Received by OCD: 12/29/2025/2:48:40 PM

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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 **District IV**

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.

(Exhibit 4c)

Form C-145

Permit 362230

Revised May 19, 2017

Change of Operator

Santa Fe, NM 87505

Previous Operator Information New Operator Information

		Effective Date:	Effective on the date of approval by the OCD
OGRID:	332195	OGRID:	330859
Name:	Civitas Permian Operating, LLC	Name:	Alpha Energy Partners LLC
Address:	555 17th Street	Address:	PO Box 10701
	Suite 3700		
City, State, Zip:	Denver, CO 80202	City, State,	Midland, TX 79702

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, Alpha Energy Partners LLC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(I) NMAC.

Alpha Energy Partners LLC understands that the OCD's approval of this operator change:

- 1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
- constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

Received by OCD: 12/29/2025/2:18:40 PM

As the operator of record of wells in New Mexico, Alpha Energy Partners LLC agrees to the following statements:

- 2. Initials 1 understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of 19.15.9.9 NMAC.
- 3. Initials T must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.
- 4. Initials I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
- 5. Initials I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statues", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
- 6. Initials for responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or unreported releases.
- 7. Initials A have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.
- 8. Initials For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.
- 9. Initials am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
- 10. Initials If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.
- 11. Initials No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.
- 12. Initials NMOCD Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

Released to Imaging: 12/30/2025/3:56:00-PM

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous Operator	
-------------------	--

Signature:

Printed Name:

Title:

Nathan S. Bennett

Director, Permitting & Compliance

Date:

03/21/2024 Phone:

303-312-8166

New Operator

Signature:

Printed Name:

Title:

Date:

3/25/2024 Phone

4

Permit 362230

MOCD Approval

Electronic Signature(s): Rob Jackson, District 2

March 26, 2024

Date:

Permit 362230

Wells Selected for Transfer

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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

1 Well Selected for Transfer

_		
From:		OGRID:
	Civitas Permian Operating, LLC	332195
To:		OGRID:
	Alpha Energy Partners LLC	330859

OCD District: Artesia (1 Well selected.)

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type
335628	TRACY B COM #001	Р	I-18-22S-27E	ı	30-015-21416			G

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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

COMMENTS

Action 362230

COMMENTS

Operator:	OGRID:
Civitas Permian Operating, LLC	332195
555 17th Street	Action Number:
Denver, CO 80202	362230
	Action Type:
	[C-145] EP Change of Operator

Comments

Created By	Comment	Comment
		Date
abustamante	Rejected: Operator only submitted page 3 of the C-145 3-page document. Please read "Notice of Responsibility" prior to uploading the complete	3/26/2024
	document(s). Re-submit the correct 3-page C-145.	

Received by OCD: 12/29/2025/2:48:40 PM

<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
<u>District III</u>
1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Change of Operator

Form C-145 Revised May 19, 2017

Permit 362231

(Exhibit 4a

Previous Operator Information New Operator Information

		Effective Date:	Effective on the date of approval by the OCD		
OGRID:	332195	OGRID:	330859		
Name:	Civitas Permian Operating, LLC	Name:	Alpha Energy Partners LLC		
Address:	555 17th Street	Address:	PO Box 10701		
	Suite 3700				
City, State, Zip:	Denver, CO 80202	City, State,	Midland, TX 79702		
		Zip:			

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, Alpha Energy Partners LLC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(i) NMAC.

Alpha Energy Partners LLC understands that the OCD's approval of this operator change:

- 1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
- constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

Received by OCD: 12/29/2025/2:18:40 PM

As the operator of record of wells in New Mexico, Alpha Energy Partners LLC agrees to the following statements:

- 1. Initials I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
- 2. Initials for I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of 19.15.9.9 NMAC.
- 3. Initials I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.
- 4. Initials Initials
- 5. Initials I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state of fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statues", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
- 6. Initials I am responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or unreported releases.
- 7. Initials I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.
- 8. Initials For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.
- 9. Initials I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
- 10. Initials It I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.
- 11. Initials No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.
- 12. Initials NMOCD Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

Released to Imaging: 12/30/2025/3556:00PM

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous O	perator	New Operator			
Signature:	ANTED	Signature:	Phyapure		
Printed Name:	Nathan S. Bennett	Printed Name:	P. Nick Maxwell		
Title:	Director, Permitting & Compliance	Title:	CEO		
Date:	03/21/2024 Phono: 303 312 8166	Deter	3/25/2024 10000 437-219-8054		

Permit 362231

NMOCD Approval

Electronic Signature(s): Rob Jackson, District 2 March 26, 2024

Date:

Permit 362231

Wells Selected for Transfer

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

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1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

1 Well Selected for Transfer

_		
From:		OGRID:
	Civitas Permian Operating, LLC	332195
To:		OGRID:
	Alpha Energy Partners LLC	330859

OCD District: Artesia (1 Well selected.)

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type
335627	COLONIA A COM #001	Р	K-18-22S-27E	K	30-015-21593			G

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

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1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

COMMENTS

Action 362231

COMMENTS

Operator:	OGRID:
Civitas Permian Operating, LLC	332195
555 17th Street	Action Number:
Denver, CO 80202	362231
	Action Type:
	[C-145] EP Change of Operator

Comments

Created By	Comment	Comment
		Date
abustamante	Rejected: Operator only submitted page 3 of the C-145 3-page document. Please read "Notice of Responsibility" prior to uploading the complete	3/26/2024
	document(s). Re-submit the correct 3-page C-145.	

SIGN-IN HELP

Searches

Main Phone:

Phone Number:

Cell Number:

Fax Number:

Phone Number:

Cell Number:

Fax Number:

Main Fax:

Operator Data

Hearing Fee Application

OCD Permitting

Operator Details

Exhibit 7

432-247-5935

432-247-5935

Peter N Maxwell

432-247-5935

Peter N Maxwell

[330859] Alpha Energy Partners LLC

General Information

PO Box 10701 Address:

Midland, TX 79702

Well Operator

All Active Entities: Wells (4)

Contacts

Country:

Operator Role(s):

Central Contact

Peter N Maxwell

Title:

E-Mail Address:

Wells (4)

nick@alphapermian.com

Hobbs Contact

(Click here to expand.)

Artesia Contact

Artesia Active Entities:

Name: Peter N Maxwell

Title: Manager

E-Mail Address: nick@alphapermian.com

Aztec Contact

(Click here to expand.)

Santa Fe Contact

(Click here to expand.)

Natural Gas Capture Targets

	Target Gas Capture Rate (%)	Certified Gas Capture Rate (%)	Notes		
Upstream					
South (Baseline Gas Capture Rate: 98.00%; Minimum Required Annual Gas Capture Increase: 0.00%)					
2022	98.00	100.00			
2023	98.00	-			
2024	98.00	-			
2025	98.00	-			
2026	98.00	-			

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SIGN-IN HELP

						Searches	Operator Data	Hearing Fee A	pplication
	Blanket Bond for Temporarily Abandoned Wells No Active Blanket Bond for Temporarily Abandoned Wells								
	Single Well Bonds								
	API	Bonded Location	Well ULSTR	Amount	Issuer	Cash / Surety	Bond Cancellation Date	Bond Redemption Date	
3	30-015-33962	17-22S-27E, 885 from S, 2460 from E	O-17-22S- 27E	\$48,980.00	[221] U.S. SPECIALTY INSURANCE COMPANY	Surety			
	Blanket Bond for Surface Waste Facilities								
1	No Active Blanket Bond for Surface Waste Facilities								
_ I	Facility Bonds								
1	No Single Facility Bonds								

New Mexico Energy, Minerals and Natural Resources Department | Copyright 2012 1220 South St. Francis Drive | Santa Fe, NM 87505 | P: (505) 476-3200 | F: (505) 476-3220

EMNRD Home OCD Main Page OCD Rules Help

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Tony Delfin

Acting Cabinet Secretary

David R. Catanach, Division Director

Oil Conservation Division



Response Required - Deadline Enclosed

02-Mar-17

CHI OPERATING INC

P. O. BOX 1799 MIDLAND TX 79702-

LETTER OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 19.15.25.8 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that this well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

- 1. Immediately restore the well(s) to production, injection or disposal as applicable.
- 2. Request 'Temporary Abandoned' status pursuant to Rule 19.15.25.13, which requires that you set a plug and conduct a mechanical integrity test.
- 3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 19.15.25.9, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

IDLE WELL INSPECTION DETAIL SECTION

KODIAK 002

O-17-22S-27E

30-015-33962-00-00

Inspection No. iGC1706134420

Inspection Date:

3/2/2017 9:33:39 AM

Corrective Action Due by: 6/5/2017

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Routine/Periodic
Comments on Inspection:

Gilbert Cordero

Yes

No

Violation of rule 19.15.25.8. LAST REPORTED PRODUCTION 2-1-14

Oil Conservation Division * 811 S. First St. * Artesia, New Mexico 88210 Phone: 575-748-1283 * Fax: 575-748-9720 * http://www.emnrd.state.nm.us

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely

Gilbert Cordero
Compliance Officer

Artesia OCD District Office

^{*} Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.

Exhibit 5a

WELLBORE ASSIGNMENT

FOR ADEQUATE CONSIDERATION, the receipt of which is hereby acknowledged, MEWBOURNE OIL COMPANY ("Assignor"), does hereby assign and convey to TAP ROCK RESOURCES, LLC, the address of which is 523 Park Point Drive, Suite 200, Golden, Colorado 80401, all interest in and to the Wellbore and production therefrom of the Kodiak #002, wellbore located 885' FSL and 2460' FEL in Section 17, T22S, R27E, Eddy County, New Mexico (API No. 30-015-33962) (the "Wellbore"), and such interest in the leases described in the attached Exhibit "A" as is necessary to operate, maintain, produce and plug and abandon the Wellbore.

FOR THE SAME CONSIDERATION, Assignor hereby grants, assigns and conveys to Assignee all interest in and to all surface and production casing in the Wellbore as well as all facilities and pipelines exclusively used in connection with the Wellbore.

This Assignment is made without warranty of title, either express, implied, or statutory. TO THE EXTENT THAT THE INTERESTS CONVEYED AND ASSIGNED HEREBY INCLUDE INTERESTS IN PERSONAL PROPERTY, MATERIALS, EQUIPMENT AND FIXTURES, THIS ASSIGNMENT IS MADE WITHOUT WARRANTIES. EITHER EXPRESS, IMPLIED. OR STATUTORY, AND, SPECIFICALLY. WITHOUT WARRANTY AS TO TITLE. CONDITION. MERCHANTABILITY, QUALITY OR FITNESS FOR A PARTICULAR PURPOSE, ALL OF SUCH INTERESTS IN PERSONAL PROPERTY, MATERIALS, EQUIPMENT AND FIXTURES BEING ASSIGNED HEREIN ON A "WHERE IS" AND "AS IS" BASIS AND "WITH ALL FAULTS".

Assignee agrees, by accepting this Assignment, to assume responsibility for its proportionate share of the Wellbore and the risk, cost and expense of all operations. To that end, Assignee does hereby agree to be fully responsible for the plugging and abandoning of the Wellbore and for any reclamation of any lands after plugging and abandoning operations are completed.

This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee, their respective successors and assigns, forever.

EXECUTED 2154 day of March 2023, but effective as of March 1, 2023.

ASSIGNOR:

ASSIGNEE:

MEWBOURNE OIL COMPANY

TAP ROCK RESOURCES, LLC

Kenneth S. Waits. President

By: ∟

Clayton Sporich, Vice President

Wellbore Assignment - Page 1 of 12

 Reception: 2303301
 Book: 1169
 Page: 0659
 Pages: 12

 Recorded: 03/31/2023
 11:04
 AM
 Fee: \$150.00

 Eddy County, New Mexico ~ Cara Cooke, County Clerk

eRecorded Document

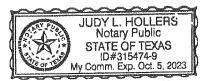


ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF SMITH

This instrument was acknowledged before me on the day of March 2023, by Kenneth S. Waits, President of Mewbourne Oil Company, a Delaware corporation, on behalf of said corporation.



STATE OF Colorado COUNTY OF JEHUSDY

This instrument was acknowledged before me on the 21st day of February 202/ by Clayton Sporich, Vice President of Land and Legal for Tap Rock Resources, LLC, a Delaware limited liability company, on behalf of said limited liability company.

TIARA PRESTON NOTARY PUBLIC - STATE OF COLORADO NOTARY ID 20214042743 MY COMMISSION EXPIRES OCT 29, 2025

Notary Public for the State of <u>Colorado</u>

Wellbore Assignment - Page 2 of 12

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EXHIBIT "A"

2303301

Attached to and made part of that certain Wellbore Assignment effective March 1, 2023, from Mewbourne Oil Company to Tap Rock Resources, LLC.

Lease No. 1

Date of Lease:

July 15, 2003.

Recorded:

Book 530, page 1084, Eddy County, Records.

Lessor:

Raymond Gist Stephens.

Lessee:

Chi Energy, Inc.

Lease No. 2

Date of Lease:

July 15, 2003.

Recorded:

Book 530, page 1087, Eddy County, Records.

Lessor: Lessee:

Carlina D. Briggs. Chi Energy, Inc.

Lease No. 3

Date of Lease:

July 28, 2003.

Recorded: Lessor:

Book 530, page 1093, Eddy County, Records. William A. Wheeler and wife, Neva June Wheeler.

Lessee:

Chi Energy, Inc.

Lease No. 4

Date of Lease:

July 15, 2003.

Recorded:

Book 530, page 1096, Eddy County, Records.

Lessor:

W. T. Parker and wife, Lera Parker.

Lessee:

Chi Energy, Inc.

Lease No. 5

Date of Lease:

August 12, 2003.

Recorded:

Book 530, page 1098, Eddy County, Records.

Lessor:

John F. Fischer.

Lessee:

Chi Energy, Inc.

Wellbore Assignment - Page 3 of 12

2303301

Lease No. 6

Date of Lease:

August 12, 2003.

Recorded:

Book 530, page 1102, Eddy County, Records.

Lessor: Lessee: Robert Fischer. Chi Energy, Inc.

Lease No. 7

Date of Lease:

August 12, 2003.

Recorded:

Book 533, page 1170, Eddy County, Records.

Lessor: Lessee: Joseph L. Fischer. Chi Energy, Inc.

Lease No. 8

Date of Lease:

July 15, 2003.

Recorded:

Book 533, page 1172, Eddy County, Records. Jack Perkowski and wife, Myralon S. Perkowski.

Lessor: Lessee:

Chi Energy, Inc.

Lease No. 9

Date of Lease:

January 26, 2004.

Recorded:

Book 539, page 601, Eddy County, Records.

Lessor:

Raymond E. Rogers, Executor of the Estate of Bobbye Dene Rogers.

Lessee:

Chi Energy, Inc.

Lease No. 10

Date of Lease:

February 20, 2004.

Recorded:

Book 542, page 1184, Eddy County, Records.

Lessor: Lessee: Loretta Sughrue. Chi Energy, Inc.

Lease No. 11

Date of Lease:

August 12, 2003.

Recorded:

Book 544, page 575, Eddy County, Records.

Lessor:

Rita Carolyn F. Kezar.

Lessee:

Chi Energy, Inc.

Wellbore Assignment - Page 4 of 12

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Lease No. 12

Date of Lease:

February 20, 2004.

Recorded:

Book 544, page 577, Eddy County, Records.

2303301

Lessor: Lessee:

Jeanette Verhines. Chi Energy, Inc.

Lease No. 13

Date of Lease:

February 20, 2004.

Recorded:

Book 544, page 579, Eddy County, Records.

Lessor:

William George Fischer.

Lessee:

Chi Energy, Inc.

Lease No. 14

Date of Lease:

February 20, 2004.

Recorded:

Book 556, page 791, Eddy County, Records.

Lessor: Lessee:

Jerry Ballard. Chi Energy, Inc.

Lease No. 15

Date of Lease:

August 19, 2004.

Recorded:

Book 566, page 565, Eddy County, Records.

Lessor: Lessee:

John F. Williams. Chi Energy, Inc.

Lease No. 16

Date of Lease:

November 7, 2004.

Recorded:

Book 574, page 999, Eddy County, Records.

Lessor: Lessee: Carlina D. Briggs. Chi Energy, Inc.

Lease No. 17

Date of Lease:

November 10, 2004.

Recorded:

Book 576, page 180, Eddy County, Records.

Lessor:

OXY USA WTP Limited Partnership.

Lessee:

Chi Energy, Inc.

Wellbore Assignment - Page 5 of 12

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2303301

Lease No. 18

Date of Lease:

November 1, 2004.

Recorded:

Book 585, page 1198, Eddy County, Records.

Lessor:

Francis G. Tracy, Jr. Credit Trust, Flora Louise Tracy and Mary Elizabeth

Tracy Dresser, Trustees.

Lessee:

Chi Energy, Inc.

Lease No. 19

Date of Lease:

March 9, 2005.

Recorded: Book 589, page 1131, Eddy County, Records.

Lessor:

Ralph Calvani.

Lessee:

Chi Energy, Inc.

Lease No. 20

Date of Lease:

June 1, 2005.

Recorded:

Book 591, page 887, Eddy County, Records.

Lessor:

Linda Fischer Matthews.

Lessee:

Gene Shumate.

Lease No. 21

Date of Lease:

June 1, 2005.

Recorded:

Book 592, page 1073, Eddy County, Records.

Lessor:

Tom Fischer.

Lessee:

Gene Shumate.

Lease No. 22

Date of Lease:

April 19, 2005.

Recorded:

Book 593, page 927, Eddy County, Records.

Lessor:

Mary Ann Melton.

Lessee:

Gene Shumate.

Lease No. 23

Date of Lease:

April 19, 2005.

Recorded:

Book 593, page 929, Eddy County, Records.

Lessor:

William Anthony Boeglin.

Lessee:

Gene Shumate.

Wellbore Assignment - Page 6 of 12

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Lease No. 24

Date of Lease:

June 1, 2005.

Recorded:

Book 593, page 931, Eddy County, Records.

Lessor:

Kenneth Eugene Fischer

Lessee:

Gene Shumate.

Lease No. 25

Date of Lease:

April 1, 2005.

Recorded:

Book 594, page 544, Eddy County, Records.

Lessor:

Melvin Donald Brininstool, Trustee of the Melvin Donald Brininstool Trust.

2303301

Lessee:

Chi Energy, Inc.

Lease No. 26

Date of Lease:

April 15, 2005.

Recorded:

Book 594, page 851, Eddy County, Records.

Lessor:

Skeen Farm and Ranches, LLC.

Lessee:

Gene Shumate.

Lease No. 27

Date of Lease:

May 2, 2005.

Recorded:

Book 594, page 1153, Eddy County, Records.

Lessor:

Juanita Boeglin.

Lessee:

Gene Shumate.

Lease No. 28

Date of Lease:

May 2, 2005.

Recorded:

Book 594, page 1155, Eddy County, Records.

Lessor: Lessee:

Tim Boeglin. Gene Shumate.

Lease No. 29

Date of Lease:

May 9, 2005.

Recorded: Lessor:

Book 595, page 688, Eddy County, Records. Eugene G. Shuey, Sr. and wife, Ethelyn Shuey.

Lessee:

Gene Shumate.

Wellbore Assignment - Page 7 of 12

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2303301

Lease No. 30

Date of Lease:

May 2, 2005.

Recorded:

Book 595, page 690, Eddy County, Records.

Lessor: Lessee: Susan Boeglin. Gene Shumate.

Lease No. 31

Date of Lease:

April 19, 2005.

Recorded:

Book 595, page 692, Eddy County, Records.

Lessor:

Albert Frederic Boeglin.

Lessee:

Gene Shumate.

Lease No. 32

Date of Lease:

May 2, 2005.

Recorded:

Book 596, page 293, Eddy County, Records.

Lessor: Lessee: Diane Forester. Gene Shumate.

Lease No. 33

Date of Lease:

May 12, 2005.

Recorded:

Book 596, page 842, Eddy County, Records.

Lessor:

Gerald I. Croley, Jr.

Lessee:

Gene Shumate.

Lease No. 34

Date of Lease:

May 5, 2005.

Recorded:

Book 596, page 844, Eddy County, Records.

Lessor:

William A. Wheeler, Jr.

Lessee:

Gene Shumate.

Lease No. 35

Date of Lease:

May 14, 2005.

Recorded:

Book 597, page 16, Eddy County, Records.

Lessor:

R. F. Kirkpatrick, Trustee of the Survivor's Trust of the Kirkpatrick Living

Trust dated January 12, 1999.

Lessee:

Gene Shumate.

Wellbore Assignment - Page 8 of 12

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Lease No. 36

Date of Lease:

May 14, 2005.

Recorded:

Book 597, page 786, Eddy County, Records.

2303301

Lessor:

Nancy Finlay Rodekhor.

Lessee:

Gene Shumate.

Lease No. 37

Date of Lease:

May 12, 2005.

Recorded:

Book 598, page 239, Eddy County, Records.

Lessor: Lessee: Kathy Pyeatt. Gene Shumate.

Lease No. 38

Date of Lease:

May 12, 2005.

Recorded:

Book 598, page 241, Eddy County, Records.

Lessor: Lessee: Donna Padgett. Gene Shumate.

Lease No. 39

Date of Lease:

April 15, 2005.

Recorded:

Book 598, page 577, Eddy County, Records. Cavern City Construction Company, Inc.

Lessor: Lessee:

Gene Shumate.

Lease No. 40

Date of Lease:

May 12, 2005.

Recorded:

Book 598, page 580, Eddy County, Records.

Lessor:

Queen Oil and Gas Company.

Lessee:

Gene Shumate.

Lease No. 41

Date of Lease:

May 14, 2005.

Recorded:

Book 600, page 219, Eddy County, Records.

Lessor:

Nora Finlay Cook.

Lessee:

Gene Shumate.

Wellbore Assignment - Page 9 of 12

Page 10 of 12

Lease No. 42

Date of Lease:

May 19, 2005.

Recorded:

Book 600, page 517, Eddy County, Records.

Lessor:

Jackie Yeager, Attorney-in-Fact for Gladys Etta Benz Wiseman.

2303301

Lessee:

Gene Shumate.

Lease No. 43

Date of Lease:

June 7, 2005.

Recorded:

Book 600, page 520, Eddy County, Records.

Lessor:

Georgia Roberta Benz DeYoung.

Lessee:

Gene Shumate.

Lease No. 44

Date of Lease:

June 7, 2005.

Recorded:

Book 600, page 855, Eddy County, Records.

Lessor:

Edythe Irene Benz Gibson.

Lessee:

Gene Shumate.

Lease No. 45

Date of Lease:

June 8, 2005.

Recorded:

Book 601, page 22, Eddy County, Records.

Lessor:

Mildred Monk.

Lessee:

Gene Shumate.

Lease No. 46

Date of Lease:

June 8, 2005.

Recorded:

Book 601, page 24, Eddy County, Records.

Lessor:

Richard Weldon.

Lessee:

Gene Shumate.

Lease No. 47

Date of Lease:

June 8, 2005.

Recorded:

Book 601, page 26, Eddy County, Records.

Lessor:

Virginia Pinchert.

Lessee:

Gene Shumate.

Wellbore Assignment - Page 10 of 12

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Lease No. 48

Date of Lease:

June 7, 2005.

Recorded:

Book 601, page 30, Eddy County, Records.

Lessor: Lessee: Carol Benz. Gene Shumate.

Lease No. 49

Date of Lease:

June 20, 2005.

Recorded:

Book 602, page 1000, Eddy County, Records.

Lessor:

Teresa Lorraine Woody.

Lessee:

Gene Shumate.

Lease No. 50

Date of Lease:

April 15, 2005.

Recorded:

Book 609, page 1225, Eddy County, Records. Armando Rascon and wife, Carolina Rascon.

Lessor: Lessee:

Gene Shumate.

Lease No. 51

Date of Lease:

August 11, 2005.

Recorded:

Book 596, page 362, Eddy County, Records.

Lessor:

George G Eddy, Jr., Trustee under Trust Agreement dated December 16,

2303301

1977.

Lessee:

Gene Shumate.

Lease No. 52

Date of Lease:

June 1, 2005.

Recorded:

Book 612, page 894, Eddy County, Records.

Lessor:

Carol Fischer Matsumoto.

Lessee:

Gene Shumate.

Lease No. 53

Date of Lease:

August 11, 2005.

Recorded: Lessor:

Book 612, page 983, Eddy County, Records. Marion Jenkins and wife, Mary Jo Jenkins.

Lessee:

Gene Shumate.

Wellbore Assignment - Page 11 of 12

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Lease No. 54

Date of Lease:

August 15, 2005.

Recorded:

Book 623, page 1149, Eddy County, Records.

Lessor: Lessee: Delilah H. Newman. Gene Shumate.

Lease No. 55

Date of Lease:

October 12, 2005.

Recorded: Lessor:

Book 531, page 1185, Eddy County, Records. Dolph Simpson, Jr. and wife, Francis A. Simpson.

Lessee:

Chi Energy, Inc.

Lease No. 56

Date of Lease:

October 27, 2005.

Recorded:

Book 533, page 755, Eddy County, Records.

Lessor: Lessee: Ruth Bowden. Chi Energy, Inc.

Lease No. 57

Date of Lease:

October 27, 2005.

Recorded:

Book 536, page 60, Eddy County, Records.

Lessor:

Von W. Burba.

Lessee:

Chi Energy, Inc.

SUBJECT TO:

Operating Agreement dated April 1, 2005, which designates Chi Operating, Inc. as Operator and covering the S/2 of Section 17, T22S, R27E, Eddy County, New Mexico.

Wellbore Assignment - Page 12 of 12

WELLBORE ASSIGNMENT AND BILL OF SALE

STATE OF NEW MEXICO	6	Exhibit 5b
	§	
COUNTY OF EDDY	8	

THIS Wellbore Assignment and Bill of Sale ("Assignment") is effective as of July 1, 2021 at 7:01 a.m. Central Standard Time (the "Effective Time"), and is by and between OXY USA WTP LIMITED PARTNERSHIP, whose address is 5 Greenway Plaza Houston, Suite 110, Texas 77046 (hereafter called "Assignor"), and TAP ROCK OPERATING, LLC, whose address is 523 Park Point Drive, Suite 200, Golden, Colorado 80401 (hereafter called "Assignee").

WHEREAS, Assignor owns an interest in the wellbore commonly known as the Colonia A Com #001 Well, API# 30-015-21593, located in Section 18, T22S, R27E, Eddy County, New Mexico (the "Wellbore").

WHEREAS, Assignor desires to assign 100% of its right, title, and interest in the Wellbore and Assignee desires to accept the aforementioned interest in the Wellbore.

NOW, THEREFORE, in consideration of the sum of \$10.00 and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, Assignor hereby grants, bargains, sells, transfer, assigns and conveys, to Assignee, its successors and assigns, 100% of Assignor's right, title and interest in and to the following (collectively, the "Properties"):

- (a) the Wellbore; and
- (b) the personal property, equipment and fixtures associated with the Wellbore, insofar as said personal property, equipment and fixtures pertain to the Wellbore; and
- (c) such interest in the oil and gas leasehold estate as is necessary to operate, maintain, produce, and plug and abandon the Wellbore; and
- (d) in each case to the extent set forth on Exhibit "A" hereto, all operating agreements, and other contracts affecting the Wellbore.

TO HAVE AND TO HOLD the Properties unto Assignee, its respective successors and assigns, forever, subject to the terms, conditions and provisions of this Assignment.

Assignor and Assignee also agree to the following:

 Excluded Assets. Except as otherwise provided herein, the Properties do not include and Assignor expressly retains and reserves from this Assignment, (i) all minerals interests, any royalty interests, overriding royalty interests, oil and gas leases, and all property and equipment not directly used in connection with the operation of the Wellbore, and (ii) all

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Eddy County, New Mexico ~ Darlene Rosprim, County Clerk

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- accounts receivables, notes receivables, and other receivables attributable to the Properties with respect to any period of time prior to the Effective Time.
- 2. Special Warranty of Title. Assignor covenants and agrees that it will WARRANT and DEFEND title to the Properties unto Assignee, its successors and assigns, against all persons claiming or to claim the whole or any part thereof, by, through or under Assignor, but not otherwise. Assignee represents that it has inspected, or has had sufficient opportunity to inspect the Properties and has satisfied itself as to its physical and environmental condition, both surface and subsurface, and Assignee has satisfied itself as to the risks and obligations assumed hereunder, and Assignee hereby accepts the Properties in its "AS IS, WHERE IS" condition. Except for the special warranty of title, the Properties, whether real or personal, are quitclaimed, assigned and transferred without WARRANTIES OR COVENANTS OF TITLE OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND WITHOUT WARRANTIES AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
- 3. Post-Effective Time Revenues. All income, revenues, accounts receivables, and proceeds attributable to the Properties for periods from and after the Effective Time, and all costs, expenses, and expenditures attributable to the Properties for periods from and after the Effective Time, shall be for the account of Assignee. All income, revenues, and proceeds attributable to the Properties for periods prior to the Effective Time, and all costs, expenses, and expenditures attributable to the Properties for periods prior to the Effective Time, shall be for the account of Assignor.
- 4. Plug and Abandon. Assignee does hereby agree to be responsible for the plugging and abandoning of the Wellbore assigned hereby and restoring the surface or subsurface as may be reasonably required under the terms of any oil and gas leases, surface use agreements, or applicable governmental laws, rules and regulations. Further, Assignee does hereby agree to register the transfer of operatorship of the Wellbore with the appropriate agencies having jurisdiction over oil and gas operations and effect the release of the Wellbore from any bond presently made by or on behalf of Assignor, and to substitute in place thereof Assignee's own bond with the State of New Mexico. Assignee does further agree to satisfy any and all statutory requirements and other obligations including all laws, ordinances, rules and regulations (federal, state and municipal), which exist or which may arise from the assignment of the Wellbore and ownership thereof as of the Effective Time.
- 5. Existing Burdens. This Assignment is subject to, and Assignee agrees to be bound by and assume its proportionate share of all burdens, including royalties and overriding royalties, on any oil and gas produced from the Wellbore, to the extent of the interest herein conveyed, as well as any applicable surface use agreements, farmout agreements, and other agreements relating to the Wellbore.
- 6. <u>Assumed and Retained Liabilities</u>. Assignee hereby assumes and shall be responsible for all obligations, commitments and liabilities of Assignor arising from, relating to or connected with, (i) the ownership, operation and use of the Properties to the extent attributable to the period of time from and after the Effective Time, and (ii) the plugging

Page 3 of 7

and abandoning of the Wellbore and restoring the surface or subsurface as may be reasonably required under the terms of the oil and gas leases, surface use agreements, or applicable government laws, rules or regulations (the "Assumed Liabilities"). Assignor hereby retains and shall be responsible for all obligations, commitments and liabilities arising from, relating to or connected with, the ownership, operation and use of the Properties to the extent attributable to the period of time prior to the Effective Time (the "Retained Liabilities").

2108811

Indemnities. ASSIGNEE HEREBY AGREES TO INDEMNIFY, DEFEND AND KEEP, SAVE AND HOLD HARMLESS ASSIGNOR AND ITS AFFILIATES AND ITS AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AGENTS ("ASSIGNOR PARTIES"), FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, FINES, PENALTIES, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COSTS OF LITIGATION AND SETTLEMENT), LIABILITIES, LIENS, DEMANDS, JUDGMENTS, SUITS, ACTIONS, CAUSES OF ACTION AND CLAIMS OF ANY KIND OR CHARACTER (collectively, "LOSSES") BROUGHT AGAINST OR SUFFERED BY ASSIGNOR PARTIES ARISING OUT OF, IN CONNECTION WITH, OR RELATING TO THE ASSUMED LIABILITIES.

ASSIGNOR HEREBY AGREES TO INDEMNIFY, DEFEND AND KEEP, SAVE AND HOLD HARMLESS ASSIGNEE AND ITS AFFILIATES AND ITS AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AGENTS ("ASSIGNEE PARTIES"), FROM AND AGAINST ANY AND ALL LOSSES BROUGHT AGAINST OR SUFFERED BY ASSIGNEE PARTIES ARISING OUT OF, IN CONNECTION WITH, OR RELATING TO THE RETAINED LIABILITIES.

- 8. Government Forms; Further Assurances. Assignor and Assignee may execute separate governmental form assignments of the Properties in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, limitations, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the interests conveyed herein. Assignor agrees to execute and deliver such other instruments and documents and take such other actions as may be reasonably necessary to evidence and effectuate the transactions contemplated by this Assignment.
- 9. Waiver of Consequential Losses. NOTWITHSTANDING ANY TERM OR PROVISION OF THIS ASSIGNMENT TO THE CONTRARY, IN NO EVENT WILL EITHER PARTY TO THIS ASSIGNMENT BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE OR SIMILAR DAMAGES ARISING OUT OF OR RELATING TO THIS ASSIGNMENT, EXCEPT TO THE EXTENT ANY PARTY WAS REQUIRED TO PAY SUCH DAMAGES TO A THIRD PARTY IN CONNECTION WITH A CLAIM, IN WHICH EVENT SUCH DAMAGES SHALL BE RECOVERABLE HEREUNDER.

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- 10. <u>Successors and Assigns</u>. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee, and their respective successors and assigns, forever.
- 11. <u>Counterparts</u>. This Assignment may be executed by Assignor and Assignee in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.

(Remainder of this page intentionally left blank.)

Notary ID 130161257

IN WITNESS WHEREOF, this Wellbore Assignment and Bill of Sale is executed on July, 2021, effective however, at the Effective Time.				
ASSIGNOR:				
Signature: Name: John v. Shae der Title: Attorney-in-Fact				
ACKNOWLEDGMENT				
STATE OF TEXAS) COUNTY OF HARRIS)				
This instrument was acknowledged before me on				
GINGER BALLEY GARCIA Notary Public in and for the State of Texas Notary Public, State of Texas				

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ASSIGNEI	å:
TAP ROC	K OPERATING, LLC
Signature: Name: Title:	Clayton Sporich Executive Vice President of Land and Legal
Name:	ha

STATE OF COLOMAD)
COUNTY OF JESFORSON

This instrument was acknowledged before me on ________, 2021, by Clayton Sporich, Executive Vice President of Land and Legal for TAP ROCK OPERATING, LLC, a Delaware limited liability company, on behalf of said limited liability company.

RACHELLE REESE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20124064461
MY COMMISSION EXPIRES SEPTEMBER 28, 2024

Notary Public in and for the State of Colorado
Notary's Printed Name: Vacholle Veese
Notary's Commission Expires: 412 1004

Exhibit "A"

2108811

Attached to that certain Wellbore Assignment and Bill and Sale, effective July 1, 2021, by and between OXY USA WTP Limited Partnership, as Assignor and Tap Rock Resources, LLC, as Assignee.

- 1) Oxy Contract #02883701, being that Operating Agreement dated April 10, 1975, by and between Cities Service Oil Company, as Operator, and Belco Petroleum Corporation, et al, as Non-Operators, covering the W/2 of Section 18, Township 22 South, Range 27 East, Eddy County, New Mexico;
- 2) Pooling Order R-5024, dated May 22, 1975, issued by the Oil Conservation Commission of the State of New Mexico, covering the W/2 of Section 18, Township 22 South, Range 27 East, Eddy County, New Mexico, insofar as to the Pennsylvanian Formation.
- 3) Pooling Order R-5115, dated November 17, 1975, issued by the Oil Conservation Commission of the State of New Mexico, covering the W/2 of Section 18, Township 22 South, Range 27 East, Eddy County, New Mexico, insofar as to the Pennsylvanian Formation.

WELLBORE ASSIGNMENT AND BILL OF SALE

STATE OF NEW MEXICO	8	Exhibit 5c
	§	
COUNTY OF EDDY	803	

THIS Wellbore Assignment and Bill of Sale ("Assignment") is effective as of July 1, 2021 at 7:01 a.m. Central Standard Time (the "Effective Time"), and is by and between **OXY USA WTP LIMITED PARTNERSHIP**, whose address is 5 Greenway Plaza Houston, Suite 110, Texas 77046 (hereafter called "Assignor"), and **TAP ROCK OPERATING**, **LLC**, whose address is 523 Park Point Drive, Suite 200, Golden, Colorado 80401 (hereafter called "Assignee").

WHEREAS, Assignor owns an interest in the wellbore commonly known as the Tracy B Com #001 Well, API# 30-015-21416, located in Section 18, T22S, R27E, Eddy County, New Mexico (the "Wellbore").

WHEREAS, Assignor desires to assign 100% of its right, title, and interest in the Wellbore and Assignee desires to accept the aforementioned interest in the Wellbore.

NOW, THEREFORE, in consideration of the sum of \$10.00 and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, Assignor hereby grants, bargains, sells, transfer, assigns and conveys, to Assignee, its successors and assigns, 100% of Assignor's right, title and interest in and to the following (collectively, the "Properties"):

- (a) the Wellbore; and
- (b) the personal property, equipment and fixtures associated with the Wellbore, insofar as said personal property, equipment and fixtures pertain to the Wellbore; and
- (c) such interest in the oil and gas leasehold estate as is necessary to operate, maintain, produce, and plug and abandon the Wellbore; And
- (d) in each case to the extent set forth on Exhibit "A" hereto, all operating agreements, and other contracts affecting the Wellbore.

TO HAVE AND TO HOLD the Properties unto Assignee, its respective successors and assigns, forever, subject to the terms, conditions and provisions of this Assignment.

Assignor and Assignee also agree to the following:

 Excluded Assets. Except as otherwise provided herein, the Properties do not include and Assignor expressly retains and reserves from this Assignment, (i) all minerals interests, any royalty interests, overriding royalty interests, oil and gas leases, and all property and equipment not directly used in connection with the operation of the Wellbore, and (ii) all

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accounts receivables, notes receivables, and other receivables attributable to the Properties with respect to any period of time prior to the Effective Time.

- 2. Special Warranty of Title. Assignor covenants and agrees that it will WARRANT and DEFEND title to the Properties unto Assignee, its successors and assigns, against all persons claiming or to claim the whole or any part thereof, by, through or under Assignor, but not otherwise. Assignee represents that it has inspected, or has had sufficient opportunity to inspect the Properties and has satisfied itself as to its physical and environmental condition, both surface and subsurface, and Assignee has satisfied itself as to the risks and obligations assumed hereunder, and Assignee hereby accepts the Properties in its "AS IS, WHERE IS" condition. Except for the special warranty of title, the Properties, whether real or personal, are quitclaimed, assigned and transferred without WARRANTIES OR COVENANTS OF TITLE OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND WITHOUT WARRANTIES AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
- 3. Post-Effective Time Revenues. All income, revenues, accounts receivables, and proceeds attributable to the Properties for periods from and after the Effective Time, and all costs, expenses, and expenditures attributable to the Properties for periods from and after the Effective Time, shall be for the account of Assignee. All income, revenues, and proceeds attributable to the Properties for periods prior to the Effective Time, and all costs, expenses, and expenditures attributable to the Properties for periods prior to the Effective Time, shall be for the account of Assignor.
- 4. Plug and Abandon. Assignee does hereby agree to be responsible for the plugging and abandoning of the Wellbore assigned hereby and restoring the surface or subsurface as may be reasonably required under the terms of any oil and gas leases, surface use agreements, or applicable governmental laws, rules and regulations. Further, Assignee does hereby agree to register the transfer of operatorship of the Wellbore with the appropriate agencies having jurisdiction over oil and gas operations and effect the release of the Wellbore from any bond presently made by or on behalf of Assignor, and to substitute in place thereof Assignee's own bond with the State of New Mexico. Assignee does further agree to satisfy any and all statutory requirements and other obligations including all laws, ordinances, rules and regulations (federal, state and municipal), which exist or which may arise from the assignment of the Wellbore and ownership thereof as of the Effective Time.
- 5. Existing Burdens. This Assignment is subject to, and Assignee agrees to be bound by and assume its proportionate share of all burdens, including royalties and overriding royalties, on any oil and gas produced from the Wellbore, to the extent of the interest herein conveyed, as well as any applicable surface use agreements, farmout agreements, and other agreements relating to the Wellbore.
- 6. <u>Assumed and Retained Liabilities</u>. Assignee hereby assumes and shall be responsible for all obligations, commitments and liabilities of Assignor arising from, relating to or connected with, (i) the ownership, operation and use of the Properties to the extent attributable to the period of time from and after the Effective Time, and (ii) the plugging

and abandoning of the Wellbore and restoring the surface or subsurface as may be reasonably required under the terms of the oil and gas leases, surface use agreements, or applicable government laws, rules or regulations (the "Assumed Liabilities"). Assignor hereby retains and shall be responsible for all obligations, commitments and liabilities arising from, relating to or connected with, the ownership, operation and use of the Properties to the extent attributable to the period of time prior to the Effective Time (the "Retained Liabilities").

7. Indemnities. ASSIGNEE HEREBY AGREES TO INDEMNIFY, DEFEND AND KEEP, SAVE AND HOLD HARMLESS ASSIGNOR AND ITS AFFILIATES AND ITS AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AGENTS ("ASSIGNOR PARTIES"), FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, FINES, PENALTIES, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COSTS OF LITIGATION AND SETTLEMENT), LIABILITIES, LIENS, DEMANDS, JUDGMENTS, SUITS, ACTIONS, CAUSES OF ACTION AND CLAIMS OF ANY KIND OR CHARACTER (collectively, "LOSSES") BROUGHT AGAINST OR SUFFERED BY ASSIGNOR PARTIES ARISING OUT OF, IN CONNECTION WITH, OR RELATING TO THE ASSUMED LIABILITIES

ASSIGNOR HEREBY AGREES TO INDEMNIFY, DEFEND AND KEEP, SAVE AND HOLD HARMLESS ASSIGNEE AND ITS AFFILIATES AND ITS AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AGENTS ("ASSIGNEE PARTIES"), FROM AND AGAINST ANY AND ALL LOSSES BROUGHT AGAINST OR SUFFERED BY ASSIGNEE PARTIES ARISING OUT OF, IN CONNECTION WITH, OR RELATING TO THE RETAINED LIABILITIES

- 8. Government Forms; Further Assurances. Assignor and Assignee may execute separate governmental form assignments of the Properties in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, limitations, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the interests conveyed herein. Assignor agrees to execute and deliver such other instruments and documents and take such other actions as may be reasonably necessary to evidence and effectuate the transactions contemplated by this Assignment.
- 9. Waiver of Consequential Losses. Notwithstanding any term or provision of this Assignment to the contrary, in no event will either Party to this Assignment be liable to the other Party for any consequential, indirect, special, exemplary, punitive or similar damages arising out of or relating to this Assignment, except to the extent any party was required to pay such damages to a third party in connection with a claim, in which event such damages shall be recoverable hereunder.

Eddy County, New Mexico

07/19/2021 04:28 PM

2108812

Page 4 of 7

- 10. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee, and their respective successors and assigns, forever.
- 11. Counterparts. This Assignment may be executed by Assignor and Assignee in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.

(Remainder of this page intentionally left blank.)

Eddy County, New Mexico

IN WITNESS WHEREOF, this Wellbore Assignment and Bill of Sale is executed on July ____, 2021, effective however, at the Effective Time. ASSIGNOR: **OXY USA WTP LIMITED PARTNERSHIP** Signature: Name: Title: Attorney-in-Fact **ACKNOWLEDGMENT** STATE OF TEXAS **COUNTY OF HARRIS** This instrument was acknowledged before me on , 2021, by John V. Schneide, ATTORNEY-IN-FACT of OXY USA WIP LIMITED PARTNERSHIP, a Delaware limited partnership. Notary Public in and for the State of Texas

GINGER BAILEY GARCIA
Notary Public, State of Texas
Comm Expires 04-07-2023
Notary ID 130181257

Eddy County, New Mexico

ti-denomina p	IN WITNE July, 2	SS WHEREOF, this Wellbore Assignment and Bill of Sale is executed on 2021, effective however, at the Effective Time.
	ASSIGNE	3:
	TAP ROC	K OPERATING, LLC
	Signature: Name: Title:	Clayton Sporich Executive Vice President of Land and Legal
		ACKNOWLEDGMENT

This instrument was acknowledged before me on ________ Clayton Sporich, Executive Vice President of Land and Legal for TAP ROCK OPERATING, LLC, a Delaware limited liability company, on behalf of said limited liability company.

PACHELLE REESE NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20124064461 MY COMMISSION EXPIRES SEPTEMBER 28, 2024

STATE OF COLOMADO

COUNTY OF JEFFORSON

Notary Public in and for the State of _________ Notary's Printed Name: Pacholle Peese Notary's Commission Expires: 412 1024

2108812

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Eddy County, New Mexico

2108812

Exhibit "A"

Attached to that certain Wellbore Assignment and Bill and Sale, effective July 1, 2021, by and between OXY USA WTP Limited Partnership, as Assignor, and Tap Rock Resources, LLC, as Assignee.

- 1) Oxy Contract # 02877601, Being that Operating Agreement dated September 20, 1974, by and between Cities Service Oil Company, as Operator, and Beren Corporation, et al, covering the E/2 of Section 18, Township 22 South, Range 27 East, Eddy County, New Mexico.
- 2) Pooling Order R-4866, dated September 9, 1974, issued by the Oil Conservation Commission of the State of New Mexico, covering the E/2 of Section 18, Township 22 South, Range 27 East, Eddy County, New Mexico, insofar as to the Pennsylvanian Formation.

Searches

Operator Data

Hearing Fee Application

OCD Permitting

Well Details

Exhibit 1b

30-015-33962 KODIAK #002 [335714]

General Well Information				
Operator:	[330859] Alpha Energy Partners LLC			
Status:	Active	Direction:		
Well Type:	Gas	Multi-Lateral:	No	
Work Type:	New	Mineral Owner:	Private	
		Surface Owner:	Private	
Surface Location:	O-17-22S-27E 885 FSL 2460 FEL			
Lat/Long:	32.3876152,-104.2114487 NAD83			
GL Elevation:	3122			
KB Elevation:		Sing/Mult Compl:	Single	
DF Elevation:		Potash Waiver:	False	
Proposed Formation and/or Notes				
•				
S CARLSBAD MORROW 73960 S/2				
Develop				
Depths				
Proposed:	12100	True Vertical Depth:	11990	
Measured Vertical Depth:	11990	Plugback Measured:	0	
Formation Tops				
- 				
For	rmation	Top Producing	Method Obtained	

Formation	тор	Producing	Method Obtained
Salado	471		
Base of Salt	1485		
Lamar Limestone	1803		
Bell Canyon	2034		
Cherry Canyon	3290		
Brushy Canyon	4145		
Bone Spring	5310		
3rd Bone Spring Sand	8420		
Wolfcamp	8765		
Strawn	10240		
Morrow Limestone	11170		
Morrow Clastics	11480		
Barnett Shale	11856		

Event Dates

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• Points

Action

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Searches Operator Data Hearing Fee Application

Abandonment:

Shut In:

Plug and Abandoned Intent

Received:

09/26/2023

PNR Expiration:

Last MIT/BHT:

10/06/2023

Well Plugged: Site Release:

Last Inspection: 10/06/2023

History								
Effective Date	Property	Well Number	Operator	C-101 Work Type	Well Type	Well Status	Apd Cancelled	Plug Date
04/10/2024	[335714] KODIAK	#002	[330859] Alpha Energy Partners LLC	New	Gas	Active		
02/02/2024	[335293] KODIAK	#002	[332195] Civitas Permian Operating, LLC	New	Gas	Active		
04/10/2023	[333915] KODIAK	#002	[372043] TAP ROCK OPERATING, LLC	New	Gas	Active		
01/18/2019	[324863] KODIAK	#002	[14744] MEWBOURNE OIL CO	New	Gas	Active		
02/21/2005	[34632] KODIAK	#002	[4378] CHI OPERATING INC	New	Gas	Active		

Comments			
301111101110			

Pits & Containn	nents –											
Id	Name	Rule	Status	(Capacity) Type	Registration	Inspection Before *	Earliest Effective Commencement	Last Effective Cessation	Inspection After *	Closure Report	Reclamation Report	Restoration Complete
ycon1829739613	1900 OTHR @ 30- 015- 33962	18		OTHR								

Casing

No Casing Found

Well Completions —

[73960] CARLSBAD; MORROW, SOUTH (GAS)

Status: Active

Bottomhole Location: O-17-22S-27E 660 FSL 1650 FWL

Lat/Long:

Acreage: S/320 17-22S-27E Units: I J K L M N O P

DHC: No

Consolidation Code:

Last Produced:

Production Method: Flowing

02/01/2014

Searches **Operator Data Hearing Fee Application**

Disposition of Gas: Water Volume: 0.0 bbls

Perforations

Top Measured Depth Date (Where Completion Enters

Bottom Measured Depth (End of Lateral)

Top Vertical Depth

Bottom Vertical Depth

11712 11722 0 0

Notes

Event Dates

Initial Effective/Approval: 02/21/2005 Most Recent Approval:

Confidential Requested On:

Test Allowable Approval:

TD Reached:

Deviation Report Received: Nο Directional Survey Run: No

Directional Survey Received: First Oil Production:

First Injection: Ready to Produce:

C-104 Approval:

Plug Back:

04/10/2024

Formation)

No 10/31/2005

10/31/2005 12/06/2005

Authorization Revoked Start:

TA Expiration: Confidential Until:

Test Allowable End:

DHC:

Rig Released:

Logs Received:

Closure Pit Plat Received:

First Gas Production: 10/31/2005

No

Completion Report Received: New Well C-104 Approval:

Revoked Until:

Well Completion History

Effective Date	Property	Well Number	Operator	Completion Status	TA Expiration Date
04/10/2024	[335714] KODIAK	#002	[330859] Alpha Energy Partners LLC	Active	
02/02/2024	[335293] KODIAK	#002	[332195] Civitas Permian Operating, LLC	Active	
04/10/2023	[333915] KODIAK	#002	[372043] TAP ROCK OPERATING, LLC	Active	
01/18/2019	[324863] KODIAK	#002	[14744] MEWBOURNE OIL CO	Active	
02/21/2005	[34632] KODIAK	#002	[4378] CHI OPERATING INC	Active	

Financial Assurance

Please login to review the financial assurance associated with this well.

Compliance

Note that Financial Assurance and Inactive Well Compliance are documented in separate reports (Inactive Well Report, Financial Assurance Report)

Also note that some compliance issues are addressed at the operator level so not listed under each well.

cBGA0604036539

Violation Source: Date of Violation: 02/08/2006 Compliance Required: 10/31/2005

Hearing Fee Application

Event Date Category Туре 02/09/2006 Enforcements Other Violation 02/09/2006 Corrective Actions Compliance Resolved 11/29/2005 Notifications Informal Letter (Inspector) cGC1706134457 Violation Source: Date of Violation: 03/02/2017 Compliance Required: 06/05/2017 Resolved: Notes IDLE WELL Actions/Events **Event Date** Category Туре 03/02/2017 Enforcements Plug/Abandonment Letter of Violation Notifications 03/02/2017 cMLB0634952653 Violation Source: Date of Violation: 12/05/2006 Compliance Required: 01/15/2007 Resolved: 06/05/2007 Notes C-144 approved for closure. Actions/Events **Event Date** Category Туре 06/05/2007 Corrective Actions Approved Plan (Remediation/Compliance) 12/15/2006 Enforcements Pit Violation 12/15/2006 Notifications Informal Letter (Inspector) cTM1715336530 Violation Source: Other Date of Violation: 06/02/2017 09/05/2017 Compliance Required: Resolved: Notes IDLE WELL Actions/Events Event Date Category Туре 06/02/2017 Enforcements Other Violation

Searches

Operator Data

Searches Operator Data

Hearing Fee Application

enting	021 Last: g & Flaring Volum	mes Total (MCF)	06/2025 Beneficial	Show All Upstream Venting & Flaring Use Used (MCF)
F)	Flared (MCF)		Beneficial	
		Total (MCF)		Used (MCF)
0				
	0	0		0
0	0	0		0
0	0	0		0
0	0	0		0
0	0	0		0
0	0	0		0
	0	0 0	0 0 0	0 0 0

Orders

Please login to review the orders associated with this well.

arliest Production	in OCD Records:	11/2005	Last		2/2014		Show All Pr	roduction	Export to Exc	
		Produ	ıction		In			njection		
Time Frame	Oil (BBLS)	Gas (MCF)	Water (BBLS)	Days P/I	Water (BBLS)	Co2 (MCF)	Gas (MCF)	Other	Pressure	
2005	8	45,842	5	60	0	0	0	0	N/A	
2006	804	244,562	274	360	0	0	0	0	N/A	
2007	137	91,555	53	354	0	0	0	0	N/A	
2008	78	75,786	53	363	0	0	0	0	N/A	
2009	96	48,815	78	365	0	0	0	0	N/	
2010	65	40,991	132	365	0	0	0	0	N/A	
2011	28	33,404	14	364	0	0	0	0	N/A	
2012	36	24,194	48	366	0	0	0	0	N/	
2013	9	17,567	931	334	0	0	0	0	N/A	
2014	0	125	91	181	0	0	0	0	N/A	
2015	0	0	0	0	0	0	0	0	N/	
2016	0	0	0	0	0	0	0	0	N/	
2017	0	0	0	0	0	0	0	0	N/A	

						Searches	Operator Dat	а Н	earing Fee App
2019	0	0	0	0	0	0	0	0	N/A
2020	0	0	0	0	0	0	0	0	N/A
2021	0	0	0	19	0	0	0	0	N/A
2022	0	0	0	0	0	0	0	0	N/A
2023	0	0	0	0	0	0	0	0	N/A
2024	0	0	0	0	0	0	0	0	N/A
2025	0	0	0	0	0	0	0	0	N/A
Grand Total:	1,261	622,841	1,679	3,161	0	0	0	0	N/A

Transporters			
	Transporter	Product	Most Recent for Property

Points of Disposition				
ID	Туре	Description	Pool(s)	
4007305	Oil	KODIAK #001	[73960] CARLSBAD;MORROW, SOUTH (GAS)	
4007304	Gas	KODIAK #001	[73960] CARLSBAD;MORROW, SOUTH (GAS)	

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EMNRD Home OCD Main Page OCD Rules Help

(EXHIBIT 9a)

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY AEP II OPERATING, LLC

CASE NO. 25166 ORDER NO. R-23961

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on March 4, 2025, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

- 1. AEP II Operating, LLC ("Applicant") submitted an application to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A on October 8, 2024, in Case No. 24944.
- 2. Applicant submitted an amended application ("Application") to compulsory pool the uncommitted oil and gas interests within the Unit on January 14, 2025. The Application was amended to request that Paloma Permian AssetCo, LLC ("Paloma") be designated as the operator of the Unit.
- 3. Case No. 24944 was dismissed under Order No. R-23668 issued on January 28, 2025.
- 4. Applicant will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 5. Applicant proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 6. Applicant identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 7. The Application was heard by the Hearing Examiner on the date specified above, during which Applicant presented evidence through affidavits in support of the Application.
- 8. Covenant Hercules, LLC, Christian Capstone, LLC, Crusader Royalties, LLC, Chief Capital II, LLC, and American Energy Resources, LLC ("AER") filed motions to dismiss Case No. 25166. Each motion was denied during the hearing (TR pg. 19 and 39).

- 9. AER objected to the hearing proceeding by affidavit on January 29, 2025. AER did not present a case in chief or cross examine Applicant's witnesses. AER is the operator of record for the Saik No. 1 well (API No. 30-015-20971) which is in the Northwest quarter of the Northeast quarter of Section 17 in Township 22 South and Range 27 East and is reported to be completed in the Wolfcamp formation ("Saik Well"). At hearing, Applicant presented evidence in the form of affidavits and sworn expert testimony as to whether AER has an interest in the Unit.
 - a. Applicant provided a summary of ownership in the Unit that does not include an interest owned by AER.
 - b. Applicant asserts that AER believes it has interest in the Unit due to its involvement with the Saik Well. Applicant testified that AER does not own wellbore or leaseholder rights in the Unit (TR pg. 92-93).
 - c. Applicant testified that AER does not have an interest in the Unit (TR pg. 93).
- 10. Warren and Lillie Anderson ("Andersons") objected to the hearing proceeding by affidavit on or about February 11, 2025. In their objection, Andersons stated that Applicant negotiated in bad faith. At hearing, Applicant's expert submitted an affidavit that it negotiated in good faith as follows:
 - a. Applicant was in regular communication with Andersons:
 - i. On August 21, 2024, well proposals were sent.
 - ii. On September 30, 2024, discussions regarding interest and potentially leasing occurred.
 - iii. Between September 2024 and October 8, 2024, ongoing discussions to reach an agreement occurred.
 - b. Andersons own 0.275482 acres of unleased mineral interest in the Unit.
 - c. Applicant offered to lease Andersons' unleased mineral interest for \$3,000 per acre and 25% royalty for a 3-year lease with an option to extend the lease for an additional 2 years for \$3,000 per acre.
 - d. Applicant testified that its lease offer to Andersons was above and beyond fair market value.
 - e. Andersons offered to allow Applicant to lease Anderson's unleased mineral interest for \$12,000 per acre and 50% royalty with an additional payment. It is unclear whether the additional payment was in the amount of \$50,000 or \$100,000 (TR pg. 124-125).
 - f. Applicant testified that it negotiated with Andersons in good faith.

CASE NO. 25166 ORDER NO. R-23961

Page 2 of 7

CONCLUSIONS OF LAW

- 11. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 12. Applicant is the owner of an oil and gas working interest within the Unit.
- 13. Applicant satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 14. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 15. AER did not provide evidence that demonstrates AER has an interest in the Unit.
- 16. NMSA 1978, Section 70 does not define what constitutes as "good faith" effort, therefore good faith effort claims are reviewed by OCD on a case-by-case basis. The Oil Conservation Commission issued Order R-21679-D on July 14, 2022, which utilizes criteria established in Order R-13165 issued on September 15, 2009. The relevant part of Findings Paragraph 5 of Order R-13165 states:
 - "(d) The issue of compliance with the more subjective requirement the Division has customarily recognized for good faith negotiation is better examined in these cases, and in most cases, at the compulsory pooling hearing, based upon a full evidentiary record...[emphasis added]"

Thus, based upon evidence received at the hearing and in the administrative record, Applicant negotiated with Andersons in good faith.

- 17. Applicant 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.
- 18. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 19. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 20. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 21. 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

- 22. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 23. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 24. Paloma is designated as operator of the Unit and the Well(s).
- 25. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Applicant shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 26. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Applicant shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 27. The Applicant 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.
- 28. This Order shall terminate automatically if the Applicant fails to comply with the preceding paragraph unless the Applicant requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and the Applicant must set the case for a hearing.
- 29. Applicant may propose reasonable deviations from the development plan via notice to the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and the Applicant must set the case for a hearing.
- 30. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 31. Applicant 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").
- 32. No later than thirty (30) days after Applicant 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 Applicant 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."

- 33. No later than one hundred eighty (180) days after Applicant submits a Form C-105 for a well, Applicant 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.
- 34. 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 Applicant its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Applicant 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.
- 35. 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."
- 36. No later than within ninety (90) days after Applicant submits a Form C-105 for a well, Applicant 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.
- 37. Applicant 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.

- 38. Applicant 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.
- 39. Applicant shall distribute a proportionate share of the costs and charges withheld pursuant to the preceding paragraph to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 40. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Applicant 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.
- 41. 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.
- 42. Except as provided above, Applicant 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.
- 43. 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. Applicant shall inform OCD no later than thirty (30) days after such occurrence.
- 44. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ALBERT CHANG DIRECTOR

Albert Chang

AC/dm

Date: ___9/8/2025

R-23961 EXHIBIT A

COMPULSORY POOLING APPLICATION	
ALL INFORMATION IN THE APPLICATION MUST BE SUI	
Case: 25166	APPLICANT'S RESPONSE
Date: March 4, 2025 (Scheduled hearing)	Alaba Francis Barbaga II II C
Applicant Designated Operator & OGRID (affiliation if applicable)	Alpha Energy Partners II, LLC Paloma Permian AssetCO, LLC, OGRID No. 332449
Applicant's Counsel:	Darin C. Savage, Abadie & Schill, P.C.
Case Title:	APPLICATION OF ALPHA ENERGY PARTNER II, LLC, FOR
	A COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Covenant Hercules, LLC Christian Capstone, LLC Crusader Royalties, LLC Chief Capital (O&G) II LLC Permian Resources Operating, LLC American Energy Resources LLC Jonathan Samaniego Warren and Lilli Anderson
Well Family	Hollywood Star Fee 17-18
Formation/Pool	Malfaran famaki
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas): Pooling this vertical extent:	Gas Wolfcamp formation
Pool Name and Pool Code:	Purple Sage Wolfcamp; Pool Code: [98220]
Well Location Setback Rules:	Division's Special Rules for the Purple Sage Wolfcamp
The state of the s	Pool as established in Order No. R-14262.
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1267.84-acre, more or less
Building Blocks:	Quarter Sections (160 Acre Blocks)
Orientation: Description: TRS/County	West to East All of Section 17 and Section 18, in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes, Standard Spacing Unit
Other Situations	
Depth Severance: Y/N. If yes, description	No, N/A
Proximity Tracts: If yes, description	Yes, S/2 of Sections 17 and 18, T22S-R27E
Proximity Defining Well: if yes, description	Yes, Hollywood Star 17-18 Fee 802H
Applicant's Ownership in Each Tract	See Exhibit A-2, breakdown of ownership
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	Hollywood Star 17-18 Fee 701H Well (API No. 30-015-Pending) SHL: Unit L, 1,651' FSL, 180' FWL, Section 16, T22S-R27E; BHL: Lot 4, 724 FSL, 200' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico, laydown, standard
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 701H Well: FTP: Unit P, 724' FSL, 330' FEL, Section 17, T22S-R27E LTP: Lot 4, 724' FSL, 330' FWL, Section 18, T22S-R27E
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 701H Well: TVD approx. 8,809', TMD 19,150'; Wolfcamp formation, See Exhibit A, A-1 & B-2
Well #2	Hollywood Star 17-18 Fee 702H Well (API No. 30-015-Pending) SHL: Unit L, 1,671' FSL, 180' FWL, Section 16, T22S-R27E; BHL: Lot 3, 2,024' FSL, 200' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico, laydown,

R-23961 EXHIBIT A

Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee Com 702H Well: FTP: Unit I, 2,024' FSL, 330' FEL, Section 17, T22S-R27E LTP: Lot 3, 2,024' FSL, 330' FWL, Section 18, T22S-R27E
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 702H Well: TVD approx. 8,809', TMD 19,150'; Wolfcamp formation, See Exhibit A, A-1 & B-2
Well #3	Hollywood Star 17-18 Fee 703H Well (API No. 30-015-Pending) SHL: Unit L, 2,421' FSL, 180' FWL, Section 16, T22S-R27E; BHL: Lot 2, 1,960' FNL, 200' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico, laydown,
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 703H Well: FTP: Unit H, 1,960' FNL, 330' FEL, Section 17, T22S- R27E LTP: Lot 2. 1.960' FNL. 330' FWL. Section 18. T22S-
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 703H Well: TVD approx. 8,809', TMD 19,150'; Wolfcamp formation, See Exhibit A, A-1 & B-2
Well #4	Hollywood Star 17-18 Fee 704H Well (API No. 30-015-Pending) SHL: Unit L, 2,441' FSL, 180' FWL, Section 16, T22S-R27E; BHL: Lot 1, 660' FNL, 200' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico, laydown, standard
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 704H Well: FTP: Unit A, 660' FNL, 330' FEL, Section 17, T22S-R27E LTP: Lot 1, 660' FNL, 330' FWL, Section 18, T22S-R27E
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 704H Well: TVD approx. 8,809', TMD 19,150'; Wolfcamp formation, See Exhibit A, A-1 & B-2
Well #5	Hollywood Star 17-18 Fee 801H Well (API No. 30-015-Pending) SHL: Unit L, 1,691' FSL, 180' FWL, Section 16, T22S-R27E; BHL: Lot 3, 1,374' FSL, 200' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico, laydown,
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 801H Well: FTP: Unit I, 1,374' FSL, 330' FEL, Section 17, T22S-R27E LTP: Lot 3, 1,374' FSL, 330' FWL, Section 18, T22S-R27E
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 801H Well: TVD approx. 9,402', TMD 19,725'; Wolfcamp formation, See Exhibit A, A-1 & B-2
Well #6	Hollywood Star 17-18 Fee 802H Well (API No. 30-015-Pending) SHL: Unit L, 1,711' FSL, 180' FWL, Section 16, T22S-R27E; BHL: Lot 2, 2,610' FNL, 200' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico, laydown,
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 802H Well: FTP: Unit H, 2,610' FNL, 330' FEL, Section 17, T22S- R27E
Completion Target (Formation, TVD and MD)	LTP: Lot 2. 2.610' FNL. 330' FWL. Section 18. T22S- Hollywood Star 17-18 Fee 802H Well: TVD approx. 9,402', TMD 19,725'; Wolfcamp formation, See Exhibit A, A-1 & B-2
Well #7	Hollywood Star 17-18 Fee 803H Well (API No. 30-015-Pending) SHL: Unit L, 2,401' FSL, 180' FWL, Section 16, T22S-R27E; BHL: Lot 1, 1,310' FNL, 200' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico, laydown,
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 803H Well: FTP: Unit A, 1,310' FNL, 330' FEL, Section 17, T22S- R27E
Completion Target (Formation, TVD and MD)	LTP: Unit 1. 1.310' FNL. 330' FWL. Section 18. T22S- Hollywood Star 17-18 Fee 803H Well: TVD approx. 9,402', TMD 19,725'; Wolfcamp formation, See Exhibit A, A-1 & B-2

R-23961 EXHIBIT A

AFF Canay and Operating Costs		
AFE Capex and Operating Costs	COTOO Tubikis A	
Drilling Supervision/Month \$	\$8500, Exhibit A	
Production Supervision/Month \$	\$850, Exhibit A	
Justification for Supervision Costs	Exhibit A	
Requested Risk Charge	200%, Exhibit A	
Notice of Hearing	5 1 1 1 0 0 0 4	
Proposed Notice of Hearing	Exhibit C, C-1	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	Exhibit A-2	
Tract List (including lease numbers and owners) If approval of Non-Standard Spacing Unit is requested, Tract List	Exhibit A-2	
(including lease numbers and owners) of Tracts subject to		
notice requirements.	N/A	
	All uncommitted WI owner; including as shown on	
Pooled Parties (including ownership type)	Exhibit A-2	
Unlocatable Parties to be Pooled	Exhibit A, Para. 20	
Ownership Depth Severance (including percentage above &		
below)	N/A	
Joinder		
Sample Copy of Proposal Letter	Exhibit A-3	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2	
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4	
Overhead Rates In Proposal Letter	Exhibit A-3	
Cost Estimate to Drill and Complete	Exhibit A-3	
Cost Estimate to Equip Well	Exhibit A-3	
Cost Estimate for Production Facilities	Exhibit A-3	
Geology		
Summary (including special considerations)	Exhibit B	
Spacing Unit Schematic	Exhibit B-1, B-3	
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4, B-5	
Well Orientation (with rationale)	Exhibit B, B-1, B-3	
Target Formation	Exhibit B-2, B-4, B-5	
HSU Cross Section	Exhibit B-2, B-4, B-5	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit A-1	
Tracts	Exhibit A-2	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2	
General Location Map (including basin)	Exhibit A-2	
Well Bore Location Map	Exhibit A-1, B-1, B-2, B-3	
Structure Contour Map - Subsea Depth	Exhibit B-1	
Cross Section Location Map (including wells)	Exhibit B-2, B-4, B-5 , B-6	
Cross Section (including Landing Zone)	Exhibit B-4, B-5, B-6	
Additional Information		
Special Provisions/Stipulations		
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Darin C. Savage	
Signed Name (Attorney or Party Representative):	/s/ Darin Savage	
Date:	25-Feb-25	

(EXHIBIT 9c)

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY ALPHA ENERGY PARTNERS II, LLC

CASE NO. 25495 ORDER NO. R-23977

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on August 7, 2025, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

- 1. Alpha Energy Partners II, LLC ("Alpha") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. Alpha seeks to designate Paloma Permian AssetCo, LLC as the operator ("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. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 20. 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.
- 21. This Order shall terminate automatically if the Operator fails to comply with the preceding paragraph unless the Operator requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and the Operator must set the case for a hearing.
- 22. Operator may propose reasonable deviations from the development plan via notice to the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and the Operator must set the case for a hearing.

CASE NO. 25495 ORDER NO. R-23977

Page 2 of 8

- 23. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 24. 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").
- 25. 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."
- 26. 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.
- 27. 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.
- 28. 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."
- 29. 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

CASE NO. 25495 ORDER NO. R-23977

Page 3 of 8

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.

- 30. 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.
- 31. 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.
- 32. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to the preceding paragraph to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 33. 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.
- 34. 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.
- 35. 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.*
- 36. 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.
- 37. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Albert Chang

ALBERT CHANG DIRECTOR

AC/asf

Date: 9/2/2025

Exhibit A

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ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 25495	APPLICANT'S RESPONSE	
Date: August 7, 2025 (Scheduled hearing)		
Applicant	Alpha Energy Partners II, LLC	
Designated Operator & OGRID (affiliation if applicable)	Paloma Permian AssetCO, LLC, OGRID No. 332449	
Applicant's Counsel:	Darin C. Savage, Abadie & Schill, P.C.	
Case Title:	APPLICATION OF ALPHA ENERGY PARTNER II, LLC, FOR A COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO	
Entries of Appearance/Intervenors:	N/A	
Well Family	Hollywood Star	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	From the top of the Bone Spring formation to the base of th Bone Spring formation, including the Avalon	
Pool Name and Pool Code;	Esperanza, Bone Spring; Pool Code: [97755]	
Well Location Setback Rules:	Statewide Rules	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	316.84-acre, more or less	
Building Blocks:	Quarter-quarter sections (40 Acre Blocks)	
Orientation:	East to West	
Description: TRS/County	N/2 N/2 of Section 17 and Section 18, in Township 22 South Range 27 East, NMPM, Eddy County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application? Other Situations	Yes, Standard Spacing Unit	
A MATERIAL STATES AND A STATE OF THE STATES AND A STATES AND A STATE OF THE STATES AND A STATES	No, N/A	
Depth Severance: Y/N. If yes, description	17 (41 (44.17)	
Proximity Tracts: If yes, description	No, N/A	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	See Exhibit A-2, breakdown of ownership	
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	

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Well #1	Hollywood Star 17-18 Fee 504H Well SHL: Unit L, 2,403' FSL, 315' FWL, Section 16, T22S-R27E; BHL: Lot 1, 660' FNL, 50' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico Completion Target: 2nd Bone Spring formation Well Orientation: East of West / Laydown Completion Location: Standard
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 504H Well FTP: Unit A, 660' FNL, 100' FEL, Section 17, T22S-R27E LTP: Lot 1, 660' FNL, 100' FWL, Section 18, T22S-R27E
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 504H Well TVD approx. 7,140', TMD approx. 18,100'; 2nd Bone Spring formation, See Exhibit A, A-1 & B-3
Well #2	Hollywood Star 17-18 Fee 554H Well SHL: Unit L, 2,443' FSL, 315' FWL, Section 16, T22S-R27E; BHL: Lot 1, 660' FNL, 50' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico Completion Target: 3rd Bone Spring (Harkey) formation Well Orientation: East to West / Laydown Completion Location: Standard
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 554H Well FTP: Unit A, 660' FNL, 100' FEL, Section 17, T22S-R27E LTP: Lot 1, 660' FNL, 100' FWL, Section 18, T22S-R27E
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 554H Well TVD approx. 7,860', TMD approx. 18,850'; 3rd Bone Spring (Harkey) formation, See Exhibit A, A-1 & B-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000, Exhibit A
Production Supervision/Month \$	\$1,000, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C, C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2

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Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-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)	All uncommitted WI owners; ORRI owners; and Record Title owners; including as shown on Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit A, Para. 10, Exhibit C-2 (Returned Letters)
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates in Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1, B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B, B-1, B-2
Target Formation	Exhibit B-2, B-2, B-3, B-6, B-7, B-8
HSU Cross Section	Exhibit B-3, B-7, B-8
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit A-2
Well Bore Location Map	Exhibit A-1, B-1, B-2, B-3
Structure Contour Map - Subsea Depth	Exhibit B-1, B-2
Cross Section Location Map (including wells)	Exhibit B-3, B-7, B-8
Cross Section (including Landing Zone)	Exhibit B-3, B-6, B-7, B-8
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provide	ded in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	/s/ Darin Savage
Date:	30-Jul-25

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CASE NO. 25495 ORDER NO. R-23977

Page **8** of **8**

(EXHIBIT 9b)

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY AEP II OPERATING, LLC

CASE NO. 25496 **ORDER NO.** R-23989

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on August 27, 2025, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

- 1. AEP II Operating, LLC ("Applicant") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. Applicant seeks to have Paloma Permian AssetCo, LLC ("Paloma") designated as the operator of the Unit.
- 2. Applicant will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Applicant proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Applicant 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 Applicant presented evidence through affidavits in support of the Application.
- 6. Warren and Lillie Anderson ("Andersons") objected to the hearing proceeding by affidavit on or about August 5, 2025. In their objection, Andersons stated that Applicant negotiated in bad faith. At hearing, Applicant's expert submitted an affidavit that it negotiated in good faith as follows:
 - a. Applicant was in regular communication with Andersons:
 - i. On April 25, 2025, well proposals were sent.
 - ii. On May 8, 2025, well proposals were received.
 - iii. On July 30, 2025, an email was received regarding lease terms.

- iv. Between August 1, 2025 and August 21, 2025, ongoing discussions to reach an agreement occurred.
- b. Andersons own 0.275482 acres of unleased mineral interest in the Unit ("Andersons' Acreage).
- c. Applicant offered to lease Andersons' Acreage for \$5,000 (approximately \$18,100 per acre) and 25% royalty for a 3-year lease with an option to extend the lease for an additional two (2) years for \$5,000 (approximately \$18,100 per acre).
- d. Applicant testified that its lease offer to Andersons was above fair market value.
- e. Andersons offered to allow Applicant to lease Andersons' Acreage for:
 - i. \$14,000 per year for the first three (3) years (total of \$42,000 or approximately \$152,400 per acre);
 - ii. \$900 per month for the first three (3) years (total of \$32,400 or approximately \$117,600 per acre);
 - iii. 25% royalty; and
 - iv. \$1.50 per barrel sold from each well (approximately 2,500% royalty when oil is sold at \$70 per barrel).
- f. Applicant testified that it negotiated with Andersons in good faith.
- 7. Applicant provided notice of Case No. 25496 to Bobby Anderson rather than Andersons. Applicant submitted an affidavit and testimony regarding this topic as follows:
 - a. A title search at the Eddy County courthouse was conducted on or around October of 2024. The results of that title search concluded that Andersons' Acreage is recorded as being owned by Bobby Anderson.
 - b. Ongoing monitoring of title has indicated that a probate has not been submitted into record showing the transfer of ownership of Andersons' Acreage to another person.

Andersons submitted testimony regarding this topic as follows:

- c. Bobby Anderson has been deceased for approximately twenty (20) years and Andersons' Acreage is now owned by Bobby Anderson's daughter, Lillie Anderson.
- d. A probate indicating the transfer of ownership of Andersons' Acreage to Lillie Anderson was filed approximately twenty (20) years ago.

CONCLUSIONS OF LAW

- 8. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 9. Applicant is the owner of an oil and gas working interest within the Unit.
- 10. Applicant satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 11. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 12. NMSA 1978, Section 70 does not define what constitutes as "good faith" effort, therefore good faith effort claims are reviewed by OCD on a case-by-case basis. The Oil Conservation Commission issued Order R-21679-D on July 14, 2022, which utilizes criteria established in Order R-13165 issued on September 15, 2009. The relevant part of Findings Paragraph 5 of Order R-13165 states:
 - "(d) The issue of compliance with the more subjective requirement the Division has customarily recognized for good faith negotiation is better examined in these cases, and in most cases, at the compulsory pooling hearing, based upon a full evidentiary record...[emphasis added]"

Thus, based upon evidence received at the hearing and in the administrative record, Applicant negotiated with Andersons in good faith.

- 13. Applicant 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.
- 14. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 15. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 16. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 17. 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

18. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.

CASE NO. 25496 ORDER NO. R-23989

Page 3 of 6

- 19. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 20. Paloma is designated as operator of the Unit and the Well(s).
- 21. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Applicant shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 22. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Applicant shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 23. The Applicant 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.
- 24. This Order shall terminate automatically if the Applicant fails to comply with the preceding paragraph unless the Applicant requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and the Applicant must set the case for a hearing.
- 25. Applicant may propose reasonable deviations from the development plan via notice to the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and the Applicant must set the case for a hearing.
- 26. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 27. Applicant 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").
- 28. No later than thirty (30) days after Applicant 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 Applicant 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."
- 29. No later than one hundred eighty (180) days after Applicant submits a Form C-105 for a well, Applicant 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.
- 30. 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 Applicant its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Applicant 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.
- 31. 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."
- 32. No later than within ninety (90) days after Applicant submits a Form C-105 for a well, Applicant 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.
- 33. Applicant 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.
- 34. Applicant 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.

- 35. Applicant shall distribute a proportionate share of the costs and charges withheld pursuant to the preceding paragraph to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 36. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Applicant 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.
- 37. 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.
- 38. Except as provided above, Applicant 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.
- 39. 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. Applicant shall inform OCD no later than thirty (30) days after such occurrence.
- 40. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ALBERT CHANG DIRECTOR

Albert Chang

AC/dm

Date: 9/8/2025

R-23989 EXHIBIT A

ALPHA COMPULSORY POOLING APPLICATION CHECKLIST		
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 25496	APPLICANT'S RESPONSE	
Date: August 7, 2025 (Scheduled hearing)		
Applicant	Alpha Energy Partners II, LLC	
Designated Operator & OGRID (affiliation if applicable)	Paloma Permian AssetCO, LLC, OGRID No. 332449	
Applicant's Counsel:	Darin C. Savage, Abadie & Schill, P.C.	
Case Title:	APPLICATION OF ALPHA ENERGY PARTNER II, LLC, FOR A COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO	
Entries of Appearance/Intervenors:	N/A	
Well Family	Hollywood Star	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	From the top of the Bone Spring formation to the base of the Bone Spring formation, including the Avalon	
Pool Name and Pool Code:	Esperanza, Bone Spring; Pool Code: [97755]	
Well Location Setback Rules:	Statewide Rules	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	316.92-acre, more or less	
Building Blocks:	Quarter-quarter sections (40 Acre Blocks)	
Orientation:	East to West	
Description: TRS/County	S/2 N/2 of Section 17 and Section 18, in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this	Yes, Standard Spacing Unit	
application? Other Situations		
Depth Severance: Y/N. If yes, description	No, N/A	
Proximity Tracts: If yes, description	No, N/A	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	See Exhibit A-2, breakdown of ownership	
Well(s)	See Exhibit A-2, Dieakdown of Ownership	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	

R-23989 EXHIBIT A

Well #1 Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 503H Well (API No. PENDING), SHL: Unit L, 2,383' FSL, 315' FWL, Section 16, T22S-R27E; BHL: Lot 2, 1,980' FNL, 50' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico Completion Target: 2nd Bone Spring formation Well Orientation: East to West / Laydown Completion Location: Standard Hollywood Star 17-18 Fee 503H Well
	FTP: Unit H, 1,980' FNL, 100' FEL, Section 17, T22S-R27E LTP: Lot 2, 1,980' FNL, 100' FWL, Section 18, T22S-R27E
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 503H Well TVD approx. 7,140', TMD approx. 17,800'; 2nd Bone Spring formation, See Exhibit A, A-1 & B-3
Well #2	Hollywood Star 17-18 Fee 553H Well (API No. PENDING), SHL: Unit L, 2,423' FSL, 315' FWL, Section 16, T22S-R27E; BHL: Lot 2, 1,980' FNL, 50' FWL, Section 18, T22S-R27E, NMPM; Eddy County, New Mexico Completion Target: 3rd Bone Spring formation Well Orientation: East-West / Laydown Completion Location: Standard
Horizontal Well First and Last Take Points	Hollywood Star 17-18 Fee 553H Well FTP: Unit H, 1,980' FNL, 100' FEL, Section 17, T22S-R27E LTP: Lot 2, 1,980' FNL, 100' FWL, Section 18, T22S-R27E
Completion Target (Formation, TVD and MD)	Hollywood Star 17-18 Fee 553H Well TVD approx. 7,860', TMD approx. 18,550'; 3rd Bone Spring formation, See Exhibit A, A-1 & B-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000, Exhibit A
Production Supervision/Month \$	\$1,000, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C, C-1

R-23989 EXHIBIT A

Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-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)	All uncommitted WI owners; ORRI owners; and Record Title owners; including as shown on Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit A, Para. 10, Exhibit C-2 (Returned Letters)
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1, B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B, B-1, B-2
Target Formation	Exhibit B-2, B-2, B-3, B-6, B-7, B-8
HSU Cross Section	Exhibit B-3, B-7, B-8
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit A-2
Well Bore Location Map	Exhibit A-1, B-1, B-2, B-3
Structure Contour Map - Subsea Depth	Exhibit B-1, B-2
Cross Section Location Map (including wells)	Exhibit B-3, B-7, B-8
Cross Section (including Landing Zone)	Exhibit B-3, B-6, B-7, B-8
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provide	led in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	/s/ Darin Savage
Date:	30-Jul-25

Reception: 2407955 Book: 1184 Page: 0350 Pages: 3
Recorded: 07/03/2024 11:41 AM Fee: \$25.00

Eddy County, New Mexico ~ Cara Cooke, County Clerk

eRecorded Document



ASSIGNMENT OF OIL AND GAS LEASES

Exhibit 6

STATE OF NEW MEXICO \$

COUNTY OF EDDY \$

In consideration of ten dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **Uplift Energy, LLC**, an Oklahoma limited liability company whose address is P.O. Box 10701, Midland, TX 79702 ("Assignor"), does hereby grant, assign, and convey unto **Alpha Energy Partners II, LLC**, a Texas limited liability company whose address is P.O. Box 10701, Midland, Texas 79702 ("Assignee"), all of Assignor's right, title, and interest in and to the following:

- 1. Oil and gas leases (the "Leases") that cover lands in Section 17, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico (the "Lands"), including but not limited to all leasehold estates, operating rights, working interests, net revenue interests, and overriding royalty interests.
- 2. Existing and effective pooling and communization agreements, pooling declarations, and pooling orders, to the extent same include the Leases and Lands.
- 3. All beneficial and contractual rights relating to the Leases, including but not limited to the beneficial and contractual rights arising under any operating agreements, farmout agreements or other agreements relating to the Leases and Lands.
- 4. The oil, gas, condensate, casinghead gas, plant products, and other hydrocarbons, whether liquid or gaseous, in, on, or under or that may be produced from any wells on the Lands or lands pooled therewith, together with all proceeds thereof.

This instrument is delivered by Assignor to Assignee with NO warranty of title, express or implied, and is made subject to (i) a conveyance of an overriding royalty interest in the Leases executed by Assignor to Bravo Energy Holdings, LLC, on even date hereof, and (ii) all matters of record with the County Clerk of Eddy County, New Mexico, as of the Effective Time hereof.

The terms and provisions of this instrument shall inure to the benefit of Assignor and Assignee and their legal representatives, successors, and assigns.

This instrument may be executed in multiple counterparts, each of which shall be considered an original for all purposes, and for purposes of filing this instrument of record each original counterpart may be combined to form a single document.

This instrument is executed and delivered as of the acknowledgement dates below, but is dated to be effective for all purposes as of June 14, 2024 at 12:02 a.m. local time of the Lands (the "Effective Time").

ASSIGNOR:

Uplift Energy, LLC,

an Oklahoma limited liability company

By: Name: P. Nick Maxwell

Title: Authorized Representative

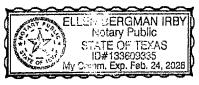
ACKNOWLEDGMENT

STATE OF TEXAS

§ §

COUNTY OF MIDLAND

This instrument was acknowledged before me on this 2 day of ______, 2024, by P. Nick Maxwell, Authorized Representative of Uplift Energy, LLC, an Oklahoma limited liability company, on behalf of said company.



ELLEN BERGMAN IRBY Notary Public STATE OF TEXAS ID#130609335 My Comm. Exp. Feb. 24, 2026

NOTARY PUBLIC, State of Ter



ASSIGNEE:

Alpha Energy Partners II, LLC, a Texas limited liability company

Name: P. Nick Maxwell

Title: CEO

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on this day of LLC, a Texas liability company, on behalf of said company.



NOTARY PUBLIC, State of Texas

