

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

**APPLICATION OF CIVITAS PERMIAN OPERATING,
LLC TO EXTEND THE DEADLINE TO COMMENCE
DRILLING OPERATIONS UNDER ORDER NO.
R-22603-A, LEA COUNTY, NEW MEXICO.**

CASE NO. 25010

EXHIBIT INDEX

Exhibit A	Self-Affirmed Statement of Chad Matney
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Exhibit B	Self-Affirmed Statement of Michael Rodriguez
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Civitas Permian Operating, LLC
Case No. 25010
Exhibit A

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

APPLICATION OF CIVITAS PERMIAN OPERATING,
LLC TO EXTEND THE DEADLINE TO COMMENCE
DRILLING OPERATIONS UNDER ORDER NO.
R-22603-A, LEA COUNTY, NEW MEXICO.

CASE NO. 25010

SELF-AFFIRMED STATEMENT OF
CHAD MATNEY

1. I am employed by Civitas Permian Operating, LLC ("Civitas") as a Landman. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters and my credentials were accepted as a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of the subject application and hearing notice are attached hereto as **Exhibit A-1**.

3. On March 30, 2023, the OCD issued Order No. R-22603 in Case No. 22933, which:
- i. pooled all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico;
 - ii. dedicated the Unit to the Double Stamp Fed Com #113H, #123H, #126H, #133H, #153H, #114H, #116H, #124H, #128H, #134H, #136H, #154H and #174H wells ("Wells"); and
 - iii. designated Civitas as operator of the Unit and Wells.

4. Order No. R-22603 is attached hereto as **Exhibit A-2**.

5. On January 31, 2024, the OCD issued Order No. R-22603-A in Case No. 24007 extending the deadline to commence drilling operations for the Wells until March 31, 2025. As

identified in the application in Case No. 24007, the extension request was due to delays in obtaining federal permits for the Wells which are located within the potash area.

6. Order No. R-22603-A is attached hereto as **Exhibit A-3**.

7. Federal APDs were approved on November 22, 2024.

8. Accordingly, Civitas is adjusting its 2025 drill schedule so that it can promptly commence drilling operations for the Wells.

9. However, due to the timing of the Federal APD approvals and the size and complexity of this project, additional time beyond the current deadline may be required to accommodate logistical and timing constraints outside of Civitas' control. Therefore, good cause exists to extend the deadline to commence drilling operations for the Wells.

10. In my opinion, the granting of Civitas's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my signature below.

/s/ Chad Matney

January 2, 2025

Chad Matney

Date

Civitas Permian Operating, LLC
Case No. 25010
Exhibit A-1

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

APPLICATION OF CIVITAS PERMIAN OPERATING,
LLC TO EXTEND THE DEADLINE TO COMMENCE
DRILLING OPERATIONS UNDER ORDER NO.
R-22603-A, LEA COUNTY, NEW MEXICO.

CASE NO. 25010

APPLICATION

Civitas Permian Operating, LLC (“Civitas”), OGRID Number 332195, files this application with the Oil Conservation Division (“OCD”) to extend the time to commence drilling operations under Order No. R-22603-A. In support of its application, Civitas states the following.

1. On March 30, 2023, the OCD issued Order No. R-22603 in Case No. 22933, which:
 - a. pooled all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico;
 - b. dedicated the Unit to the Double Stamp Fed Com #113H, #123H, #126H, #133H, #153H, #114H, #116H, #124H, #128H, #134H, #136H, #154H and #174H wells (“Wells”); and
 - c. designated Civitas as operator of the Unit and Wells.

2. On January 31, 2024, the OCD issued Order No. R-22603-A (the “Order”) in Case No. 24007 extending the deadline to commence drilling operations for the Wells until March 31, 2025. As identified in the application in Case No. 24007, the extension request was due to delays in obtaining federal permits for the Wells which are located within the potash area.

3. Good cause exists to extend the deadline to commence drilling operations for the Wells since the drilling permits on file with the Bureau of Land Management are still pending approval.

WHEREFORE, Civitas requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 9, 2025, and the Division enter an order to extend the

deadline to commence drilling operations for the Wells until March 31, 2026.

Respectfully submitted,

Civitas Permian Operating, LLC



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Attorneys for Civitas Permian Operating, LLC

CASE NO. _____: Application of Civitas Permian Operating, LLC to Extend the Deadline to Commence Drilling Operations Under Order No. R-22603-A, Lea County, New Mexico. Applicant seeks an order from the Division to extend the time to commence drilling operations under Order No. R-22603-A. On March 30, 2023, the OCD issued Order No. R-22603 in Case No. 22933, which: a. pooled all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico; b. dedicated the Unit to the Double Stamp Fed Com #113H, #123H, #126H, #133H, #153H, #114H, #116H, #124H, #128H, #134H, #136H, #154H and #174H wells (“Wells”); and c. designated Civitas as operator of the Unit and Wells. On January 31, 2024, the OCD issued Order No. R-22603-A (the “Order”) in Case No. 24007 extending the deadline to commence drilling operations for the Wells until March 31, 2025. As identified in the application in Case No. 24007, the extension request was due to delays in obtaining federal permits for the Wells which are located within the potash area. Good cause exists to extend the deadline to commence drilling operations for the Wells since the drilling permits on file with the Bureau of Land Management are still pending approval. Said area is located approximately 35 miles southwest of Hobbs, New Mexico.

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

IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
TAP ROCK OPERATING, LLC

CASE NO. 22933
ORDER NO. R-22603

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on December 15, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Tap Rock Operating, LLC (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

- well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN MEUGE
DIRECTOR (ACTING)
DMF/jrh

Date: 3/30/23

CASE NO. 22933
ORDER NO. R-22603

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Exhibit A

Received by OCD: 12/13/2022 11:19:11 AM

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COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case No.:	22933
Hearing Date:	12/15/2022
Applicant	Tap Rock Operating, LLC
Designated Operator & OGRID	372043
Applicant's Counsel	Michael Rodriguez
Case Title	APPLICATION OF TAP ROCK OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors	EOG Resources, Inc.
Well Family	Double Stamp
Formation/Pool	
Formation Name(s) or Vertical Extent	Bone Spring
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	Bone Spring
Pool Name and Pool Code	SALT LAKE;BONE SPRING [53560]
Well Location Setback Rules	Statewide rules
Spacing Unit Size (acres)	640
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks	quarter-quarter
Orientation	Standup
Description: TRS/County	E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes
Proximity Defining Well: if yes, description	The completed interval for the Double Stamp Fed Com #116H will be within 330' of the quarter-quarter line separating the W/2E/2 from the E/2E/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit
Well Name (API No)	Surface Hole Location Bottom Hole Location Completion Target (Approx. TVD) Completion status (Standard / Non-standard)
Double Stamp Fed Com #113H (Pending)	246 FNL and 2512 FEL of Section 23 5 FNL and 2178 FEL of Section 11 Bone Spring (9000') Standard
Double Stamp Fed Com #114H (Pending)	247 FNL and 2382 FEL of Section 23 5 FNL and 331 FEL of Section 11 Bone Spring (9000') Standard
Double Stamp Fed Com #116H (Pending)	246 FNL and 2487 FEL of Section 23 5 FNL and 1254 FEL of Section 11 Bone Spring (9000') Standard
Double Stamp Fed Com #123H (Pending)	271 FNL and 2512 FEL of Section 23 5 FNL and 2303 FEL of Section 11 Bone Spring (9700') Standard

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Double Stamp Fed Com #124H (Pending)	272 FNL and 2407 FEL of Section 23 5 FNL and 990 FEL of Section 11 Bone Spring (9700') Standard
Double Stamp Fed Com #126H (Pending)	271 FNL and 2487 FEL of Section 23 5 FNL and 1650 FEL of Section 11 Bone Spring (9700') Standard
Double Stamp Fed Com #128H (Pending)	272 FNL and 2382 FEL of Section 23 5 FNL and 331 FEL of Section 11 Bone Spring (9700') Standard
Double Stamp Fed Com #133H (Pending)	413 FNL and 2178 FEL of Section 23 5 FNL and 2178 FEL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #134H (Pending)	413 FNL and 2128 FEL of Section 23 5 FNL and 331 FEL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #136H (Pending)	388 FNL and 2153 FEL of Section 23 5 FNL and 1254 FEL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #153H (Pending)	388 FNL and 2178 FEL of Section 23 5 FNL and 1650 FEL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #154H (Pending)	388 FNL and 2128 FEL of Section 23 5 FNL and 594 FEL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #173H (Pending)	247 FNL and 2302 FEL of Section 23 5 FNL and 1980 FEL of Section 11 Bone Spring (8300') Standard
Double Stamp Fed Com #174H (Pending)	272 FNL and 2302 FEL of Section 23 5 FNL and 660 FEL of Section 11 Bone Spring (8300') Standard
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000.00
Production Supervision/Month \$	\$800.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-2
Ownership Determination	
Land Ownership Schematic of Spacing Unit	Exhibit A-3
Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3

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Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined WI	Exhibit A-5
Overhead Rates In Proposal Letter	-
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	-
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Michael Rodriguez
Signed Name (Attorney or Party Representative):	/s/ Michael Rodriguez
Date:	12/6/2022

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CASE NO. 22933
ORDER NO. R-22603

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

IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
TAP ROCK OPERATING, LLC

CASE NO. 24007
ORDER NO. R-22603-A

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on December 7, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Tap Rock Operating, LLC (“Operator”) submitted an application (“Application”) requesting an extension to drill the well(s) as required by Order R-22603, as amended (“Order”).
2. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
3. Operator has demonstrated good cause to extend the deadlines in the Order.
4. The Application was heard by the Hearing Examiner, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

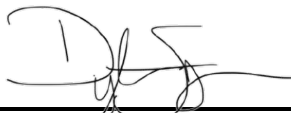
5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
6. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

ORDER

8. The period to drill the well(s) is extended until March 31, 2025.
9. This Order shall terminate automatically if Operator fails to comply with Paragraph 7 unless prior to termination Operator applies, and OCD grants, to amend the Order for good cause shown.

10. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.
11. The remaining provisions of the Order remain in force or effect.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M FUGE
DIRECTOR (ACTING)
DMF/hat

Date: 1/31/2024

CASE NO. 24007
ORDER NO. R-22603-A

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

APPLICATION OF CIVITAS PERMIAN OPERATING,
LLC TO EXTEND THE DEADLINE TO COMMENCE
DRILLING OPERATIONS UNDER ORDER NO.
R-22603-A, LEA COUNTY, NEW MEXICO.

CASE NO. 25010

SELF-AFFIRMED STATEMENT OF
MICHAEL RODRIGUEZ

1. I am attorney in fact and authorized representative of Civitas Permian Operating, LLC. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement.

2. On December 19, 2024, I caused the notice of hearing letter attached as **Exhibit B-1** and the application in this case to be sent by certified mail to the locatable affected parties on the date identified in the notice of hearing letter.

3. **Exhibit B-2** contains the names and addresses of the parties to whom notice was provided to and the status of delivery provided by the United States Postal Service as of the date identified therein.

4. On December 19, 2024, I caused a notice to be published to all affected parties subject to the application in this case. A copy of the Affidavit of Publication from the Legal Clerk of the publication and a copy of the legal notice are attached as **Exhibit B-3**.

5. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my signature below.



Michael Rodriguez

1/2/2025

Date



Civitas Permian Operating, LLC
Case No. 25010
Exhibit B-1

December 19, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Case No. 25010 – Application of Civitas Permian Operating, LLC to Extend the Deadline to Commence Drilling Operations Under Order No. R-22603-A, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on **January 9, 2025**, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/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 Chad Matney at 303-551-5094 or cmatney@civiresources.com.

Thank you,

/s/ Michael Rodriguez

Michael Rodriguez

Attorney for Civitas Permian Operating, LLC

Civitas Permian Operating, LLC
Case No. 25010
Exhibit B-2

MailClass	TrackingNo	ToName	DeliveryAddress	City	State	Zip	MailDate	ERR_SigDate	ERR_FTPTS tatus	USPS_Status
Certified with Return Receipt (Signature)	941481189876 5452908281	EOG Resources	5509 Champions Dr	Midland	TX	79706- 2843	12/19/2024	12/25/2024 06:45:37	SUCCESS	Your item was picked up at a postal facility at 8:34 am on December 24, 2024 in MIDLAND, TX 79701.
Certified with Return Receipt (Signature)	941481189876 5452908274	Colgate Royalties LP	300 N Marientfeld St Ste 1000	Midland	TX	79701- 4688	12/19/2024	12/25/2024 06:45:38	SUCCESS	Your item was delivered to an individual at the address at 10:56 am on December 24, 2024 in MIDLAND, TX 79701.
Certified with Return Receipt (Signature)	941481189876 5452908816	Anadarko Petroleum Corporation	1201 Lake Robbins Dr	The Woodlan ds	TX	77380- 1160	12/19/2024	12/27/2024 07:48:08	SUCCESS	Your item was picked up at a postal facility at 6:24 am on December 26, 2024 in SPRING, TX 77380.
Certified with Return Receipt (Signature)	941481189876 5452908854	Bureau of Land Management	PO Box 27115	Santa Fe	NM	87502- 0115	12/19/2024	12/24/2024 06:46:08	SUCCESS	Your item was delivered to the front desk, reception area, or mail room at 1:34 pm on December 23, 2024 in SANTA FE, NM 87508.

Civitas Permian Operating, LLC
Case No. 25010
Exhibit B-3

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Andy Brosig, Editor 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
December 19, 2024
and ending with the issue dated
December 19, 2024.



Editor

Sworn and subscribed to before me this
19th day of December 2024.

Business Manager

My commission expires
January 29, 2027
(Seal)

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.

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LEGAL NOTICE
December 19, 2024

This is to notify all interested parties, including: EOG Resources, Inc., Colgate Royalties, LP; Anadarko Petroleum Corporation; Bureau of Land Management and their respective successors and assigns, that Civitas Permian Operating, LLC ("Civitas") filed an application in **Case No. 25010** with the New Mexico Oil Conservation Division ("Division"). A hearing has been requested before a Division Examiner on **January 9, 2025**. 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.

Applicant seeks an order from the Division to extend the time to commence drilling operations under Order No. R-22603-A. On March 30, 2023, the OCD issued Order No. R-22603 in Case No. 22933, which: a. pooled all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico; b. dedicated the Unit to the Double Stamp Fed Com #113H, #123H, #126H, #133H, #153H, #114H, #116H, #124H, #128H, #134H, #136H, #154H and #174H wells ("Wells"); and c. designated Civitas as operator of the Unit and Wells. On January 31, 2024, the OCD issued Order No. R-22603-A (the "Order") in Case No. 24007 extending the deadline to commence drilling operations for the Wells until March 31, 2025. As identified in the application in Case No. 24007, the extension request was due to delays in obtaining federal permits for the Wells which are located within the potash area. Good cause exists to extend the deadline to commence drilling operations for the Wells since the drilling permits on file with the Bureau of Land Management are still pending approval. Said area is located approximately 35 miles southwest of Hobbs, New Mexico.
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