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

AMENDED APPLICATION OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 23328

PRIDE ENERGY COMPANY

Tonto 16-21 Fed Com. Well No. 202H

February 15, 2024

{01677449-1}

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Tab 1.

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APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case:	23328
Date	February 15, 2024
Applicant	Pride Energy Company
Designated Operator & OGRID (affiliation if applicable)	151323
Applicant's Counsel:	Montomery & Andrews, P.A. (Sharon T. Shaheen and Samantha H. Catalano)
Case Title:	Amended Application of Pride Energy Company for Compulsory Pooling, Lea County New Mexico
Entries of Appearance/Intervenors:	Earthstone, Mewbourne, Yates, Jalapeno, MRC, and XTO
Well Family	Tonto 16-21
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Tonto; Bone Spring [59475]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	South-North
Description: TRS/County	E/2 E/2 of Section 16, and the E/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, Lea 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	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Tract 1: 0%; Tract 2: 100%; Tract 3: 0%

Well Special by OCD: 2/8/2024 4:52:21 PM	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Tonto 16-21 Fed Com #202H, API 30-025-PENDING, SHL: 2412' FSL and 1605' FEL of Section 21, T19S-R33E, BHL: 100' FNL and 660' FEL of Section 16, T19S-R33E, Completion Target: Second Bone Spring at approximately 10,056' Well Orientation: South to North, Completion location expected to be standard
Horizontal Well First and Last Take Points	FTP: 2740' FSL and 660' FEL of Section 21, T19S-R33E, LTP: 100' FNL and 660' FEL of Section 16, T19S-R33E
Completion Target (Formation, TVD and MD)	Second Bone Spring - TVD (10,056'), MD (17,876')
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000; see Exhibit A, ¶ 20
Production Supervision/Month \$	\$800; see Exhibit A, ¶ 20
Justification for Supervision Costs	See AFE at Exhibit A-7
Requested Risk Charge	200%; see Exhibit A, ¶ 21
Notice of Hearing	
Proposed Notice of Hearing	Submitted with online filing of application
Proof of Mailed Notice of Hearing (20 days before hearing)	See Exhibit C; see also Exhibit A-8
Proof of Published Notice of Hearing (10 days before hearing)	See Exhibit C
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	See Exhibits A-2 and A-3
Tract List (including lease numbers and owners)	See Exhibit A-2; Exhibit A-4 at page 2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	See Exhibits A-2 and A-4; see also Exhibit A, ¶ 14
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5

Overhead Rates in Proposal Letter	N/A
Cost Estimate to Drill and Complete	See AFE at Exhibit A-7
Cost Estimate to Equip Well	See AFE at Exhibit A-7
Cost Estimate for Production Facilities	See AFE at Exhibit A-7
Geology	
Summary (including special considerations)	See Exhibit B, ¶¶ 5-13; see Exhibits B-1 through B-7
Spacing Unit Schematic	See Exhibits B-5 and B-6
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-8
Well Orientation (with rationale)	Exhibit B, ¶ 13(d)
Target Formation	Exhibits B-2 and B-7
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-6
Tracts	Exhibits A-2 and A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibits A-1 and B-1
Well Bore Location Map	Exhibits B-5 and B-6; see Exhibit A-6
Structure Contour Map - Subsea Depth	Exhibits B-3 and B-5
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen
Signed Name (Attorney or Party Representative):	Sharon T. Shaheen
Date:	8-Feb-24

Tab 2.

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

AMENDED APPLICATION OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 23328

AMENDED APPLICATION

Pride Energy Company, ("Pride"), OGRID No. 151323, through its undersigned counsel Montgomery & Andrews, P.A. (Sharon T. Shaheen and Samantha H. Catalano), hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17 (1977), seeking an order pooling all uncommitted mineral interests in the Bone Spring formation (Tonto; Bone Spring [59475]) in a standard 240-acre, more or less, horizontal spacing unit ("HSU") comprised of the E/2 E/2 of Section 16, and the E/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, Lea County, New Mexico. In support of its application, Pride states as follows:

1. In Case No. 22880, Pride previously filed an application seeking to pool the uncommitted mineral interest owners in a 160-acre HSU comprised of the E/2 E/2 of Section 16, Township 19 South, Range 33 East, Lea County, New Mexico. Case No. 22880 is currently set for a contested hearing on March 16, 2023, along with Pride's companion application in Case No. 22879 and competing applications filed by Mewbourne Oil Company in Case Nos. 23176-23179. *See generally* Amended Pre-Hearing Order, Nos. 22879-22880, 23176-23179 (Dec. 2, 2022) ("Amended Pre-Hearing Order"). Pride files this amended application now seeking to pool uncommitted interests in the 240-acre HSU proposed herein.

- 2. Pride is a working interest owner in the proposed HSU and has the right to drill thereon.
- 3. Pride proposes to drill the **Tonto 16-21 State Federal Com. Well No. 202H** to a depth sufficient to test the Bone Spring formation and to dedicate the HSU thereto. The well will have a first take point in the NE/4 NE/4 of Section 16 and a last take point in the SE/4 NE/4 of Section 21, all in Township 19 South, Range 33 East.
- 4. Pride has in good faith sought and been unable to obtain the voluntary joinder of all other mineral interest owners in the HSU for the development of these minerals.
- 5. The pooling of all uncommitted mineral interest owners in the proposed HSU will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 6. In order to permit Pride to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Pride should be designated the operator of the HSU.

WHEREFORE, Pride requests that this amended application be set for hearing before an examiner of the Oil Conservation Division on the March 2, 2023 docket. Pride will file a motion to substitute and a motion for continuance to add this amended application to the Pre-Hearing Order for hearing on March 16, 2023. *See generally* Amended Pre-Hearing Order. Pride further requests that, after notice and hearing as required by law, the Division enter an order:

- A. Creating a standard 240-acre, more or less, horizontal spacing and proration unit compromised of the E/2 E/2 of Section 16 and the E/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, in Lea County, New Mexico;
- B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the HSU;

- C. Allowing the drilling of the **Tonto 16-21 State Federal Com. Well No. 202H** in the proposed HSU;
 - D. Designating Pride as operator of the HSU and the well(s) to be drilled thereon;
 - E. Authorizing Pride to recover its costs of drilling, equipping, and completing;
- F. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- G. Setting a 200% charge for the risk assumed by Pride in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen
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Samantha H. Catalano
Post Office Box 2307
Santa Fe, NM 87504-2307
(505) 986-2678
sshaheen@montand.com
scatalano@montand.com

Attorneys for Pride Energy Company

Application of Pride Energy Company for compulsory pooling, Lea County, New Mexico. Pride Energy Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation (Tonto; Bone Spring [59475]) in a horizontal spacing unit underlying the E/2 E/2 of Section 16 and the E/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Tonto 16-21 State Federal Com. Well No. 202H, a horizontal well with a first take point in the NE/4 NE/4 of Section 16, Township 19 South, Range 33 East and a last take point in the SE/4 NE/4 of Section 21, all in Township 19 South, Range 33 East. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as well as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 9 miles northeast of Halfway, New Mexico.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record, by electronic mail on January 11, 2023:

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/s/Sharon T. Shaheen
Sharon T. Shaheen

Tab 3.

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

AMENDED APPLICATION OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 23327

AMENDED APPLICATION OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 23328

AFFIRMATION OF LANDMAN MATTHEW PRIDE

- I, being duly sworn on oath, state the following:
- 1. I am over the age of 18, and have the capacity to execute this Affirmation, which is based on my personal knowledge.
- 2. This affirmation is submitted in connection with the filing by Pride of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
- 3. I am the land manager for Pride Energy Company ("Pride"). I am familiar with the subject applications and the lands involved.
- 4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record. A brief summary of my education and work experience is as follows: I graduated from Oral Roberts University with a bachelor's degree in Accounting. After graduation, I worked as a Landman in excess of 25 years obtaining oil and gas leases, reviewing tittle and legal matters, overseeing regulatory land matters among other various land related duties. I have worked on New Mexico land matters for approximately 25 years.
- 5. The purpose of this application is to force pool working interest owners into the horizontal spacing units ("HSU") described below and in the wells to be drilled in the HSUs.

Exhibit A

- 6. In Case No. 23327, Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation (Tonto; Bone Spring [59475]) in a standard 240-acre, more or less, horizontal spacing unit ("HSU") comprised of the W/2 E/2 of Section 16 and the W/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, Lea County, New Mexico. Applicant proposes to dedicate the HSU to the Tonto 16-21 Fed Com. Well No. 201H, to be horizontally drilled from an approximate surface hole location 2412' FSL and 1625' FEL of Section 21, T19S-R33E, to an approximate bottom hole location 100' FNL and 1980' FEL of Section 16, T19S-R33E. The first take point will be located at approximately 2740' FSL and 1980' FEL of Section 21, T19S-R33E. The last take point will be located at approximately 100' FNL and 1980' FEL of Section 16, T19S-R33E.
- 7. In Case No. 23328, Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation (Tonto; Bone Spring [59475]) in a standard 240-acre, more or less, horizontal spacing unit ("HSU") comprised of the E/2 E/2 of Section 16, and the E/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, Lea County, New Mexico. Applicant proposes to dedicate the HSU to the Tonto 16-21 Fed Com. Well No. 202H, to be horizontally drilled from an approximate surface hole location 2412' FSL and 1605' FEL of Section 21, T19S-R33E, to an approximate bottom hole location 100' FNL and 660' FEL of Section 16, T19S-R33E. The first take point will be located at approximately 2740' FSL and 660' FEL of Section 21, T19S-R33E. The last take point will be located at approximately 100' FNL and 660' FEL of Section 16, T19S-R33E.
- 8. The first and last take points and completed intervals for all proposed wells will meet the setback requirements set forth in the statewide rules for horizontal oil wells.
 - 9. A general location map is attached as **Exhibits A-1**.

- 10. Maps illustrating the tracts in the proposed HSUs and the ownership of each individual tract are attached as **Exhibits A-2**.
 - 11. Maps illustrating the unit ownership are attached as **Exhibits A-3**.
- 12. The ownership breakdowns of interests, the parties to be pooled, and lists of pertinent leases are attached as **Exhibits A-4**. There are no depth severances in the formation being pooled.
- 13. A chronology of contacts with the interest owners to be pooled is attached as **Exhibits A-5**.
- 14. In Case No. 23327, upon information and belief, Mewbourne Oil Company ("Mewbourne") will have transferred its interest in Tract 3 to Yates Energy Company ("Yates") and Jalapeno Corporation ("Jalapeno") by the time of hearing, and Mewbourne will no longer have a working interest in the proposed unit.¹ Consequently, Pride anticipates that Mewbourne will dismiss its competing application in Case No. 23177 and that Mewbourne will be pooled as an overriding royalty owner and not a working interest owner. Mewbourne has no interest in Case No. 23328.
- 15. The locations of the proposed wells within the respective HSUs are depicted in the C-102 forms attached as **Exhibits A-6 and in Exhibits B-6**. The C-102 forms also indicate the locations of each surface hole, bottom hole, and the first and last take points.
- 16. Pride conducted a diligent search of the public records in Lea County, New Mexico, where the wells will be located, and conducted phone directory and computer searches to obtain contact information for parties entitled to notification. Pride mailed all parties well proposals, including an Authorization for Expenditure ("AFE") for each well.

¹ Both Yates and Jalapeno are voluntarily participating under a joint operating agreement.

- 17. **Exhibits A-7** include copies of the well proposal letter and AFEs for the proposed wells. The estimated costs of the wells set forth in the AFEs are fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.
- 18. **Exhibits A-8** include copies of sample notice letters that were sent to all interested parties.
- 19. Pride has made a good faith effort to obtain voluntary joinder of all interest owners in the proposed wells.
- 20. Pride requests the Division to approve operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures.
- 21. Pride requests the maximum cost, plus 200% risk charge, be assessed against non-consenting working interest owners.
 - 22. Pride requests that it be designated operator of the wells.
- 23. The Exhibits hereto were prepared by me, or compiled from Pride's business records.
- 24. The granting of the Applications is in the interests of conservation, the prevention of waste, and the protection of correlative rights.
 - 25. The foregoing is correct and complete to the best of my knowledge and belief.

Released to Imaging: 2/12/2024 10:09:40 AM

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

statement is true and correct.

MATTHEW PRIDE

February 7, 2034

Tab 4.

General Location Map

Tonto 16-21 Fed Com #201H

NMOCD Case No. 23327 (Compulsory Pooling) Sections 16-19S-33E: W2 E2 & 21-19S-33E: W2 NE4 Lea County, New Mexico

Tonto 16-21 Fed Com #202H

NMOCD Case No. 23328 (Compulsory Pooling) Sections 16-19S-33E: E2 E2 & 21-19S-33E: E2 NE4 Lea County, New Mexico

Exhibit A-1 Pride Energy Company NM OCD Case No. 23327 February 15, 2024



Pride Energy Company

PO Box 701950, Tulsa, OK 74170-1950 Phone: (918) 524-9200

> Date: 2/5/24 mp18647.rs

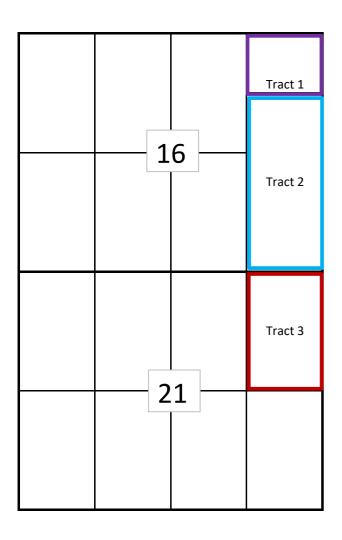
Date: 2/5/24

EXHIBIT A-2

Tract Plat with Leasehold Owners

Tonto 16-21 Fed Com Well No. 202H Compulsory Pooling: NMOCD Case No. 23328

Section 16-T19S-R33E: E2 E2 and Section 21-T19S-R33E: E2 NE Lea County, New Mexico



Tract 1: NE NE of Section 16 - State Lease LG 8997-001

Chanas Partners, LLC *

XTO Holdings, LLC *

XTO Energy, Inc. *

COG Operating, LLC *

Concho Oil & Gas, LLC *

ConocoPhillips Company *

Tract 2: SE NE & E2 SW of Section 16 - State Lease VO-6674-0000

Pride Energy Company

Tract 3: E2 NE of Section 21 - BLM Lease NM 053992

Marathon Oil Permian *
Marathon Oil Co. *

Exhibit A-2
Pride Energy Company
NM OCD Case No. 23327
February 15, 2024

PRIDE ENERGY COMPANY

^{*} Indicates parties being pooled.

Date: 2/5/24

EXHIBIT A-3

Tract Plat with with Proration Unit Working Interest Percentages

Tonto 16-21 Fed Com Well No. 202H Compulsory Pooling: NMOCD Case No. 23328

Section 16-T19S-R33E: E2 E2 and Section 21-T19S-R33E: E2 NE Lea County, New Mexico

16

Leasehold Owner:	Acres	WI %
Chanas Partners, LLC	1.0	0.42%
XTO Holdings, LLC For title curati	ive 0	0%
XTO Energy, Inc.		
COG Operating, LLC	39.0	16.25%
Concho Oil & Gas, LLC		
ConocoPhillips Company		
Pride Energy Company	120.0	50.00%
Marathon Oil Permian	80.0	33.33%
Marathon Oil Co.		
	Total 240.0	100.00%

Exhibit A-3
Pride Energy Company
NM OCD Case No. 23327
February 15, 2024

PRIDE ENERGY COMPANY

Office (918) 524-9200 • Fax (918) 524-9292 • www.pride-energy.com Mailing Address: P.O. Box 701950, Tulsa OK 74170-1950

EXHIBIT A-4

Date: 2/6/24

Ownership Breakdown and List of Oil and Gas Leases

Tonto 16-21 Fed Com Well No. 202H
Compulsory Pooling: NMOCD Case No. 23328
Section 16-T19S-R33E: E2 E2 and Section 21-T19S-R33E: E2 NE
Containing 240 Acres, more or less
Lea County, New Mexico

UNIT INTEREST OF THE PARTIES:

Leasehold Owners:	Acres	WI %
Chanas Partners, LLC	1.00	0.42%
XTO Holdings, LLC For title curative	0.00	0%
XTO Energy, Inc. purposes		
COG Operating, LLC	39.00	16.25%
Concho Oil & Gas, LLC		
ConocoPhillips Company		
Pride Energy Company	120.00	50.00%
Marathon Oil Permian	80.00	33.33%
Marathon Oil Co.		
То	tal 240.0	100.00%

TRACT INTEREST OF THE PARTIES:

Tract 1 - E2 NE of Section 16-T19S-R33E, 40.0 Acres, more or less

Leasehold Owners:		Acres	WI %
Chanas Partners, LLC		1.00	2.50%
XTO Holdings, LLC For title curative	ve	0.00	0.00%
XTO Energy, Inc.			
COG Operating, LLC		39.00	97.50%
Concho Oil & Gas, LLC			
ConocoPhillips Company			
	Total	40.00	100.00%

Exhibit A-4

Pride Energy Company NM OCD Case No. 23327

February 15, 2024

PRIDE ENERGY COMPANY

Office (918) 524-9200 • Fax (918) 524-9292 • www.pride-energy.com Mailing Address: P.O. Box 701950, Tulsa OK 74170-1950

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EXHIBIT A-4

Date: 2/6/24

Ownership Breakdown and List of Oil and Gas Leases

Tract 2 - SE NE; E2 SE of Section 16-T19S-R33E, 120.0 Acres, more or less

Leasehold Owner:		Acres	WI %
Pride Energy Company		120.0	100.00%
	Total	120.0	100.00%

Tract 3 - E2 NE of Section 21-T19S-R33E, 80.0 Acres, more or less

Leasehold Owner:			Acres	WI %
Marathon Oil Permian	}		80.0	100.00%
Marathon Oil Co.				
		Total	80.0	100.00%

OIL AND GAS LEASES SUBJECT TO THIS AGREEMENT:

Tract 1:

Lessor: State of New Mexico, Commissioner of Public Lands

Lessee: Exxon Corporation Serial No.: LG-8997-0001 Date: November 11, 1980

Description: NE NE of Section 16-T19S-R33E, 40.00 acres, more or less

Tract 2:

Lessor: State of New Mexico, Commissioner of Public Lands

Lessee: Pride Energy Company Serial No.: VO-6674-0000 Date: August 19, 2002

Description: SE NE; E2 SE of Section 16-T19S-R33E, 120.00 acres, more or less

Tract 3:

Lessor: United States of America

Lessee: R. M. Moran Serial No.: NMNM 053992 Date: December 1, 1982

Description: E2 NE of Section 21-T19S-R33E, 80.00 acres, more or less

PRIDE ENERGY COMPANY

Office (918) 524-9200 • Fax (918) 524-9292 • www.pride-energy.com Mailing Address: P.O. Box 701950, Tulsa OK 74170-1950

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Date: 2/6/24

EXHIBIT A-5Chronology of Contacts with All Parties being Pooled

Section 16-19S-34E: E/2 E/2 and Section 21-19S-33E: E/2 NE/4 Lea County, New Mexico Tonto 16-21 Fed Com #202

Compulsory Pooling: Case No. 23328

Exhibit A-5
Pride Energy Company
NM OCD Case No. 23327
February 15, 2024

			Date Well Proposal	
	Party Being Pooled	Contact Name	Letter was mailed	Date of Follow-up E-mails or Phone Calls
1.	COG Operating, LLC Concho Oil & Gas, LLC ConocoPhillips Company	Baylor Mitchell	4/29/22	4/29/22 – E-mail 5/19/22 – E-mail 6/23/22 – E-mail 6/27/23 – E-mail 6/28/23 – E-mail
2.	Chanas Partners, LLC	Brian Weinberg	4/29/22	5/10/22 – Email 6/27/22 – E-mail 10/25/22 – E-mail 2/7/23 – E-mail 3/9/23 – E-mail 1/11/24 – E-mail
3.	XTO Holdings, LLC	Bryan Cifuentes	6/30/22	Note: For Title Curative Purposes
	XTO Energy, Inc.		&	6/30/22
			12/9/22	

Page 1 of 2 mp18646.sk

PRIDE ENERGY COMPANY

Office (918) 524-9200 • Fax (918) 524-9292 • www.pride-energy.com

Mailing Address: P.O. Box 701950, Tulsa OK 74170-1950

Date: 2/6/24

EXHIBIT A-5Chronology of Contacts with All Parties being Pooled

Section 16-19S-34E: E/2 E/2 and Section 21-19S-33E: E/2 NE/4

Lea County, New Mexico

Tonto 16-21 Fed Com #202

Compulsory Pooling: Case No. 23328

Exhibit A-5
Pride Energy Company
NM OCD Case No. 23327
February 15, 2024

			Date Well Proposal			
	Party Being Pooled	Contact Name	Letter was mailed	Date of Follow-up E-mails or Phone Calls		
4.	Marathon Oil Permian	Samuel Cox	4/29/22	10/25/22 – E-mail	3/21/23 – E-mail	9/15/23 – E-mail
	Marathon Oil Co.	Farley Duvall		10/26/22 – E-mail	3/28/23 – Email	9/20/23 – E-mail
				11/7/22 – E-mail	3/30/23 – E-mail	9/21/23 – E-mail
				11/14/22 – E-mail	4/10/23 – E-mail	9/27/23 – E-mail
				11/16/22 – E-mail	4/11/23 – E-mail	11/29/23 – E-mail
				11/21/22 – E-mail	4/14/23 – E-mail	12/6/23 – E-mail
				11/28/22 – E-mail	4/17/23 – E-mail	12/11/23 – E-mail
				12/1/22 – E-mail	4/18/23 – E-mail	12/21/23 – E-mail
				12/9/22 – E-mail	4/20/23 – E-mail	1/2/24 – Email
				12/19/22 – E-mail	5/3/23 – E-mail	1/15/24 – E-mail
				3/10/23 – E-mail	5/12/23 – E-mail	1/16/24 – E-mail
				3/13/23 – E-mail	9/12/23 – E-mail	
				3/20/23 – E-mail		

Page 2 of 2 mp18646.sk

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

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

20 S. St. Francis Dr., Santa Fe, NM 87505 none: (505) 476-3460 Fax: (505) 476-3462

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

Revised August 1, 2011 Submit one copy to appropriate District Office

□AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

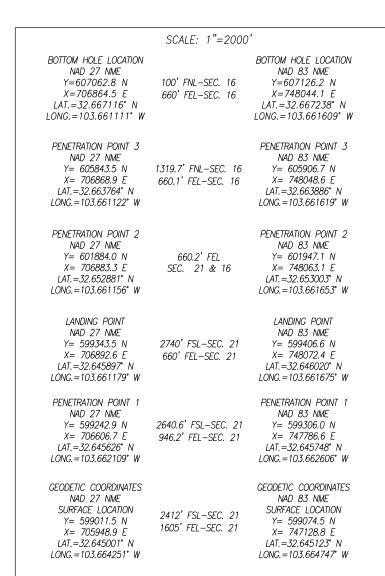
API Number	Pool Code Pool Name		
	59475	TONTO; BONE SPF	RING
Property Code	Prop	Property Name	
	TONTO 16	TONTO 16-21 FED COM	
OGRID No.	Oper	Operator Name	
151323	PRIDE ENER	PRIDE ENERGY COMPANY	

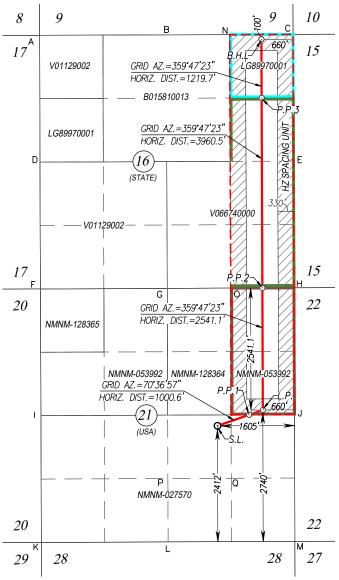
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	21	19-S	33-E		2412	SOUTH	1605	EAST	LEA
				T ** 1	* *05:00				
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

A	16	19-5	S	33-E		100	NORTH	660	EAST	LEA
Dedicated Acres	Joint or	Infill	С	onsolidation C	ode O	rder No.				
240										

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION





OPERATOR CERTIFICATION

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

Signature Date

Printed Name

E-mail Address

CORNER COORDINATES TABLE CORNER COORDINATES TABLE NAD 27 NME 607146.3 N, X= NAD 83 NME 607209.5 N, X= 743425.2 E 702245.6 E B - Y= 607218.6 N, X= 746061.0 E C - Y= 607228.6 N, X= 748703.6 E B - Y= 607155.3 N, X= 704881.3 E C - Y= 607165.3 N, X= 707523.9 E - Y= 604505.6 N, X= 702250.7 E - Y= 604526.6 N, X= 707534.0 E D - Y = 6045687 N X = 7434304 FE - Y = 604589.9 N, X = 743430.7 E F - Y = 601927.5 N, X = 743441.0 E G - Y = 601938.2 N, X = 746082.9 E F - Y= 601864.4 N, X= G - Y= 601875.0 N, X= 702261.2 F 704903.1 E H - Y= 601950.1 N, X= 748723.2 E I - Y= 599287.3 N, X= 743450.9 E H - Y= 601886.9 N, X= 707543.3 E I - Y= 599224.3 N, X= 702271.0 E J - Y= 599247.0 N, X= 707552.8 E K - Y= 596584.0 N, X= 702281.0 E J - Y= 599310.1 N, X= 748732.7 E 596647.0 N, X= - Y= 596595.6 N, X= 704920.7 E - Y= 596607.0 N, X= 707562.2 E - Y= 596658.6 N, X= 746100.6 E 596670.0 N, 748742.2 N - Y= 607160.6 N, X= O - Y= 601881.0 N, X= 706202.3 E 706223.2 E N - Y= 607223.6 N, X= 747382.3 E O - Y= 601944.2 N, X= 747403.0 E Y= 597915.6 N, X= 704916.3 E Y= 597921.3 N, X= 706236.9 E

SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from tell nors of dayial surveys made by me or under my super islon, and that the same is true and correct to harbest of the belief. FEER OARY 06 2024 Date of Survey 12641 nal Surveyor: Signature & Seal f Professi Think Do POFESSIONAL Ewaon 02/08/2024 Gary G. Eidson Certificate Number

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address:

4641 E. 91st Street Tulsa, OK 74137

Mailing Address:

P.O. Box 701950 Tulsa OK, 74170-1950

Email Address:

mattp@pride-energy.com

December 9, 2022

Sent Via Certified Mail, Return Receipt # 91 7199 9991 7039 9243 4470

Marathon Oil Permian, LLC Marathon Oil Company 5555 San Felipe St. Houston, TX 77056

Exhibit A-7

Pride Energy Company NM OCD Case No. 23327

February 15, 2024

ATTN:Land Department

RE:

Tonto 16-21 State Federal Com #202H

Section 16, Township 19 South, Range 33 East: E/2 E/2 and Section 21-19S-33E: E/2 NE/4 No closer than 4,290' from the West line and 330' from the East line of Section 16 and 21-19S-33E, No closer than 100' from the South line of SE/4 NE/4 of Section 21-19S-33E and No closer than 100' from the North line of Section 16. Lea County, New Mexico

To Whom It May Concern

In reference to the above, this well proposal and AFE amends the well proposal and AFE for the Tonto 16-21 State Com #202H Well that was originally located in the E/2 E/2 of Section 16, Township 19 South, Range 33 East. Pride Energy Company ("Pride") hereby proposes to drill the Tonto 16-21 State Federal Com #202H well, a horizontal well to be located in the E/2 E/2 of Section 16, Township 19 South, Range 33 East and E/2 NE/4 of Section 21-19S-33E, Lea County, New Mexico, to a depth sufficient to test the 2nd Bone Spring formation. This well will be drilled from a surface location in the NE/4 NE/4 of Section 16, Township 19 South, Range 33 East to a bottom-hole location in the SE/4 NE/4 of Section 21-19S-33E, with an estimated True Vertical Depth (TVD) of 10,056', and projected 7,820' horizontal lateral across the E/2 E/2 of Section 16-19S-33E and the E/2 NE/4 of Section 21-19S-33E, approximately 17,876' Total Measured Depth (TMD).

Our records indicate you own, or may claim to own, an oil and gas leasehold interest in the E/2 E/2 of Section 16-19S-33E and/or E/2 NE/4 of Section 21-19S-33E. Pride respectfully requests that you elect one of the following options:

1. Participate in drilling the proposed Tonto 16-21 State Federal Com #202H well to the full extent of your interest. Our AFE is enclosed with an estimated dry hole cost of \$2,525,665, and total completed well cost of \$8,413,663. Your proportionate share of well costs will be based upon your actual ownership interest in the spacing unit (being a 240-acre spacing unit).

2. Assign all of your oil and gas leasehold rights in the E/2 E/2 of Section 16, Township 19 South, Range 33 East and/or E/2 NE/4 of Section 21, Township 19 South, Range 33 East, Lea County, New Mexico to Pride for \$1,000.00 (one thousand dollars) per net acre

and delivering to Pride an 81.25% (eighty-one and one-fourth percent) Net Revenue Interest.

3. No cash bonus with a 1/4th royalty (delivering to Pride a 75.00% (seventy-five percent) net revenue interest).

Please indicate your election in the space provided below and return (1) copy of this letter to my attention. This offer is subject to our verification of your title and that you own an oil and gas leasehold interest within the subject tract of land (outside of any existing wellbores), and have the right to participate in the proposed well.

Thank you, and if there are any questions, please feel free to contact me at (918) 524-9200.

Sincerely,

Pride Energy Company

Matthew L. Pride

Mason L. Pride

AGREED TO AND ACCEPTED THIS _____ DAY OF ______, 2022.

1._____ The undersigned hereby elects Option No. 1, which is to participate in the drilling and completion of the subject well.

2. _____ The undersigned hereby elects Option No. 2, which is to assign all of the oil and gas leasehold rights in the E/2 E/2 of Section 16, Township 19 South, Range 33 East and E/2 NE/4 of Section 21, Township 19 South, Range 33 East, Lea County, New Mexico to Pride for \$1,000.00 (one thousand dollars) per net acre and delivering to Pride an 81.25% (eighty-one and one-fourth percent) Net Revenue Interest.

3._____ The undersigned hereby elects Option No. 3, which is to not participate in the drilling and completion of the subject well, and in lieu thereof, to accept a no cash bonus and delivering Pride a 75.0% (seventy-five percent) Net Revenue Interest on the leasehold

Marathon Oil Permian, LLC Marathon Oil Company

y:
itle:
-mail Address:
hone #:
ax #:
ate:

AUTHORITY FOR EXPENDITURE **WELL COST ESTIMATE**



			AFE#	<i>′</i>	Date
			379		12/5/2022
WELL NAME & NUMBER	PROPOSED DEPTH (ft)	F	PROJECT		PROSPECT
Tonto 16-21 State Federal Com #202-H	17,876				Tonto-Bone Spring
OPERATOR	COUNTY OR PARISH	STATE	LEGAL LO	ATION (SEC / TOW	NSHIP / RANGE)
Pride Energy Company	Lea	NM	NM 19S-33E: Sec. 16 E2 E2 & Sec. 21 E2 NE		
OBJECTIVE:					
Drill and Complete horizontal well to the 2nd Bone Sprin	g Sand, TVD 10,056', TMD 17,8	376' estim	ated.		
REMARKS		.,,.		·····	
Surface Hole Location to be in the NE NE of Sec. 16-19S-3	3E		•		
Bottom Hole Location to be in the SE NE of Sec. 21-195-3	3E	*			
	······································				

	·		
INTANGIBLES	DRILLING	COMPLETION	
D.III 01. 00.0 C. 400.000/1	\$	\$	TOTAL
Drilling Rig - 20 Days @ \$20,000/day	600,000.00	0.00	600,000.00
Drilling Mobilization - (200,000/2 wells)	100,000.00	0.00	100,000.00
Rig Fuel - 30 days at 1,500 gallons per day @ \$5.00/gallon	225,000.00	0,00	225,000.00
Drill Bits	90,000.00	0.00	90,000.00
Clean, Drift, Tally Casing	10,000.00	0.00	10,000.00
On-Site Consultants - 30 Days @ \$3,200/day - {2,900/day for on-site consultants and \$300/day for Supervisor}			
Cellar, Conductor, and Mousehole	96,000.00	0.00	96,000.00
Directional Drilling	18,000.00	0.00	18,000.00
Solids Control - 30 Days @ \$1,800/day	210,000.00	0.00	210,000.00
	54,000.00	0.00	54,000.00
Water @ \$0.75 per barrel	16,875.00	247,500.00	264,375.00
Water Transfer	5,000.00	26,250.00	31,250.00
Casing Crew	8,000.00	14,250.00	22,250.00
Cement	39,000.00	51,000.00	90,000.00
Cellar Pumps to Drill Surface Hole	7,500.00	0.00	7,500.00
Centralizers and Float Equipment	3,665.00	20,148.00	23,813.00
Frac Plugs - 30 @ 550	0.00	16,500.00	16,500.00
Casing Thread Representative	0.00	5,000.00	5,000.00
Location	100,000.00	0.00	100,000.00
Solids Haul Off and Disposal	24,000.00	0.00	24,000.00
Liquids Haul Off and Disposal	128,070.00	0.00	128,070.00
Drilling Instrumentation	11,250.00	0.00	11,250.00
Drill Pipe Inspection	15,000,00	0.00	15,000.00
Miscellaneous Equipment Rental (Portable Toilets, Forklift, etc.)	5,000.00	5,000.00	. 10,000.00
Frac Tanks	5,000.00	5,000.00	10,000.00
Mudlogging & Geosteering - 14 days @ \$1,600 + Rig Up and Rig Down	23,400.00	0.00	23,400.00
H2S Monitoring - \$100/day at 30 days	3,000.00	0.00	3,000.00
Hydraulic Choke with Panel - \$150/day at 30 days	4,500.00	0.00	4,500.00
Drilling Mud	90,000.00	0.00	90,000.00
BOP Services	11,000.00	0.00	11,000.00
Rotating Head	2,500.00	0.00	2,500.00
Shaker Screens	7,500,00	0.00	7,500.00
Toe Sieeve	0.00	5,000.00	5,000.00
Housing, Water System, Intercoms, etc.	19,500.00	12,000.00	31,500.00
Welding	4,250,00	0.00	4,250.00
Frac	0.00	2,100,000.00	2,100,000.00
Fuel for Frac and Frac Fueling System	0,00	475,000.00	475,000.00
Consultants for Frac and Drill Out - \$3,000/day for 12 days	0.00	36,000.00	36,000.00
Wireline Perforating	0.00		
Toe Prep Work	0.00	120,000.00 50,000.00	120,000.00 50,000.00
Workover Rig, etc. for Drill Out	0.00	180,000.00	
Flowback Equipment	0.00	25,000.00	180,000.00
Consultants for Flowback	0.00	28,500.00	25,000.00 28,500.00
Frac Stack	0.00	28,500.00 65,000.00	
Crane ·	0.00	30,000.00	65,000.00 30,000.00
Flowback Water From Frac	0.00	30,000.00	
Trucking	15,000.00		
	. 		
Contingency at 10%	· }		
TOTAL INTAGIBLES	\$ 2,147,211.00	\$ 4,248,362.80	\$ 6,395,573.80
TANGIBLES	DRILLING	COMPLETION	

TANGIBLES						DRILLING	COMPLETION		
CASING	FOOTAGE	SIZE	WIEGHT	GRADE	THREAD	CROST/FT	\$	\$	TOTAL
Surface Casing	1,500	13.375	54.5	J-55	BTC	84.40	126,607.00	0.00	126,607.00
Intermediate Casing	3,300	9.625	40	J-55	LTC	60:74	200,442.00	0.00	200,442.00
Production Casing	17,876	5.5	20	HCP-110	GBCD	43.89	0.00	784,577.64	7.84,577.64
Tubing	10,200	2,875	6.5	L-80	8rd	15	0.00	153,000.00	153,000.00
Wellhead							17,000.00	20,000.00	37,000.00
Gas Pipeline Installation							0.00	33,000.00	33,000.00
Tank Battery	<u> </u>						0.00	500,000.00	500,000.00
Contingency at 10%							34,404.90	149,057.76	183,462.66
	<u> </u>								*
									•
									• .
	<u> </u>								-
, TOTAL INTANGIBLES						\$ 378,453.90	\$ 1,639,635.40	\$ 2,018,089.30	

	TOTAL HAIMINGIBLES	13	3/0,433.30	13	1,059,055.40	ļ ->	2,018,089.3
,							
	TOTAL MELL COSTS		DRILLING	1	COMPLETION		TOTAL
Approval:	TOTAL WELL COSTS	\$	2,525,664.90	\$	5,887,998.20	\$	8,413,663.1
DRIDE ENERGY COMPANY	\				***************************************		

AN OKLAHOMA GENERAL PARTNERSHIP

TAX ID: 73-1420240

By: Pride Oil & Gas Co., Inc.

Title: General Partner
By: John W. Pride

Title: President

12/5/2022

P.O. Box 701950 Pho Tulsa, OK 74170-1950 Fax E-mail: johnp@pride-energy.cor

Phone # (918) 524-9200 Fax # (918) 524-9292	

	8/8ths AFE Amount	Wi Decimal	Proportionate Costs
S	8,413,663.10		
	Approved By:		
	Signature:		
	Date:		•
			

The costs on this AFE are estimates only and may not be construed as cellings on any specific item or the total cost of the project, in executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well.



SHARON T. SHAHEEN

Direct: (505) 986-2678

Email: <u>sshaheen@montand.com</u>

www.montand.com

February 10, 2023

Via U.S. Certified Mail, return receipt requested

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Case No. 23328 – Amended Application of Pride Energy Company, ("Pride") for Compulsory Pooling, Lea County, New Mexico – **Tonto 16-21 State Federal Com. Well No. 202H.**

Dear Interest Owner:

This will advise that pursuant to NMSA 1978, § 70-2-17, Pride has filed an amended application with the New Mexico Oil Conservation Division for an order regarding the proposed well described below. You are receiving this notice because you may have an interest in this well.

Case No. 23328. Amended Application of Pride Energy Company for Compulsory Pooling, Lea County, New Mexico. Case No. 23328 replaces previous Case No. 22880, Application of Pride Energy Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled case seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (Tonto; Bone Spring [59475]) in a standard 240-acre, more or less, horizontal spacing unit ("HSU") comprised of the E/2 E/2 of Section 16 and the E/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, Lea County, New Mexico. The HSU is to be dedicated to the following well: Tonto 16-21 State Federal Com. Well No. 202H well, to be horizontally drilled from a first take point in the NE/4 NE/4 of Section 16, to a last take point in the SE/4 NE/4 of Section 21, all in Township 19 South, Range 33 East.

Also to be considered are the costs of drilling, completing, and equipping the well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 9 miles northeast of Halfway, New Mexico.

The attached amended application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division. During the COVID-19 Public Health Emergency, state

REPLY TO:

325 Paseo de Peralta Santa Fe, New Mexico 87501 Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307 Santa Fe, New Mexico 87504-2307 Released to Imaging: 2/12/2024 10:09:40 AM Exhibit A-8
Pride Energy Company
NM OCD Case No. 23327
February 15, 2024

All Interest Owners Feb. 10, 2023 Page 2

buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on **March 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: http://www.emnrd.state.nm.us/OCD/hearings.html. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony.

Failure to appear at that time and become a party of record will preclude you from challenging this amended application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by **February 22, 2023**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by **February 23, 2023** by 5:00 p.m., in accordance with Division Rule 19.15.4.13 NMAC.

Please feel free to contact me if you have any questions about this Amended Application.

Very truly yours,

/s/ Sharon T. Shaheen Sharon T. Shaheen

STS/shc

Enclosure

EXHIBIT A

INTEREST OWNERS

Chanas Partners, LLC 1415 South Voss, Ste 110-541 Houston, TX 77057 COG Operating, LLC Concho Oil & Gas, LLC ConocoPhillips Company 600 West Illinois Ave. Midland, TX 79701 Marathon Oil Co. 990 Town and Country Blvd Houston, TX 77024

Marathon Oil Permian 990 Town and Country Blvd Houston, TX 77024 XTO Holdings, LLC 22777 Springwoods Village Parkway Spring, TX 77389

XTO Energy, Inc. 22777 Springwoods Village Pkwy, Spring, TX 77389

Additional Interested Party(ies):

Bureau of Land Management 620 E. Greene Street Carlsbad, NM 88220-6292 State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501

Tab 5.

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

AMENDED APPLICATION OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 23327

AMENDED APPLICATION OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 23328

AFFIRMATION OF GEOLOGIST HARVIN L. BROUGHTON

- I, Harvin Broughton, being first duly sworn on oath, state the following:
- 1. I am over the age of 18, and have the capacity to execute this affirmation, which is based on my personal knowledge.
- 2. This affirmation is submitted in connection with the filing by Pride of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
- 3. I am employed as a contract geologist for Pride Energy Company ("Pride" or "Applicant"), and I am familiar with the subject applications and the lands involved.
- 4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters. My credentials as a petroleum geologist have previously been accepted by the Division and made a matter of record. My education and work experience are as follows: I have a Bachelor's Degree in Petroleum Engineering Technology from Oklahoma State University and a Master's Degree in Geology from the University of Texas of the Permian Basin. I have been working continuously as a professional geologist since 2000, first with Schlumberger Oilfield Services ("Schlumberger") and thereafter with Concho Resources, until 2019. Prior to 2000, I worked for Schlumberger as a field engineer for seventeen years. Since

2019, I have worked with various companies as an independent consultant on petroleum geology matters.

- 5. **Exhibits B-1** show the regional setting for the proposed wells.
- 6. **Exhibits B-2** include a general stratigraphic column showing the target zone.
- 7. **Exhibits B-3** are subregional structure maps with 50' contour intervals, which illustrate the cross-section reference line and structural data points for the Second Bone Spring interval.
- 8. **Exhibits B-4** are a structural cross section indicating that the horizontal section of these wells that will be placed in a primary sand body that has an estimated gross interval thickness of approximately 200'. This gross thickness is being calculated from the top of that sand body to the base of the that sand body. The total thickness of the Second Bone Spring interval in this area is approximately 600'.
- 9. **Exhibits B-5** are structural maps indicating the location of the proposed wells and spacing units, in addition to nearby existing Bone Spring wells.
- 10. **Exhibits B-6** include the acreage of interest detail and locations of the surface and bottom holes for the proposed wells.
 - 11. **Exhibits B-7** include a type log with the target landing interval.
 - 12. **Exhibits B-8** are gunbarrel views with a wellbore profile.
- 13. The measured depths and true vertical depths for each well are approximately as follows:

Case No.		MD	TVD
23327:	Tonto 16-21 Fed Com 201H	17,876	10,056'
23328:	Tonto 16-21 Fed Com 202H	17,876'	10,056'

- 14. Based on my geologic study of the area, I conclude the following:
 - a. The horizontal spacing and proration units are justified from a geologic standpoint.
 - b. There are no structural impediments or faults that will interfere with horizontal development.
 - c. Each quarter-quarter section in the HSU will contribute more or less equally to production.
 - d. The most efficient way to develop the acreage in each case is as proposed. There is no known and generally accepted preferential drilling orientation based on present-day stress regime or other geological factors that would counter the proposed South-North well orientation. Successfully developed Bone Spring formation horizontal wells oriented South-North have been drilled in the region, so an established trend is present. This orientation also fits our lease boundaries and aligns with the remainder of Pride's planned development in the adjoining tracts. This preferred well orientation does not strand any acreage or reserves.
- 15. The exhibits attached hereto were prepared by me or compiled from Pride's business records.
- 16. The granting of the applications is in the interests of conservation, the prevention of waste, and the protection of correlative rights.
 - 17. The foregoing is correct and complete to the best of my knowledge and belief.

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

statement is true and correct.

Harvin L. Broughton

Date

Tab 6.

PRIDE ENERGY COMPANY TONTO 16-21 FED COM 202H

GEOLOGIC PRESENTATION
COMPULSORY POOLING HEARING
FEBRUARY 15, 2024

GREATER PERMIAN BASIN

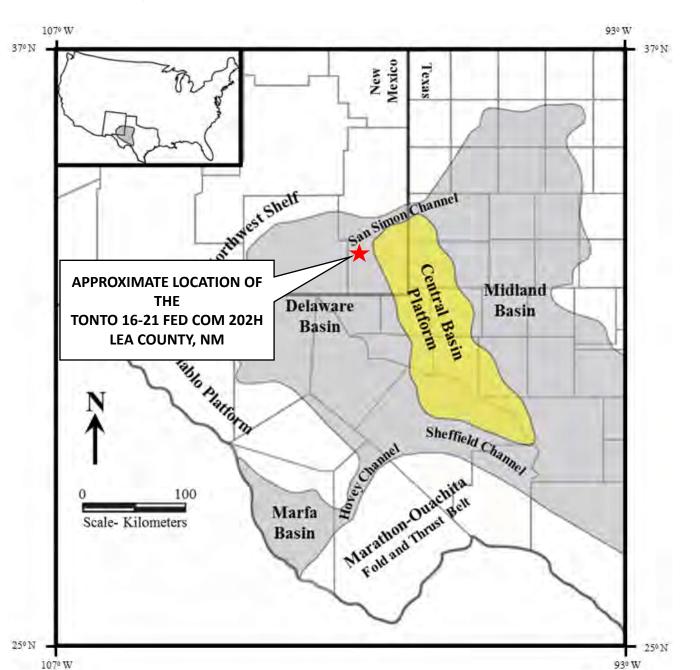
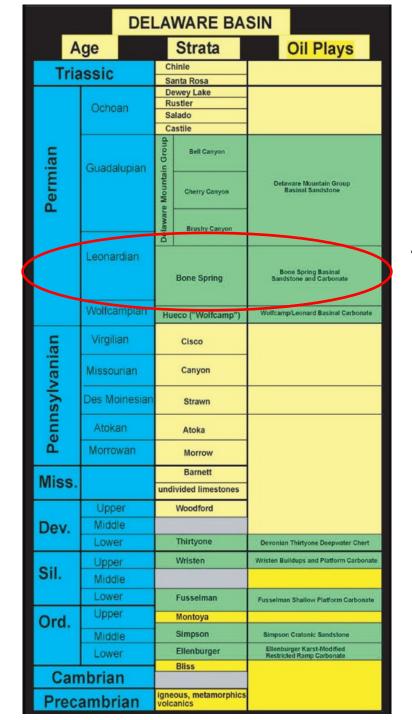


Exhibit B-1
Pride Energy Company
NM OCD Case No. 23327
February 15, 2024

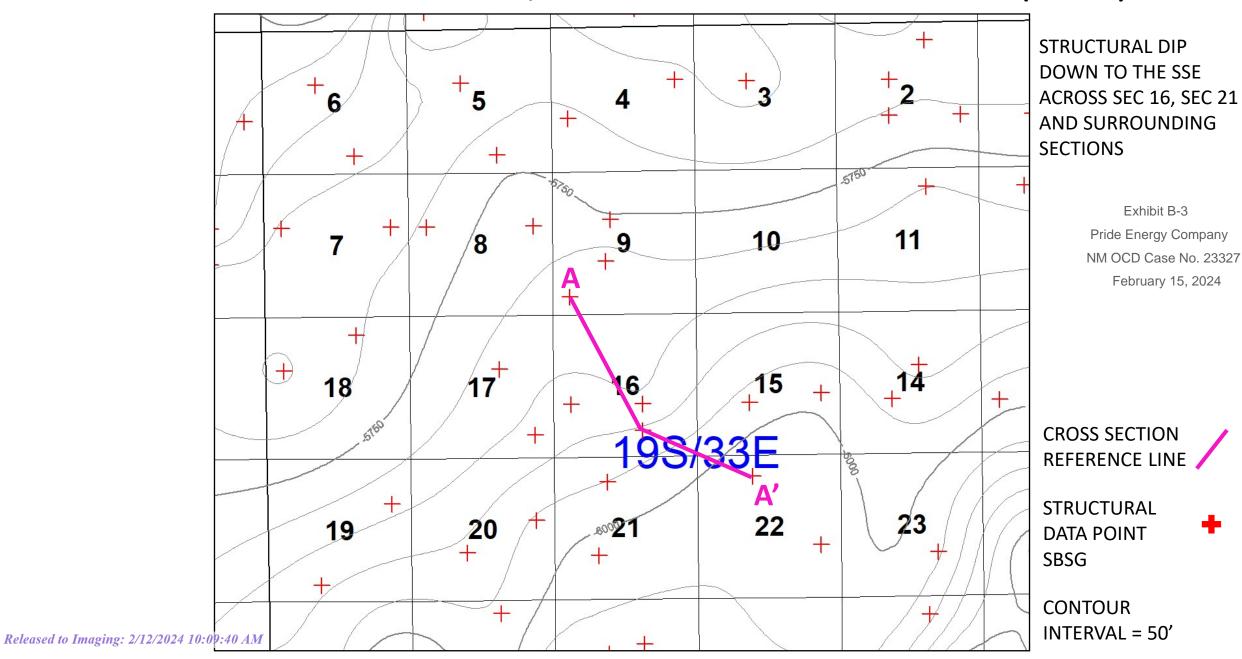
DELAWARE BASIN STRATIGRAPHIC COLUMN



TARGET INTERVAL 2nd BONE SPRING SAND

Exhibit B-2
Pride Energy Company
NM OCD Case No. 23327
February 15, 2024

SUBREGIONAL STRUCTURE MAP, SECOND BONE SPRING TOP (SBSG)



NW TO SE STRUCTURAL CROSS SECTION

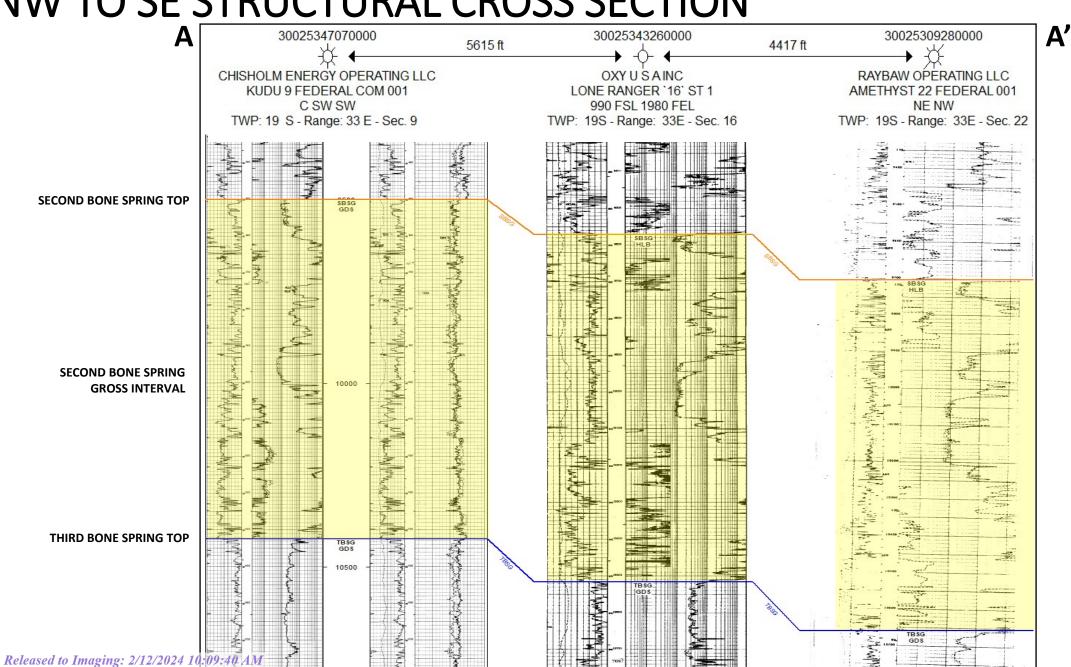


Exhibit B-4
Pride Energy Company
NM OCD Case No. 23327
February 15, 2024

ACREAGE OF INTEREST WITH PROPOSED TONTO 16-21 FED COM 202H

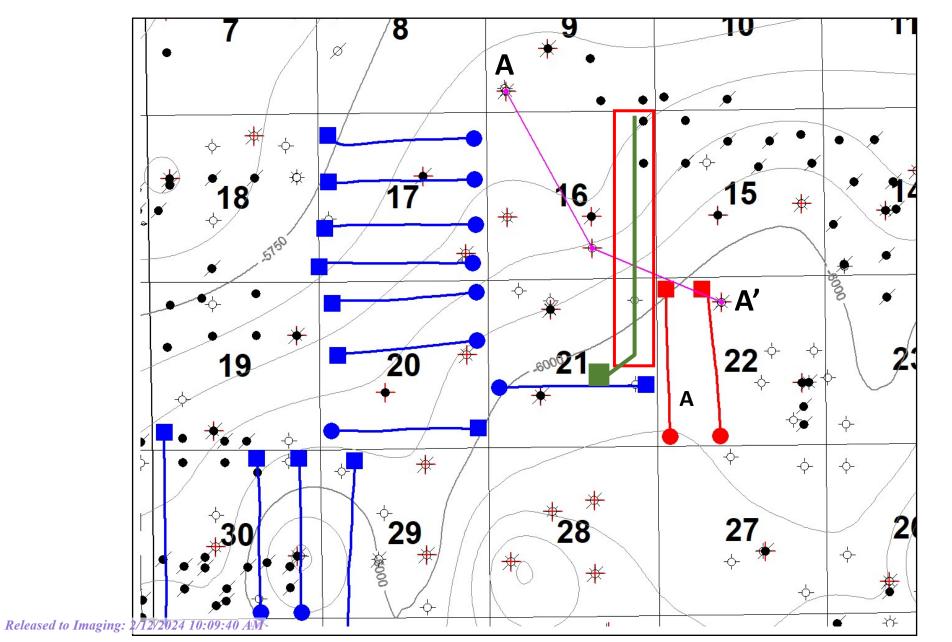


Exhibit B-5 Pride Energy Company NM OCD Case No. 23327 February 15, 2024

ACREAGE OF **INTEREST**

TONTO 16-21 FED COM 202H

CROSS SECTION REFERENCE LINE

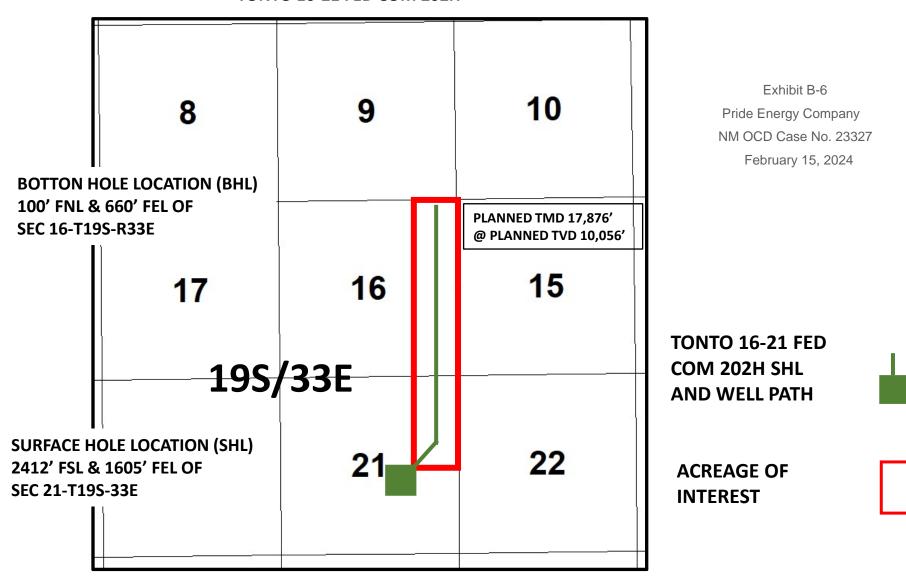
FIRST BONE SPRING SAND WELL

SECOND BONE SPRING SAND WELL

CONTOUR INTERVAL = 50'

ACREAGE OF INTEREST DETAIL, E/2 E/2 OF SEC 16-T19S-R33E & E/2 NE/4 OF SEC 21-T19S-R33E, LEA COUNTY, NM

TONTO 16-21 FED COM 202H



TYPE LOG WITH TARGET LANDING INTERVAL

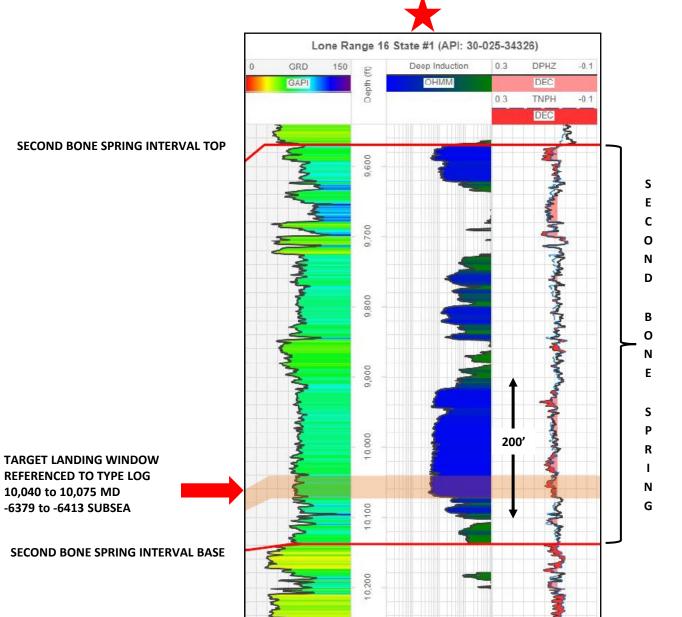
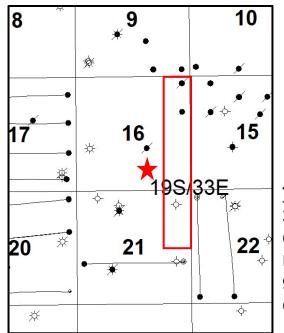


Exhibit B-7 Pride Energy Company NM OCD Case No. 23327 February 15, 2024



TYPE LOG 30-025-34326 **OXY USA, INC LONE RANGER 16 STATE 1** 990' FSL & 1980' FEL OF SEC 16, T19S R33E

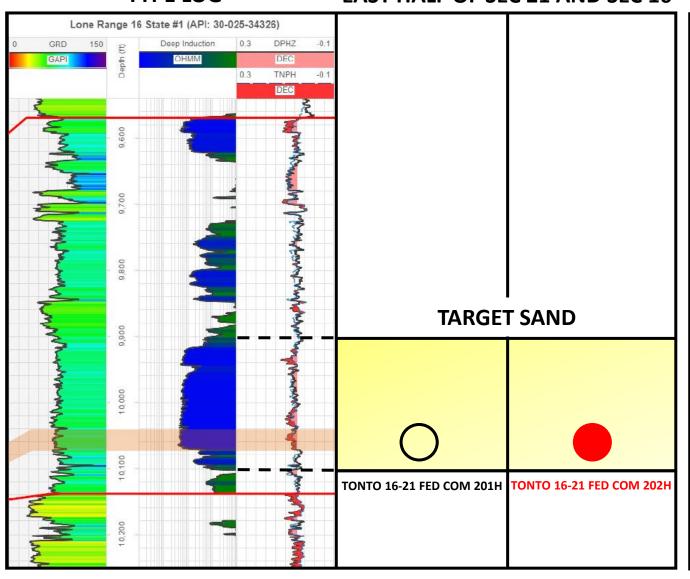
Released to Imaging: 2/12/2024 10:09:40 AM

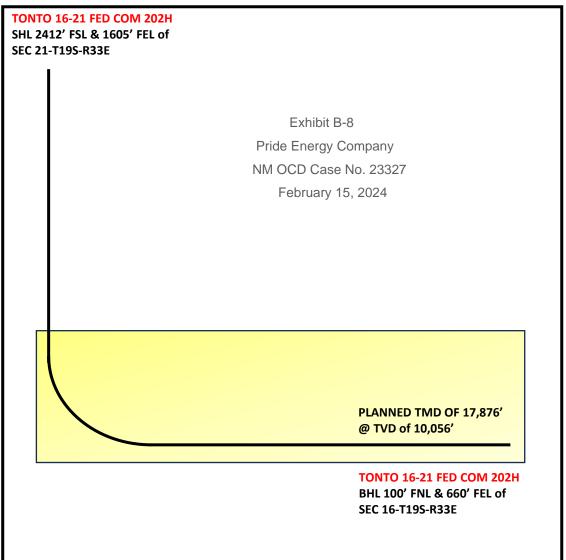
GUN BARREL VIEW AND WELLBORE PROFILE

TYPE LOG

EAST HALF OF SEC 21 AND SEC 16

WELLBORE PROFILE LOOKING EAST TO WEST





Released to Imaging: 2/12/2024 10:09:40 AM

Tab 7.

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

AMENDED APPLICATION OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 23328

AFFIRMATION OF NOTICE

I, Sharon T. Shaheen, attorney for Applicant in the above-captioned matters, state the

following:

I caused notice of the applications to be sent by certified mail through the United States

Postal Service on February 10, 2023, to all interest owners sought to be pooled in this proceeding.

Evidence of mailing to all such owners is attached hereto as Exhibit A. Notice was also directed

to all such owners by publication in the Hobbs News-Sun on February 15, 2023, which is reflected

in the Affidavit of Publication attached hereto as Exhibit B. Exhibit B demonstrates to my

satisfaction that those owners who did not receive personal notice through the certified mailing

were properly served by publication.

Pride has conducted a good faith, diligent effort to find the names and correct addresses for

the interest owners entitled to receive notice of the Application filed herein.

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

1

statement is true and correct.

/s/ Sharon T. Shaheen

Sharon T. Shaheen

2/8/2024

Date

Exhibit C

Pride Energy Company NM OCD Case No. 23327

IN OCD Case No. 2332

February 15, 2024

Released to Imaging: 2/12/2024 10:09:40 AM

Pride Energy Company

Tonto 16 State Com. Well No 202H Case No. 23328

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
		Interest Owners		
Chanas Partners, LLC 1415 South Voss, Ste 110-541 Houston, TX 77057	February 10, 2023	7015 1730 0000 9774 7705	In Transit	
COG Operating, LLC Concho Oil & Gas, LLC ConocoPhillips Company 600 West Illinois Ave. Midland, TX 79701	February 10, 2023	7015 1730 0000 9774 7699	Delivered	February 14, 2023
Marathon Oil Co. 990 Town and Country Blvd Houston, TX 77024	February 10, 2023	7015 1730 0000 9774 7675	Moving Though Network	
XTO Holdings, LLC 22777 Springwoods Village Prkwy Spring, TX 77389	February 10, 2023	7015 1730 0000 9774 7668	Delivered	February 23, 2023
XTO Holdings, LLC 22777 Springwoods Village Prkwy Spring, TX 77389	February 10, 2023	7015 1730 0000 9774 7651	Delivered	February 14, 2023
	Other	r Interested Party(ies)		
Bureau of Land Management 620 E. Greene Street Carlsbad, NM 88220-6292	February 10, 2023	7015 1730 0000 9774 7644	Delivered	February 16, 2023
State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501	February 10, 2023	7015 1730 0000 9774 7637	Delivered	February 14, 2023

FAQs >

Tracking Number:

Remove X

70151730000097747705

Copy

Add to Informed Delivery (https://informeddelivery.usps.com/)

Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

U.S. Postal Service™

Get More Out of USPS Tracking:
USPS Tracking Plus®

Delivered

Out for Delivery

Preparing for Delivery

Moving Through Network
In Transit to Next Facility

February 19, 2023

Arrived at USPS Regional Facility

NORTH HOUSTON TX DISTRIBUTION CENTER February 15, 2023, 2:11 am

See All Tracking History

CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com Certified Mail Fee extra Services & Fees (check box, add fee as appropriate; Return Receipt (electronic) Postmark Certified Mail Restricted Delivery Here Adult Signature Required Adult Signature Restricted Delivery \$ Chanas Partners, LLC 1415 South Voss, Ste 110-541 Houston, TX 77057 701 PS Form 9800, April 2019 PSK 7530 (2)

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

Text & Email Updates

V

Released to Imaging: 2/12/2024 10:09:40 AM

FAQs >

Tracking Number:

Remove X

70151730000097747699

Add to Informed Delivery (https://informeddelivery.usps.com/)

Latest Update

Your item was picked up at a postal facility at 7:54 am on February 14, 2023 in MIDLAND, TX 79701.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Postal Facility

MIDLAND, TX 79701 February 14, 2023, 7:54 am

Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you.	A. Signature	e/Where-is-my-package)
Attach this card to the back of the mailpiece, or on the wont if space permits. Article Addressed to:	B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Addressee C. Date of Delivery	~
COG Operating, LLC Concho Oil & Gas, LLC ConocoPhillips Company 600 West Illinois Ave.	If YES, enter delivery address below: No	~
Midland, TX 79701		~
9590 9402 6810 1074 3306 34	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Signature Confirmation (In the Confirmation (I	
7015 1730 0000 9774 769	Collect on Delivery Restricted Delivery Restricted Delivery	
Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt	6

FAQs >

Tracking Number:

Remove X

70151730000097747675

Copy

Add to Informed Delivery (https://informeddelivery.usps.com/)

-	No.		
Latest Update	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON D	
Your package is moving within to is currently in transit to the next	Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name)	Agent Addressee C. Date of Delivery
	1. Article Addressed to: Marathon Oil Permian	If YES, enter delivery address t	pelow: No
Get More Out of USPS Trackin	990 Town and Country Blvd		
USPS Tracking Plus®	Houston, TX 77024		
Delivered	, 51	3. Service Type	☐ Priority Mall Express®
	DE MINIMEN AND ANGERS THE LEFT BUILDING BUILDING	☐ Adult Signature ☐ Adult Signature Restricted Delivery	Registered Mail Restricted
Out for Delivery	9590 9402 6810 1074 3312 42	☐ Certified Mall® ☐ Certified Mall Restricted Delivery ☐ Collect on Delivery	Signature Confirmation Signature Confirmation Restricted Delivery
Preparing for Delivery	2. Article Number (Transfer from service lahel)	Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery	Restricted Delivery
Preparing for Delivery	JU72 TLOU DODG 11.	. (0000 4000)	Domestic Return Receipt
Moving Through Netwo	PS Form 3811, July 2020 PSN 7530-02-000-9053		, • -x-
In Transit to Next Facility			
February 17, 2023			
1			
Arrived at USPS Regional Fac	ility		
NORTH HOUSTON TX DISTRIB	UTION CENTER		
February 13, 2023, 1:42 pm			
See All Tracking History			
What Do USPS Tracking Statuses	Mean? (https://faq.usps.com/s/article/\	Vhere-is-my-package)	
Text & Email Updates			~

411	Kata
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X B. Received by (Printed Name) C. Date
1. Article Addressed to:	D. Is delivery address different from them 1? If YES, enter delivery address below: No
XTO Holdings, LLC 22777 Springwoods Village Parkway Spring, TX 77389	FEB 23 2023
9590 9402 6810 1074 3312 59 2. Article Number (Transfer from service label)	Service Upe Priority Mail E.puess® Registered Mail™ Registered Mail™ Registered Mail™ Registered Mail™ Registered Mail Restricted Delivery Certified Mail Restricted Delivery Signature Confirmation™ Signature Confirmation™ Signature Confirmation Restricted Delivery Restricted Deliv
7015 1730 0000 9774 766	Mall
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

FAQs >

Tracking Number:

Remove X

70151730000097747651

Copy

Add to Informed Delivery (https://informeddelivery.usps.com/)

Latest Update

Your item was delivered to an individual at the address at 8:49 am on February 14, 2023 in SPRING, TX 77389.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Left with Individual

SPRING, TX 77389

February 14, 2023, 8:49 am

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	back
Print your on the reverse at to you.	A. Signature X	e/Where-is-my-package)
 Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: 	C. Date of Delivery	~
XTO Energy, Inc. 22777 Springwoods Village Pkwy, Spring, TX 77389	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	~
	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Registered Mail Restricted	~
9590 9402 6810 1074 3312 66	☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™	
7015 1730 0000 9774 765	Collect on Delivery Restricted Delivery Restricted Delivery	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt	
Enter tracking or barcode number		

nest state	1. 1
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Bureau of Land Management 620 E. Greene Street Carlsbad, NM 88220-6292 	A. Signature X
9590 9402 6810 1074 3312 73 2. Article Number (Transfer from service label) 7015 1730 0000 9774 764	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail® □ Certified Mail Restricted Delivery □ Cellect on Delivery □ Collect on Delivery □ Adult Signature Restricted Delivery □ Cellect on Delivery □ Adult Signature Confirmation Restricted Delivery □ In Adult Signature Confirmation Restricted Delivery □ Adult Signature Confirmation Restricted Delivery □ Collect on Delivery Restricted Delivery □ Adult Signature Confirmation Restricted Delivery □ Signature Confirmation Restricted Delivery □ Collect on Delivery Restricted Delivery □ Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

FAQs >

Tracking Number:

Remove X

70151730000097747637

Copy

Add to Informed Delivery (https://informeddelivery.usps.com/)

Latest Update

Your item was picked up at a postal facility at 7:56 am on February 14, 2023 in SANTA FE, NM 87501.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Postal Facility

SANTA FE, NM 87501 February 14, 2023, 7:56 am

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you.	A. Signature X	e/Where-is-my-package)
Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to:	B. Received by (Printed Name) C. Date of Delivery	~
State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	~
N. S. MINISTER CO. CO. C.	3. Service Type	~
9590 9402 6810 1074 3312 80 Article Number (Transfer from see its 1th -	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Restricted Delivery Collect on Delivery Priority Mail Express® Registered Mail Restricted Delivery Registered Mail Restricted Delivery Signature Confirmation™ Signature Confirmation	~
	□ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery	~

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated February 15, 2023 and ending with the issue dated February 15, 2023.

Publisher

Sworn and subscribed to before me this 15th day of February 2023.

Muse C

Business Manager

My commission expires

January 29, 2027

(Seal)

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

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

LEGAL NOTICE February 15, 2023

To the following entities, individuals, their heirs, personal representatives, trustees, successors or assigns, and any other uncommitted interest owners:

COG Operating LLC; ConocoPhillips Company; Chanas Partners, LLC; XTO Holdings, LLC; XTO Energy, Inc.; Marathon Oil Permian, LLC; Marathon Oil Company; New Mexico State Land Office; and Bureau of Land Management.

Pride Energy Company, has filed an application with the New Mexico Oil Conservation Division as follows:

Case No. 23328. Amended Application of Pride Energy Company for Compulsory Pooling, Lea County, New Mexico. Case No. 23328 replaces previous Case No. 22880, Application of Pride Energy Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled case seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (Tonto; Bone Spring [59475]) in a standard 240-acre, more or less, horizontal spacing unit ("HSU") comprised of the E/2 E/2 of Section 16 and the E/2 NE/4 of Section 21, all in Township 19 South, Range 33 East, Lea County, New Mexico. Applicant proposes to drill the following well: Tonto 16-21 State Federal Com. Well No. 202H well, to be horizontally drilled from a first take point in the NE/4 NE/4 of Section 16, to a last take point in the SE/4 NE/4 of Section 21, all in Township 19 South, Range 33 East. The completed intervals and first and last take points for the well will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 9 miles northeast of Halfway, New Mexico.

This amended application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division in Santa Fe, New Mexico on March 2, 2023, at 8:15 a.m. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance by February 22, 2023, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by February 23, 2023 by 5:00 p.m., in accordance with Division Rule 19.15:4.13 NMAC. For further information, contact the applicant's attorney. Sharon T. Shaheen, Montgomery & Andrews, P.A., 325 Paseo de Peralta, Santa Fe, New Mexico 87501, (505) 986-2678.

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00275817

SHARON T. SHAHEEN MONTGOMERY & ANDREWS, P.A. P.O. BOX OFFICE BOX 2307 A/C 451986 SANTA FE,, NM 87504-2307