

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

**APPLICATION OF EARTHSTONE
OPERATING, LLC FOR COMPULSORY
POOLING, AND APPROVAL OF OVERLAPPING
SPACING UNIT, LEA COUNTY, NEW MEXICO.**

CASE NO. 26169

NOTICE OF AMENDED EXHIBIT PACKET

As requested by the New Mexico Oil Conservation Division at the September 3, 2026 hearing in this matter, Earthstone Operating, LLC submits the following amended exhibit packet, which includes an amended Compulsory Pooling Checklist and amended C-102s (**Exhibit A-2**), which identify both pools within the spacing unit.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

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Counsel for Earthstone Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following
counsel of record via electronic mail on September 3, 2026:

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/s/ Dana S. Hardy

Dana S. Hardy

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CASE NO. 26169

EXHIBIT INDEX

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Reagan Armstrong
A-1	Application & Proposed Notice of Hearing
A-2	C-102s for the Wells
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties, Overlapping Spacing Units Plat
A-4	Sample Well Proposal Letter & AFEs
A-5	Chronology of Contact
A-6	Ownership Commitment Exhibit
Exhibit B	Self-Affirmed Statement of Cole Hendrickson
B-1	Regional Locator Map
B-2	Cross-Section Location Map
B-3	Subsea Structure Map
B-4	Stratigraphic Cross-Section
B-5	Gun Barrel Diagram
Exhibit C	Self-Affirmed Statement of Jaclyn M. McLean
C-1	Notice Letter to All Interested Parties Sent May 11, 2026
C-2	Postal Delivery Report
C-3	Electronic Return Receipts
C-4	Affidavit of Publication for May 17, 2026

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 26169	APPLICANT'S RESPONSE
Date: September 3, 2026	
Applicant	Earthstone Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Earthstone Operating, LLC (OGRID No. 331165)
Applicant's Counsel:	Hardy McLean LLC
Case Title:	Application of Earthstone Operating, LLC for Compulsory Pooling, and Approval of Overlapping Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	Marathon Oil Permian LLC
Well Family	Squeeze 2 State Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	First Bone Spring Interval
Pool Name and Pool Code:	1) Ojo Chiso; Bone Spring Pool (Code 96553); and 2) Grama Ridge; Bone Spring, NE Pool (Code 28435).
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	644.37-acres
Building Blocks:	Quarter-quarter
Orientation:	South/North
Description: TRS/County	Lots 3 and 4, S/2 NW/4 and SW/4 of irregular Section 2, Township 22 South, Range 34 East, and the W/2 of Section 35, Township 21 South, Range 34 East, Lea County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	Yes. Earthstone only seeks to pool interests from the top of the First Bone Spring Interval of the Bone Spring formation, at a stratigraphic equivalent of approximately 9,423' TVD, to the base of the First Bone Spring Interval, at a stratigraphic equivalent of approximately 9,667' TVD, as shown on the Llano 3 State Com #1 (API No. 30-025-26690) well log.
Proximity Tracts: If yes, description	Yes, the completed interval of the Squeeze 2 State Com 7H will be located within 330' of the quarter-quarter section line separating Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent), and Lot 3, Se/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2, and the W/2 W/2 and E/2 W/2 of Section 35 to allow for the creation of a 644.37-acre, standard, overlapping horizontal spacing unit.
Proximity Defining Well: if yes, description	Squeeze 2 State Com 7H
Applicant's Ownership in Each Tract	Exhibit A-3
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	Squeeze 2 State Com 6H SHL: 293' FSL & 1,254' FWL (Unit M), Section 2, T22S-R34E BHL: 100' FNL & 330' FWL (Unit D), Section 35, T21S-R34E Completion Target: First Bone Spring (Approx. 9,605' TVD)
Well #2	Squeeze 2 State Com 7H SHL: 293' FSL & 1,274' FWL (Unit M), Section 2, T22S-R34E BHL: 100' FNL & 1,330' FWL (Unit C), Section 35, T21S-R34E Completion Target: First Bone Spring (Approx. 9,725' TVD)
Well #3	Squeeze 2 State Com 8H SHL: 292' FSL & 1,294' FWL (Unit M), Section 2, T22S-R34E BHL: 100' FNL & 2,310' FWL (Unit C), Section 35, T21S-R34E Completion Target: First Bone Spring (Approx. 9,605' TVD)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3

Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	Exhibit A-3
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-5
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	9/3/2026

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
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**APPLICATION OF EARTHSTONE OPERATING,
LLC FOR COMPULSORY POOLING, AND
APPROVAL OF OVERLAPPING SPACING UNIT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26169

**SELF-AFFIRMED STATEMENT
OF REAGAN ARMSTRONG**

1. I am a Landman with Permian Resources Operating, LLC (“Permian Resources”). Earthstone Operating, LLC (“Earthstone”) is a wholly owned subsidiary of Permian Resources. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. Copies of Earthstone’s application and proposed hearing notice are attached as **Exhibit A-1.**

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit; therefore, I do not expect any opposition at the hearing.

4. Earthstone seeks to pool all uncommitted interests in the First Bone Spring Interval of the Bone Spring formation, underlying a 644.37-acre, more or less, standard, overlapping horizontal spacing unit comprised of Lots 3 and 4, S/2 NW/4 and SW/4 of irregular Section 2, Township 22 South, Range 34 East, and the W/2 of Section 35, Township 21 South, Range 34 East, Lea County, New Mexico (“Unit”).

5. The Unit will be dedicated to the following wells (“Wells”):

**Earthstone Operating, LLC
Case No. 26169
Exhibit A**

- a. **Squeeze 2 State Com 6H** well, which will be drilled from a first take point located in the SW/4 SW/4 (Unit M) of irregular Section 2, Township 22 South, to a last take point in NW/4 NW/4 (Unit D) of Section 35, Township 21 South; and
 - b. **Squeeze 2 State Com 7H** and **Squeeze 2 State Com 8H** wells, which will be drilled from a first take point located in the SE/4 SW/4 (Unit N) of irregular Section 2, Township 22 South, to a last take point in NE/4 NW/4 (Unit C) of Section 35, Township 21 South.
6. The completed intervals of the Wells will be orthodox.
7. The completed interval of the Squeeze 2 State Com 7H will be located within 330' of the quarter-quarter section line separating Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent), and Lot 3, SE/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2, and the W/2 W/2 and E/2 W/2 of Section 35 to allow for the creation of a 644.37-acre, standard, overlapping horizontal spacing unit.
8. **Exhibit A-2** contains the C-102s for the Wells.
9. Due to a depth severance, Earthstone only seeks to pool interests from the top of the First Bone Spring Interval of the Bone Spring formation, at a stratigraphic equivalent of approximately 9,423' TVD, to the base of the First Bone Spring Interval, at a stratigraphic equivalent of approximately 9,667' TVD, as shown on the Llano 3 State Com #1 (API No. 30-025-26690) well log.
10. The spacing unit for the Wells partially overlaps with the spacing units for the following wells, which produce from the Ojo Chiso; Bone Spring Pool (Code 96553):

- a. Squeeze 2 State Com #003H (API No. 30-025-49709) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East;
- b. Squeeze 2 State Com #004H (API No. 30-025-49710) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East; and
- c. Squeeze 2 State Com #005H (API No. 30-025-49711) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East.

11. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Earthstone seeks to pool highlighted in yellow. Exhibit A-3 also contains a plat depicting the overlapping spacing units.

12. Earthstone has conducted a diligent search of all county public records, including phone directories and computer databases, as well as internet searches, to locate the interest owners it seeks to pool.

13. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

14. In my opinion, Earthstone made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit A-5**.

15. The Ownership Commitment Exhibit is attached as **Exhibit A-6**. This exhibit includes a list of all owners in the Unit and identifies each owner's ownership status, whether the owner has committed to the proposed spacing unit, and the type of commitment, *i.e.*, whether a

signed letter of commitment, joint operating agreement, or verbal agreement. Exhibit C of the exhibit packet identifies when notice of this hearing was sent to each interest owner by our outside counsel, Hardy McLean LLC.

16. As operator of the Unit and the Wells, Earthstone requests overhead and administrative rates of \$8,000 per month while the Wells are being drilled and \$800 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by Earthstone and other operators in the vicinity.

17. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

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

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



REAGAN ARMSTRONG

8/26/2026

DATE

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

**APPLICATION OF EARTHSTONE
OPERATING, LLC FOR COMPULSORY
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SPACING UNIT, LEA COUNTY, NEW MEXICO.**

CASE NO. 26169

APPLICATION

Pursuant to NMSA 1978, Section 70-2-17, Earthstone Operating, LLC (OGRID No. 331165) ("Earthstone" or "Applicant") applies for an order pooling all uncommitted interests in the First Bone Spring Interval of the Bone Spring formation, underlying a 644.37-acre, more or less, standard, overlapping horizontal spacing unit comprised of Lots 3 and 4, S/2 NW/4 and SW/4 of irregular Section 2, Township 22 South, Range 34 East, and the W/2 of Section 35, Township 21 South, Range 34 East, Lea County, New Mexico ("Unit"). In support of this application, Earthstone states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the following wells ("Wells"):
 - a. **Squeeze 2 State Com 6H** well, which will be drilled from a first take point located in the SW/4 SW/4 (Unit M) of irregular Section 2, Township 22 South, to a last take point in NW/4 NW/4 (Unit D) of Section 35, Township 21 South; and
 - b. **Squeeze 2 State Com 7H** and **Squeeze 2 State Com 8H** wells, which will be drilled from a first take point located in the SE/4 SW/4 (Unit N) of irregular Section 2, Township 22 South, to a last take point in NE/4 NW/4 (Unit C) of Section 35, Township 21 South.
3. The completed intervals of the Wells will be orthodox.

**Earthstone Operating, LLC
Case No. 26169
Exhibit A-1**

4. The completed interval of the Squeeze 2 State Com 7H will be located within 330' of the quarter-quarter section line separating Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent), and Lot 3, SE/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2, and the W/2 W/2 and E/2 W/2 of Section 35 to allow for the creation of a 644.37-acre, standard, overlapping horizontal spacing unit.

5. Earthstone only seeks to pool interests from the top of the First Bone Spring Interval of the Bone Spring formation, at a stratigraphic equivalent of approximately 9,423' TVD, to the base of the First Bone Spring Interval, at a stratigraphic equivalent of approximately 9,667' TVD, as shown on the Llano 3 State Com #1 (API No. 30-025-26690) well log.

6. The spacing unit for the Wells partially overlaps with the spacing units for the following wells, which produce from the Ojo Chiso; Bone Spring Pool (Code 96553):

- a. Squeeze 2 State Com #003H (API No. 30-025-49709) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East;
- b. Squeeze 2 State Com #004H (API No. 30-025-49710) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East; and
- c. Squeeze 2 State Com #005H (API No. 30-025-49711) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East.

7. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

8. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

9. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated as the operator of the Well and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 4, 2026, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Approving the overlapping spacing unit;
- D. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- E. Authorizing Applicant to recover its costs of drilling, equipping and completing the Well;
- F. Approving the actual operating charged and costs of supervision while drilling and after completion, together with a provision adjusting the rated pursuant to the COPAS accounting procedures; and
- G. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Jaclyn M. McLean

Dana S. Hardy

Jaclyn M. McLean

Yarithza Peña

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Santa Fe, NM 87501
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Counsel for Earthstone Operating, LLC

Application of Earthstone Operating, LLC for Compulsory Pooling, and Approval of Overlapping Spacing Unit, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the First Bone Spring Interval of the Bone Spring formation, underlying a 644.37-acre, more or less, standard, overlapping horizontal spacing unit comprised of Lots 3 and 4, S/2 NW/4 and SW/4 of irregular Section 2, Township 22 South, Range 34 East, and the W/2 of Section 35, Township 21 South, Range 34 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): **Squeeze 2 State Com 6H** well, which will be drilled from a first take point located in the SW/4 SW/4 (Unit M) of irregular Section 2, Township 22 South, to a last take point in NW/4 NW/4 (Unit D) of Section 35, Township 21 South; and **Squeeze 2 State Com 7H** and **Squeeze 2 State Com 8H** wells, which will be drilled from a first take point located in the SE/4 SW/4 (Unit N) of irregular Section 2, Township 22 South, to a last take point in NE/4 NW/4 (Unit C) of Section 35, Township 21 South. The completed intervals of the Wells will be orthodox. The completed interval of the Squeeze 2 State Com 7H will be located within 330' of the quarter-quarter section line separating Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent), and Lot 3, SE/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2, and the W/2 W/2 and E/2 W/2 of Section 35 to allow for the creation of a 644.37-acre, standard, overlapping horizontal spacing unit. Earthstone only seeks to pool interests from the top of the First Bone Spring Interval of the Bone Spring formation, at a stratigraphic equivalent of approximately 9,423' TVD, to the base of the First Bone Spring Interval, at a stratigraphic equivalent of approximately 9,667' TVD, as shown on the Llano 3 State Com #1 (API No. 30-025-26690) well log. The spacing unit for the Wells partially overlaps with the spacing units for the following wells, which produce from the Ojo Chiso; Bone Spring Pool (Code 96553): Squeeze 2 State Com #003H (API No. 30-025-49709) dedicated to the W/2 of Section 2, Township 22

South, Range 34 East; Squeeze 2 State Com #004H (API No. 30-025-49710) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East; and Squeeze 2 State Com #005H (API No. 30-025-49711) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East. Also to be considered will be the cost of drilling and completing the Wells, the allocation of the costs, the designation of Applicant as operator of the Wells and the Unit, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 16 miles southwest of Eunice, New Mexico.

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Exhibit A-2 Revised July 9, 2024	
		Submittal Type:	☒ Initial Submittal
			☐ Amended Report
		☐ As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code [96553]	Pool Name OJO CHISO;BONE SPRING
Property Code	Property Name SQUEEZE 2 STATE COM	Well Number 6H
OGRID No. 331165	Operator Name EARTHSTONE OPERATING, LLC	Ground Level Elevation 3,573'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL M	Section 2	Township 22S	Range 34E	Lot	Ft. from N/S 293' FSL	Ft. from E/W 1,254' FWL	Latitude 32.414274°	Longitude -103.445153°	County LEA
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Bottom Hole Location

UL D	Section 35	Township 21S	Range 34E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 330' FWL	Latitude 32.442413°	Longitude -103.448120°	County LEA
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Dedicated Acres 484.37	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL D	Section 11	Township 22S	Range 34E	Lot	Ft. from N/S 500' FNL	Ft. from E/W 330' FWL	Latitude 32.412093°	Longitude -103.448152°	County LEA
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First Take Point (FTP)

UL M	Section 2	Township 22S	Range 34E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 330' FWL	Latitude 32.413742°	Longitude -103.448148°	County LEA
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Last Take Point (LTP)

UL D	Section 35	Township 21S	Range 34E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 330' FWL	Latitude 32.442413°	Longitude -103.448120°	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type ☐ Horizontal ☐ Vertical	Ground Floor Elevation:
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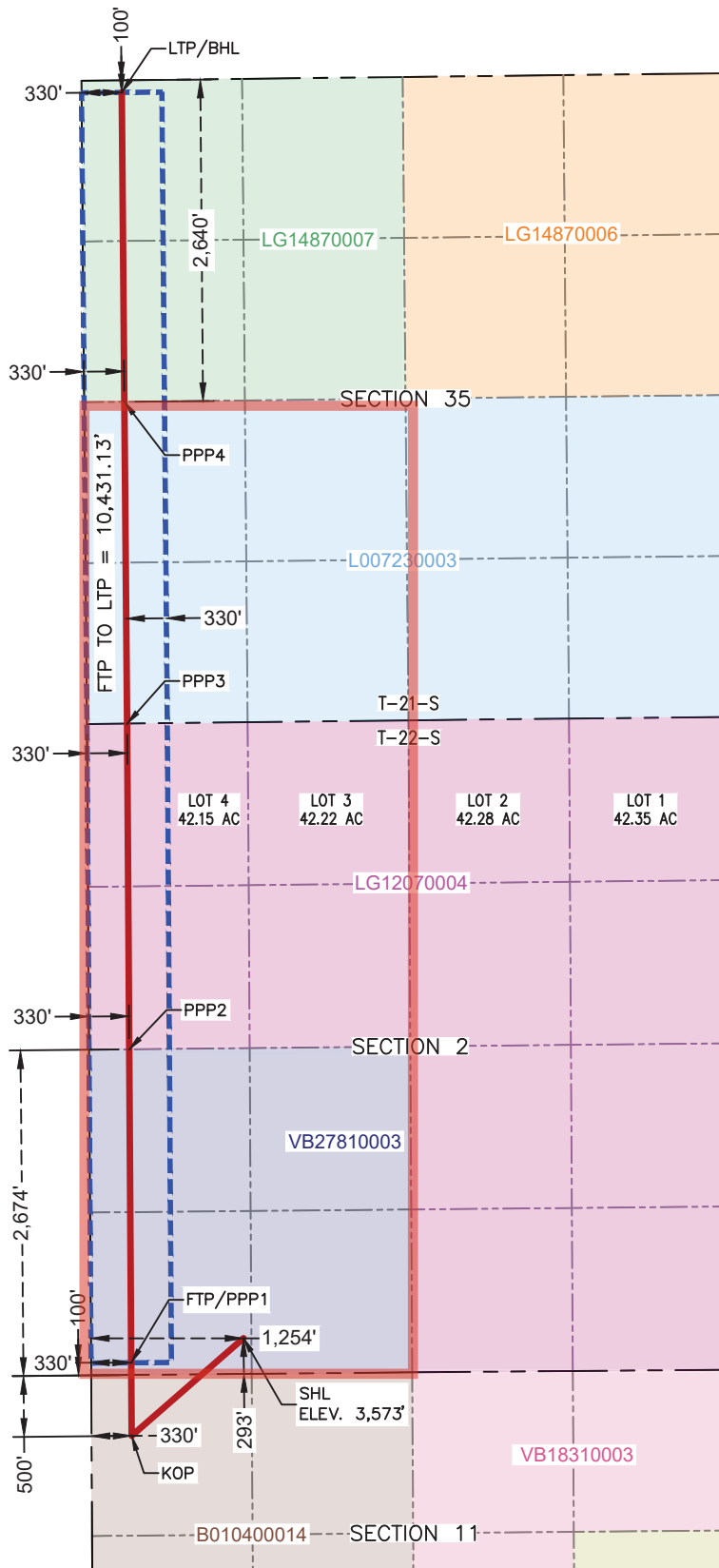
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date: 3/19/2026		
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____		
Printed Name _____		Certificate Number 12177	Date of Survey 3/11/2026	Revision Number 0
Email Address _____				

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

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

SQUEEZE 2 STATE COM 6H

SURFACE HOLE LOCATION
293' FSL & 1,254' FWL
ELEV. = 3,573'

NAD 83 X = 815,422.51'
NAD 83 Y = 515,583.08'
NAD 83 LAT = 32.414274°
NAD 83 LONG = -103.445153°
NAD 27 X = 774,239.47'
NAD 27 Y = 515,522.15'
NAD 27 LAT = 32.414150°
NAD 27 LONG = -103.444672°

KICK-OFF POINT
500' FNL & 330' FWL
NAD 83 X = 814,503.41'
NAD 83 Y = 514,781.63'
NAD 83 LAT = 32.412093°
NAD 83 LONG = -103.448152°
NAD 27 X = 773,320.38'
NAD 27 Y = 514,720.72'
NAD 27 LAT = 32.411968°
NAD 27 LONG = -103.447672°

FIRST TAKE POINT &
PENETRATION POINT 1
100' FSL & 330' FWL
NAD 83 X = 814,499.77'
NAD 83 Y = 515,381.62'
NAD 83 LAT = 32.413742°
NAD 83 LONG = -103.448148°
NAD 27 X = 773,316.75'
NAD 27 Y = 515,320.70'
NAD 27 LAT = 32.413618°
NAD 27 LONG = -103.447668°

PENETRATION POINT 2
2,674' FSL & 330' FWL
NAD 83 X = 814,483.24'
NAD 83 Y = 517,955.68'
NAD 83 LAT = 32.420817°
NAD 83 LONG = -103.448132°
NAD 27 X = 773,300.27'
NAD 27 Y = 517,894.68'
NAD 27 LAT = 32.420693°
NAD 27 LONG = -103.447652°

PENETRATION POINT 3
0' FSL & 330' FWL
NAD 83 X = 814,466.06'
NAD 83 Y = 520,629.99'
NAD 83 LAT = 32.428168°
NAD 83 LONG = -103.448116°
NAD 27 X = 773,283.14'
NAD 27 Y = 520,568.92'
NAD 27 LAT = 32.428043°
NAD 27 LONG = -103.447636°

PENETRATION POINT 4
2,640' FNL & 330' FWL
NAD 83 X = 814,443.04'
NAD 83 Y = 523,272.36'
NAD 83 LAT = 32.435431°
NAD 83 LONG = -103.448120°
NAD 27 X = 773,260.18'
NAD 27 Y = 523,211.21'
NAD 27 LAT = 32.435307°
NAD 27 LONG = -103.447639°

LAST TAKE POINT &
BOTTOM HOLE LOCATION
100' FNL & 330' FWL
NAD 83 X = 814,421.78'
NAD 83 Y = 525,812.46'
NAD 83 LAT = 32.442413°
NAD 83 LONG = -103.448120°
NAD 27 X = 773,238.97'
NAD 27 Y = 525,751.23'
NAD 27 LAT = 32.442288°
NAD 27 LONG = -103.447639°

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
			Submittal Type:	☒ Initial Submittal
				☐ Amended Report
		☐ As Drilled		

WELL LOCATION INFORMATION

API Number	Pool Code [28435]	Pool Name	Grama Ridge Bone Spring NE
Property Code	Property Name	Well Number	
	SQUEEZE 2 STATE COM	6H	
OGRID No. 331165	Operator Name	Ground Level Elevation	
	EARTHSTONE OPERATING, LLC	3,573'	
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal	

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	2	22S	34E		293' FSL	1,254' FWL	32.414274°	-103.445153°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
D	35	21S	34E		100' FNL	330' FWL	32.442413°	-103.448120°	LEA

Dedicated Acres 160.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
D	11	22S	34E		500' FNL	330' FWL	32.412093°	-103.448152°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	2	22S	34E		100' FSL	330' FWL	32.413742°	-103.448148°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
D	35	21S	34E		100' FNL	330' FWL	32.442413°	-103.448120°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☐ Horizontal ☐ Vertical	Ground Floor Elevation:
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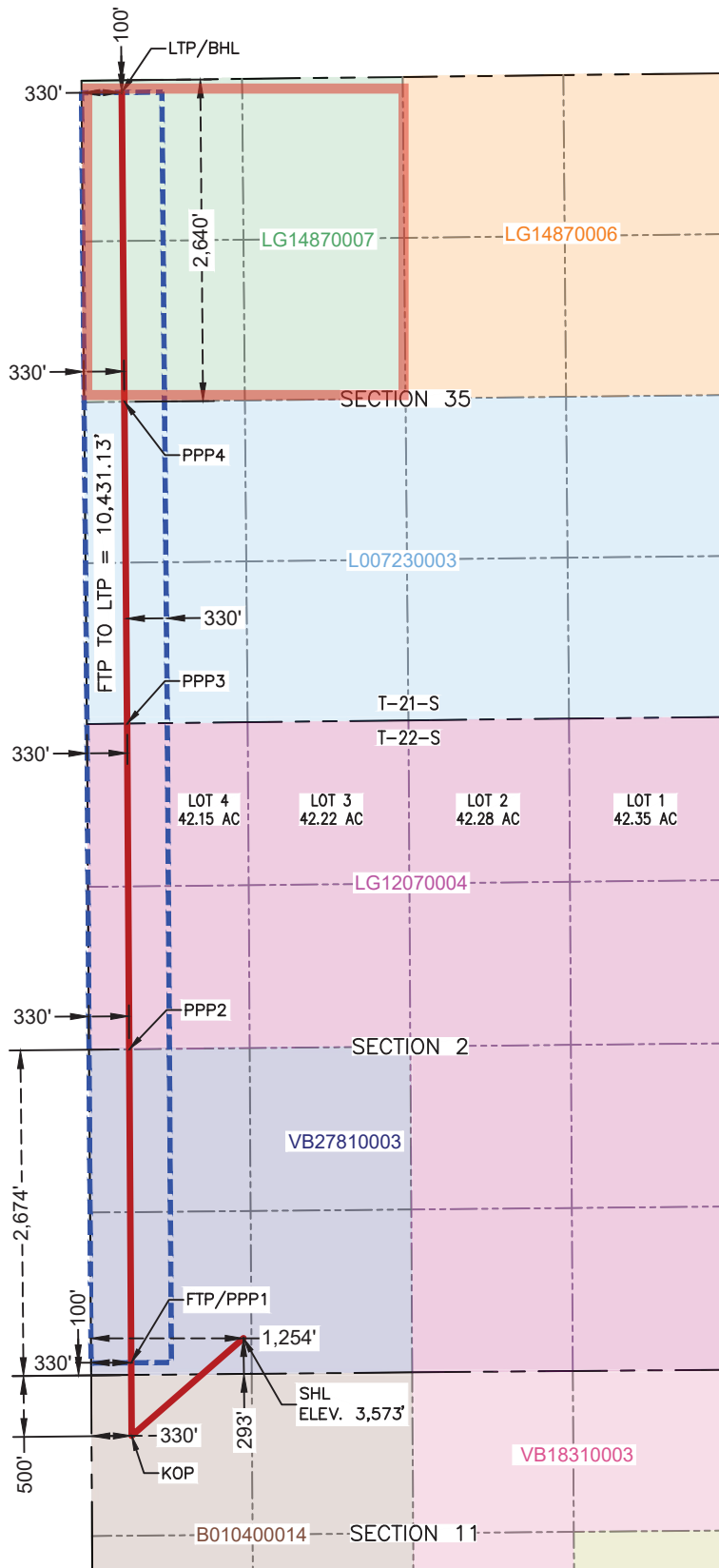
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
		Date: 3/19/2026	
Signature	Date	Signature and Seal of Professional Surveyor	
Printed Name		Certificate Number	Date of Survey
		12177	3/11/2026
Email Address		Revision Number	
		0	

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

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

SQUEEZE 2 STATE COM 6H

SURFACE HOLE LOCATION
293' FSL & 1,254' FWL
ELEV. = 3,573'

NAD 83 X = 815,422.51'
NAD 83 Y = 515,583.08'
NAD 83 LAT = 32.414274°
NAD 83 LONG = -103.445153°
NAD 27 X = 774,239.47'
NAD 27 Y = 515,522.15'
NAD 27 LAT = 32.414150°
NAD 27 LONG = -103.444672°

KICK-OFF POINT
500' FNL & 330' FWL
NAD 83 X = 814,503.41'
NAD 83 Y = 514,781.63'
NAD 83 LAT = 32.412093°
NAD 83 LONG = -103.448152°
NAD 27 X = 773,320.38'
NAD 27 Y = 514,720.72'
NAD 27 LAT = 32.411968°
NAD 27 LONG = -103.447672°

FIRST TAKE POINT & PENETRATION POINT 1
100' FSL & 330' FWL
NAD 83 X = 814,499.77'
NAD 83 Y = 515,381.62'
NAD 83 LAT = 32.413742°
NAD 83 LONG = -103.448148°
NAD 27 X = 773,316.75'
NAD 27 Y = 515,320.70'
NAD 27 LAT = 32.413618°
NAD 27 LONG = -103.447668°

PENETRATION POINT 2
2,674' FSL & 330' FWL
NAD 83 X = 814,483.24'
NAD 83 Y = 517,955.68'
NAD 83 LAT = 32.420817°
NAD 83 LONG = -103.448132°
NAD 27 X = 773,300.27'
NAD 27 Y = 517,894.68'
NAD 27 LAT = 32.420693°
NAD 27 LONG = -103.447652°

PENETRATION POINT 3
0' FSL & 330' FWL
NAD 83 X = 814,466.06'
NAD 83 Y = 520,629.99'
NAD 83 LAT = 32.428168°
NAD 83 LONG = -103.448116°
NAD 27 X = 773,283.14'
NAD 27 Y = 520,568.92'
NAD 27 LAT = 32.428043°
NAD 27 LONG = -103.447636°

PENETRATION POINT 4
2,640' FNL & 330' FWL
NAD 83 X = 814,443.04'
NAD 83 Y = 523,272.36'
NAD 83 LAT = 32.435431°
NAD 83 LONG = -103.448120°
NAD 27 X = 773,260.18'
NAD 27 Y = 523,211.21'
NAD 27 LAT = 32.435307°
NAD 27 LONG = -103.447639°

LAST TAKE POINT & BOTTOM HOLE LOCATION
100' FNL & 330' FWL
NAD 83 X = 814,421.78'
NAD 83 Y = 525,812.46'
NAD 83 LAT = 32.442413°
NAD 83 LONG = -103.448120°
NAD 27 X = 773,238.97'
NAD 27 Y = 525,751.23'
NAD 27 LAT = 32.442288°
NAD 27 LONG = -103.447639°

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	☒ Initial Submittal
			☐ Amended Report
			☐ As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code [96553]	Pool Name	OJO CHISO;BONE SPRING
Property Code	Property Name	Well Number	
	SQUEEZE 2 STATE COM	7H	
OGRID No. 331165	Operator Name	Ground Level Elevation	
	EARTHSTONE OPERATING, LLC	3,573'	
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal	

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	2	22S	34E		293' FSL	1,274' FWL	32.414274°	-103.445088°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	35	21S	34E		100' FNL	1,330' FWL	32.442421°	-103.444879°	LEA

Dedicated Acres 484.37	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	11	22S	34E		500' FNL	1,330' FWL	32.412095°	-103.444912°	LEA

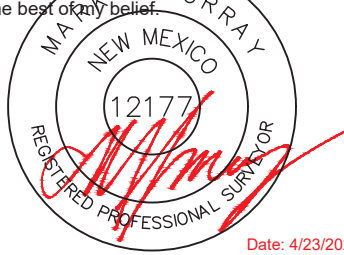
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	2	22S	34E		100' FSL	1,330' FWL	32.413745°	-103.444908°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	35	21S	34E		100' FNL	1,330' FWL	32.442421°	-103.444879°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☐ Horizontal ☐ Vertical	Ground Floor Elevation:
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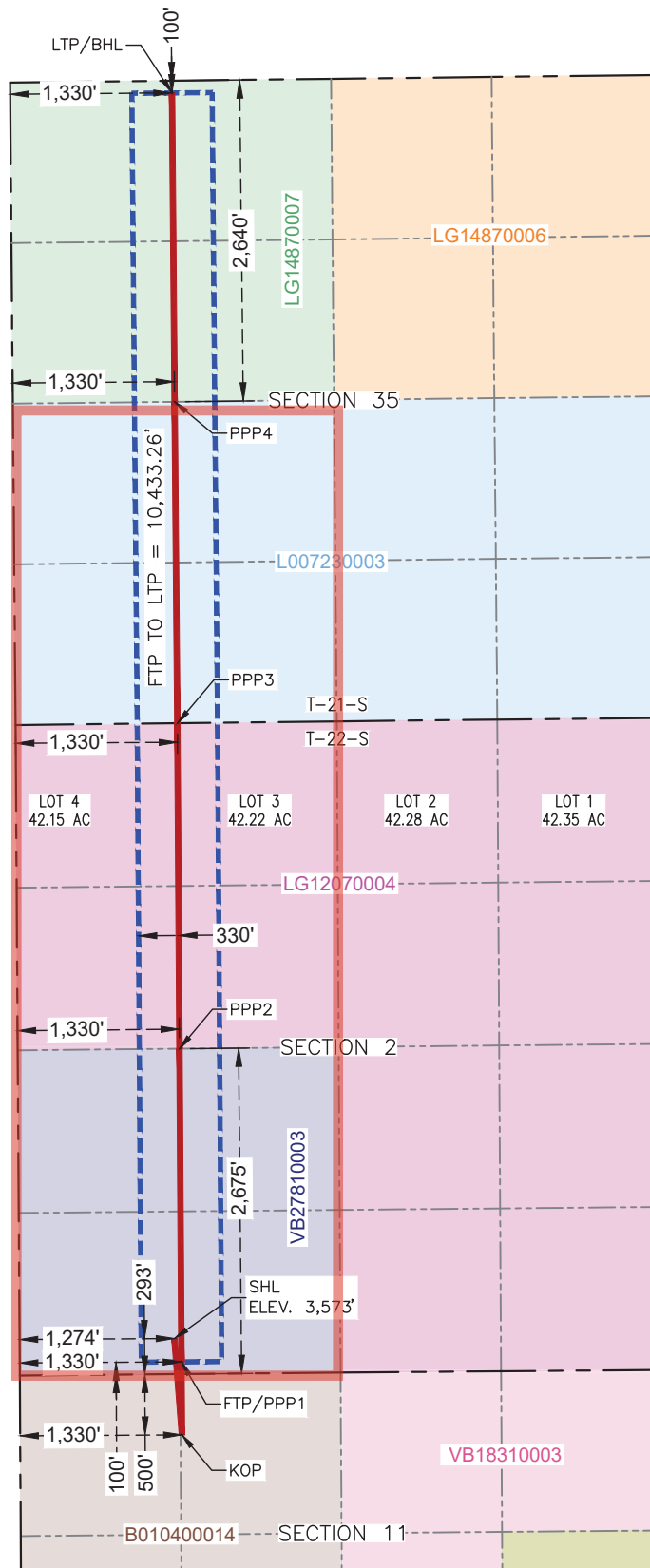
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date: 4/23/2026		
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____		
Printed Name _____		Certificate Number	Date of Survey	Revision Number
Email Address _____		12177	4/23/2026	1

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

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

SQUEEZE 2 STATE COM 7H

SURFACE HOLE LOCATION
293' FSL & 1,274' FWL
ELEV. = 3,573'

NAD 83 X = 815,442.51'
NAD 83 Y = 515,583.08'
NAD 83 LAT = 32.414274°
NAD 27 X = 774,259.47'
NAD 27 Y = 515,522.15'
NAD 27 LAT = 32.414150°
NAD 27 LONG = -103.444608°

KICK-OFF POINT
500' FNL & 1,330' FWL
NAD 83 X = 815,503.37'
NAD 83 Y = 514,790.95'
NAD 83 LAT = 32.412095°
NAD 83 LONG = -103.444912°
NAD 27 X = 774,320.31'
NAD 27 Y = 514,730.04'
NAD 27 LAT = 32.411971°
NAD 27 LONG = -103.444432°

FIRST TAKE POINT & PENETRATION POINT 1
100' FSL & 1,330' FWL
NAD 83 X = 815,499.73'
NAD 83 Y = 515,390.95'
NAD 83 LAT = 32.413745°
NAD 83 LONG = -103.444908°
NAD 27 X = 774,316.68'
NAD 27 Y = 515,330.02'
NAD 27 LAT = 32.413620°
NAD 27 LONG = -103.444427°

PENETRATION POINT 2
2,675' FSL & 1,330' FWL
NAD 83 X = 815,483.19'
NAD 83 Y = 517,965.69'
NAD 83 LAT = 32.420822°
NAD 83 LONG = -103.444892°
NAD 27 X = 774,300.19'
NAD 27 Y = 517,904.69'
NAD 27 LAT = 32.420697°
NAD 27 LONG = -103.444411°

PENETRATION POINT 3
0' FSL & 1,330' FWL
NAD 83 X = 815,465.99'
NAD 83 Y = 520,641.50'
NAD 83 LAT = 32.428176°
NAD 83 LONG = -103.444875°
NAD 27 X = 774,283.05'
NAD 27 Y = 520,580.42'
NAD 27 LAT = 32.428052°
NAD 27 LONG = -103.444395°

PENETRATION POINT 4
2,640' FNL & 1,330' FWL
NAD 83 X = 815,442.98'
NAD 83 Y = 523,283.68'
NAD 83 LAT = 32.435439°
NAD 83 LONG = -103.444879°
NAD 27 X = 774,260.09'
NAD 27 Y = 523,222.53'
NAD 27 LAT = 32.435315°
NAD 27 LONG = -103.444398°

LAST TAKE POINT & BOTTOM HOLE LOCATION
100' FNL & 1,330' FWL
NAD 83 X = 815,421.72'
NAD 83 Y = 525,823.91'
NAD 83 LAT = 32.442421°
NAD 83 LONG = -103.444879°
NAD 27 X = 774,238.88'
NAD 27 Y = 525,762.68'
NAD 27 LAT = 32.442297°
NAD 27 LONG = -103.444398°

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	☒ Initial Submittal
			☐ Amended Report
			☐ As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code [28435]	Pool Name	GRAMA RIDGE BONE SPRING NE
Property Code	Property Name	Well Number	
	SQUEEZE 2 STATE COM	7H	
OGRID No. 331165	Operator Name	Ground Level Elevation	
	EARTHSTONE OPERATING, LLC	3,573'	
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal	

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	2	22S	34E		293' FSL	1,274' FWL	32.414274°	-103.445088°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	35	21S	34E		100' FNL	1,330' FWL	32.442421°	-103.444879°	LEA

Dedicated Acres 160.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	11	22S	34E		500' FNL	1,330' FWL	32.412095°	-103.444912°	LEA

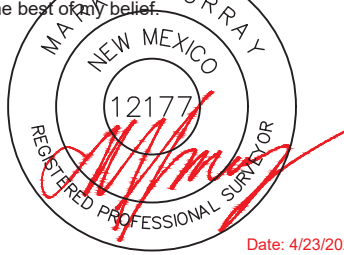
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	2	22S	34E		100' FSL	1,330' FWL	32.413745°	-103.444908°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	35	21S	34E		100' FNL	1,330' FWL	32.442421°	-103.444879°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☐ Horizontal ☐ Vertical	Ground Floor Elevation:
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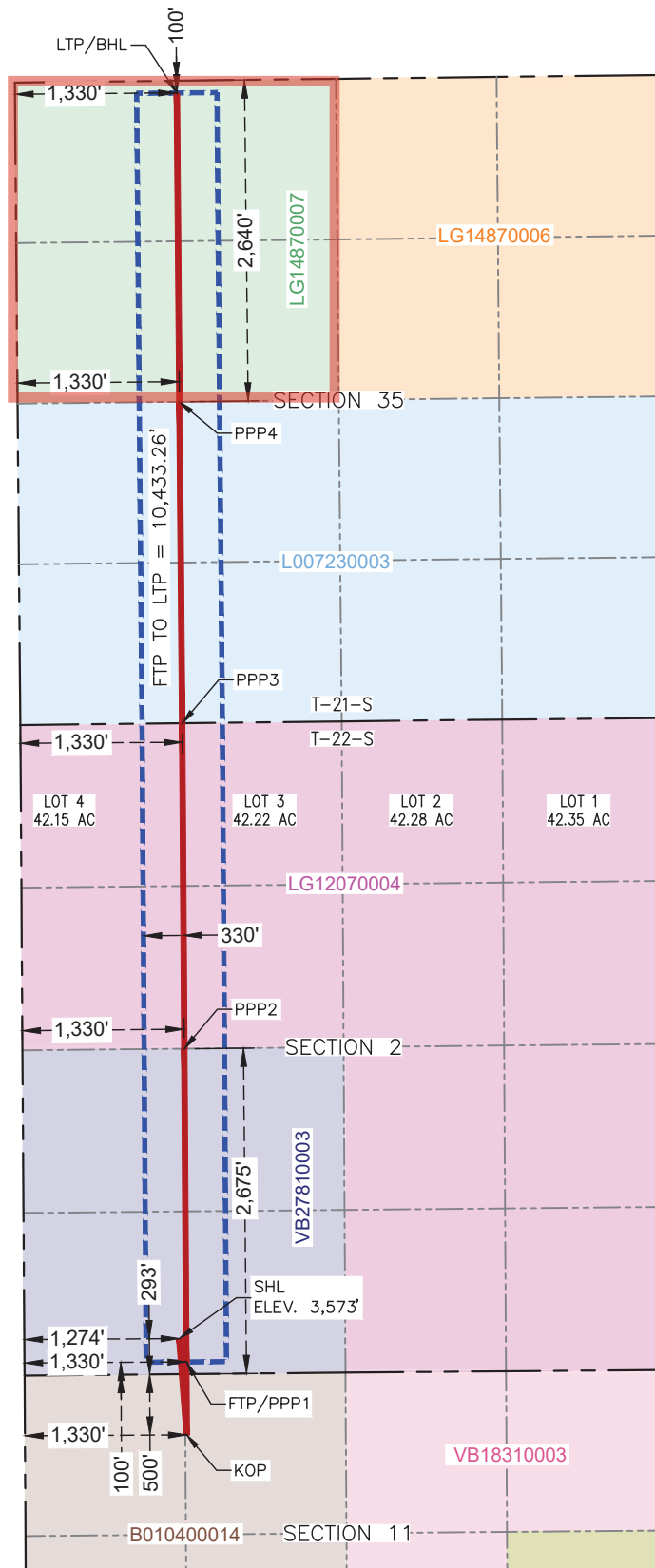
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date: 4/23/2026		
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____		
Printed Name _____		Certificate Number	Date of Survey	Revision Number
Email Address _____		12177	4/23/2026	1

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

ACREAGE DEDICATION PLATS

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SQUEEZE 2 STATE COM 7H

SURFACE HOLE LOCATION
293' FSL & 1,274' FWL
ELEV. = 3,573'

NAD 83 X = 815,442.51'
NAD 83 Y = 515,583.08'
NAD 83 LAT = 32.414274°
NAD 83 LONG = -103.445088°
NAD 27 X = 774,259.47'
NAD 27 Y = 515,522.15'
NAD 27 LAT = 32.414150°
NAD 27 LONG = -103.444608°

KICK-OFF POINT
500' FNL & 1,330' FWL

NAD 83 X = 815,503.37'
NAD 83 Y = 514,790.95'
NAD 83 LAT = 32.412095°
NAD 83 LONG = -103.444912°
NAD 27 X = 774,320.31'
NAD 27 Y = 514,730.04'
NAD 27 LAT = 32.411971°
NAD 27 LONG = -103.444432°

FIRST TAKE POINT & PENETRATION POINT 1
100' FSL & 1,330' FWL
NAD 83 X = 815,499.73'
NAD 83 Y = 515,390.95'
NAD 83 LAT = 32.413745°
NAD 83 LONG = -103.444908°
NAD 27 X = 774,316.68'
NAD 27 Y = 515,330.02'
NAD 27 LAT = 32.413620°
NAD 27 LONG = -103.444427°

PENETRATION POINT 2
2,675' FSL & 1,330' FWL
NAD 83 X = 815,483.19'
NAD 83 Y = 517,965.69'
NAD 83 LAT = 32.420822°
NAD 83 LONG = -103.444892°
NAD 27 X = 774,300.19'
NAD 27 Y = 517,904.69'
NAD 27 LAT = 32.420697°
NAD 27 LONG = -103.444411°

PENETRATION POINT 3
0' FSL & 1,330' FWL
NAD 83 X = 815,465.99'
NAD 83 Y = 520,641.50'
NAD 83 LAT = 32.428176°
NAD 83 LONG = -103.444875°
NAD 27 X = 774,283.05'
NAD 27 Y = 520,580.42'
NAD 27 LAT = 32.428052°
NAD 27 LONG = -103.444395°

PENETRATION POINT 4
2,640' FNL & 1,330' FWL
NAD 83 X = 815,442.98'
NAD 83 Y = 523,283.68'
NAD 83 LAT = 32.435439°
NAD 83 LONG = -103.444879°
NAD 27 X = 774,260.09'
NAD 27 Y = 523,222.53'
NAD 27 LAT = 32.435315°
NAD 27 LONG = -103.444398°

LAST TAKE POINT & BOTTOM HOLE LOCATION
100' FNL & 1,330' FWL
NAD 83 X = 815,421.72'
NAD 83 Y = 525,823.91'
NAD 83 LAT = 32.442421°
NAD 83 LONG = -103.444879°
NAD 27 X = 774,238.88'
NAD 27 Y = 525,762.68'
NAD 27 LAT = 32.442297°
NAD 27 LONG = -103.444398°

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
			Submittal Type:	☒ Initial Submittal
				☐ Amended Report
		☐ As Drilled		

WELL LOCATION INFORMATION

API Number	Pool Code [96553]	Pool Name OJO CHISO;BONE SPRING	
Property Code	Property Name SQUEEZE 2 STATE COM		Well Number 8H
OGRID No. 331165	Operator Name EARTHSTONE OPERATING, LLC		Ground Level Elevation 3,573'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal	

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	2	22S	34E		292' FSL	1,294' FWL	32.414274°	-103.445023°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	35	21S	34E		100' FNL	2,310' FWL	32.442430°	-103.441707°	LEA

Dedicated Acres 484.37	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	11	22S	34E		500' FNL	2,310' FWL	32.412098°	-103.441736°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	2	22S	34E		100' FSL	2,310' FWL	32.413747°	-103.441732°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	35	21S	34E		100' FNL	2,310' FWL	32.442430°	-103.441707°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☐ Horizontal ☐ Vertical	Ground Floor Elevation:
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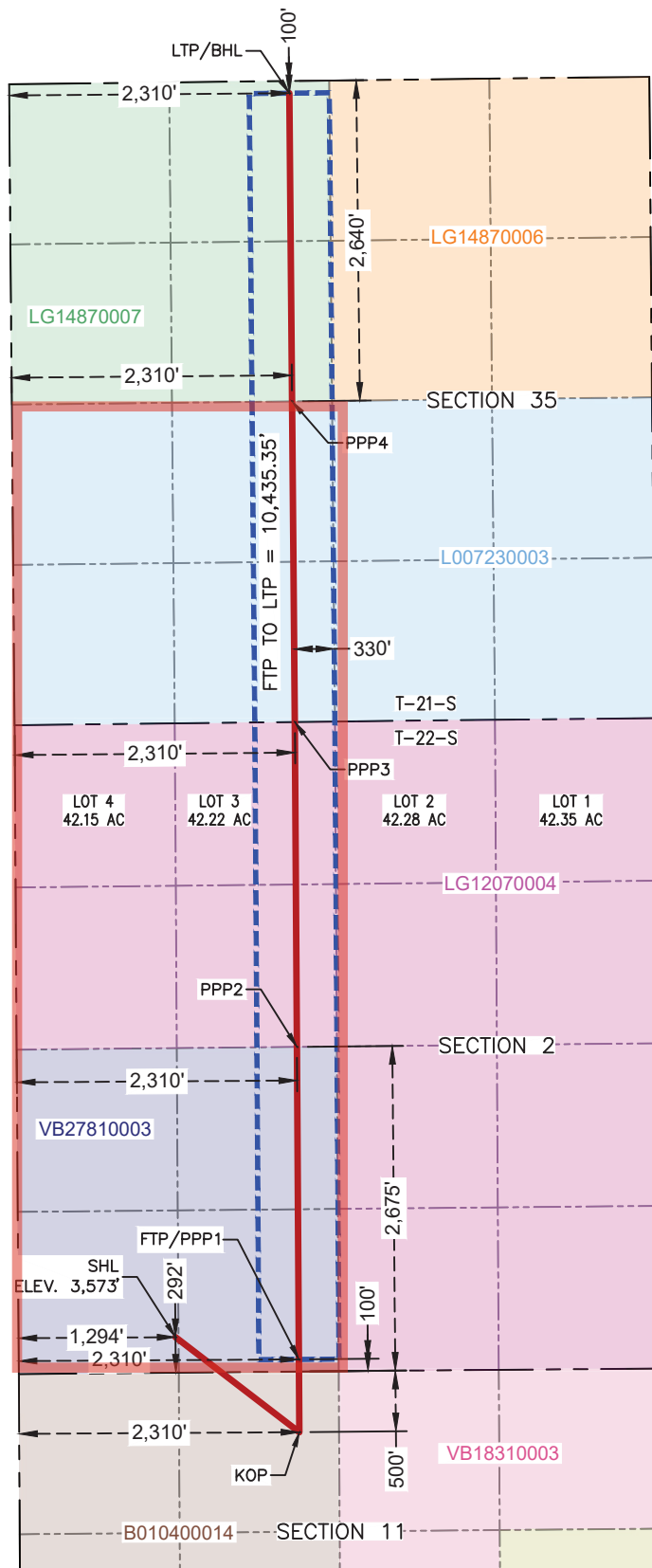
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 	
Signature	Date	Signature and Seal of Professional Surveyor	
Printed Name		Certificate Number 12177	Date of Survey 3/11/2026
Email Address		Revision Number 0	

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

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

SQUEEZE 2 STATE COM 8H

SURFACE HOLE LOCATION
292' FSL & 1,294' FWL
ELEV. = 3,573'

NAD 83 X = 815,462.51'
NAD 83 Y = 515,583.08'
NAD 83 LAT = 32.414274°
NAD 83 LONG = -103.445023°
NAD 27 X = 774,279.47'
NAD 27 Y = 515,522.15'
NAD 27 LAT = 32.414149°
NAD 27 LONG = -103.444543°

KICK-OFF POINT
500' FNL & 2,310' FWL

NAD 83 X = 816,483.34'
NAD 83 Y = 514,800.09'
NAD 83 LAT = 32.412098°
NAD 83 LONG = -103.441736°
NAD 27 X = 775,300.24'
NAD 27 Y = 514,739.18'
NAD 27 LAT = 32.411974°
NAD 27 LONG = -103.441257°

FIRST TAKE POINT & PENETRATION POINT 1
100' FSL & 2,310' FWL

NAD 83 X = 816,479.69'
NAD 83 Y = 515,400.09'
NAD 83 LAT = 32.413747°
NAD 83 LONG = -103.441732°
NAD 27 X = 775,296.62'
NAD 27 Y = 515,339.15'
NAD 27 LAT = 32.413623°
NAD 27 LONG = -103.441252°

PENETRATION POINT 2
2,675' FSL & 2,310' FWL

NAD 83 X = 816,463.14'
NAD 83 Y = 517,975.51'
NAD 83 LAT = 32.420826°
NAD 83 LONG = -103.441716°
NAD 27 X = 775,280.11'
NAD 27 Y = 517,914.50'
NAD 27 LAT = 32.420702°
NAD 27 LONG = -103.441236°

PENETRATION POINT 3
0' FSL & 2,310' FWL

NAD 83 X = 816,445.93'
NAD 83 Y = 520,652.77'
NAD 83 LAT = 32.428185°
NAD 83 LONG = -103.441699°
NAD 27 X = 775,262.95'
NAD 27 Y = 520,591.69'
NAD 27 LAT = 32.428061°
NAD 27 LONG = -103.441219°

PENETRATION POINT 4
2,640' FNL & 2,310' FWL

NAD 83 X = 816,422.92'
NAD 83 Y = 523,294.78'
NAD 83 LAT = 32.435447°
NAD 83 LONG = -103.441703°
NAD 27 X = 775,240.00'
NAD 27 Y = 523,233.62'
NAD 27 LAT = 32.435323°
NAD 27 LONG = -103.441222°

LAST TAKE POINT & BOTTOM HOLE LOCATION
100' FNL & 2,310' FWL

NAD 83 X = 816,400.22'
NAD 83 Y = 525,835.12'
NAD 83 LAT = 32.442430°
NAD 83 LONG = -103.441707°
NAD 27 X = 775,217.35'
NAD 27 Y = 525,773.89'
NAD 27 LAT = 32.442305°
NAD 27 LONG = -103.441227°

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	☒ Initial Submittal
			☐ Amended Report
			☐ As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code [28435]	Pool Name GRAMA RIDGE BONE SPRING NE
Property Code	Property Name SQUEEZE 2 STATE COM	Well Number 8H
OGRID No. 331165	Operator Name EARTHSTONE OPERATING, LLC	Ground Level Elevation 3,573'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL M	Section 2	Township 22S	Range 34E	Lot	Ft. from N/S 292' FSL	Ft. from E/W 1,294' FWL	Latitude 32.414274°	Longitude -103.445023°	County LEA
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Bottom Hole Location

UL C	Section 35	Township 21S	Range 34E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 2,310' FWL	Latitude 32.442430°	Longitude -103.441707°	County LEA
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Dedicated Acres 160.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL C	Section 11	Township 22S	Range 34E	Lot	Ft. from N/S 500' FNL	Ft. from E/W 2,310' FWL	Latitude 32.412098°	Longitude -103.441736°	County LEA
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First Take Point (FTP)

UL N	Section 2	Township 22S	Range 34E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 2,310' FWL	Latitude 32.413747°	Longitude -103.441732°	County LEA
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Last Take Point (LTP)

UL C	Section 35	Township 21S	Range 34E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 2,310' FWL	Latitude 32.442430°	Longitude -103.441707°	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type ☐ Horizontal ☐ Vertical	Ground Floor Elevation:
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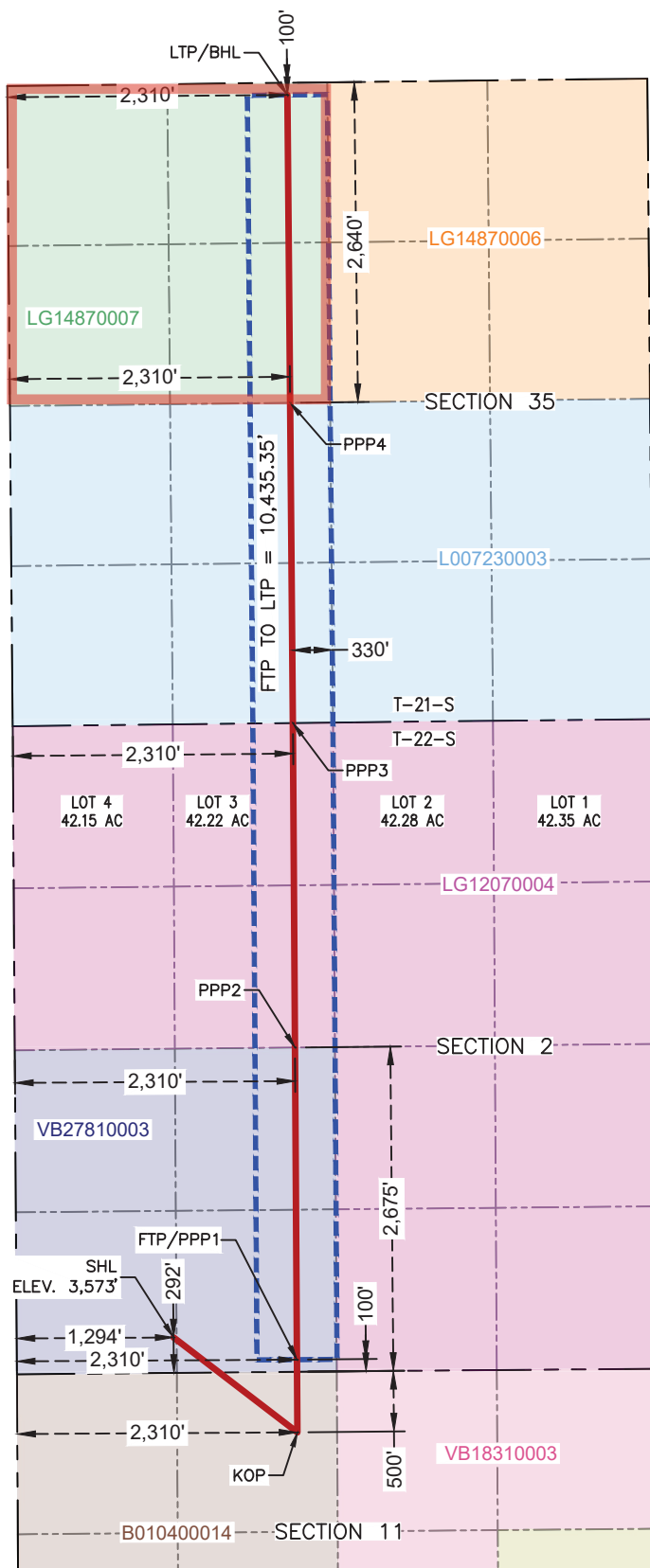
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Signature _____ Date _____		Signature and Seal of Professional Surveyor _____		
Printed Name _____		Certificate Number 12177	Date of Survey 3/11/2026	Revision Number 0
Email Address _____				

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

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NAD 27 LAT = 32.411974°
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100' FSL & 2,310' FWL

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2,675' FSL & 2,310' FWL

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0' FSL & 2,310' FWL

NAD 83 X = 816,445.93'
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NAD 83 LONG = -103.441699°
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NAD 27 Y = 520,591.69'
NAD 27 LAT = 32.428061°
NAD 27 LONG = -103.441219°

PENETRATION POINT 4
2,640' FNL & 2,310' FWL

NAD 83 X = 816,422.92'
NAD 83 Y = 523,294.78'
NAD 83 LAT = 32.435447°
NAD 83 LONG = -103.441703°
NAD 27 X = 775,240.00'
NAD 27 Y = 523,233.62'
NAD 27 LAT = 32.435323°
NAD 27 LONG = -103.441222°

LAST TAKE POINT & BOTTOM HOLE LOCATION
100' FNL & 2,310' FWL

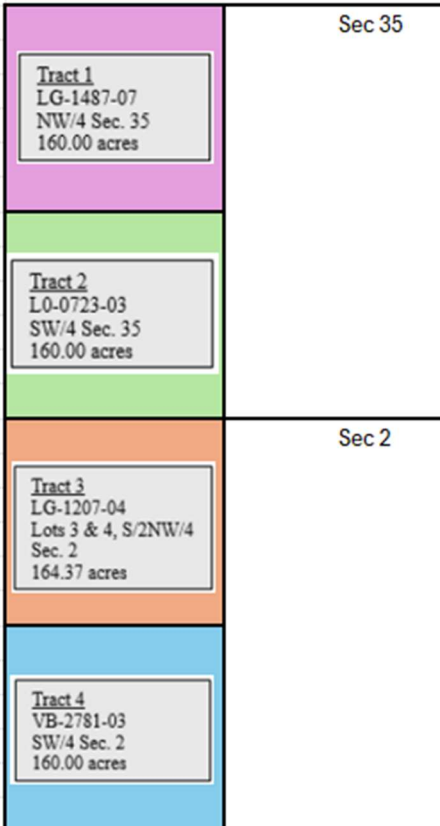
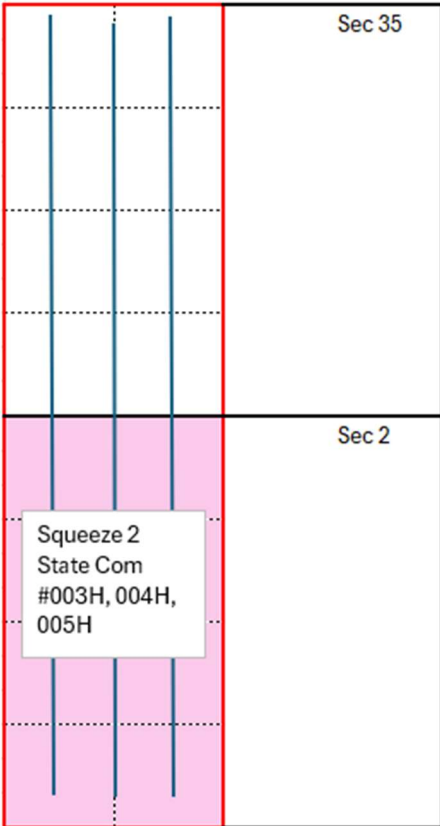
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NAD 27 Y = 525,773.89'
NAD 27 LAT = 32.442305°
NAD 27 LONG = -103.441227°

Squeeze State Com

Legal Description: W/2 of Section 35 and Lot 3 & 4, S/2NW/4 & SW/4 Section 2

Depth(s): First Bone Spring

Operator: Earthstone Operating, LLC

Spacing Unit	Leasehold Outlay	Overlapping Spacing
 Sec 35 Sec 2	 Tract 1 LG-1487-07 NW/4 Sec. 35 160.00 acres Tract 2 LO-0723-03 SW/4 Sec. 35 160.00 acres Tract 3 LG-1207-04 Lots 3 & 4, S/2NW/4 Sec. 2 164.37 acres Tract 4 VB-2781-03 SW/4 Sec. 2 160.00 acres Sec 35 Sec 2	 Sec 35 Sec 2 Squeeze 2 State Com #003H, 004H, 005H

Earthstone Operating, LLC
Case No. 26169
Exhibit A-3

Leasehold Ownership:

Tract 3	Owner	Working Interest
LG-1207-04 NW/4 Sec 2 (164.37 acres)	Marathon Oil Permian, LLC (RT)	0.47528626
	Earthstone Operating, LLC	0.49326387
	Devon Energy Production Company	0.03144987
	Total	1.0000
Tract 4	Owner	Working Interest
VB-2781-03 SW/4 Sec 2 (160.00 acres)	Marathon Oil Permian, LLC	0.47528626
	Earthstone Operating, LLC (RT)	0.49326387
	Devon Energy Production Company	0.03144987
	Total	1.0000
Tract 1	Owner	Working Interest
LG-1487-07 NW/4 Sec 35 (160.00 acres)	Marathon Oil Permian, LLC (RT)	0.93793637
	Devon Energy Production Company	0.06206363
	Total	1.0000
Tract 2	Owner	Working Interest
L0-0723-03 SW/4 Sec 35 (160.00 acres)	State of New Mexico	
	Marathon Oil Permian, LLC (RT)	0.93793637
	Devon Energy Production Company	0.06206363
	Total	1.0000

***Parties to Pool are Highlighted in Yellow.**

Unit Recapitulation:

Owner	Working Interest
Earthstone Operating, LLC	0.248304548
Marathon Oil Permian, LLC	0.705042511
Devon Energy Production Company	0.046652942
Total	1.00000000



300 N. MARIENFELD STREET, SUITE 1000
MIDLAND, TX 79701

OFFICE 432.695.4222
FAX 432.695.4063

January 12, 2026

via Certified Mail

Devon Energy Production Company
33 West Sheridan Avenue
Oklahoma City, OK 73125

RE: Squeeze 2 State Com – Well Proposal
W2 of Section 2, T22S-34E and W2 of Section 35, T21S-R34E
Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC ("Permian"), hereby proposes the drilling and completion of the following three (3) wells, the Squeeze 2 State Com wells at the following approximate location within Township 22 South, Range 34 East and Township 21S, Range 34 East:

1. Squeeze 2 State Com 6H

SHL: A legal location in the S2 of Section 2, T22S-R34E
BHL: 100' FNL 330' FWL of Section 35, T21S-R34E
FTP: 100' FSL 330' FWL of Section 2, T22S-R34E
LTP: 100' FNL 330' FWL of Section 35, T21S-R34E
TVD: Approximately 9,605'
TMD: Approximately 20,105'
Proration Unit: W2 of Section 2, T22S-R34E and W2 of Section 35, T21S-R34E
Targeted Interval: 1st Bone Spring

2. Squeeze 2 State Com 7H

SHL: A legal location in the S2 of Section 2, T22S-R34E
BHL: 100' FNL 1,330' FWL of Section 35, T21S-R34E
FTP: 100' FSL 1,330' FWL of Section 2, T22S-R34E
LTP: 100' FNL 1,330' FWL of Section 35, T21S-R34E
TVD: Approximately 9,725'
TMD: Approximately 20,225'
Proration Unit: W2 of Section 2, T22S-R34E and W2 of Section 35, T21S-R34E
Targeted Interval: 1st Bone Spring

3. Squeeze 2 State Com 8H

SHL: A legal location in the S2 of Section 2, T22S-R34E
BHL: 100' FNL 2,310' FWL of Section 35, T21S-R34E
FTP: 100' FSL 2,310' FWL of Section 2, T22S-R34E
LTP: 100' FNL 2,310' FWL of Section 35, T21S-R34E
TVD: Approximately 9,605'
TMD: Approximately 20,105'
Proration Unit: W2 of Section 2, T22S-R34E and W2 of Section 35, T21S-R34E
Targeted Interval: 1st Bone Spring

The locations, TVDs, and targets are approximate and subject to change dependent on surface or

Earthstone Operating, LLC
Case No. 26169
Exhibit A-4

subsurface issues encountered. Permian is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is enclosed. The Operating Agreement has the following general provisions:

- 100%/300%/300% non-consent provisions
- \$8,000/\$800 drilling and producing rates
- Permian Resources Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the proposed AFE, and your geologic well requirements.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Permian will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well. If you do not wish to participate, Permian would be interested in acquiring your interest in the subject lands which is subject to further mutually agreeable negotiation.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.695.422 or by email at Reagan.armstrong@permianres.com

Respectfully,



Reagan Armstrong
Landman

Enclosures

Squeeze 2 State Com Elections:

<u>Well Name</u>	<u>PARTICIPATE in the Drilling and Completion:</u>	<u>NON-CONSENT to the Drilling and Completion:</u>
Squeeze 2 State Com 6H		
Squeeze 2 State Com 7H		
Squeeze 2 State Com 8H		

Devon Energy Production Company

By: _____

Printed Name: _____

Date: _____

Squeeze 2 State Com Well Proposal

Participate / Rejection Declaration

Please return this page to Permian Resources Operating, LLC ("Permian") by the date specified in the letter, signed indicating your election to either participate in or reject this insurance program. If you reject the insurance coverage arranged by Permian, then, to the extent that Permian has an obligation to secure any such insurance on your behalf under any applicable agreements or otherwise, Permian will be relieved of such obligation, and Permian will assume that you maintain appropriate levels of insurance and will provide a current Certificate of Insurance upon request. If you fail to make an election within 30 days from receipt of this notice, you will be deemed a participant in the program as detailed on the attached and billed for your percentage participation as such.

- ☐ I hereby elect to participate in the insurance coverage arranged by Permian Resources Operating, LLC and understand that I will be charged for such participation.
- ☐ I hereby elect to reject the insurance coverage arranged by Permian Resources Operating, LLC.

Agreed this _____ day of _____, 2026 by:

Devon Energy Production Company

By: _____

Printed Name: _____

Title: _____

COST ESTIMATE

AFE Number:		AFE TYPE: Drill and Complete
AFE Name:	Squeeze 2 State Com 6H	
Well Operator:	PERMIAN RESOURCES	
Operator AFE #:		

Account	Description	Gross Est. (\$)
Drilling Intangible		
8015.1000	IDC - PERMITS,LICENSES,ETC	17,250.00
8015.1100	IDC - STAKING & SURVEYING	17,250.00
8015.1200	IDC - LEGAL, TITLE SERVICES	14,950.00
8015.1300	IDC - SURFACE DAMAGE / ROW	40,250.00
8015.1310	IDC - PERMANENT EASEMENT	13,800.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	109,968.75
8015.1500	IDC - RIG MOB / TRUCKING	114,306.41
8015.1600	IDC - RIG MOB / STANDBY RATE	39,560.00
8015.1700	IDC - DAYWORK CONTRACT	588,455.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	242,737.69
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	48,875.00
8015.2150	IDC - DRILL BIT	112,700.00
8015.2200	IDC - TOOLS, STABILIZERS	65,550.00
8015.2300	IDC - FUEL / POWER	122,309.69
8015.2350	IDC - Fuel / Mud	72,320.63
8015.2400	IDC - RIG WATER	20,125.00
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	192,831.37
8015.2700	IDC - INSPECTION, TESTING & REPAIR	42,550.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	278,415.00
8015.3100	IDC - CASING CREW & TOOLS	72,450.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	31,050.00
8015.3400	IDC - MATERIALS & SUPPLIES	5,750.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	22,540.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	63,293.13
8015.3700	IDC - DISPOSAL	122,481.90
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	14,375.00
8015.4100	IDC - RENTAL EQUIPMENT	80,500.00
8015.4200	IDC - MANCAMP	38,640.00
8015.4300	IDC - WELLSITE SUPERVISION	93,380.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	17,710.00
8015.5000	IDC - WELL CONTROL INSURANCE	8,855.00
8015.5200	IDC - CONTINGENCY	122,635.33
Sub-total		2,847,864.88
Flowback Intangible		
8040.1100	IFC - ROAD, LOCATIONS, PITS	2,300.00
8040.1899	IFC - FRAC WATER RECOVERY	395,735.40
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	9,200.00
8040.2900	IFC - FRAC FLOWBACK	155,250.00
8040.3400	IFC - RENTAL EQUIPMENT	11,500.00
8040.3420	IFC - TANK RENTALS	13,800.00
8040.3430	IFC - SURFACE PUMP RENTAL	13,800.00
8040.3500	IFC - WELLSITE SUPERVISION	13,800.00
8040.4000	IFC - CHEMICALS	16,100.00
Sub-total		631,485.40

COST ESTIMATE

Account	Description	Gross Est. (\$)
Artificial Lift Intangible		
8060.1100	IAL - ROAD, LOCATIONS, PITS	2,300.00
8060.1200	IAL - WORKOVER RIG	23,000.00
8060.1210	IAL - SPOOLING SERVICES	11,500.00
8060.1900	IAL - INSPECTION & TESTING	3,450.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	5,750.00
8060.2010	IAL - KILL TRUCK	5,750.00
8060.2300	IAL - COMPLETION FLUIDS	5,750.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	17,250.00
8060.3400	IAL - RENTAL EQUIPMENT	17,250.00
8060.3410	IAL - LAYDOWN MACHINE	5,750.00
8060.3420	IAL - REVERSE UNIT RENTAL	5,750.00
8060.3500	IAL - WELLSITE SUPERVISION	11,500.00
Sub-total		115,000.00
Drilling Tangible		
8020.1100	TDC - CASING - SURFACE	105,747.17
8020.1200	TDC - CASING - INTERMEDIATE - 1	223,854.22
8020.1400	TDC - CASING - PRODUCTION	703,764.79
8020.1500	TDC - WELLHEAD EQUIPMENT	61,093.75
Sub-total		1,094,459.93
Pipeline		
8036.1300	PLN - SURFACE DAMAGE / ROW	410.71
8036.1310	PLN - PEMANENT EASEMENT	26,763.64
8036.1700	PLN- RENTALS	4,107.14
8036.2100	PLN - INSPECTION & TESTING	1,232.14
8036.2200	PLN - LABOR	73,600.00
8036.2400	PLN - SUPERVISION	821.43
8036.2800	PLN - FLOWLINE	55,200.00
8036.3200	PLN - VALVES FITTINGS & PIPE	11,500.00
Sub-total		173,635.06
Completion Intangible		
8025.1100	ICC - ROAD, LOCATIONS, PITS	12,075.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	44,045.00
8025.1500	ICC - FUEL / POWER	305,429.91
8025.1600	ICC - COILED TUBING	331,200.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	24,753.75
8025.2000	ICC - TRUCKING	16,531.25
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	318,478.13
8025.2300	ICC - COMPLETION FLUIDS	11,500.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	1,604,632.85
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	17,250.00
8025.3000	ICC - WATER HANDLING	240,952.38
8025.3050	ICC - SOURCE WATER	289,142.86
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	46,000.00
8025.3400	ICC - RENTAL EQUIPMENT	191,578.50
8025.3500	ICC - WELLSITE SUPERVISION	60,547.50

COST ESTIMATE

Account	Description	Gross Est. (\$)
8025.3600	ICC - SUPERVISION/ENGINEERING	5,750.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	17,250.00
8025.3800	ICC - OVERHEAD	11,500.00
Sub-total		3,548,617.12
Facilities		
8035.1300	FAC - SURFACE DAMAGE / ROW	410.71
8035.1310	FAC - PERMANENT EASEMENT	3,285.71
8035.1400	FAC - ROAD LOCATIONS PITS	24,642.86
8035.1500	FAC - MATERIALS & SUPPLIES	3,696.43
8035.1600	FAC - TRANSPORTATION TRUCKING	1,642.86
8035.1700	FAC - RENTAL EQUIPMENT	6,571.43
8035.1800	FAC - FUEL / POWER	3,285.71
8035.1900	FAC - WATER DISPOSAL / SWD	164.29
8035.2100	FAC - INSPECTION & TESTING	410.71
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	24,642.86
8035.2400	FAC - SUPERVISION	5,750.00
8035.2500	FAC - CONSULTING SERVICES	410.71
8035.2900	FAC - TANK BATTERY	36,964.29
8035.3000	FAC - HEATER TREATER/SEPARATOR	103,500.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	1,232.14
8035.3200	FAC - VALVES FITTINGS & PIPE	41,071.43
8035.3300	FAC - CIRCULATING TRANSFER PUMP	10,678.57
8035.3400	FAC - METER & LACT	6,571.43
8035.3500	FAC - COMPRESSOR	3,285.71
8035.3600	FAC - ELECTRICAL	28,750.00
8035.3700	FAC - COMM TELEMETRY & AUTOMAT	20,535.71
8035.3800	FAC - FLARE/COMBUSTER	13,142.86
8035.4000	FAC - SAFETY / ENVIRONMENTAL	328.57
8035.4400	FAC - COMPANY LABOR	410.71
8035.4500	FAC - CONTINGENCY	7,269.64
Sub-total		348,655.36
Artificial Lift Tangible		
8065.1100	TAL - TUBING	63,250.00
8065.1300	TAL - DOWNHOLE ARTIFICIAL LIFT EQPT	17,250.00
8065.1310	TAL - ESP EQUIPMENT/INSTALL	138,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	57,500.00
8065.2100	TAL - WELL SITE POWER EQUIPMENT/INSTALL	86,250.00
8065.2200	TAL - OHP INFRASTRUCTURE EQUIPMENT/INSTALL	23,000.00
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	17,250.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	5,750.00
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	5,750.00
Sub-total		414,000.00
Completion Tangible		
8030.2000	TCC - WELLHEAD EQUIPMENT	54,337.50
Sub-total		54,337.50
Grand Total		9,228,055.25

COST ESTIMATE

AFE Number:		AFE TYPE: Drill and Complete
AFE Name:	Squeeze 2 State Com 7H	
Well Operator:	PERMIAN RESOURCES	
Operator AFE #:		

Account	Description	Gross Est. (\$)
Drilling Intangible		
8015.1000	IDC - PERMITS,LICENSES,ETC	17,250.00
8015.1100	IDC - STAKING & SURVEYING	17,250.00
8015.1200	IDC - LEGAL, TITLE SERVICES	14,950.00
8015.1300	IDC - SURFACE DAMAGE / ROW	40,250.00
8015.1310	IDC - PERMANENT EASEMENT	13,800.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	109,968.75
8015.1500	IDC - RIG MOB / TRUCKING	114,306.41
8015.1600	IDC - RIG MOB / STANDBY RATE	39,560.00
8015.1700	IDC - DAYWORK CONTRACT	588,455.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	242,737.69
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	48,875.00
8015.2150	IDC - DRILL BIT	112,700.00
8015.2200	IDC - TOOLS, STABILIZERS	65,550.00
8015.2300	IDC - FUEL / POWER	122,309.69
8015.2350	IDC - Fuel / Mud	72,320.63
8015.2400	IDC - RIG WATER	20,125.00
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	192,831.37
8015.2700	IDC - INSPECTION, TESTING & REPAIR	42,550.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	278,415.00
8015.3100	IDC - CASING CREW & TOOLS	72,450.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	31,050.00
8015.3400	IDC - MATERIALS & SUPPLIES	5,750.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	22,540.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	63,293.13
8015.3700	IDC - DISPOSAL	122,481.90
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	14,375.00
8015.4100	IDC - RENTAL EQUIPMENT	80,500.00
8015.4200	IDC - MANCAMP	38,640.00
8015.4300	IDC - WELLSITE SUPERVISION	93,380.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	17,710.00
8015.5000	IDC - WELL CONTROL INSURANCE	8,855.00
8015.5200	IDC - CONTINGENCY	122,635.33
Sub-total		2,847,864.88
Flowback Intangible		
8040.1100	IFC - ROAD, LOCATIONS, PITS	2,300.00
8040.1899	IFC - FRAC WATER RECOVERY	395,735.40
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	9,200.00
8040.2900	IFC - FRAC FLOWBACK	155,250.00
8040.3400	IFC - RENTAL EQUIPMENT	11,500.00
8040.3420	IFC - TANK RENTALS	13,800.00
8040.3430	IFC - SURFACE PUMP RENTAL	13,800.00
8040.3500	IFC - WELLSITE SUPERVISION	13,800.00
8040.4000	IFC - CHEMICALS	16,100.00
Sub-total		631,485.40

COST ESTIMATE

Account	Description	Gross Est. (\$)
Artificial Lift Intangible		
8060.1100	IAL - ROAD, LOCATIONS, PITS	2,300.00
8060.1200	IAL - WORKOVER RIG	23,000.00
8060.1210	IAL - SPOOLING SERVICES	11,500.00
8060.1900	IAL - INSPECTION & TESTING	3,450.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	5,750.00
8060.2010	IAL - KILL TRUCK	5,750.00
8060.2300	IAL - COMPLETION FLUIDS	5,750.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	17,250.00
8060.3400	IAL - RENTAL EQUIPMENT	17,250.00
8060.3410	IAL - LAYDOWN MACHINE	5,750.00
8060.3420	IAL - REVERSE UNIT RENTAL	5,750.00
8060.3500	IAL - WELLSITE SUPERVISION	11,500.00
Sub-total		115,000.00
Drilling Tangible		
8020.1100	TDC - CASING - SURFACE	105,747.17
8020.1200	TDC - CASING - INTERMEDIATE - 1	223,854.22
8020.1400	TDC - CASING - PRODUCTION	703,764.79
8020.1500	TDC - WELLHEAD EQUIPMENT	61,093.75
Sub-total		1,094,459.93
Pipeline		
8036.1300	PLN - SURFACE DAMAGE / ROW	410.71
8036.1310	PLN - PEMANENT EASEMENT	26,763.64
8036.1700	PLN- RENTALS	4,107.14
8036.2100	PLN - INSPECTION & TESTING	1,232.14
8036.2200	PLN - LABOR	73,600.00
8036.2400	PLN - SUPERVISION	821.43
8036.2800	PLN - FLOWLINE	55,200.00
8036.3200	PLN - VALVES FITTINGS & PIPE	11,500.00
Sub-total		173,635.06
Completion Intangible		
8025.1100	ICC - ROAD, LOCATIONS, PITS	12,075.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	44,045.00
8025.1500	ICC - FUEL / POWER	305,429.91
8025.1600	ICC - COILED TUBING	331,200.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	24,753.75
8025.2000	ICC - TRUCKING	16,531.25
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	318,478.13
8025.2300	ICC - COMPLETION FLUIDS	11,500.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	1,604,632.85
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	17,250.00
8025.3000	ICC - WATER HANDLING	240,952.38
8025.3050	ICC - SOURCE WATER	289,142.86
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	46,000.00
8025.3400	ICC - RENTAL EQUIPMENT	191,578.50
8025.3500	ICC - WELLSITE SUPERVISION	60,547.50

COST ESTIMATE

Account	Description	Gross Est. (\$)
8025.3600	ICC - SUPERVISION/ENGINEERING	5,750.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	17,250.00
8025.3800	ICC - OVERHEAD	11,500.00
Sub-total		3,548,617.12
Facilities		
8035.1300	FAC - SURFACE DAMAGE / ROW	410.71
8035.1310	FAC - PERMANENT EASEMENT	3,285.71
8035.1400	FAC - ROAD LOCATIONS PITS	24,642.86
8035.1500	FAC - MATERIALS & SUPPLIES	3,696.43
8035.1600	FAC - TRANSPORTATION TRUCKING	1,642.86
8035.1700	FAC - RENTAL EQUIPMENT	6,571.43
8035.1800	FAC - FUEL / POWER	3,285.71
8035.1900	FAC - WATER DISPOSAL / SWD	164.29
8035.2100	FAC - INSPECTION & TESTING	410.71
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	24,642.86
8035.2400	FAC - SUPERVISION	5,750.00
8035.2500	FAC - CONSULTING SERVICES	410.71
8035.2900	FAC - TANK BATTERY	36,964.29
8035.3000	FAC - HEATER TREATER/SEPARATOR	103,500.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	1,232.14
8035.3200	FAC - VALVES FITTINGS & PIPE	41,071.43
8035.3300	FAC - CIRCULATING TRANSFER PUMP	10,678.57
8035.3400	FAC - METER & LACT	6,571.43
8035.3500	FAC - COMPRESSOR	3,285.71
8035.3600	FAC - ELECTRICAL	28,750.00
8035.3700	FAC - COMM TELEMETRY & AUTOMAT	20,535.71
8035.3800	FAC - FLARE/COMBUSTER	13,142.86
8035.4000	FAC - SAFETY / ENVIRONMENTAL	328.57
8035.4400	FAC - COMPANY LABOR	410.71
8035.4500	FAC - CONTINGENCY	7,269.64
Sub-total		348,655.36
Artificial Lift Tangible		
8065.1100	TAL - TUBING	63,250.00
8065.1300	TAL - DOWNHOLE ARTIFICIAL LIFT EQPT	17,250.00
8065.1310	TAL - ESP EQUIPMENT/INSTALL	138,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	57,500.00
8065.2100	TAL - WELL SITE POWER EQUIPMENT/INSTALL	86,250.00
8065.2200	TAL - OHP INFRASTRUCTURE EQUIPMENT/INSTALL	23,000.00
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	17,250.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	5,750.00
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	5,750.00
Sub-total		414,000.00
Completion Tangible		
8030.2000	TCC - WELLHEAD EQUIPMENT	54,337.50
Sub-total		54,337.50
Grand Total		9,228,055.25



COST ESTIMATE

PRINTED DATE : 1/8/2026

AFE Number:	Squeeze 2 State Com 8H	AFE TYPE: Drill and Complete
AFE Name:	PERMIAN RESOURCES	
Well Operator:		
Operator AFE #:		

Account	Description	Gross Est. (\$)
Drilling Intangible		
8015.1000	IDC - PERMITS,LICENSES,ETC	17,250.00
8015.1100	IDC - STAKING & SURVEYING	17,250.00
8015.1200	IDC - LEGAL, TITLE SERVICES	14,950.00
8015.1300	IDC - SURFACE DAMAGE / ROW	40,250.00
8015.1310	IDC - PERMANENT EASEMENT	13,800.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	109,968.75
8015.1500	IDC - RIG MOB / TRUCKING	114,306.41
8015.1600	IDC - RIG MOB / STANDBY RATE	39,560.00
8015.1700	IDC - DAYWORK CONTRACT	588,455.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	242,737.69
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	48,875.00
8015.2150	IDC - DRILL BIT	112,700.00
8015.2200	IDC - TOOLS, STABILIZERS	65,550.00
8015.2300	IDC - FUEL / POWER	122,309.69
8015.2350	IDC - Fuel / Mud	72,320.63
8015.2400	IDC - RIG WATER	20,125.00
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	192,831.37
8015.2700	IDC - INSPECTION, TESTING & REPAIR	42,550.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	278,415.00
8015.3100	IDC - CASING CREW & TOOLS	72,450.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	31,050.00
8015.3400	IDC - MATERIALS & SUPPLIES	5,750.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	22,540.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	63,293.13
8015.3700	IDC - DISPOSAL	122,481.90
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	14,375.00
8015.4100	IDC - RENTAL EQUIPMENT	80,500.00
8015.4200	IDC - MANCAMP	38,640.00
8015.4300	IDC - WELLSITE SUPERVISION	93,380.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	17,710.00
8015.5000	IDC - WELL CONTROL INSURANCE	8,855.00
8015.5200	IDC - CONTINGENCY	122,635.33
Sub-total		2,847,864.88
Flowback Intangible		
8040.1100	IFC - ROAD, LOCATIONS, PITS	2,300.00
8040.1899	IFC - FRAC WATER RECOVERY	395,735.40
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	9,200.00
8040.2900	IFC - FRAC FLOWBACK	155,250.00
8040.3400	IFC - RENTAL EQUIPMENT	11,500.00
8040.3420	IFC - TANK RENTALS	13,800.00
8040.3430	IFC - SURFACE PUMP RENTAL	13,800.00
8040.3500	IFC - WELLSITE SUPERVISION	13,800.00
8040.4000	IFC - CHEMICALS	16,100.00
Sub-total		631,485.40

COST ESTIMATE

PRINTED DATE : 1/8/2026

Account	Description	Gross Est. (\$)
Artificial Lift Intangible		
8060.1100	IAL - ROAD, LOCATIONS, PITS	2,300.00
8060.1200	IAL - WORKOVER RIG	23,000.00
8060.1210	IAL - SPOOLING SERVICES	11,500.00
8060.1900	IAL - INSPECTION & TESTING	3,450.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	5,750.00
8060.2010	IAL - KILL TRUCK	5,750.00
8060.2300	IAL - COMPLETION FLUIDS	5,750.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	17,250.00
8060.3400	IAL - RENTAL EQUIPMENT	17,250.00
8060.3410	IAL - LAYDOWN MACHINE	5,750.00
8060.3420	IAL - REVERSE UNIT RENTAL	5,750.00
8060.3500	IAL - WELLSITE SUPERVISION	11,500.00
Sub-total		115,000.00
Drilling Tangible		
8020.1100	TDC - CASING - SURFACE	105,747.17
8020.1200	TDC - CASING - INTERMEDIATE - 1	223,854.22
8020.1400	TDC - CASING - PRODUCTION	703,764.79
8020.1500	TDC - WELLHEAD EQUIPMENT	61,093.75
Sub-total		1,094,459.93
Pipeline		
8036.1300	PLN - SURFACE DAMAGE / ROW	410.71
8036.1310	PLN - PERMANENT EASEMENT	26,763.64
8036.1700	PLN- RENTALS	4,107.14
8036.2100	PLN - INSPECTION & TESTING	1,232.14
8036.2200	PLN - LABOR	73,600.00
8036.2400	PLN - SUPERVISION	821.43
8036.2800	PLN - FLOWLINE	55,200.00
8036.3200	PLN - VALVES FITTINGS & PIPE	11,500.00
Sub-total		173,635.06
Completion Intangible		
8025.1100	ICC - ROAD, LOCATIONS, PITS	12,075.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	44,045.00
8025.1500	ICC - FUEL / POWER	305,429.91
8025.1600	ICC - COILED TUBING	331,200.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	24,753.75
8025.2000	ICC - TRUCKING	16,531.25
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	318,478.13
8025.2300	ICC - COMPLETION FLUIDS	11,500.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	1,604,632.85
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	17,250.00
8025.3000	ICC - WATER HANDLING	240,952.38
8025.3050	ICC - SOURCE WATER	289,142.86
8025.3100	ICC - WELLHEAD/FRACTURE REPAIR	46,000.00
8025.3400	ICC - RENTAL EQUIPMENT	191,578.50
8025.3500	ICC - WELLSITE SUPERVISION	60,547.50

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MIDLAND, TX 79701

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PAGE : 2 of 3

COST ESTIMATE

PRINTED DATE : 1/8/2026

Account	Description	Gross Est. (\$)
8025.3600	ICC - SUPERVISION/ENGINEERING	5,750.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	17,250.00
8025.3800	ICC - OVERHEAD	11,500.00
Sub-total		3,548,617.12
Facilities		
8035.1300	FAC - SURFACE DAMAGE / ROW	410.71
8035.1310	FAC - PERMANENT EASEMENT	3,285.71
8035.1400	FAC - ROAD LOCATIONS PITS	24,642.86
8035.1500	FAC - MATERIALS & SUPPLIES	3,696.43
8035.1600	FAC - TRANSPORTATION TRUCKING	1,642.86
8035.1700	FAC - RENTAL EQUIPMENT	6,571.43
8035.1800	FAC - FUEL / POWER	3,285.71
8035.1900	FAC - WATER DISPOSAL / SWD	164.29
8035.2100	FAC - INSPECTION & TESTING	410.71
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	24,642.86
8035.2400	FAC - SUPERVISION	5,750.00
8035.2500	FAC - CONSULTING SERVICES	410.71
8035.2900	FAC - TANK BATTERY	36,964.29
8035.3000	FAC - HEATER TREATER/SEPARATOR	103,500.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	1,232.14
8035.3200	FAC - VALVES FITTINGS & PIPE	41,071.43
8035.3300	FAC - CIRCULATING TRANSFER PUMP	10,678.57
8035.3400	FAC - METER & LACT	6,571.43
8035.3500	FAC - COMPRESSOR	3,285.71
8035.3600	FAC - ELECTRICAL	28,750.00
8035.3700	FAC - COMM TELEMETRY & AUTOMAT	20,535.71
8035.3800	FAC - FLARE/COMBUSTER	13,142.86
8035.4000	FAC - SAFETY / ENVIRONMENTAL	328.57
8035.4400	FAC - COMPANY LABOR	410.71
8035.4500	FAC - CONTINGENCY	7,269.64
Sub-total		348,655.36
Artificial Lift Tangible		
8065.1100	TAL - TUBING	63,250.00
8065.1300	TAL - DOWNHOLE ARTIFICIAL LIFT EQPT	17,250.00
8065.1310	TAL - ESP EQUIPMENT/INSTALL	138,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	57,500.00
8065.2100	TAL - WELL SITE POWER EQUIPMENT/INSTALL	86,250.00
8065.2200	TAL - OHP INFRASTRUCTURE EQUIPMENT/INSTALL	23,000.00
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	17,250.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	5,750.00
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	5,750.00
Sub-total		414,000.00
Completion Tangible		
8030.2000	TCC - WELLHEAD EQUIPMENT	54,337.50
Sub-total		54,337.50
Grand Total		9,228,055.25

Contact Chronology

Devon	1/12/2026- Preorder Proposal sent
Marathon Oil Permian	2/17/2026- Preorder Proposal sent 3/5/2026- Landman from PR and COP (Marathon) had a call discussing the squeeze development plans and possible trade opportunities. 3/5/2026- PR let COP know a trade request would not be viable because they operate the requested acreage. 4/1/2026- PR sent COP information so they could evaluate a trade proposal. 4/8/2026- PR sent COP an email asking if they had any questions and COP responded saying they were almost done with their evaluation. 4/9/2026- PR presented a slighter altered version of the trade to try and make it more attractive for COP. 5/28/2026- COP said they were sorting out title on the acreage PR offered in the trade proposal. 6/10/2026- COP requested PR kick the Squeeze pooling case to continue negotiations. 6/22/2026- PR sent COP another trade proposal. 7/10/2026- COP asked for title information on acreage that was part of the latest trade proposal and PR provided that information. 8/20/2026- COP sent over a counter proposal. 8/21/2026- PR responded to the COPs counterproposal with some revisions. 8/21/2026- COP and PR had a phone call and COP requested the deal move in a different direction. 8/25/2026- PR sent a new offer to COP based on the phone call they had the last week and COP said they would start their evaluation.

Case No. 26169 - Earthstone Operating, LLC: Squeeze 2 State Com 6H, 7H, and 8H Wells		
Owner Name	Ownership Status (Committed or Uncommitted)	Type of Commitment (JOA, Signed Letter of Commitment, or Verbal Agreement)
Marathon Oil Permian, LLC	uncommitted	N/A
Devon Energy Production Company	uncommitted	N/A
Earthstone Operating, LLC	NA	NA

Earthstone Operating, LLC
Case No. 26169
Exhibit A-6

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

**APPLICATION OF EARTHSTONE OPERATING, LLC
FOR COMPULSORY POOLING, AND APPROVAL
OF OVERLAPPING SPACING UNIT, LEA COUNTY,
NEW MEXICO.**

CASE NO. 26169

**SELF-AFFIRMED STATEMENT
OF COLE HENDRICKSON**

1. I am a geologist with Permian Resources Operating, LLC (“Permian Resources”). Earthstone Operating, LLC (“Earthstone”) is a wholly owned subsidiary of Permian Resources. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as an expert in petroleum geology were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced case.

3. **Exhibit B-1** is a regional locator map that identifies the Squeeze project area, in proximity to the Capitan Reef within the Delaware Basin, for the First Bone Spring horizontal spacing unit that is the subject of this application.

4. **Exhibit B-2** is a cross section location map for the proposed horizontal spacing unit within the Bone Spring formation. The approximate wellbore paths for the proposed **Squeeze 2 State Com 6H, Squeeze 2 State Com 7H, and Squeeze 2 State Com 8H** wells (“Wells”) is represented by dashed green lines. Existing producing wells in the targeted interval are represented by solid green lines. This map identifies the cross-section running from A-A’ with the cross-section wells name and a black line in proximity to the proposed Wells.

5. **Exhibit B-3** is a Subsea Structure map of the First Bone Spring formation in TVD subsea with a contour interval of 100 ft. The map identifies the approximate wellbore paths for the

**Earthstone Operating, LLC
Case No. 26169
Exhibit B**

proposed Wells with dashed green lines. It also identifies the location of the cross-section running from A-A' in proximity to the proposed Wells. The data points are indicated by red triangles. The map demonstrates the formation is dipping to the south in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

6. **Exhibit B-4** identifies two wells penetrating the targeted interval, which I used to construct a stratigraphic cross-section from A to A'. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from north to south and is hung on the top of the Bone Spring formation. The proposed landing zones for the Wells are labeled on the exhibit. The approximate well-paths for the proposed Wells are indicated by dashed green lines to be drilled from south to north across the units. This cross-section demonstrates the target interval is continuous across the Unit.

7. **Exhibit B-5** is a gun barrel diagram that shows the proposed Wells in the First Bone Spring formation. The spacing unit is defined by a blue box and is labeled with the case number.

8. In my opinion, a standup orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.

9. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.

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

11. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

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



COLE HENDRICKSON

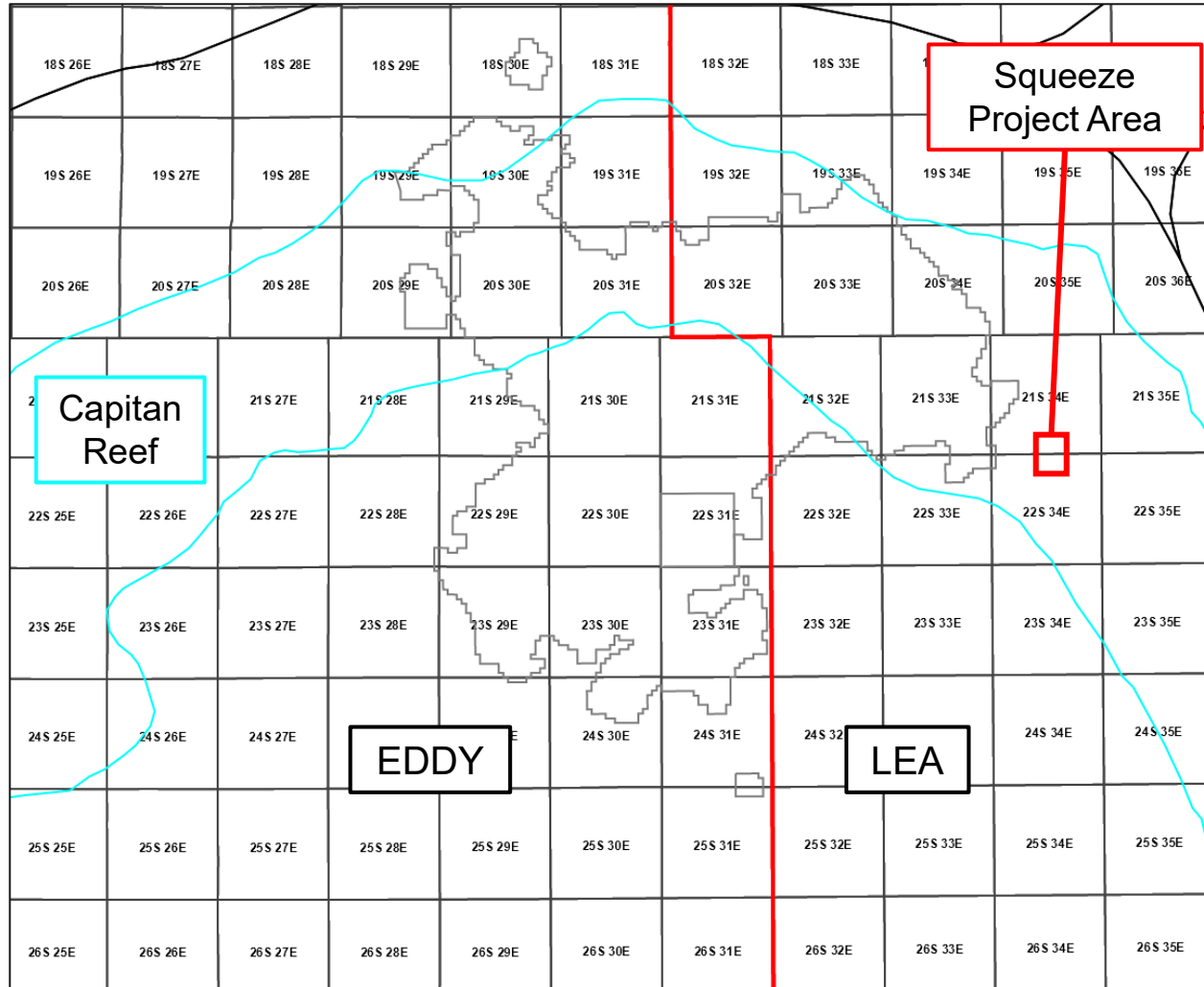
05/15/2026

DATE



Regional Locator Map

Squeeze 2 State Com



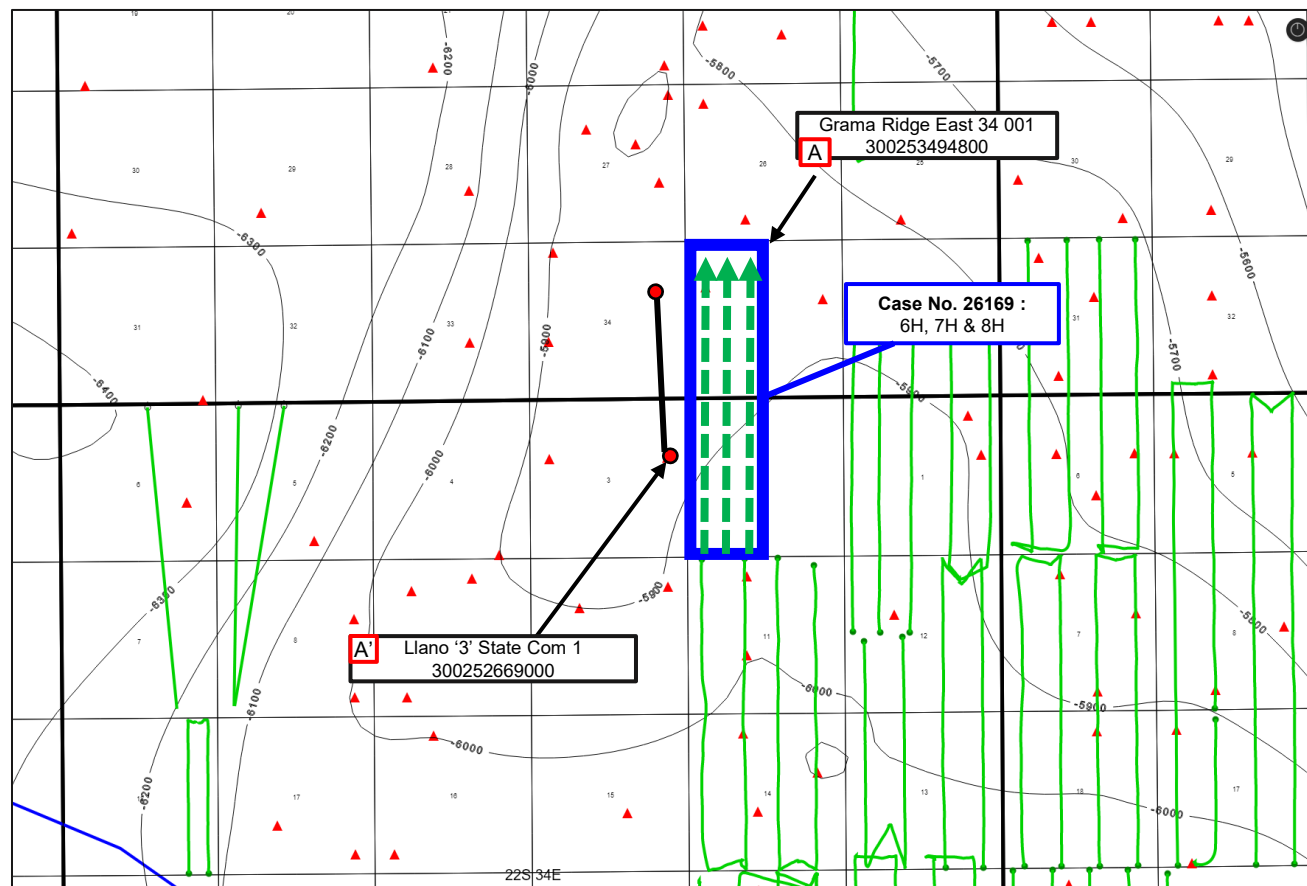
Case No. 26169
Exhibit B-2



FBSG Sand Structure Map

Squeeze 2 State Com

Earthstone Operating, LLC
Case No. 26169
Exhibit B-3



CI: 100'



Stratigraphic Cross-Section A-A'

Squeeze 2 State Com

North

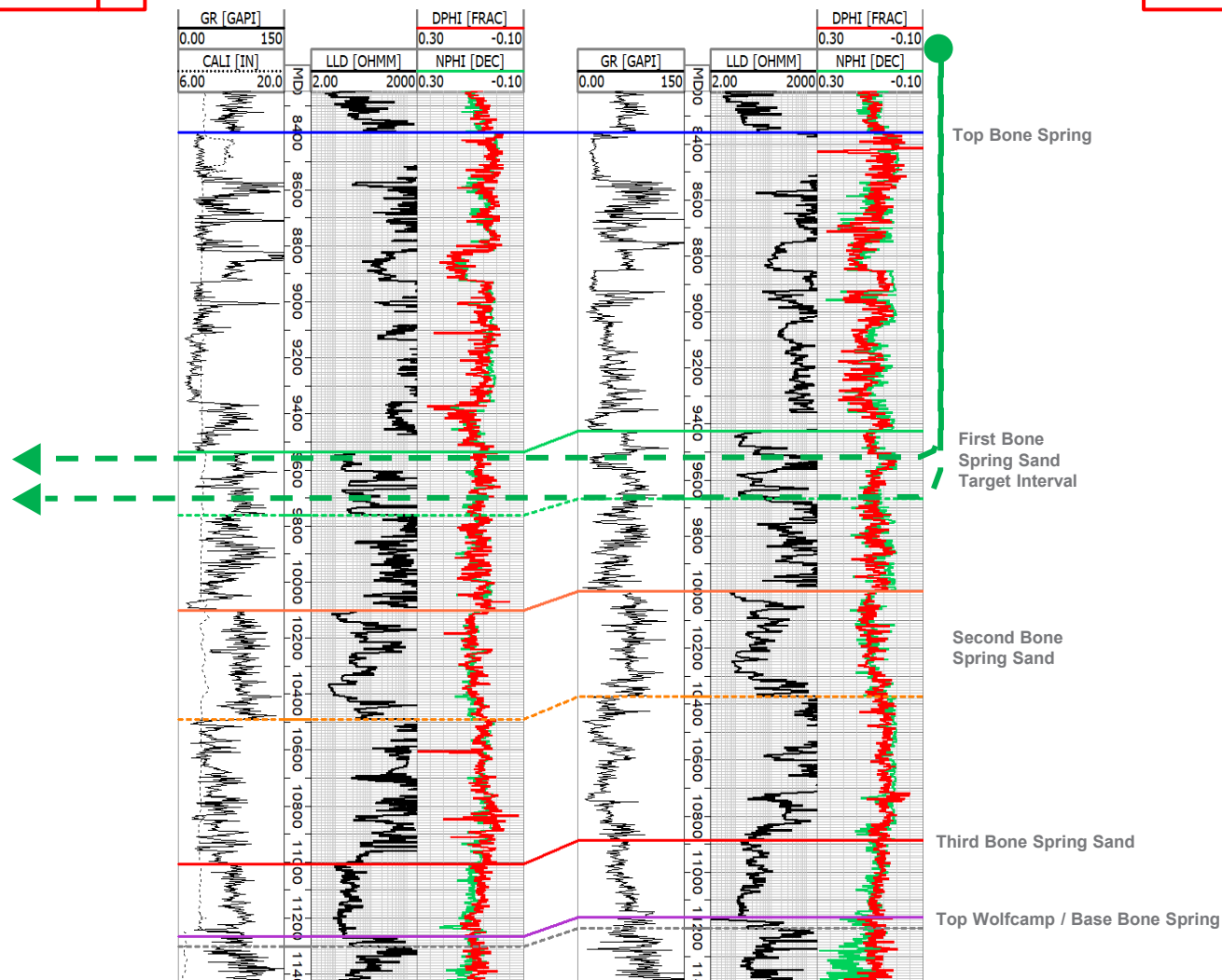
A

Grama Ridge East 34 001
300253494800

Llano '3' State Com 1
300252669000

South

A'

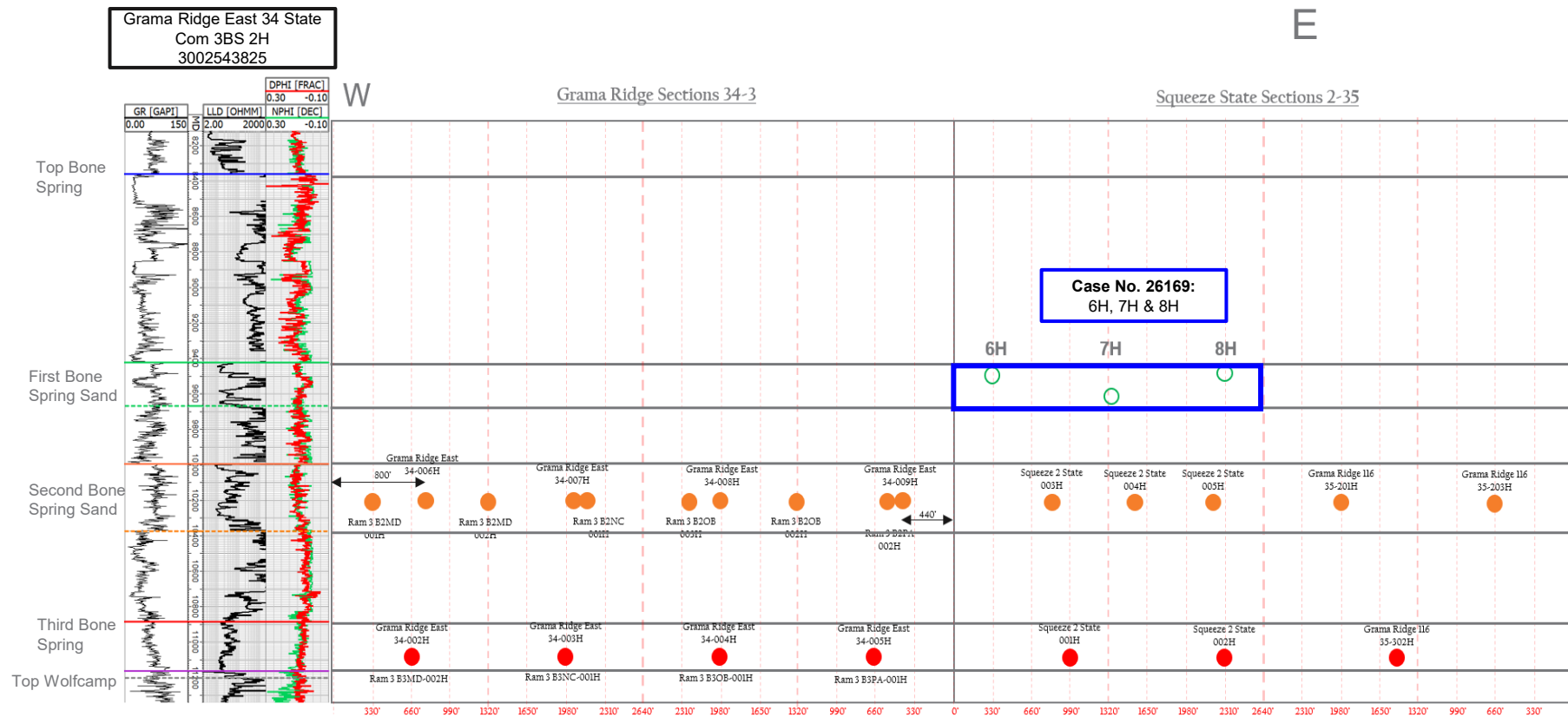
**Proposed Target**

FBSG Sand



Gun Barrel

Squeeze 2 State Com



Proposed Spacing Unit

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

**APPLICATION OF EARTHSTONE
OPERATING, LLC FOR COMPULSORY
POOLING, AND APPROVAL OF OVERLAPPING
SPACING UNIT, LEA COUNTY, NEW MEXICO.**

CASE NO. 26169

**SELF-AFFIRMED STATEMENT
OF JACLYN M. MCLEAN**

1. I am attorney in fact and authorized representative of Earthstone Operating, LLC the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit C-1**, and caused the Notice Letter, along with the Application in this case, to be sent to the parties listed in the Postal Delivery Report attached as **Exhibit C-2**.

3. Exhibit C-2 also provides the date the Notice Letter was sent, along with the delivery status of each.

4. Electronic return receipts are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.

5. On May 17, 2026, I caused a notice to be published in the Hobbs News-Sun. An Affidavit of Publication from the legal clerk of the Hobbs News-Sun along with a copy of the Notice Publication, is attached as **Exhibit C-4**.

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

/s/Jaclyn M. McLean
Jaclyn M. McLean

August 25, 2026
Date

**Earthstone Operating, LLC
Case No. 26169
Exhibit C**



May 11, 2026

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL PARTIES ENTITLED TO NOTICE

**Re: Case No. 26169 – Application of Earthstone Operating, LLC for
Compulsory Pooling, and Approval of an Overlapping Spacing Unit,
Lea County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **June 4, 2026**, beginning at 9:00 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. The hearing may be held only virtually at the discretion of the Division. To confirm the manner in which the hearing will be held, and to participate virtually, please visit the OCD Hearings website at the following link: <https://www.emnrd.nm.gov/oed/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days prior to the scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Tuesday preceding the scheduled hearing date. If you are not registered with the OCD's E-Permitting system, you must submit the statement via e-mail to oed.hearings@emnrd.nm.gov and should include: the names of the parties; whether or not the parties are represented by counsel; a concise statement of the case; the names of witnesses anticipated to be called to testify at the hearing; the approximate amount of time needed to present the case; and an identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Reagan Armstrong, Landman for Earthstone Operating, LLC at Reagan.Armstrong@permianres.com.

Sincerely,
/s/ Jaclyn M. McLean
Jaclyn M. McLean

125 Lincoln Avenue, Suite 223
Santa Fe, NM 87501
505-230-4410

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymclean.com

Earthstone Operating, LLC
Case No. 26169
Exhibit C-1

Postal Delivery Report
Earthstone Operating Squeeze - Case No. 26169

Recipient	Date Mailed	USPS Tracking	Date Received	Status
Devon Energy Production Co LP	5/11/2026	9414836208551300395930	5/26/2026	Delivered, Individual Picked Up at Postal Facility
Marathon Oil Permian LLC	5/11/2026	9414836208551300395947	5/19/2026	DELIVERED INDIVIDUAL PICKED UP AT PO MIDLAND, TX 79701

Earthstone Operating, LLC
Case No. 26169
Exhibit C-2



Proof of Delivery (Electronic)

Date: 5/20/2026

Client Name:

Certified with RR(E) item number 9414836208551300395947, addressed to Marathon Oil Permian LLC was designated DELIVERED INDIVIDUAL PICKED UP AT PO at 7:59 AM on May 19, 2026.

The item number, time, date, city, state, and zip code is a true extract of information provided by the United States Postal Service to SimpleCertifiedMail.com.

Marathon Oil Permian LLC
600 W Illinois
Midland , TX 79701
Reference #: PR Squeeze 26169
Item ID: PR Squeeze 26169

The above information is for the sole use of SimpleCertifiedMail.com clients and represents information provided by the United States Postal Service.

Earthstone Operating, LLC
Case No. 26169
Exhibit C-3



May 26, 2026

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:
9414 8362 0855 1300 3959 30.

Item Details

Status:	Delivered, Individual Picked Up at Postal Facility
Status Date / Time:	May 26, 2026, 10:00 am
Location:	OKLAHOMA CITY, OK 73102
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	DEVON ENERGY PRODUCTION CO LP

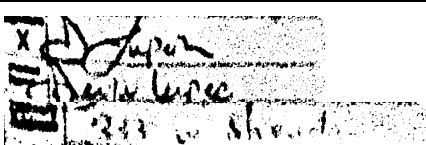
Shipment Details

Weight:

Recipient Signature

Signature of Recipient:

Address of Recipient:



Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,

United States Postal Service®
475 L'Enfant Plaza SW
Washington, D.C. 20260-0004

Devon Energy Production Co LP
333 W Sheridan Ave
Oklahoma City, OK 73102
Reference #: PR Squeeze 26169
Item ID: PR Squeeze 26169

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

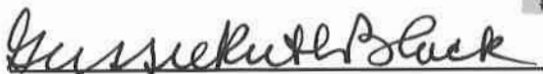
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
May 17, 2026
and ending with the issue dated
May 17, 2026.



Publisher

Sworn and subscribed to before me this
17th day of May 2026.



Business Manager

My commission expires

January 29, 2027
(Seal)

STATE OF NEW MEXICO

NOTARY PUBLIC

GUSSIE RUTH BLACK

COMMISSION # 1087526

COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL

LEGAL

LEGAL

LEGAL

LEGAL NOTICE
May 17, 2026

This is to notify all interested parties, including; Devon Energy Production LP; Marathon Oil Permian, LLC and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted by Earthstone Operating, LLC, ("Applicant") for Case No. 26169. The hearing will be conducted on June 4, 2026, in a hybrid fashion, both virtually and in person at the Energy, Minerals, and Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD website: <https://www.emnrd.nm.gov/oed/hearing-info/>. In Case No. 26169, Applicant seeks an order pooling all uncommitted interests in the First Bone Spring Interval of the Bone Spring formation, underlying a 644.37-acre, more or less, standard, overlapping horizontal spacing unit comprised of Lots 3 and 4, S/2 NW/4 and SW/4 of irregular Section 2, Township 22 South, Range 34 East, and the W/2 of Section 35, Township 21 South, Range 34 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): **Squeeze 2 State Com 6H** well, which will be drilled from a first take point located in the SW/4 SW/4 (Unit M) of irregular Section 2, Township 22 South, to a last take point in NW/4 NW/4 (Unit D) of Section 35, Township 21 South; and **Squeeze 2 State Com 7H** and **Squeeze 2 State Com 8H** wells, which will be drilled from a first take point located in the SE/4 SW/4 (Unit N) of irregular Section 2, Township 22 South, to a last take point in NE/4 NW/4 (Unit C) of Section 35, Township 21 South. The completed intervals of the Wells will be orthodox. The completed interval of the Squeeze 2 State Com 7H will be located within 330' of the quarter-quarter section line separating Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent), and Lot 3, SE/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2, and the W/2 W/2 and E/2 W/2 of Section 35 to allow for the creation of a 644.37-acre, standard, overlapping horizontal spacing unit. Earthstone only seeks to pool interests from the top of the First Bone Spring Interval of the Bone Spring formation, at a stratigraphic equivalent of approximately 9,667' TVD, to the base of the First Bone Spring Interval, at a stratigraphic equivalent of approximately 9,423' TVD, to the base of the 3 State Com #1 (API No. 30-025-26690) well log. The spacing unit for the Wells partially overlaps with the spacing units for the following wells, which produce from the Ojo Chiso; Bone Spring Pool (Code 96553): Squeeze 2 State Com #003H (API No. 30-025-49709) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East; Squeeze 2 State Com #004H (API No. 30-025-49710) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East; and Squeeze 2 State Com #005H (API No. 30-025-49711) dedicated to the W/2 of Section 2, Township 22 South, Range 34 East. Also to be considered will be the cost of drilling and completing the Wells, the allocation of the costs, the designation of Applicant as operator of the Wells and the Unit, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 16 miles southwest of Eunice, New Mexico.

#00311166

67118479

00311166

HARDY MCLEAN LLC
125 LINCOLN AVE, STE. 223
SANTA FE, NM 87501

Earthstone Operating, LLC
Case No. 26169
Exhibit C-4