

3RD REVISED EXHIBITS - FINAL

CASE NO. 23823

**APPLICATION OF TEXAS STANDARD OPERATING NM LLC
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO**

EXHIBITS – Part I

1. Pooling Checklist
2. Landman's Affidavit
Exhibit 2-A: C-102s
Exhibit 2-B: Plat and Interest Owner List
Exhibit 2-C: Summary of Communications and Proposal Letter
Exhibit 2-D: AFEs
3. Geologist's Affidavit
Exhibit 3-A: Type Log
Exhibit 3-B: Cross-section
Exhibit 3-C: Structure Map
Exhibit 3-D: Isopach

June 26, 2024

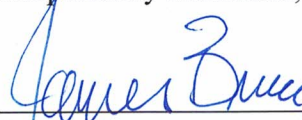
NOTICE OF FILING 3rd REVISED EXHIBIT PACKAGES

CASE NOS. 23823 & 23824

The revised exhibit packages contain the following changes:

1. Revised Exhibit 1 in each case (the pooling checklist), correcting the pool name.
2. Revised C-102s in each case (Exhibit 2-A), correcting the pool name.
3. Revised Exhibit 2-B in each case, identifying the persons being pooled.
4. Revised Exhibit 4-C in each case, the certified notice spreadsheet, identifying the persons being pooled.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043
jamesbruc@aol.com

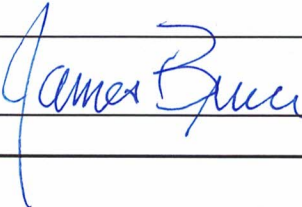
Attorney for Texas Standard Operating NM
LLC

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23823	APPLICANT'S RESPONSE
Date: May 16, 2024	
Applicant	Texas Standard Operating NM LLC
Designated Operator & OGRID (affiliation if applicable)	Texas Standard Operating NM LLC /OGRID 329818
Applicant's Counsel:	James Bruce
Case Title:	Application Texas Standard Operating NM LLC for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	Slash Exploration LP & Armstrong Energy Corporation/Hinkle Shanor LLP
Well Family	Lap Dog Upper Pennsylvanian wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Upper Pennsylvanian
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Upper Pennsylvanian formation
Pool Name and Pool Code:	WC-025 G-09S173615C, Upper Penn/Pool Code 98333
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330’ and 100’ setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	South-North
Description: TRS/County	W/2SE/4 of Section 11, W/2E/2 of Section 14, and W/2NE/4 of Section 23, Township 17 South, Range 36 East, N.M.P.M., Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
	EXHIBIT
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes,	

3

description	
Applicant's Ownership in Each Tract	Exhibit 2-B
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	<p>Lap Dog State Well No. 1H API No. 30-025-Pending SHL: 2140 FSL & 1985 FEL §23 BHL: 2540 FSL & 2310 FEL §11 FTP: 2540 FNL & 2310 FEL §23 LTP: 2540 FSL & 2310 FEL §11 Upper Pennsylvanian Shale/TVD 11800 feet/MD 23100 feet</p> <p>Lap Dog State Well No. 2H API No. 30-025-Pending SHL: 2140 FSL & 1975 FEL §23 BHL: 2540 FSL & 1650 FEL §11 FTP: 2540 FNL & 1650 FEL §23 LTP: 2540 FSL & 1650 FEL §11 Upper Pennsylvanian Shale/TVD 11800 feet/MD 23100 feet</p>
Well #2	
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 5
Proof of Published Notice of Hearing (10 days before	Exhibit 6

hearing)	
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and owners)	Exhibit 2-B
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)	Exhibit 2-B; Working Interest Owners
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	No Depth Severance
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-B and 3-C
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-C
Well Orientation (with rationale)	North-South; Exhibits 3 and 3-D
Target Formation	Upper Pennsylvanian formation
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	N/A
Forms, Figures and Tables	

C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-B
General Location Map (including basin)	Exhibit 3-D
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-C
Cross Section Location Map (including wells)	Exhibit 3-B
Cross Section (including Landing Zone)	Exhibit 3-B
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	May 8, 2024

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

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

APPLICATION OF TEXAS STANDARD
OPERATING NM LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

Case Nos. 23823

SELF-AFFIRMED STATEMENT OF MATT ROBERSON

Matt Roberson deposes and states:

1. I am a landman for Texas Standard Operating NM LLC (“Texas Standard”), and have personal knowledge of the matters stated herein. I have previously testified before the Division and my qualifications as an expert were accepted as a matter of record.

2. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application filed herein.

3. The purpose of this application is to force pool uncommitted working interest owners into the horizontal spacing units described below, and in wells to be drilled in the units.

4. In this case Texas Standard seeks an order pooling all uncommitted mineral interest owners in the Upper Penn Shale formation underlying a horizontal spacing unit comprised of the W/2SE/4 of Section 11, W/2E/2 of Section 14, and W/2NE/4 of Section 23, Township 17 South, Range 36 East, N.M.P.M. The unit will be dedicated to the Lap Dog State Well Nos. 1H and 2H, which have first take points in the SW/4NE/4 of Section 23 and last take points in the NW/4SE/4 of Section 11.

5. **Exhibit 2-A** contains copies of the C-102s for each proposed well. The wells will be at orthodox locations.

6. There is no depth severance in the Upper Penn formation.

7. **Exhibit 2-B** is a tract map of the proposed well unit. It also contains a list of interest owners in each tract, with the owners’ working interest percentages in each tract and in the well unit listed. The persons being pooled are highlighted in yellow.

8. To determine addresses for the parties, Texas Standard searched the State and County records, internet sources, and asked other parties if they knew of valid addresses for

EXHIBIT

2

7

some parties not immediately known. Texas Standard has made a good faith effort to locate and obtain the voluntary joinder of the working interest owners in the proposed well.

9. A copy of the well proposal letter, and a summary of communications, is attached as **Exhibit 2-C**.

10. **Exhibit 2-D** contains Authorizations for Expenditure for the proposed wells. The estimated costs of the wells set forth therein are fair and reasonable, and comparable to the costs of other wells of similar depth and length drilled in this area of Lea County.

11. Texas Standard requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Lea County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Texas Standard requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

12. Texas Standard requests that the maximum cost plus 200% risk charge be assessed against a non-consenting working interest owner.

13. Texas Standard requests that it be designated operator of the wells.

14. Texas Standard does not contest the validity of the Correction Assignment of Overriding Royalty, executed on June 18, 2024, filed in this matter.


15. As a result, Texas Standard requests that a pooling order be issued.

16. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.

17. The granting of this application is in the interests of conservation and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 17 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.

Date: 6/24/24


Matt Roberson

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

Energy Minerals and Natural Resources

Oil Conservation Division

AMENDED REPORT

1220 South St. Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Texas Standard Operating NM LLC 3300 North A Street, Bldg. 1, Ste. 105 Midland, Texas 79705		² OGRID Number 329818
		³ API Number
⁴ Property Code	⁵ Property Name Lap Dog State	⁶ Well No. 1H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
	23	17S	36E		2140	South	1985	East	Lea

⁸ Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
	11	17S	36E		2540	South	2310	East	Lea

⁹ Pool Information

Pool Name WC-025 G-09 S173615C;UPPER PENN	Pool Code 98333
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Additional Well Information

¹¹ Work Type New Well	¹² Well Type Oil	¹³ Cable/Rotary	¹⁴ Lease Type State	¹⁵ Ground Level Elevation
¹⁶ Multiple N	¹⁷ Proposed Depth 23,500' MD/12,600' TVD	¹⁸ Upper Pennsylvanian Undesignated Formation	¹⁹ Contractor	²⁰ Spud Date
Depth to Ground water	Distance from nearest fresh water well		Distance to nearest surface water	

We will be using a closed-loop system in lieu of lined pits

²¹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	2100	1200	0
Int1	12.25	9.625	43.50	11,400'	2800	0
Prod	8.5	5.5	26	23,500	3000	9100

Casing/Cement Program: Additional Comments

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²² Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2500	2500	Shafer
Dual Ram	5000	5000	Cameron

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.
Signature:

Printed name:

EXHIBIT 2-A

Title:

E-mail Address:

Date:

Phone:

OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date:

Expiration Date:

Conditions of Approval Attached

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
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (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, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-Pending		² Pool Code 98333		³ Pool Name WC-025 G-09S173615C, Upper Penn	
⁴ Property Code		⁵ Property Name Lap Dog State			⁶ Well Number 1H
⁷ OGRID No. 329818		⁸ Operator Name Texas Standard Operating NM LLC			⁹ Elevation

¹⁰ Surface Location

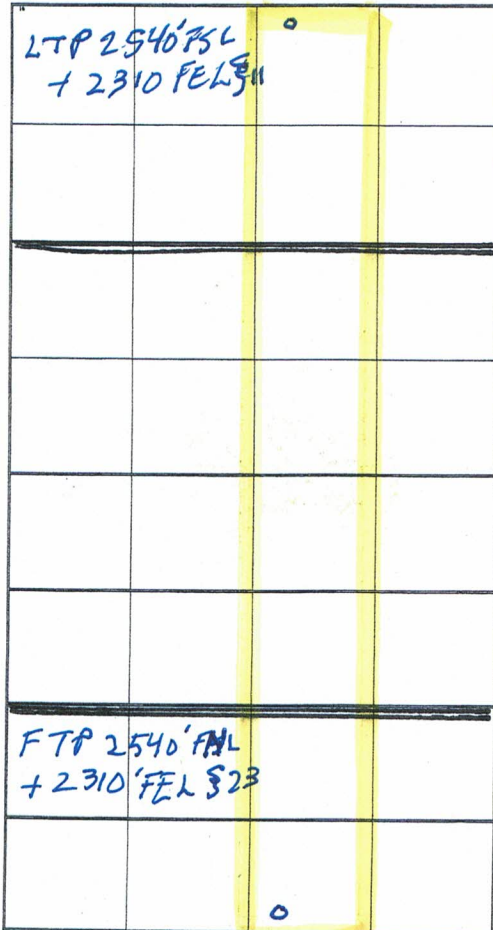
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	23	17S	36E		2140	South	1985	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	11	17S	36E		2540	South	2310	East	Lea

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey _____

Signature and Seal of Professional Surveyor: _____

Certificate Number 10

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
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Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Texas Standard Operating NM LLC 3300 North A Street, Bldg. 1, Ste. 105 Midland, Texas 79705		² OGRID Number 329818
⁴ Property Code		³ API Number
⁵ Property Name Lap Dog State		⁶ Well No. 2H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
	23	17S	36E		2140	South	1975	East	Lea

⁸ Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
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We will be using a closed-loop system in lieu of lined pits

²¹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	2100	1200	0
Int1	12.25	9.625	43.50	11,400'	2800	0
Prod	8.5	5.5	26	23,500	3000	9100

Casing/Cement Program: Additional Comments

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²² Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2500	2500	Shafer
Dual Ram	5000	5000	Cameron

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.
Signature:

Printed name:
Title:
E-mail Address:
Date:

OIL CONSERVATION DIVISION

Approved By: _____
Title: _____

Approved Date: _____ Expiration Date: _____

Conditions of Approval Attached

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

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811 S. First St., Artesia, NM 88210
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Phone: (505) 334-6178 Fax: (505) 334-6170

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025 Pending		² Pool Code 98333		³ Well Name WC-025 G-09S173615C, Upper Penn		⁴ Well Status [Redacted]	
⁴ Property Code Lap Dog State		⁵ Property Name Lap Dog State				⁶ Well Number #2H	
⁷ OGRID No. 329818		⁸ Operator Name Texas Standard Operating NM LLC				⁹ Elevation	

¹⁰ Surface Location

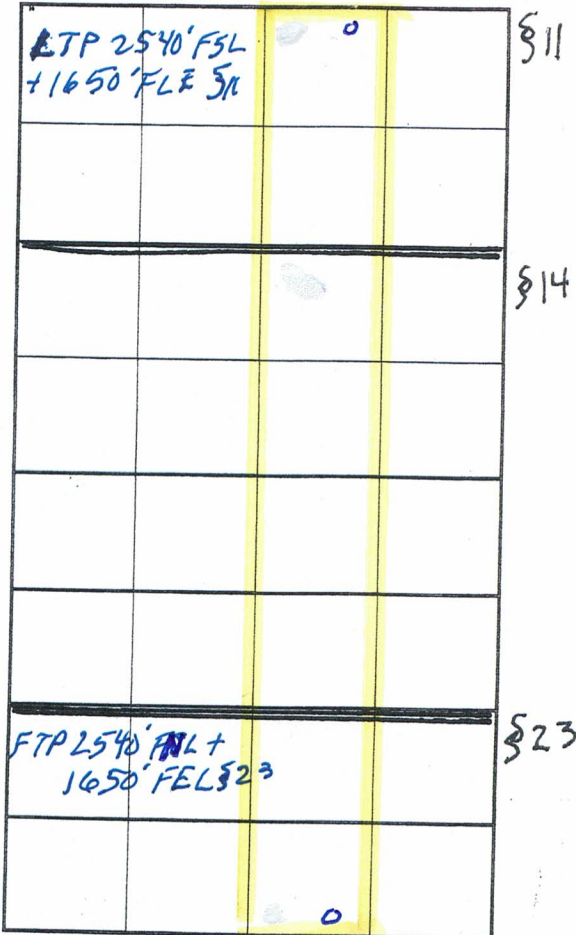
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	23	17S	36E		2140	South	1975	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	11	17S	36E		2640	South	1650	East	Lea

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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



¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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

Date of Survey _____

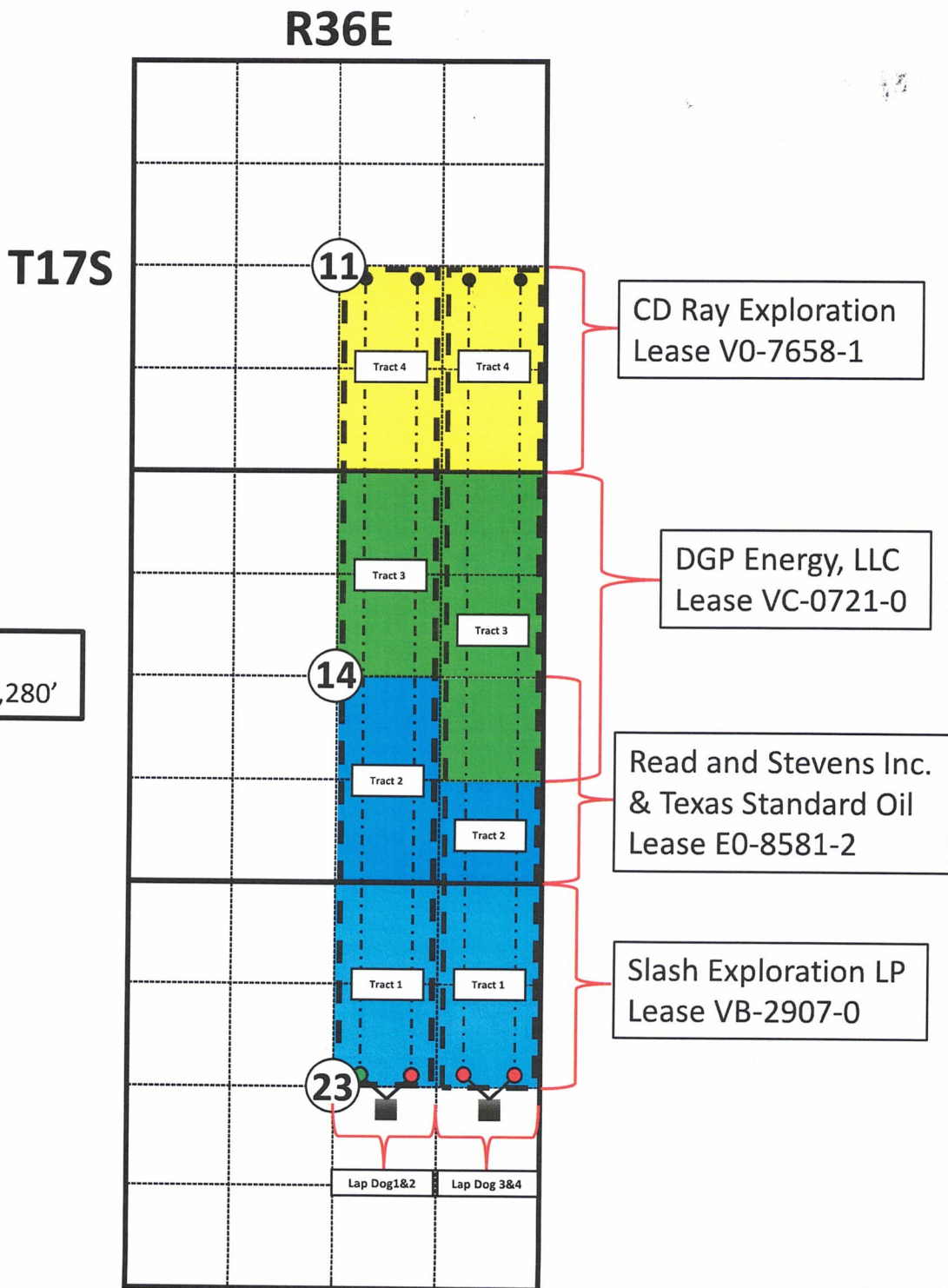
Signature and Seal of Professional Surveyor: _____

Certificate Number _____

12

Lap Dog State #1H - #4H Plat of Tracts

Texas Standard Operating NM LLC proposes to drill two 10,360' lateral drilling units consisting of 320 acres each in T17S-R36E Sections 11, 14 and 23, targeting the Upper Penn Shale Formation.



Plat Not to Scale & Assumes Sections are 5,280'

EXHIBIT 2.B

13

Lap Dog State #1H & 2H Unit Ownership Summarization

Tract 1	Leasehold Owner	WI	80 Acres
---------	-----------------	----	----------

State of New Mexico OGL VB-2907-0000	Slash Exploration, LP	100.000000%	80.0000
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Tract 2	Leasehold Owner	WI	80 Acres
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State of New Mexico OGL E0-8581-0002	Westway Petro	18.750000%	15.0000
	Harvard Energy Partners, LP	12.500000%	10.0000
	CBR Oil Properties, LLC	12.500000%	10.0000
	Texas Standard Oil LLC	5.859375%	4.6875
	SR Primo Holdings	1.113281%	0.8906
	Sharbro Energy	4.746094%	3.7969
	Lucinda Loveless	11.132813%	8.9063
	Loveless Land Holdings, LLC	11.132813%	8.9063
	McMillan Production Company, Inc.	9.765625%	7.8125
	Stevens Oil & Gas, LLC	8.333333%	6.6667
David M. Stevens, SSP	4.166667%	3.3333	

Tract 3	Leasehold Owner	WI	80 Acres
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State of New Mexico OGL VC-0721-0000	DGP Energy, LLC	100.000000%	80.0000
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Tract 4	Leasehold Owner	WI	80 Acres
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State of New Mexico OGL V0-7658-0001	Texas Standard Oil, LLC	28.433037%	22.7464
	Fairway Minerals Corporation	25.142858%	20.1143
	Charles D. Ray et vir	17.359075%	13.8873
	Hanley Petroleum, LLC	15.750000%	12.6000
	Crump Family Partnership, Ltd	7.500000%	6.0000
	Tarpon Engineering Corp	2.058900%	1.6471
	LHAH Properties, LLC	1.875000%	1.5000
	Stillwater Investments	0.943630%	0.7549
	H6 Holdings, LLC	0.937500%	0.7500

Summarization	Leasehold Owner	WI	320 Acres
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Lap Dog State #1H & 2H Wells	Slash Exploration, LP	25.000000%	80.0000
	Westway Petro	4.687500%	15.0000
	Harvard Energy Partners, LP	3.125000%	10.0000
	CBR Oil Properties, LLC	3.125000%	10.0000
	Texas Standard Oil LLC	8.573103%	27.4339
	SR Primo Holdings	0.278320%	0.8906
	Sharbro Energy	1.186524%	3.7969
	Lucinda Loveless	2.783203%	8.9063
	Loveless Land Holdings, LLC	2.783203%	8.9063
	McMillan Production Company, Inc.	2.441406%	7.8125
	Stevens Oil & Gas, LLC	2.083333%	6.6667
	David M. Stevens, SSP	1.041667%	3.3333
	DGP Energy, LLC	25.000000%	80.0000
	Fairway Minerals Corporation	6.285715%	20.1143
	Charles D. Ray et vir	4.339769%	13.8873

14

Hanley Petroleum, LLC	3.937500%	12.6000
Crump Family Partnership, Ltd	1.875000%	6.0000
Tarpon Engineering Corp	0.514725%	1.6471
LHAH Properties, LLC	0.468750%	1.5000
Stillwater Investments	0.235908%	0.7549
H6 Holdings, LLC	0.234375%	0.7500
	<hr/>	<hr/>
	100.000000%	320.0000

Sums:

15

TEXAS STANDARD Oil
LLC



August 8, 2023

Lucinda Loveless
P.O. Box 8
Hondo, NM 88336
Attn: Land/Operations Manager

Re: Four (4) Well Proposal
Lap Dog State #1H, 2H, 3H & 4H Wells
Lea County, New Mexico

To whom it may concern,

Texas Standard Oil LLC ("TXS") through its wholly owned subsidiary, Texas Standard Operating NM LLC, proposes to drill the captioned wells as follows:

Drill the captioned wells from Surface Locations being approximately 2,140' FNL & 1,985'(1H) and 1,975'(2H) and 665'(3H) and 655'(4H Pilot Hole) FEL of Section 34, T16S-R36E to an approximate Bottom Hole Location being 2,540' FNL & 2,310'(1H) and 1,650'(2H) and 990'(3H) and 330'(4H) FEL of Section 10, T17S-R36E, Lea County, New Mexico (the "Wells"). All calls are estimated and subject to a definitive survey. Please see the attached well location plat. The Wells will be drilled from the surface to a landing interval of approximately 11,800' TVD and drilled horizontally to a total measured depth of approximately 23,100' in the Upper Penn Shale (sometimes referred to as the "Wolfcamp C and D Shale").

Please find attached our Authority for Expenditures ("AFE") which provide an estimation of the total cost to drill and complete the Wells. The signature line is on the "Short Form" AFE. TXS proposes that the Wells will be subject to the terms and conditions of the Operating Agreement also attached for your review. Please elect within thirty (30) calendar days from the date received.

In the event that Lucinda Loveless elects to participate in its ratable share of the cost of drilling and completing the proposed Wells, please sign (using the "short" form AFEs) and return the attached AFEs and Operating Agreement. TXS proposes to drill the Well subject to the terms and conditions of the attached form of Operating Agreement.

In the event that Lucinda Loveless does not participate in the cost of drilling these wells, then alternatively, we propose that our companies enter into a term assignment covering the leases shown on the plat provided, with Lucinda Loveless retaining the difference between 20% and any existing landowner's royalties, federal royalties, overriding royalties and any other burdens on production.

If you have any questions or would like to discuss this proposal, please contact me at 713-828-9306 or email me at Matt@TxsOil.com. Thank you in advance for your careful consideration of this proposal.

Sincerely,

Matt Roberson, RPL
Land Manager
Texas Standard Oil

EXHIBIT 2-C

16

CONTACT LOG
Lap Dog State #1H - 4H

- Westway Petro 08/10/23 - Sent Proposal Letter with AFE; No response 8/28/23; Still no response, received returned proposal package 2/2024; Do not know who this is, unable to locate business contact info
- Harvard Energy Partners, LP 08/10/23 - Sent Proposal Letter with AFE; Received confirmation email from Melissa Randle who received proposal 8/14/23; Correspondence 9/13/23; followed up via email 2/2/24; still no response 4/23/24
- CBR Oil Properties, LLC 08/10/23 - Sent Proposal Letter with AFE; No response 8/28/23; Call from landman - had emailed but I didn't get it - moved corporate offices to Houston, interested in participation but wants WI info, will send all information to him as soon as email is found 9/22/23; received call from engineer representing CBR interests - wanted JOA and Plat but did not send me contact info so I have not sent yet, wants to participate 11/7/23; Received another call 1/10 and follow up email from Jeff Jones - followed up via phone and left 2 emails. no reply 1/15; spoke over the phone and decided that we would try to cut a deal rather than just being pooled 1/17/24; followed up via email 2/2/24; no response 4/23/24
- Worrall Investment Corporation 9/22/23 - sent proposal letter with AFE; Responded with accepted offer for TA 10/12/23 750/ac; responded regarding NRI delivered - no response 11/13; Sold us his interest in tract for \$750/ac; Finalized deal for 12/1. Sent out signature copy 1/13; followed up via email for confirmation of filing 2/2/24;
- SR Primo Holdings, LLC 9/22/23 - sent proposal letter with AFE; Does not believe he owns interest - verified that his ownership is correct but he does not believe me - will have to pool the interest
- Lucinda Loveless (combined) 08/10/23 - Sent Proposal Letter with AFE; No response 8/28/23; Unable to locate current contact info, remains unresponsive 04/23/24
- Loveless Land Holdings, LLC 08/10/23 - Sent Proposal Letter with AFE; No response 8/28/23; believed to be same owner as Lucinda Loveless but still unresponsive
- McMillan Production Company, Inc. 08/10/23 - Sent Proposal Letter with AFE; Sent plat via email 8/18/23; No follow up on notices or email 4/23/24
- Stevens Oil & Gas, LLC 08/10/23 - Sent Proposal Letter with AFE; Spoke with Larry Stevens on phone 8/16/23; emailed with Larry 8/21/23; spoke with Larry to discuss upcoming hearing and election, he is interested in pursuing a farmout deal and will speak again NAPE week 1/26/25; spoke with larry again discussing deal options; he is helping get info on lucinda loveless and wrangle the roswell guys 2/16/24; No follow up on any of this 4/23/24

17

- David M. Stevens, SSP 08/10/23 - Sent Proposal Letter with AFE; Package returned to sender 8/21/23; Spoke with relative 8/24/23 and sent proposal package directly to his email; Have not heard back 8/28/23; no response from this group 4/23/24
- DGP Energy, LLC 08/10/23 - Sent Proposal Letter with AFE; Spoke with Brandon Finks 8/28/23 he has received and is reviewing information now; 9/15/23 Received offer to purchase lease over phone - offered \$1000/acre but have not gotten back to him; 10/25/23 Mr. Armstrong w Slash says DGP is joining with Slash in their efforts to counter pooling request. *Did not confirm directly with DGP*, Mr. Armstrong insists that they intend to contest and provide a counter-proposal to our well proposals;
- Slash Energy, LP 08/10/23 - Sent Proposal Letter with AFE; Emailed with Kyle Armstrong 8/24/23 and began working out a TA deal; Returned a counter offer to purchase TA lease 9/21/23; did not accept counter-offer 10/12/23; 10/25/23 Armstrong is concerned about being pooled and wants to settle deal - but is insistent upon \$1k/ac lease bonus for 75% NRI delivered; Mr. Armstrong called me about offer of 750/ac accepted by Worrall Inv. Corp. and other parties but still reluctant to accept same offer from us and wants to counter our pooling request with his own. Said this is final communication with me unless I accept original counter-proposal by Slash 11/13/23; 4/1/24 received email stating that Slash will accept 750/ac offer from 9/21/23 however that money has been spent in other areas by TXS at by this time. Alternative suggested by Slash is to apply "very healthy" royalty burden to lease, no specifics on percentage at this time
- Fairway Minerals Corporation 08/10/23 - Sent Proposal Letter with AFE; No response 8/28/23; Heard from John Mitchell and offered TA with bonus - 9/27 Mitchell paused negotiations because he does not have the same title info - checked and found no issue; have not heard back 10/16/23; interested in finding out what we plan to do with the drilling prospect - seemed like he wanted to meet 12/4/23; Good call with John Mitchell - sounds like he wants to help get this moving along; I offered term assignment deal; no follow up 4/23/24
- Charles D. Ray et vir 08/10/23 - Sent Proposal Letter with AFE; Package returned to sender 8/18/23; Called phone 8/25/23 rang but no answer, voicemail in Spanish; unable to find updated contact info
- Hanley Petroleum, LLC 08/10/23 - Sent Proposal Letter with AFE; Package returned to sender 8/21/23; Called 8/28/23 phone number disconnected; never located ownership, employees or business contact information for this entity
- Crump Family Partnership, Ltd 08/10/23 - Sent Proposal Letter with AFE; Received return to sender unavailable address 8/24/23; Called 8/28/23 no answer, wireless user disconnected. Bad phone #; Sent an email to former partnership member inquiring about contact info 2/2/24; no response since
- Tarpon Engineering Corp 08/10/23 - Sent Proposal Letter with AFE; No response 8/28/23; Package returned to sender 9/19/23; Called listed phone number and "composite mining company" picked up the phone; left LinkedIn message with Alan peters asking for a call 2/2/24; Received response same day. I responded to him with requests for an election; 2/7/24 Received



18

phone call and sent drilling information to him via; updated contact list with him; no response since

- LHAH Properties, LLC 08/10/23 - Sent Proposal Letter with AFE; Package returned to sender 8/21/23; Called 8/28/23 no response, phone line "busy"
- Stillwater Investments 08/10/23 - Sent Proposal Letter with AFE; No response 8/28/23; Unable to locate current contact information or ownership
- H6 Holdings, LLC 08/10/23 - Sent Proposal Letter with AFE; Spoke with Janet Hanson on phone 8/18/23; followed up by call and sent her a package of information via email 1/25/24; no follow up from Janet 4/23/24

19

TEXAS STANDARD OPERATING NM LLC

AUTHORITY FOR EXPENDITURE

WELL NAME: Lap Dog State Well No. 1H	PROPOSED TD: 11,800' TVD, 23,100' MD	AFE NUMBER: 2023-37
Field Upper Penn / Pool Code 98333	PROJECT DESCRIPTION & OBJECTIVE: 10,360' Perforated interval, 200' stage length, 2,500 lbs/ft proppant, Pilot Hole, \$1.50/bbl Frac Water. With Pilot Hole.	PREPARED BY: Craig Young
LOCATION: W2NE4 Section 23, W2E2 Section 14 & W2SE4 Section 11, T17S-R36E.		DATE: 08/01/23
COUNTY/PARISH, STATE: Lea County, New Mexico	Workover:	REVISID: 05/01/23
	Original: X	Supplemental:

DETAIL OF EXPENDITURES	ACCT CODE	DRY HOLE	COMPLETION	TOTAL
LOCATION				
Survey & Staking		\$7,500		\$7,500
Permitting & Legal Title Opinion		\$25,000		\$25,000
Surface Damages		\$12,500		\$12,500
Location & Roads (Initial)		\$75,000		\$75,000
Rathole/Mousehole/Conductor		\$15,000		\$15,000
Clean-Up & Restoration		\$5,000	\$5,000	\$10,000
TOTAL LOCATION COSTS		\$140,000	\$5,000	\$145,000
CONTRACT DRILLING				
Turnkey				
Footage				
Daywork - 49 Days @ \$30,000/Day		\$1,470,000		\$1,470,000
Rig Mob & De-mob		\$280,000		\$280,000
TOTAL RIG COSTS		\$1,750,000		\$1,750,000
COMPLETION RIG COST				
Daywork -				
Daywork - Completion Rig 3 days			\$20,000	\$20,000
Completion Rig Move				
TOTAL COMPLETION RIG COSTS			\$20,000	\$20,000
WATER WELL/ DRILL WATER		\$80,000	\$975,000	\$1,055,000
FUEL & POWER		\$367,000	\$17,000	\$384,000
BITS, MILLS, REAMERS		\$185,000	\$10,000	\$195,000
MUD, COMPLETION FLUIDS & CHEMICALS				
Mud & Completion Fluid		\$240,000	\$20,000	\$260,000
LCM				
Surfactants - Misc. frac needs				
TOTAL MUD & COMPLETION FLUIDS		\$240,000	\$20,000	\$260,000
CEMENTING SERVICES				
Conductor				
Surface - Primary 13 3/8"		\$45,000		\$45,000
Surface - Squeeze				
Intermediate 1		\$75,000		\$75,000
Intermediate 1 - Squeeze				
Intermediate 2				
Intermediate 2 - Squeeze				
Production - Primary 5 1/2"		\$100,000		\$100,000
Production - Squeeze				
Miscellaneous Pumping or plug.		\$60,000		\$60,000
TOTAL CEMENT SERVICES		\$280,000		\$280,000
OPEN HOLE LOGGING				
Surface Hole				
Intermediate Hole				
Liner Hole				
Total Depth		\$187,000		\$187,000
RFT's/ Included in Logging Cost		\$40,000		\$40,000
SWC's Analysis 100 x \$40		\$10,000		\$10,000
TOTAL OPEN HOLE LOGGING		\$237,000		\$237,000
CASED HOLE LOGGING SERVICES				
Cased Hole Logging & Shale Evaluation Log			\$15,000	\$15,000
52 Perforating & Plug Setting			\$275,000	\$275,000
1 Pkr/CBP & Setting Charges			\$12,000	\$12,000
Miscellaneous				
TOTAL CASED HOLE LOGGING SERVICES			\$302,000	\$302,000
DRILL STEM TEST				
COIL TUBING UNIT				
Frac Stack			\$250,000	\$250,000
			\$100,000	\$100,000
WELL TEST/ FLOWBACK			\$65,000	\$65,000

2-D

EXHIBIT

20

STIMULATION 52 Stages, 200', 2500 lbs/ft			\$3,000,000	\$3,000,000
RENTAL EQUIPMENT & SERVICES				
Automatic Driller				
BOP Equipment			\$7,500	\$7,500
Closed Loop System	\$165,000			\$165,000
DC, DP, Kelly, Handling Tools, etc.				
Agitator	\$33,700			\$33,700
Drill Time Recorder				
Drilling Jars	\$7,900			\$7,900
Fork Lift	\$32,500	\$7,500		\$40,000
Gas Detector				
Generator		\$14,000		\$14,000
HWDP				
Hydraulic Choke	\$7,500			\$7,500
Insp / Damages / Repair	\$32,200			\$32,200
Living Quarters, Trailers, Septic Systems, etc.	\$55,000	\$15,000		\$70,000
Frac Tanks	\$7,000	\$25,000		\$32,000
H2S Safety Equipment and Training	\$7,000			\$7,000
Mud Cleaner	\$20,000			\$20,000
Phone & Fax	\$15,000	\$1,500		\$16,500
PVT Equipment	\$22,000			\$22,000
Rig Communication - Intercoms	\$7,000	\$4,000		\$11,000
Rotating Head / Wear Bushing	\$35,000			\$35,000
Shale Shaker & Screens	\$6,000			\$6,000
Spacer Spool/ DSA				
Stabilizers	\$19,350			\$19,350
Steam Cleaner	\$25,000			\$25,000
Teledrift Survey Tools	\$10,000			\$10,000
Vac System	\$15,000			\$15,000
Transfer Pumps/Water Transfer	\$7,000	\$150,000		\$157,000
Trash Trailer	\$7,000	\$1,500		\$8,500
Water Line, Pumps, Air Compressors, etc.	\$5,000	\$1,500		\$6,500
Miscellaneous (Frac Tanks/Tank Covers)	\$25,000			\$25,000
TOTAL RENTAL EQUIPMENT & SERVICES	\$566,150	\$227,500		\$793,650
SPECIALIZED SERVICES				
BHA Inspection	\$5,000			\$5,000
BOP Testing	\$7,000			\$7,000
Casing Crew - Surface	\$11,000			\$11,000
Casing Crew - Intermediate 1	\$25,000			\$25,000
Casing Crew - Intermediate 2				
Casing Crew - Production	\$50,000			\$50,000
Casing Crew - Liner				
Crane		\$50,000		\$50,000
Csg / Tbg Inspection & 3rd Party	\$25,000			\$25,000
Gate Guard				
Mud Logger	\$35,000			\$35,000
PU/ LD Machine				
Roustabout / Lease Crew	\$3,500	\$2,538		\$6,038
Slick Line Services				
Tubing Testing				
Welding Services	\$2,500	\$2,700		\$5,200
Wellhead Serviceman	\$5,000			\$5,000
Miscellaneous (OB Cuttings Disposal)	\$125,000			\$125,000
TOTAL SPECIALIZED SERVICES	\$294,000	\$55,238		\$349,238
DIRECTIONAL DRILLING SERVICES				
OH Whipstock				
Mud Motors/Steering Tool / MWD	\$265,000			\$265,000
Gyro/ Multi-Shot Surveys				
Remaining Directional - Mob & De-mob	\$30,000			\$30,000
TOTAL DIRECTIONAL DRILLING SERVICES	\$295,000			\$295,000
FISHING TOOLS & SERVICE				
F. T. Supervisor & Tools				
Wireline (FP & BO)				
TOTAL FISHING TOOLS & SERVICE				
TRANSPORTATION				
Trucking	\$160,000	\$20,000		\$180,000
Pipe Hauling				
Vacuum Truck Service	\$22,500	\$25,000		\$47,500
Supply & Crew Boats				
Aircraft				
TOTAL TRANSPORTATION	\$182,500	\$45,000		\$227,500
DOCK SERVICE & DISPATCHER				

21

SUPERVISION (MAN & EXPENSES)				
Drilling/ Completion Consultant		\$150,000	\$75,000	\$225,000
Mud Consultant				
Geologist - Geosteering		\$15,000		\$15,000
Other Consulting Services		\$5,000	\$30,000	\$35,000
TOTAL SUPERVISION		\$170,000	\$105,000	\$275,000
DRILLING & COMPLETION OVERHEAD		\$7,000	\$3,000	\$10,000
INSURANCE				
Well Control		\$35,000		\$35,000
Workman's Comp. Gen Liab & Umbrella				
TOTAL INSURANCE		\$35,000		\$35,000
CONTINGENCIES @ 5%		\$241,433	\$259,987	\$501,419
TOTAL INTANGIBLES		\$5,070,053	\$5,459,725	\$10,529,777
CASING, TUBING, RODS				
Conductor Casing 20" X 40'		\$5,000		\$5,000
Surface Casing 2100' X 13 3/8"		\$162,000		\$162,000
Intermediate Casing 1 - 12,000' X 9 5/8"		\$805,000		\$805,000
Intermediate Casing 2				
Production Casing 23,100' X 5 1/2"		\$995,000		\$995,000
Drilling Liner				
Sucker Rods				
Tubing 11,000' 2 7/8"			\$105,000	\$105,000
TOTAL CASING, TUBING & RODS		\$1,967,000	\$105,000	\$2,072,000
WELLHEAD & TREE				
Intermediate Casing Spool		\$35,000		\$35,000
Bradenhead				
Tubing Head				
Upper Tree- 5 1/8" 10K			\$35,000	\$35,000
Miscellaneous				
TOTAL WELLHEAD & TREE		\$35,000	\$35,000	\$70,000
SUBSURFACE EQUIPMENT				
Downhole Pump				
Drilling Liner Accessories				
Drive Shoe & Conductor Accessories				
Flow Nipples, GL Valves, Etc.			\$40,000	\$40,000
Intermediate Casing Accessories		\$8,000		\$8,000
Liner Hangers (Drig & Prod)				
Production Casing Accessories		\$35,000		\$35,000
Production Packers			\$15,000	\$15,000
Surface Casing Accessories		\$5,000		\$5,000
Miscellaneous		\$2,000	\$5,000	\$7,000
TOTAL SUBSURFACE EQUIPMENT		\$50,000	\$60,000	\$110,000
SURFACE FACILITIES				
48" X 10' 2 Phase			\$10,000	\$10,000
Contract Labor			\$75,000	\$75,000
36" X 10' Gas Scrubber			\$7,750	\$7,750
Facility Installation			\$7,500	\$7,500
Flowline + Installation			\$50,000	\$50,000
Flowline Tap			\$12,500	\$12,500
3 Phase 4 X 20			\$25,000	\$25,000
Instrumentation / Electrical			\$25,000	\$25,000
Lease Meters & Accessories			\$3,750	\$3,750
Flare,			\$25,000	\$25,000
Miscellaneous Equipment & Fittings			\$25,000	\$25,000
Pumping Unit & Equipment				
Safety Systems			\$5,000	\$5,000
Sales Line & Meter & Connections			\$15,000	\$15,000
Sales Line & Meter Installation			\$17,500	\$17,500
Salt Water Disposal Pump & Equipment				
Separators			\$22,500	\$22,500
VRT Tower			\$11,000	\$11,000
Tanks			\$60,000	\$60,000
Transportation - Equipment			\$10,000	\$10,000
TOTAL SURFACE FACILITIES			\$407,500	\$407,500
CONTINGENCIES @ 5%		\$102,600	\$30,375	\$132,975
TOTAL TANGIBLES		\$2,154,600	\$637,875	\$2,792,475
TOTAL THIS AFE		\$7,224,653	\$6,097,600	\$13,322,252

22

TEXAS STANDARD OPERATING NM LLC

AUTHORITY FOR EXPENDITURE

WELL NAME: Lap Dog State Well No. 2H	PROPOSED TD: 11,800' TVD, 23,100' MD	AFE NUMBER: 2023-38
Field: Upper Penn / Pool Code 98333	PROJECT DESCRIPTION & OBJECTIVE: 10,360' Perforated interval, 200' stage length, 2,500 lbs/ft proppant, NO Pilot Hole, \$1.50/bbl Frac Water	
LOCATION: W2NE4 Section 23, W2E2 Section 14 & W2SE4 Section 11, T17S-R36E.	DATE: 08/01/23	
COUNTY/PARISH, STATE: Lea County, New Mexico	REVISID: 05/01/23	
Workover: Original: X Supplemental:		

DETAIL OF EXPENDITURES	ACCT CODE	DRY HOLE	COMPLETION	TOTAL
LOCATION				
Survey & Staking		\$7,500		\$7,500
Permitting & Legal Title Opinion		\$25,000		\$25,000
Surface Damages		\$12,500		\$12,500
Location & Roads (Initial)		\$75,000		\$75,000
Rathole/Mousehole/Conductor		\$15,000		\$15,000
Clean-Up & Restoration		\$5,000	\$5,000	\$10,000
TOTAL LOCATION COSTS		\$140,000	\$5,000	\$145,000
CONTRACT DRILLING				
Turnkey				
Footage				
Daywork - 39 Days @ \$30,000/Day		\$1,170,000		\$1,170,000
Rig Mob & De-mob		\$240,000		\$240,000
TOTAL RIG COSTS		\$1,410,000		\$1,410,000
COMPLETION RIG COST				
Daywork -				
Daywork - Completion Rig 3 days			\$20,000	\$20,000
Completion Rig Move				
TOTAL COMPLETION RIG COSTS			\$20,000	\$20,000
WATER WELL/ DRILL WATER		\$77,400	\$975,000	\$1,052,400
FUEL & POWER		\$295,000	\$17,000	\$312,000
MILLS, REAMERS		\$165,000	\$10,000	\$175,000
MUD, COMPLETION FLUIDS & CHEMICALS				
Mud & Completion Fluid		\$230,000	\$20,000	\$250,000
LCM				
Surfactants - Misc. frac needs				
TOTAL MUD & COMPLETION FLUIDS		\$230,000	\$20,000	\$250,000
CEMENTING SERVICES				
Conductor				
Surface - Primary 13 3/8"		\$45,000		\$45,000
Surface - Squeeze				
Intermediate 1		\$75,000		\$75,000
Intermediate 1 - Squeeze				
Intermediate 2				
Intermediate 2 - Squeeze				
Production - Primary 5 1/2"		\$100,000		\$100,000
Production - Squeeze				
Miscellaneous Pumping or plug.				
TOTAL CEMENT SERVICES		\$220,000		\$220,000
OPEN HOLE LOGGING				
Surface Hole				
Intermediate Hole				
Liner Hole				
Total Depth		\$50,000		\$50,000
RFT's/ Included in Logging Cost				
SWC's Analysis 100 x \$40				
TOTAL OPEN HOLE LOGGING		\$50,000		\$50,000
CASED HOLE LOGGING SERVICES				
Cased Hole Logging & Shale Evaluation Log			\$15,000	\$15,000
52 Perforating & Plug Setting			\$275,000	\$275,000
1 Pkr/CBP & Setting Charges			\$12,000	\$12,000
Miscellaneous				
TOTAL CASED HOLE LOGGING SERVICES			\$302,000	\$302,000
DRILL STEM TEST				
COIL TUBING UNIT			\$250,000	\$250,000
Frac Stack			\$100,000	\$100,000
WELL TEST/ FLOWBACK			\$65,000	\$65,000
STIMULATION S2 Stages, 200', 2500 lbs/ft			\$3,000,000	\$3,000,000
RENTAL EQUIPMENT & SERVICES				
Automatic Driller				
BOP Equipment			\$7,500	\$7,500

23

Closed Loop System		\$160,000		\$160,000
DC, DP, Kelly, Handling Tools, etc.				
Agitator		\$33,700		\$33,700
Drill Time Recorder				
Drilling Jars		\$7,900		\$7,900
Fork Lift		\$27,500	\$7,500	\$35,000
Gas Detector				
Generator			\$14,000	\$14,000
HWDP				
Hydraulic Choke		\$6,500		\$6,500
Insp / Damages / Repair		\$32,200		\$32,200
Living Quarters, Trailers, Septic Systems, etc.		\$48,000	\$15,000	\$63,000
Frac Tanks		\$5,000	\$25,000	\$30,000
H2S Safety Equipment and Training		\$6,000		\$6,000
Mud Cleaner		\$16,000		\$16,000
Phone & Fax		\$12,500	\$1,500	\$14,000
PVT Equipment		\$17,500		\$17,500
Rig Communication - Intercoms		\$6,000	\$4,000	\$10,000
Rotating Head / Wear Bushing		\$30,000		\$30,000
Shale Shaker & Screens		\$6,000		\$6,000
Spacer Spool/ DSA				
Stabilizers		\$19,350		\$19,350
Steam Cleaner		\$25,000		\$25,000
Teledrift Survey Tools		\$10,000		\$10,000
Vac System		\$10,000		\$10,000
Transfer Pumps/Water Transfer		\$6,000	\$150,000	\$156,000
Trash Trailer		\$6,000	\$1,500	\$7,500
Water Line, Pumps, Air Compressors, etc.		\$4,500	\$1,500	\$6,000
Miscellaneous (Frac Tanks/Tank Covers)		\$25,000		\$25,000
TOTAL RENTAL EQUIPMENT & SERVICES		\$520,650	\$227,500	\$748,150
SPECIALIZED SERVICES				
BHA Inspection		\$5,000		\$5,000
BOP Testing		\$7,000		\$7,000
Casing Crew - Surface		\$11,000		\$11,000
Casing Crew - Intermediate 1		\$25,000		\$25,000
Casing Crew - Intermediate 2				
Casing Crew - Production		\$50,000		\$50,000
Casing Crew - Liner				
Crane			\$50,000	\$50,000
Csg / Tbg Inspection & 3rd Party		\$25,000		\$25,000
Gate Guard				
Mud Logger		\$30,000		\$30,000
PUI/LD Machine				
Roustabout / Lease Crew		\$3,500	\$2,538	\$6,038
Slick Line Services			\$5,000	\$5,000
Tubing Testing				
Welding Services		\$2,500	\$2,700	\$5,200
Wellhead Serviceman		\$5,000		\$5,000
Miscellaneous (OB Cuttings Disposal)		\$120,000		\$120,000
TOTAL SPECIALIZED SERVICES		\$284,000	\$60,238	\$344,238
DIRECTIONAL DRILLING SERVICES				
OH Whipstock				
Mud Motors/Steering Tool / MWD		\$250,000		\$250,000
Gyro/ Multi-Shot Surveys				
Remaining Directional - Mob & De-mob		\$30,000		\$30,000
TOTAL DIRECTIONAL DRILLING SERVICES		\$280,000		\$280,000
FISHING TOOLS & SERVICE				
F. T. Supervisor & Tools				
Wireline (FP & BO)				
TOTAL FISHING TOOLS & SERVICE				
TRANSPORTATION				
Trucking		\$160,000	\$20,000	\$180,000
Pipe Hauling				
Vacuum Truck Service		\$22,500	\$25,000	\$47,500
Supply & Crew Boats				
Aircraft				
TOTAL TRANSPORTATION		\$182,500	\$45,000	\$227,500
DOCK SERVICE & DISPATCHER				
SUPERVISION (MAN & EXPENSES)				
Drilling/ Completion Consultant		\$125,000	\$75,000	\$200,000
Mud Consultant				
Geologist - Geosteering		\$15,000		\$15,000
Other Consulting Services		\$5,000	\$30,000	\$35,000
TOTAL SUPERVISION		\$145,000	\$105,000	\$250,000
DRILLING & COMPLETION OVERHEAD		\$7,000	\$3,000	\$10,000
INSURANCE				

26
24

Well Control		\$35,000		\$35,000
Workman's Comp. Gen Liab & Umbrella				
TOTAL INSURANCE		\$35,000		\$35,000
CONTINGENCIES @ 5%		\$202,078	\$260,237	\$462,314
TOTAL INTANGIBLES		\$4,243,598	\$5,464,975	\$9,708,572
CASING, TUBING, RODS				
Conductor Casing 20" X 40'		\$5,000		\$5,000
Surface Casing 2100' X 13 3/8"		\$162,000		\$162,000
Intermediate Casing 1 - 12,000' X 9 5/8"		\$805,000		\$805,000
Intermediate Casing 2				
Production Casing 23,100' X 5 1/2"		\$995,000		\$995,000
Drilling Liner				
Sucker Rods				
Tubing 11,000' 2 7/8"			\$105,000	\$105,000
TOTAL CASING, TUBING & RODS		\$1,967,000	\$105,000	\$2,072,000
WELLHEAD & TREE				
Intermediate Casing Spool		\$35,000		\$35,000
Bradenhead				
Tubing Head				
Upper Tree - 5 1/8" 10K			\$35,000	\$35,000
Miscellaneous				
TOTAL WELLHEAD & TREE		\$35,000	\$35,000	\$70,000
SUBSURFACE EQUIPMENT				
Downhole Pump				
Drilling Liner Accessories				
Drive Shoe & Conductor Accessories				
Flow Nipples, GL Valves, Etc.			\$40,000	\$40,000
Intermediate Casing Accessories		\$8,000		\$8,000
Liner Hangers (Drig & Prod)				
Production Casing Accessories		\$35,000		\$35,000
Production Packers			\$15,000	\$15,000
Surface Casing Accessories		\$5,000		\$5,000
Miscellaneous		\$2,000	\$5,000	\$7,000
TOTAL SUBSURFACE EQUIPMENT		\$50,000	\$60,000	\$110,000
SURFACE FACILITIES				
48" X 10' 2 Phase			\$10,000	\$10,000
Contract Labor			\$75,000	\$75,000
36" X 10' Gas Scrubber			\$7,750	\$7,750
Facility Installation			\$7,500	\$7,500
Flowline + Installation			\$50,000	\$50,000
Flowline Tap			\$12,500	\$12,500
3 Phase 4 X 20			\$25,000	\$25,000
Instrumentation / Electrical			\$25,000	\$25,000
Lease Meters & Accessories			\$3,750	\$3,750
Flare,			\$25,000	\$25,000
Miscellaneous Equipment & Fittings			\$25,000	\$25,000
Pumping Unit & Equipment				
Safety Systems			\$5,000	\$5,000
Sales Line & Meter & Connections			\$15,000	\$15,000
Sales Line & Meter Installation			\$17,500	\$17,500
Salt Water Disposal Pump & Equipment				
Separators			\$22,500	\$22,500
VRT Tower			\$11,000	\$11,000
Tanks			\$60,000	\$60,000
Transportation - Equipment			\$10,000	\$10,000
TOTAL SURFACE FACILITIES			\$407,500	\$407,500
CONTINGENCIES @ 5%		\$102,600	\$30,375	\$132,975
TOTAL TANGIBLES		\$2,154,600	\$637,875	\$2,792,475
TOTAL THIS AFE				
		\$6,398,198	\$6,102,850	\$12,501,047

25

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

APPLICATIONS OF TEXAS STANDARD
OPERATING NM LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

Case Nos. 23823 & 23824

SELF-AFFIRMED STATEMENT OF DAVID ENTZMINGER

COUNTY OF PIERCE)
) ss.
STATE OF WASHINGTON)

David Entzminger deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein. I have previously testified before the Division, and my credentials as an expert petroleum geologist were accepted as a matter of record.

My educational and work experiences are as follows: I have a BS Geological Engineering (1976) Univ. of Idaho and MS Geology (1979) Idaho State University. I am a Certified Professional Geologist with AAPG and hold a Texas State License in Geology. I have been working as a petroleum geologist since 1977 (47 years) with major companies like ARCO & BP, independent companies like Whiting Petroleum & Cabot, and small independents like HRC & MDC, as well as having my own company Entzminger Geoscience Services, LLC. I have managed large drilling programs of over 100 wells that managed to produce 25 mboepd. I have explored in most basins throughout the United States. I have published or presented over 40 professional papers and have been very active in both local and national professional organizations.

2. I am a consulting geologist for Texas Standard Operating NM LLC ("Texas Standard"), and I am familiar with the geological matters involved in these cases.

3. The following geological plats are attached hereto:

- (a) Exhibit 3-A is a Type Log showing the Penn Shale interval that is being targeted by horizontal wells in the Lap Dog units.
- (b) Exhibit 3-B is a stratigraphic cross section showing the Penn Shale, the target zone for the proposed horizontal wells. The well logs on the cross-section give a representative sample of the Penn Shale in this area. The Penn Shale is continuous across the well units.

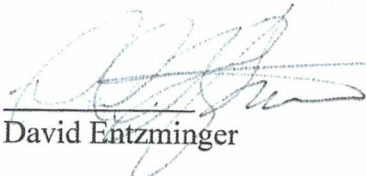
EXHIBIT 3

26

- (c) Exhibit 3-C is a structure map on the top of the Strawn formation. It shows the structure along with the approximate location of deep faults in the area. It also shows wells that penetrated the Penn Shale, producing Penn Shale wells, and the location of the Type Log.
 - (d) Exhibit 4 is a gross isopach map of the Penn Shale in the area of the proposed unit. It shows the proposed wells, type log location and producing Penn horizontal wells.
4. I conclude from the maps that:
- (a) The horizontal spacing units are justified from a geologic standpoint.
 - (b) The target zone is continuous across the well units.
 - (c) Each quarter-quarter section in the well units will contribute more or less equally to production.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 4 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.

Date: April 25, 2024


David Entzminger

Marathon State V1687 #1
API#- 3002530110
Sec 27, T17S R36E
Lea Co., NM

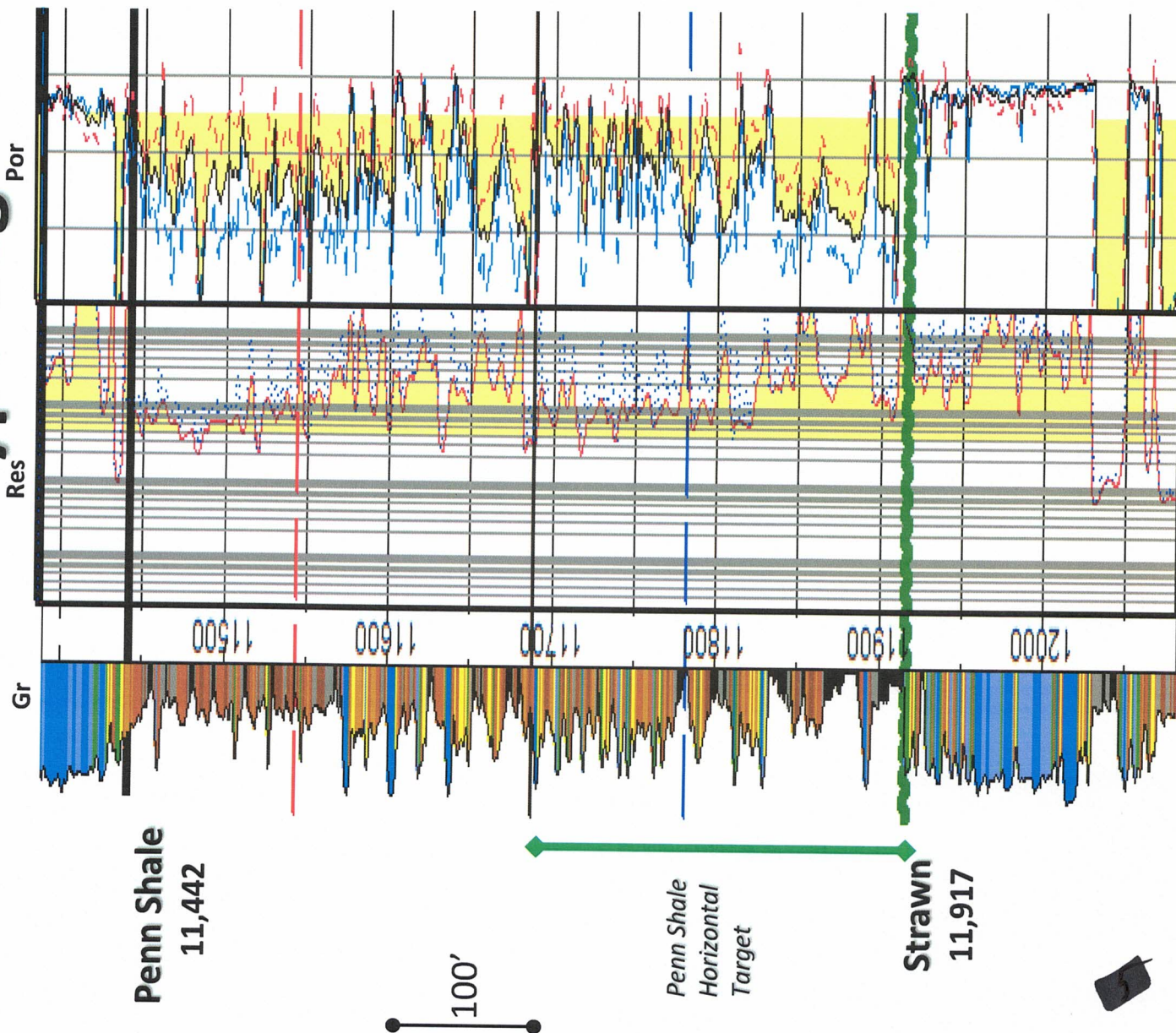
Schlumberger
Phasor Induction &
Litho-Density/Compensated Neutron Log
Dated - Dec 27, 1987

Texas Standard Oil Company
Drilling Unit
Geological Exhibit #3A
Type Log

by David J. Entzminger
April 25, 2024



Type Log



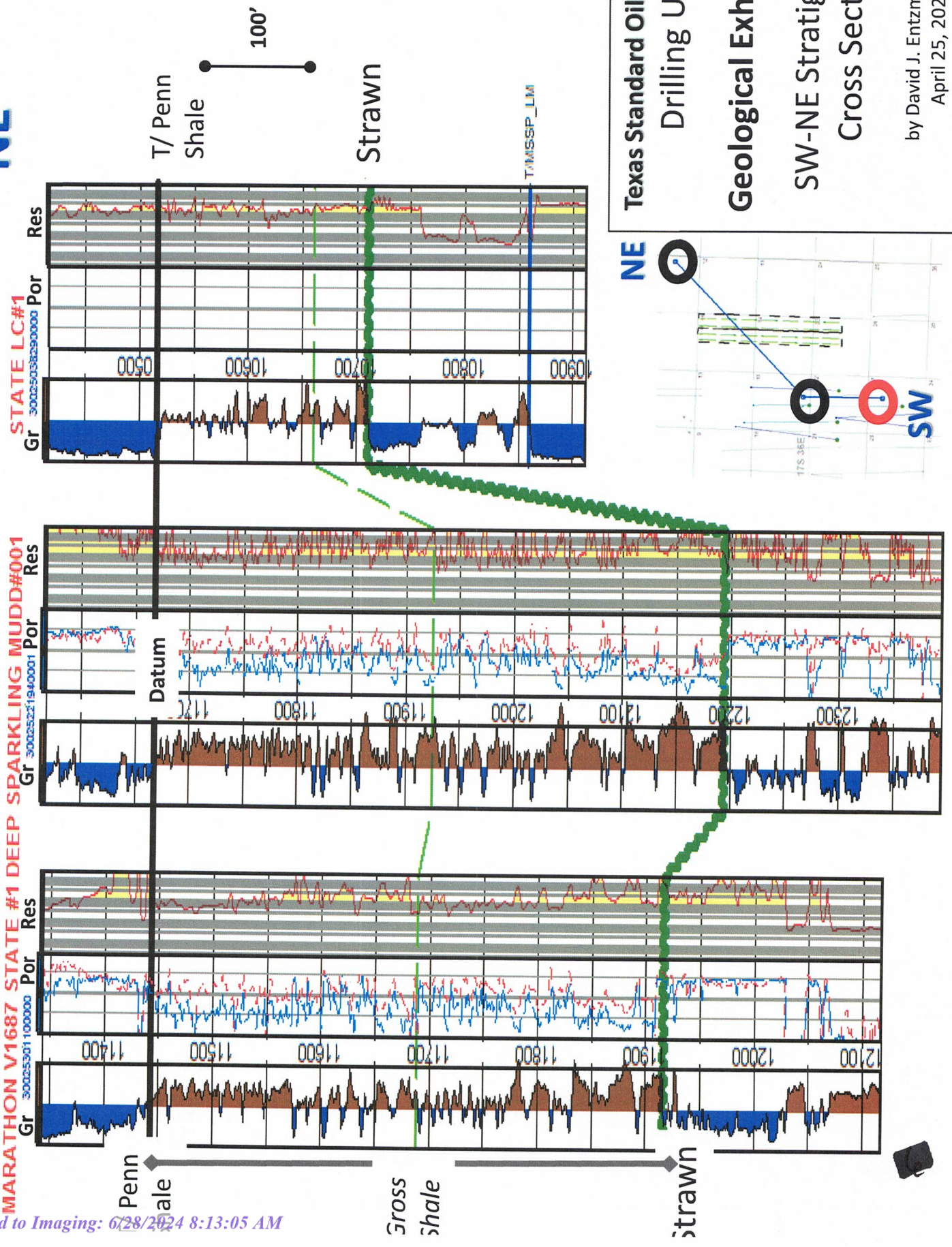
NE

Strawn

Texas Standard Oil Company
Drilling Unit

Geological Exhibit #3B
SW-NE Stratigraphic
Cross Section

by David J. Entzminger
April 25, 2024



SW

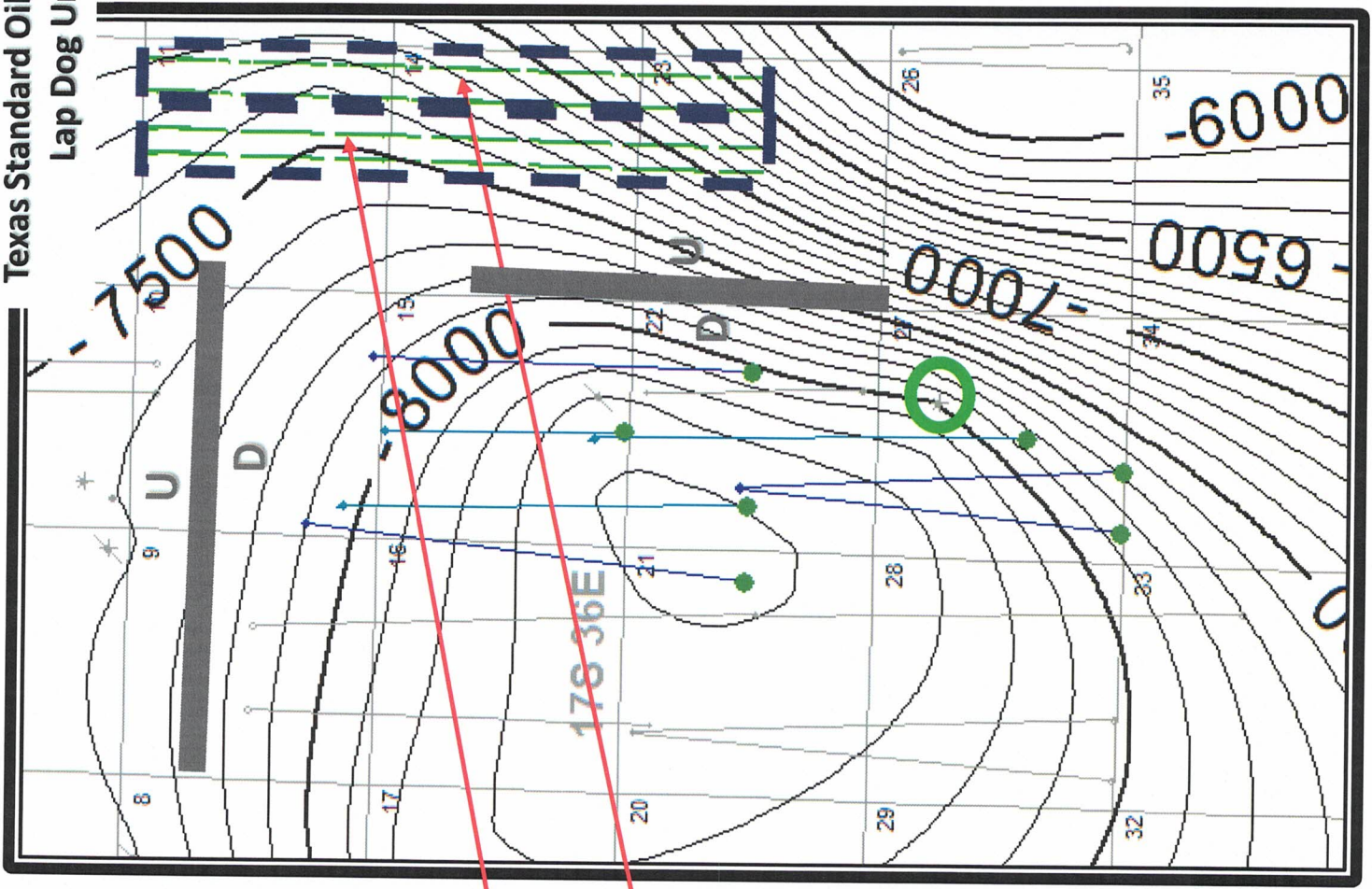
Texas Standard Oil Company
Lap Dog Unit

Texas Standard Oil Company
Drilling Unit

Geological Exhibit #33C

Structure (ss)-
Top of Strawn
• Wells >12,000' td

by David J. Entzminger
April 25, 2024



CI- 100'



Proposed
Lap Dog Unit
Wells 1 & 2

Proposed
Lap Dog Unit
Wells 3 & 4

30

Texas Standard Oil Company
Drilling Unit

Geological Exhibit

Gross
Penn Shale Isopach
 ● Wells >12,000' td

by David J. Entzminger
 April 25, 2024

Type Log

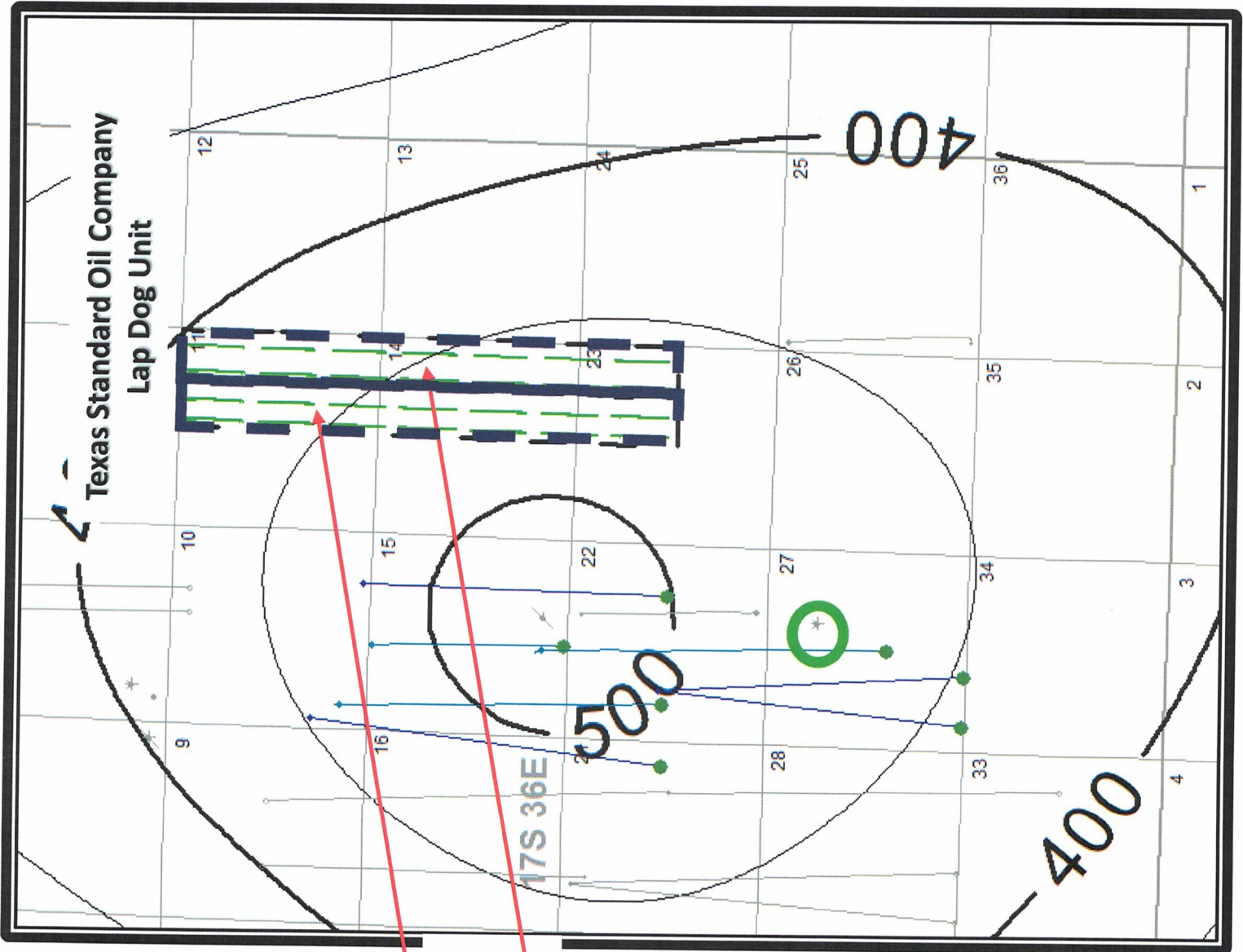


1mi



● Penn Horizontal
 Producers

CI- 50'



Proposed
 Lap Dog Unit
Wells 1 & 2

Proposed
 Lap Dog Unit
Wells 3 & 4