

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING MARCH 04, 2021**

**CASE No. 21713**

*VINDICATOR CANYON STATE EXPLORATORY UNIT*

*LEA COUNTY, NEW MEXICO*



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

**APPLICATION OF MANZANO, LLC TO AMEND ORDER NO. R-21572 FOR  
APPROVAL OF THE EXPANSION OF THE VINDICATOR CANYON STATE  
EXPLORATORY UNIT, LEA COUNTY, NEW MEXICO.**

**CASE NO. 21713  
(Order R-21572, issued in Case 21463)**

**TABLE OF CONTENTS**

- Filed Application
  
- **Manzano Exhibit C:** Affidavit of Nick C. McClelland, Landman
  - Manzano Exhibit C-1: Final Approval Letter from NMSLO
  - Manzano Exhibit C-2: Revised Exhibit A - Revised Unit Area
  - Manzano Exhibit C-3: Revised Exhibit B – Ownership Breakdown
  - Manzano Exhibit C-4: Revised Exhibit C – State Land Tract Participation
  
- **Manzano Exhibit D:** Notice Affidavit
  
- **Manzano Exhibit E:** Affidavit of Publication

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

**APPLICATION OF MANZANO LLC  
TO AMEND ORDER NO. R-21572 FOR  
APPROVAL OF THE EXPANSION OF  
THE VINDICATOR CANYON STATE  
EXPLORATORY UNIT,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 21713  
ORDER NO. R-21572**

**APPLICATION**

Manzano LLC (OGRID No. 231429) (“Manzano”), through its undersigned attorneys, files this application with the Oil Conservation Division (“Division”) to amend Order No. R-21572 for approval of the expansion of the geographic area of the Vindicator Canyon State Exploratory Unit by approximately 960 acres. In support of this application, Manzano states:

1. The Division entered Order No. R-21572 approving the Vindicator Canyon State Exploratory Unit (the “Unit”) on January 26, 2021. Order No. R-21572 approved the Vindicator Unit Agreement and proposed Unit area, which consists of the following 6,000 acres of State land situated in Lea County (“Unit Area”):

**TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.**

Section 14: SW/4  
Section 15: ALL  
Section 20: W/2  
Section 23: S/2, NW/4  
Section 26: ALL  
Section 27: ALL  
Section 28: ALL  
Section 29: ALL  
Section 30: E/2  
Section 31: E/2 NE/4  
Section 32: N/2, SW/4  
Section 33: NE/4

Section 34: E/2 E/2

Section 35: ALL

2. The unitized interval for the Vindicator Canyon State Exploratory Unit is the Canyon formation, at the stratigraphic equivalent of the interval between 11,678 feet and 12,202 feet as found on the sonic log for the Deep Sparkling Muddler 15 State #1 well (API No. 30-025-22194) in Section 15, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

3. Manzano is the designated operator under the proposed Unit Agreement and this expansion request is made to comply with the request of the State Land Office to include the additional acreage.

4. The expansion area consists of approximately 960 acres comprised of the following State lands in Lea County, New Mexico (“Vindicator Expansion Area”):

**TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.**

Section 20: E/2

Section 22: ALL

5. The Unit Area will now consist of approximately 6,960 acres.
6. The Unitized Interval for the Vindicator Expansion Area remains the same.
7. The New Mexico State Land Office has requested this expansion in its final approval letter.
8. Approval of this Application is in the best interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, Manzano LLC requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on March 4, 2021, and that after notice and hearing the Division approve Manzano’s foregoing request to amend Order No. R-21572.

Respectfully submitted,

HOLLAND & HART LLP



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

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Kaitlyn A. Luck  
Post Office Box 2208  
Santa Fe, NM 87504  
505-998-4421  
505-983-6043 Facsimile  
mfeldewert@hollandhart.com  
arankin@hollandhart.com  
jbroggi@hollandhart.com  
kaluck@hollandhart.com

**ATTORNEYS FOR MANZANO LLC**

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

**APPLICATION OF MANZANO, LLC TO AMEND ORDER NO. R-21572 FOR  
APPROVAL OF THE EXPANSION OF THE VINDICATOR CANYON STATE  
EXPLORATORY UNIT, LEA COUNTY, NEW MEXICO.**

**CASE NO. 21713  
(Order R-21572, issued in Case 21463)**

**SECOND AFFIDAVIT OF NICK C. McCLELLAND, LANDMAN**

Nick C. McClelland, being of lawful age and duly sworn, states the following:

1. My name is Nick C. McClelland and I am employed by Manzano, LLC (“Manzano”) as a Landman. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters and my credentials have been accepted by the Division and made a matter of record.

2. I submitted an affidavit marked as Manzano Exhibit A in Case 21463 seeking approval of the Vindicator Canyon State Exploratory Unit (“Vindicator Unit”). Manzano also submitted a geologic study of the subject area as Exhibit B in Case 21463. I now submit this affidavit in support of expanding the unitized area as Manzano Exhibit C.

3. Since this application seeks the expansion of a voluntary unit, I do not expect any opposition at the hearing.

4. On January 26, 2021, the Division issued Order R-21572 approving the Vindicator Unit. As approved, the Vindicator Unit consisted of 6,000 acres of State land situated in Lea County.

5. Attached as Manzano **Exhibit C-1** is a copy of the final approval letter from the New Mexico State Land Office for the Vindicator Unit issued on February 1, 2021. This letter

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: Manzano LLC  
Hearing Date: March 04, 2021  
Case No. 21713**

requests that 960 acres comprised of the E/2 of Section 20 and all of Section 22 in Township 17 South, Range 36 East be added to the unitized area. The final approval letter further requests that a copy of the Division Order approving this expansion be provided to the State Land Office.

6. Attached as Manzano **Exhibit C-2** is a revised Exhibit A outlining the revised Unit Area with the addition of the E/2 of Section 20 and all of Section 22 and identifying the tracts of state land now committed to the Unit.

7. The expanded Vindicator Unit will now consist of approximately 6,960 acres comprising of the following state lands in Lea County:

**TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.**

Section 14: SW/4  
Section 15: ALL  
Section 20: ALL  
Section 22: ALL  
Section 23: S/2, NW/4  
Section 26: ALL  
Section 27: ALL  
Section 28: ALL  
Section 29: ALL  
Section 30: E/2  
Section 31: E/2 NE/4  
Section 32: N/2, SW/4  
Section 33: NE/4  
Section 34: E/2 E/2  
Section 35: ALL

8. **Manzano Exhibit C-3** contains the revised Exhibit B to the Unit Agreement identifying the ownership breakdown by tract for the committed and uncommitted working interest in the Unit Area. Manzano owns 21.650128% of the working interest in the proposed unit area and more than 99.77% of the working interest is committed to the expanded Vindicator Unit. There is one uncommitted working interest owner identified on the revised Exhibit B to the Unit Agreement and that owner has been provided notice of this hearing.



9. Manzano has sought the ratification of all overriding royalty interest owners to the Unit Agreement. The uncommitted working interest owner and any overriding royalty interest owner that does not ratify the Unit Agreement will be accounted for on a lease basis rather than a unit basis.

10. **Manzano Exhibit C-4** is a revised Exhibit C to the Unit Agreement that identifies the tract participation for the state lands now committed to the Vindicator Unit.

11. All other aspects of the Vindicator Unit and the governing Unit Agreement approved by Order R-21572 remain the same.

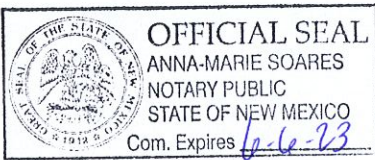
12. Manzano Exhibits C-1 through C-4 were prepared by me or compiled under my direction from company business records.

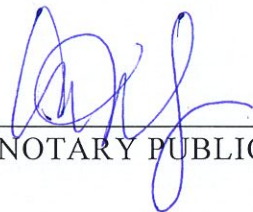
FURTHER AFFIANT SAYETH NAUGHT

  
\_\_\_\_\_  
NICK C. MCCLELLAND

STATE OF NEW MEXICO     )  
  )  
COUNTY OF CHAVES     )

SUBSCRIBED and SWORN to before me this 22<sup>nd</sup> day of February 2021 by Nick C. McClelland.



  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:  
6-6-23





**Stephanie Garcia Richard**  
COMMISSIONER

*State of New Mexico*  
**Commissioner of Public Lands**

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

**COMMISSIONER'S OFFICE**

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

February 1, 2021

Manzano, LLC  
Attn.: Mr. Nick C. McClelland  
PO Box 1737  
Roswell, NM 88202-1737

Re: Final Approval of Unit Agreement  
Vindicator Canyon State Unit  
Lea County, New Mexico

Dear Mr. McClelland:

This office is in receipt of your letter dated January 26, 2021 wherein you requested final approval for the Vindicator Canyon State Unit Agreement, Lea County, New Mexico.

The Commissioner of Public Lands has this date granted you final approval of the Vindicator Canyon State Unit Agreement, Lea County, New Mexico. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

The operator has agreed to spud the second well in the unit prior to March 26, 2021. All other drilling and environmental conditions outlined in the Preliminary Approval letter #2 dated December 29, 2020 are still in effect.

Enclosed are (5) Certificates of Approval.

Your \$1,200.00 filing fee has been received.

Please submit a commercial well determination for the initial well in the unit - Vindicator 15 State #1H (API No. 30-025-46513).

The E/2 of Section 20 and all of Section 22 in Township 17 South, Range 36 East will be added back to the unit boundary. Please provide a copy of the NMOCD Order adding these tracts back to the unit.

If you have any questions or if we may be of further assistance, please contact Units Manager Scott Dawson at 505.827.5791.

Respectfully,

A handwritten signature in blue ink that reads "Stephanie Garcia Richard /SS".

Stephanie Garcia Richard  
Commissioner of Public Lands

SGR/sd

cc: Reader File,  
NMOCD - Attention: Mr. Leonard Lowe  
SLO RMD - Attention: Ms. Billie Luther

**BEFORE THE OIL CONSERVATION DIVISION**

**Santa Fe, New Mexico**

**Exhibit No. C1**

**Submitted by: Manzano LLC**

**Hearing Date: March 04, 2021**

**Case No. 21713**

**NM State Land Office Post-Approval Checklist  
For Vindicator Canyon State Unit**

- Within 60 days after the effective date of the unit, spud the initial obligation well for the unit.
- Name all unit wells as "Unit Name Unit" wells.

After 6 months from first production of the initial well, submit to the Land Commissioner

- A "paying quantities" determination request.
- A unit plan of development.

Plans of development should include

1. Development and maintenance in the last 12 months and proposed in 2021, including new drilling, recompletions, workovers, P&As, and any other activities that may impact production;
  2. An aerial photo (preferred) or map that illustrates both current and planned infrastructure, such as well locations, tank batteries, gathering systems, and other facilities that may impact State Trust lands;
  3. A list of active wells (both active and inactive) in the unit with their API numbers; and
  4. Current and planned water uses, such as volume of produced water and disposal locations, fracturing water use, including volumes of fresh water, produced water, and storage ponds and methods of water transfer.
- File subsequent plans of development on a calendar year basis not later than March 1 each year.



**NEW MEXICO STATE LAND OFFICE**

**AMENDED CERTIFICATE OF APPROVAL**

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

MANZANO, LLC

VINDICATOR CANYON STATE UNIT AGREEMENT

LEA COUNTY, NEW MEXICO

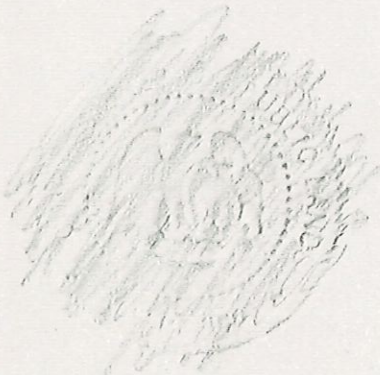
---

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Unit Agreement for the development and operation of acreage which is described within the referenced Agreement, dated February 1, 2020, which said Agreement has been executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes annotated, 1978 Compilation, I the undersigned Commissioner of Public Lands of the State of New Mexico, do hereby consent to and approve the said Agreement, however, such consent and approval being limited and restricted to such lands within the Unit Area, which are effectively committed to the Unit Agreement as of this date, and further, that leases insofar as the lands covered thereby committed to this Unit Agreement shall be and the same are hereby amended to conform with the terms of such Unit Agreement, and said leases shall remain in full force and effect in accordance with the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 1st day of February, 2021.



*Stephanie Garcia Richards/SS*

Commissioner of Public Lands  
Of the State of New Mexico



Exhibit A

Manzano, LLC

Vindicator Canyon State Exploratory Unit

6,960 Gross Acres

6,943.76 Committed Acres

January 25, 2021

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C2

Submitted by: Manzano LLC

Hearing Date: March 04, 2021

Case No. 21713

16

Manzano  
HBP

Manzano  
8-1-2022  
\$3750

15

2

1

3

Manzano  
\$4023  
1-1-2023

AEC  
2-1-2022

7

Manzano  
2-1-2022

6

Manzano  
12-1-2022

Manzano  
HBP

6-1-2025  
Manzano

8

10

6-1-2025  
Manzano

20

27

21

Unit Outline

Manzano  
HBP

22

4

Manzano  
HBP

5

19

Manzano  
3-1-2025  
\$639

Manzano  
3-1-2025  
\$1562

17

Manzano  
12-1-2022  
\$3033

15

Manzano  
12-1-2022  
\$4224

13

Manzano  
11-1-2022  
\$3422

Manzano  
11-1-2022  
\$1500

26

20

Manzano  
7-1-2024  
\$1256

18

Manzano  
12-1-2022  
\$4224

16

Manzano  
12-1-2022  
\$4224

14

11

12

19

Manz.  
5-1-2025  
\$203

Manzano  
12-1-2022  
\$2343

23

Manz.  
\$429  
5-1-25

26

Manz  
9-2022  
\$2600

Manzano  
12-1-202  
\$3515

21

31

Manzano  
12-1-2022  
\$1067

24

33

17S 36E

34

22

Manzano  
12-1-202  
\$3063

20

35

EXHIBIT "B" SCHEDULE OF OWNERSHIP  
 Within the VINDICATOR UNIT  
 Lea County, New Mexico

| TRACT NUMBER | DESCRIPTION OF LANDS   | GROSS ACRES | BASIC ROYALTY AND PERCENTAGE | SERIAL NUMBER AND EXPIRATION DATE             | LESSEE OF RECORD                           | WORKING INTEREST AND PERCENTAGE  | NET ACRES  |   |
|--------------|--|-------------|------------------------------|---|--|--|--|---|
| 1            | T17S-R36E, NMPM<br>Section 15<br>E/2<br>Lea County, NM                     | 320.00      | 20.000000%                   | State of New Mexico VC-0164-001<br>8/1/2022   | Manzano, LLC                               | Manzano Group A *  | 100.000000%  | 320.000000  |
| 2            | T17S-R36E, NMPM<br>Section 15<br>W/2<br>Lea County, NM                     | 320.00      | 20.000000%                   | State of New Mexico VC-0555<br>1/1/2024       | Manzano Energy<br>Partners III, LLC        | Manzano Group A *  | 100.000000%  | 320.000000  |
| 3            | T17S-R36E, NMPM<br>Section 14<br>SW/4<br>Lea County, NM                    | 160.00      | 20.000000%                   | State of New Mexico VC-0320<br>1/30/2023      | Manzano Energy<br>Partners III, LLC        | Manzano Group B*   | 100.000000%  | 160.000000  |
| 4            | T17S-R36E, NMPM<br>Section 22<br>N/2<br>Lea County, NM                     | 320.00      | 16.666700%                   | State of New Mexico VO-9002-0003<br>8/1/2016  | RCS-NM Energy, LLC                         | Manzano Group B*<br>Manzano Group C*<br>Manzano Group E* MOP<br>Manzano Group F* TSO | 31.007813%<br>13.125000%<br>22.346875%<br>33.520300% | 99.225000<br>42.000000<br>71.510000<br>107.265000 |
| 5            | T17S-R36E, NMPM<br>Section 22<br>S/2<br>Lea County, NM                     | 320.00      | 16.666700%                   | State of New Mexico VO-9138-0003<br>3/1/2017  | RCS-NM Energy, LLC                         | Manzano Group B*<br>Manzano Group C*<br>Manzano Group E* MOP<br>Manzano Group F* TSO | 5.906250%<br>2.500000%<br>36.637500%<br>54.956250%   | 18.900000<br>8.000000<br>117.240000<br>175.860000 |
| 6            | T17S-R36E, NMPM<br>Section 23<br>S/2<br>Lea County, NM                     | 320.00      | 18.750000%                   | State of New Mexico VB-2920<br>2/1/2022       | Featherstone<br>Development<br>Corporation | Manzano Group B*   | 100.000000%  | 320.000000  |
| 7            | T17S-R36E, NMPM<br>Section 23<br>NW/4<br>Lea County, NM                    | 160.00      | 18.750000%                   | State of New Mexico VB-2907<br>2/1/2017       | Slash Exporation, LP                       | Slash Exporation, LP   | 100.000000%  | 160.000000  |
| 8            | T17S-R36E, NMPM<br>Section 20<br>SE/4NE/4<br>Lea County, NM                | 40.00       | 20.000000%                   | State of New Mexico VC-0734<br>6/1/2020       | Manzano, LLC                               | Manzano Group A *  | 100.000000%  | 40.000000   |
| 9            | T17S-R36E, NMPM<br>Section 20<br>SE/4SW/4<br>Lea County, NM                | 40.00       | 20.000000%                   | State of New Mexico VC-0735<br>6/1/2020       | Manzano, LLC                               | Manzano Group A *  | 100.000000%  | 40.000000   |
| 10           | T17S-R36E, NMPM<br>Section 20<br>NW/4, N/2SW/4, SW/4SW/4<br>Lea County, NM | 280.00      | 20.000000%                   | State of New Mexico VC-0289<br>12/1/2022      | Manzano Energy<br>Partners III, LLC        | Manzano Group B*   | 100.000000%  | 280.000000  |
| 11           | T17S-R36E, NMPM<br>Section 26<br>W/2<br>Lea County, NM                     | 320.00      | 20.000000%                   | State of New Mexico VC-0278-0001<br>11/1/2022 | Manzano Energy<br>Partners III, LLC        | Manzano Group B*   | 100.000000%  | 320.000000  |

**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. C3**  
**Submitted by: Manzano LLC**  
**Hearing Date: March 04, 2021**  
**Case No. 21713**

EXHIBIT "B" SCHEDULE OF OWNERSHIP  
 Within the VINDICATOR UNIT  
 Lea County, New Mexico

| TRACT NUMBER | DESCRIPTION OF LANDS                                      | GROSS ACRES | BASIC ROYALTY AND PERCENTAGE | SERIAL NUMBER AND EXPIRATION DATE             | LESSEE OF RECORD                    | WORKING INTEREST AND PERCENTAGE | NET ACRES   |            |
|--------------|---|-------------|------------------------------|---|-------------------------------------|---------------------------------|-------------|------------|
| 12           | T175-R36E, NMPM<br>Section 26<br>E/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0267-0001<br>11/1/2022 | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 320.000000 |
| 13           | T175-R36E, NMPM<br>Section 27<br>N/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0290<br>12/1/2022      | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 320.000000 |
| 14           | T175-R36E, NMPM<br>Section 27<br>S/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0291<br>12/1/2022      | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 320.000000 |
| 15           | T175-R36E, NMPM<br>Section 28<br>N/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0302<br>12/1/2022      | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 320.000000 |
| 16           | T175-R36E, NMPM<br>Section 28<br>S/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0292<br>12/1/2022      | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 320.000000 |
| 17           | T175-R36E, NMPM<br>Section 29<br>S/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0632<br>7/1/2024       | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 320.000000 |
| 18           | T175-R36E, NMPM<br>Section 29<br>N/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0698<br>3/1/2025       | Manzano, LLC                        | Manzano Group A *               | 100.000000% | 320.000000 |
| 19           | T175-R36E, NMPM<br>Section 30<br>E/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0699<br>3/1/2025       | Manzano, LLC                        | Manzano Group A *               | 100.000000% | 320.000000 |
| 20           | T175-R36E, NMPM<br>Section 35<br>S/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0304<br>12/1/2022      | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 320.000000 |
| 21           | T175-R36E, NMPM<br>Section 35<br>N/2<br>Lea County, NM    | 320.00      | 20.000000%                   | State of New Mexico VC-0294<br>12/1/2022      | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 320.000000 |
| 22           | T175-R36E, NMPM<br>Section 34<br>E/2E/2<br>Lea County, NM | 160.00      | 20.000000%                   | State of New Mexico VC-0218<br>9/1/2022       | Manzano Energy<br>Partners III, LLC | Manzano Group B*                | 100.000000% | 160.000000 |

EXHIBIT "B" SCHEDULE OF OWNERSHIP  
 Within the VINDICATOR UNIT  
 Lea County, New Mexico

| TRACT NUMBER                           | DESCRIPTION OF LANDS   | GROSS ACRES  | BASIC ROYALTY AND PERCENTAGE | SERIAL NUMBER AND EXPIRATION DATE               | LESSEE OF RECORD                    | WORKING INTEREST AND PERCENTAGE    | NET ACRES  |
|--|--|--------------|------------------------------|---|-------------------------------------|------------------------------------|------------|
| 23                                     | T17S-R36E, NMPM<br>Section 32<br>N/2<br>Lea County, NM                           | 320.00       | 20.000000%                   | State of New Mexico VC-0293<br>12/1/2022        | Manzano Energy<br>Partners III, LLC | Manzano Group B*<br>100.000000%    | 320.000000 |
| 24                                     | T17S-R36E, NMPM<br>Section 32<br>SW/4<br>Lea County, NM                          | 160.00       | 20.000000%                   | State of New Mexico VC-0303<br>12/1/2022        | Manzano Energy<br>Partners III, LLC | Manzano Group B*<br>100.000000%    | 160.000000 |
| 25                                     | T17S-R36E, NMPM<br>Section 31<br>E/2NE/4<br>Lea County, NM                       | 80.00        | 20.000000%                   | State of New Mexico - VC-0722<br>5/1/2020       | Manzano, LLC                        | Manzano Group A *<br>100.000000%   | 80.000000  |
| 26                                     | T17S-R36E, NMPM<br>Section 33<br>NE/4<br>Lea County, NM                          | 160.00       | 20.000000%                   | State of New Mexico - VC-0723<br>5/1/2020       | Manzano, LLC                        | Manzano Group A *<br>100.000000%   | 160.000000 |
| 27                                     | T17S-R36E, NMPM<br>Section 20<br>E/2, Save and except SE/4NE/4<br>Lea County, NM | 280.00       | 12.500000%                   | State of New Mexico - E-7586-0006<br>11/17/1953 | Oxy USA, LP                         | Manzano Group D *<br>94.201600%    | 263.764480 |
| <b><u>UNCOMMITTED STATE LEASES</u></b> |  |              |                              |   |                                     |                                    |            |
| 27                                     | T17S-R36E, NMPM<br>Section 20<br>E/2, Save and except SENE<br>Lea County, NM     | 280.00       | 12.500000%                   | State of New Mexico E-7586-0006<br>11/17/1953   | Oxy USA, LP                         | Klabzuba Oil & Gas, A<br>5.798400% | 16.235520  |
| <b>RECAPITULATION</b>                  |  |              |                              |   |                                     |                                    |            |
|  |  | 6,943.764480 |                              | Acres of Committed State Lands                  |                                     |                                    |            |
|  |  | -            |                              | Acres of Fee Lands                              |                                     |                                    |            |
|  |  | 16.235520    |                              | Acres of Uncommitted State Lands                |                                     |                                    |            |
|  | <b>TOTAL</b>   |              |                              | 6,960.000000                                    |                                     |                                    |            |



Exhibit "B" SCHEDULE OF OWNERSHIP - Manzano Groups  
 Within the VINDICATOR UNIT  
 Lea County, New Mexico

| Manzano Group A   |                   |                     |
|---|-------------------|---------------------|
| Owner/Entity  | WI                | NET ACRES           |
| Manzano Energy Partners III, LLC                        | 17.000000%        | 272.000000          |
| Hanson Operating Company, Inc.                          | 11.000000%        | 176.000000          |
| Shabro Energy, LLC                                      | 10.000000%        | 160.000000          |
| Abo Petroleum, LLC                                      | 5.000000%         | 80.000000           |
| Yates Energy Corporation                                | 5.000000%         | 80.000000           |
| David Petroleum Corporation                             | 4.000000%         | 64.000000           |
| Hanagan Petroleum Corporation                           | 3.750000%         | 60.000000           |
| Tamara Development, LLC                                 | 3.000000%         | 48.000000           |
| Hutchings Oil Company                                   | 2.500000%         | 40.000000           |
| Worrall Investment Corporation                          | 2.000000%         | 32.000000           |
| Scott Winn, LLC   | 2.000000%         | 32.000000           |
| Richard J. Forrest, Jr. & Susan Forrest Revocable Trust | 2.000000%         | 32.000000           |
| JAY III, LLC  | 2.000000%         | 32.000000           |
| Ruidoso Downs Racing, Inc.                              | 2.000000%         | 32.000000           |
| Babe Development, LLC                                   | 2.000000%         | 32.000000           |
| McBride Minerals, LLC                                   | 1.000000%         | 16.000000           |
| SOI, LLC  | 1.500000%         | 24.000000           |
| Bane Bigbie, Inc  | 1.000000%         | 16.000000           |
| Hat Mesa, LLC   | 1.000000%         | 16.000000           |
| Centennial, LLC   | 1.000000%         | 16.000000           |
| Scott Investment Corporation                            | 1.000000%         | 16.000000           |
| JTD Resources, LLC                                      | 1.000000%         | 16.000000           |
| Axis Energy Corporation                                 | 1.000000%         | 16.000000           |
| Cathryn Isabella Fenn Trust                             | 1.000000%         | 16.000000           |
| Warren, Inc.  | 1.000000%         | 16.000000           |
| Warren Associates                                       | 1.000000%         | 16.000000           |
| SCW Interiors, Inc.                                     | 0.500000%         | 8.000000            |
| Wade Petroleum Corporation                              | 0.500000%         | 8.000000            |
| Ernest Angelo, Jr.                                      | 0.500000%         | 8.000000            |
| Discovery Exploration                                   | 0.500000%         | 8.000000            |
| Ganaway Oil, LLC  | 0.250000%         | 4.000000            |
| John Thompson   | 0.250000%         | 4.000000            |
| Bowtie Slash Energy, Inc.                               | 0.250000%         | 4.000000            |
| <b>TOTAL</b>  | <b>87.500000%</b> | <b>1,400.000000</b> |

| Manzano Group B   |                    |                  |
|---|--------------------|------------------|
| Owner/Entity  | WI                 | NET ACRES        |
| Manzano Energy Partners III, LLC                        | 22.995109%         | 1,011.353638     |
| Hanson Operating Company, Inc.                          | 16.210900%         | 713.318194       |
| Shabro Energy, LLC                                      | 10.000000%         | 439.812500       |
| Abo Petroleum, LLC                                      | 5.000000%          | 219.906250       |
| Yates Energy Corporation                                | 5.000000%          | 219.906250       |
| David Petroleum Corporation                             | 2.000000%          | 87.962500        |
| Hanagan Petroleum Corporation                           | 5.000000%          | 219.906250       |
| Tamara Development, LLC                                 | -                  | -                |
| Hutchings Oil Company                                   | -                  | -                |
| Worrall Investment Corporation                          | 2.666700%          | 117.284799       |
| Scott Winn, LLC   | 2.000000%          | 87.962500        |
| Richard J. Forrest, Jr. & Susan Forrest Revocable Trust | 2.666700%          | 117.284799       |
| JAY III, LLC  | 2.000000%          | 87.962500        |
| Ruidoso Downs Racing, Inc.                              | 2.666700%          | 117.284799       |
| Babe Development, LLC                                   | 3.757300%          | 165.074826       |
| McBride Minerals, LLC                                   | 1.333300%          | 58.640201        |
| SOI, LLC  | 1.500000%          | 65.971875        |
| Bane Bigbie, Inc  | -                  | -                |
| Hat Mesa, LLC   | -                  | -                |
| Centennial, LLC   | 1.000000%          | 43.981250        |
| Scott Investment Corporation                            | 1.333300%          | 58.640201        |
| JTD Resources, LLC                                      | 1.333300%          | 58.640201        |
| Axis Energy Corporation                                 | -                  | -                |
| Cathryn Isabella Fenn Trust                             | -                  | -                |
| Warren, Inc.  | 1.000000%          | 43.981250        |
| Warren Associates                                       | 1.000000%          | 43.981250        |
| SCW Interiors, Inc.                                     | -                  | -                |
| Wade Petroleum Corporation                              | -                  | -                |
| Ernest Angelo, Jr.                                      | 0.666700%          | 29.322299        |
| Discovery Exploration                                   | 0.666700%          | 29.322299        |
| Ganaway Oil, LLC  | 0.333300%          | 14.658951        |
| John Thompson   | 0.333300%          | 14.658951        |
| Bowtie Slash Energy, Inc.                               | 0.333300%          | 14.658951        |
| Joyco Investments, LLC                                  | 3.104600%          | 136.544189       |
| CLM Production Company                                  | 0.094700%          | 4.165024         |
| JOY Holdings, LLC                                       | 3.000000%          | 131.943750       |
| SR Primo Holdings, LLC                                  | 0.333300%          | 14.658951        |
| Scott Exploration                                       | 0.666700%          | 29.322299        |
| <b>TOTAL</b>  | <b>100.000000%</b> | <b>4,398.125</b> |

| Manzano Group C   |                    |                   |
|---|--------------------|-------------------|
| Owner/Entity  | WI                 | NET ACRES         |
| Manzano Energy Partners III, LLC                        | 21.844088%         | 10,922,844        |
| Hanson Operating Company, Inc.                          | 14.234409%         | 7,117,205         |
| Shabro Energy, LLC                                      | 10.000000%         | 5,000,000         |
| Abo Petroleum, LLC                                      | 6.424731%          | 3,212,366         |
| Yates Energy Corporation                                | -                  | -                 |
| David Petroleum Corporation                             | 4.000000%          | 2,000,000         |
| Hanagan Petroleum Corporation                           | 4.818548%          | 2,409,274         |
| Tamara Development, LLC                                 | 3.854839%          | 1,927,420         |
| Hutchings Oil Company                                   | 3.212366%          | 1,606,183         |
| Worrall Investment Corporation                          | 2.569892%          | 1,284,946         |
| Scott Winn, LLC   | 2.569892%          | 1,284,946         |
| Richard J. Forrest, Jr. & Susan Forrest Revocable Trust | 2.569892%          | 1,284,946         |
| JAY III, LLC  | 2.569892%          | 1,284,946         |
| Ruidoso Downs Racing, Inc.                              | 2.403226%          | 1,201,613         |
| Babe Development, LLC                                   | 2.569892%          | 1,284,946         |
| McBride Minerals, LLC                                   | 1.284946%          | 642,473           |
| SOI, LLC  | 1.927419%          | 963,710           |
| Bane Bigbie, Inc  | 1.000000%          | 500,000           |
| Hat Mesa, LLC   | 1.284946%          | 642,473           |
| Centennial, LLC   | 1.284946%          | 642,473           |
| Scott Investment Corporation                            | 1.284946%          | 642,473           |
| JTD Resources, LLC                                      | 1.000000%          | 500,000           |
| Axis Energy Corporation                                 | 1.000000%          | 500,000           |
| Cathryn Isabella Fenn Trust                             | 1.000000%          | 500,000           |
| Warren, Inc.  | 1.000000%          | 500,000           |
| Warren Associates                                       | 1.000000%          | 500,000           |
| SCW Interiors, Inc.                                     | 0.642473%          | 321,237           |
| Wade Petroleum Corporation                              | 0.500000%          | 250,000           |
| Ernest Angelo, Jr.                                      | 0.642473%          | 321,237           |
| Discovery Exploration                                   | 0.642473%          | 321,237           |
| Ganaway Oil, LLC  | 0.321237%          | 160,619           |
| John Thompson   | 0.321237%          | 160,619           |
| Bowtie Slash Energy, Inc.                               | 0.321237%          | 160,619           |
| <b>TOTAL</b>  | <b>100.000000%</b> | <b>50,000,000</b> |

| Manzano Group D   |                    |                    |
|---|--------------------|--------------------|
| Owner/Entity  | WI                 | NET ACRES          |
| Manzano Energy Partners III, LLC                        | 21.892858%         | 10,922,844         |
| Hanson Operating Company, Inc.                          | 12.571429%         | 6,285,714          |
| Shabro Energy, LLC                                      | 10.000000%         | 5,000,000          |
| Abo Petroleum, LLC                                      | 5.714286%          | 2,857,143          |
| Yates Energy Corporation                                | 5.714286%          | 2,857,143          |
| David Petroleum Corporation                             | 4.000000%          | 2,000,000          |
| Hanagan Petroleum Corporation                           | 4.818548%          | 2,409,274          |
| Tamara Development, LLC                                 | 3.428571%          | 1,714,286          |
| Hutchings Oil Company                                   | 2.857143%          | 1,428,571          |
| Worrall Investment Corporation                          | 2.285714%          | 1,142,857          |
| Scott Winn, LLC   | 2.285714%          | 1,142,857          |
| Richard J. Forrest, Jr. & Susan Forrest Revocable Trust | 2.285714%          | 1,142,857          |
| JAY III, LLC  | 2.285714%          | 1,142,857          |
| Ruidoso Downs Racing, Inc.                              | 2.285714%          | 1,142,857          |
| Babe Development, LLC                                   | 2.285714%          | 1,142,857          |
| McBride Minerals, LLC                                   | 1.142857%          | 571,429            |
| SOI, LLC  | 1.714286%          | 857,143            |
| Bane Bigbie, Inc  | 1.000000%          | 500,000            |
| Hat Mesa, LLC   | 1.142857%          | 571,429            |
| Centennial, LLC   | 1.142857%          | 571,429            |
| Scott Investment Corporation                            | 1.142857%          | 571,429            |
| JTD Resources, LLC                                      | 1.142857%          | 571,429            |
| Axis Energy Corporation                                 | 1.000000%          | 500,000            |
| Cathryn Isabella Fenn Trust                             | 1.142857%          | 571,429            |
| Warren, Inc.  | 1.000000%          | 500,000            |
| Warren Associates                                       | 1.000000%          | 500,000            |
| SCW Interiors, Inc.                                     | 0.571429%          | 285,714            |
| Wade Petroleum Corporation                              | 0.571429%          | 285,714            |
| Ernest Angelo, Jr.                                      | 0.571429%          | 285,714            |
| Discovery Exploration                                   | 0.571429%          | 285,714            |
| Ganaway Oil, LLC  | 0.285714%          | 142,857            |
| John Thompson   | 0.285714%          | 142,857            |
| Bowtie Slash Energy, Inc.                               | 0.285714%          | 142,857            |
| <b>TOTAL</b>  | <b>100.000000%</b> | <b>263,764,480</b> |

| Manzano Group E   |                    |                    |
|---|--------------------|--------------------|
| Owner/Entity  | WI                 | NET ACRES          |
| Manzano Energy Partners III, LLC                        | 22.000000%         | 41,250,000         |
| Hanson Operating Company, Inc.                          | 12.571429%         | 23,728,571         |
| Shabro Energy, LLC                                      | 10.000000%         | 18,875,000         |
| Abo Petroleum, LLC                                      | 5.714286%          | 10,785,714         |
| Yates Energy Corporation                                | 5.714286%          | 10,785,714         |
| David Petroleum Corporation                             | 4.000000%          | 7,500,000          |
| Hanagan Petroleum Corporation                           | 4.285714%          | 8,500,000          |
| Tamara Development, LLC                                 | 3.428571%          | 6,471,429          |
| Hutchings Oil Company                                   | 2.857143%          | 5,392,857          |
| Worrall Investment Corporation                          | 2.285714%          | 4,314,286          |
| Scott Winn, LLC   | 2.285714%          | 4,314,286          |
| Richard J. Forrest, Jr. & Susan Forrest Revocable Trust | 2.285714%          | 4,314,286          |
| JAY III, LLC  | 2.285714%          | 4,314,286          |
| Ruidoso Downs Racing, Inc.                              | 2.285714%          | 4,314,286          |
| Babe Development, LLC                                   | 2.285714%          | 4,314,286          |
| McBride Minerals, LLC                                   | 1.142857%          | 2,157,143          |
| SOI, LLC  | 1.714286%          | 3,235,715          |
| Bane Bigbie, Inc  | 1.000000%          | 1,887,500          |
| Hat Mesa, LLC   | 1.142857%          | 2,157,143          |
| Centennial, LLC   | 1.142857%          | 2,157,143          |
| Scott Investment Corporation                            | 1.142857%          | 2,157,143          |
| JTD Resources, LLC                                      | 1.142857%          | 2,157,143          |
| Axis Energy Corporation                                 | 1.000000%          | 1,887,500          |
| Cathryn Isabella Fenn Trust                             | 1.142857%          | 2,157,143          |
| Warren, Inc.  | 1.000000%          | 1,887,500          |
| Warren Associates                                       | 1.000000%          | 1,887,500          |
| SCW Interiors, Inc.                                     | 0.571429%          | 1,078,571          |
| Wade Petroleum Corporation                              | 0.571429%          | 1,078,571          |
| Ernest Angelo, Jr.                                      | 0.571429%          | 1,078,571          |
| Discovery Exploration                                   | 0.571429%          | 1,078,571          |
| Ganaway Oil, LLC  | 0.285714%          | 539,286            |
| John Thompson   | 0.285714%          | 539,286            |
| Bowtie Slash Energy, Inc.                               | 0.285714%          | 539,286            |
| <b>TOTAL</b>  | <b>100.000000%</b> | <b>188,750,000</b> |

| Manzano Group F   |                    |                    |
|---|--------------------|--------------------|
| Owner/Entity  | WI                 | NET ACRES          |
| Manzano Energy Partners III, LLC                        | 22.724490%         | 109,787,692        |
| Hanson Operating Company, Inc.                          | 14.703492%         | 71,039,096         |
| Shabro Energy, LLC                                      | 10.000000%         | 698,376,448        |
| Abo Petroleum, LLC                                      | 5.000000%          | 24,156,250         |
| Yates Energy Corporation                                | 5.000000%          | 24,156,250         |
| David Petroleum Corporation                             | 4.000000%          | 19,132,800         |
| Hanagan Petroleum Corporation                           | 5.012755%          | 24,217,873         |
| Tamara Development, LLC                                 | 0.000000%          | -                  |
| Hutchings Oil Company                                   | 3.341837%          | 16,445,250         |
| Worrall Investment Corporation                          | 2.673469%          | 12,916,197         |
| Scott Winn, LLC   | 2.000000%          | 9,662,500          |
| Richard J. Forrest, Jr. & Susan Forrest Revocable Trust | 2.673469%          | 12,916,197         |
| JAY III, LLC  | 2.000000%          | 9,662,500          |
| Ruidoso Downs Racing, Inc.                              | 2.673469%          | 12,916,197         |
| Babe Development, LLC                                   | 2.673469%          | 12,916,197         |
| McBride Minerals, LLC                                   | 1.336735%          | 6,458,101          |
| SOI, LLC  | 1.900000%          | 7,246,875          |
| Bane Bigbie, Inc  | 0.000000%          | -                  |
| Hat Mesa, LLC   | 1.336735%          | 6,458,101          |
| Centennial, LLC   | 1.000000%          | 4,831,250          |
| Scott Investment Corporation                            | 1.336735%          | 6,458,101          |
| JTD Resources, LLC                                      | 1.336735%          | 6,458,101          |
| Axis Energy Corporation                                 | 1.336735%          | 6,458,101          |
| Cathryn Isabella Fenn Trust                             | 1.000000%          | 4,831,250          |
| Warren, Inc.  | 1.000000%          | 4,831,250          |
| Warren Associates                                       | 1.000000%          | 4,831,250          |
| SCW Interiors, Inc.                                     | 0.668367%          | 3,229,048          |
| Wade Petroleum Corporation                              | 0.668367%          | 3,229,048          |
| Ernest Angelo, Jr.                                      | 0.500000%          | 2,415,625          |
| Discovery Exploration                                   | 0.500000%          | 2,415,625          |
| Ganaway Oil, LLC  | 0.334184%          | 1,614,526          |
| John Thompson   | 0.334184%          | 1,614,526          |
| Bowtie Slash Energy, Inc.                               | 0.334184%          | 1,614,526          |
| <b>TOTAL</b>  | <b>100.000000%</b> | <b>483,125,000</b> |

| Vindicator Canyon State Unit                            |                    |                    |
|---|--------------------|--------------------|
| Owner/Entity  | Unit Net Acres     | Unit Ownership     |
| Manzano Energy Partners III, LLC                        | 1,503.339597       | 21.650128%         |
| Hanson Operating Company, Inc.                          | 1,023.327300       | 14.751724%         |
| Shabro Energy, LLC                                      | 698.376448         | 10.057605%         |
| Abo Petroleum, LLC                                      | 353.132837         | 5.086116%          |
| Yates Energy Corporation                                | 349.920471         | 5.039348%          |
| David Petroleum Corporation                             | 191.380709         | 2.756258%          |
| Hanagan Petroleum Corporation                           | 325.926873         | 4.693806%          |
| Tamara Development, LLC                                 | 64.442201          | 0.942466%          |
| Hutchings Oil Company                                   | 70.680419          | 1.017899%          |
| Worrall Investment Corporation                          | 173.829130         | 2.503384%          |
| Scott Winn, LLC   | 141.253132         | 2.034244%          |
| Richard J. Forrest, Jr. & Susan Forrest Revocable Trust | 173.829130         | 2.503384%          |
| JAY III, LLC  | 141.253133         | 2.034244%          |
| Ruidoso Downs Racing, Inc.                              | 173.745797         | 2.503184%          |
| Babe Development, LLC                                   | 221.619156         | 3.191628%          |
| McBride Minerals, LLC                                   | 86.912368          | 1.251661%          |
| SOI, LLC  | 105.939852         | 1.526838%          |
| Bane Bigbie, Inc  | 21.025145          | 0.302792%          |
| Hat Mesa, LLC   | 28.272168          | 0.407159%          |
| Centennial, LLC   | 70.626567          | 1.017122%          |
| Scott Investment Corporation                            | 86.912368          | 1.251661%          |
| JTD Resources, LLC                                      | 86.769895          | 1.249669%          |
| Axis Energy Corporation                                 | 27.868052          | 0.401224%          |
| Cathryn Isabella Fenn Trust                             | 26.502843          | 0.381678%          |
| Warren, Inc.  | 69.837645          | 1.005761%          |
| Warren Associates                                       | 69.837645          | 1.005761%          |
| SCW Interiors, Inc.                                     | 14.136083          | 0.203580%          |
| Wade Petroleum Corporation                              | 14.064846          | 0.202544%          |
| Ernest Angelo, Jr.                                      | 42.644959          | 0.614148%          |
| Discovery Exploration                                   | 42.644959          | 0.614148%          |
| Ganaway Oil, LLC  | 21.726993          | 0.312899%          |
| John Thompson   | 21.632792          | 0.311542%          |
| Bowtie Slash Energy, Inc.                               | 21.726993          | 0.312899%          |
| Joyco Investments, LLC                                  | 136.544189         | 1.966429%          |
| CLM Production Company                                  | 4.165024           | 0.059982%          |
| JOY Holdings, LLC                                       | 131.943750         | 1.900176%          |
| SR Primo Holdings, LLC                                  | 14.658951          | 0.211101%          |
| Scott Exploration                                       | 29.322299          | 0.422828%          |
| Slash Exploration LP                                    | 160.000000         | 2.304225%          |
| <b>TOTAL</b>  | <b>6,943.76488</b> | <b>100.000000%</b> |

| Section    | ALL      | NET ACRES |
|------------|----------|-----------|
| Section 15 | ALL      | 560       |
| Section 33 | NE/4     | 140       |
| Section 20 | SE/4NE/4 | 35        |
| Section 29 | SE/4SW/4 | 35        |
| Section 29 | N/2      | 280       |
| Section 30 | E/2      | 280       |
| Section 31 | E/2NE/4  | 70        |
| Section 22 |          | 1,400     |
| Section 23 |          |           |
| Section 26 |          |           |
| Section 27 |          |           |
| Section 28 |          |           |
| Section 29 |          |           |
| Section 32 |          |           |
| Section 34 |          |           |
| Section 35 |          |           |

| Section    | Net Acres                |
|------------|--------------------------|
| Section 14 | NW/4 160.000             |
| Section 22 | W/2, Except SESW 280.000 |
| Section 22 | N/2 99.225               |
| Section 22 | S/2 18.900               |
| Section 23 | S/2 320.000              |
| Section 26 | ALL 640.000              |
| Section 27 | ALL 640.000              |
| Section 28 | ALL 640.000              |
| Section 29 | S/2 320.000              |
| Section 32 | N/2, SW/4 480.000        |
| Section 34 | E/2E/2 160.000           |
| Section 35 | ALL 640.000              |
|            | 4,398.125                |

| Section    | Net Acres |
|------------|-----------|
| Section 22 | N/2 42    |
| Section 22 | S/2 8     |

| Section    | Net Acres                   |
|------------|-----------------------------|
| Section 20 | E/2, Except SENE 263.764480 |

| Section | Net Acres |
|---------|-----------|
| Section |           |

Exhibit C - Schedule of Tract Participation  
Vindicator State Unit

| TRACT NUMBER | DESCRIPTION OF LANDS   | ACRES      | Tract Participation | State Royalty | State Royalty % of Tract Participation |
|--------------|--|------------|---------------------|---------------|--|
| 1            | T17S-R36E, NMPM<br>Section 15<br>E/2<br>Lea County, NM                     | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 2            | T17S-R36E, NMPM<br>Section 15<br>W/2<br>Lea County, NM                     | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 3            | T17S-R36E, NMPM<br>Section 14<br>SW/4<br>Lea County, NM                    | 160.000000 | 2.304226%           | 20.000000%    | 0.460845%                              |
| 4            | T17S-R36E, NMPM<br>Section 22<br>N/2<br>Lea County, NM                     | 320.000000 | 4.608451%           | 16.666700%    | 0.768077%                              |
| 5            | T17S-R36E, NMPM<br>Section 22<br>S/2<br>Lea County, NM                     | 320.000000 | 4.608451%           | 16.666700%    | 0.768077%                              |
| 6            | T17S-R36E, NMPM<br>Section 23<br>S/2<br>Lea County, NM                     | 320.000000 | 4.608451%           | 18.750000%    | 0.864085%                              |
| 7            | T17S-R36E, NMPM<br>Section 23<br>NW/4<br>Lea County, NM                    | 160.000000 | 2.304226%           | 18.750000%    | 0.432042%                              |
| 8            | T17S-R36E, NMPM<br>Section 20<br>SE/4NE/4<br>Lea County, NM                | 40.000000  | 0.576056%           | 20.000000%    | 0.115211%                              |
| 9            | T17S-R36E, NMPM<br>Section 20<br>SE/4SW/4<br>Lea County, NM                | 40.000000  | 0.576056%           | 20.000000%    | 0.115211%                              |
| 10           | T17S-R36E, NMPM<br>Section 20<br>NW/4, N/2SW/4, SW/4SW/4<br>Lea County, NM | 280.000000 | 4.032395%           | 20.000000%    | 0.806479%                              |

**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. C4**  
**Submitted by: Manzano LLC**  
**Hearing Date: March 04, 2021**  
**Case No. 21713**

Exhibit C - Schedule of Tract Participation  
Vindicator State Unit

| TRACT NUMBER | DESCRIPTION OF LANDS                                   | ACRES      | Tract Participation | State Royalty | State Royalty % of Tract Participation |
|--------------|--|------------|---------------------|---------------|--|
| 11           | T17S-R36E, NMPM<br>Section 26<br>W/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 12           | T17S-R36E, NMPM<br>Section 26<br>E/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 13           | T17S-R36E, NMPM<br>Section 27<br>N/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 14           | T17S-R36E, NMPM<br>Section 27<br>S/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 15           | T17S-R36E, NMPM<br>Section 28<br>N/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 16           | T17S-R36E, NMPM<br>Section 28<br>S/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 17           | T17S-R36E, NMPM<br>Section 29<br>S/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 18           | T17S-R36E, NMPM<br>Section 29<br>N/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 19           | T17S-R36E, NMPM<br>Section 30<br>E/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |
| 20           | T17S-R36E, NMPM<br>Section 35<br>S/2<br>Lea County, NM | 320.000000 | 4.608451%           | 20.000000%    | 0.921690%                              |

Exhibit C - Schedule of Tract Participation  
Vindicator State Unit

| TRACT NUMBER | DESCRIPTION OF LANDS  | ACRES       | Tract Participation | State Royalty | State Royalty % of Tract Participation |
|--------------|---|-------------|---------------------|---------------|--|
| 21           | T17S-R36E, NMPPM<br>Section 35<br>N/2<br>Lea County, NM                                   | 320.000000  | 4.608451%           | 20.000000%    | 0.921690%                              |
| 22           | T17S-R36E, NMPPM<br>Section 34<br>E/2E/2<br>Lea County, NM                                | 160.000000  | 2.304226%           | 20.000000%    | 0.460845%                              |
| 23           | T17S-R36E, NMPPM<br>Section 32<br>N/2<br>Lea County, NM                                   | 320.000000  | 4.608451%           | 20.000000%    | 0.921690%                              |
| 24           | T17S-R36E, NMPPM<br>Section 32<br>SW/4<br>Lea County, NM                                  | 160.000000  | 2.304226%           | 20.000000%    | 0.460845%                              |
| 25           | T17S-R36E, NMPPM<br>Section 31<br>E/2NE/4<br>Lea County, NM                               | 80.000000   | 1.152113%           | 20.000000%    | 0.230423%                              |
| 26           | T17S-R36E, NMPPM<br>Section 33<br>NE/4<br>Lea County, NM                                  | 160.000000  | 2.304226%           | 20.000000%    | 0.460845%                              |
| 27           | T17S-R36E, NMPPM<br>Section 20<br>E/2, Save and except, the<br>SE/4NE/4<br>Lea County, NM | 263.764480  | 3.798580%           | 12.500000%    | 0.474823%                              |
|              | TOTAL   | 6943.764480 | 100.000000%         |               |  |
|              |   |             |                     |               | Pooled State Royalty                   |
|              |   |             |                     |               | 19.321471%                             |
|              |   |             |                     |               | Unit NRI                               |
|              |   |             |                     |               | 80.678529%                             |

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

**APPLICATION OF MANZANO, LLC TO AMEND ORDER NO. R-21572 FOR  
APPROVAL OF THE EXPANSION OF THE VINDICATOR CANYON STATE  
EXPLORATORY UNIT, LEA COUNTY, NEW MEXICO.**

**CASE NO. 21713  
(Order R-21572, issued in Case 21463)**

**AFFIDAVIT**

STATE OF NEW MEXICO    )  
  ) ss.  
COUNTY OF SANTA FE    )

Michael H. Feldewert, attorney in fact and authorized representative Manzano LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.



Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 2nd day of March, 2021 by Michael H. Feldewert.

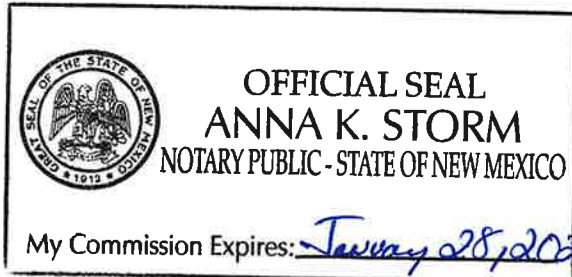


Notary Public

My Commission Expires:

January 28, 2023

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Manzano LLC  
Hearing Date: March 04, 2021  
Case No. 21713



Manzano - Vindicator Unit expansion  
Case No. 21713 postal delivery report

| TrackingNo             | ToName  | DeliveryAddress         | City       | State | Zip        | USPS_Status  |
|------------------------|---|-------------------------|------------|-------|------------|--|
| 9414811898765894807296 | BTA Oil Producers, LLC, ATTN Rex Barker                               | 104 S Pecos St          | Midland    | TX    | 79701-5021 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.          |
| 9414811898765894807241 | Klabzuba Oil and Gas, a Family Limited Partnership, Attn Jennifer Yun | 100 Lexington St Ste 50 | Fort Worth | TX    | 76102-2742 | Your item was delivered to the front desk, reception area, or mail room at 1:03 pm on February 18, 2021 in FORT WORTH, TX 76102. |

# 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  
February 18, 2021  
and ending with the issue dated  
February 18, 2021.



Publisher

Sworn and subscribed to before me this  
18th day of February 2021.



Business Manager

My commission expires

January 29, 2023

(Seal)



OFFICIAL SEAL  
GUSSIE BLACK  
Notary Public  
State of New Mexico  
My Commission Expires 1-29-23

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

LEGAL NOTICE  
February 18, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, March 4, 2020, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than February 24, 2020.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e763994e77d637822c931514e935e4679>  
Event number: 187 632 8177  
Event password: MphPR6mkH36

Join by video: 1876328177@nmemnrd.webex.com  
Numeric Password: 998341  
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free  
Access code: 187 632 8177.

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

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

To: All pooled parties, including: BTA Oil Producers, LLC and Klazuba Oil and Gas, a Family Limited Partnership.

Case No. 21713: Application of Manzano LLC to Amend Order No. R-21572 for Approval of the Expansion of the Vindicator Canyon State Exploratory Unit, Lea County, New Mexico. Applicant seeks to amend Order No. R-21572 for approval to expand the geographic area of the Vindicator Canyon State Exploratory Unit area by approximately 960 acres of State land. Said Unit currently consists of approximately 6,000 acres of the following State lands, in Lea County, New Mexico:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.  
Section 14: SW/4  
Section 15: ALL  
Section 20: W/2  
TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.  
Section 20: E/2  
Section 22: ALL

The total Unit acreage will now be approximately 6,960 acres, and the unitized interval for the expanded Vindicator Unit will remain the Canyon formation, at the stratigraphic equivalent of the interval between 11,678 feet and 12,202 feet as found on the sonic log for the Deep Sparkling Muddler 15 State #1 well (API No. 30-025-22194) in Section 15, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico. The Vindicator Canyon State Exploratory Unit is approximately 15 miles northwest of Hobbs, New Mexico.  
#36198

07100754

00251156

HOLLAND & HART LLC  
PO BOX 2208  
SANTA FE,, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. E  
Submitted by: Manzano LLC  
Hearing Date: March 04, 2021  
Case No. 21713