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

APPLICATION OF ARMSTRONG ENERGY CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY, NEW MEXICO

CASE NO. 24163

EXHIBIT INDEX

Compulsory Pooling Checklist

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS							
Case: 24163	APPLICANT'S RESPONSE						
Date	June 13, 2024						
Applicant	Armstrong Energy Corporation						
Designated Operator & OGRID (affiliation if applicable)	OGRID # 1092						
Applicant's Counsel:	Hinkle Shanor LLP						
Case Title:	Application of Armstrong Energy Corporation for Compulsory Pooling, Chaves County, New Mexico.						
Entries of Appearance/Intervenors:	None.						
Well Family	Rocket Man						
Formation/Pool							
Formation Name(s) or Vertical Extent:	Devonian						
Primary Product (Oil or Gas):	Oil						
Pooling this vertical extent:	Devonian						
Pool Name and Pool Code:	Wildcat Devonian Pool						
Well Location Setback Rules:	Statewide						
Spacing Unit							
Type (Horizontal/Vertical)	Vertical						
Size (Acres)	40-acre						
Building Blocks:	quarter-quarter						
Orientation:	N/A						
Description: TRS/County	SW/4 SE/4 of Section 11, Township 11 South, Range 31 East, Chaves County, New Mexico.						
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	No. This is a vertical well application.						
Other Situations							
Depth Severance: Y/N. If yes, description	No.						
Proximity Tracts: If yes, description	No.						
Proximity Defining Well: if yes, description	N/A						
Applicant's Ownership in Each Tract	Exhibit A-3						
Well(s)							
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed						
Well #1	Rocket Man #1 (API # pending) SHL: 330' FSL and 2150' FEL (Unit O), Section 11, T11S-R31E Completion Target: Devonian (Approx. 12,000' TVD)						
Horizontal Well First and Last Take Points	N/A						
Redeapaduo Amasijas:(P642162404;3PVII BN MD)	Exhibit A-4						
•	•						

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Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-3
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):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	6/6/2024

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

APPLICATION OF ARMSTRONG ENERGY CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY, NEW MEXICO,

CASE NO. 24163

APPLICATION

In accordance with NMSA 1978, § 70-2-17 and NMAC 19.15.16.15(B)(5), Armstrong Energy Corporation ("AEC" or "Applicant"), through its undersigned attorneys, files this application with the Oil Conservation Division ("Division") seeking an order: (1) establishing a 40-acre, more or less, vertical well unit comprised of the SW/4 SE/4 of Section 11, Township 11 South, Range 31 East, Chaves County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Devonian formation underlying the Unit. In support of this application, AEC states the following.

- 1. Applicant (OGRID No. 1092) is a working interest owner in the Unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the Unit to the **Rocket Man #1** well ("Well"), which will be a vertical well drilled from a surface hole to a bottom hole located in the SW/4 SE/4 (Unit O) of Section 11.
 - 3. The completed interval of the Well will be orthodox.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the interest owners in the Unit.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

Armstrong Energy Corporation Case No. 24163 Exhibit A 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant

should be designated the operator of the proposed vertical well and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an

Examiner of the Oil Conservation Division on March 7, 2024, and, after notice and hearing as

required by law, the Division enter an order:

A. Pooling all uncommitted interests in the Unit;

B. Approving the vertical well in the Unit;

C. Designating Applicant as the operator of the Unit and the vertical well to be drilled

thereon;

D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the

well;

E. Approving the actual operating charges and costs of supervision, together with a

provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing

the well against any working interest owner who does not voluntarily participate in the

drilling of the well.

Respectfully submitted,

HINKLE SHANOR LLP

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

Dana S. Hardy

Jaclyn M. McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 98208623

dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

Counsel for Armstrong Energy Corporation

Application of Armstrong Energy Corporation for Compulsory Pooling, Chaves County, New Mexico. Armstrong Energy Corporation ("Applicant") applies for an order: (1) establishing a 40-acre, more or less, vertical well unit comprised of the SW/4 SE/4 of Section 11, Township 11 South, Range 31 East, Chaves County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Devonian formation underlying the Unit. Applicant seeks to dedicate the Unit to the Rocket Man #1 well ("Well"), which will be a vertical well drilled from a surface hole to a bottom hole located in the SW/4 SE/4 (Unit O) of Section 11. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the cost, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 36 miles north of Maljamar, New Mexico.

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

APPLICATION OF ARMSTRONG ENERGY CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY, NEW MEXICO

CASE NO. 24163

SELF-AFFIRMED STATEMENT OF KEVIN KLEIN

- 1. I am Vice President of Land at Armstrong Energy Corporation ("Armstrong"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum land matters were accepted and made a matter of record.
- Copies of Armstrong's application and proposed hearing notice are attached as
 Exhibit A-1.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit; therefore I do not expect any opposition at hearing.
- 4. Armstrong seeks an order pooling all uncommitted interests in the Devonian formation underlying a 40-acre, more or less, vertical well unit comprised of the SW/4 SE/4 of Section 11, Township 11 South, Range 31 East, Chaves County, New Mexico ("Unit").
- 5. The Unit will be dedicated to the **Rocket Man #1** well ("Well"), which will be a vertical well drilled from a surface hole to a bottom hole located in the SW/4 SE/4 (Unit O) of Section 11. The Well will be completed in a Wildcat Devonian Pool.
 - 6. The completed interval of the Well will be orthodox.
 - 7. Exhibit A-2 contains the C-102 for the Well.

Armstrong Energy Corporation Case No. 24163 Exhibit A-1

- 8. **Exhibit A-3** contains a plat identifying ownership in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Armstrong seeks to pool highlighted in yellow.
- 9. Armstrong has conducted a diligent search of all county public records, including phone directories, computer databases, and internet searches (beenverified.com, fastpeoplesearch.com), to locate the interest owners it seeks to pool.
- 10. **Exhibit A-4** contains a sample well proposal letter and AFE sent to working interest owners for the Well. The estimated costs reflected on the AFE is fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.
- 11. In my opinion, Armstrong made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit** A-5.
- 12. Armstrong requests overhead and administrative rates of \$8,000 per month while the Well is being drilled and \$800 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Armstrong and other operators in the vicinity.
- 13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.
- 14. In my opinion, the granting of Armstrong's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 15. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury

under the laws of the State of New Mexico. My testimony is made as of the date next to my electronic signature below.

Kevin Klein

<u>Feb</u> 23, 2024 Date

Armstrong Energy Cosephration Case No. 24163 Exhibit A-2

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

State of New Mexico Energy, Minerals & Natural Resources Department

CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR.

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

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

Santa Fe, New Mexico 87505

□ AMENDED REPORT

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

Phone: (505) 476-3460 Fax: (505) 4		AND ACREAC	E DEDICATION PLAT				
API Number	Pool Code	.)	Pool Nai	me			
		W	ldcat Devonian				
Property Code	·	Property Name		Well Number			
		1					
OGRID No.		Elevation					
1092	ARMSTRON	ARMSTRONG ENERGY CORPORATION					

Surface Location

ĺ	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	0	11	11-S	31-E		330	SOUTH	2150	EAST	CHAVES

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
Dedicated Acres	Joint of	r Infill 📗 Co	nsolidation (Code Ore	der No.				
40									
	1.								

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
	<u> </u>	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
l _i	Į	JANUARY 16, 2024
ľ	1	Date of Survey
NAD 83 NME SURFACE LOCATION Y=863518.0 N X=706996.6 E NAD 27 NME SURFACE LOCATION Y=863452.2 N X=665819.1 E		Signature & Seal of Professional Surveyor HARCAO 17777 17777 124/24 Captificate No. CHAR HAPPOW 17777
LAT.=33.372557* N LONG.=103.790693* W LONG.=103.790182* W	S.L. 2150'	Certificate No. CHAD HARCROW 17777 W.O. #24-13 DRAWN BY: WN

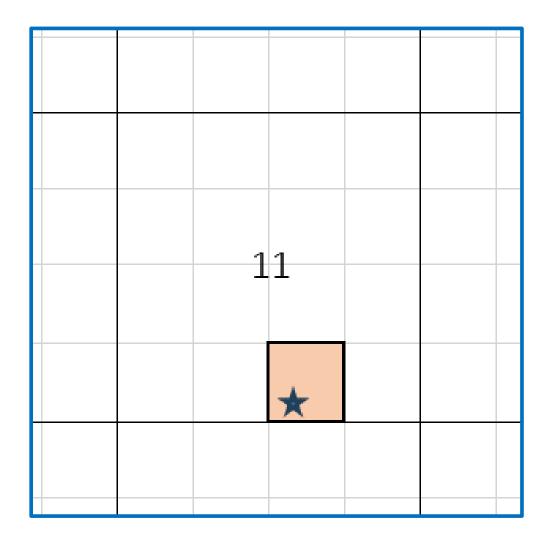
Armstrong Energy Corporation

Rocket Man #1

Wildcat Devonian

Section 11-T 11S-R31E: SWSE

Chaves County, New Mexico



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Working Interest Ownership 40.00 acres, more or less, being the SWSE, Section 11, Township 11 South, Range 31 East, New Mexico Principal Meridian, Eddy County, New Mexico. Mineral Owner Name **Uncommitted Net** Type of Interest **Committed Interest Uncommitted Interest Committed Net Acres Mineral Owner Address Gross Acres** Acres 0.418750 40.000000 Rock House Resources, LLC 316 Bailey Avenue, Fort Worth, Leasehold 16.750000 Texas 76107 **Armstrong Energy Corporation** PO Box 1973, Roswell, New Mexico Leasehold 0.418750 40.000000 16.750000 88202 40.000000 William S. Osborne 316 Bailey Avenue, Fort Worth, **Executive Mineral Interest** 0.056250 2.250000 Texas 76107 John G. Osborne 316 Bailey Avenue, Fort Worth, 0.056250 40.000000 2.250000 **Executive Mineral Interest** Texas 76107 0.012500 0.500000 Susan Tindell, Life Estate 40.000000 **Executive Mineral Interest** <mark>Michelle Tindell</mark> 0.005357 40.000000 0.214286 **Executive Mineral Interest** Raymond Tindell 0.005357 40.000000 0.214286 **Executive Mineral Interest** acob Tindell 0.005357 40.000000 0.214286 **Executive Mineral Interest** Janoah Tindell Jahnigen **Executive Mineral Interest** 0.005357 40.000000 0.214286 0.214286 0.005357 40.000000 <mark>Benaiah Tindell</mark> **Executive Mineral Interest** 0.214286 Zadock Tindell 0.005357 40.000000 **Executive Mineral Interest** Kathernia Tindell **Executive Mineral Interest** 0.001339 40.000000 0.053571 Romei Tindell 0.001339 0.053571 **Executive Mineral Interest** 40.000000 Alexis Tindell 0.001339 40.000000 0.053571 **Executive Mineral Interest** Robin Tindell 0.053571 **Executive Mineral Interest** 0.001339 40.000000

0.950000

0.050000

TOTAL:

38.000000

1.999998

40.000000



500 North Main Street, Suite 200 P.O. Box 1973 Roswell, New Mexico 88202-1973 (575) 625-2222 Fax (575) 622-2512

October 19, 2023

Jacob Tindell 924 W. Oak St Stockton, CA 95201

RE: Well Proposal: Rocket Man #1

Section 11: S2

TI1S-R31E, Chaves County, New Mexico Devonian Formation

To Whom It May Concern:

Armstrong Energy Corporation, as operator ("AEC"), hereby proposes the drilling and completion of the following well at the following approximate locations within Township 11 South, Range 31 East, Section 11:

Rocket Man #1

SHL and BHL: 330' FSL & 2300' FEL

Estimated TVD: 12,000'

Proration Unit: SWSE of Sections 11

Targeted Interval: Devonian

Estimated Total Cost: \$3,142,865(See attached AFE)

The location, TVD, and target formation are approximate and subject to change dependent on surface or subsurface issues encountered. AEC is proposing to drill the well under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is available upon request. The Operating Agreement has the following general prov1s1ons:

- 200%/300%/300% non-consent provisions
- \$8,000/\$800 drilling and producing rates
- Armstong Energy Corporation named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the enclosed AFE, and your geologic well requirements to the above address or by email to kklein@aecnm.com.

Rocket Man #1 Election Letter- Jacob Tindell

Armstrong Energy Corporation Case No. 24163 Exhibit A-4

ARMSTRONG ENERGY CORPORATION

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, AEC will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well. If you do not wish to participate, AEC would be interested in acquiring or leasing your interest in the subject lands which is subject to further negotiation.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me by phone at 575-623-2999, ext 312, or by email at kklein@aecnm.com.

Respectfully,

ARMSTRONG ENERGY CORPORATION

Varia Vlain

Vice President-Land

	Elect to participate in the proposed operation.	
	Elect to participate and acquire my share of any non-consent intere	est.
v	Elect NOT to participate.	
Owne	er Name:	
D.c.	Date:	

Rocket Man #1 Election Letter- Jacob Tindell

Armstrong Energy Corporation

P.O. Box 1973 Roswell, New Mexico 88202 AFE NUMBER: ODSY-11-11-31-1

DATE: 8/7/2023

AUTHORIZATION FOR EXPENDITURE

LEASE/WELL NAME:	Rocket Man #1 API#30-005-		DEPTH:	12,000'
FIELD NAME:	Wildcat Devonian	OBJECTIVE:	Devonian	
LEGAL DESCRIPTION:	Sec 11 T11S R31E	330' FSL & 2300' FEL	COUNTY/STATE:	Chaves, NM
DESCRIPTION OF WORK.	Drill and complete Devenien interval			

ACCOUNT				DDW LING	COMPLETION	morr i v
CODE	DESCRIPTION			DRILLING	COMPLETION	TOTAL
0010.100	INTANGIBLE DRILL					
	SURVEYING & ARCHAELO			15,850		
	LOCATION, ROAD, CELLA	AR, RH/MH AND DAMA	1.6 mile new road	172,020		
This on These	MOBILIZATION			125,000		
9220-104	DRILLING - DAYWORK	UDI Rig 52		310,000		
9210-105	DRILLING - FOOTAGE					
9210-107	DRILL BITS			70,500		
9210-125	FUEL			105,600		
9210-111	CEMENT SERVICES		Surface	23,357		
			Intermediate	46,874	3	
9210-115	SUPERVISION/TRAILER			106,630		
9210-115	GEOLOGIST/ENGINEER			10,000		
9210-109	MUD MATERIALS AND SE	PECIAL EQUIPMENT		131,739	6	
9210-109		- 2 BARBO 20 MARTHER (32,483	3======	
9220-117	HAULING & TRANSPORTA	ATION & CUTTINGS D	ISPOSAL	170,000		
30000 NATE OF STREET	MUDLOGGING			21,760		
	DRILLSTEM TEST			15,000		
355 115	LOGGING & SIDEWALL C	OPES		51,100		
9210-116		OKLS		121,096		
PROPERTY AND IN					-	
	RENTAL EQUIPMENT			209,200	-	
	ADMINISTRATIVE OVERI	HEAD		10,000		
9210-101				15,000		
	INSURANCE			10,000	-	
9210-118	MISCELLANEOUS			10,000		
	TOTAL INTANGIBL	E DRILLING CO	STS	1,783,209	0	1,783,209
	INTANGIBLE COMI	PLETION COSTS				
9210-123	COMPLETION UNIT				27,300	
Garage Control	REVERSE UNIT				4,250	
9210-120	COMPLETION FLUIDS				7,500	
thought which	CEMENTING SERVICES -	PRODUCTION CASING	1		69,293	
	PERFORATING & BOND L				12,000	
	STIMULATION:				15,000	
	WELDING				5,000	
THE STATE OF THE STATE OF	SUPERVISION				7,000	
				9		
	TRANSPORTATION, INST.	ALLATION & LABOR			13,000	
	EQUIPMENT RENTAL:				14,500	
SECTION OF THE RESERVE	LABOR, ROUSTABOUTS				55,500	
	CASING CREWS				16,078	
9210-119	WIRELINE WORK				8,500	
9320-000	ADMINISTRATIVE OVERI	HEAD			7,500	
9210-101	LEGAL				5,000	
9310-910	MISCELLANEOUS			'	10,000	
l	TOTAL INTANGIBL	E COMPLETION	COSTS		277,421	277,421
1	TANGIBLE COMPL	ETION COSTS				
9110-124	WELLHEAD			19,500	27,000	
	SURFACE CASING + FLT I	EOP	400' 13 3/8" 54.5#/ft J55	21,988		
	INTERMEDIATE CASING		4350' 9 5/8" 40#/ft L-80/HCL-80 LT&C	182,698		
				102,090	229 205	
	PRODUCTION CASING + F	FLT EQP	12,000' 5.5" 17# L80/HCP-110		228,305	
9110-120			11,900' 2 7/8" 6.5# N80		80,444	
	DOWNHOLE EQUIPMENT		5.5"x2.875" packer, 4 3/4" bits, tool hand		42,000	
	ANCHORS				1,500	
9110-122	PUMPING UNIT,				58,000	
9110-104	FLOWLINES, VALVES & F	FITTINGS			76,100	
9110-116	SPECIAL EQUIPMENT		CONTAINMENT, VRU, FLARE, HALO		139,800	
9110-116	METERS, METER RUN, &	GAS CONNECTION			30,000	
1,000	OIL STORAGE TANKS			5 	50,000	
	WATER STORAGE TANK				30,000	
No. of Contract Contract of	HEATER/ SEPARATOR				34,900	
	ELECTRICAL SERVICE				50,000	
	MISCELLANEOUS/LABOR				10,000	
7110-710			OCTC	224,186	858,049	1,082,233
	TOTAL TANGIBLE	COMPLETION C	0313	224,100	030,049	1,002,23
l					1 107 170	211200
	TOTAL WELL COST	1		2,007,395	1,135,470	3,142,86
	SI 0 22		and the second			0 1 0252 000
	Operator has secured O	perator's Extra Expe	ense Insurance covering the costs of well co	ntrol, clean up and red	rilling as estimated in	Code: 9353-000.
			by this Operator's Extra Expense Insurance	e only by signing belov	v. The undersigned el	ecis ivot
	The same of the manufacture and supplied as a		Insurance for their well.			2000
	Ву:	1	Name:			Date:
PREPARE	DBY:	KYLE ALPERS		TITLE: V.P	Engineering	DATE: 8/7/2023
		*		A		
		ARMSTRONG	ENERGY CORPORATION			
		4/				
ADDOC	CD DV	12		TITLE DO	ESIDENT	DATE: 8/7/2023
APPROVE	DRA:	-	The state of the s	TITLE: PR	ESIDENI	DATE: 0///2023
		KYLE A. ARMS	IKONG			
1 ppp	TO DV			TITLE.		DATE:
APPROVE				- IIILE:		DATE.
COMPAN	Y:			W.I. %:		
EMAIL AI				_		
EMAIL AI	ZED THAT THE AMOUNTS HEREI		AND APPROVAL OF THIS A.F.E. SHALL EXTEND TO THE AC RE OR LESS THAN SET OUT HEREIN.	CTUAL		

	1	T	Γ		Ro	ocket Man #1	1	
Name & Address	Date mailed	Green Card Signed	Green Card returned	<u>Letter</u> <u>undeliverable</u> <u>returned</u>	<u>Tracking</u>	Tracking NOTES	Return Notice	<u>Contact Notes</u>
Raymond Tindell PO Box 422 Stockton, CA 95201	10/20/2023			10/29/2023	7022-1670-0003-4407-4461		Return to Sender vacant unable to forward	We have been unable to reach this owner
Jacob Tindell 924 W. Oak St Stockton, CA 95203	10/20/2023			3/3/2024	7022-1670-0003-4407-4515		Return to Sender unclaimed unable to forward	We have been unable to reach this owner
Janoah Tindell Jahnigen 1337 Watt Ave Sacramento, CA 95864	10/20/2023	11/1/2023	11/6/2023		7022-1670-0003-4407-4454			We have been unable to reach this owner
Susan Tindell 2202 Covey Creek Ct Stockton, CA 95207	2/1/2023	2/6/2024	2/9/2024		7022-1670-0003-4407-4935			We have been unable to reach this owner
Benaiah Tindell 10293 Nations Cir. Stockton, CA 95864	10/20/2023			10/29/2023	7022-1670-0003-4407-4447		Return to Sender not deliverable as addressed unable to forward	We have been unable to reach this owner
Zadock Tindell 1535 N. Commerce St Stockton, CA 95204	10/20/2023			10/29/2023	7022-1670-0003-4407-4423		Return to Sender not deliverable as addressed unable to forward	We have been unable to reach this owner
Kathernia Tindell Unknown Address	No Address	No Address	No Address	No Address	No Address	No Address	No Address	We have been unable to reach this owner
Romei Tindell 4777 Grouse Run Dr. Stockton, CA 95270	10/20/2023			11/29/2023	7022-1670-0003-4407-4430		Return to Sender unclaimed unable to forward	We have been unable to reach this owner
Alexis Tindell Unknown Address	No Address	No Address	No Address	No Address	No Address	No Address	No Address	We have been unable to reach this owner
Robin Tindell 1279 Inglewood Ct. Lodi, CA 95242	10/20/2023			11/17/2023	7022-1670-0003-4407-4416		Return to Sender unclaimed unable to forward	We have been unable to reach this owner
	2/1/2024				7022-1670-0003-4407-4942	In transit to next facility Per USPS Tracking		
Michelle Tindell 4511 Lanza Lane Stockton, CA 95207	5/21/2024				7022-1670-0003-4407-4744	Per USPS Tracking checked 6/6/24-May 29, 2024 available for pickup. Reminder to schedule redelivery before 6/7/24		Although our mailings have failed to reach her, this owner is in discussion with our agents and will hopefully be under lease soon.

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

APPLICATION OF ARMSTRONG ENERGY CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY, NEW MEXICO

CASE NO. 24163

SELF-AFFIRMED STATEMENT OF KELSEY GARNER

- 1. I am over 18 years of age, am competent to provide this Self-Affirmed Statement, and have personal knowledge of the matters addressed herein. I am a geologist with Armstrong Energy Corporation ("Armstrong"). I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum geology were accepted as a matter of record.
 - 2. I am familiar with the geological matters that pertain to the above-referenced case.
- 3. **Exhibit B-1** is a location map of the proposed standard spacing unit ("Unit") within the Devonian formation. The location of Armstrong's proposed Rocket Man #1 well ("Well") is shown as a red circle. There are no previous or current producing Devonian wells in this section.
- 4. **Exhibit B-2** is a subsea structure map of the Devonian formation that is representative of the targeted interval within the formation. The map demonstrates that the formation and reservoir interval are located on previously undrilled upthrown fault block that is bounded on the east & west sides. The potential reserves in this fault block can only be exploited by drilling a new well at the location we have proposed.
- 5. **Exhibit B-2** also identifies two wells penetrating the targeted interval, which I used to construct a structural cross-section. I used these well logs because they penetrate the targeted

Armstrong Energy Corporation Case No. 24163 Exhibit B interval, are the only available logs in the immediate vicinity, and are representative of the geology in the area.

- 6. **Exhibit B-3** is a structural cross-section using the representative wells identified on Exhibit B-2. It contains gamma ray, resistivity, and porosity logs where available. The proposed target for the Well is labeled on the exhibit. This cross-section demonstrates the targeted interval is continuous.
- 7. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by vertical wells.
- 8. In my opinion, the granting of Armstrong's application will protect correlative rights, prevent waste, and prevent the drilling of unnecessary wells.
- 9. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.
- 10. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony in paragraphs 1 through 9 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Kelsey Garner

Date



Exhibit B-1 40 Ac Spacing Unit

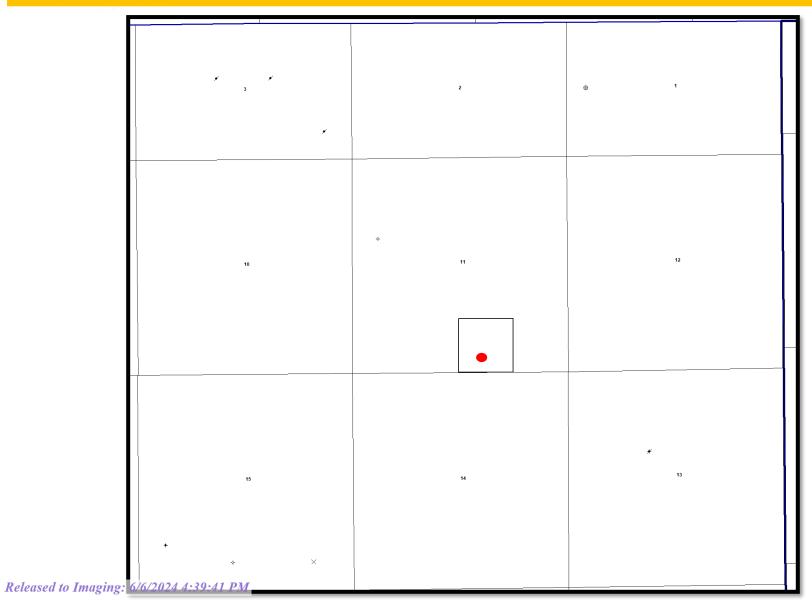




Exhibit B-2 Devonian Structure - CI 25'

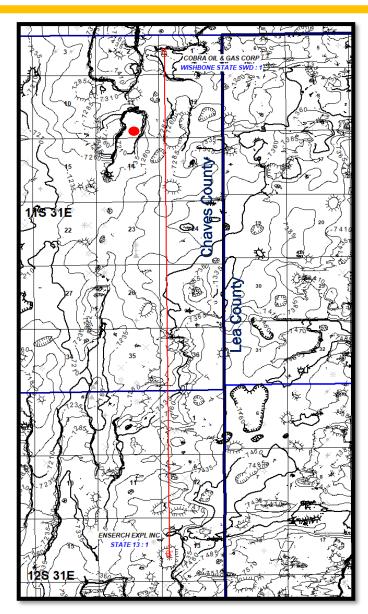
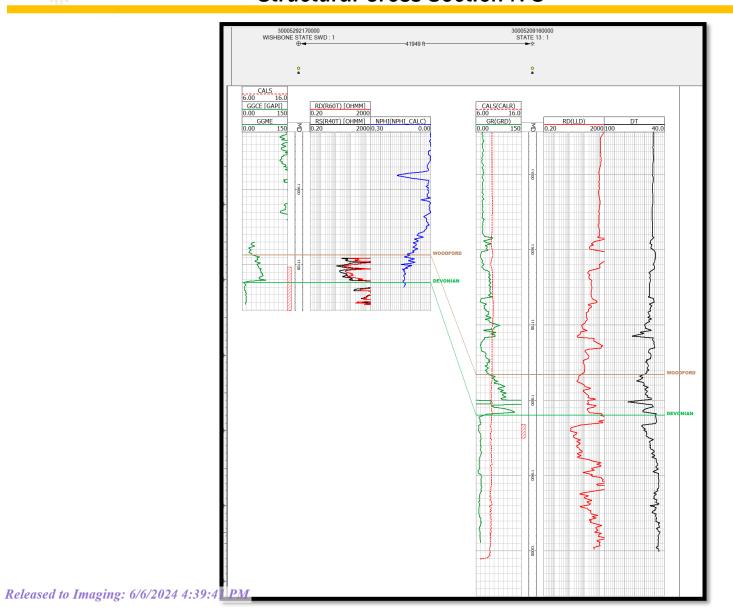




Exhibit B-3 Structural Cross-Section N-S



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

APPLICATION OF ARMSTRONG ENERGY CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY, NEW MEXICO

CASE NO. 24163

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

- 1. I am attorney in fact and authorized representative of Armstrong Energy Corporation, the Applicant herein.
- 2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit C-2**.
- 3. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received.
- 4. Copies of the certified mail green cards and white slips are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
- 5. On February 7, 2024, I caused a notice to be published to all interested parties in the Roswell Daily Record. An Affidavit of Publication from the Legal Clerk of the Roswell Daily Record, along with a copy of the notice publication, is attached as **Exhibit C-4**.
- 6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dana S. Hardy
Dana S. Hardy

June 3, 2024 Date

> Armstrong Energy Corporation Case No. 24163 Exhibit C



HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

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

January 29, 2024

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

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 24163 – Application of Armstrong Energy Corporation for Compulsory Pooling, Chaves County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **March 7, 2024,** beginning at 8:15 a.m.

The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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

Please contact Kevin Klein, Land Manager at Armstrong Energy Corporation, at (575) 623-2999, if you have questions regarding these matters.

Sincerely,
/s/ Dana S. Hardy
Dana S. Hardy

Armstrong Energy Corporation Case No. 24163 Exhibit C-1

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

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

APPLICATION OF ARMSTRONG ENERGY CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY, NEW MEXICO,

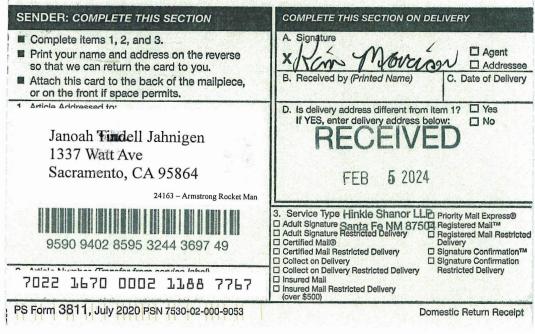
CASE NO. 24163

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Janoah Tindell Jahnigen	01/29/24	02/05/24
1337 Watt Ave		
Sacramento, CA 95864		
Will Osborne	01/29/24	02/08/24
Rock House Resources, LLC		
316 Bailey Avenue, Suite 113		
Fort Worth, Texas 76107		
Alexis Tindell		
(address unknown)		
Benaiah Tindell	01/29/24	Return and return to
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Stockton, CA 95209		03/08/24.
Jacob Tindell	01/29/24	Per USPS Tracking
924 W Oak St		(Last Checked 06/03/24):
Stockton, CA 95203		
		02/05/24 – Item in transit
		to next facility.
Kathernia Tindell		
(address unknown)		
Raymond Tindell	01/29/24	03/20/24
PO Box 422		
Stockton, CA 95201		Return to sender.
Robin Tindell	01/29/24	03/12/24
1279 Inglewood Ct		
Lodi, CA 95242		Return to sender.
Romei Tindell	01/29/24	03/08/24
4777 Grouse Run Drive, #270		
Stockton, CA 95270		Return to sender.
Zadock Tindell	01/29/24	02/16/24
1535 N Commerce St		
Stockton, CA 95204		Return to sender.

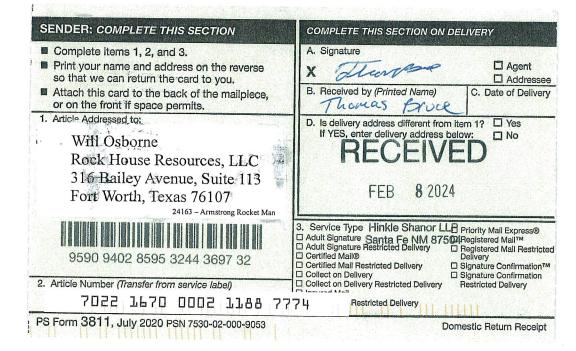
Armstrong Energy Corporation Case No. 24163 Exhibit C-2





Armstrong Energy Corporation Case No. 24163 Exhibit C-3

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	City, State, Fort Worth, Texas 76107 24163 – Armstrong Rocket Man PS Form 3800, April 2015 PSN 7580-02-000-9047. See Reverse for Instructions



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PS Form 3800, April 2015 PSN 7530-02-000-9047

HINKLE SHANOR LLP ATTORNEYS AT LAW POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504

SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY Complete items 1, 2, and 3. A. Signature Print your name and address on the reverse ☐ Agent X so that we can return the card to you. ☐ Addressee Attach this card to the back of the mailpiece. B. Received by (Printed Name) C. Date of Delivery or on the front if space permits. 1. Article Addressed to: D No Benaiah Tindell 8 2024 10293 Nations Cir Stockton, CA 95209 Hinkle Shanor LLF 163 - Armstrong Rocket Man Santa Fe NM 8750 3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery Registered Mail Restricted Delivery 9590 9402 8595 3244 3697 25 ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation 2. Article Number (Transfer from service label) Restricted Delivery

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Robin Tindell 1279 Inglewood Ct Lodi, CA 95242

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Hinkle Shanor LLP Santa Fe NM 87504

Romei Tindell 4777 Grouse Run Drive, #270 Stockton, CA 95270

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	City, S. 24163 – Armstrong Rocket Man	
	PS Form 3800, April 2015 PSN 7580-02-000-9047	See Reverse for Instructions

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ALBUQUERQUE, NM 87101 January 29, 2024, 9:29 pm

Arrived at USPS Facility

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January 29, 2024, 9:12 pm

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Enter tracking or barcode numbers	

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FAQs

AFFIDAVIT OF PUBLICATION STATE OF NEW MEXICO

I, Merle Alexander Legals Clerk

Of the Roswell Daily Record, a daily newspaper published at Roswell, New Mexico do solemnly swear that the clipping hereto attached was published in the regular and entire issue of said paper and not in a supplement thereof for a period of:

One time with the issue dated

February 7th, 2024

Clerk

Sworn and subscribed to before me

this 7th day of February, 2024

Notary Public

LEGALS

Notice of Hearing Case No. 24163...

Publish February 7th, 2024

This is to notify all interested parties, including Janoah Tindell Jahnigen; Will Osborne, Rock House Resources, LLC; Alexis Tindell; Benaiah Tindell; Jacob Tindell; Kathernia Tindell; Raymond Tindell; Robin Tindell; Romei Tindell; Zadock Tindell; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Armstrong Energy Corporation (Case No. 24163). The hearing will be conducted on March 7, 2024 in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

Armstrong Energy Corporation ("Applicant") applies for an order: (1) establishing a 40-acre, more or less, vertical well unit comprised of the SW/4 SE/4 of Section 11, Township 11 South, Range 31 East, Chaves County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Devonian formation underlying the Unit. Applicant seeks to dedicate the Unit to the Rocket Man #1 well ("Well"), which will be a vertical well drilled from a surface hole to a bottom hole located in the SW/4 SE/4 (Unit O) of Section 11. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the cost, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 36 miles north of Maljamar, New Mexico.

Armstrong Energy Corporation Case No. 24163 Exhibit C-4