

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

**APPLICATION OF AMEREDEV  
OPERATING, LLC FOR  
COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24603**

**NOTICE OF REVISED EXHIBITS C-3 & C-5**

Ameredev Operating, LLC, applicant in the above-referenced case, gives notice that it is filing the attached exhibit for acceptance into the record.

**Revised Exhibit C-3** is an updated pooling exhibit showing that XTO Holdings, LLC and Carolyn Michelle Beckham are not being pooled.

**Revised Exhibit C-5** is an updated chronology of contacts with additional details regarding Ameredev's communications with the parties it seeks to pool.

Respectfully submitted,

HOLLAND & HART LLP



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**ATTORNEYS FOR AMEREDEV OPERATING, LLC**

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JULY 11, 2024**

**CASE NO. 24603**

*PIMENTO FED COM 26 36 03 113H*

**LEA COUNTY, NEW MEXICO**



AmeredeV II, LLC

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

**APPLICATIONS OF AMEREDEV  
OPERATING, LLC FOR  
COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24603**


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**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24603</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>July 11, 2024</b>
Applicant	Ameredev Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Ameredev Operating, LLC (OGRID No. 372224)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Pimento
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	E/2 W/2 of Sections 3 and 10, Township 26 South, Range 36 East, NMPM, 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
<b>Other Situations</b>	
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 C-3
<b>Well(s)</b>	
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 Received by OCD: 7/11/2024 4:33:37 PM	<u>Pimento Fed Com 26 36 03 113H</u> SHL: 160' FNL, 1,872' FWL (Unit C) of Section 3 BHL: 50' FSL, 1,920' FWL (Unit N) of Section 10 Target: Wolfcamp Orientation: Standup Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$7,000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-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)	Exhibit C-3
Unlocatable Parties to be Pooled	2; See Exhibit C
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1

Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-4
HSU Cross Section	Exhibit D-3, D-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Paula M. Vance
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	7/5/2024

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

APPLICATION OF AMEREDEV  
OPERATING, LLC FOR  
COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

CASE NO. 24603

APPLICATION

Ameredev Operating, LLC (“Ameredev” or “Applicant”) (OGRID No. 372224), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted minerals owners in a standard 320-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E/2 W/2 of Sections 3 and 10, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Ameredev states:

1. Ameredev is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed **Pimento Fed Com 26-36-03 113H**, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 3, a first take point from the NE/4 NW/4 (Unit C) of Section 3, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 10.
3. Ameredev has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners and unleased mineral interest owners in the subject spacing unit.

4. The pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 11, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted mineral owners in the horizontal spacing unit;
- B. Designating Ameredev Operating, LLC operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Ameredev to recover its costs of drilling, completing, and equipping the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Ameredev in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.



Respectfully submitted,

HOLLAND & HART LLP

By: \_\_\_\_\_

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**ATTORNEYS FOR AMEREDEV OPERATING, LLC**

**CASE \_\_\_\_:**            **Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 320-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E/2 W/2 of Sections 3 and 10, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed **Pimento Fed Com 26-36-03 113H**, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 3, a first take point from the NE/4 NW/4 (Unit C) of Section 3, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 10. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Ameredev Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 4 miles southwest of Jal, New Mexico.

**STATE OF NEW MEXICO  
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**APPLICATIONS OF AMEREDEV  
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LEA COUNTY, NEW MEXICO.**

**CASE NO. 24603**

**SELF-AFFIRMED STATEMENT OF BRANDON FORTEZA**

1. My name is Brandon Forteza. I work for Ameredev Operating, LLC (“Ameredev”) as a Senior Landman.

2. I have previously testified before the New Mexico Oil Conservation Division (“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.

3. I am familiar with the application filed by Ameredev in this case, and I am familiar with the status of the lands in the subject area.

4. None of the uncommitted parties in this case have indicated opposition to proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.

5. In this case, Ameredev seeks an order pooling all uncommitted minerals owners in a standard 320-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E/2 W/2 of Sections 3 and 10, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed **Pimento Fed Com 26-36-03 113H** (API: 30-025-52800), to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 3, a first take point from the NE/4 NW/4 (Unit C) of Section 3, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 10.

6. **Ameredev Exhibit C-1** contains the C-102 for the proposed well. The exhibit shows that the wells will be assigned to the WC-025 G-09 S263619C, Wolfcamp [98234].

7. **Ameredev Exhibit C-2** is an exhibit prepared by me that identifies the tracts of land comprising the proposed horizontal spacing unit in this case. The proposed spacing unit includes federal and fee land.

8. **Ameredev Exhibit C-3** shows the interest owners and the percentage of their interest by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing unit, is also included in the exhibit. Ameredev is seeking to pool the uncommitted interest owners with an asterisk next to their name.

9. There are no depth severances in the Wolfcamp formation.

10. **Ameredev Exhibit C-4** is a sample of the well proposal letter and AFEs sent to all working interest owners, along with sample lease offer sent to the unleased mineral interest owners. The costs reflected in the AFEs are consistent with what Ameredev and other operators have incurred for drilling similar horizontal wells in the area. Additionally, Ameredev requests overhead and administrative rates of \$7,000 per month for drilling and \$700 per month for a producing well. These rates are consistent with the rates charged by Ameredev and other operators for wells of this type in this area.

11. **Ameredev Exhibit C-5** contains a general summary of the contacts with the uncommitted interest owners. As indicated in the exhibit, Ameredev has made a good faith effort to locate and has had communications with most of the parties that it seeks to pool in this case in an effort to reach voluntary joinder. Ameredev was unable to locate two of the parties; Ameredev tried multiple addresses for these unlocatable parties and was unable to make contact but has

continued efforts to try and reach them. In my opinion, Ameredev has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

12. Ameredev has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Ameredev seeks to pool and instructed that they be notified of this hearing. Ameredev has conducted a diligent search of all public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.

13. **Ameredev Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

14. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Brandon Forteza

7/11/24

Date

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

Submitted by: Ameredeve Operating, LLC  
Hearing Date: July 11, 2024  
Case No. 24603

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

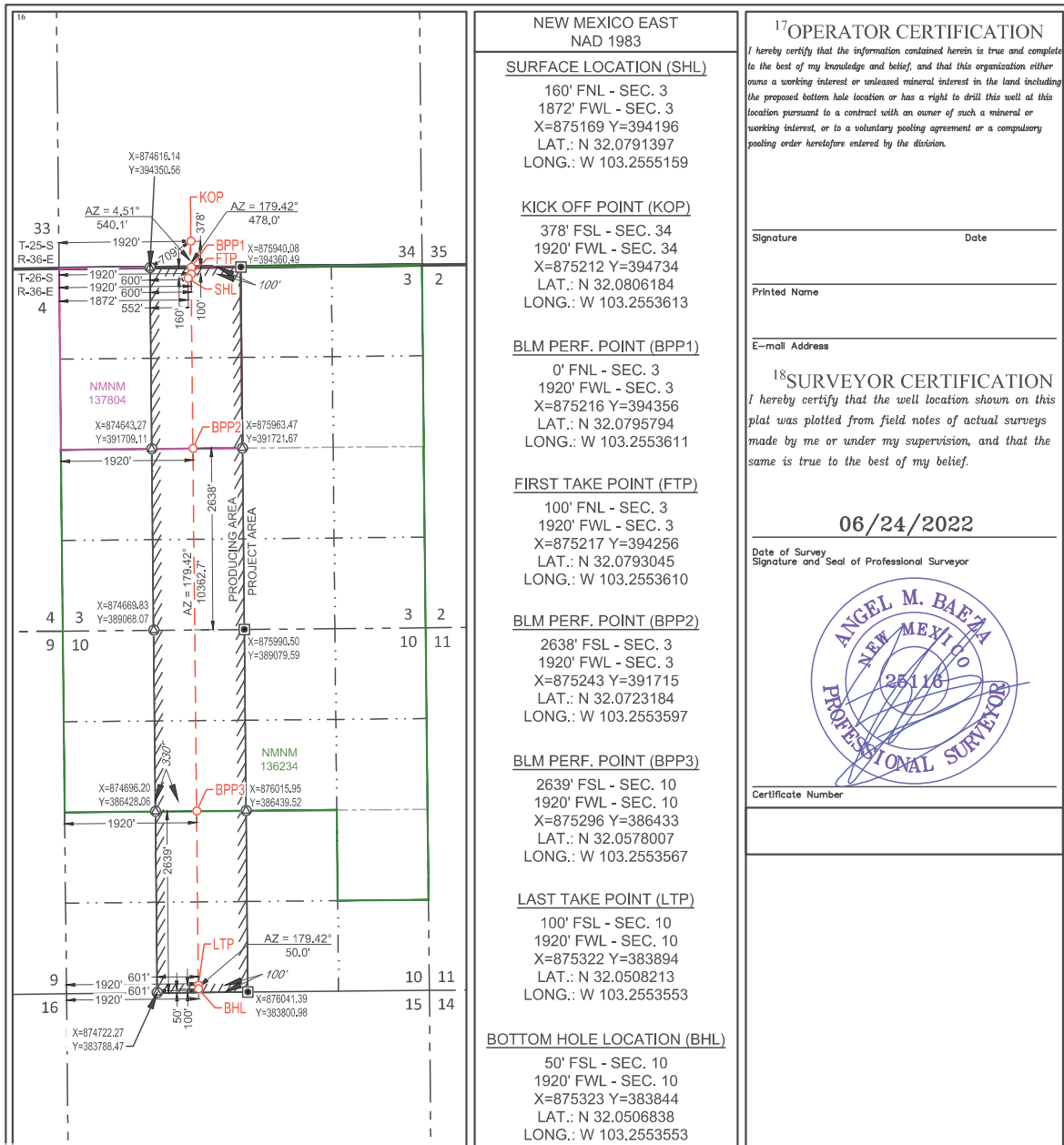
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>306025-52800</b>		<sup>2</sup> Pool Code <b>98234</b>		<sup>3</sup> Pool Name <b>WC-025 G-09 S263619C; WOLFCAMP</b>					
<sup>4</sup> Property Code <b>325012</b>		<sup>5</sup> Property Name <b>PIMENTO FED COM 26 36 03</b>		<sup>6</sup> Well Number <b>113H</b>					
<sup>7</sup> OGRID No. <b>37224</b>		<sup>8</sup> Operator Name <b>AMEREDEV OPERATING, LLC.</b>		<sup>9</sup> Elevation <b>3000'</b>					
<sup>10</sup> Surface Location									
UL or lot no. <b>C</b>	Section <b>3</b>	Township <b>26-S</b>	Range <b>36-E</b>	Lot Idn <b>-</b>	Feet from the <b>160'</b>	North/South line <b>NORTH</b>	Feet from the <b>1872'</b>	East/West line <b>WEST</b>	County <b>LEA</b>
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. <b>N</b>	Section <b>10</b>	Township <b>26-S</b>	Range <b>36-E</b>	Lot Idn <b>-</b>	Feet from the <b>50'</b>	North/South line <b>SOUTH</b>	Feet from the <b>1920'</b>	East/West line <b>WEST</b>	County <b>LEA</b>
<sup>12</sup> Dedicated Acres <b>320</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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.



<sup>17</sup> 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 \_\_\_\_\_

<sup>18</sup> 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 to the best of my belief.

06/24/2022

Date of Survey  
Signature and Seal of Professional Surveyor



Certificate Number \_\_\_\_\_

- NEW MEXICO EAST  
NAD 1983
- SURFACE LOCATION (SHL)  
160' FNL - SEC. 3  
1872' FWL - SEC. 3  
X=875169 Y=394196  
LAT.: N 32.0791397  
LONG.: W 103.2555159
- KICK OFF POINT (KOP)  
378' FSL - SEC. 34  
1920' FWL - SEC. 34  
X=875212 Y=394734  
LAT.: N 32.0806184  
LONG.: W 103.2553613
- BLM PERF. POINT (BPP1)  
0' FNL - SEC. 3  
1920' FWL - SEC. 3  
X=875216 Y=394356  
LAT.: N 32.0795794  
LONG.: W 103.2553611
- FIRST TAKE POINT (FTP)  
100' FNL - SEC. 3  
1920' FWL - SEC. 3  
X=875217 Y=394256  
LAT.: N 32.0793045  
LONG.: W 103.2553610
- BLM PERF. POINT (BPP2)  
2638' FSL - SEC. 3  
1920' FWL - SEC. 3  
X=875243 Y=391715  
LAT.: N 32.0723184  
LONG.: W 103.2553597
- BLM PERF. POINT (BPP3)  
2639' FSL - SEC. 10  
1920' FWL - SEC. 10  
X=875296 Y=386433  
LAT.: N 32.0578007  
LONG.: W 103.2553567
- LAST TAKE POINT (LTP)  
100' FSL - SEC. 10  
1920' FWL - SEC. 10  
X=875322 Y=383894  
LAT.: N 32.0508213  
LONG.: W 103.2553553
- BOTTOM HOLE LOCATION (BHL)  
50' FSL - SEC. 10  
1920' FWL - SEC. 10  
X=875323 Y=383844  
LAT.: N 32.0506838  
LONG.: W 103.2553553

**PIMENTO FED COM 26-36-03 113H  
T26S-R36E-SECTION 3 AND 10, E2W2  
LEA COUNTY, NEW MEXICO**

<b>SEC 3</b>	TRACT 1 E2NW4 80.00 ACRES NMNM 137804	
	TRACT 2 E2SW4 SEC 3 E2NW4 SEC 10 160.00 ACRES NMNM 136234	
<b>SEC 10</b>	TRACT 3 E2SW4 80.00 ACRES	

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-2  
Submitted by: Ameredev Operating, LLC  
Hearing Date: July 11, 2024  
Case No. 24603**

**PIMENTO FED COM 26-36-03 113H  
T26S-R36E-SECTION 3 AND 10, E2W2  
LEA COUNTY, NEW MEXICO**

**TRACT 1: E2NW4 OF SECTION 3 26S 36E**

AMEREDEV NEW MEXICO, LLC	100.000000%
<b>TOTAL</b>	<b>100.000000%</b>

**TRACT 2: E2SW4 OF SECTION 3 AND E2NW4 OF SECTION 10 26S 36E**

AMEREDEV NEW MEXICO, LLC	100.000000%
<b>TOTAL</b>	<b>100.000000%</b>

**TRACT 3: E2SW4 OF SECTION 10 26S 36E**

ISAACS FAMILY LIMITED PARTNERSHIP	0.555556%
QUAIL CREEK ROYALTY, LLC	0.555556%
OXY USA WTP LIMITED PARTNERSHIP	16.666667%
JOE N. GIFFORD	4.218750%
DOORNBOS MINERAL PARTNERS, LLC	2.777778%
REALEZA DEL SPEAR, LP	0.357143%
AMEREDEV NEW MEXICO, LLC	74.868552%
<b>TOTAL</b>	<b>100.000000%</b>

**UNIT RECAPITULATION  
PIMENTO FED COM 26-36-03 113H  
T26S-R36E-SECTION 3 AND 10, E2W2  
LEA COUNTY, NEW MEXICO**

*ISAACS FAMILY LIMITED PARTNERSHIP	0.138889%
*QUAIL CREEK ROYALTY, LLC	0.138889%
*OXY USA WTP LIMITED PARTNERSHIP	4.166667%
*JOE N. GIFFORD	1.054688%
*DOORNBOS MINERAL PARTNERS, LLC	0.694444%
*REALEZA DEL SPEAR, LP	0.089286%
AMEREDEV NEW MEXICO, LLC	93.717138%
<i>*Interest Seeking to Compulsory Pool</i>	100.000000%

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Revised Exhibit No. C-3  
Submitted by: Ameredev Operating, LLC  
Hearing Date: July 11, 2024  
Case No. 24603



Ameredev II, LLC  
2901 Via Fortune, Suite 600  
Austin, Texas 78746



April 12, 2024

Via Certified Return Receipt Mail

CAROLYN MICHELLE BECKHAM  
425 EAGLE  
LAKEWAY, TX 78734

RE: Pimento Fed Com 26-36-03 #106H and #113H Well Proposal  
Sections 3 and 10  
Township 26 South, Range 36 East, N.M.P.M., Lea County, New Mexico

Dear Owner:

Ameredev Operating, LLC (“Ameredev”), as Operator, hereby proposes to commence to drill and complete the following horizontal wells, testing the Wolfcamp formation at applicable lease surface locations in Section 3, T26S-36E with bottom hole locations in Section 10, T26S-R36E, Lea County, New Mexico (collectively, the “Operation”). The proposed wells will fall within two 320.00-acre spacing units all located in Sections 3 and 10 of Township 26S, Range 36E, Lea County, NM:

- E2W2 (Pimento Fed Com 26-36-03 #113H)
- W2E2 (Pimento Fed Com 26-36-03 #106H)

Proposed Wells:

- 1) Pimento Fed Com 26-36-03 #113H to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 11,379 feet and a measured depth of 22,137 feet. The surface location for this well is proposed at a legal location in unit letter C of Section 3, T26S, R36-E and a bottom hole location at a legal location in unit letter N of Section 10, T26S-36E. The estimated cost to drill and complete said well is \$13,158,833.85, as shown on the attached authority for expenditure (“AFE”).
- 2) Pimento Fed Com 26-36-03 #106H to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 11,150’ feet and a measured depth of 22,015’ feet. The surface location for this well is proposed at a legal location in Lot B (UL B) of Section 3, T26S, R36-E and a bottom hole location at a legal location in unit letter O of Section 10, T26S-36E. The estimated cost to drill and complete said well is \$13,158,833.85 as shown on the attached authority for expenditure (“AFE”).

Our records indicate that you own a 0.01227679 unleased mineral interest within the E2SW4, SW4SE4, NW4SE4 of Section 10, T26S-R36E, which falls within the spacing unit of the Operation. As a mineral interest owner, you have the following options:

- 1) Lease your mineral interest to Ameredev and receive revenues from the Operations as a royalty interest owner. Royalty interest owners are subject to their proportionate share of revenues pursuant to the lease’s royalty rate and are not responsible for any of the costs associated with the drilling and completing of the Operation; or
- 2) Participate in the Operations as a working interest owner. Working interest owners are responsible to pay their proportionate share of expenses with the drilling and completing of the Operation.

In the event you wish to lease your mineral interest, Ameredev hereby offers the following lease terms:

**Legal Description:** E2SW4, SW4SE4,NW4SE4 of Section 10, T26S-R36E, N.M.P.M Lea County, NM  
**Mineral Interest:** 0.01227679 (1.96428571 net acres)  
**Bonus:** \$2,000/net acres  
**Term:** 3 years  
**Royalty Rate:** 25%  
**Lease Form:** Enclosed

Upon acceptance of this lease offer please execute the enclosed Oil, Gas & Mineral Lease in front of a notary public. The following documents are to be returned to the attention of the undersigned:

- 1.) Signed letter indicated acceptance of the aforementioned lease offer
- 2.) Fully executed and notarized Oil, Gas & Mineral Lease Form
- 3.) Fully executed W-9 form

The terms of this lease offer are subject to confirmation of record title ownership and may be rescinded at any time. The lease offer shall expire on **Sunday, May 12th ,2024.**

In the event you choose to participate in the Operation as a working interest owner, Ameredev proposes the Operation to be governed by the 2015 Horizontal AAPL Form 610 Operating Agreement (“OA”) with the following terms:

- Contract Area consisting of the following all in Sections 3 and 10 of Township 26 South, Range 36 East, N.M.P.M., Lea County, New Mexico, with Ameredev listed as the Operator (“Contract Area”):
  - E2W2
  - W2E2
- 100%/300%/300% non-consent risk penalties
- \$7,000/\$700 drilling and producing overhead rates

Please indicate your election on the following page and return the executed letter to the attention of the undersigned. In the interest of time, if we do not reach an agreement within thirty (30) days of the date of this letter, Ameredev will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a horizontal spacing unit for the proposed Operation.

Thank you for your consideration of our proposal. If you have any questions, please contact me at 737-300-4721 or [bforteza@ameredev.com](mailto:bforteza@ameredev.com). Ameredev looks forward to working with you on this matter.

Sincerely,



Brandon Forteza

This portion shall be completed if you choose to LEASE your mineral interest:

*The undersigned hereby accepts Ameredev's offer to lease its mineral interest per the terms of the letter dated April 12, 2024*

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
CAROLYN MICHELLE BECKHAM

---

This portion shall be completed if you choose to PARTICIPATE as a working interest owner:

**Election Ballot for the Pimento Fed Com 26-36-03 #106H Well Proposal (AFE# 2024-011)**

\_\_\_\_\_ CAROLYN MICHELLE BECKHAM elects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2024-011.

\_\_\_\_\_ CAROLYN MICHELLE BECKHAM elects to not participate in the proposed Operation.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
By: CAROLYN MICHELLE BECKHAM

Its:

**Election Ballot for the Pimento Fed Com 26-36-03 #113H Well Proposal (AFE# 2024-012)**

\_\_\_\_\_ CAROLYN MICHELLE BECKHAM elects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2024-012.

\_\_\_\_\_ CAROLYN MICHELLE BECKHAM elects to not participate in the proposed Operation.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
By: CAROLYN MICHELLE BECKHAM

Its:



Lea County, NM

## **Pimento Fed Com 26-36-03 113H**

**2024-012**  
**Single Well Project**  
**4/11/2024**

Ameredev Operating, LLC  
2901 Via Fortuna Suite 600, Austin, TX 78746



Amerdev II, LLC

<b>Company Entity</b>	<b>Date Prepared</b>
Amerdev Operating, LLC	April 11, 2024

AFE Type	Project	Field Name	Cost Center	AFE No.
Capital	Pimento Fed Com 26-36-03 113H	Delaware	40437	2024-012

Location	County	State	Well Type	
SHL: Sec. 3 26S-36E 160' FNL & 1872' FWL BHL: Sec. 10 26S-36E 50' FSL & 1920' FWL	Lea	NM	<i>Oil</i>	<i>Prod</i>

Estimate Type	Start Date	Completion Date	Formation	MD
<i>Original</i>	July 1, 2024	December 1, 2024	Wolfcamp A	22,137'
				TVD 11,379'

**Project Description**  
 Drill ~10,000' Wolfcamp lateral. Complete with ~2200 PPF. Drill out plugs and run tubing with gas lift. Tie in to the Firethorn Central Tank Battery. This well will flow to a new satellite.

**Total Cost** **\$13,158,833.85**

**Comments on Associated Costs**  
 Included costs for satellite pad if well goes through a satellite. This is split respectively on the number of wells that are going through the satellite.

**Comments on AFE**  
 The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well.

**Well Control Insurance**  
 Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$250,000 (100% W.I.) retention.

**Marketing Election**

Amerdev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Amerdev, you will be subject to all of the terms of such contracts. Upon written request to Amerdev, we will share with you the terms and conditions pursuant to which gas will be sold.

I elect to take my gas in kind.  
 I elect to market my gas with Amerdev pursuant to the terms and conditions of its contracts.

**Joint Interest Approval**

Company	Approved By	Date



Single Well Project

Pimento Fed Com 26-36-03 113H Delaware

Intangibles	Code	Drilling	Geology	Dry Hole Cost	Stimulation	Post Completion	Const / Facilities	Production	Workover	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	4	\$ 46,924.56	\$ -	\$ 46,924.56	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,924.56
EASEMENT, ROW, AND ACQUISITION	6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,637.57	\$ -	\$ -	\$ 55,637.57	\$ 55,638
ROAD / LOCATION PREP / RESTORATION	8	\$ -	\$ -	\$ -	\$ 32,565.88	\$ -	\$ 240,942.67	\$ -	\$ -	\$ 273,508.55	\$ 273,509
DRILLING RIG	10	\$ 893,000.00	\$ -	\$ 893,000.00	\$ -	\$ 44,400.00	\$ -	\$ -	\$ -	\$ 44,400.00	\$ 937,400
COIL TUBING	12	\$ -	\$ -	\$ -	\$ -	\$ 165,306.75	\$ -	\$ -	\$ -	\$ 165,306.75	\$ 165,307
FUEL	16	\$ 121,837.50	\$ -	\$ 121,837.50	\$ 594,792.50	\$ 21,378.42	\$ -	\$ -	\$ -	\$ 616,170.92	\$ 738,008.42
MUD FUEL	17	\$ 74,100.00	\$ -	\$ 74,100.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,100.00
TRAILER, CAMP, AND CATERING	18	\$ 54,000.00	\$ -	\$ 54,000.00	\$ 11,526.66	\$ 3,750.00	\$ -	\$ -	\$ -	\$ 15,276.66	\$ 69,277
SURFACE RENTALS	24	\$ 149,834.00	\$ -	\$ 149,834.00	\$ 55,847.33	\$ 16,892.00	\$ -	\$ -	\$ -	\$ 72,739.33	\$ 222,573.33
DRILL BITS	28	\$ 114,587.29	\$ -	\$ 114,587.29	\$ -	\$ 3,500.00	\$ -	\$ -	\$ -	\$ 3,500.00	\$ 118,087.29
DOWNHOLE RENTALS	30	\$ 28,531.76	\$ -	\$ 28,531.76	\$ -	\$ 56,000.00	\$ -	\$ -	\$ -	\$ 56,000.00	\$ 84,532
DIRECTIONAL DRILLING	32	\$ 244,921.41	\$ -	\$ 244,921.41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 244,921
COMPOSITE PLUGS	34	\$ -	\$ -	\$ -	\$ 45,900.00	\$ -	\$ -	\$ -	\$ -	\$ 45,900.00	\$ 45,900
TUBING & BHA INSPECT & REPAIR	42	\$ 40,414.88	\$ -	\$ 40,414.88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,415
RENTAL TUBING	46	\$ 46,893.18	\$ -	\$ 46,893.18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,893
WELL CONTROL EQUIP / SERVICES	48	\$ 45,317.41	\$ -	\$ 45,317.41	\$ 230,166.62	\$ 25,388.34	\$ -	\$ -	\$ -	\$ 255,554.96	\$ 300,872
MUD AND ADDITIVES	60	\$ 146,221.34	\$ -	\$ 146,221.34	\$ 375,619.30	\$ 13,986.04	\$ -	\$ -	\$ -	\$ 389,605.34	\$ 535,827
FRAC PUMPING CHARGES	61	\$ -	\$ -	\$ -	\$ 2,098,976.00	\$ -	\$ -	\$ -	\$ -	\$ 2,098,976.00	\$ 2,098,976
WATER RIGHTS / TRANSFER / STORAGE	62	\$ 39,925.00	\$ -	\$ 39,925.00	\$ 511,528.44	\$ -	\$ 97,717.18	\$ -	\$ -	\$ 609,245.62	\$ 649,171
SOLIDS CONTROL EQUIP / SERVICES	66	\$ 93,009.90	\$ -	\$ 93,009.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,010
MUD / FLUIDS DISPOSAL CHARGES	68	\$ 152,370.82	\$ -	\$ 152,370.82	\$ 4,500.00	\$ 28,865.27	\$ -	\$ -	\$ -	\$ 33,365.27	\$ 185,736
CASING CREWS	70	\$ 59,226.89	\$ -	\$ 59,226.89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,227
CEMENTING	72	\$ 298,276.33	\$ -	\$ 298,276.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 298,276
MOBILIZE & DEMOBILIZE	86	\$ 211,380.01	\$ -	\$ 211,380.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 211,380
SUPERVISION / COMPANY	92	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00
SUPERVISION / CONTRACT	94	\$ 68,400.00	\$ -	\$ 68,400.00	\$ 74,250.00	\$ 18,230.00	\$ 52,500.00	\$ -	\$ -	\$ 144,980.00	\$ 213,380
ENGINEERING / CONSULTANT	102	\$ 109,683.27	\$ -	\$ 109,683.27	\$ -	\$ -	\$ 9,000.00	\$ -	\$ -	\$ 9,000.00	\$ 118,683.27
CONTRACT ROUSTABOUT	103	\$ 16,091.15	\$ -	\$ 16,091.15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,091
CONTRACT LANDWORK / SURVEY	114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,666.67	\$ -	\$ -	\$ 53,666.67	\$ 53,666.67
NONDESTRUCTIVE WELD TESTING	118	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,122.67	\$ -	\$ -	\$ 6,122.67	\$ 6,122.67
CONSTRUCTION LABOR	120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,091.67	\$ -	\$ -	\$ 33,091.67	\$ 33,091.67
REGULTRY / ENVIRON CONSULTANT	122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,500.00	\$ -	\$ -	\$ 6,500.00	\$ 6,500.00
SAFETY AND EMERGENCY RESPONSE	124	\$ 3,800.00	\$ -	\$ 3,800.00	\$ 80,694.16	\$ 21,700.86	\$ -	\$ -	\$ -	\$ 102,395.01	\$ 106,195
PAINTING / INSULATION	128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,420.00	\$ -	\$ -	\$ 16,420.00	\$ 16,420.00
WELDING & MATERIALS	138	\$ 2,769.20	\$ -	\$ 2,769.20	\$ -	\$ -	\$ 18,985.00	\$ -	\$ -	\$ 18,985.00	\$ 21,754.20
GASLIFT / FLOW LINE CONSTRUCTION	144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,063.57	\$ -	\$ -	\$ 44,063.57	\$ 44,063.57
ENVIRONMENTAL / PERMITTING	172	\$ 10,500.00	\$ -	\$ 10,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500.00
LEGAL / REGULATORY	182	\$ 4,960.00	\$ -	\$ 4,960.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,960.00
FLOW TESTING / EQUIP	194	\$ -	\$ -	\$ -	\$ -	\$ 66,706.46	\$ -	\$ -	\$ -	\$ 66,706.46	\$ 66,706.46
MUD LOGGING	198	\$ -	\$ 23,560.00	\$ 23,560.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,560
WIRESLINE / PERF / PUMPDOWN COSTS	200	\$ -	\$ -	\$ -	\$ 603,024.69	\$ 13,000.00	\$ -	\$ -	\$ -	\$ 616,024.69	\$ 616,025
SECONDARY CONTAINMENT	254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,097.14	\$ -	\$ -	\$ 7,097.14	\$ 7,097
OVERHEAD POWER	256	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,034.00	\$ -	\$ -	\$ 53,034.00	\$ 53,034
FACILITY ELECTRIC & AUTOMATION	258	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,199.00	\$ -	\$ -	\$ 226,199.00	\$ 226,199
ELECTRICAL	296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,600.00	\$ -	\$ -	\$ 61,600.00	\$ 61,600.00
TRANSPORTATION	326	\$ 97,000.00	\$ -	\$ 97,000.00	\$ -	\$ 9,630.00	\$ 5,333.33	\$ -	\$ -	\$ 14,963.33	\$ 111,963.33
VACUUM TRUCK	328	\$ 7,831.74	\$ -	\$ 7,831.74	\$ 2,000.00	\$ 25,255.19	\$ -	\$ -	\$ -	\$ 27,255.19	\$ 35,086.93
TRANSPORTATION / GATHERING EXP	378	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240.94	\$ -	\$ -	\$ 240.94	\$ 240.94
<b>Sub Total</b>		\$ 3,213,231.63	\$ 23,560.00	\$ 3,236,791.63	\$ 4,721,391.58	\$ 533,989.32	\$ 988,151.40	\$ -	\$ -	\$ 6,243,532.30	\$ 9,480,323.93
CONTINGENCY 3.00%		\$ 96,396.95	\$ 706.80	\$ 97,103.75	\$ 141,641.75	\$ 16,019.68	\$ 29,644.54	\$ -	\$ -	\$ 187,305.97	\$ 284,409.72
TAX 6.25%		\$ 200,826.98	\$ 1,472.50	\$ 202,299.48	\$ 295,086.97	\$ 33,374.33	\$ 61,759.46	\$ -	\$ -	\$ 390,220.77	\$ 592,520.25
<b>Total Intangible Cost</b>		\$ 3,510,455.55	\$ 25,739.30	\$ 3,536,194.85	\$ 5,158,120.30	\$ 583,383.34	\$ 1,079,555.41	\$ -	\$ -	\$ 6,821,059.04	\$ 10,357,253.90

Tangibles	Code	Drilling	Geology	Dry Hole Cost	Stimulation	Post Completion	Const / Facilities	Production	Workover	After Casing Point Cost	Total Cost
CASING / LINER / FLOAT EQUIPMENT	74	\$ 64,500.00	\$ -	\$ 64,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,500.00
SURFACE CASING	210	\$ 107,050.00	\$ -	\$ 107,050.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,050
INTERMEDIATE CASING	212	\$ 426,198.08	\$ -	\$ 426,198.08	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 426,198
PRODUCTION CASING	216	\$ 1,000,679.05	\$ -	\$ 1,000,679.05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,679
TUBING	217	\$ -	\$ -	\$ -	\$ -	\$ 110,951.47	\$ -	\$ -	\$ -	\$ 110,951.47	\$ 110,951
WELLHEAD / TREE / CHOKES	218	\$ 105,451.12	\$ -	\$ 105,451.12	\$ -	\$ 187,605.07	\$ -	\$ -	\$ -	\$ 187,605.07	\$ 293,056.20
ISOLATION PACKER	222	\$ -	\$ -	\$ -	\$ -	\$ 13,959.09	\$ -	\$ -	\$ -	\$ 13,959.09	\$ 13,959.09
DOWNHOLE LIFT EQUIPMENT	234	\$ -	\$ -	\$ -	\$ -	\$ 12,000.00	\$ -	\$ -	\$ -	\$ 12,000.00	\$ 12,000
TANK BATT / PROCESS EQUIP / MAINT	236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,000.00	\$ -	\$ -	\$ 154,000.00	\$ 154,000
LINE PIPE	238	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,503.33	\$ -	\$ -	\$ 37,503.33	\$ 37,503
FLOW LINE (PIPE WH TO FACILITY)	266	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,966.67	\$ -	\$ -	\$ 54,966.67	\$ 54,967
PIPELINE TO SALES	270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,410.00	\$ -	\$ -	\$ 106,410.00	\$ 106,410
METERS AND METERING EQUIPMENT	274	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,033.33	\$ -	\$ -	\$ 120,033.33	\$ 120,033
VALVES, FITTINGS, PROD INSTRUM	282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,068.02	\$ -	\$ -	\$ 63,068.02	\$ 63,068
<b>Sub Total</b>		\$ 1,703,878.26	\$ -	\$ 1,703,878.26	\$ -	\$ 324,515.63	\$ 535,981.35	\$ -	\$ -	\$ 860,496.98	\$ 2,564,375.24
CONTINGENCY 3.00%		\$ 51,116.35	\$ -	\$ 51,116.35	\$ -	\$ 9,735.47	\$ 16,079.44	\$ -	\$ -	\$ 25,814.91	\$ 76,931.26
TAX 6.25%		\$ 106,492.39	\$ -	\$ 106,492.39	\$ -	\$ 20,282.23	\$ 33,498.83	\$ -	\$ -	\$ 53,781.06	\$ 160,273.45
<b>Total Tangible Cost</b>		\$ 1,861,487.00	\$ -	\$ 1,861,487.00	\$ -	\$ 354,533.33	\$ 585,559.63	\$ -	\$ -	\$ 940,092.95	\$ 2,801,579.95
<b>Total Cost</b>		\$ 5,371,942.55	\$ 25,739.30	\$ 5,397,681.85	\$ 5,158,120.30	\$ 937,916.66	\$ 1,665,115.04	\$ -	\$ -	\$ 7,761,152.00	\$ 13,158,833.85

**PIMENTO FED COM 26-36-03 113H Contacts**

ISAACS FAMILY LIMITED PARTNERSHIP

- Has indicated will participate under force pooling order - green card received 4/23/2024

QUAIL CREEK ROYALTY, LLC

- 4/16/2024 – mailed offer packet, did not receive a green card back
- 6/21/2024 – mailed 2<sup>nd</sup> packet to different address
- 07/1/2024 – continuing to try to locate – green card received 6/25/2024

OXY USA WTP LIMITED PARTNERSHIP

- 7/10/2024 – emailing with Leslie Mullin. OXY is evaluating its options – green card received 4/18/2024

DOORNBOS MINERAL PARTNERS, LLC

- 4/16/2024 – mailed offer packet, did not receive a green card back
- 6/21/2024 – mailed 2<sup>nd</sup> packet to different address
- 07/1/2024 – continuing to try to locate

REALEZA DEL SPEAR, LP

- Has indicated will participate under force pooling order – received green card back 4/24/2024

JOE N GIFFORD

- 4/16/2024 – mailed offer packet, did not receive a green card back
- 6/21/2024 – mailed 2<sup>nd</sup> packet to different address
- 07/1/2024 – continuing to try to locate – still waiting to hear back on second attempt

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

**APPLICATIONS OF AMEREDEV  
OPERATING, LLC FOR  
COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24603**

**SELF-AFFIRMED STATEMENT OF PARKER FOY**

1. My name is Parker Foy. I work for Ameredev Operating, LLC (“Ameredev”) as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum geology matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Ameredev in this case, and I have conducted a geologic study of the lands in the subject area.
4. **Ameredev Exhibit D-1** is a locator map that shows Ameredev’s acreage in yellow and the path of the proposed wellbore. Nearby wells that are producing in the target formation are marked with green dots. This map also shows the location of the Capitan Reef Complex.
5. **Ameredev Exhibit D-2** is a subsea structure map that I prepared for the targeted interval within the Wolfcamp formation, with a contour interval of 50 feet. The structure map shows the Wolfcamp gently dipping to the southwest. The Wolfcamp structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontally drilling the well proposed in this spacing unit.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Ameredev Operating, LLC  
Hearing Date: July 11, 2024  
Case No. 24603**



6. **Ameredev Exhibit D-3** shows a line of cross-section in red consisting of wells penetrating the Wolfcamp formation that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.

7. **Ameredev Exhibit D-4** contains the stratigraphic cross-sections that I prepared displaying open-hole logs run over the target formations from three representative wells denoted from A to A'. For each well in the cross-sections, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The targeted interval is labeled and marked on the left side of the cross-sections. The logs in the cross-sections demonstrate that the interval is continuous across the entire spacing unit.

8. In my opinion, standup orientation of the proposed wells is the appropriate orientation for horizontal well development in this area because it is near perpendicular to the maximum horizontal stress of the area.

9. Based on my geologic study, the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing units will contribute more-or-less equally to the production from the wellbore. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.

10. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving Ameredev's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

11. **Ameredev's Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.

12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



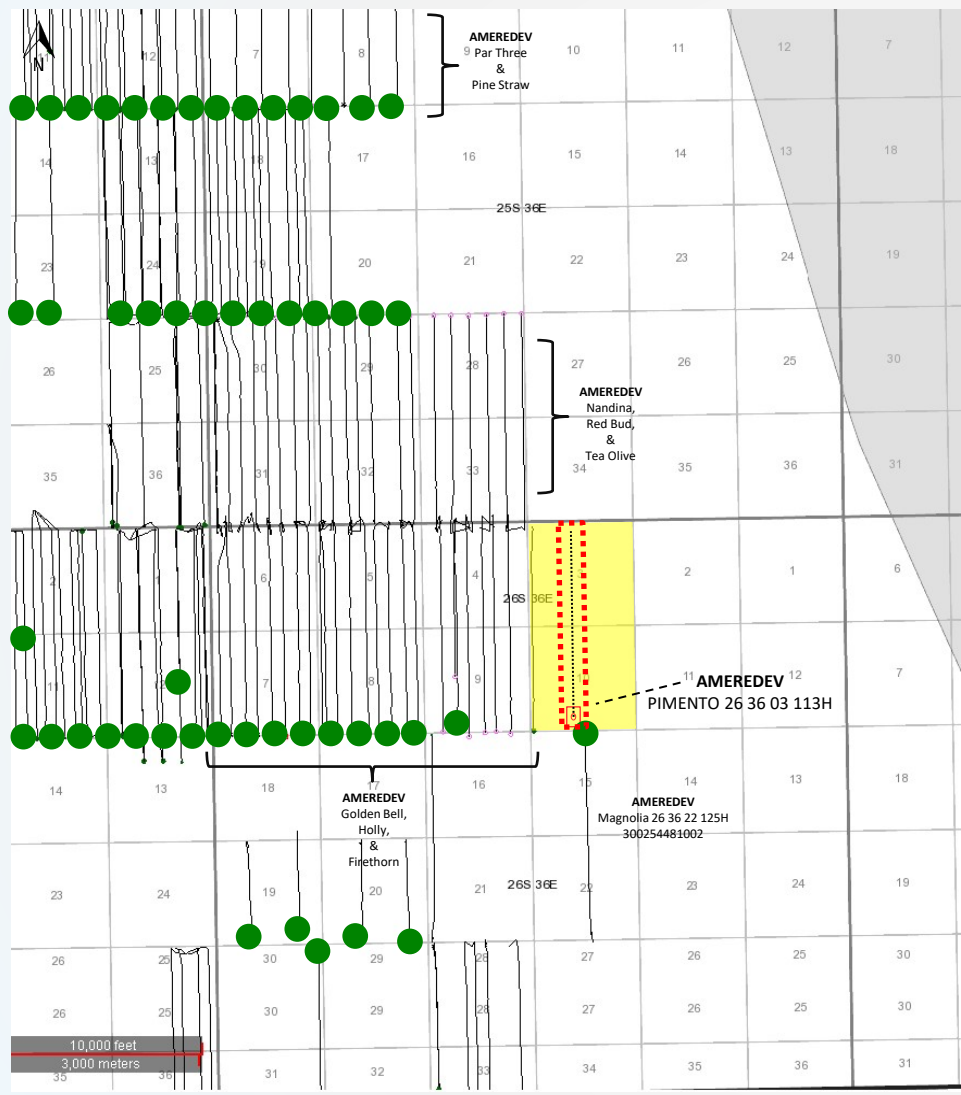
PARKER FOY

7/11/24

Parker Foy

Date

# Wolfcamp Pool – Pimento 26 36 03 113H

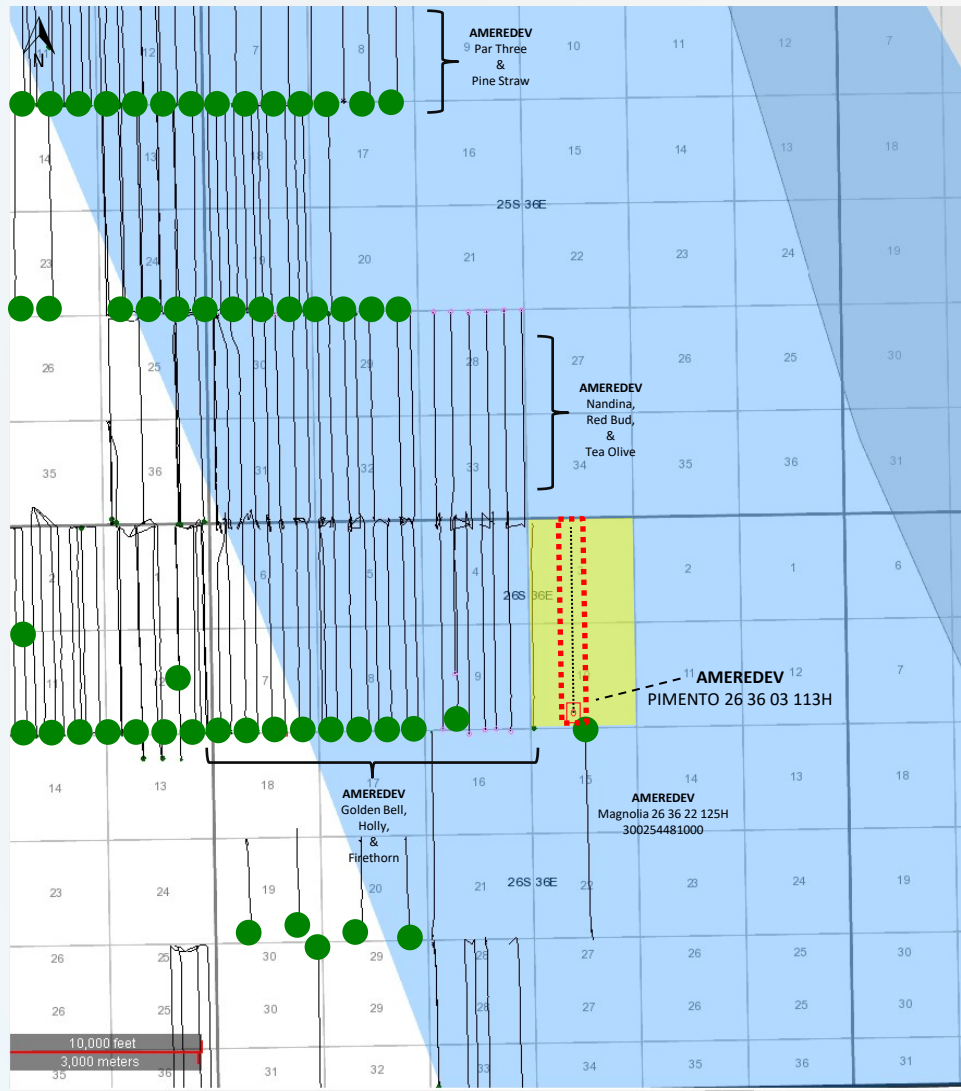


### Map Legend

BHL	SHL	Description
		Ameredeve WFMP Horizontal Locations
		Producing WFMP Wells
		Ameredeve Acreage

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D-1  
 Submitted by: Ameredeve Operating, LLC  
 Hearing Date: July 11, 2024  
 Case No. 24603

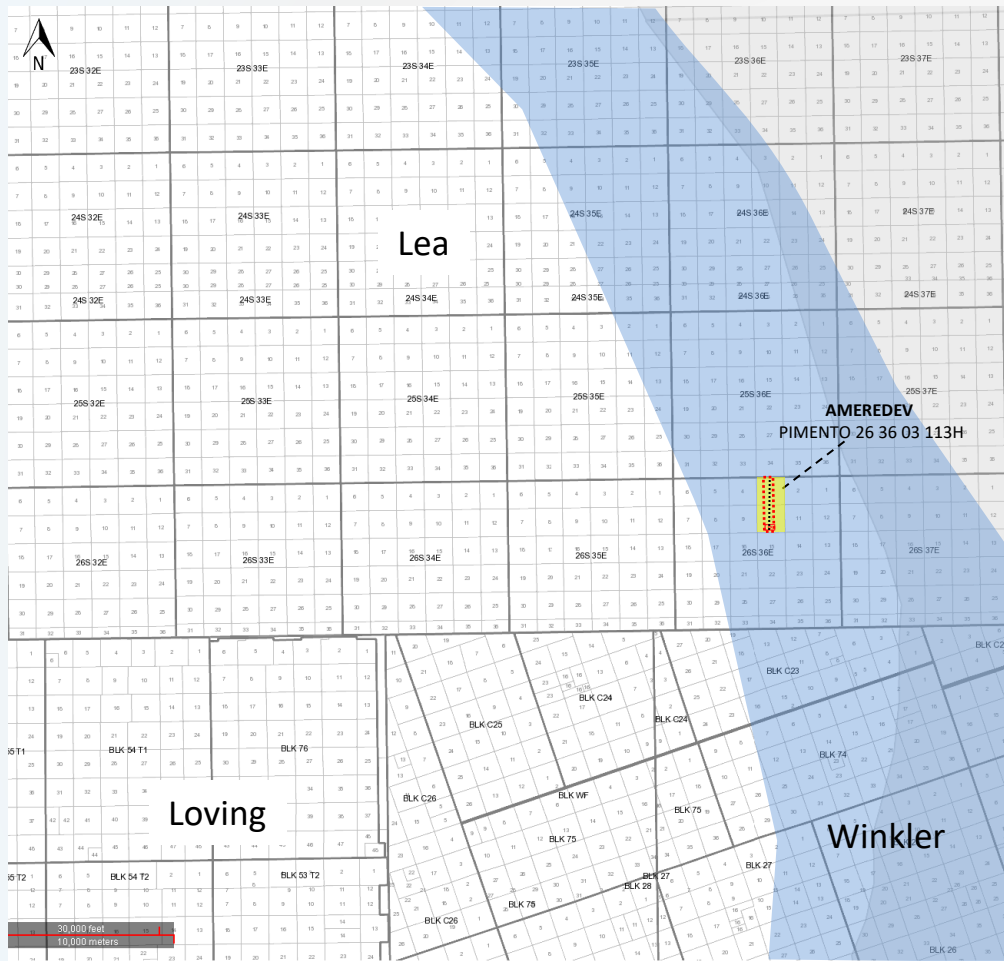
# Wolfcamp Pool – Capitan Reef Complex







### Map Legend





BHL	SHL	Description
		Amerdev WFMP Horizontal Locations
		Producing WFMP Wells
		Amerdev Acreage
		Capitan Reef Complex

# Wolfcamp Pool – Capitan Reef Complex

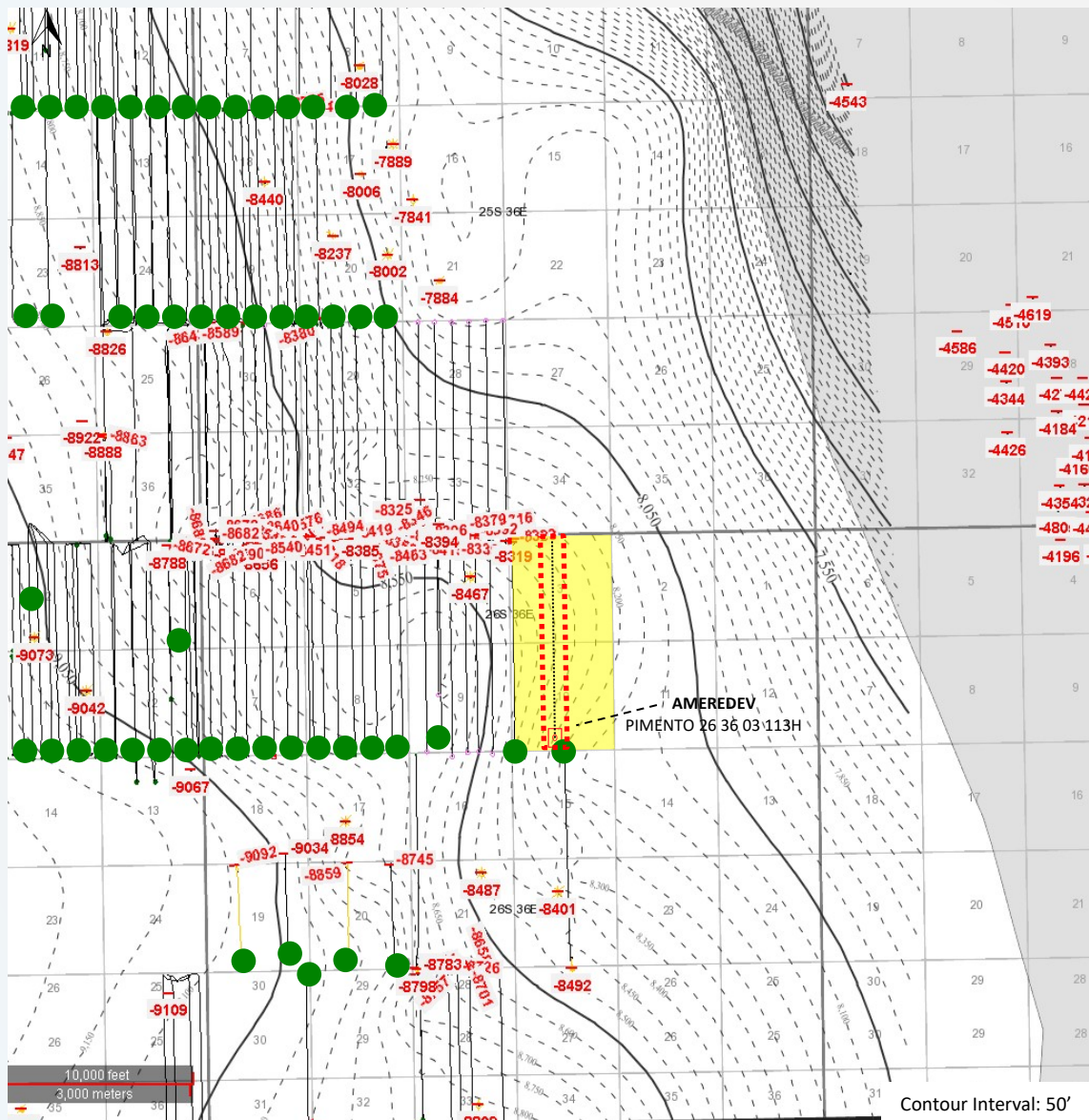


### Map Legend

<b>BHL</b>	<b>SHL</b>	
		
		
		

-  Ameredev WFMP Horizontal Locations
-  Producing WFMP Wells
-  Ameredev Acreage
-  Capitan Reef Complex

# Wolfcamp Pool – WFMP Structure Map (Subsea Depth)

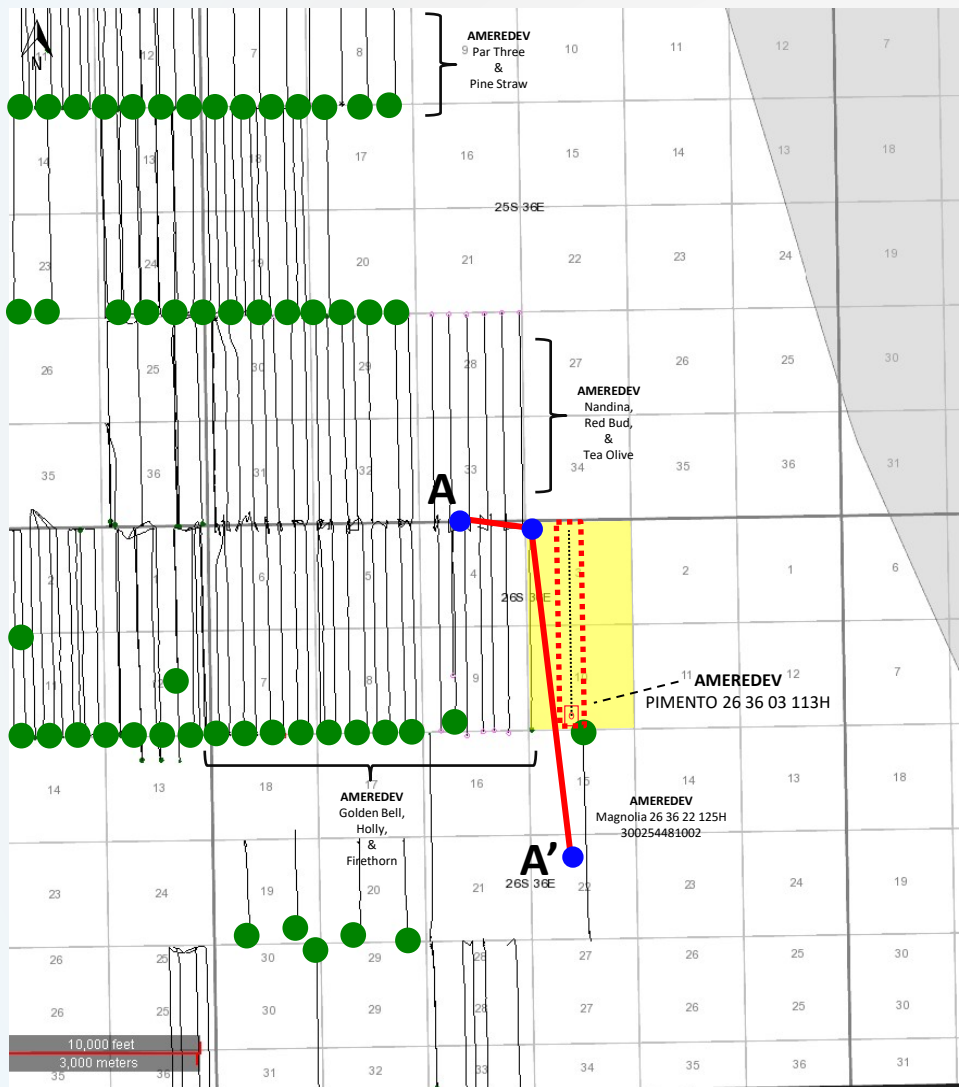


### Map Legend

- BHL SHL**
- Ameredeve WFMP Horizontal Locations
- Producing WFMP Wells
- Ameredeve Acreage

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D-2  
 Submitted by: Ameredeve Operating, LLC  
 Hearing Date: July 11, 2024  
 Case No. 24603

# Wolfcamp Pool – Cross Section Map



### Map Legend

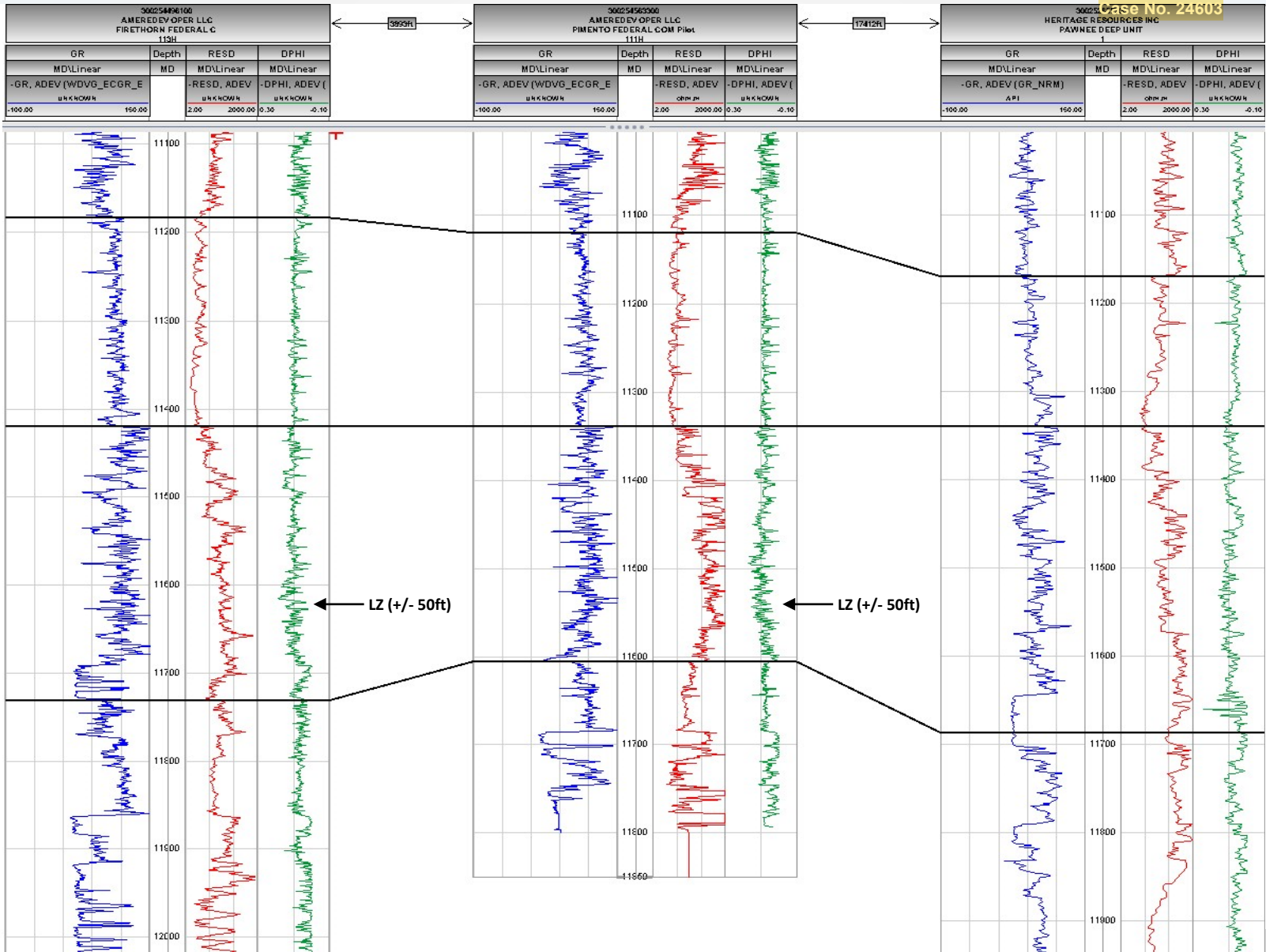
<b>BHL</b>	<b>SHL</b>	
		Ameredeve WFMP Horizontal Locations
		Producing WFMP Wells
		Cross Section Wells & Transect
		Ameredeve Acreage

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D-3  
 Submitted by: Ameredeve Operating, LLC  
 Hearing Date: July 11, 2024  
 Case No. 24603

# Wolfcamp Pool - Stratigraphic Cross Section

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

**APPLICATION OF AMEREDEV  
OPERATING, LLC FOR  
COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24603**

**SELF-AFFIRMED STATEMENT OF  
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Ameredev Operating, LLC (“Ameredev”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

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

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of July 1, 2024.

5. I caused a notice to be published to the parties subject to this compulsory pooling proceeding. The affidavit of publication from the publication’s legal clerk with a copy of the notices of publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. E  
Submitted by: Ameredev Operating, LLC  
Hearing Date: July 11, 2024  
Case No. 24603**



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Paula M. Vance

7/5/2024

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Date



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

June 21, 2024

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico: Pimento Fed Com 26 36 03 113H Well**

Ladies & Gentlemen:

This letter is to advise you that Ameredev Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on July 11, 2024, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

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

If you have any questions about this matter, please contact Brandon Forteza at (737) 300-4721 or [bforteza@ameredev.com](mailto:bforteza@ameredev.com).

Sincerely,

Paula M. Vance  
**ATTORNEY FOR AMEREDEV OPERATING, LLC**

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
[www.hollandhart.com](http://www.hollandhart.com)

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Ameredev - Pimento 114H - Case no. 24603  
Postal Delivery Report

9414811898765467269926	Carolyn Michelle Beckham	425 Eagle	Lakeway	TX	78734-5004	Your item was picked up at the post office at 12:43 pm on June 27, 2024 in SANTA FE, NM 87501.
9414811898765467269995	Doornbos Mineral Partners, LLC	105 1/2 SE Frank Phillips Blvd	Bartlesville	OK	74003-3519	Your item was delivered to an individual at the address at 12:18 pm on June 25, 2024 in BARTLESVILLE, OK 74003.
9414811898765467269940	Issacs Family Limited Liability Limited Partnership	5 Inverss Drive East	Englewood	CO	80112	Your item was delivered to an individual at the address at 12:25 pm on June 25, 2024 in ENGLEWOOD, CO 80112.
9414811898765467269988	Joe N Gifford And Emily Gifford	PO Box 51187	Midland	TX	79710-1187	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765467269933	Oxy USA WTP, LP	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on June 25, 2024 at 11:55 am.
9414811898765467269612	Quail Creek Royalty, LLC	810 Houston St	Fort Worth	TX	76102-6203	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765467269650	Realeza Del Spear, LP	PO Box 1684	Midland	TX	79702-1684	Your item was picked up at a postal facility at 11:09 am on June 25, 2024 in MIDLAND, TX 79701.
9414811898765467269667	XTO Holdings, LLC	22777 Springwoods Village Pkwy	Spring	TX	77389-1425	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

# 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  
July 03, 2024  
and ending with the issue dated  
July 03, 2024.



Publisher

Sworn and subscribed to before me this  
3rd day of July 2024.



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 publication has been made.

## LEGAL NOTICE July 3, 2024

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

NOTICE IS HEREBY GIVEN that on Thursday, July 11, 2024, beginning at 8:30 a.m., the Oil Conservation Division ("OCD") of the New Mexico Energy, Minerals and Natural Resources Department will hold public hearings, pursuant to 19.5.4 NMAC for the purpose of considering new applications listed in this notice. All interested persons are invited to appear. The hearings will be held before a hearing examiner and will be conducted in a hybrid fashion, both in-person and via MS Teams virtual meeting platform. To attend:

**In-person:**  
Energy, Minerals and Natural Resources Department  
Wendell Chino Building – Pecos Hall  
1220 South St. Francis Drive, 1st Floor  
Santa Fe, NM 87505

**Virtually:**  
MS Teams Link: [Click here](#) to be connected to the MS Teams meeting.

**Telephone:**  
Dial in by phone: (505) 312-4308  
Phone conference ID: 729 232 854#

If you choose to attend remotely, please mute yourself upon entry.

The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Freya Tschantz, at [Freya.Tschantz@emnrd.nm.gov](mailto:Freya.Tschantz@emnrd.nm.gov).

Documents filed in these cases may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>

Presenting parties are required to submit a pre-hearing statement no later than the Thursday before the hearing.

The pre-hearing statement shall include: 1) a list of disputed facts and issues; 2) identification of witnesses and their qualifications; and 3) all exhibits and written testimony a party intends to enter into evidence at the hearing and a full narrative for each.

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact [Freya.Tschantz@emnrd.nm.gov](mailto:Freya.Tschantz@emnrd.nm.gov), or the New Mexico Relay Network at 1-800-659-1779, no later than 10 days prior to the hearing.

**STATE OF NEW MEXICO TO:  
All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.**

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

**To: All affected interest owners, including: Carolyn Michelle Beckham, her heirs and devisees; Doornbos Mineral Partners, LLC; Issacs Family Limited Liability Limited Partnership; Joe N Gifford And Emily Gifford, their heirs and devisees; Oxy USA WTP, LP; Quail Creek Royalty, LLC; Realeza Del Spear, LP; and XTO Holdings, LLC.**

**Case No. 24603: Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 320-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E/2 W/2 of Sections 3 and 10, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed **Pimento Fed Com 26-36-03 113H**, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 3; a first take point from the NE/4 NW/4 (Unit C) of Section 3, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 10. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Ameredev Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 4 miles southwest of Jal, New Mexico.  
**#00291878**

110 N GUADALUPE ST., STE. 1  
SANTA FE, NM 87501

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. F  
Submitted by: Ameredev Operating, LLC  
Hearing Date: July 11, 2024  
Case No. 24603**