Number 804H
⁷ OGRID No. 372098		perator Name OIL PERMIAN LLC	⁹ Elevation 3044'
	¹⁰ Surface	e Location	

	A	12	23S	27E		605'	NORTH	272'	EAST	EDDY
				¹¹ B	ottom I	Hole Location	n If Different Fi	rom Surface		
ſ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	Н	8	23S	28E		1650'	NORTH	330'	EAST	EDDY
	1 276 29	¹³ Jo	int or Infill	¹⁴ Cons	olidation Code	15 Order No.				



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Decimus Fed Com 801H, 701H, 802H, 702H, 803H, 703H, 804H, and 704H S/2 of Section 5 & 6, and N/2 of Section 7 & 8 T23S-R28E: 1,276.60 acres



- Tract 1: Fee (80.00 acres)
 - Tract 2: Fee (80.00 acres)
- Tract 3: Fee (160.00 acres)
- Tract 4: Federal (40.00 acres)
- Tract 5: Fee (80.00 acres)
- Tract 6: Fee (10.00 acres)
 Tract 7: Fee (30.00 acres)
- Tract 8: Fee (142.4825 acres)
- Tract 8: Fee (142.4825 acres)
 Tract 9: Fee (14.6475 acres)

- Tract 10: Fee (1.01 acres)
 - Tract 11: Fee (135.10 acres)
- Tract 12: Fee (15.48 acres)
- Tract 13: Fee (7.88 acres)
- Tract 14: Fee (160.00 acres)
- Tract 15: Fee (80.00 acres)
- Tract 16: Fee (120.00 acres)
- Tract 17: Fee (120.00 acres)



Exhibit "B.3" Summary of Interests

Decimus Fed Com 801H, 701H, 802H, 702H, 803H, 703H, 804H, and 704H S/2 of Section 5 & 6, and N/2 of Section 7 & 8 T23S-R28E: 1,276.60 acres

Com	mitted Working Interest:	75.194012%
•	Marathon Oil Permian LLC	67.963119%
•	Fasken Land and Minerals Ltd.	7.230893%
Unco	ommitted Working Interest:	<u>24.448006%</u>
•	Oxy USA WTP Limited Partnership	18.376547%
•	Blakemore Family Royalty Partnership	3.133323%
•	Roy G. Barton, Jr. and Wife, Clauda Barton, as Joint Tenants	0.385301%
•	Roy G. Barton, Sr. & Opal Barton Revocable Trust, Roy G. Barton Jr., Trustee	0.385301%
•	Valence Operating Company	0.319812%
•	Stevens Oil & Gas, LLC	0.296112%
•	Thomas M. Beall	0.239864%
•	PrimeEnergy Asset and Income Fund AA-3 Attn: Ron Summers	0.179898%
•	PrimeEnergy Asset and Income Fund AA-4 Attn: Ron Summers	0.179898%
•	Ward N. Atkins, Jr.	0.159915%
•	David M. Stevens	0.148055%
•	Southwest Petroleum Company, L.P.	0.143817%
•	Richardson Oil Company, LLC	0.103006%
•	Michael F. Murry	0.095878%
•	Novo Minerals, LP	0.077060%
•	Lucinda Loveless	0.071959%
•	Highland (Texas) Energy Company	0.071440%
•	Wells Fargo Bank, N.A., Trustee of the Lisa McFarland Trust	0.035980%
•	Wells Fargo Bank, N.A., Trustee of the Patricia Del Valle Trust	0.035980%
•	Bruce A. Stubbs	0.008862%
	ased Mineral Owners:	0.357982%
•	The New Mexico Department of Transportation	0.154316%
	Don L. Parker	0.101833%
•	Fort Worth Mineral Company, LLC	0.101833%
	I Owners:	
	Estate of Jeanette Hughen	
	Norma J. Chanley	
	Dick A. Blenden	
	Jeffrey B. Diamond	
•	Jeffrey B. Diamond and Envy Diamond	



ORRI Owners Continued on Following Page

Marifred Handley

Exhibit "B.3" Summary of Interests
Decimus Fed Com 801H, 701H, 802H, 702H, 803H, 703H, 804H, and 704H
S/2 of Section 5 & 6, and N/2 of Section 7 & 8 T23S-R28E: 1,276.60 acres

ORRI Owners (Continued):

- Harle, Inc.
- Jana Zane Hayes
- Gregory Raymond Hayes
- Sandy Blenden
- Phil Blenden
- Robin Shelton
- Robert Levenson and Carol Levenson
- Kathleen Phillips
- Tommy Phipps and Werta Jean Phipps, Trustees of The Phipps Living Trust
- Western Commerce Bank for the Account of Forrest Miller
- Forrest Miller
- · Read & Stevens, Inc.
- CBR Oil Properties LLC
- Hillman Royalties, LP
- · Stryker Energy, LLC
- Zunis Energy, LLC
- Susannah D. Adelson, Trustee of the James Adelson & Family 2015 Trusts
- Yuma Exploration & Production Company, Inc.
- Viper Energy Partners LLC
- · MCM Permian, LLC



Exhibit "B.4" Summary of Contacts

Decimus Fed Com 801H, 701H, 802H, 702H, 803H, 703H, 804H, and 704H S/2 of Section 5 & 6, and N/2 of Section 7 & 8 T23S-R28E: 1,276.60 acres

Summary of Contacts

- Marathon conducted extensive title work to determine the working interest owners and other interest owners.
- Marathon searched public records, phone directory, and various types of internet searches.
- Marathon sent well proposal letters to the working interest owners on or around March 21, 2023.
- Marathon proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners.
 - Marathon has discussed the general terms of the JOA, with the intent of finalizing the JOA prior to spud (subject to final approvals), with those working interest owners wishing to execute JOAs
- Marathon had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Marathon has acquired several parties' working interest in the spacing through commercial transactions
- Marathon filed applications to force pool parties who had not entered into an agreement.
- Marathon's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted interest owners and also for overriding royalty interest owners.
- Marathon also published notice in a newspaper of general circulation in the county where the wells will be located.



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Exhibit "B.4" Summary of Contacts Decimus Fed Com 801H, 701H, 802H, 702H, 803H, 703H, 804H, and 704H S/2 of Section 5 & 6, and N/2 of Section 7 & 8 T23S-R28E: 1,276.60 acres

		Summary	of Contact with Wor	king Interest Owners
Name	% Interest	Proposal Letter Sent	Proposal Letter Received	Follow Up
				Working on a trade for Marathon to acquire majority of Oxy's interest in the DSU; expected to
Oxy USA WTP Limited Partnership	18.376547%	3/21/2023	3/22/2023	close Nov. '23
Fasken Land and Minerals Ltd.	7.230893%	3/21/2023	3/27/2023	JOA executed with Fasken
Blakemore Family Royalty Partnership	3.133323%	3/21/2023	3/22/2023	Well proposal sent on 3/21/23 and received on 3/22/2023.
Roy G. Barton, Jr. and Wife, Clauda Barton,				
as Joint Tenants	0.385301%	3/21/2023	3/22/2023	Returned proposal indicating their election to participate in the proposed wells
Roy G. Barton, Sr. & Opal Barton Revocable				
Trust, Roy G. Barton Jr., Trustee	0.385301%	3/21/2023	3/22/2023	Returned proposal indicating their election to participate in the proposed wells
V-I 0ti 0	0.319812%	3/21/2023	2/22/2022	Datum and account it adication the standard to a contribute to the
Valence Operating Company	0.319812%	3/21/2023	3/22/2023	Returned proposal indicating their election to participate in the proposed wells Talked with Larry Stevens of Stevens Oil & Gas on 9/27 and answered questions regarding the
Standard Oil R Con LLC	0.296112%	3/21/2023	2/22/2022	
Stevens Oil & Gas, LLC	0.290112%	5/21/2023	3/23/2023	development timing of the wells
Thomas M. Beall	0.239864%	3/21/2023	3/22/2023	Well proposal sent on 3/21/23 and received on 3/22/2023.
PrimeEnergy Asset and Income Fund AA-3	0.23300470	3/21/2023	3/22/2023	Well proposals were resent 6/13/23 after the original proposal was unable to be delivered due
Attn: Ron Summers	0.179898%	3/21/2023	6/14/2023	to an incorrect address
PrimeEnergy Asset and Income Fund AA-4	0.17505070	5/21/2025	0/ 1-1/ 2023	Well proposals were resent 6/13/23 after the original proposal was unable to be delivered due
Attn: Ron Summers	0.179898%	3/21/2023	6/14/2023	to an incorrect address
	0.2.0000,	-,,	4, 2, 4, 2020	
Ward N. Atkins, Jr.	0.159915%	3/21/2023	3/22/2023	Returned proposal indicating their election to participate in the proposed wells
The New Mexico Department of		, , ,		
Transportation	0.154316%	3/21/2023	3/22/2023	Well proposal sent on 3/21/23 and received on 3/22/2023.
David M. Stevens	0.148055%	3/21/2023	3/22/2023	Well proposal sent on 3/21/23 and received on 3/22/2023.
Southwest Petroleum Company, L.P.	0.143817%	3/21/2023	3/22/2023	Well proposal sent on 3/21/23 and received on 3/22/2023.
Richardson Oil Company, LLC	0.103006%	3/21/2023	3/24/2023	Well proposal sent on 3/21/23 and received on 3/24/2023.
Don L. Parker	0.101833%	3/21/2023	3/23/2023	Well proposal sent on 3/21/23 and received on 3/23/2023.
Fort Worth Mineral Comment IIC	0.1010220/	6/12/2022	c/20/2022	Well proposals were resent 6/27/23 after the original proposal was unable to be delivered due to an incorrect address
Fort Worth Mineral Company, LLC	0.101833%	6/13/2023	6/28/2023	to an incorrect address
Michael F. Murry	0.095878%	3/21/2023	2/22/2022	Well proposal sent on 3/21/23 and received on 3/22/2023.
Wildfael F. Widify	0.05367670	3/21/2023	3/22/2023	well proposal sent on 3/21/25 and received on 3/22/2025.
Novo Minerals, LP	0.077060%	3/21/2023	3/22/2023	Discussed drilling plan with Novo and sent proposed JOA
NOVO WITTET d13, ET	0.07700070	3/21/2023	3/22/2023	biscussed drining plan with Novo and sent proposed JOA
Lucinda Loveless	0.071959%	3/21/2023	3/22/2023	Well proposal sent on 3/21/23 and received on 3/22/2023.
	2.37233370	5/21/2025	5/ 22/ 2025	
Highland (Texas) Energy Company	0.071440%	3/21/2023	3/24/2023	Well proposal sent on 3/21/23 and received on 3/24/2023.
Wells Fargo Bank, N.A., Trustee of the Lisa	2.2.2.40%	=, ==, E0E5	5, 24, 2025	Well proposals were resent 6/13/23 after the original proposal was unable to be delivered due
McFarland Trust	0.035980%	3/21/2023	6/15/2023	to an incorrect address
Wells Fargo Bank, N.A., Trustee of the		, , , , , ,	, ,	Well proposals were resent 6/13/23 after the original proposal was unable to be delivered due
Patricia Del Valle Trust	0.035980%	3/21/2023	6/15/2023	to an incorrect address
		, , ,	, , ,	Well proposals were resent 6/13/23 after the original proposal was unable to be delivered due
Bruce A. Stubbs	0.008862%	3/21/2023	6/15/2023	to an incorrect address



28



Patricia Schoenberger

Land Professional

Marathon Oil Company

990 Town and Country Blvd. Houston, TX 77024 Telephone 832.386.0393 schoenberg@marathonoil.com

March 15, 2023

OXY USA WTP Limited Partnership 5 Greenway Plaza, Suite 110 Houston, TX 77046

Re: Decimus Fed Com Unit (the "Wells")

Participation Proposal S/2 of Section 5&6

Township 23 South, Range 28 East

N/2 of Section 7&8

Township 23 South, Range 28 East

Eddy County, New Mexico

Dear Sir/Madam:

Marathon Oil Permian LLC ("Marathon") proposes the drilling, completion, and equipping of the Wells, at a legal location in the S/2 of Sections 5 and 6, Township 23 South, Range 28 East, and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, Eddy County, New Mexico (the "Subject Lands"), as follows:

1) Decimus Fed Com 801H

SHL: SW/4 of Section 6-23S-28E

First take point: 330' FWL & 2310' FSL of Section 6, 23S-28E Last take point: 330' FEL & 2310' FSL of Section 5, 23S-28E

The Well will be drilled horizontally within the Purple Sage/Wolfcamp formation to an approximate true vertical depth of 10,010' and an approximate measured depth of 20,260'.

2) Decimus Fed Com 701H

SHL: SW/4 of Section 6-23S-28E

First take point: 330' FWL & 1650' FSL of Section 6, 23S-28E Last take point: 330' FEL & 1650' FSL of Section 5, 23S-28E

The Well will be drilled horizontally within the Purple Sage/Wolfcamp formation to an approximate true vertical depth of 9,330 and an approximate measured depth of 19,580'.

3) Decimus Fed Com 802H

SHL: SW/4 of Section 6-23S-28E

First take point: 330' FWL & 990' FSL of Section 6, 23S-28E Last take point: 330' FEL & 990' FSL of Section 5, 23S-28E

The Well will be drilled horizontally within the Purple Sage/Wolfcamp formation to an approximate true vertical depth of 10,010' and an approximate measured depth of 20,260'.

4) Decimus Fed Com 702H

SHL: SW/4 of Section 6-23S-28E

First take point: 330' FWL & 300' FSL of Section 6, 23S-28E Last take point: 330' FEL & 300' FSL of Section 5, 23S-28E

The Well will be drilled horizontally within the Purple Sage/Wolfcamp formation to an approximate true vertical depth of 9,330' and an approximate measured depth of 19,580'.

5) Decimus Fed Com 803H

SHL: NW/4 of Section 7-23S-28E

First take point: 330' FWL & 300' FNL of Section 7, 23S-28E Last take point: 330' FEL & 300' FNL of Section 8, 23S-28E

The Well will be drilled horizontally within the Purple Sage/Wolfcamp formation to an approximate true vertical depth of 10,010' and an approximate measured depth of 20,260'.

6) Decimus Fed Com 703H

SHL: NE/4 of Section 8-23S-28E

First take point: 330' FEL & 990' FNL of Section 8, 23S-28E Last take point: 330' FWL & 990' FNL of Section 7, 23S-28E

The Well will be drilled horizontally within the Purple Sage/Wolfcamp formation to an approximate true vertical depth of 9,480' and an approximate measured depth of 19,730'.

7) Decimus Fed Com 804H

SHL: NE/4 of Section 8-23S-28E

First take point: 330' FEL & 1650' FNL of Section 8, 23S-28E Last take point: 330' FWL & 1650' FNL of Section 7, 23S-28E

The Well will be drilled horizontally within the Purple Sage/Wolfcamp formation to an approximate true vertical depth of 10,160' and an approximate measured depth of 20,410'.

8) Decimus Fed Com 704H

SHL: NE/4 of Section 8-23S-28E

First take point: 330' FEL & 2310' FNL of Section 8, 23S-28E Last take point: 330' FWL & 2310' FNL of Section 7, 23S-28E

The Well will be drilled horizontally within the Purple Sage/Wolfcamp formation to an approximate true vertical depth of 9,480' and an approximate measured depth of 19,730'.

Authority for Expenditure (AFEs)

Enclosed with this letter is an Authority for Expenditure ("AFE") for each of the proposed Wells. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred, and by electing to participate, you shall be responsible for your proportionate share of all actual costs incurred.

Voluntary Agreement of Compulsory Pooling

Marathon will provide, upon request, a proposed Joint Operating Agreement ("JOA") for development of the Subject Lands that will include the following basic terms:

- Marathon Oil Permian LLC to be named as Operator
- Contract Area begin the Subject Lands
- As a charge for the risk involved in drilling the well, 300% of the above costs
- \$8,000 per month drilling overhead rates and \$800 per month producing overhead rates, adjusted annually pursuant to Section III.1.A.3 of COPAS form titled "Accounting Procedure-Joint Operations."

If you would like to discuss a farmout, an assignment of interest, an acreage trade or other form of agreement for your interests in the Subject Lands, please contact the undersigned. If Marathon is unable to reach a voluntary agreement for the development of the Subject Lands with all the interest owners in the proposed spacing unit, Marathon will file an application with the New Mexico Oil Conservation Division for an order pooling the Subject Lands.

Election Instructions

Please use the attached ballot to indicate your desire to participate in each of the proposed wells and return a signed AFE for each well in which you elect to participate. If we do not receive a response form you within thirty (30) days, we will proceed with the necessary proceedings to pool your interests in the proposed spacing unit for the initial wells.

Should you elect to participate, your interest will automatically be covered by the Operator's insurance unless and until you provide written notice to Operator to the contrary, together with a valid, current insurance certificate from your insurance carrier in compliance with Operator's minimum insurance requirements.

Should you have any questions regarding the above, please do not hesitate to contact me at the information provided in the top of this letter.

Best Regards,

Marathon Oil Permian LLC

Patricia Schoenberger

Patricia Schoenberger

Land Professional

PARTICIPATION BALLOT

1) _	Not to participate in the Decimus Fed Com 801H Well.
_	Participate in the Decimus Fed Com 801H Well by paying its proportionate share of all actual costs
2) _	Not to participate in the Decimus Fed Com 701H Well.
_	Participate in the Decimus Fed Com 701H Well by paying its proportionate share of all actual costs
3) _	Not to participate in the Decimus Fed Com 802H Well.
_	Participate in the Decimus Fed Com 802H Well by paying its proportionate share of all actual costs
4) _	Not to participate in the Decimus Fed Com 702H Well.
_	Participate in the Decimus Fed Com 702H Well by paying its proportionate share of all actual costs
5) _	Not to participate in the Decimus Fed Com 803H Well.
_	Participate in the Decimus Fed Com 803H Well by paying its proportionate share of all actual costs
6) _	Not to participate in the Decimus Fed Com 703H Well.
_	Participate in the Decimus Fed Com 703H Well by paying its proportionate share of all actual costs
7) _	Not to participate in the Decimus Fed Com 804H Well.
_	Participate in the Decimus Fed Com 804H Well by paying its proportionate share of all actual costs
8) _	Not to participate in the Decimus Fed Com 704H Well.
_	Participate in the Decimus Fed Com 704H Well by paying its proportionate share of all actual costs
	
nt Nam	e:
e:	

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Date: _____

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MARATHON OIL PERMIAN LLC AUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WELL COSTS 3/15/2023 DRILLING & LOCATION PREPARED BY COURT NELSON COMPLETION PREPARED BY KRISTEN DRAIN
FACILITIES PREPARED BY HARSHA DISSANAYAKE ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE Asset Team Field Purple Sage/Wolfcamp Decimus Fed Com 701H EXPLORATION Lease/Facility DEVELOPMENT
X EXPLOITATION SW/4 of Section 6-23S-28E Prospect **Est Total Depth** 19,580 Est Drilling Days 21.25 **Est Completion Days** LOCATION COST - INTANGIBLE GL CODE DESCRIPTION **ESTIMATED COST** Location and Access
Land Broker Fees and Service TOTAL LOCATION COST - INTANGIBLE \$275,000 DRILLING COST - TANGIBLE 7001270 30.288 Conductor Pipe
Surface Casing
Intermediate Casing 1
Intermediate Casing 2
Production Casing
Drig Liner Hanger, Tieback Eq & Csg Accessories
Drilling Wellhead Equipment
Casing & Tubing Access 7012050 128,421 629,988 29,076 66,633 Miscellaneous MRO Materials TOTAL DRILLING - TANGIBLE \$921,964 DRILLING COST - INTANGIBLE 7290002 Drilling Rig Mob/Demob 121,152 Drilling Rig Mob/Demob
Drilling Rig - day work/footage
Directional Drilling Services
Cement and Cementing Servic Surface
Cement and Cementing Servic Intermediate 1
Cement and Cementing Servic Intermediate 2
Cement and Cementing Servic Production
Mud Fluids & Services
Solids Control equipment
Bits
Casing Crew and Services 690,564 196,993 18,173 7290002 7019040 7019020 7019020 7019020 7019020 7019140 7012310 7012020 181,727 181,727 80,263 51,792 145,382 48,461 89,198 36,345 30,288 Bits
Casing Crew and Services
Fuel (Rig)
Fuel (Mud)
Water (non potable)
Water (potable)
Well Logging Services 7019010 7016350 7019140 6,058 7012350 7019150 Mud Logging+geosteering 16,764 Stabilizers, Hole Openers, Underreamers (DH rentals)
Casing inspection/cleaning 42,403 18,173 12,115 30,288 7019250 7019110 Drill pipe/collar inspection services Freight - truck
Water hauling and disposal (includes soil farming)
Contract Services - Disposal/Non-Hazardous Waste 7016180 72,691 96,921 Vacuum Trucks
Contract Labor - general
Contract Labor - Operations
Contract Labor - Operations
Contract Services - Facilities
Well Services - Well Control Services
Well Services - Well Wellhead Services
Rental Tools and Equipment (surface rentals)
Rig Equipment and Misc.
Telecommunications Services
Consulting Services
Safety and Environmental
Rental Buildings (trailers)
Coring (sidewalls & analysis)
8% Contingency & Taxes 7001440 Vacuum Trucks 7000030 36,345 3,635 12,115 25,745 12,115 14,387 115,094 6,058 120,849 40,283 14,387 7000010 7001200 7019300 7019350 7290003 7260001 7001110 7001120 7001400 7330002 268,090 **TOTAL DRILLING - INTANGIBLE** \$2,697,256 TOTAL DRILLING COST \$3,619,220 COMPLETION - TANGIBLE ESTIMATED COST 7012580 7012040 Tubing Accessories (nipple, wireline entry) 15,000 Wellhead Equip Packers - Complet TOTAL COMPLETION - TANGIBLE \$15,000 COMPLETION - INTANGIBLE 7001270 Location and Access (dress location after rig move, set anchors) 12,539 7290002 7019140 Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs)
Snubbing Services 197,042 Pulling/Swab Units 7016350 7019010 7019020 7019080 7390002 7019330 7019360 Fuel (from drlg)
Casing Crew and Services
Cement and Cementing Services
Well Testing Services (flow hand & equip) Fracturing Services 5,155,178 234,172 Perforating Wireline Services 362,770 Water Hauling & Disposal (frac fluids) 7016180 Freight - Truck (haul pipe; drlg & compl) BOP Rental & Testing Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)
CT Downhole Rental Equipment (ie. Bit, BHA) 58,217 Contract Labor - general 7000030 7001110 7001400 44,782 Telecommunications Services Safety and Environmental 117,778 176,235 152,260 Frack Stack Rentals 7019300 7016180 Freight (Transportation Services) 8,598 227,785 Equipment Rental (w/o operator, frac tanks, lightplants) Rental Buildings (trailers) 733000 44,782 Contract Labor - Pumping (pump-down pumps) 8% Contingency & Taxes 7011010 TOTAL COMPLETION - INTANGIBLE \$7,276,709 TOTAL COMPLETION COST \$7,291,709

SURFACE	FOLIPMENT	- TANGIE

7012350	Misc. Piping, Fittings & Valves	130,155
7006640	Company Labor & Burden	
700030	Contract Labor - General	141,355
7001110	Telecommunication equip (Telemetry)	
7012410 7012270	Line Pipe & Accessories Miscellaneous Materials (containment system)	37,680 39,249
7008060	SCADA	12,417
7016180	Freight - truck	12,981
7001190	Contract Engineering	8,041
7012290	Metering and Instrumentation	220,258
7012290	I&E Materials	129,197
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	14,948
7012350	Power	
7012610	Vapor Recovery Unit	
7012440	Separator & other pressure vessels	208,842
7012500	Tanks	36,761
7012100	Heater Treater	108,649
7012640	Flare & Accessories	15,782
7000010	Electrical Labor	71,389
7000010	Mechanical Labor	154,377
7012480	Rod Pumping unit & Pad	
7012180	Pumping Unit Engine	
7012350	Electrical Power (electrical cooperative construction costs)	28,919
	TOTAL SURFACE EQUIPMENT - TANGIBLE	\$1,371,000
	TOTAL SURFACE EQUIPMENT COST	\$\$
FICIAL LIFT		
7000030	Contract Labor	F 074
7000030	Contract Labor	5,071
7001120	Consultant Time Writing / Overhead	4,056
7008230	Time Writing/Overhead	5,071
7012180	Artificial Lift Equipment	265,699
7012350 7012550	Materials & Supplies Production Tree	2,028
7012550 7012580	Production Tree Tubing	5,071 106,482
7012580	Freight	5,071
7018150	Rentals	6,085
7019130	Kill Fluid	2,028
7019220	Well Services & Rig	24,339
	TOTAL ARTIFICIAL LIFT	431,000
	TOTAL ARTIFICIAL LIFT COST	\$\$
	SUMMARY OF ESTIMATED DRILLING WELL COSTS	TOTAL COST
	TOTAL LOCATION COST	\$ 275,000
	TOTAL DRILLING COST	\$ 3,619,220
	TOTAL COMPLETIONS COST	\$ 7,291,709
	TOTAL SURFACE EQUIPMENT COST	\$ 1,371,000
	TOTAL ARTIFICIAL LIFT COST	
	TOTAL ARTIFICIAL EIL I COST	\$ 431,000
		<u> </u>
	GRAND TOTAL COST	\$ 431,000
	GRAND TOTAL COST	<u> </u>
IORITY FOR EXPENDITURE	GRAND TOTAL COST	\$12,987,929
IORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS	GRAND TOTAL COST	\$12,987,929
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team	GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp	\$12,987,929
IORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team	GRAND TOTAL COST	\$12,987,929
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team //Facility	GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp	\$12,987,929
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team //Facility	GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp	\$12,987,929
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team /Facility RA EXPENSE INSURANCE	GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp	\$12,987,929 DATE 3/15/2023
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team /Facility RA EXPENSE INSURANCE elect to be co	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as	\$12,987,929 DATE 3/15/2023
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team //Facility I elect to be cooperator has see estimated in Line	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as	\$12,987,929 DATE 3/15/2023
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team //Facility I elect to be co Operator has see estimated in Line I elect to purch	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as item 0180-0185. hase my own well control insurance policy.	\$12,987,929 DATE 3/15/2023
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team //Facility I elect to be co Operator has sec estimated in line I elect to purch	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as item 0180-0185. hase my own well control insurance policy.	\$12,987,929 DATE 3/15/2023
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team //Facility I elect to be co Operator has sec estimated in Line I elect to purch	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as item 0180-0185. hase my own well control insurance policy.	\$12,987,929 DATE 3/15/2023
IL OF ESTIMATED WELL COSTS Team //Facility RA EXPENSE INSURANCE lelect to be concept of the concept of th	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as item 0180-0185. hase my own well control insurance policy.	\$12,987,929 DATE 3/15/2023
ORITY FOR EXPENDITURE IL OF ESTIMATED WELL COSTS Team /Facility I elect to be concept of the section of the	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as item 0180-0185. hase my own well control insurance policy.	\$12,987,929 DATE 3/15/2023
I elect to be cooperator has see the cooperat	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as item 0180-0185. hase my own well control insurance policy.	\$12,987,929 DATE 3/15/2023
Operator has sec estimated in Line I elect to purch	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 701H Devered by Operator's Extra Expense Insurance and pay my proportionate share ured Extra Expense Insurance covering costs of well control, clean up and redrilling as item 0180-0185. hase my own well control insurance policy.	\$12,987,929 DATE 3/15/2023

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MARATHON OIL PERMIAN LLC AUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WELL COSTS			DRILLII	DATE NG & LOCATION PREPARED BY COMPLETION PREPARED BY FACILITIES PREPARED BY ARTIFICIAL LIFT PREPARED BY	COURT NELSON KRISTEN DRAIN HARSHA DISSANAYAKE
Asset Team	PERMIAN				
Field Lease/Facility Location Prospect	Purple Sage/Wolfce Decimus Fed Com 7 SW/4 of Section 6-2 Malaga	702H		WILDCAT DEVELOPMENT EXPLOITATION	EXPLORATION RECOMPLETION WORKOVER
Est Total Depth	19,580	Est Drilling Days	21.25	Est Completion Days	11
LOCATION COST - INTANGIBLE					
GL CODE		DES	CRIPTION		ESTIMATED COST
7001270 7001250		and Access ker Fees and Services			165,000 110,000
	TOTAL LOCATION C	COST - INTANGIBLE			\$275,000
DRILLING COST - TANGIBLE					
7001270	Conducte	or Pipe			30,288
7012050 7012050	Surface C Intermed	Casing Hate Casing 1			31,499 128,421
7012050 7012050	Producti	diate Casing 2 on Casing			629,988
7012050 7012550	Drilling V	r Hanger, Tieback Eq & Vellhead Equipment	Csg Accessories		29,076
7012040 7290003		Tubing Access neous MRO Materials			66,633
	TOTAL DRILLING - 1	ANGIBLE			\$921,964
DRILLING COST - INTANGIBLE					
7290002		tig Mob/Demob			121,152
7290002 7019040	Direction	tig - day work/footage nal Drilling Services			690,564 196,993
7019020 7019020	Cement a	and Cementing Servic S	ntermediate 1		18,173 30,288
7019020 7019020	Cement	and Cementing Servic I			181,727
7019140 7012310	Solids Co	ds & Services Introl equipment			80,263 51,792
7012020 7019010		rew and Services			145,382 48,461
7016350 7019140	Fuel (Rig	d)			89,198 36,345
7001460 7012350	Water (p				30,288 6,058
7019000 7019150	Mud Log	ging Services ging+geosteering			16,764
7019250 7019110	Casing in	rs, Hole Openers, Under spection/cleaning		<u>sj</u>	42,403 18,173
7019110 7016180	Freight -				12,115 30,288
7001460 7001160 7001440		auling and disposal (inc Services - Disposal/Nor Trucks			72,691 96,921 12,115
700030 700010	Contract	Labor - general Labor - Operations			36,345 3,635
7001200 7019300	Contract	Services - Facilities vices - Well Control Serv	vices		12,115 25,745
7019350 7019350 7290003	Well Ser	vices - Well/Wellhead S pols and Equipment (su	ervices		12,115 14,387
7260001 7001110	Rig Equip	oment and Misc. munications Services	riace rentalsy		115,094 6,058
7001120 7001400	Consultin	ng Services nd Environmental			120,849 40,283
7330002 7019310	Rental B	uildings (trailers) idewalls & analysis)			14,387
7011010		ngency & Taxes			268,090
	TOTAL DRILLING - I	NTANGIBLE			\$2,697,256
	TOTAL DRILLIN	IG COST			\$3,619,220
COMPLETION - TANGIBLE					
GL CODE 7012580	Tubing	DES	CRIPTION		ESTIMATED COST
7012040 7012550		ccessories (nipple, wire	line entry)		15,000
7012560		Completion Equipmen	t		-
	TOTAL COMPLETIO	N - TANGIBLE			\$15,000
COMPLETION - INTANGIBLE					
7001270 7290002	Location Drilling F	and Access (dress locat	ion after rig move,	set anchors)	12,539
7019140 7019030	Mud Flui	ds & Services ubing Services (3 runs)			197,042
7019240 7019270	Snubbing	Services wab Units			
7016350 7019010	Fuel (fro				-
7019020 7019080	Cement	and Cementing Services ting Services (flow hand			484,571
7390002 7019330	Fracturin Perforati	g Services ng			5,155,178 234,172
7019360 7001460	Wireline Water Ha	Services auling & Disposal (fract	fluids)		362,770
7016180 7290003		Truck (haul pipe; drlg & tal & Testing	compl)		
7290003 7290003	CT Down	ools and Equipment (in hole Rental Equipment		/dra-walk)	58,217
7290003 7000030	Telecom	Labor - general munications Services			44,782
7001110 7001400	Consultir	nd Environmental			117,778
7001120 7019300		ck Rentals	A		176,235 152,260
7016180 7260001	Equipme	Transportation Services nt Rental (w/o operato		lants)	8,598 227,785
7330002 7000030 7011010	Contract	uildings (trailers) Labor - Pumping (pump	o-down pumps)		44,782
7011010	TOTAL COMPLETIO	ngency & Taxes N - INTANGIBLE			\$7,276,709
	TOTAL COMPL	FTION COST			\$7,291,709
	TO THE CONTE				71,231,103

SURFACE EQUIPMENT - TANGIBLE

7012350 7006640	Misc. Piping, Fittings & Valves Company Labor & Burden	130,155
700030	Contract Labor - General	141,355
7001110	Telecommunication equip (Telemetry)	
7012410	Line Pipe & Accessories	37,680
7012270	Miscellaneous Materials (containment system)	
7008060	SCADA	
7016180 7001190	Freight - truck Contract Engineering	
701130	Metering and Instrumentation	220,258
7012290	I&E Materials	129,197
7012200	Gas Treating	
7012200	Dehydration	
7012010	Compressor	14,948
7012350	Power	_ <u> </u>
7012610	Vapor Recovery Unit	
7012440	Separator & other pressure vessels	208,842
7012500	Tanks	
7012100	Heater Treater	
7012640 7000010	Flare & Accessories Electrical Labor	
700010	Mechanical Labor	154,377
7012480	Rod Pumping unit & Pad	
7012180	Pumping Unit Engine	
7012350	Electrical Power (electrical cooperative construction costs)	28,919
	TOTAL SURFACE EQUIPMENT - TANGIBLE	\$1,371,000
	TOTAL SURFACE EQUIPMENT COST	\$ 1,371,000
TIFICIAL LIFT		
7000030	Contract Labor	5,071
7001120	Consultant	4,056
7008230	Time Writing/Overhead	5,071
7012180	Artificial Lift Equipment	265,699
7012350	Materials & Supplies	2,028
7012550	Production Tree	
7012580	Tubing	
7016190 7018150	Freight Rentals	
7019130	Kill Fluid	2,028
7019220	Well Services & Rig	24,339
	TOTAL ARTIFICIAL LIFT	431,000
	O'AL MILLIONE ET	431,000
	TOTAL ARTIFICIAL LIFT COST	\$\$
	SUMMARY OF ESTIMATED DRILLING WELL CO	OSTS TOTAL COST
	TOTAL LOCATION COST	\$ 275,000
	TOTAL LOCATION COST TOTAL DRILLING COST	\$ 275,000 \$ 3,619,220
	TOTAL LOCATION COST	\$ 275,000
	TOTAL LOCATION COST TOTAL DRILLING COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709
	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000
	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709
	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000
RATHON OIL PERMIAN LLC	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000
RATHON OIL PERMIAN LLC THORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000
THORITY FOR EXPENDITURE 'AIL OF ESTIMATED WELL COSTS	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000
HORITY FOR EXPENDITURE AIL OF ESTIMATED WELL COSTS et Team	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000
THORITY FOR EXPENDITURE AIL OF ESTIMATED WELL COSTS et Team d	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000
THORITY FOR EXPENDITURE AIL OF ESTIMATED WELL COSTS et Team d se/Facility	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000
CHORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COSTS Let Team Let General Gen	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
THORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COSTS et Team de de trace fracility TRA EXPENSE INSURANCE	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H Overed by Operator's Extra Expense Insurance and pay my proportionate:	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
HORITY FOR EXPENDITURE All OF ESTIMATED WELL COSTS It Team By	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H povered by Operator's Extra Expense Insurance and pay my proportionate: cured Extra Expense Insurance and pay my proportionate and p	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COSTS et Team di de/Facility TRA EXPENSE INSURANCE I elect to be co Operator has see estimated in Line	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H Overed by Operator's Extra Expense Insurance and pay my proportionate:	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
THORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COSTS et Team d see/Facility CTRA EXPENSE INSURANCE lelect to be comparation becomes the comparation of the compar	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H Overed by Operator's Extra Expense Insurance and pay my proportionate: cured Extra Expense Insurance covering costs of well control, clean up and redrilling as eitem 0180-0185.	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
THORITY FOR EXPENDITURE All OF ESTIMATED WELL COSTS et Team d d se/Facility TERA EXPENSE INSURANCE I elect to be co Operator has see estimated in Line I elect to purch	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H overed by Operator's Extra Expense Insurance and pay my proportionate of the country o	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
ITHORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COSTS et Team d d see/Facility ITHORITY FOR EXPENSE INSURANCE	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H Decimus Fed Com 702H Overed by Operator's Extra Expense Insurance and pay my proportionate of the country of the cou	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
HORITY FOR EXPENDITURE All OF ESTIMATED WELL COSTS et Team d l lee/Facility TRA EXPENSE INSURANCE	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H overed by Operator's Extra Expense Insurance and pay my proportionate of the country o	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
HORITY FOR EXPENDITURE All OF ESTIMATED WELL COSTS Interpretation of the cost	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H overed by Operator's Extra Expense Insurance and pay my proportionate of the country o	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023
HORITY FOR EXPENDITURE All OF ESTIMATED WELL COSTS et Team di de/Facility TRA EXPENSE INSURANCE I elect to be co Operator has see estimated in Line I elect to purchase t	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 702H overed by Operator's Extra Expense Insurance and pay my proportionate of the country o	\$ 275,000 \$ 3,619,220 \$ 7,291,709 \$ 1,371,000 \$ 431,000 \$ 12,987,929 DATE 3/15/2023

MARATHON OIL PERMIAN LLC AUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WELL COSTS			DATE G & LOCATION PREPARED BY COMPLETION PREPARED BY FACILITIES PREPARED BY ARTIFICIAL LIFT PREPARED BY	COURT NELSON KRISTEN DRAIN HARSHA DISSANAYAKE
Asset Team	PERMIAN			
Field Lease/Facility	Purple Sage/Wolfcamp Decimus Fed Com 703H		VILDCAT	EXPLORATION RECOMPLETION
Location Prospect	NE/4 of Section 8-23S-28E Malaga	XE	EXPLOITATION	_WORKOVER
Est Total Depth	19,730 Est Drilling Days	21.25	Est Completion Days	11
OCATION COST - INTANGIBLE				
GL CODE 7001270	DESC Location and Access	CRIPTION		ESTIMATED COST 165,00
7001250	Land Broker Fees and Services TOTAL LOCATION COST - INTANGIBLE			\$275,00
DRILLING COST - TANGIBLE				
7001270 7012050	Conductor Pipe Surface Casing			30,28 31,49
7012050 7012050 7012050	Intermediate Casing 1			128,42
7012050	Intermediate Casing 2 Production Casing			629,98
7012050 7012550	Drig Liner Hanger, Tieback Eq & C Drilling Wellhead Equipment	sg Accessories		29,07
7012040 7290003	Casing & Tubing Access Miscellaneous MRO Materials			66,63
	TOTAL DRILLING - TANGIBLE			\$921,9
DRILLING COST - INTANGIBLE		-		
7290002 7290002	Drilling Rig Mob/Demob Drilling Rig - day work/footage			121,15 690,56
7019040 7019020	Directional Drilling Services Cement and Cementing Servic Su			196,99
7019020 7019020	Cement and Cementing Servic Int Cement and Cementing Servic Int			30,28
7019020	Cement and Cementing Servic Pr			181,77
7019140 7012310	Mud Fluids & Services Solids Control equipment			80,26 51,79
7012020 7019010	Bits Casing Crew and Services			145,38 48,46
7016350 7019140	Fuel (Rig) Fuel (Mud)			89,19 36,34
7001460	Water (non potable)			30,2
7012350 7019000	Water (potable) Well Logging Services			6,09
7019150 7019250	Mud Logging+geosteering Stabilizers, Hole Openers, Underr	eamers (DH rentals	3)	16,76
7019110 7019110	Casing inspection/cleaning Drill pipe/collar inspection service			18,1
7016180	Freight - truck			30,28
7001460 7001160	Water hauling and disposal (inclu Contract Services - Disposal/Non-			72,69
7001440 7000030	Vacuum Trucks Contract Labor - general			12,1:
7000010 7001200	Contract Labor - Operations Contract Services - Facilities			3,63
7019300	Well Services - Well Control Servi			25,74
7019350 7290003	Well Services - Well/Wellhead Se Rental Tools and Equipment (surf			12,11
7260001 7001110	Rig Equipment and Misc. Telecommunications Services			115,09
7001120 7001400	Consulting Services Safety and Environmental			120,84
7330002 7019310	Rental Buildings (trailers) Coring (sidewalls & analysis)			14,38
7011010	8% Contingency & Taxes			268,09
	TOTAL DRILLING - INTANGIBLE			\$2,697,2
	TOTAL DRILLING COST			\$3,619,22
COMPLETION - TANGIBLE				
GL CODE 7012580	DESC Tubing	RIPTION		ESTIMATED COST
7012040	Tubing Accessories (nipple, wireli	ne entry)		45.00
7012550 7012560	Wellhead Equip Packers - Completion Equipment			15,00
	TOTAL COMPLETION - TANGIBLE			\$15,0
COMPLETION - INTANGIBLE				
7001270 7290002	Location and Access (dress location Drilling Rig During Completion	on aπer rig move, s	et ancnors)	12,53
7019140 7019030	Mud Fluids & Services Coiled Tubing Services (3 runs)			197,04
7019240 7019270	Snubbing Services Pulling/Swab Units			
7016350	Fuel (from drlg)			
7019010 7019020	Casing Crew and Services Cement and Cementing Services			
7019080 7390002	Well Testing Services (flow hand Fracturing Services	& equip)		484,5 5,155,1
7019330 7019360	Perforating Wireline Services			234,1
7001460	Water Hauling & Disposal (frac flo			362,7
7016180 7290003	Freight - Truck (haul pipe; drlg & o			
7290003 7290003	Rental Tools and Equipment (inc CT Downhole Rental Equipment (ura-waik)	58,2
7290003 7000030	Contract Labor - general Telecommunications Services			44,7
	Safety and Environmental Consulting Services			117,7
7001110	Zipper Manifold			176,2
7001110 7001400 7001120				152,20 8,5
7001110 7001400 7001120 7019300 7016180	Frack Stack Rentals Freight (Transportation Services)			227 7
7001110 7001400 7001120 7019300	Frack Stack Rentals	, frac tanks, lightpl	ants)	
7001110 7001400 7001120 7019300 7016180 7260001	Frack Stack Rentals Freight (Transportation Services) Equipment Rental (w/o operator		ants)	227,78
7001110 7001400 7001120 7019300 7016180 7260001 7330002 7000030	Frack Stack Rentals Freight (Transportation Services) Equipment Rental (w/o operator Rental Buildings (trailers) Contract Labor - Pumping (pump-		ants)	

7012350	Misc. Piping, Fittings & Valves		130,155
7006640	Company Labor & Burden		130,133
7000030	Contract Labor - General		141,355
7001110	Telecommunication equip (Telemetry)		
7012410	Line Pipe & Accessories		37,680
7012270	Miscellaneous Materials (containment system)		39,249
7008060	SCADA		12,417
7016180 7001190	Freight - truck Contract Engineering		12,981
7012290	Metering and Instrumentation		8,041 220,258
7012290	I&E Materials		129,197
7012200	Gas Treating		
7012200	Dehydration		
7012010	Compressor		14,948
7012350 7012610	Power		•
7012440	Vapor Recovery Unit Separator & other pressure vessels		208,842
7012500	Tanks		36,761
7012100	Heater Treater		108,649
7012640	Flare & Accessories		15,782
7000010	Electrical Labor		71,389
7000010	Mechanical Labor		154,377
7012480 7012180	Rod Pumping unit & Pad Pumping Unit Engine		
7012350	Electrical Power (electrical cooperative construction costs)		28,919
7012330	Electrical Fower (electrical cooperative construction costs)		20,313
	TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,371,000
FICIAL LIFT			
FICIAL LIFT			
7000030	Contract Labor		5,071
7000030 7001120	Consultant	_	4,056
700030 7001120 7008230	Consultant Time Writing/Overhead		4,056 5,071
7000030 7001120 7008230 7012180	Consultant Time Writing/Overhead Artificial Lift Equipment		4,056 5,071 265,699
700030 7001120 7008230	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies		4,056 5,071 265,699 2,028
7000030 7001120 7008230 7012180 7012350	Consultant Time Writing/Overhead Artificial Lift Equipment		4,056 5,071 265,699
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight		4,056 5,071 265,699 2,028 5,071 106,482 5,071
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals		4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid		4,056 5,071 265,695 2,028 5,071 106,482 5,071 6,085 2,028
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig		4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,081 2,028 24,335
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid		4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,081 2,028 24,335
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig	\$	4,056 5,079 265,699 2,028 5,071 106,483 5,071 6,081 2,028 24,334
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig		4,056 5,079 265,699 2,028 5,071 106,483 5,071 6,081 2,028 24,334
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig TOTAL ARTIFICIAL LIFT COST		4,056 5,077 265,699 2,028 5,077 106,482 5,079 6,088 2,028 24,338 431,000
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig TOTAL ARTIFICIAL LIFT SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST	, \$	4,056 5,077 265,699 2,028 5,077 106,482 5,077 6,088 2,028 24,339 431,000
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig TOTAL ARTIFICIAL LIFT TOTAL ARTIFICIAL LIFT SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL DRILLING COST	\$ \$	4,056 5,079 265,699 2,028 5,071 106,488 5,071 6,088 2,028 24,335 431,000 OTAL COST 275,000 3,619,220
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig TOTAL ARTIFICIAL LIFT TOTAL ARTIFICIAL LIFT SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$ \$ \$	4,056 5,073 265,699 2,028 5,073 106,483 5,073 6,083 2,028 24,339 431,000 OTAL COST 275,000 3,619,220 7,291,709
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig TOTAL ARTIFICIAL LIFT COST SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$ \$	4,056 5,073 265,699 2,028 5,073 106,483 5,073 6,083 2,023 24,333 431,000 OTAL COST 275,000 3,619,220 7,291,709 1,371,000
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig TOTAL ARTIFICIAL LIFT TOTAL ARTIFICIAL LIFT SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$ \$ \$	4,056 5,073 265,699 2,028 5,073 106,483 5,073 6,083 2,028 24,339 431,000 OTAL COST 275,000 3,619,220 7,291,709
7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150 7019130	Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig TOTAL ARTIFICIAL LIFT COST SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$ \$	4,056 5,073 265,699 2,028 5,073 106,483 5,073 6,083 2,023 24,333 431,000 OTAL COST 275,000 3,619,220 7,291,709 1,371,000

Lease/Facility	Decimus Fed Com 703H	
EXTRA EXPENSE INSUR	NANCE	
	I elect to be covered by Operator's Extra Expense Insur Operator has secured Extra Expense Insurance covering costs of w estimated in Line item 0180-0185. I elect to purchase my own well control insurance police	ell control, clean up and redrilling as
If neither box is checke	ed above, non-operating working interest owner elects to be covered	by Operator's well control insurance.
Company / Owner:		Date:
Signature:		
Joint Owner Name:		
Joint Owner Title:		

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ETAIL OF ESTIMATED WELL COSTS			DRILL	ING & LOCATION P		COURT NELSON
				FACILITIES P	REPARED BY	HARSHA DISSANA
				ARTIFICIAL LIFT P	REPARED BY	CRAIG PLANTE
sset Team ield	PERMIAN Purple Sage/Wolfca	ımp		WILDCAT		EXPLORATION
ease/Facility ocation	Decimus Fed Com 7 NE/4 of Section 8-2	04H	x	DEVELOPMENT EXPLOITATION		RECOMPLETION WORKOVER
rospect	Malaga	-				
st Total Depth	19,730	Est Drilling Days	21.25	_ Est Com	pletion Days	11
OCATION COST - INTANGIBLE						
GL CODE		DESC	CRIPTION			ESTIMATED O
7001270 7001250		and Access ker Fees and Services			_	1
7001230					_	
	TOTAL LOCATION C	OST - INTANGIBLE				\$
RILLING COST - TANGIBLE						
7001270 7012050	Conductor Surface C				_	
7012050	Intermed	iate Casing 1				1
7012050 7012050	Production	liate Casing 2 on Casing			_	6
7012050 7012550	Drilling V	r Hanger, Tieback Eq & (Vellhead Equipment	Lsg Accessories		_	
7012040 7290003		Tubing Access eous MRO Materials			_	
	TOTAL DRILLING - T	ANGIBLE				\$
RILLING COST - INTANGIBLE						
7290002 7290002	Drilling R	ig Mob/Demob ig - day work/footage			_	1
7019040 7019020	Direction	al Drilling Services and Cementing Servic Su			_	1
7019020 7019020	Cement a	and Cementing Servic In and Cementing Servic In	termediate 1		_	
7019020 7019140	Cement a	and Cementing Service Pr ds & Services			_	1
7019140 7012310 7012020		ntrol equipment			_	1
7019010	Casing Cr	ew and Services			_	
7016350 7019140	Fuel (Rig	d)			_	
7001460 7012350	Water (n Water (p	on potable) otable)			_	
7019000 7019150		ging Services ging+geosteering			_	
7019250 7019110	Stabilizer	s, Hole Openers, Under	reamers (DH rent	als)	_	
7019110 7016180		/collar inspection service	ces		_	
7001460	Water ha	uling and disposal (incl			_	
7001160 7001440	Vacuum		-Hazardous wast	<u>e</u>	_	
7000030 7000010	Contract	Labor - general Labor - Operations			_	
7001200 7019300	Well Serv	Services - Facilities vices - Well Control Serv			_	
7019350 7290003		rices - Well/Wellhead Se ools and Equipment (sur			_	
7260001 7001110		ment and Misc. nunications Services			_	1
7001120 7001400	Consultir	g Services d Environmental			_	1
		uildings (trailers) idewalls & analysis)			_	
7330002 7019310					_	
7330002 7019310 7011010	Coring (s	ngency & Taxes			_	
7019310	Coring (s	ngency & Taxes			_	\$2,
7019310	Coring (s 8% Conti	ngency & Taxes			_	
7019310	Coring (s 8% Conti	ngency & Taxes			_	
7019310 7011010	Coring (s 8% Conti	ngency & Taxes				\$2,
7019310 7011010 DMPLETION - TANGIBLE	Coring (s 8% Conti	ngency & Taxes NTANGIBLE IG COST	CRIPTION			\$3,61
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580	Coring (s 8% Conti TOTAL DRILLING - II TOTAL DRILLIN	ngency & Taxes NTANGIBLE IG COST DESC	CRIPTION			\$2,
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550	Coring (s 8% Conti TOTAL DRILLING - II TOTAL DRILLIN TUbing Tubing A Wellhead	ngency & Taxes NTANGIBLE IG COST DESC cccessories (nipple, wirel	line entry)			\$3,61
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040	TOTAL DRILLING - II TOTAL DRILLING - II TOTAL DRILLING Tubing Tubing A Wellheat Packers -	NTANGIBLE IG COST DESC cccessories (nipple, wirel LEquip Completion Equipment	line entry)			\$3,61 ESTIMATED C
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560	Coring (s 8% Conti TOTAL DRILLING - II TOTAL DRILLIN TUbing Tubing A Wellhead	NTANGIBLE IG COST DESC cccessories (nipple, wirel LEquip Completion Equipment	line entry)			\$3,61 ESTIMATED C
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560	TOTAL DRILLING - II TOTAL DRILLING - II TOTAL DRILLING Tubing Tubing A Wellheat Packers -	NTANGIBLE IG COST DESC cccessories (nipple, wirel LEquip Completion Equipment	line entry)			\$3,61 ESTIMATED C
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270	TOTAL DRILLING - II TOTAL DRILLING - II TOTAL DRILLIN Tubing Tubing A Wellheac Packers - TOTAL COMPLETIO	ngency & Taxes NTANGIBLE OG COST DESC cccessories (nipple, wirel I Equip Completion Equipment N - TANGIBLE and Access (dress locati	ine entry)	, set anchors)		\$3,61 ESTIMATED C
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140	TOTAL DRILLING - II TOTAL DRILLING - II TOTAL DRILLIN Tubing Tubing A Wellheac Packers TOTAL COMPLETIO Location Drilling R Mud Flui	ngency & Taxes NTANGIBLE IG COST DESC cccessories (nipple, wirel LEquip Completion Equipment N - TANGIBLE and Access (dress locati ig During Completion ds & Services	ine entry)	, set anchors)		\$3,61
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240	TOTAL DRILLING - II TOTAL DRILLING - II TOTAL DRILLING - II Tubing A Wellhead Packers - TOTAL COMPLETIO Location Drilling R Mud Flui Coiled Tu Snubbing A Snubbing A Snubbing A Snubbing R Snubbing S	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	ine entry)	, set anchors)		\$3,61 ESTIMATED C
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030	TOTAL DRILLING - II TOTAL DRILLING - II TOTAL DRILLING - II Tubing A Wellhead Packers - TOTAL COMPLETIO Location Drilling R Mud Flui Coiled Tu Snubbing A Snubbing A Snubbing A Snubbing R Snubbing S	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	ine entry)	, set anchors)		\$3,61
7019310 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270	TOTAL DRILLING - II TOTAL DRILLING - II TOTAL DRILLING - II TUbing A Wellhead Packers - TOTAL COMPLETIO Location Drilling R Mud Flui Coiled Tu Snubbing Pulling/S Fuel (fror Casing C C C C C C C C C C C C C C C C C C C	DESC DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	ine entry) on after rig move	, set anchors)		\$3,61
7019310 7011010 7011010 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019080	TOTAL DRILLING - II TOTAL DRILLING - II TOTAL DRILLING - II TUbing A Wellheat Packers - TOTAL COMPLETIO Location Drilling R Mud Flui Coiled TL Snubbing Pulling/S Fuel (from Casing Cr Cement a Well Test	DESC CCCSSORIES (nipple, wirel LEGUIP Completion Equipment N - TANGIBLE and Access (dress locati ig During Completion ds & Services bing Services (3 runs) (Services wab Units n drig) ew and Services ing Services ing Generating Services ing Generating Services ing Services (flow hand	ine entry)	, set anchors)		\$3,61 ESTIMATED C
7019310 7011010 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019330	Tubing Tubing Tubing A Wellheat Packers TOTAL COMPLETIO Location Drilling R Mud Flui Coiled Tu Snubbing Pulling/S Fuel (fror Casing Cr Cement a Well Test Fracturin Perforati	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	ine entry)	s, set anchors)		\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019330 7019360 7001660	Total Drilling Tubing Packers Total Completion Drilling Mud Flui Coiled Tu Snubbing Pulling/S Fuel (froi Casing Cr Cement a Well Test Fracturin Perforati Wireline Water Ha	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	on after rig move & equip)	s, set anchors)		\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 7011010 7011010 7011010 7012580 7012580 7012560 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140 7019200 7019240 7019270 7016350 7019010 7019020 7019020 7019080 7390002 7019330 7019330 7019330 7019360 7019160 7016180 7290003	Tubing Tu	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	on after rig move & equip)			\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 7011010 OMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019080 7390002 7019330 7019360 7019460 7016180 7290003 7290003 7290003	Tubing Tu	ngency & Taxes NTANGIBLE G COST DESC ccessories (nipple, wirel lequip Lequip Completion Equipment N - TANGIBLE and Access (dress locati ig During Completion Equipment of Securices	on after rig move & equip) uids) compl)			\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 7011010 7011010 OMPLETION - TANGIBLE GL CODE 7012580 7012580 7012550 7012560 OMPLETION - INTANGIBLE 7001270 72590002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019020 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019330 7019360 7016180 7290003 7290003 7290003 7290003 7290003 7290003	Tubing Tu	DESI Cocessories (nipple, wirel LEquip Completion Equipment N - TANGIBLE and Access (dress locati ig During Completion ds & Services bing Services (3 runs) (Services wab Units n of the Completion ds & Services for Services (flow hand g Serv	on after rig move & equip) uids) compl)			\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 7011010 7011010 OMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019270 701930 7019240 7019270 7016350 7019010 7019020 7019020 7019030 7390002 7019330 7019360 7019160 7016180 7290003 7290003 7290003 7290003	Total Drilling Tubing Tubing Tubing Tubing Tubing Tubing Tubing A Wellhea Packers TOTAL COMPLETIO Location Drilling R Mud Flui Coiled Tu Snubbing Pulling/S Fuel (fror Casing Cr Cement a Well Test Fracturin Perforati Wireline Water He Freight - BOP Ren Rental Tc CT Down Contract Telecoms Safety ar	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	on after rig move & equip) uids) compl)			\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 7011010 7011010 OMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019080 7390002 7019330 7019360 70101460 7016180 7290003 7290003 7290003 7290003 7290003 7290003 7000030 7000110	Tubing Tubing Tubing Tubing A Wellhead Packers TOTAL COMPLETIO Location Drilling R Mud Flui Coiled Tu Snubbing Pulling/S Fuel (fror Casing Cr Cement a Well Test Fracturin Perforati Wireline Water H Freight BOP Ren Rental T CT Down Contract Telecomy Safety ar Consultir Zipper M	DESI Cocessories (nipple, wirel Equip Completion Equipment N - TANGIBLE and Access (dress locati ig During Completion ds & Services Ding Services (3 runs) Services (160 km locati ig During Completion ds & Services ing Services (160 km locati ing Ding Completion ds & Services wab Units in drig or drig or drig frac fiftruck (haul pipe; drig & tal & Testing tols and Equipment (1 inchole Rental Equipment) Labor - general ununications Services d Environmental ig Services antifold	on after rig move & equip) uids) compl)			\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 7011010 7011010 7011010 7011010 701250 701250 701250 701250 701250 701250 701250 7019100 701930 7019240 7019270 701930 7019010 7019020 7019010 7019020 7019010 7019030 7390002 7019140 701930 7290003 7290003 7290003 7290003 7290003 7001400 7001100	Total Drilling - II Total Drilling - II Total Drilling - II Total Drilling - II Tubing A Wellhae. Packers - II Total Completion Drilling R Mud Flui Coiled Tr. Snubbing Pulling/S Fuel (fro Casing Cr. Cement a Well Test Freight - BOP Ren Rental Tr. CT Down Contract Telecom Safety ar Consultir Zipper M Frack Sta Frack Sta Frack Sta Frack Sta	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	on after rig move & equip) uids) compt) compt) cl drig; lightplant, (ie. Bit, BHA)	hydra-walk)		\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 7011010 7011010 7011010 7011010 701250 7012580 7012580 7012560 7012560 7012560 OMPLETION - INTANGIBLE 7001270 7299002 7019140 701920 701920 701920 701920 701930 7019020 7019080 7390002 7019080 7390002 7019380 7390003 7290003 7290003 7290003 7290003 7290003 7001100 7001100 7001100 7001100 7001100 7001120 7019300 7016180 7260001 7330002	Total Drilling - I Uning A Wellhead Packers - Total Completion Drilling R Mud Flui Coiled T Snubbing Pulling/S Fuel (from Casing Cr Gement a Well Test Fracturin Perforati Wireline Water Harres Freight - BOP Rem Rental T C T Down Contract Telecom Safety ar Consultir Zipper M Frack Sta Freight (T Equipme Rental T C T Snubbing Contract Telecom Contract Telecom Contract Telecom Safety ar Consultir Zipper M Frack Sta Freight (T Equipme Rental E C T Complet C T Consultir Zipper M Frack Sta Freight (T Equipme Rental E E Rental E E Equipme Rental E E Equipme Rental E E E Rental E E E Rental E E E E Rental E E E E E E E E E E E E E E E E E E E	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	& equip)	hydra-walk)		\$3,61 ESTIMATED C 4 5,1 2 3 3 1 1 1 1 2
7019310 7011010 7011010 7011010 7011010 7011010 7011010 7012580 7012580 7012580 7012560 7012560 7012560 7019270 7290002 701930 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019330 7019300 7019460 7016180 7290003 7290003 7290003 7290003 7290003 7290003 7001400 7001100 7001100 7001100 7001100 7001100 7001120 7019300 7019300 7019300 7019300 701120 7019300 701120 7019300 7016180 7250001	Total Drilling Tubing Tubing Tubing A Wellheac Packers TOTAL COMPLETIO Location Drilling R Mud Flui Coiled Tr Snubbing Pulling/S Fuel (fro Casing Cr Cement a Well Test Well Test Fracturin Perforati Wireline Water He Freight - BOP Ren Rental Tc CT Down Construct Consultat Telecom Safety ar Consultat	DESC CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	& equip)	hydra-walk)		\$3,61 ESTIMATED C
7019310 7011010 7011010 7011010 7011010 DMPLETION - TANGIBLE GL CODE 7012580 7012040 7012550 7012560 DMPLETION - INTANGIBLE 7001270 7290002 7019140 7019270 7019300 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019336 701916180 7290003	Total Drilling Tubing Tubing Tubing A Wellheac Packers TOTAL COMPLETIO Location Drilling R Mud Flui Coiled Tr Snubbing Pulling/S Fuel (fro Casing Cr Cement a Well Test Well Test Fracturin Perforati Wireline Water He Freight - BOP Ren Rental Tc CT Down Construct Consultat Telecom Safety ar Consultat	DESC COCCESSORIES (nipple, wirel LEquip OF AND	& equip)	hydra-walk)		\$3,61 ESTIMATED C 4 5,1 2 3 3 1 1 1 1 2

SURFACE EQUIPMENT - TANGIBLE

	and the state of t		400 455
7012350 7006640	Misc. Piping, Fittings & Valves Company Labor & Burden		130,155
7000030	Contract Labor - General		141,355
7001110	Telecommunication equip (Telemetry)		-
7012410	Line Pipe & Accessories		37,680
7012270	Miscellaneous Materials (containment system)		39,249
7008060	SCADA		12,417
7016180	Freight - truck		12,981
7001190	Contract Engineering		8,041
7012290	Metering and Instrumentation		220,258
7012290	I&E Materials		129,197
7012200	Gas Treating		-
7012200	<u>Dehydration</u>		
7012010	Compressor		14,948
7012350	Power Name Power Heit		<u>-</u>
7012610 7012440	Vapor Recovery Unit		200.042
7012500	Separator & other pressure vessels Tanks		208,842 36,761
7012100	Heater Treater	-	108,649
7012640	Flare & Accessories		15,782
7000010	Electrical Labor		71,389
7000010	Mechanical Labor		154,377
7012480	Rod Pumping unit & Pad		
7012180	Pumping Unit Engine		-
7012350	Electrical Power (electrical cooperative construction costs)		28,919
	TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,371,000
	TOTAL SURFACE EQUIPMENT COST	\$	1,371,000
TIFICIAL LIFT			
700030	Contract Labor		5,071
700030	Consultant		4,056
7001120	Time Writing/Overhead		5,071
7012180	Artificial Lift Equipment		265,699
7012350	Materials & Supplies		2,028
7012550	Production Tree		5,071
7012580	Tubing		106,482
7016190	Freight		5,071
7018150	Rentals		6,085
7019130	Kill Fluid	_	2,028
7019220	Well Services & Rig		24,339
	TOTAL ARTIFICIAL LIFT		431,000
	TOTAL ARTIFICIAL LIFT COST	\$	431,000
	SUMMARY OF ESTIMATED DRILLING WELL COSTS	т	OTAL COST
	TOTAL LOCATION COST	\$	275,000
	TOTAL DRILLING COST	\$	3,619,220
	TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$	3,619,220 7,291,709
	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$	3,619,220
	TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$	3,619,220 7,291,709
	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$	3,619,220 7,291,709 1,371,000
	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$	3,619,220 7,291,709 1,371,000
	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST	\$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST	\$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST	\$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE AIL OF ESTIMATED WELL COST et Team	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST STS PERMIAN	\$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE AIL OF ESTIMATED WELL COST t Team	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST STS PERMIAN Purple Sage/Wolfcamp	\$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE AIL OF ESTIMATED WELL COST of Team I	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST STS PERMIAN	\$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST ET Team I e/Facility	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST STS PERMIAN Purple Sage/Wolfcamp	\$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST ET Team Ge/Facility TRA EXPENSE INSURANCE	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST STS PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
THORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST et Team d d see/Facility TRA EXPENSE INSURANCE	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST STS PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST that team the refractity TRA EXPENSE INSURANCE I elect 1 Operator	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST TS PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H To be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST of Team le/Facility TRA EXPENSE INSURANCE lelect Operato estimate	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST STS PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST est Team di see/Facility TRA EXPENSE INSURANCE lelect	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST TS PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H To be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as the purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
Operato estimate I elect	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST FERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H To be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as ed in Line item 0380-0185.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST at Team dise/Facility TRA EXPENSE INSURANCE	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST TS PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H To be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as the purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST of Team ine/Facility TRA EXPENSE INSURANCE I elect to Operato in elect to I elec	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as ed in Line item 0180-0185. to purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST of Team le/Facility TRA EXPENSE INSURANCE lelect 1 Operato lelther box is checked above, n	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as ed in Line item 0180-0185. to purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST t Team e/Facility TRA EXPENSE INSURANCE lelect i Operato estimate lelect i eletter box is checked above, n	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as ed in Line item 0180-0185. to purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST t Team e/Facility TRA EXPENSE INSURANCE lelect i Operato estimate lelect i eletter box is checked above, n	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as ed in Line item 0180-0185. to purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST It Team e/Facility raa EXPENSE INSURANCE elect t Operato estimate elect t elect t ompany / Owner:	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as ed in Line item 0180-0185. to purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST INTERPRETATE TO THE PROPERTY OF THE PROPERT	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as ed in Line item 0180-0185. to purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929
THORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COST et Team d see/Facility TRA EXPENSE INSURANCE lelect	TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST TOTAL ARTIFICIAL LIFT COST GRAND TOTAL COST GRAND TOTAL COST PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 704H to be covered by Operator's Extra Expense Insurance and pay my proportionate share or has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as ed in Line item 0180-0185. to purchase my own well control insurance policy.	\$ \$ \$ \$ \$	3,619,220 7,291,709 1,371,000 431,000 \$12,987,929

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MARATHON OIL PERMIAN LLC AUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WELL COSTS 3/15/2023 DRILLING & LOCATION PREPARED BY COURT NELSON COMPLETION PREPARED BY KRISTEN DRAIN
FACILITIES PREPARED BY HARSHA DISSANAYAKE ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE Asset Team Field Purple Sage/Wolfcamp Decimus Fed Com 801H EXPLORATION Lease/Facility DEVELOPMENT
X EXPLOITATION SW/4 of Section 6-23S-28E Prospect **Est Total Depth** 20,260 Est Drilling Days 24.5 **Est Completion Days** LOCATION COST - INTANGIBLE GL CODE DESCRIPTION **ESTIMATED COST** Location and Access
Land Broker Fees and Service TOTAL LOCATION COST - INTANGIBLE \$275,000 DRILLING COST - TANGIBLE 7001270 Conductor Pipe
Surface Casing
Intermediate Casing 1
Intermediate Casing 2
Production Casing
Drig Liner Hanger, Tieback Eq & Csg Accessories
Drilling Wellhead Equipment
Casing & Tubing Access 36,698 24,955 76,333 314,138 549,008 36,698 35,230 95,416 7012050 Miscellaneous MRO Materials TOTAL DRILLING - TANGIBLE \$1,175,816 DRILLING COST - INTANGIBLE 7290002 Drilling Rig Mob/Demok 95,416 Drilling Rig Mob/Demob
Drilling Rig - day work/footage
Directional Drilling Services
Cement and Cementing Servic Surface
Cement and Cementing Servic Intermediate 1
Cement and Cementing Servic Intermediate 2
Cement and Cementing Servic Production
Mud Fluids & Services
Solids Control equipment
Bits
Casing Crew and Services 792,685 276,853 22,019 36,698 66,057 124,774 102,021 71,342 198,171 73,397 122,866 44,038 7290002 7019040 7019020 7019020 7019020 7019020 7019140 7012310 7012020 Bits
Casing Crew and Services
Fuel (Rig)
Fuel (Mud)
Water (non potable)
Water (potable)
Well Logging Services 7019010 7016350 7019140 36,698 7,340 7012350 7019150 Mud Logging+geosteering 23,891 Stabilizers, Hole Openers, Underreamers (DH rentals)
Casing inspection/cleaning 7019250 51,378 22,019 7019110 14,679 36,698 88,076 117,435 Drill pipe/collar inspection services Freight - truck
Water hauling and disposal (includes soil farming)
Contract Services - Disposal/Non-Hazardous Waste 7016180 Vacuum Trucks
Contract Labor - general
Contract Labor - Operations
Contract Labor - Operations
Contract Services - Facilities
Well Services - Well Control Services
Well Services - Well Wellhead Services
Rental Tools and Equipment (surface rentals)
Rig Equipment and Misc.
Telecommunications Services
Consulting Services
Safety and Environmental
Rental Buildings (trailers)
Coring (sidewalls & analysis)
8% Contingency & Taxes 7001440 Vacuum Trucks 14,679 7000030 44,038 7000010 7001200 7019300 7019350 7290003 7260001 7001110 7001120 7001400 7330002 14,679 33,579 14,679 19,817 158,537 7,340 166,464 55,488 19,817 332,311 **TOTAL DRILLING - INTANGIBLE** \$3,310,384 TOTAL DRILLING COST \$4,486,200 COMPLETION - TANGIBLE ESTIMATED COST 7012580 7012040 Tubing Accessories (nipple, wireline entry) 15,000 Wellhead Equip Packers - Complet TOTAL COMPLETION - TANGIBLE \$15,000 COMPLETION - INTANGIBLE 7001270 Location and Access (dress location after rig move, set anchors) 12,539 7290002 7019140 Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs)
Snubbing Services 197,042 Pulling/Swab Units 7016350 7019010 7019020 7019080 7390002 7019330 7019360 Fuel (from drlg)
Casing Crew and Services
Cement and Cementing Services
Well Testing Services (flow hand & equip) Fracturing Services 5,155,178 234,172 Perforating Wireline Services 310,937 Water Hauling & Disposal (frac fluids) 7016180 Freight - Truck (haul pipe; drlg & compl) BOP Rental & Testing Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)
CT Downhole Rental Equipment (ie. Bit, BHA) 58,217 Contract Labor - general 7000030 7001110 7001400 44,782 Telecommunications Services Safety and Environmental 117,778 176,235 152,260 Frack Stack Rentals 7019300 7016180 Freight (Transportation Services) 8,598 227,785 Equipment Rental (w/o operator, frac tanks, lightplants) Rental Buildings (trailers) 733000 44,782 Contract Labor - Pumping (pump-down pumps) 8% Contingency & Taxes 7011010 TOTAL COMPLETION - INTANGIBLE \$7,155,274 TOTAL COMPLETION COST \$7,170,274

SURFACE EQUIPMENT - TANGIBLE

7012350 7006640 7000030 7001110 7012410 7012270 7008060 7016180 7001190 7012290	Misc. Piping, Fittings & Valves Company Labor & Burden Contract Labor - General	130,155
700030 7001110 7012410 7012270 7088060 7016180 7001190 7012290		
7001110 7012410 7012270 7008060 7016180 7001190 7012290		141,355
7012410 7012270 7008060 7016180 7001190 7012290	Telecommunication equip (Telemetry)	
7012270 7008060 7016180 7001190 7012290	Line Pipe & Accessories	37,680
7008060 7016180 7001190 7012290	Miscellaneous Materials (containment system)	39,249
7001190 7012290	SCADA	12,417
7012290	Freight - truck	12,981
	Contract Engineering	8,041
7012290	Metering and Instrumentation	220,258
	I&E Materials	129,197
7012200	Gas Treating	<u> </u>
7012200	Dehydration	
7012010	Compressor	14,948
7012350	Power	
7012610	Vapor Recovery Unit	
7012440	Separator & other pressure vessels	208,842
7012500	Tanks	36,761
7012100	Heater Treater	108,649
7012640	Flare & Accessories	15,782
7000010 7000010	Electrical Labor	
	Mechanical Labor	154,577_
7012480 7012180	Rod Pumping unit & Pad Pumping Unit Engine	<u> </u>
7012350	Electrical Power (electrical cooperative construction costs)	28,919
7012330	Lieutical Fower (electrical cooperative construction costs)	
	TOTAL SURFACE EQUIPMENT - TANGIBLE	\$1,371,000
	TOTAL SURFACE EQUIPMENT COST	\$1,371,000
RTIFICIAL LIFT		
7000020	Contract Labor	E 074
7000030	Consultant	5,071
7001120	Consultant Time Writing/Overhead	
7008230 7012180		5,071
7012350	Artificial Lift Equipment Materials & Supplies	265,699 2,028
7012550	Production Tree	5,071
7012580	Tubing	106,482
7016190	Freight	5,071
7018150	Rentals	6,085
7019130	Kill Fluid	2,028
7019220	Well Services & Rig	24,339
	TOTAL ARTIFICIAL LIFT	431,000
	TOTAL ARTIFICIAL LIFT COST	\$\$
	SUMMARY OF ESTIMATED DRILLING WELL (COSTS TOTAL COST
	TOTAL LOCATION COST	\$ 275,000
	TOTAL DRILLING COST	\$ 4,486,200
	TOTAL COMPLETIONS COST	\$ 7,170,274
	TOTAL SURFACE EQUIPMENT COST	\$ 1,371,000
	TOTAL ARTIFICIAL LIFT COST	\$ 431,000
		<u> </u>
	GRAND TOTAL COST	\$13,733,474
		DATE3/15/2023
THORITY FOR EXPENDITURE		
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS	PERMIAN	
THORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team	PERMIAN Purple Sage/Wolfcamp	
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team Id		
THORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS Set Team Id see/Facility	Purple Sage/Wolfcamp	
JTHORITY FOR EXPENDITURE ETAIL OF ESTIMATED WELL COSTS set Team eld ase/Facility	Purple Sage/Wolfcamp Decimus Fed Com 801H	a charge of the grown's
JTHORITY FOR EXPENDITURE ETAIL OF ESTIMATED WELL COSTS set Team eld asse/Facility EXTRA EXPENSE INSURANCE I elect to be co	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate	
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team eld ase/Facility EXTRA EXPENSE INSURANCE I elect to be confidence of the	Purple Sage/Wolfcamp Decimus Fed Com 801H Covered by Operator's Extra Expense Insurance and pay my proportionate covered Extra Expense Insurance and pay my proportionate covered Extra Expense Insurance covering costs of well control, clean up and redrilling as	
THORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team eld ase/Facility XTRA EXPENSE INSURANCE elect to be component of the compon	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate	
UTHORITY FOR EXPENDITURE ETAIL OF ESTIMATED WELL COSTS set Team eld asse/Facility EXTRA EXPENSE INSURANCE lelect to be cooperator has see estimated in Line lelect to pure	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance covering costs of well control, clean up and redrilling as el item 0180-0185. chase my own well control insurance policy.	
Operator has see estimated in Lin I elect to purc	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate covered Extra Expense Insurance covering costs of well control, clean up and redrilling as set tem 0180-0185.	
JTHORITY FOR EXPENDITURE ETAIL OF ESTIMATED WELL COSTS seet Team eld asse/Facility EXTRA EXPENSE INSURANCE lelect to be cooperator has see estimated in Lind i elect to purc	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance covering costs of well control, clean up and redrilling as el item 0180-0185. chase my own well control insurance policy.	
JTHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS seet Team eld ase/Facility EXTRA EXPENSE INSURANCE lelect to be concept of the co	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance covering costs of well control, clean up and redrilling as set item 0180-0185. chase my own well control insurance policy. rating working interest owner elects to be covered by Operator's well control insurance	
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS SET Team eld asse/Facility EXTRA EXPENSE INSURANCE I elect to be concept of the conc	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance covering costs of well control, clean up and redrilling as set item 0180-0185. chase my own well control insurance policy. rating working interest owner elects to be covered by Operator's well control insurance	
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team led asse/Facility EXTRA EXPENSE INSURANCE lelect to be concept of the con	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance covering costs of well control, clean up and redrilling as set item 0180-0185. chase my own well control insurance policy. rating working interest owner elects to be covered by Operator's well control insurance	
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team Id asse/Facility XTRA EXPENSE INSURANCE lelect to be concept of the conce	Purple Sage/Wolfcamp Decimus Fed Com 801H covered by Operator's Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance and pay my proportionate cured Extra Expense Insurance covering costs of well control, clean up and redrilling as set item 0180-0185. chase my own well control insurance policy. rating working interest owner elects to be covered by Operator's well control insurance	

MARATHON OIL PERMIAN LLC LUTHORITY FOR EXPENDITURE		DRILLING & LOCATION PREPAREI	
ETAIL OF ESTIMATED WELL COSTS		COMPLETION PREPAREI FACILITIES PREPAREI	D BY KRISTEN DRAIN D BY HARSHA DISSANAYAKE
		ARTIFICIAL LIFT PREPAREI	D BY CRAIG PLANTE
sset Team ield	PERMIAN Purple Sage/Wolfcamp	WILDCAT	EXPLORATION
ease/Facility	Decimus Fed Com 802H	DEVELOPMENT	RECOMPLETION
ocation rospect	SW/4 of Section 6-23S-28E Malaga	XEXPLOITATION	WORKOVER
st Total Depth	20,260 Est Drilling Days	24.5 Est Completion I	Days 11
OCATION COST - INTANGIBLE			
GL CODE		IPTION	ESTIMATED COST
7001270 7001250	Location and Access Land Broker Fees and Services		165,00 110,00
	TOTAL LOCATION COST - INTANGIBLE		\$275,0
PRILLING COST - TANGIBLE			
7001270 7012050	Conductor Pipe Surface Casing		36,69 24,95
7012050	Intermediate Casing 1		76,33
7012050 7012050	Intermediate Casing 2 Production Casing		314,13 549,00
7012050 7012550	Drig Liner Hanger, Tieback Eq & Csg		36,69 35,23
7012040	Drilling Wellhead Equipment Casing & Tubing Access		95,41
7290003	Miscellaneous MRO Materials		7,34
	TOTAL DRILLING - TANGIBLE		\$1,175,8
PRILLING COST - INTANGIBLE			
7200002	Delling Dis Mah / Danish		05.44
7290002 7290002	Drilling Rig Mob/Demob Drilling Rig - day work/footage		95,41 792,68
7019040 7019020	Directional Drilling Services Cement and Cementing Servic Surf		276,85 22,01
7019020	Cement and Cementing Service Inte	rmediate 1	36,69
7019020 7019020	Cement and Cementing Servic Inte	rmediate 2 duction	
7019140	Mud Fluids & Services		102,02
7012310 7012020	Solids Control equipment Bits		71,34 198,17
7019010 7016350	Casing Crew and Services Fuel (Rig)		
7019140	Fuel (Mud)		44,03
7001460 7012350	Water (non potable) Water (potable)		36,69 7,34
7019000 7019150	Well Logging Services Mud Logging+geosteering		23,89
7019250	Stabilizers, Hole Openers, Underrea	amers (DH rentals)	51,37
7019110 7019110	Casing inspection/cleaning Drill pipe/collar inspection services		22,01 14,67
7016180 7001460	Freight - truck Water hauling and disposal (includ	es soil farming)	36,69 88,07
7001160	Contract Services - Disposal/Non-H		117,43
7001440 7000030	Vacuum Trucks Contract Labor - general		14,67 44,03
700010 7001200	Contract Labor - Operations Contract Services - Facilities		4,40 14,67
7019300	Well Services - Well Control Service		33,57
7019350 7290003	Well Services - Well/Wellhead Serv Rental Tools and Equipment (surfa		14,67 19,81
7260001	Rig Equipment and Misc.		158,53
7001110 7001120	Telecommunications Services Consulting Services		
7001400 7330002	Safety and Environmental Rental Buildings (trailers)		55,48 19,81
7019310	Coring (sidewalls & analysis)		222.24
7011010	8% Contingency & Taxes		332,31
	TOTAL DRILLING - INTANGIBLE		\$3,310,3
	TOTAL DRILLING COST		\$4,486,20
OMPLETION - TANGIBLE			
CLCODE	DESCRI	IPTION	ESTIMATED COST
GL CODE 7012580	Tubing	IPTION	ESTIMATED COST
7012040 7012550	Tubing Accessories (nipple, wireling Wellhead Equip	e entry)	15,00
7012560	Packers - Completion Equipment		
	TOTAL COMPLETION - TANGIBLE		\$15,0
COMPLETION INTANCIPLE			
OMPLETION - INTANGIBLE			
7001270	Location and Access (dress location	after rig move, set anchors)	12,53
7290002 7019140	Drilling Rig During Completion Mud Fluids & Services		
7019030 7019240	Coiled Tubing Services (3 runs) Snubbing Services		197,04
7019270	Pulling/Swab Units		
7016350 7019010	Fuel (from drlg) Casing Crew and Services		
7019020	Cement and Cementing Services Well Testing Services (flow hand &	equip)	414,96
7019080	Fracturing Services		5,155,17
7019080 7390002	Perforating		234,17
	Wireline Services	ds)	310,93
7390002 7019330 7019360 7001460	Wireline Services Water Hauling & Disposal (frac flui		
7390002 7019330 7019360 7001460 7016180 7290003	Wireline Services Water Hauling & Disposal (frac flui- Freight - Truck (haul pipe; drlg & co BOP Rental & Testing	empl)	
7390002 7019330 7019360 7001460 7016180	Wireline Services Water Hauling & Disposal (frac flui- Freight - Truck (haul pipe; drlg & co	mpl) Irig; lightplant,hydra-walk)	58,21
739002 7019330 7019360 7019360 7001460 7016180 7290003 7290003 7290003 7290003	Wireline Services Water Hauling & Disposal (frac fluire) Freight - Truck (haul pipe; drig & co BOP Rental & Testing Rental Tools and Equipment (incl of CT Downhole Rental Equipment (iecontract Labor - general	mpl) Irig; lightplant,hydra-walk)	
7390002 7019330 7019360 7001460 7016180 7290003 7290003 7290003 7290003 7290003 7000030 7001110	Wireline Services Water Hauling & Disposal (frac flui Freight - Truck (haul pipe; drig & co BOP Rental & Testing Rental Tools and Equipment (incl c CT Downhole Rental Equipment (iec Contract Labor - general Telecommunications Services Safety and Environmental	mpl) Irig; lightplant,hydra-walk)	44,78
7390002 7019330 7019360 7019360 7001460 7016180 7290003 7290003 7290003 7290003 7000030 7001110 7001400	Wireline Services Water Hauling & Disposal (frac fluire) Freight - Truck (haul pipe; drag & co BOP Rental & Testing Rental Tools and Equipment (incl CT Downhole Rental Equipment (incl Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services	mpl) Irig; lightplant,hydra-walk)	44,78
7390002 7019330 7019360 7001460 7016180 7290003 7290003 7290003 7290003 7000110 7001400 7001120 7019300	Wireline Services Water Hauling & Disposal (frac flui Freight - Truck (haul pipe; drig & co BOP Rental & Testing Rental Tools and Equipment (incl CT Downhole Rental Equipment (ie Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals	mpl) Irig; lightplant,hydra-walk)	44,78 117,77 176,23 152,26
7390002 7019330 7019360 7019360 7001460 7016180 7290003 7290003 7290003 7290003 7000110 7001110 7001400 7001120	Wireline Services Water Hauling & Disposal (frac fluir Freight - Truck (haul pipe; drig & co BOP Rental & Testing Rental Tools and Equipment (incl of CT Downhole Rental Equipment (incl of Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold	mpl) Irig; lightplant,hydra-walk) Bit, BHA)	44,78 117,77 176,23 152,26 8,59
7390002 7019330 7019360 7019460 7016180 7290003 7290003 7290003 7290003 7000110 7001110 7001400 701120 7019300 7016180 7260001 7330002	Wireline Services Water Hauling & Disposal (frac flui Freight - Truck (haul pipe; drig & co BOP Rental & Testing Rental Tools and Equipment (incl CT Downhole Rental Equipment (ie Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals Freight (Transportation Services) Equipment Rental (w/o operator, I Rental Buildings (trailers)	Irig; lightplant,hydra-walk) . Bit, BHA) frac tanks, lightplants)	44,78 117,77 176,23 152,26 8,59 227,78
7390002 7019330 7019360 7019360 7001460 7016180 7290003 7290003 7290003 7290003 700030 7001110 7001400 7001120 7019300 7016180 7260001	Wireline Services Water Hauling & Disposal (frac fluir Freight - Truck (haul pipe; drg & co BOP Rental & Testing Rental Tools and Equipment (incl of CT Downhole Rental Equipment (incl of COntract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals Freight (Transportation Services) Equipment Rental (w/o operator, I	Irig; lightplant,hydra-walk) . Bit, BHA) frac tanks, lightplants)	44,78 117,77 176,23 152,26 8,59 227,78
7390002 7019330 7019360 7019360 7001460 7016180 7290003 7290003 7290003 7000030 7001110 7001400 7001120 7019300 7016180 7260001 7330002 7000030	Wireline Services Water Hauling & Disposal (frac fluireling) Freight - Truck (haul pipe; drig & co BOP Rental & Testing Rental Tools and Equipment (inc) CT Downhole Rental Equipment (inc) Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals Freight (Transportation Services) Equipment Rental (w/o operator, inc) Rental Buildings (trailers) Contract Labor - Pumping (pump-di	Irig; lightplant,hydra-walk) . Bit, BHA) frac tanks, lightplants)	58,21 44,78 117,77 176,23 152,26 8,59 227,78 44,78
7390002 7019330 7019360 7019360 7011460 7016180 7290003 7290003 7290003 7000030 7001110 7001400 7001120 7019300 7016180 7260001 7330002 7000030	Wireline Services Water Hauling & Disposal (frac flui Freight - Truck (haul pipe; drig & co BOP Rental & Testing Rental Tools and Equipment (incl CT Downhole Rental Equipment (ie Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals Freight (Transportation Services) Equipment Rental (w/o operator, Rental Buildings (trailers) Contract Labor - Pumping (pump-d 8% Contingency & Taxes	Irig; lightplant,hydra-walk) . Bit, BHA) frac tanks, lightplants)	44,78 117,77 176,23 152,26 8,55 227,78 44,78

SURFACE EQUIPMENT - TANGIBLE

ing, Fittings & Valves Labor & Burden Labor - General nunication equip (Telemetry) & Accessories leous Materials (containment system) liruck Engineering and instrumentation rials ling lion loor loor covery Unit r & other pressure vessels eater ccessories Labor lal Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE LE EQUIPMENT COST Labor Int ting/Overhead Lift Equipment li & Supplies In Tree LIGHT TOST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DCILLING COST TOTAL DCILLING COST		\$\$ \$\$	130,155 141,355 37,680 39,249 12,417 12,981 8,041 220,258 129,197 14,948 208,842 36,761 108,649 15,782 71,389 154,377 28,919 \$1,371,000 1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 106,482 5,071 6,085 2,028 24,339 431,000
Labor - TANGIBLE CE EQUIPMENT COST LABOR - TANGIBLE CE SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DORILLING COST TOTAL DORILLING COST TOTAL DORILLING COST TOTAL DORILLING COST			37,680 39,249 12,417 12,981 8,041 220,258 129,197
Accessories eater covery Unit r & other pressure vessels eater covery Unit r & other pressure vessels eater covery Unit r & other pressure vessels eater covery Unit covery Unit r & other pressure vessels eater covers Unit covery Unit r & other pressure vessels eater covery Unit covery Unit r & other pressure vessels eater covery Unit covery Unit r & other pressure vessels eater covery Unit covery Unit r & other pressure vessels eater covery Unit covery Unit r & other pressure vessels eater covery Unit covery Unit r & other pressure vessels eater covery Unit covery Unit r & other pressure vessels eater covery Unit r & other pressure eater covery Unit r & other			37,680 39,249 12,417 12,981 8,041 220,258 129,197
& Accessories eous Materials (containment system) truck Engineering and Instrumentation rials ing ion sor covery Unit r & other pressure vessels eater ccessories Labor cal Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor at ting/Overhead Lift Equipment & Supplies on Tree SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DCILLING COST			39,249 12,417 12,981 8,041 220,258 129,197
reous Materials (containment system) truck Engineering and Instrumentation rials ing ion sor covery Unit r & other pressure vessels eater ccessories Labor Juli Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor int ting/Overhead Lift Equipment & Supplies in Tree JULIFI COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DCILLING COST			39,249 12,417 12,981 8,041 220,258 129,197
truck Engineering and Instrumentation rials ing ion sor covery Unit r & other pressure vessels eater ccessories Labor al Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor at ting/Overhead Lift Equipment t. & Supplies on Tree Cices & Rig IFT UIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			12,417 12,981 8,041 220,258 129,197
Engineering and Instrumentation rials ing ion sor covery Unit r & other pressure vessels eater ccessories Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor tit ting/Overhead Lift Equipment & Supplies on Tree SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DORILLING COST			12,981 8,041 220,258 129,197 14,948 120,2842 36,761 108,649 15,782 71,389 154,377 28,919 \$1,371,000 1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339
Engineering and Instrumentation rials ing ion sor covery Unit r & other pressure vessels eater ccessories Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor tit ting/Overhead Lift Equipment & Supplies on Tree SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DORILLING COST			8,041 220,258 129,197
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ing ion			14,948
ion covery Unit r & other pressure vessels eater cetesories Labor al Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor at the ting/Overhead Lift Equipment & Supplies on Tree CIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			208,842 36,761 108,649 15,782 71,389 154,377 28,919 \$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339
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covery Unit r & other pressure vessels eater ccessories Labor cal Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor nt ting/Overhead Lift Equipment & Supplies in Tree GIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			208,842 36,761 108,649 15,782 71,389 154,377 28,919 \$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339
covery Unit r & other pressure vessels eater ccessories Labor cal Labor ging unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor nt ting/Overhead Lift Equipment Supplies on Tree CIAL LIFT COST UIPMENT COST UIPMENT COST CIAL LIFT COST UIPMENT COST CIAL LIFT COST			208,842 36,761 108,649 15,782 71,389 154,377 28,919 \$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339
r & other pressure vessels eater ccessories Labor Labor Ding unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor Int Lint (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor Int Labor			36,761 108,649 115,782 71,389 154,377 28,919 \$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
r & other pressure vessels eater ccessories Labor Labor Ding unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor Int Lint (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor Int Labor			36,761 108,649 115,782 71,389 154,377 28,919 \$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
eater ccessories Labor tal Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor tit (II) Coverhead Lift Equipment . & Supplies on Tree IIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			36,761 108,649 115,782 71,389 154,377 28,919 \$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
ccessories Labor Labor Joint & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor Int Labor Int Labor Int Labor Int Labor Int Labor Int Supplies In Tree Joint			108,649 15,782 71,389 154,377 28,919 \$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
ccessories Labor Labor Joint & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor Int Labor Int Labor Int Labor Int Labor Int Labor Int Supplies In Tree Joint			15,782 71,389 154,377 28,919 \$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
Labor cal Labor cal Labor cal Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE CE EQUIPMENT COST Labor nt ting/Overhead Lift Equipment . & Supplies on Tree CIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			71,389 154,377
Labor ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor nt ting/Overhead Lift Equipment & Supplies on Tree LIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			1,371,000 1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
ping unit & Pad Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor tt tt tting/Overhead Lift Equipment			\$1,371,000 1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
Unit Engine Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor Int Labor Int Ling/Overhead Lift Equipment 8 Supplies In Tree IIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			\$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339
Power (electrical cooperative construct UIPMENT - TANGIBLE EE EQUIPMENT COST Labor It ting/Overhead Lift Equipment & Supplies In Tree LIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			\$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339
Labor At the Control of the Control			\$1,371,000 1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339
Labor nt ting/Overhead Lift Equipment & Supplies in Tree LIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
Labor nt ting/Overhead Lift Equipment & Supplies in Tree LIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			1,371,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
Labor Int Iting/Overhead Lift Equipment & Supplies In Tree Idal LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST			5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
nt ting/Overhead Lift Equipment & Supplies on Tree lices & Rig IFT SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$	4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
nt ting/Overhead Lift Equipment & Supplies on Tree lices & Rig IFT SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$_	4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
nt ting/Overhead Lift Equipment & Supplies on Tree lices & Rig IFT SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$_	4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
ting/Overhead Lift Equipment & Supplies on Tree cices & Rig LIFT LIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$_	5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000
Lift Equipment & Supplies on Tree cices & Rig IFT CIAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$	265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339
& Supplies on Tree idea & Rig iff IAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$_	2,028 5,071 106,482 5,071 6,085 2,028 24,339
ices & Rig IFT IAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$_	5,071 106,482 5,071 6,085 2,028 24,339 431,000
IFT IAL LIFT COST SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$	106,482 5,071 6,085 2,028 24,339 431,000
SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$	5,071 6,085 2,028 24,339 431,000
SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$	6,085 2,028 24,339 431,000
SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$	2,028 24,339 431,000
SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		*	24,339
SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$_	431,000
SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$_	431,000
SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$_	
SUMMARY OF ESTIMATED D TOTAL LOCATION COST TOTAL DRILLING COST		\$	431.000
TOTAL LOCATION COST TOTAL DRILLING COST			
TOTAL DRILLING COST	RILLING WEL	L COSTS	TOTAL COST
TOTAL DRILLING COST		-	
		\$	275,000
		<u>\$</u>	4,486,200
TOTAL COMPLETIONS COST		\$	7,170,274
TOTAL SURFACE EQUIPMENT	T COST	\$	
· · · · · · · · · · · · · · · · · · ·			
TOTAL ARTIFICIAL LIFT COST		_\$	431,000
GRAND TOTAL COST		_	\$13,733,474
		DATE	3/15/2023
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rance covering costs of well control, clean	a up and redrilling	as	
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uper elects to be covered by Operator's	well control income	nce	
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	s Extra Expense Insurance and pay rance covering costs of well control, clear ontrol insurance policy.	s Extra Expense Insurance and pay my proportion rance covering costs of well control, clean up and redrilling ontrol insurance policy.	S Extra Expense insurance and pay my proportionate share of the prance covering costs of well control, clean up and redrilling as control insurance policy. where elects to be covered by Operator's well control insurance.

DETAIL OF ESTIMATED WELL COSTS		COMPLETION PI	REPARED BY COURT NELSON REPARED BY KRISTEN DRAIN REPARED BY HARSHA DISSANAYAKE
			REPARED BY CRAIG PLANTE
Asset Team Field	PERMIAN Purple Sage/Wolfcamp	WILDCAT	EXPLORATION
ease/Facility ocation	Decimus Fed Com 803H NW/4 of Section 7-23S-28E	DEVELOPMENT X EXPLOITATION	RECOMPLETION WORKOVER
Prospect	Malaga	EXI EGITATION	WONKOVEK
st Total Depth	20,260 Est Drilling Days	24.5 Est Comp	pletion Days11
OCATION COST - INTANGIBLE			
GL CODE 7001270	DESCI Location and Access	RIPTION	ESTIMATED COST
7001250	Land Broker Fees and Services		110,0
	TOTAL LOCATION COST - INTANGIBLE		\$275,0
PRILLING COST - TANGIBLE			
7001270 7012050	Conductor Pipe Surface Casing		
7012050	Intermediate Casing 1		76,3
7012050 7012050	Intermediate Casing 2 Production Casing		
7012050	Drlg Liner Hanger, Tieback Eq & Cs	g Accessories	36,6
7012550 7012040	Drilling Wellhead Equipment Casing & Tubing Access		
7290003	Miscellaneous MRO Materials		
	TOTAL DRILLING - TANGIBLE		\$1,175,
RILLING COST - INTANGIBLE			
7290002 7290002	Drilling Rig Mob/Demob Drilling Rig - day work/footage		
7019040 7019020	Directional Drilling Services Cement and Cementing Servic Sur	face	
7019020	Cement and Cementing Servic Into	ermediate 1	36,6
7019020 7019020	Cement and Cementing Servic Into		
7019140	Mud Fluids & Services		102,0
7012310 7012020	Solids Control equipment Bits		
7019010	Casing Crew and Services		73,3
7016350 7019140	Fuel (Rig) Fuel (Mud)		
7001460 7012350	Water (non potable) Water (potable)		
7019000	Well Logging Services		
7019150 7019250	Mud Logging+geosteering Stabilizers, Hole Openers, Underre	samers (DH rentals)	
7019110	Casing inspection/cleaning		22,0
7019110 7016180	Drill pipe/collar inspection service Freight - truck	5	
7001460	Water hauling and disposal (include		88,0
7001160 7001440	Contract Services - Disposal/Non-l Vacuum Trucks	lazardous Waste	
7000030 7000010	Contract Labor - general		44,0
7001200	Contract Labor - Operations Contract Services - Facilities		14,6
7019300 7019350	Well Services - Well Control Service Well Services - Well/Wellhead Ser		
7290003	Rental Tools and Equipment (surfa		19,8
7260001 7001110	Rig Equipment and Misc. Telecommunications Services		
7001120	Consulting Services		166,4
7001400 7330002	Safety and Environmental Rental Buildings (trailers)		
7019310 7011010	Coring (sidewalls & analysis) 8% Contingency & Taxes		
7011010	TOTAL DRILLING - INTANGIBLE		\$3,310,
	TOTAL DRIVING COST		44.405.0
	TOTAL DRILLING COST		\$4,486,2
COMPLETION - TANGIBLE	255	N	
COMPLETION - TANGIBLE GL CODE 7012580	DESCI	RIPTION	ESTIMATED COST
GL CODE 7012580 7012040	Tubing Tubing Accessories (nipple, wireling		
GL CODE 7012580	Tubing		
GL CODE 7012580 7012040 7012550	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip		15,0 (\$15,0
GL CODE 7012580 7012040 7012550 7012560	Tubing Tubing Accessories (nipple, wirelir Wellhead Equip Packers - Completion Equipment		15,0
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270	Tubing Tubing Accessories (nipple, wireling Accessories) Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location)	ne entry)	\$15,0
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140	Tubing Tubing Accessories (nipple, wireling Accessories) Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services	ne entry)	\$15,0
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002	Tubing Tubing Accessories (nipple, wireling Accessories) Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Colled Tubing Services (3 runs)	ne entry)	\$15,0
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270	Tubing Tubing Accessories (nipple, wireling Accessories) Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units	ne entry)	\$15,0
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drig) Casing Crew and Services	ne entry)	\$15,0
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020	Tubing Tubing Accessories (nipple, wireling Accessories) Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services (3 runs) Snubbing Services (1 runs) Fuel (from drig) Casing Crew and Services Cement and Cementing Services	ne entry) n after rig move, set anchors)	\$15,0 \$15,0 \$15,0
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019020 7019020 7019080 7390002	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drig) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand 8 Fracturing Services (flow hand 8	ne entry) n after rig move, set anchors)	15,6 \$15, 12,5 197,6 414,5
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019240 7019240 7019240 7019270 7016350 7019010 7019020 7019080	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drlg) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand 8	ne entry) n after rig move, set anchors)	15,6 \$15, 12,5 197,0 414,5 5,155,1 234,1
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019020 7019080 7390002 7019330 7019360 7019360 7001460	Tubing Tubing Accessories (nipple, wirelin Weilhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drig) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand 8 Fracturing Services Perforating Wireline Services Water Hauling & Disposal (frac flu	n after rig move, set anchors)	15,0 \$15, 12,5 197,0 414,5 5,155,1 234,1
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019240 7019240 7019270 7019030 7019900 7019010 7019020 7019080 7390002 7019330 7019360 7019360 701460 7016180 7290003	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location brilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drig) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services Well Testing Services Well Testing Services Water Hauling & Disposal (frac flu Freight - Truck (haul pipe; drig & c BOP Rental & Testing Edip & c	n after rig move, set anchors) a equip) ids) ompl)	15,0 \$15, 12,5 197,0 414,5 5,155,1 234,1
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019330 7019360 7019360 7001460 7016180 7290003 7290003	Tubing Tubing Accessories (nipple, wirelin Weilhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Colled Tubing Services (3 runs) Snubbing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drig) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services) Perforating Wireline Services Water Hauling & Disposal (frac flu Freight - Truck (haul pipe; drig & c BOP Rental & Testing Rental Tools and Equipment (incl	n after rig move, set anchors) a equip) ids) ompl) drig; lightplant,hydra-waik)	15,6 \$15, 12,5 197,6 414,5 5,155,1 234,1 310,5
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019930 7019930 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019300 7019300 7019300 7019300 7019300 7019300 7019300 7019300 7019300 7019300 7019300 7019300 7019300 7290003	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drlg) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services Well Testing Services (10 perforating Wireline Services Water Hauling & Disposal (frac fluid Freight - Truck (haul pipe; drlg & c BOP Rental & Testing Rental Tools and Equipment (inc) T Downhole Rental Equipment (inc) Contract Labor - general	n after rig move, set anchors) a equip) ids) ompl) drig; lightplant,hydra-waik)	15,0 \$15,0 12,5 197,0 414,5 5,155,1 234,1 310,5 58,2
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019240 7019270 7016350 7019010 7019020 7019080 7390002 701930	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drlg) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services Perforating Wireline Services Water Hauling & Disposal (frac flur Freight - Truck (haul pipe; drlg & c BOP Rental & Testing Rental Tools and Equipment (incl CT Downhole Rental Equipment (incl	n after rig move, set anchors) a equip) ids) ompl) drig; lightplant,hydra-waik)	15,6 \$15, 12,5 197,6 197,6 414,5 5,155,1 234,1 310,5
GL CODE 7012580 7012040 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 701960 7019020 7019910 7019020 7019930 7019930 7019930 701960 701960 7016180 7016180 7290003 7290003 7290003 7290003 7290003 7001400	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location brilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drlg) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services Well Testing Services (1 rac fluid Freight - Truck (haul pipe; drlg & c BOP Rental & Testing Rental Equipment (inc CT Downhole Rental Equipment (inc CT Downhole Rental Equipment (inc Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services	n after rig move, set anchors) a equip) ids) ompl) drig; lightplant,hydra-waik)	15,0 \$15,0 12,5 197,0 414,5 5,155,1 234,1 310,5 58,2 44,7 117,7
GL CODE 7012580 7012040 7012550 7012560 7012560 7012560 7012560 7012560 7012560 701270 7019002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019330 7019360 7019460 7016180 7290003 7290003 7290003 7290003 7290003 7001100 7001100 7001100 7001100 7001100 7001100	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drlg) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services) Water Hauling & Disposal (frac fluferight - Truck (haul pipe; drlg & c BOP Rental & Testing Rental Tools and Equipment (ind CT Downhole Rental Equipment (ind Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals	n after rig move, set anchors) a equip) ids) ompl) drig; lightplant,hydra-waik)	15,0 \$15, \$15, 197,6 414,9 5,155,1 234,1 310,9 58,2 44,7 117,7
GL CODE 7012580 7012040 7012550 7012550 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019030 7019003 7290003 7290003 7290003 7290003 7000110 7001100 7001120 7019300 7019300 7019300 7019300 7019300	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drig) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services Perforating Wireline Services Perforating Wireline Services Disposal (frac flu Freight - Truck (haul pipe; drig & c BOP Rental & Testing Rental Tools and Equipment (ind CT Downhole Rental Equipment) Indecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals Freight (Transportation Services)	n after rig move, set anchors) a equip) ids) ompl) drlg; lightplant,hydra-walk) e. Bit, BHA)	15,0 \$15,0 12,5 197,0 414,5 5,155,1 234,1 310,5 58,2 44,7 117,7 176,2 152,4 8,5
GL CODE 7012580 7012040 7012550 7012560 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019330 7019360 7019160 7016180 7290003 7290003 7290003 7290003 7290003 7000110 700110 7001400 7001110 7001400 7001120 7019300 7016180 7290003	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drlg) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services) Water Hauling & Disposal (frac fluid Freight - Truck (haul pipe; drlg & complete of the C	n after rig move, set anchors) a equip) ids) ompl) drlg; lightplant,hydra-walk) e. Bit, BHA)	15,0 \$15, 12,5 197,0 414,5 5,155,1 234,1 310,5 44,7 117,7 176,2 152,2 8,5 227,7
GL CODE 7012580 7012040 7012550 7012560 7012560 7012560 7012560 7012560 701270 7290002 7019140 7019030 7019240 7019270 7016350 7019020 7019020 7019030 7019030 7019030 7019030 7019160 7016180 7290003 7290003 7290003 7290003 7290003 7001110 7001120 7019300 701120 7019300 701120 7019300 701120 7019300 701120 7019300 701120 7019300 701120 7019300 701120 7019300 701120 7019300 701120 7019300 701110	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location Drilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drig) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services Defrorating Wireline Services Perforating Wireline Services Safety and Equipment (incl. CT Downhole Rental Tools and Equipment (incl. CT Downhole Rental Equipment (incl. CT Downhole Rental Equipment (incl. Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals Freight (Transportation Services) Equipment Rental (w/o operator,	n after rig move, set anchors) a equip) ids) ompl) drlg; lightplant,hydra-walk) e. Bit, BHA)	15,0
GL CODE 7012580 7012040 7012550 7012560 7012560 OMPLETION - INTANGIBLE 7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019080 7390002 7019300 701660 7016180 7290003 7290003 7290003 7290003 7290003 7001100 7001100 7001100 7001100 7001100 7011100 7011300 7016180 7260001 730002	Tubing Tubing Accessories (nipple, wirelin Wellhead Equip Packers - Completion Equipment TOTAL COMPLETION - TANGIBLE Location and Access (dress location prilling Rig During Completion Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services Pulling/Swab Units Fuel (from drig) Casing Crew and Services Cement and Cementing Services Well Testing Services (flow hand & Fracturing Services Perforating Wireline Services Perforating Wireline Services Water Hauling & Disposal (frac fluit Freight - Truck (haul pipe; drig & coil Bod Rental & Testing Rental & Testing Rental Tools and Equipment (ind CT Downhole Rental Equipment (ind CT Downhole Rental Equipment (ind CT Downhole Rental Equipment (ind Contract Labor - general Telecommunications Services Safety and Environmental Consulting Services Zipper Manifold Frack Stack Rentals Freight (Transportation Services) Equipment Rental (w/o operator, Rental Buildings (trailers) Contract Labor - Pumping (pumped)	n after rig move, set anchors) a equip) ids) ompl) drlg; lightplant,hydra-walk) e. Bit, BHA)	15,0 \$15,0 12,0 197,0 414,0 5,155,1 234,1 310,0 58,0 44,1 117,1 176,0 152,0 8,0 227,1

7012250	Mice Dining Fittings 9 Volume		430 4
7012350 7006640	Misc. Piping, Fittings & Valves Company Labor & Burden		130,155
7000030	Contract Labor - General		141,355
7001110	Telecommunication equip (Telemetry)		
7012410	Line Pipe & Accessories		37,680
7012270	Miscellaneous Materials (containment system)		39,249
7008060	SCADA		12,417
7016180	Freight - truck		12,981
7001190	Contract Engineering		8,041
7012290 7012290	Metering and Instrumentation I&E Materials		220,258 129,197
7012290	Gas Treating		123,137
7012200	Dehydration		-
7012010	Compressor	_	14,948
7012350	Power		
7012610	Vapor Recovery Unit		
7012440	Separator & other pressure vessels		208,842
7012500	<u>Tanks</u>		36,761
7012100	Heater Treater Treater		108,649
7012640	Flare & Accessories		15,782
7000010	Electrical Labor		71,389
7000010	Mechanical Labor		154,377
7012480 7012180	Rod Pumping unit & Pad Pumping Unit Engine		
7012350	Electrical Power (electrical cooperative construction costs)		28,919
7012330	Lieutium ower (electrical cooperative construction costs)		20,515
	TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,371,000
TIFICIAL LIFT	TOTAL SURFACE EQUIPMENT COST		1,371,000
700030	Contract Labor		5,071
7001120	Consultant		4,056
7008230 7012180	Time Writing/Overhead Artificial Lift Equipment		5,071 265,699
7012350	Materials & Supplies		2,028
7012550	Production Tree		5,071
7012580	Tubing		106,482
7016190	Freight		5,071
7018150	Rentals		6,085
7019130	Kill Fluid		2,028
7019220	Well Services & Rig		24,339
	TOTAL ARTIFICIAL LIFT		431,000
	TOTAL ARTIFICIAL LIFT COST	\$	431,000
	SUMMARY OF ESTIMATED DRILLING WELL	COSTS T	OTAL COST
	TOTAL LOCATION COST	\$	275,000
	TOTAL DRILLING COST	\$	4,486,200
	TOTAL COMPLETIONS COST		
		\$	7,170,274
	TOTAL SURFACE EQUIPMENT COST	\$	1,371,000
	TOTAL ARTIFICIAL LIFT COST	_\$	431,000
	GRAND TOTAL COST		\$13,733,47
ATHON OIL PERMIAN LLC		DATE	3/15/202
HORITY FOR EXPENDITURE ALL OF ESTIMATED WELL COSTS			
t Team	PERMIAN Purple Sage/Wolfcamp		

Decimus Fed Com 803H Lease/Facility EXTRA EXPENSE INSURANCE I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.

Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line item 0180-0185.

I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance. Company / Owner: Date: Joint Owner Name: Joint Owner Title:

	COMPLETION PRI FACILITIES PRI	EPARED BY COURT NELSON EPARED BY KRISTEN DRAIN EPARED BY HARSHA DISSANAYAK
	ARTIFICIAL LIFT PRI	EPARED BY CRAIG PLANTE
PERMIAN Purple Sage/Wolfcamp	WILDCAT	EXPLORATION
Decimus Fed Com 804H	DEVELOPMENT X EXPLOITATION	RECOMPLETION WORKOVER
Malaga	XEXFECTIATION	WORKOVER
20,410 Est Drilling Days	24.5 Est Compl	letion Days 11
	RIPTION	ESTIMATED COST
Land Broker Fees and Services		
TOTAL LOCATION COST - INTANGIBLE		\$275,
Conductor Pipe		36,6
Surface Casing Intermediate Casing 1		
Intermediate Casing 2		
Drlg Liner Hanger, Tieback Eq & Co	sg Accessories	36,6
Casing & Tubing Access		
Miscellaneous MRO Materials		7,3
TOTAL DRILLING - TANGIBLE		\$1,175,
Drilling Rig - day work/footage		
Cement and Cementing Servic Sur		22,0
Cement and Cementing Servic Pro		124,7
Solids Control equipment		
Bits Casing Crew and Services		
Fuel (Rig)		122,8
Water (non potable)		
Water (potable) Well Logging Services		7,3
Mud Logging+geosteering		23,8
	eamers (DH rentals)	
Drill pipe/collar inspection service	es	14,6 36,6
Water hauling and disposal (inclu		88,0
Contract Services - Disposal/Non- Vacuum Trucks	Hazardous Waste	
Contract Labor - general		44,0
Contract Services - Facilities		14,6
Rental Tools and Equipment (surf		19,8 158,5
Telecommunications Services		7,3
Rental Buildings (trailers)		19,8
8% Contingency & Taxes		332,3
TOTAL DRILLING - INTANGIBLE		\$3,310,
TOTAL DRILLING COST		\$4,486,2
	RIPTION	ESTIMATED COS
Tubing Accessories (nipple, wireli	ne entry)	
Wellhead Equip Packers - Completion Equipment		15,0
TOTAL COMPLETION - TANGIBLE		\$15,
	on after rig move, set anchors)	12,5
Mud Fluids & Services		
Coiled Tubing Services (3 runs) Snubbing Services		
Pulling/Swab Units		- =
Casing Crew and Services		
	& equip)	414,
Fracturing Services Perforating		5,155, 234,
Wireline Services	side)	
Freight - Truck (haul pipe; drlg & c		
BOP Rental & Testing Rental Tools and Equipment (incl	drlg; lightplant,hydra-walk)	
CT Downhole Rental Equipment (i		58,7
Telecommunications Services		44,
Safety and Environmental Consulting Services		
Zipper Manifold		176,2
Frack Stack Rentals		
Freight (Transportation Services)		227
Equipment Rental (w/o operator,	, frac tanks, lightplants)	
Equipment Rental (w/o operator, Rental Buildings (trailers) Contract Labor - Pumping (pump-		
Equipment Rental (w/o operator, Rental Buildings (trailers)		
	Purple Sage/Wolfcamp Dedmus Fed Com 8-248-288E Malaga 20,410	COMPLETION PR ARTIFICIAL LIFT PR PERMIAN Purple Sage/Wolfcamp Decimic Fed Com 804H LIFT of Section Sale Lind Broker Fees and Services Land Broker Fees and Services Land Broker Fees and Services Lind Broker Fees Sale Surface Casing 2 Production Casing 3 Intermediate Casing 2 Production Casing 3 Production Casi

7006640	Misc. Piping, Fittings & Valves	130,155
7000040	Company Labor & Burden	-
7000030	Contract Labor - General	141,355
7001110 7012410	Telecommunication equip (Telemetry)	
7012410	Line Pipe & Accessories Miscellaneous Materials (containment system)	37,680 39,249
7008060	SCADA	12,417
7016180	Freight - truck	12,981
7001190	Contract Engineering	8,041
7012290	Metering and Instrumentation	220,258
7012290	I&E Materials Gas Treating	129,197
7012200 7012200	Gas Treating Dehydration	<u>-</u>
7012010	Compressor	14,948
7012350	Power	-
7012610	Vapor Recovery Unit	
7012440	Separator & other pressure vessels	208,842
7012500 7012100	Tanks Heater Treater	36,761 108,649
7012640	Flare & Accessories	15,782
7000010	Electrical Labor	71,389
7000010	Mechanical Labor	154,377
7012480	Rod Pumping unit & Pad	
7012180	Pumping Unit Engine	
7012350	Electrical Power (electrical cooperative construction costs)	28,919
	TOTAL SURFACE EQUIPMENT - TANGIBLE TOTAL SURFACE EQUIPMENT COST	\$1,371,000
RTIFICIAL LIFT		
	Control labor	= -
700030	Contract Labor	5,071
7001120 7008230	Consultant Time Writing / Overhead	4,056
7012180	Time Writing/Overhead Artificial Lift Equipment	5,071 265,699
7012350	Materials & Supplies	2,028
7012550	Production Tree	5,071
7012580	Tubing	106,482
7016190	Freight	5,071
7018150	Rentals	6,085
7019130	Kill Fluid	2,028
7019220	Well Services & Rig	24,339
	TOTAL ARTIFICIAL LIFT	431,000
	TOTAL ARTIFICIAL LIFT COST	\$ 431,000
	SUMMARY OF ESTIMATED DRILLING WELL COSTS	TOTAL COST
	TOTAL LOCATION COST	\$ 275,000
	TOTAL DRILLING COST	\$ 4,486,200
	TOTAL COMPLETIONS COST	\$ 7,170,274
	TOTAL SURFACE EQUIPMENT COST	\$ 1,371,000
	TOTAL ARTIFICIAL LIFT COST	\$ 431,000
	GRAND TOTAL COST	\$13,733,474
		DATE 3/15/2023
JTHORITY FOR EXPENDITURE	,	3, 13, 2023
JTHORITY FOR EXPENDITURE STAIL OF ESTIMATED WELL COSTS		5/15/2020
UTHORITY FOR EXPENDITURE ETAIL OF ESTIMATED WELL COSTS sset Team	PERMIAN	<u> </u>
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team	PERMIAN Purple Sage/Wolfcamp	
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team	PERMIAN	<u> </u>
ITHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS set Team eld ase/Facility	PERMIAN Purple Sage/Wolfcamp	<u> </u>
IARATHON OIL PERMIAN LLC UTHORITY FOR EXPENDITURE ETAIL OF ESTIMATED WELL COSTS sset Team eld eld ease/Facility EXTRA EXPENSE INSURANCE	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 804H	
UTHORITY FOR EXPENDITURE ETAIL OF ESTIMATED WELL COSTS sset Team eld asse/Facility EXTRA EXPENSE INSURANCE I elect to be Operator has so estimated in Lie	PERMIAN Purple Sage/Wolfcamp	
JTHORITY FOR EXPENDITURE TAIL OF ESTIMATED WELL COSTS seet Team eld ase/Facility EXTRA EXPENSE INSURANCE elect to be- Operator has se clect to pure telect te	PERMIAN Purple Sage/Wolfcamp Decimus Fed Com 804H covered by Operator's Extra Expense Insurance and pay my proportionate share ecured Extra Expense Insurance covering costs of well control, clean up and redrilling as ne item 0.180-0.185.	

Joint Owner Name:

Joint Owner Title:

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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23755

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Marathon Oil Permian, LLC, the Applicant herein, declares as follows:

- 1) The above-referenced Application was provided under notice letter, dated August 11, 2023, and attached hereto, and notice letter dated October 6, 2023 sent to MCM Permian, as Exhibit A.
- 2) Exhibit B is the mailing list, which show the notice letters were delivered to the USPS for mailing on August 11, 2023, and the mailing list showing the letter to MCM Permian delivered to the USPS for mailing on October 6, 2023.
- 3) Exhibit C is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. This spreadsheet shows the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 4) Exhibit D is the Affidavit of Publication from the Carlsbad Current Argus, confirming that notice of the September 7, 2023 hearing was published on August 17, 2023.
- 5) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

 Dated: October 23, 2023

EXHIBIT B.7

Released to Imaging: 10/31/2023 3:14:54 PM

OCD Examiner Hearing 11-2-23

No. 23755 Page 50 of 85

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Dena H. Bennett

Deana M. Bennett

Re:



Deana M. Bennett 505.848.1834 dmb@modrall.com



August 11, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

APPLICATION OF MARATHON OIL PERMIAN, LLC

FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23755

TO: AFFECTED PARTIES

This letter is to advise you that Marathon Oil Permian, LLC ("Marathon") has filed the enclosed application.

In Case No. 23755, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a standard 1280-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.5 miles northwest of Loving, NM.

The hearing will be conducted remotely on September 7, 2023 beginning at 8:15 a.m. To participate in the electronic hearing, see the hearing date: the docket for instructions posted on https://www.emnrd.nm.gov/ocd/hearing-info/.

As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com

Page 2

the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

Deana M. Bennett

Attorney for Applicant

OCD Examiner Hearing 11-2-23
No. 23755
Page 53 of 85
Page 1 of 4

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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23755

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to form a 1280-acre, more or less, standard spacing unit.
- 3. Marathon plans to drill the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled.
- 4. These wells will be located within the Purple Sage Wolfcamp Gas Pool, which is subject to special pool rules that establish 330 foot setback requirements.
 - 5. These wells will comply with the Division's setback requirements for this pool.

OCD Examiner Hearing 11-2-23

No. 23755

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Received by OCD: 10/31/2023 3:14:14 PM Received by OCD: 8/8/2023 3:59:33 PM

6. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com

803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the

inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b)

NMAC.

7. Marathon sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in

the drilling of the wells or to otherwise commit their interests to the wells.

8. The pooling of all interests in the Wolfcamp formation underlying the proposed

unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an

Examiner of the Oil Conservation Division on September 7, 2023 and after notice and hearing as

required by law, the Division enter its order:

A. Pooling all uncommitted mineral interests in the Wolfcamp formation

underlying a horizontal spacing unit within the S/2 of Sections 5 and 6 and the N/2 of Sections 7

and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico;

B. Designating Marathon as operator of this unit and the wells to be drilled

thereon;

C. Authorizing Marathon to recover its costs of drilling, equipping and

completing the wells;

D. Approving actual operating charges and costs charged for supervision,

together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

E. Setting a 200% charge for the risk involved in drilling and completing the

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

2

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

M Bennett

y:

Deana M. Bennett Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant

CASE NO. 23755: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 1280-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.5 miles northwest of Loving, NM.

Deana M. Bennett 505.848.1834 dmb@modrall.com



October 6, 2023

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

Re: APPLICATION OF MARATHON OIL PERMIAN, LLC

FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23755

TO: AFFECTED PARTIES

This letter is to advise you that Marathon Oil Permian, LLC ("Marathon") has filed the enclosed application.

In Case No. 23755, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a standard 1280-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.5 miles northwest of Loving, NM.

The hearing was originally set for October 5, 2023, but has been rescheduled and will be conducted remotely on November 2, 2023 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/.

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com

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Page 2

As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

Deana M. Bennett

Attorney for Applicant

Deena M. Bennett

Received by OCD: 8/8/2023 3:59:33 PM

OCD Examiner Hearing 11-2-23 No. 23755 Page 59 of 85

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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23755

<u>APPLICATION</u>

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to form a 1280acre, more or less, standard spacing unit.
- Marathon plans to drill the Decimus Fed Com 801H, Decimus Fed Com 701H, 3. Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled.
- 4. These wells will be located within the Purple Sage Wolfcamp Gas Pool, which is subject to special pool rules that establish 330 foot setback requirements.
 - 5. These wells will comply with the Division's setback requirements for this pool.

Released to Imaging: 8/8/2023 4:08:33 PM

OCD Examiner Hearing 11-2-23

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Received by OCD: 8/8/2023 3:59:33 PM

Received by OCD: 10/31/2023 3:14:14 PM

6. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com

803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the

inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b)

NMAC.

7. Marathon sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in

the drilling of the wells or to otherwise commit their interests to the wells.

8. The pooling of all interests in the Wolfcamp formation underlying the proposed

unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an

Examiner of the Oil Conservation Division on September 7, 2023 and after notice and hearing as

required by law, the Division enter its order:

A. Pooling all uncommitted mineral interests in the Wolfcamp formation

underlying a horizontal spacing unit within the S/2 of Sections 5 and 6 and the N/2 of Sections 7

and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico;

Designating Marathon as operator of this unit and the wells to be drilled В.

thereon;

C. Authorizing Marathon to recover its costs of drilling, equipping and

completing the wells;

Approving actual operating charges and costs charged for supervision, D.

together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

E. Setting a 200% charge for the risk involved in drilling and completing the

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

2

Received by OCD: 8/8/2023 3:59:33 PM

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant

No. 23755 Page 62 of 85
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CASE NO. 23755: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 1280-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.5 miles northwest of Loving, NM.

Karlene Schuman

Modrall Sperling Rochl Harris & Sisk P.A.

500 Fourth Street, Suite 1000

Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL 08/11/2023

Firm Mailing Book ID: 250644

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0110 8987 13	NOVO MINERALS, LP 1001 WEST WILSHIRE BLVD. SUITE 206 Oklahoma City OK 73116	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
2	9314 8699 0430 0110 8987 20		\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
3	9314 8699 0430 0110 8987 37	The New Mexico Department of Transportation P.O. Box 1149 Santa Fe NM 87504	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
4	9314 8699 0430 0110 8987 44	Blakemore Family Royalty Partnership 1901 N. Akard Street Dallas TX 75201	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
5	9314 8699 0430 0110 8987 51	Roy Barton & Claudia Barton, joint tenants 1919 NORTH TURNER HOBBS NM 88240	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
6	9314 8699 0430 0110 8987 68	Roy Barton & Opal Barton Revocable Trust Roy G. Barton Jr., Trustee 1919 NORTH TURNER HOBBS NM 88240	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
7	9314 8699 0430 0110 8987 75	Valence Operating Company 600 Rockmead Drive, Suite 200 Kingwood TX 77339	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
8	9314 8699 0430 0110 8987 82	Thomas M. Beall 1414 Country Club Drive Midland TX 79701	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
9	9314 8699 0430 0110 8987 99	Richardson Oil Company, LLC 7557 Rambler Road, Suite 918 Dallas TX 75231	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
10	9314 8699 0430 0110 8988 05	Highland (Texas) Energy Company 7557 Rambler Road, Suite 918 Dallas TX 75231	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
11	9314 8699 0430 0110 8988 12	Southwest Petroleum Company, L.P. P.O. Box 702377 Dallas TX 75370	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
12	9314 8699 0430 0110 8988 29	Ward N. Atkins, Jr. 5519 Tupper Lake Houston TX 77056 Stevens Oil & Gas, LLC	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
13	9314 8699 0430 0110 8988 36	P.O. Box 3087 Roswell NM 88202	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
14	9314 8699 0430 0110 8988 43	David M. Stevens 3101 Diamond A Drive Roswell NM 88201	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
15	9314 8699 0430 0110 8988 50	Lucinda Loveless 230 South Alameda Las Cruces NM 88005	\$1.59	\$4.35	\$2.20	EXHIBIT	81363.0217. Notice

Page 0 2023 Walz CertifiedPro.ne

Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102

Type of Mailing: CERTIFIED MAIL 08/11/2023

PS Form 3877

wuquer que	NM 8/102	8/102 08/11/2023				Firm Mailing Book ID: 250644		
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents	
16	9314 8699 0430 0110 8988 67	Michael F. Murry 9206 Bent Spur Lane Houston TX 77064	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
17	9314 8699 0430 0110 8988 74	Fasken Land and Minerals Ltd. 303 West Wall Avenue, Suite 1800 Midland TX 79701	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
18	9314 8699 0430 0110 8988 81	Oxy USA WTP Limited Partnership 5 Greenway Plaza, Suite 110 Houston TX 77046	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
19	9314 8699 0430 0110 8988 98	Bruce A. Stubbs 804 Pearson Dr. Roswell NM 88201	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
20	9314 8699 0430 0110 8989 04	Wells Fargo Bank, N.A., Trustee of the Lisa McFarland Trust P.O BOX 1959 MIDLAND TX 79702	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
21	9314 8699 0430 0110 8989 11	PrimeEnergy Asset and Income Fund AA-4 Attn: Ron Summers 9821 Katy Freeway Suite 1050 Houston TX 77024	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
22	9314 8699 0430 0110 8989 28	PrimeEnergy Asset and Income Fund AA-3 Attn: Ron Summers 9821 Katy Freeway Suite 1050 Houston TX 77024	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
23	9314 8699 0430 0110 8989 35	Fort Worth Mineral Company, LLC 425 Houston Street, Suite 400 Fort Worth TX 76102	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
24	9314 8699 0430 0110 8989 42	Wells Fargo Bank, N.A., Trustee of Patricia Del Valle Trust P.O BOX 1959 Midland TX 79702 ESTATE OF WANETTE HIJERQUE	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
25	9314 8699 0430 0110 8989 59	ESTATE OF JEANETTE HUGHEN 2200 WEST PIERCE STREET CARLSBAD NM 88220	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
26	9314 8699 0430 0110 8989 66	NORMA J. CHANLEY P.O. BOX 728 HOBBS NM 88241 AUG 1 1 2023	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
27	9314 8699 0430 0110 8989 73	Dick A. Blenden 208 West Stevens Street	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
28	9314 8699 0430 0110 8989 80	JEFFERY B. DIAMOND P.O. BOX 1866 CARLSBAD NM 88220	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	
29	9314 8699 0430 0110 8989 97	Jeffrey B. Diamond and Envy Diamond 323 West Mermod Carlsbad NM 88220	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice	

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
30	9314 8699 0430 0110 8990 00	Marifred Handley 5 Las Casitas Las Cruces NM 88007	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
31	9314 8699 0430 0110 8990 17	Harle, Inc. P.O. Box 821415 Houston TX 77282	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
30 31 32	9314 8699 0430 0110 8990 24	Jana Zane Hayes 4560 Belt Line Road, Suite 428 Addison TX 75001	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
33	9314 8699 0430 0110 8990 31	Gregory Raymond Hayes 4560 Belt Line Road, Suite 428 Addison TX 75001	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
34	9314 8699 0430 0110 8990 48	Sandy Blenden 15 Paloma Ave., Apt. 21 Venice CA 90291	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
35	9314 8699 0430 0110 8990 55	Phil Blenden 902 Fountain Drive Carlsbad NM 88220	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
36	9314 8699 0430 0110 8990 62	Robin Shelton 3326 Maxwell Drive Midland TX 79707	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
37	9314 8699 0430 0110 8990 79	Robert Levenson and Carol Levenson 4015 88th Place Lubbock TX 79423	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
38	9314 8699 0430 0110 8990 86	Kathleen Phillips 3706 Oakmont Drive Midland TX 79707	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
39	9314 8699 0430 0110 8990 93	Tommy Phipps and Werta Jean Phipps Trustees of the Phipps Living Trust 3013 Sycamore Court Moore OK 73160	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
40	9314 8699 0430 0110 8991 09	Western Commerce Bank Account of Forrest Miller P.O. Drawer 1358 Carlsbad NM 88221	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
41	9314 8699 0430 0110 8991 16	Forrest Miller P.O. Drawer 1358 Carlsbad NM 88221	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
42	9314 8699 0430 0110 8991 23	Read & Stevens, Inc. P.O. Box 1518 Roswell NM 88202	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
43	9314 8699 0430 0110 8991 30		\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
44	9314 8699 0430 0110 8991 47	Hillman Royalties, LP 1415 S. Voss, Suite 110-105 Houston TX 77057	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice

Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102		PS For Type of Mailing: 0 08/11	No. 23755 66 Firm Mailing Book ID: 250644				
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
45	9314 8699 0430 0110 8991 54	Stryker Energy, LLC P.O. Box 53448 Houston TX 77052	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
46	9314 8699 0430 0110 8991 61	Zunis Energy, LLC 15 East 5th Street, Suite 3300 Tulsa OK 74103	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
47	9314 8699 0430 0110 8991 78	Susannah Adelson, Trustee of James Adelson & Family 2015 Trusts 15 East 5th Street, Suite 3300 Tulsa OK 74103	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
48	9314 8699 0430 0110 8991 85	Yuma Exploration & Production Company, Inc. 1177 West Loop, Suite 1825 Houston TX 77027	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
49	9314 8699 0430 0110 8991 92	Viper Energy Partners LLC 500 West Texas, Suite 1200 Midland TX 79701	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
50	9314 8699 0430 0110 8992 08	Bureau of Land Management 301 Dinosaur Trail SANTA FE NM Santa Fe NM 87508	\$1.59	\$4.35	\$2.20	\$0.00	81363.0217. Notice
		Tota	als: \$79.50	\$217.50	\$110.00	\$0.00	
				Grand	Total:	\$407.00	

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Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A.
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Albuquerque NM 87102 **PS Form 3877**

Type of Mailing: CERTIFIED MAIL 10/06/2023

Albuquerque	reet, Suite 1000 NM 87102	Ту	pe of Mailing: CER 10/06/202		L.		Firm Mailing Book ID: 253653		
Line	USPS Article Number	Name, Street, City, State, Zip		Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents	
1	9314 8699 0430 0112 8783 24	MCM Permian, LLC P.O. Box 1540 Midland TX 79702		\$1.59	\$4.35	\$2.20	\$0.00	81363.0217	
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					Grand	Total:	\$8.14		
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			Transa	oction Report Details - CertifiedPro.net						
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EXHIBIT C



October 12, 2023

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Recipient Name: MCM Permian LLC

Shipment Details

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Recipient Signature

Signature of Recipient:

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Information in this section provided by Covius Document Services, LLC.

Reference Number: 81363.0217

CASE NO. 23755: Notice to all affected parties, as well as heirs and devisees of Novo Minerals, LP; Don L. Parker; The

heirs and devisees of Novo Minerals, LP; Don L. Parker; The New Mexico Department of Transportation; Blakemore Family Royalty Partnership; Roy G. Barton, Jr. and wife Claudia Barton as joint tenants; Roy G. Barton, Jr., and Opal Barton Revocable Trust, Roy G. Barton Jr., Trustee; Valence Operating Company; Thomas M. Beall; Richardson Oil Company, LLC; Highland (Texas Energy Company; Southwest Petroleum Company, LP; Ward N. Atkins, Jr.; Stevens Oil & Gas, LLC; David M. Stevens; Lucinda Loveless; Michael F. Murry; Fasken Land and Minerals Ltd.; Oxy USA WTP Limited Partnership: Bruce A. Stubbs: Wells Fargo Bank, N.A.

ed Partnership; Bruce A. Stubbs; Wells Fargo Bank, N.A., Trustee of the Lisa McFarland Trust; PrimeEnergy Asset and

Income Fund AA-4 Attn: Ron Summers; PrimeEnergy Asset and Income Fund AA-3 Attn: Ron Summers; Fort Worth Mineral Company, LLC; Wells Fargo Bank, N.A., Trustee of the Patricia Del Valle Trust; Estate of Jeanette Hughen; Norma J. Chanley; Dick A. Blenden; Jeffrey B. Diamond; Jeffrey

ma J. Chanley; Dick A. Blenden; Jeffrey B. Diamond; Jeffrey B. Diamond and Envy Diamond; Marifred Handley; Harle, Inc.; Jana Zane Hayes; Gregory Raymond Hayes; Sandy Blenden; Phil Blenden; Robin Shelton; Robert Levenson and Carol Levenson; Kathleen Phillips; Tommy Phipps and Werta Jean Phipps, Trustees of the Phipps Living Trust; Western Commerce Bank for the Account of Forrest Miller; Forrest Miller; Read & Stevens, Inc.; CBR Oil Properties LLC; Hillman Royalties, LP; Stryker Energy, LLC; Zunis Energy, LLC; Susannah D. Adelson, Trustee of the James Adelson & Family 2015 Trusts; Yuma Exploration & Production Company, Inc.; Viper Energy Partners LLC; MCM Permian, LLC; Bureau of Land Management of Application of Marathon Oil Permian

Land Management of Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public

hearing at 8:15 a.m. on September 7, 2023 to consider this

hearing at 8:15 a.m. on September 7, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at https://www.emrnd.nm.gov/ocd/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 1280-acre, more or less, Wolfcamp horizontal spacing unit underlying the 5/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Decimus Fed Com 801H, Decimus Fed Com 701H, Decimus Fed Com 802H, Decimus Fed Com 702H, Decimus Fed Com 803H, Decimus Fed Com 703H, Decimus Fed Com 804H and Decimus Fed Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed intervals for the Decimus Fed Com 702H and

The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than

Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.5 miles northwest of Loving, NM. #5800063, Current Argus, August 17, 2023

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005800063 This is not an invoice

MODRALL SPERLING **POBOX 2168**

ALBUQUERQUE, NM 87103

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:

08/17/2023

Legal Clerk

Subscribed and sworn before me this August 17,

2023:

State of WI, County of Brown

Millen

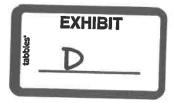
NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005800063 PO #: 23755 # of Affidavits1

This is not an invoice



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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 23755

SELF AFFIRMED DECLARATION OF GREG BURATOWSKI

Greg Buratowski hereby states and declares as follows:

- 1. I am over the age of 18, I am a geologist for Marathon Oil Permian LLC ("Marathon"), and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum geologist were accepted by the Division as a matter of record.
- 2. My area of responsibility at Marathon includes the area of Eddy County in New Mexico.
 - 3. I am familiar with the application filed by Marathon in this case.
- 4. **Exhibit C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.
 - 5. **Exhibit C.2** is a wellbore schematic showing Marathon's development plan.
- 6. **Exhibits C.3** through **C.6** are the geology study I prepared for the Decimus Fed Com 701H, Decimus Fed Com 702H, Decimus Fed Com 703H, and Decimus Fed Com 704H wells, which will target the Wolfcamp XY formation.
- 7. **Exhibit C.3** is a structure map of the top of the Wolfcamp formation. The proposed spacing unit is identified by a black dashed box. The proposed Wolfcamp XY wells are identified

Exhibit C

by red lines. The contour interval used in this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southeast.

- 8. **Exhibit C.4** is a cross-section reference map that identifies three wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.
- 9. **Exhibit C.5** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Wolfcamp XY formation in the area.
- 10. **Exhibit C.6** is a Gross Interval Isochore for the top of the Wolfcamp to the top of the Wolfcamp B. The gross interval thickness increases to the southeast.
- 11. **Exhibits C.7** through **C.10** are the geology study I prepared for the Decimus Fed Com 801H, Decimus Fed Com 802H, Decimus Fed Com 803H, and Decimus Fed Com 804H wells, which will target the Wolfcamp C formation.
- 12. **Exhibit C.7** is a structure map of the Wolfcamp C formation. The proposed spacing unit is identified by a black dashed box. The proposed Wolfcamp C wells are identified by the redlines. The contour interval used in this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southeast.
- 13. **Exhibit C.8** is a cross-section reference map that identifies three wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.
- 14. **Exhibit C.9** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Wolfcamp formation in the area.
- 15. **Exhibit C.10** is a Gross Interval Isochore map from the top of the Wolfcamp C to the top of the Wolfcamp D. The gross interval thickness increases to the south.
 - 16. I conclude from the geology studies referenced above that:
 - a. The horizontal spacing unit is justified from a geologic standpoint.

OCD Examiner Hearing 11-2-23 No. 23755 *Page 73 of 85*

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b. There are no structural impediments or faulting that will interfere with

horizontal development.

c. Each quarter section in the proposed unit will contribute more or less equally

to production.

17. Exhibit C.11 provides an overview of the stress orientation in the area based on

the 2018 Snee-Zoback paper.

18. The preferred well orientation in this area is either west/east or north/south, optimal

for induced fracture propagation. This is because the S_{Hmax} is at approximately 45 degrees NE in

this area of Eddy County. As a result, hydraulic fractures will prefer to propagate at 45 degrees,

regardless of west/east or north/south well orientation.

19. In my opinion, the granting of Marathon's application is in the interests of

conservation and the prevention of waste.

20. The attachments to this declaration were prepared by me, or compiled from

company business records, or were prepared at my direction.

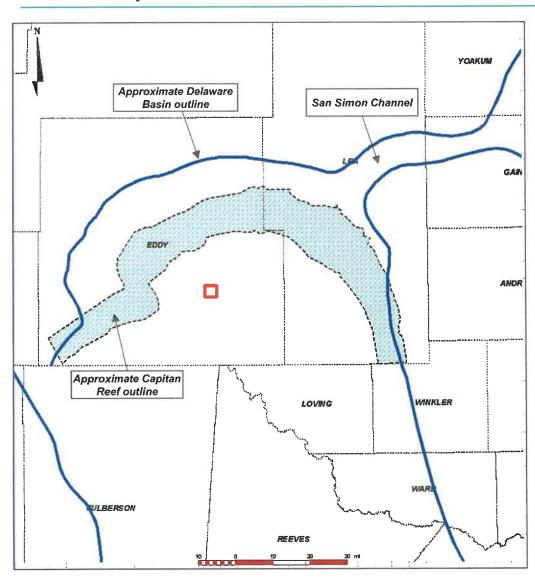
[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: October 3, 2023

Greg Buratowski

Locator Map

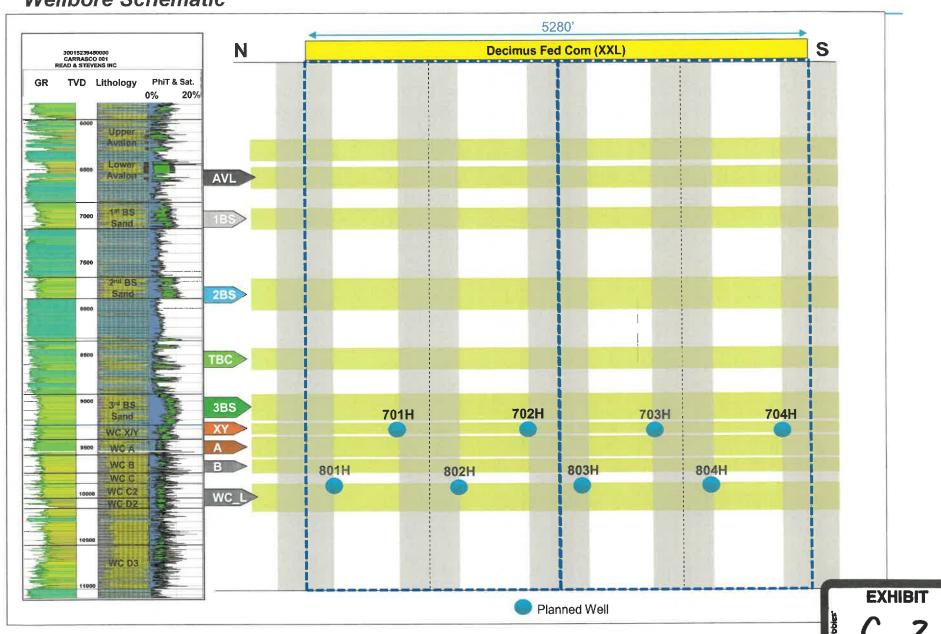


- Approximate location of proposed Decimus Federal Com well locations shown with red box
- Located outside of the Capitan Reef
- Mid-eastern Eddy County

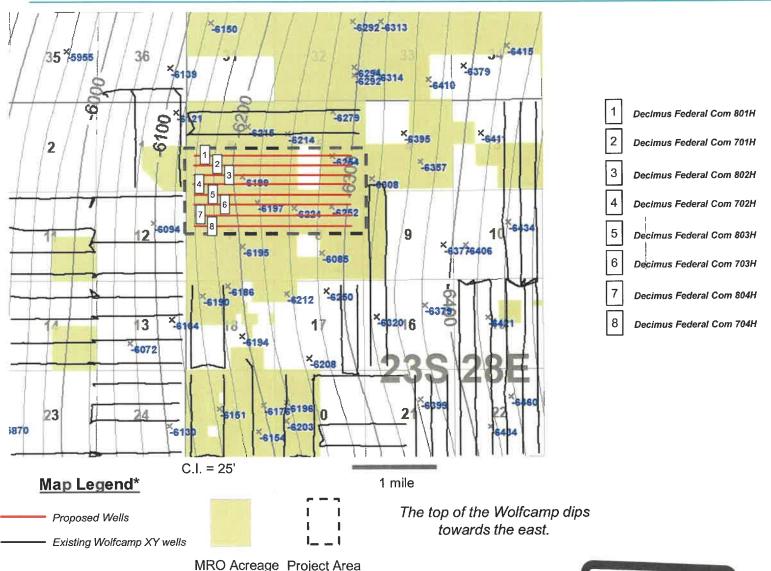


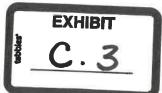


Wellbore Schematic



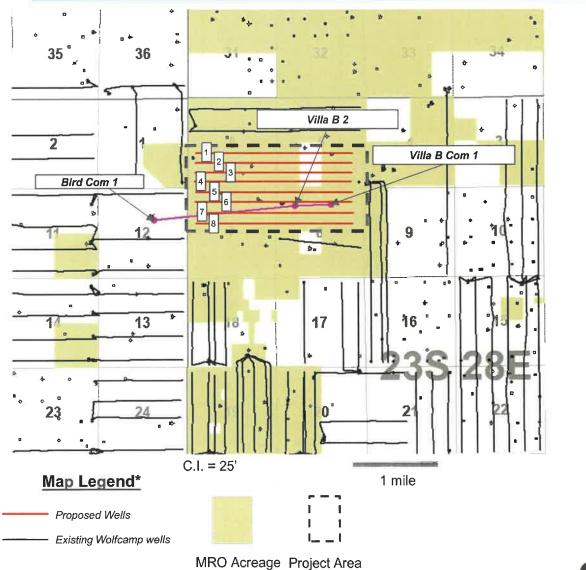
Structure Map – Top of Wolfcamp (TVDSS)







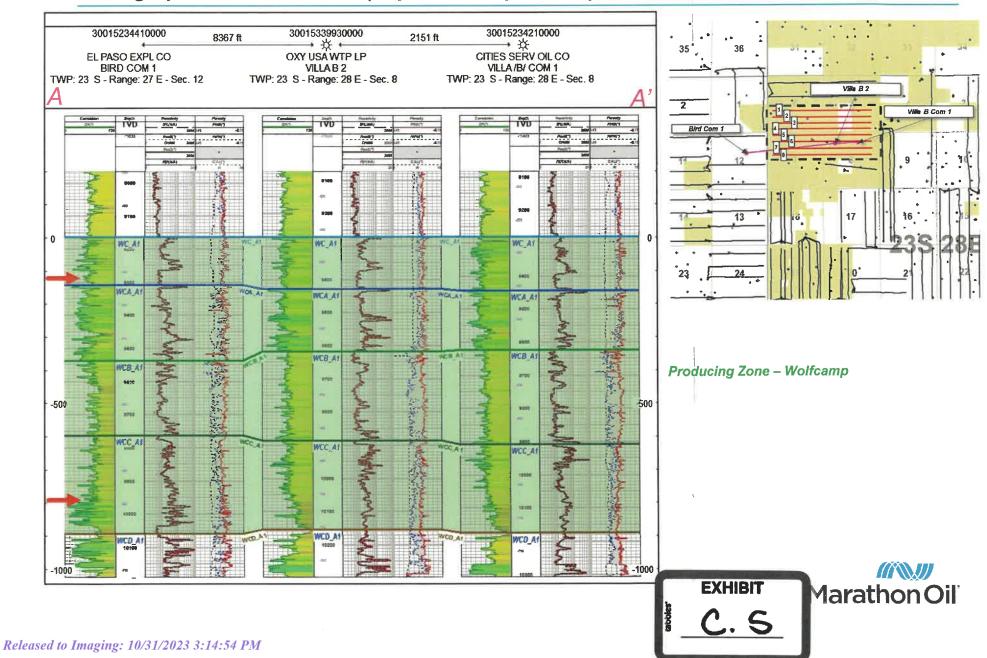
Reference Map for Cross Section



- Decimus Federal Com 801H
- Decimus Federal Com 701H
- Decimus Federal Com 802H
- Decimus Federal Com 702H
- Decimus Federal Com 803H
- Decimus Federal Com 703H
- Decimus Federal Com 804H
- Decimus Federal Com 704H

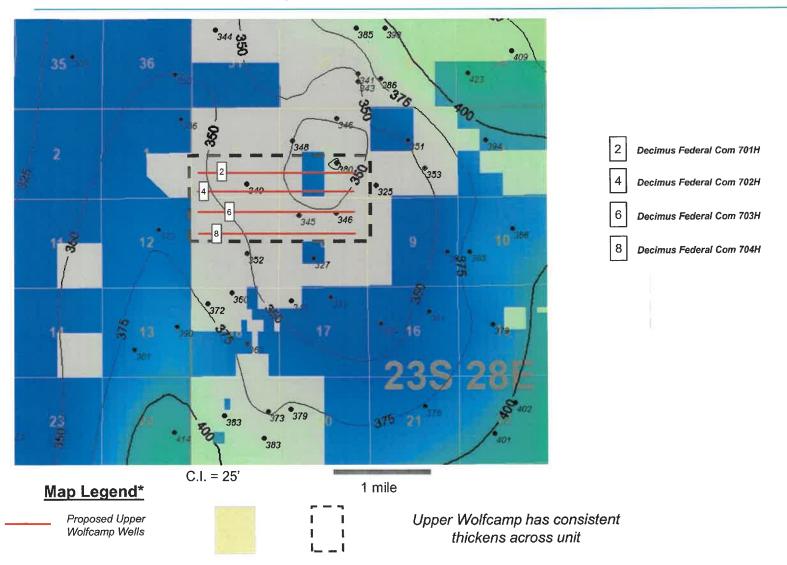


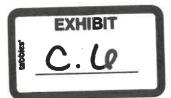
Stratigraphic Cross Section (Top Wolfcamp Datum)



Gross Interval Isochore - Top Wolfcamp to Top Wolfcamp B

MRO Acreage Project Area

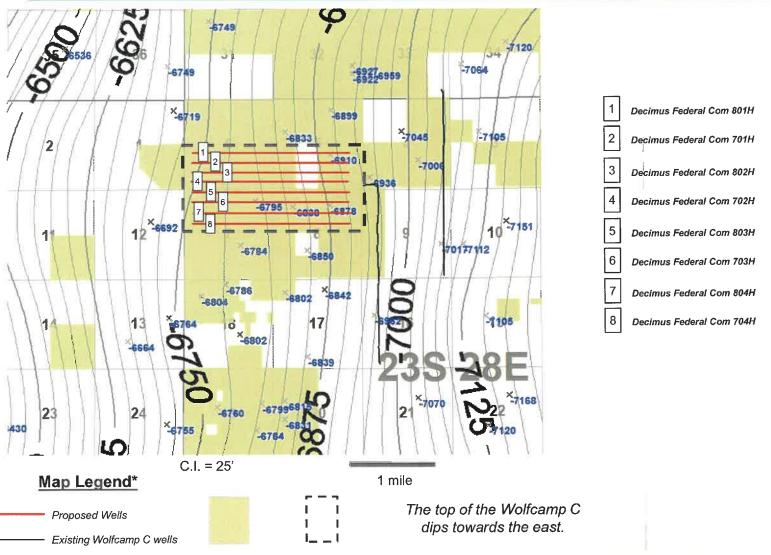


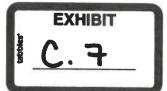




MRO Acreage Project Area

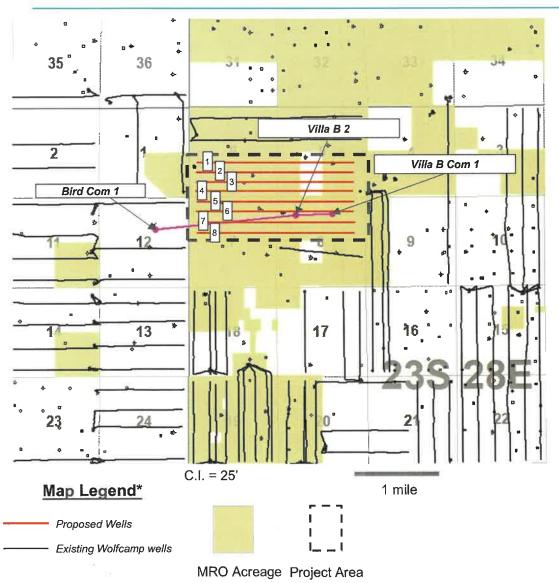
Structure Map - Top of Wolfcamp C (TVDSS)







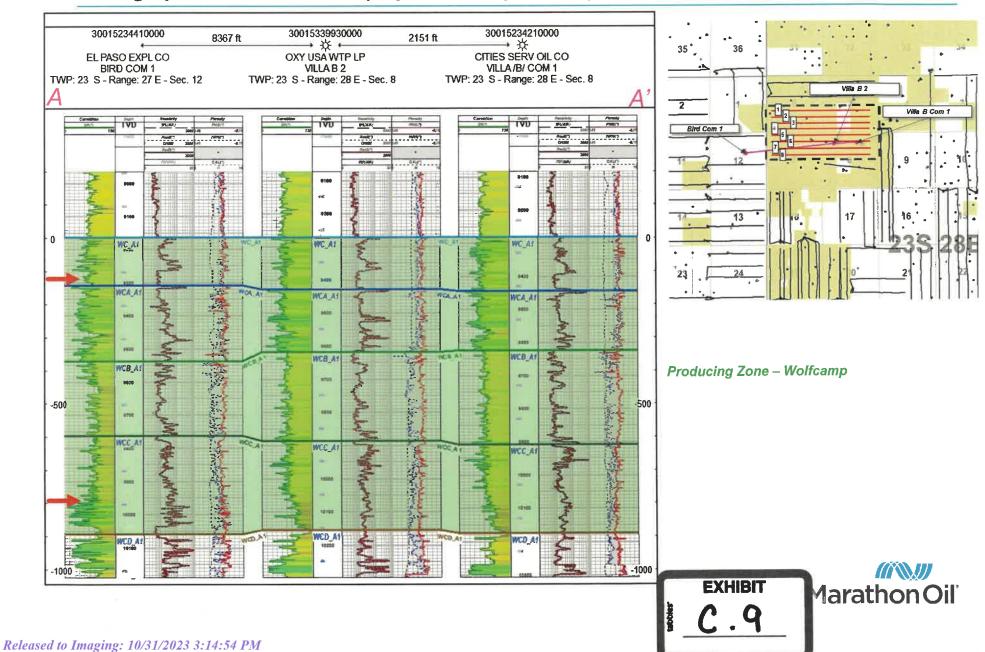
Reference Map for Cross Section



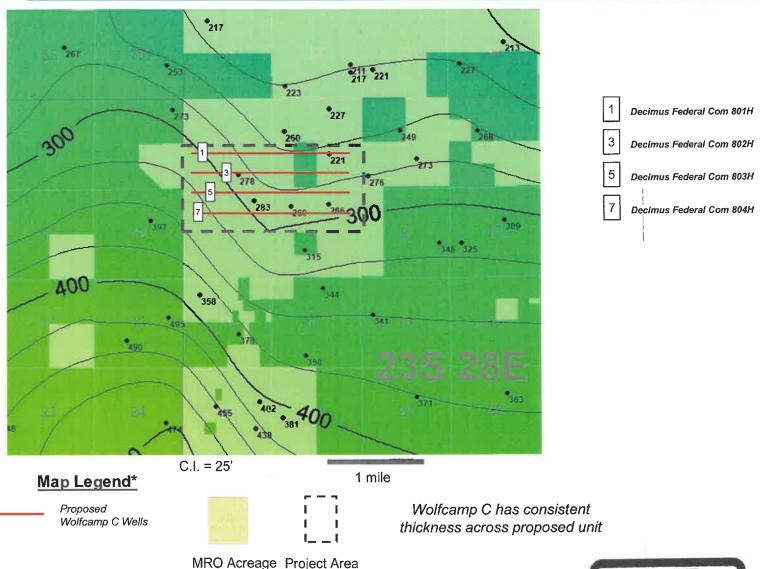
- Decimus Federal Com 801H
- Decimus Federal Com 701H
- Decimus Federal Com 802H
- Decimus Federal Com 702H
- Decimus Federal Com 803H
- 6 Decimus Federal Com 703H
- Decimus Federal Com 804H
- Decimus Federal Com 704H



Stratigraphic Cross Section (Top Wolfcamp Datum)



Gross Interval Isochore – Top Wolfcamp C to Top Wolfcamp D







Preferred Well Orientation - SHmax

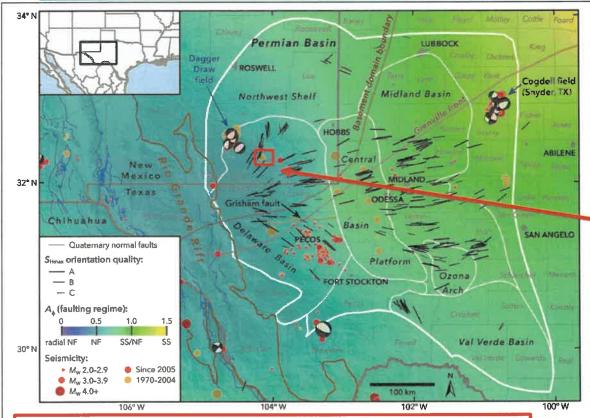


Figure 1. State of stress in the Permian Basin, Texas and New Mexico. Black lines are the measured orientations of the maximum horizontal stress (S_{Ream}), with line rength scaled by data quanty. The colored background is an interpolation or measured relative principal stress magnitudes (raunting regime) expressed using the A_a parameter (see text for details) of Simpson (1997). Blue lines are fault traces known to have experienced normal-sense offset within the past 1.6 Ma, from the USGS Quaternary Faults and Folds Database (Crone and Wheeler, 2000). The boundary between the Shawnee and Mazatzal basement domains is from Lund et al. (2015), and the Precambrian Grenville Front is from Thomas (2006). The Permian Basin boundary is from the U.S. Energy Information Administration, and the subbasin boundaries are from the Exas Bureau of Economic Geology Permian Basin Geological Synthesis Project. Earthquakes are from the USGS National Earthquake Information Center, the TexNet Seismic Monitoring Program, and Gan and Frohlich (2013). Focal mechanisms are from Saint Louis University (Herrmann et al., 2011).

Source:

Snee, J.L. & M.D. Zoback, 2018, State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity: The Leading Edge, 810-819, https://doi.org/10.1190/tle37020810.1.

Preferred well orientation is either N/S or E/W

As outlined in Snee & Zoback (2018), SHmax is at approximately 45° in this part of Eddy Count. As a result, hydraulic fractures will prefer to propagate outwards at 45° regardless if wells are oriented N/S or E/W.



