#### 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. 24699** 

#### **NOTICE OF REVISED EXHIBITS**

Ameredev Operating, LLC applicant in the above-referenced case, gives notice that it is filing the attached revised hearing exhibit packet pursuant to the technical examiner's request at the hearing on September 12, 2024, to include the following revisions:

- Updated Exhibit A to clarify that the pooled formation is limited to the Lower Bone
   Spring formation; and
- Updated Exhibit D-4 to identify the First Bone Spring Sand on the cross-section.

We respectfully request that the revised exhibits be accepted into the record and the case be taken under advisement.

Respectfully submitted,

**HOLLAND & HART LLP** 

By: \_

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208 Santa Fe, NM 87504 505-988-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com pmvance@hollandhart.com

ATTORNEYS FOR AMEREDEV OPERATING, LLC

#### **CERTIFICATE OF SERVICE**

I hereby certify that on September 18, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Elizabeth Ryan
Keri L. Hatley
ConocoPhillips
1048 Paseo de Peralta
Santa Fe, New Mexico 87501
(505) 780-8000
beth.ryan@concophillips.com
keri.hatley@conocophillips.com

Attorneys for ConocoPhillips

Adam G. Rankin

# BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING SEPTEMBER 12, 2024

**CASE NO. 24699** 

RED BUD FED COM 25 36 32 #73H WELL

### LEA COUNTY, NEW MEXICO



#### 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. 24699** 

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- Ameredev Revised Exhibit A: Compulsory Pooling Application Checklist
- Ameredev Exhibit B: Application of Ameredev Operating, LLC
- Ameredev Exhibit C: Self-Affirmed Statement of Lizzy Laufer, Landman

o Ameredev Revised Exhibit C-1: C-102

o Ameredev Exhibit C-2: Land Tract Map

o Ameredev Exhibit C-3: Ownership Breakdown

o Ameredev Exhibit C-4: Sample Well Proposal Letters with AFE &

Lease Offers

o Ameredev Exhibit C-5: Chronology of Contacts

• Ameredev Exhibit D: Self-Affirmed Statement of Parker Foy, Geologist

Ameredev Exhibit D-1: Locator map
 Ameredev Exhibit D-2: Subsea structure
 Ameredev Exhibit D-3: Cross-section map

o Ameredev Revised Exhibit D-4: Stratigraphic cross-section

- Ameredev Exhibit E: Self-Affirmed Statement of Notice
- Ameredev Exhibit F: Affidavit of Publication

### COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST I	BE SUPPORTED BY SIGNED AFFIDAVITS				
Case: 24699	APPLICANT'S RESPONSE				
Date	September 12, 2024				
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:	ConocoPhillips				
Well Family	Red Bud				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Lower Bone Spring				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	N/A				
Pool Name and Pool Code (Only if NSP is requested):	WC-025 G-08 S263620C; LWR BONE SPRING [98150]				
Well Location Setback Rules (Only if NSP is Requested):	Statewide oil rules				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	320				
Building Blocks:	40 acres				
Orientation:	Standup				
Description: TRS/County	E/2 W/2 of Sections 29 and 32, Township 25 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				
Other Situations					
Depth Severance: Y/N. If yes, description	No  BEFORE THE OIL CONSERVATION DIVISION				
Proximity Tracts: If yes, description	No Santa Fe, New Mexico				
Proximity Defining Well: if yes, description	N/a Submitted by: Ameredev Operating, LLC				
Applicant's Ownership in Each Tract	Exhibit C-3  Case No. 24699				
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	Red Bud Fed Com 25 36 32 73H
	SHL: 200' FSL, 2,200' FWL (Unit N) of Section 32
	BHL: 50' FNL, 1,650' FWL (Unit C) of Section 29 Target: Bone Spring
	Orientation: Standup
	Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
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
Ownership Determination	
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	3 parties / Exhibit C-3
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
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
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1

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Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-4
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
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
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	rovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	Ph h l
Date:	9/5/2024

Received by OCD: 9/18/2024/5.59.264PM

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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. 24699** 

**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 mineral owners

in a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation

underlying the E/2 W/2 of Sections 29 and 32, Township 25 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 **Red Bud Fed Com 25 36 32 73H** well, to be horizontally drilled from a surface location

in the SE/4 SW/4 (Unit N) of Section 32, a first take point from the SE/4 SW/4 (Unit N) of Section

32, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 29.

3. Ameredev has sought and been unable to obtain voluntary agreement for the

development of these lands from all working interest owners, unleased mineral interest owners

1

and non-participating royalty interest owners in the subject spacing unit.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. B

Case No. 24699

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 August 8, 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:

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrankin@hollandhart.com
pmvance@hollandhart.com

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 Bone Spring formation underlying the E/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed Red Bud Fed Com 25 36 32 73H well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 32, a first take point from the SE/4 SW/4 (Unit N) of Section 32, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 29. 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 6 miles southwest of Jal, New Mexico.

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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. 24699** 

#### SELF-AFFIRMED STATEMENT OF LIZZY LAUFER

 My name is Lizzy Laufer. 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 Bone Spring formation underlying the E/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate this Bone Spring spacing unit to the proposed **Red Bud Fed Com 25 36 32 73H** well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 32, a first take point from the SE/4 SW/4 (Unit N) of Section 32, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 29.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Ameredev Operating, LLC
Hearing Date: September 12, 2024
Case No. 24699

- 6. Ameredev Exhibit C-1 contains the C-102 for the proposed well. The exhibit shows that the well will be assigned to the WC-025 G-08 S263620C; LWR Bone Spring [Pool Code 98150].
- 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 state, federal and fee land. This exhibit 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 highlighted in yellow.
  - 8. There are no depth severances in the Bone Spring formation.
- 9. Ameredev Exhibit C-3 is a sample of the well proposal letter and AFEs sent to all working interest owners, plus 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 \$10,000 per month for drilling and \$1,000 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.
- 10. Ameredev Exhibit C-4 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 all locatable parties that it seeks to pool in this case in an effort to reach voluntary joinder. In my opinion, Ameredev has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

- 11. 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.
- 12. Ameredev Exhibits C-1 through C-4 were either prepared by me or compiled under my direction and supervision.
- 13. 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.

  9. James 9. 14/24

Lizzy Laufer

Date

<u>C-102</u>			Energy		State of New		Department		Revise	ed July 9, 2024
Submit Electronic Via OCD Populit						ION DIVIS			Initial Submittal	
THE OIL CO	NSERVATION I Fe, New Mexic		OIL CONSERVATION DIVISION					Submittal		
Revise	d Exhibit No. C	-1						Type:	Amended Report	
	e: September 1 se No. 24699	2, 2024							As Drilled	
	Se NO. 24033	<u> </u>		CATIO	N AND AC		EDICATION	<u>PLAT</u>		
							S263620C; LW	R BONE		
Property Code 331616			Property Name	R	ED BUD FEI	D COM 25 36	6 32		Well Number	)73H
OGRID No. 372224			Operator Name	AM	EREDEV OF	PERATING, I	LLC.		Ground Level Eleva	1004'
Surface Owner:	State Fee 7	Γribal Federal				Mineral Owner:	State KFee Tribal K	Federal	•	
					Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S		Latitude		Longitude	County
N	32	25-S	36-E	_	200' S	2200' W	N 32.08012	81   W 1	03.2885727	LEA
I				l	Bottom Ho	le Location		I		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County
С	29	25-S	36-E	-	50' N	1650' W	N 32.10846	88   W 1	03.2903528	LEA
								•	•	
Dedicated Acres	Infill or Defi	ning Well Defini	ng Well API			Overlapping Spacing	Unit (Y/N)	Consolida	ted Code	
320	-	-					-		-	
Order Numbers		-				Well Setbacks are un	nder Common Ownership	: Yes N	o	
					Kick Off P	oint (KOP)				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County
С	5	26-S	36-E	-	378' N	1650' W	N 32.07853	96 W 1	03.2903470	LEA
					First Take	Point (FTP)				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County
N	32	25-S	36-E	-	100' S	1650' W	N 32.07985	35   W 1	03.2903472	LEA
					Last Take I	Point (LTP)				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County
С	29	25-S	36-E	-	100' N	1650' W	N 32.10833	14 W 1	03.2903528	LEA
Unitized Area or A	rea of Uniform I	ntrest		Spacing Unity	Type Horizonta	al Vertical	Ground F	loor Elevation		
				1						
ODEDATO	D CEDTE	ICATION.				CLIDALENCE	OC CEDTIFICAT	rion:		]
OPERATO  I hereby certif			ained herein	is true and	complete to the	I hereby certify	RS CERTIFICAT  that the well locat	ion shown on	this plat was plotted	l from field
best of my kn that this organ	owledge and b nization eithe	belief; and, if r owns a work	the well is a cing interest of	vertical or o or unleased n	lirectional well, nineral interest	notes of actual	surveys made by rect to the best of	or and an	y supervision, and t	hat the same
well at this lo	cation pursuo	int to a contro	ict with an or	wner of a wo	ght to drill this rking interest r a compulsory		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	MEXI		
pooling order	heretofore ent	ered by the di	vision.	-			( /	12/1/20		
If this well is received The countersed mine	onsent of at i	least one lessee	or owner of	a working in			13/	WHT.	78)T	
any part of the	e well's com	oleted interval					\ <b>P</b>	9/5/24		
							V.	ONKI S	K.	
Joe Bob S	tones		9/5/2024	4		<u> </u>		ZIAL Z		
Signature Joe Bob Jon	es		Date			Signature and Seal	of Professional Surveyor	Dat	e	
Print Name	=					Certificate Number	Date of	Survey		
jjones@ame	redev com							05/22/2018		
E-mail Address	. 5457.00111									

C-102 Submit Electronically Via OCD Permitting		St , Minerals DIL CON	& 1	Natui		ources I		nent	Submitta Type:	Revised July 9, 2024  al
Property Name and Well Number		RED B	UD	FED	COM 2	25 36 32	2 073H			As Drilled
SURFACE LOCATION (SHL)  NEW MEXICO EAST NAD 1983  X=864927 Y=394455 LAT.: N 32.0801281 LONG.: W 103.2885727 200' FSL 2200' FWL  KICK OFF POINT (KOP)  NEW MEXICO EAST NAD 1983  X=864383 Y=393872 LAT.: N 32.0785396 LONG.: W 103.2903470 378' FNL 1650' FWL  FIRST TAKE POINT (FTP)  NEW MEXICO EAST NAD 1983  X=864378 Y=394350 LAT.: N 32.0798535 LONG.: W 103.2903472 100' FSL 1650' FWL  FED PERF. POINT (FPP1)  NEW MEXICO EAST NAD 1983  X=864327 Y=399530 LAT.: N 32.0940942 LONG.: W 103.2903501 0' FNL 1651' FWL	30 31	X=863946.13 Y=404806.48 	# 0000	AZ = 359.44*    PRODUCIN				21 - 28 - 1   1   1   1   1   1   1   1   1   1		FED PERF. POINT (FPP2)  NEW MEXICO EAST  NAD 1983  X=864314 Y=400850  LAT.: N 32.0977221  LONG.: W 103.2903508  1320' FSL 1651' FWL  LAST TAKE POINT (LTP)  NEW MEXICO EAST  NAD 1983  X=864276 Y=404710  LAT.: N 32.1083314  LONG.: W 103.2903528  100' FNL 1650' FWL  DITOM HOLE LOCATION (BHL)  NEW MEXICO EAST  NAD 1983  X=864276 Y=404760  LAT.: N 32.1084688  LONG.: W 103.2903528  50' FNL 1650' FWL
	31 6	FTP- - 2200' 1650'- 5 1650'- 1 877' 888'		KOP 44050.17 44246.37	SHL 100' X=8653 Y=3942			_	I her plat made same 05/2	ORVEYORS CERTIFICATION reby certify that the well location shown on this was plotted from field notes of actual surveys by the strue and correct to the best of my belief.  22/2018  of Survey  ure and Scal of Professional Surveyor:
Released to Imaging: 9/19/2024 8:1	3:12 AM	 						 		Jord Silvi

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TR 1 FEE 80 AC	SEC 29, T25S-36E
TR 2 FEE 40 AC	
TR 3 NMNM 138913 40 AC	
TR 5 VC-0334 80 AC	SEC 32, T25S-36E
TR 4 VB-2611-03 80 AC	

	SEC 29, T25S-36E
	3EC 29, 1233-30E
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RED BUD FED COM 25 36 32 073H BONE SPRING UNIT	
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#### RED BUD FED COM 25 36 32 073H-BONE SPRING UNIT

E2W2 OF SECTIONS 29 & 32, T25S-R36E, LEA COUNTY, NM WELLS INCLUDED IN UNIT: RED BUD FED COM 25 36 32 073H

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. C-2
Submitted by: Ameredev Operating, LLC
Hearing Date: September 12, 2024
Case No. 24699

Received by OCD: 9/18/2024 5:59:26 PM

### LEASEHOLD OWNERSHIP IN RED BUD FED COM 25 36 32 073H-BONE SPRING UNIT E2W2 OF SECTIONS 29 & 32, T25S-R36E, LEA COUNTY, NM

PARTY	TR 1	TR2	TR 3	TR 4	TR 5	UNIT RECAP
AMEREDEV NEW MEXICO, LLC	0.17303596	0.07812500	0.12500000	0.25000000	0.25000000	0.87616097
FRANKLIN MOUNTAIN ENERGY LLC	0.00375847	-	-	-	-	0.00375847
CONOCOPHILLIPS	0.06250000	-	-	-	-	0.06250000
DEVON ENERGY PRODUCTION COMPANY, L.P.	0.00416667	-	-	-	-	0.00416667
PREVAIL ENERGY LLC	0.00023994	-	-	-	-	0.00023994
BR2 HOLDINGS LLC	0.00017538	-	-	-	-	0.00017538
CAROL BEARLY CLEVELAND, AS SUCCESSOR	0.00229167	-	-	-	-	0.00229167
TRUSTEE OF THE JAMES H. BEARLY REVOCABLE						
TRUST DTD 03/15/1996						
DONALD WOODS HEIRS	0.00129630	-	-	-	-	0.00129630
ST. JOSEPH RESIDENCE INC	0.00114583	-	-	-	-	0.00114583
CAYUGA ROYALTIES, LLC	0.00034812	-	-	-	-	0.00034812
NANCY CAROLYN HALEY OR HEIRS	0.00104167	-	-	-	-	0.00104167
MAVROS OIL COMPANY, LLC	-	0.01562500	-	-	-	0.01562500
GOOD NEWS MINERALS	-	0.01562500	-	-	-	0.01562500
GULF COAST WESTERN LLC	-	0.01562500	-	-	-	0.01562500

1.00000000

PARTIES TO POOL	INTEREST TYPE
FRANKLIN MOUNTAIN ENERGY LLC	
44 Cook St., Suite 1000	
Denver, CO 80206	WI
CONOCOPHILLIPS	VVI
600 W. ILLINOIS AVE	
	WI
MIDLAND, TX 79701	VVI
MAVROS OIL COMPANY, LLC	
PO BOX 50820	WI
MIDLAND, TX 79710	VVI
GOOD NEWS MINERALS	
PO BOX 50820	WI
MIDLAND, TX 79710	VVI
GULF COAST WESTERN LLC	
14160 DALLAS PARKWAY #500	<b>1 1 1 1 1 1 1 1 1 1</b>
DALLAS, TX 75254	WI
DEVON ENERGY PRODUCTION COMPANY, L.P.	
333 West Sheridan Avenue	LINAL
Oklahoma City, OK 73102	UMI
PREVAIL ENERGY LLC	
1133 14TH ST STE 2040	
DENVER, CO 80202	UMI
BR2 HOLDINGS LLC	
PO BOX 980552	
HOUSTON, TX 77098	UMI
CAROL BEARLY CLEVELAND, AS SUCCESSOR	
TRUSTEE OF THE JAMES H. BEARLY REVOCABLE	
TRUST DTD 03/15/1996	
104302 S. RIDGEWOOD DRIVE	
MEEKER, OK 74855	
	UMI
HEIRS OR DEVISEES OF DONALD WOODS (UMI)	
1120 E ROXANA ST	
HOBBS, NM 88240	
	UMI (UNKNOWN)
HEIRS OR DEVISEES OF DONALD WOODS (UMI)	
Attn: TEMIKA D. WOODS	
2200 W NORTHWEST LOOP 323, APT. 615	
TYLER, TX 75702	
	UMI (UNKNOWN)
ST. JOSEPH RESIDENCE (UMI)	
2450 N. HARVARD AVE	
TULSA, OK 74115	UMI
CAYUGA ROYALTIES, LLC	
PO BOX 540711	
HOUSTON, TX 77254	UMI
NANCY CAROLYN HALEY HEIRS (UMI)	
NO KNOWN ADDRESS	UMI (UNLOCATABLE)
B&L MINERALS LLC	
PO BOX 280969	
LKEWOOD, CO 80228	NPRI

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



May 24, 2024

Via Certified Return Receipt Mail Tracking No. 9598 0710 5270 0480 9114 42

CONOCOPHILLIPS COMPANY 600 W. ILLINOIS AVE MIDLAND, TX79701

RE: Red Bud Fed Com 25-36-32 73H Well Proposal

E2W2 of Sections 29 and 32

Township 25 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 well, testing the Bone Spring formation at a surface location in Section 32, T25S-R36E with bottom hole location in Section 29, T25S-R36E, Lea County, New Mexico (collectively, the "Operation"). The proposed wells will fall within a 320.00-acre spacing unit in the Bone Spring Formation limited to the E2W2 of Sections 29 and 32, T25S-R36E, Lea County, New Mexico.

#### Proposed Well:

1) Red Bud Fed Com 25 36 32 73H to be drilled to a depth sufficient to test the Bone Spring formation at an approximate total vertical depth of 9,595 feet and a measured depth of 20,343 feet. The surface location for this well is proposed at a legal location in unit letter N of Section 32, T25S-R36E, being 200' FSL, 2200' FWL and a bottom hole location at a legal location in unit letter C of Section 29, T25S-R36E, being 50' FNL, 1650' FWL. The estimated cost to drill and complete said well is \$11,802,222.01, as shown on the attached authority for expenditure ("AFE").

Ameredev is proposing the above wells under the 2015 Horizontal AAPL Form 610 Operating Agreement ("OA") with the following terms. A copy of the JOA will be provided in the upcoming weeks.

- Contract Area consisting of E2W2 of Sections 29 and 32, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico, limited to the Bone Spring Formation with Ameredev listed as the Operator ("Contract Area")
- 100%/300%/300% non-consent risk penalties
- \$10,000/\$1,000 drilling and producing overhead rates

The AFE is only an estimate and may not represent the actual costs. The actual depth and lateral length may change due to unexpected conditions encountered during drilling operations. Each participating party shall be obligated to bear its proportionate share of actual drilling and completion expenses.

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.

If you elect to participate in the drilling and completion of the proposed wells, please indicate in the space below and return an executed copy of this letter along with signed copies of the enclosed AFEs to my attention at the letterhead address.

If you do not wish to participate in the Operation, Ameredev would be interested in acquiring your leasehold interest for a mutually acceptable offer.

Thank you for your consideration of our proposal. If you have any questions, please contact me at 737-444-2997 or <u>LLaufer@ameredev.com</u> Ameredev looks forward to working with you on this matter.

Page 1

CONFIDENTIAL

Proposal Letter-Red Bud Fed Com 25 36 32 73H (E2W2 of Sec 29 & 32, 25S-36E Bone Spring Unit)

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Unit) Exhibit No. C-4
Submitted by: Ameredev Operating, LLC

Hearing Date: September 12, 2024 Case No. 24699

Released to Imaging: 9/19/2024 8:13:12 AM

Sincerely,
Lizzy Laufer 737-444-2997
Please indicate your election below:
Election Ballot for the Red Bud Fed Com 25 36 32 73H Well Proposal (AFE# 2024-023)
CONOCOPHILLIPS COMPANY elects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2024-023CONOCOPHILLIPS COMPANY elects to not participate in the proposed Operation.
Executed this day of, 2024.
CONOCOPHILLIPS COMPANY
By:
Its:

Page 2

CONFIDENTIAL



### Company Entity Ameredev Operating, LLC

Date Prepared May 23, 2024

AFE Type	Project	Field Name	Cost Center	AFE No.
Capital	Red Bud Fed Com 25 36 32 073H	Delaware	40843	2024-023

Location	County	State	Well	Туре
SHL: Sec. 32 25S 36E 200' FSL 2200' FWL	100	NM	Oil	Prod
BHL: Sec. 29 25S 36E 50' FNL 1650' FWL	Lea	IVIVI	Oli	Fiou

Estimate Type	Start Date	Completion Date	Formation	MD
				20,343'
Original	August 26, 2024	November 24, 2024	<b>BONE SPRING</b>	TVD
3,000		100 pt 50 restablished (0.01) 2 = 1 000		9,595'

#### **Project Description**

Drill  $\sim$ 10,000' BONE SPRING lateral. Complete with  $\sim$ 2200 PPF. Drill out plugs and run tubing with gas lift. Tie in to the Central Tank Battery.

Total Cost \$11,802,222.01

#### **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**

Ameredev 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 Ameredev, you will be subject to all of the terms of such contracts. Upon written request to Ameredev, 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 Ameredev pursuant to the terms and conditions of its contracts.

Joint Interest Approval

Company	Approved By	Date



#### Single Well Project

Red Bud Fed Com 25 36 32 073H Delaware

Intangibles	Code	Dry Hole Cost		After Casing Point Cost		Total Cost
MISC PREPARATION COSTS	4	\$ 46,924.56	\$		\$	46,924.56
EASEMENT, ROW, AND ACQUISITION	6	\$ -	\$	22,469.66	\$	22,469.66
ROAD / LOCATION PREP / RESTORATION	8	\$ 8,005.90	\$	216,571.78	\$	224,577.68
DRILLING RIG	10	\$ 712,500.00	Ś	44,400.00	\$	756,900.00
COIL TUBING	12	\$	Ś	165,306.75	\$	165,306.75
FUEL	16	\$ 96,187.50	Ś	616,170.92	\$	712,358.42
TRAILER, CAMP, AND CATERING	18	\$ 68,325.00	\$	49,026.66	\$	117,351.66
SURFACE RENTALS	24	\$ 118,290.00	\$	77,739.33	\$	196,029.33
DRILL BITS	28	\$ 100,050.00	Ś	3,500.00	\$	103,550.00
DOWNHOLE RENTALS	30	\$ 26,765.00	\$	56,000.00	\$	82,765.00
DIRECTIONAL DRILLING	32	\$ 238,500.00	\$		\$	238,500.00
	34	\$ 230,300.00	\$	45,900.00	\$	45,900.00
COMPOSITE PLUGS	42	\$ 60,911.00	\$	45,500.00	\$	60,911.00
TUBING & BHA INSPECT & REPAIR	42	\$ 46,893.18	\$	_	\$	46,893.18
RENTAL TUBING		\$ 50,516.93	\$	255,554.96	\$	306,071.89
WELL CONTROL EQUIP / SERVICES	48		\$	255,554.50	\$	2,500.00
PUMP TRUCK / PRESSURE TESTING	54	\$ 2,500.00	_	299 001 12	\$	528,084.88
MUD, ADDITIVES, AND CHEMICALS	60	\$ 139,183.75	\$	388,901.13	-	
FRAC PUMPING CHARGES	61	\$ -	\$	1,831,226.00	\$	1,831,226.00
WATER RIGHTS / TRANSFER / STORAGE	62	\$ 39,925.00	\$	591,694.53	\$	631,619.53
SOLIDS CONTROL EQUIP / SERVICES	66	\$ 75,409.50	\$	-	\$	75,409.50
MUD / FLUIDS DISPOSAL CHARGES	68	\$ 198,441.00	\$	33,365.27	\$	231,806.27
CASING CREWS	70	\$ 58,938.32	\$	-	\$	58,938.32
CEMENTING	72	\$ 353,644.32	\$		\$	353,644.32
MOBILIZE & DEMOBILIZE	86	\$ 211,355.00	\$	°E'	\$	211,355.00
SUPERVISION / COMPANY	92	\$ 1,045.22	\$		\$	1,045.22
SUPERVISION / CONTRACT	94	\$ 90,000.00	\$	168,230.00	\$	258,230.00
ENGINEERING / CONSULTANT	102	\$ 77,683.27	\$	9,000.00	\$	86,683.27
CONTRACT ROUSTABOUT	103	\$ 2,400.20	\$		\$	2,400.20
CONTRACT LANDWORK / SURVEY	114	\$ 	\$	50,600.00	\$	50,600.00
NONDESTRUCTIVE WELD TESTING	118	\$ -	\$	5,000.00	\$	5,000.00
CONSTRUCTION LABOR	120	\$	\$	17,925.00	\$	17,925.00
REGULTRY / ENVIRON CONSULTANT	122	\$ 	\$	13,500.00	\$	13,500.00
SAFETY AND EMERGENCY RESPONSE	124	\$ 3,000.00	\$	102,395.00	\$	105,395.00
WELDING & MATERIALS	138	\$ -	\$	12,925.00	\$	12,925.00
GASLIFT / FLOW LINE CONSTRUCTION	144	\$	\$	81,722.50	\$	81,722.50
OVERHEAD	152	\$ 7,183.00	\$	3 <del>.</del> 7	\$	7,183.00
BLOWOUT INSURANCE	158	\$ 14,241.00	\$		\$	14,241.00
ENVIRONMENTAL / PERMITTING	172	\$ 10,500.00	\$	10	\$	10,500.00
LEGAL / REGULATORY	182	\$ 2,307.00	Ś		\$	2,307.00
FLOW TESTING / EQUIP	194	\$ -	Ś	66,706.45	\$	66,706.45
MUD LOGGING	198	\$ 18,600.00	Ś	en e	\$	18,600.00
WIRELINE / PERF / PUMPDOWN COSTS	200	\$ -	\$	473,999.69	\$	473,999.69
OVERHEAD POWER	256	\$	\$	159,100.00	\$	159,100.00
FACILITY ELECTRIC & AUTOMATION	258	\$ 	Ś	144,754.50	\$	144,754.50
	296	\$	5	36,350.00	*	36,350.00
ELECTRICAL	326	\$ 85,000.00	\$	28,130.00	Ś	113,130.00
TRANSPORTATION	328	\$ 22,500.00	\$	26,255.19	4	48,755.19
VACUUM TRUCK		\$ 22,300.00	\$	240.94	\$	240.94
TRANSPORTATION / GATHERING EXP	378	 89,631.77	\$	173,839.84		263,471.61
Contingency	3.00%	186,732.85	_	362,166.33		548,899.18
Tax	6.25%					
Total Intangible Cost		\$ 3,264,090.27	\$	6,330,667.43	\$	9,594,757.70
Tangibles Well Savinment	Code	Dry Hole Cost	36 B	After Casing Point Cost		Total Cost
Tangibles - Well Equipment	The second secon	\$ 43,500.00	¢	Arter casing Point cost	\$	43,500.00
CASING / LINER / FLOAT EQUIPMENT	74	\$ 103,855.00	\$	Manager and American States	\$	103,855.00
SURFACE CASING	210	 	\$		\$	397,513.08
INTERMEDIATE CASING	212	\$ 397,513.08	_		\$	764,929.05
PRODUCTION CASING	216	\$ 764,929.05	\$	440.054.47	-	
TUBING WELLHEAD / TREE / CHOKES	217	\$ 85,000.00	\$	110,951.47 187,605.07	\$	110,951.47 272,605.07

DOWNHOLE LIFT EQUIPMENT	234	\$	\$ 12,000.00	\$ 12,000.00
TANK BATT / PROCESS EQUIP / MAINT	236	\$ 2 847 2 6 5 5 25 - 3	\$ 90,000.00	\$ 90,000.00
LINE PIPE	238	\$ -	\$ 42,760.00	\$ 42,760.00
FLOW LINE (PIPE WH TO FACILITY)	266	\$	\$ 69,935.00	\$ 69,935.00
PIPELINE TO SALES	270	\$ (2)	\$ 29,647.20	\$ 29,647.20
METERS AND METERING EQUIPMENT	274	\$	\$ 39,400.00	\$ 39,400.00
VALVES, FITTINGS, PROD INSTRUM	282	\$ -	\$ 29,507.34	\$ 29,507.34
Contingency	3.00%	\$ 41,843.91	\$ 18,772.96	\$ 60,616.87
Tax	6.25%	\$ 87,174.82	\$ 39,110.32	\$ 126,285.14
Total Tangible Cost		\$ 1,523,815.86	\$ 683,648.45	\$ 2,207,464.31
TOTAL		\$ 4,787,906.14	\$ 7,014,315.87	\$ 11,802,222.01

Chronology Efforts Red Bud Fed Com 25 36 32 073H- E2W2 of Section 29 & 32, T25S-R36E, Lea County, NM, Bone Spring Unit:

5/1/2024 to Present – Used computer data services to locate relatives, last known address, death certificate, obituary, etc., of Nancy Carolyn Haley. Called and emailed extended family members for contact information but no one has been in communication with Nancy Carolyn Haley in years. Called phone numbers listed on computer data services.

5/2/2024 to Present – Used computer data services to locate last known address, relatives and phone numbers for Donald Woods heirs. Sent lease offer and proposal letters to multiple addresses listed on computer data services.

5/20/2024- Communication with The Catholic Charities Foundation who manages the St. Joseph Residence. Discussed lease offer.

5/20/24 to Present- email and phone conversations with SRO Land & Minerals, LP, Monroe Properties, Inc., and MES Land & Minerals, LP regarding pooling consent. Will receive pooling consent upon receipt of approved order.

5/24/24 - Well proposals, AFE's and lease offers mailed via certified mail to working interest and unleased mineral interest owners.

5/29/24- Phone conversations with Nathan Dittmer and Kassandra Dittmer regarding lease offer and bonus consideration.

5/30/24 to Present- email correspondence with ConocoPhillips. Discussed project and answered technical questions. Provided copy of the proposed JOA on 7/10/2024.

5/30/24- Phone conversations with Gulf Coast Western, LLC confirming WI and NRI in wells.

7/10/24- Second attempt well proposals, AFE and lease offer letters mailed via certified mail to all unresponsive parties.

7/11/2024-8/3/2024- Email correspondence with Vida Nova Royalties (NPRI owner). Vida Nova Royalties executed a ratification of the pooled unit and granted pooling consent.

8/2/2024- NPRI pooling ratification mailed via certified mail to B&L Minerals, LLC.

8/13/24- email correspondence with David Ramsden-Wood at Prevail Energy LLC regarding development plan for Red Bud Fed Com 25 36 32 73H. Prevail Energy LLC indicated they would participate under the approved order.

8/27/24- emailed Cayuga Royalties, LLC a copy of lease offer and proposal letter for Red Bud Fed Com 25 36 32 73H.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-5
Submitted by: Ameredev Operating, LLC
Hearing Date: September 12, 2024
Case No. 24699

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. 24699** 

#### 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 applications 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 Bone Spring formation, with a contour interval of 50 feet. The structure map shows the Bone Spring gently dipping to the southwest. The Bone Spring 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: September 12, 2024
Case No. 24699

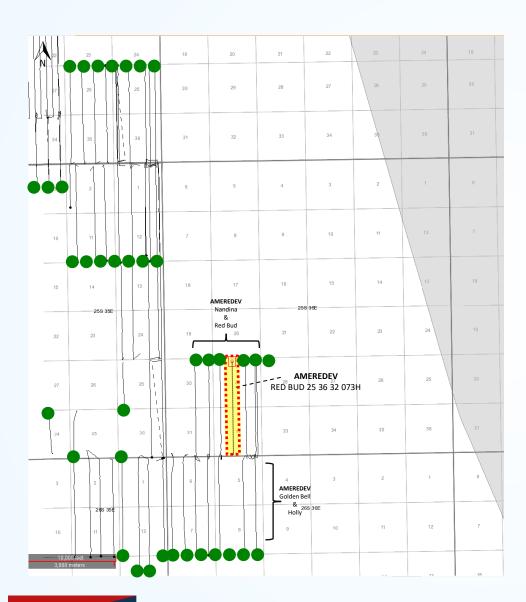
- 6. Ameredev Exhibit D-3 shows a line of cross-section in red consisting of wells penetrating the Bone Spring formation that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.
- displaying open-hole logs run over the 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 Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit 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.

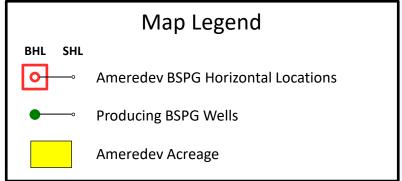
12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.  $\frac{9/4/24}{4}$ 

Parker Foy

Date

## Bone Spring Pool - Red Bud 25 36 32 073H



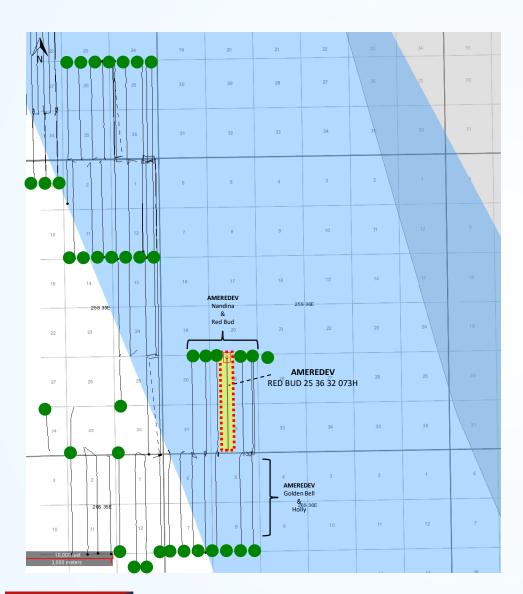


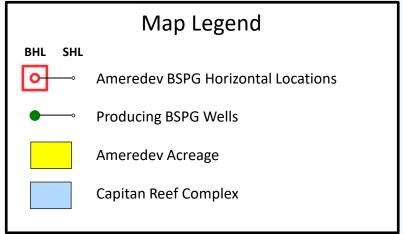
BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. D-1

Submitted by: Ameredev Operating, LLC Hearing Date: September 12, 2024 Case No. 24699

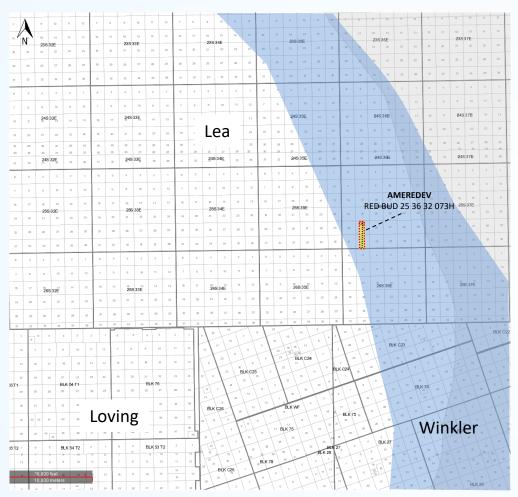
## Bone Spring Pool - Capitan Reef Complex







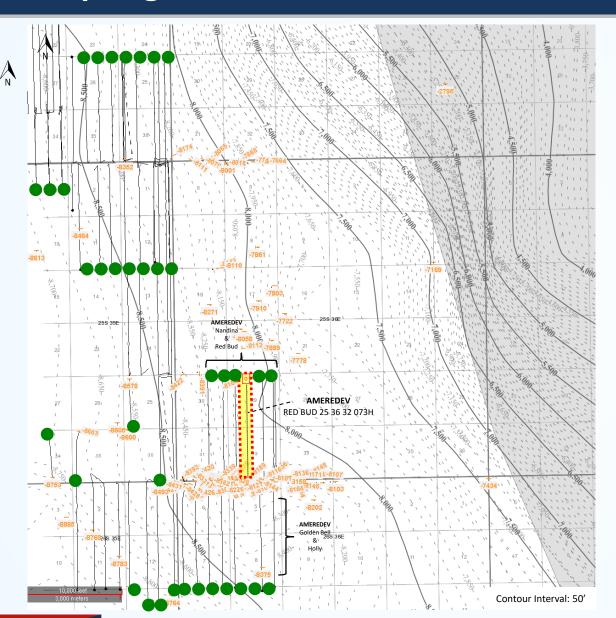
## Bone Spring Pool – Capitan Reef Complex





#### Page 32 of 41

### Bone Spring Pool — BSPG Structure Map (Subsea Depth)

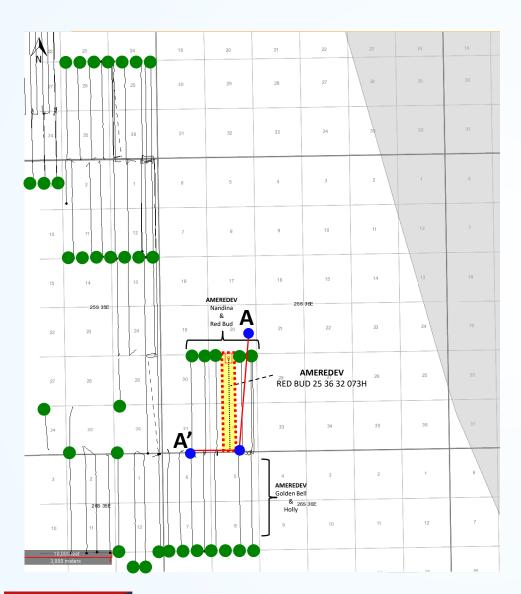




#### BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-2 Submitted by: Ameredev Operating, LLC

Submitted by: Ameredev Operating, LLC
Hearing Date: September 12, 2024
Case No. 24699

## Bone Spring Pool — Cross Section Map



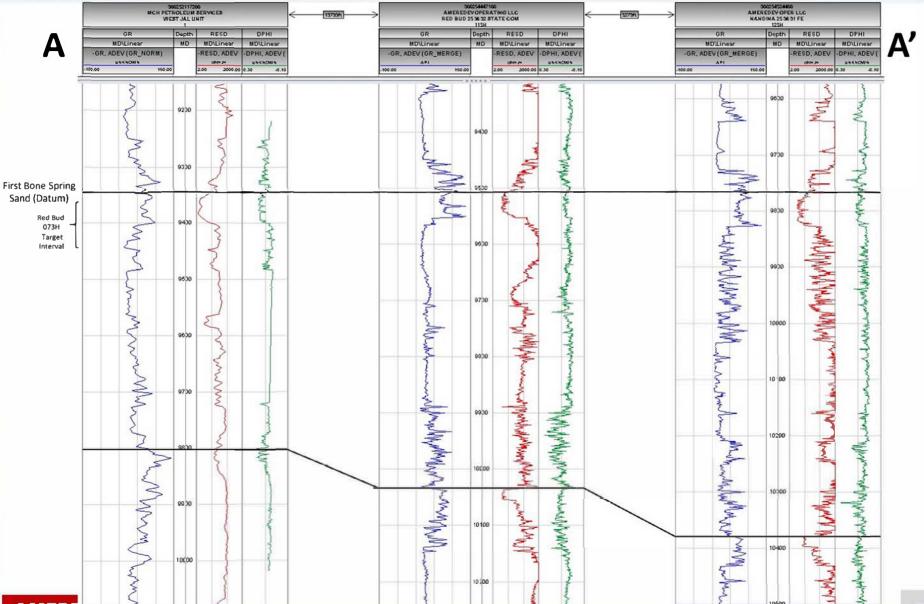


BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-3
Submitted by: Ameredev Operating, LLC
Hearing Date: September 12, 2024
Case No. 24699

## Bone Spring Pool - Stratigraphic Cross Section

Released to Imaging: 9/19/2024 8:13:12 AM

Revised Exhibit No. D-4
Submitted by: Ameredev Operating, LLC
Hearing Date: September 12, 2024
Case No. 24699



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. 24699** 

#### 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 August 28, 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: September 12, 2024
Case No. 24699

9/4/2024

Paula M. Vance Date

Pather



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

July 19, 2024

#### VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Application of Ameredev Operating, LLC for Compulsory Pooling, Lea Re: County, New Mexico: Red Bud Fed Com 25 36 32 73H 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 August 8, 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 Lizzy Laufer at (737) 444-2997 or llaufer@ameredev.com.

Sincerely,

Paula M. Vance

ATTORNEY FOR AMEREDEV OPERATING, LLC

#### Ameredev -BS Red Bud 073H - Case no. 24699 Postal Delivery Report

						Your item was picked up at a postal facility at 10:41 am on July
9414811898765466406988	Mavros Oil Company, LLC	PO Box 50820	Midland	TX	79710-0820	23, 2024 in MIDLAND, TX 79705.
9414811898765466406933	Good News Minerals	PO Box 50820	Midland	TX	79710-0820	Your item was picked up at a postal facility at 10:41 am on July 23, 2024 in MIDLAND, TX 79705.
9414811898765466406971	Gulf Coast Western LLC	14160 Dallas Pkwy unit 500	Dallas	TX	75254-4319	Your item was delivered to an individual at the address at 12:34 pm on July 22, 2024 in DALLAS, TX 75254.
9414811898765466406612	Franklin Mountain Energy LLC	44 Cook St Ste 1000	Denver	со	80206-5827	Your item was delivered to the front desk, reception area, or mail room at 12:06 pm on July 22, 2024 in DENVER, CO 80206.
9414811898765466406650	Conocophillips	600 W Illinois Ave	Midland	TX	79701-4882	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765466406667	Devon Energy Production Company, L.P.	333 W Sheridan Ave	Oklahoma City	ОК	73102-5010	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765466406629	Prevail Energy LLC	1133 14th St Unit 2040	Denver	со	80202-2244	Your item was delivered to the front desk, reception area, or mail room at 10:41 am on July 22, 2024 in DENVER, CO 80202.
9414811898765466406605		PO Box 980552	Houston	TX	77098-0552	Your item was picked up at a postal facility at 8:48 am on July 27, 2024 in HOUSTON, TX 77098.
9414811898765466406698	Carol Bearly Cleveland, As Successor Trustee Of The James H. Bearly Revocable Trust Dtd 03/15/1996	104302 S Ridgewood Dr	Meeker	ОК	74855-9088	Your item was picked up at the post office at 9:55 am on July 31, 2024 in MEEKER, OK 74855.

#### Ameredev -BS Red Bud 073H - Case no. 24699 Postal Delivery Report

						Your item was delivered to an
						individual at the address at
	Heirs Or Devisees Of Donald					11:06 am on July 22, 2024 in
9414811898765466406643	Woods	1120 E Roxana St	Hobbs	NM	88240-6952	HOBBS, NM 88240.
						This is a reminder to arrange for
	Heirs Or Devisees Of Donald					redelivery of your item or your
9414811898765466406681	Woods	2200 W Northwest Loop 323 Apt 615	Tyler	TX	75702	item will be returned to sender.
						Your item was delivered to an
						individual at the address at 9:39
						am on July 23, 2024 in TULSA, OK
9414811898765466406636	St. Joseph Residence Inc	2450 N Harvard Ave	Tulsa	ОК	74115-3140	-
						Your item was delivered to an
						individual at the address at 2:42
						pm on July 25, 2024 in SAINT
9414811898765466406674	Kassandra Dawn Dittmer	1341 W 710 N	St George	UT	84770-4609	GEORGE, UT 84770.
						Your item was picked up at a postal facility at 10:12 am on
						August 9, 2024 in HOUSTON, TX
9414811898765466406117	Cavuga Rovalties IIC	PO Box 540711	Houston	TX	77254-0711	_
3414811838783400400117	cayuga Noyanies, LLC	1 O BOX 540711	Houston	I A	77254-0711	Your item was delivered to an
						individual at the address at
						12:51 pm on July 23, 2024 in
9414811898765466406162	Sro Land & Minerals, L.P.	9575 Katy Fwy Ste 440	Houston	TX	77024-1411	HOUSTON, TX 77024.
						Variation was stated as a
						Your item was picked up at a postal facility at 1:40 pm on July
9414811898765466406124	Monroe Properties Inc	PO Box 53168	Midland	TX	70710-2169	24, 2024 in MIDLAND, TX 79705.
3414811838703400400124	Worlde Froperties, inc	FO BOX 33108	Iviidiaiid	17	79710-3108	24, 2024 III WIIDLAND, 1X 79703.
						Your item was picked up at a
						postal facility at 1:40 pm on July
9414811898765466406100	Mes Land & Minerals, Lp	PO Box 53168	Midland	TX	79710-3168	24, 2024 in MIDLAND, TX 79705.
						Your item was delivered to the
						front desk, reception area, or
	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\		l., .			mail room at 10:52 am on July
9414811898765466406193	vida Nova Royalties LLC	24176 Spartina Dr	Venice	FL	34293-2788	22, 2024 in VENICE, FL 34293.

Received by OCD: 9/18/2024 5:59:26 PM

#### Ameredev -BS Red Bud 073H - Case no. 24699 Postal Delivery Report

						Your package will arrive later
						than expected, but is still on its
						way. It is currently in transit to
9414811898765466406148	B&L Minerals LLC	PO Box 280969	Lakewood	СО	80228-0969	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 25, 2024 and ending with the issue dated July 25, 2024.

Publisher

Sworn and subscribed to before me this 25th day of July 2024.

AhBlack

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 public

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

LEGAL

LEGAL NOTICE July 25, 2024

LEGAL NOTICE
July 25, 2024

Case No. 24699: Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of Mavros Oil Company, LLC; Good News Minerals; Gulf Coast Western LLC; Franklin Mountain Energy LLC; Conocophillips; Devon Energy Production Company, L.P.; Prevail Energy LLC; Br2 Holdings LLC; Carol Bearly Cleveland, As Successor Trustee Of The James H. Bearly Revocable Trust Dtd 03/15/1996; Heirs Or Devisees Of Donald Woods; Heirs Or Devisees Of Donald Woods; St. Joseph Residence Inc.; Kassandra Dawn Dittmer; Cayuga Royalties, LLC; Sro Land & Minerals, L.P.; Monroe Properties, Inc.; Mes Land & Minerals, Lp; Vida Nova Royalties LLC; BaL Minerals LLC; Nancy Carolyn Haley Or Heirs. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ('Division') hereby gives notice that the Division will hold public hearing 8:30 a.m. on August 8, 2024, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department. Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date; https://www.emrnd.nm.gov/ocd/hearing-info/ or contact, Freya Tschantz, at Freya. Tschantz @emnrd.nm.gov. 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 Bone Spring domation underlying the E/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed Red Bud Fed Com 25 36 32 73H well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 32, to a bottom hole lo

67100754

00292544

HOLLAND & HART LLC 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: September 12, 2024 Case No. 24699