

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

**APPLICATION OF STEWARD ENERGY II, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 21758

**STEWARD ENERGY II, LLC'S
HEARING EXHIBITS**

Compulsory Pooling Checklist

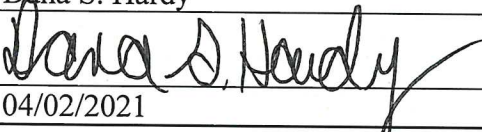
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| Exhibit A | Self-Affirmed Statement of Taylor Warren |
| A-1 | Application & Proposed Notice of Hearing |
| A-2 | C-102(s) |
| A-3 | Plat of Tracts, Tract Ownership, |
| A-4 | Pooled Party, Unit Recapitulation |
| A-5 | Sample Well Proposal Letter & AFE(s) |
| A-6 | Summary of Communications |
| A-7 | Hearing Notice Letter and Return Receipts |
| A-8 | Affidavit of Publication |
| Exhibit B | Self-Affirmed Statement of C.J. Lipinski |
| B-1 | Location Map, Structure Map, Gunbarrel Schematic |
| B-2 | Cross Section |

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21758	APPLICANT'S RESPONSE
Date	April 8, 2021
Applicant	Steward Energy II, LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID # 371682
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Steward Energy II, LLC for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	N/A
Well Family	Babineaux
Formation/Pool	
Formation Name(s) or Vertical Extent:	San Andres
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	San Andres
Pool Name and Pool Code:	Bronco; San Andres, South Pool (7500)
Well Location Setback Rules:	Statewide
Spacing Unit Size:	~320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	~320 acres
Building Blocks:	Quarter-quarter
Orientation:	Standup
Description: TRS/County	E/2 of Section 15, Township 13 South, Range 38 East in Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	The completed interval for the proposed well will be within 330' of the quarter-quarter line separating the E/2E/2 from the W/2E/2 of Section 15.
Proximity Defining Well: if yes, description	Babineaux Fee #2H well
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name (API [if assigned]); Surface hole location; Bottom hole location; Completion target (TVD); Orientation, Completion status (standard or non-standard).	
Well #1	Babineaux Fee #2H (API # Pending) SHL: 341' FNL, 146' FEL, Unit A, 22-13S-38E BHL: 100' FNL & 1,310' FEL, Unit A, 15-13S-38E Completion Target: San Andres formation (Approx. 5500' TVD)

	Completion status: Standard
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-5
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	6,500
Production Supervision/Month \$	650
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-8
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates in Proposal Letter	N/A
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-1
Well Orientation (with rationale)	Exhibit B
Target Formation	San Andres
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-4

General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-1
Cross Section (including Landing Zone)	Exhibit B-2
Additional Information	
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):	
Date:	04/02/2021

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

APPLICATION OF STEWARD ENERGY II, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

Case No. 21758

SELF-AFFIRMED STATEMENT
OF TAYLOR WARREN

1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.

2. I am the Land Manager at Steward Energy II, LLC (“Steward”). I had direct involvement with Steward’s development of the acreage that is the subject of Steward’s application in this case. A copy of the application and proposed notice are attached as **Exhibit A-1**.

3. I have previously testified before the Division, and my qualifications as an expert in petroleum land matters were accepted.

4. None of the parties proposed to be pooled in these cases indicated opposition to this proceeding, therefore I do not expect any opposition at hearing.

A. Proposed Well(s) and HSU

5. Steward seeks an order pooling all uncommitted interests in the San Andres formation underlying a standard 320-acre, more or less, horizontal spacing unit (“HSU”) comprised of the E/2 of Section 15, Township 13 South, Range 38 East in Lea County, New Mexico.

Steward Energy
II, LLC
Case No. 21758

Exhibit A

6. The HSU will be dedicated to the Babineaux Fee #2H well, which will be horizontally drilled from a surface location in Unit A of Section 22 to a bottom hole location in Unit A of Section 15, Township 13 South, Range 38 East..

7. The proposed well is located in the Bronco; San Andres, South Pool, Code 7500. The primary product in the pool is oil.

8. The completed interval for the proposed well will be within 330' of the quarter-quarter line separating the E/2E/2 from the W/2E/2 of Section 15 to allow inclusion of this acreage into a standard 320-acre HSU.

9. The C-102 for the proposed well is attached as **Exhibit A-2**.

B. Ownership Determination

10. **Exhibit A-3** includes a plat of the tracts included in the HSU and identifies Steward's ownership interest in each tract. The leases are fee leases.

11. **Exhibit A-4** identifies the ownership interests and pooled parties in each tract and includes a recapitulation.

12. There are no unlocatable parties to be pooled.

13. There are no depth severances in the San Andres formation in the proposed HSU.

14. Steward has the right to pool any overriding royalty owners in the HSU.

C. Joinder

15. A sample well proposal letter and AFE for the proposed well is attached as **Exhibit A-5**.

16. In my opinion, Steward made a diligent effort to reach agreement with the non-joined parties as indicated by the Chronology of Contact in **Exhibit A-6**.

17. Steward has conducted a diligent search of all public records in Lea County, including phone directories and computer databases.

18. All interest owners Steward seeks to pool are locatable.

19. In my opinion, Steward has made a good faith effort to obtain the voluntary joinder of uncommitted interests in the proposed well.

D. Notice of Hearing

21. Notice of Steward's application and the Division hearing was provided to the uncommitted interests by certified mail more than 20 days prior to the hearing date. A sample of the notice letter and the associated green cards are attached as **Exhibit A-7**.

22. Notice of Steward's application and the Division hearing was published more than ten business days prior to the hearing date. The affidavit of publication is attached as **Exhibit A-8**.

E. Drilling and Operating Costs

23. The AFEs for the proposed well are included in **Exhibit A-5**. The estimated cost of the well is fair and reasonable and is comparable to the cost of other wells of similar depth and length drilled in Lea County.

24. Steward requests overhead and administrative rates of \$6,500 per month while the well is being drilled and \$650 per month while the well is producing. These rates are fair and are comparable to the rates charged by Steward and by other operators in the vicinity. Steward further requests that the rates be adjusted periodically in accordance with the COPAS Accounting Procedure.

25. Steward requests that it be designated the operator of the well.

26. Steward also requests that a 200% risk charge be assessed against the uncommitted interests if they are non-consenting working interest owners.

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

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

29. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 28 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.



Taylor Warren

04/01/2021

Date

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

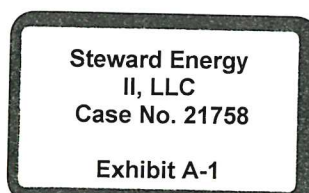
**APPLICATION OF STEWARD ENERGY II, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 21758

APPLICATION

Pursuant to NMSA § 70-2-17, Steward Energy II, LLC (“Steward”) applies for an order pooling all uncommitted mineral interests in the San Andres formation in a 320-acre, more or less, standard (proximity tract) horizontal spacing unit comprised of the E/2 of Section 15, Township 13 South, Range 38 East in Lea County, New Mexico. In support of its Application, Steward states the following.

1. Steward (OGRID No. 371682) is a working interest owner in the proposed spacing unit and has the right to drill thereon.
2. The horizontal spacing unit will be dedicated to the Babineaux Fee #2H well, which will be horizontally drilled from a surface location in Unit A of Section 22 to a bottom hole location in Unit A of Section 15, Township 13 South, Range 38 East.
3. The completed interval of the well will be orthodox.
4. Steward has undertaken diligent, good-faith efforts to obtain voluntary agreements from all mineral interest owners within the horizontal spacing unit to participate in the drilling of the well but has been unable to obtain voluntary agreements from all of the mineral interest owners.
5. The pooling of all uncommitted mineral interests in the San Andres formation underlying the proposed horizontal spacing unit will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.



6. In order to allow Steward to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the subject spacing unit should be pooled and Steward should be designated the operator of the proposed horizontal well and spacing unit.

WHEREFORE, Steward requests that this Application be set for hearing on April 8, 2021 and that, after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted mineral interests in the proposed horizontal spacing unit;
- B. Designating Steward as the operator of the well;
- C. Authorizing Steward to recover its costs of drilling, equipping, and completing the well and allocating the costs among the well's working interest owners;
- D. Approving the actual operating charges and costs of supervision during drilling and after completion, together with a provision for adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Imposing a 200% penalty for the risk assumed by Steward in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

Counsel for Steward Energy II, LLC

Application of Steward Energy II, LLC for compulsory pooling, Lea County, New Mexico.

Applicant seeks an order pooling all uncommitted mineral interests in the San Andres formation in a 320-acre, more or less, standard (proximity tract) horizontal spacing unit comprised of the E/2 of Section 15, Township 13 South, Range 38 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the Babineaux Fee #2H well, which will be horizontally drilled from a surface location in Unit A of Section 22 to a bottom hole location in Unit A of Section 15, Township 13 South, Range 38 East. The completed interval of the well will be orthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Steward Energy II, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well location is approximately fourteen (14) miles east of McDonald, New Mexico.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 7500	³ Pool Name BRONCO; SAN ANDRES, SOUTH
⁴ Property Code	⁵ Property Name BABINEAUX FEE	⁶ Well Number 2H
⁷ OGRID No. 371682	⁸ Operator Name STEWARD ENERGY II, LLC	⁹ Elevation 3802'

¹⁰ Surface Location

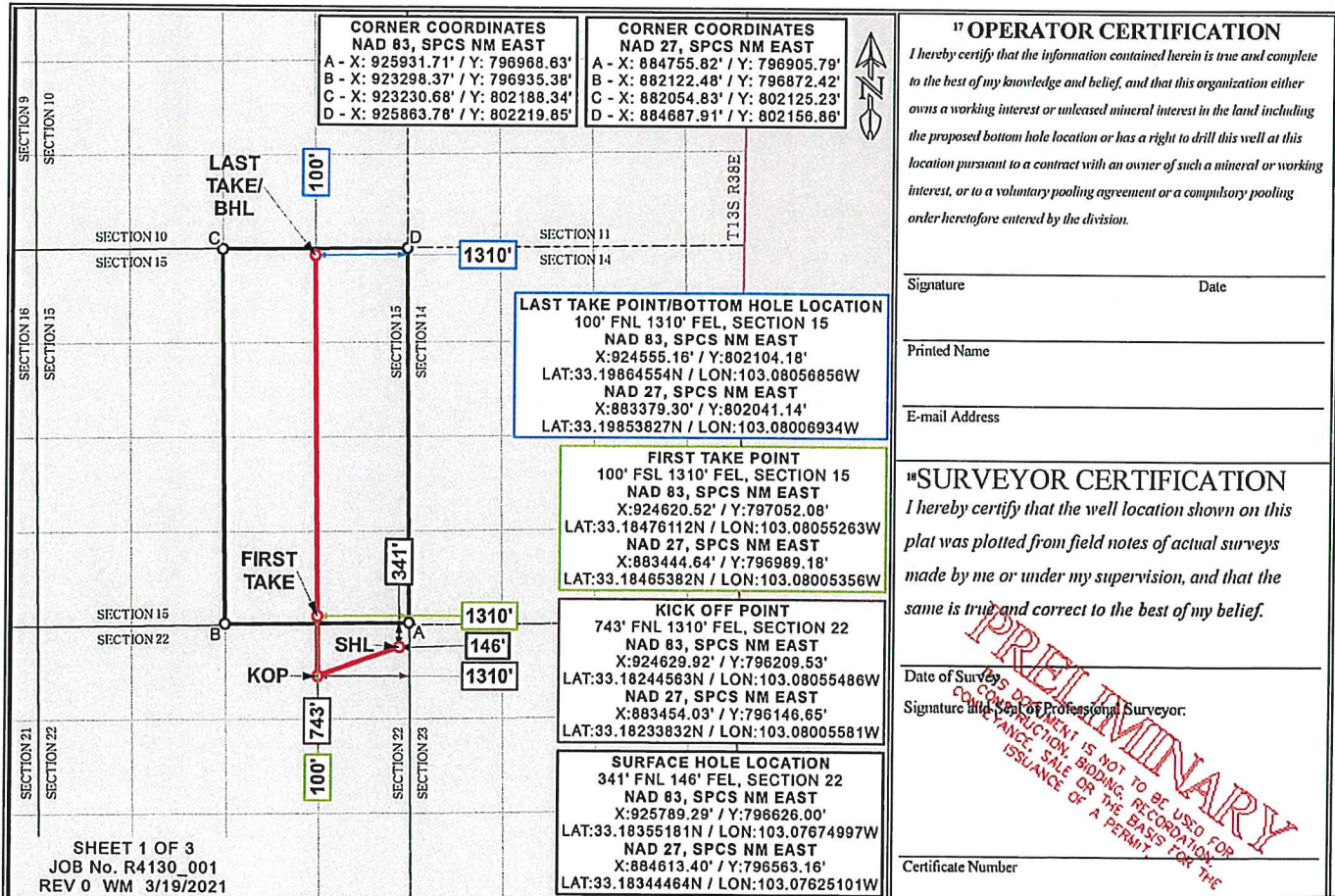
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	22	13S	38E		341	NORTH	146	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	13S	38E		100	NORTH	1310	EAST	LEA

¹² Dedicated Acres 320.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

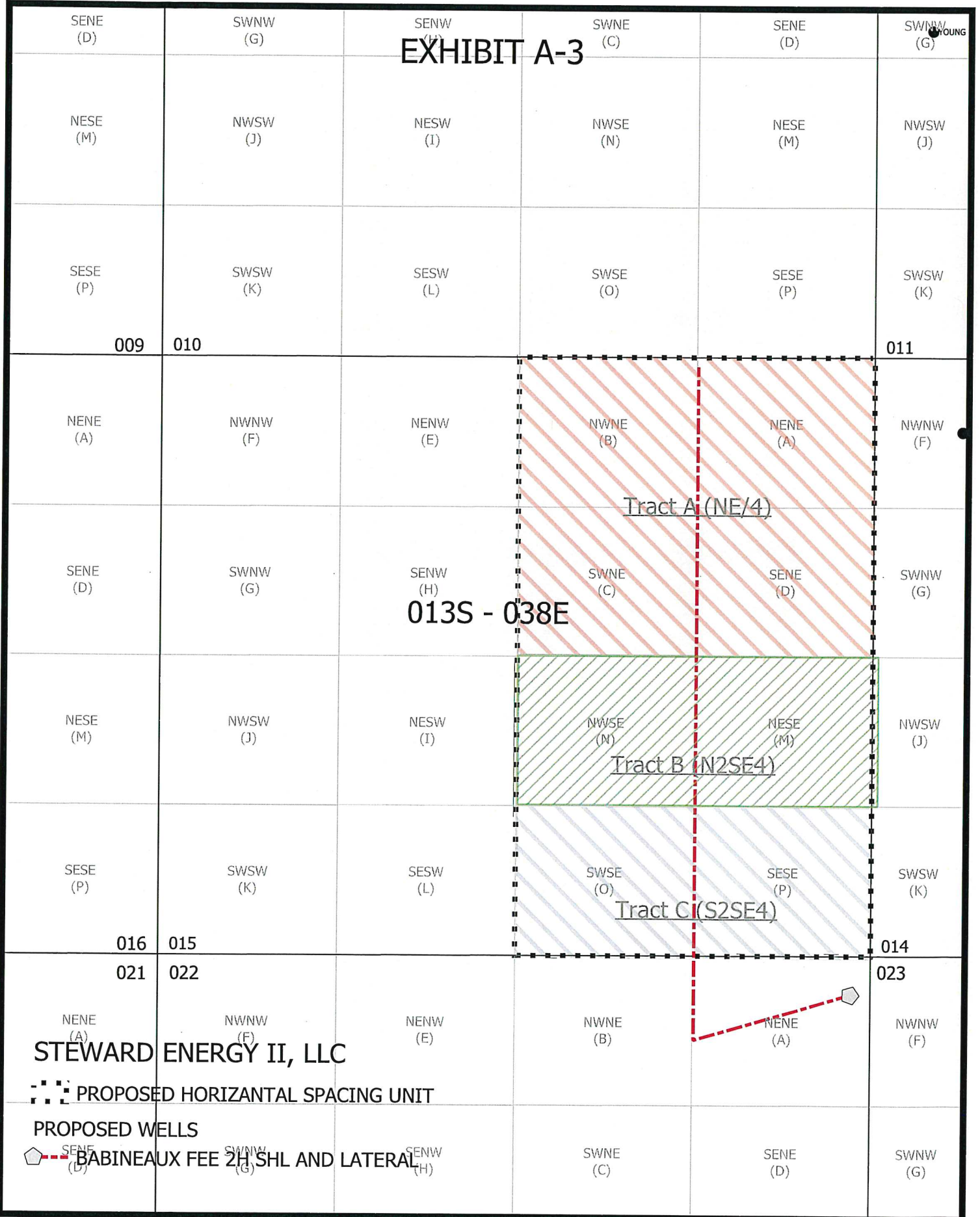


Distances/areas relative to NAD 83 Combined Scale Factor: 0.99990013 Convergence Angle: 00°41'16.54001"

Steward Energy II, LLC
Case No. 21758

Exhibit A-2

EXHIBIT A-3



YOUNG

013S - 038E

Tract A (NE/4)

Tract B (N2SE4)

Tract C (S2SE4)

STEWARD ENERGY II, LLC

PROPOSED HORIZONTAL SPACING UNIT

PROPOSED WELLS

BABINEAUX FEE 2H SHL AND LATERAL

EXHIBIT A-3

Tract A - (NE/4 of Sec. 15, T13S-R38E, being 160.0 Acres, more or less)

Steward Energy II, LLC	WI	65.000000%
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Tract B - (N2SE/4 of Sec. 15, T13S-R38E, being 80.0 Acres, more or less)

Steward Energy II, LLC	WI	56.081250%
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Tract C - (S2SE/4 of Sec. 15, T13S-R38E, being 80.0 Acres, more or less)

Steward Energy II, LLC	WI	63.927500%
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Steward Energy
II, LLC
Case No. 21758

Exhibit A-3

EXHIBIT A-4

Ownership

Tract A

(NE/4 of Sec. 15, T13S-R38E, being 160.0 Acres)

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Steward Energy II, LLC	WI	65.000000%	Committed JOA executed
G.O. Basic Energy I, LLC	WI	35.000000%	Committed JOA executed

Uncommitted

None	Mineral Interest	0.000000%	No ULMI
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Tract B

(N2SE/4 of Sec. 15, T13S-R38E, being 80.0 Acres)

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Steward Energy II, LLC	WI	56.081250%	Committed JOA executed
G.O. Basic Energy I, LLC	WI	28.481250%	Committed JOA executed
Thomas Wyndham Tubbs	Mineral Interest	3.125000%	Executed AFE

Uncommitted

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Francis Ann Dalmasso Christmann, Individually, Exec., & Trustee of the Estate of Charles Edward Christmann	Mineral Interest	5.000000%	Pool
Hawaii Public Radio	Mineral Interest	0.062500%	Pool
Sekou Kelsey	Mineral Interest	0.750000%	Pool
Brian Douglas Sands	Mineral Interest	0.125000%	Pool
Teryl Daniele Sands	Mineral Interest	0.125000%	Pool
David Stalcup	Mineral Interest	3.125000%	Pool
Waikiki Partners, L.P.	Mineral Interest	3.125000%	Pool

Steward Energy
II, LLC
Case No. 21758

Exhibit A-4

Tract C

(S2SE/4 of Sec. 15, T13S-R38E, being 80.0 Acres)

Committed

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Steward Energy II, LLC	Working Int.	63.927500%	Committed JOA executed
G.O. Basic Energy I, LLC	Working Int.	34.422500%	Committed JOA executed

Uncommitted

<u>Owner</u>	<u>Type</u>	<u>Ownership</u>	<u>Status</u>
Billy Glen Spradlin	Mineral Interest	1.650000%	Pool



STEWARD
ENERGY

*****VIA CERTIFIED U.S.P.S. MAIL #*****

January 27, 2020

**Re: Steward Energy II, LLC
Well Proposal – BABINEAUX FEE #2H
E/2 Section 15, Township 13 South, Range 38 East, N.M.P.M.
Lea County, New Mexico**

Douglas A Denton
1501 Princeton Avenue
Midland, TX 79701

Dear Mineral Owner,

This letter will serve as notice regarding the plans of Steward Energy II, LLC (“Steward”) to drill the BABINEAUX FEE #2H (“Well”) as a horizontal well, targeting the San Andres Formation with an approximate total depth drilled of 10,880 feet. The producing intervals of the Well will be located within a standard horizontal spacing unit described as being the East Half of Section 15, Township 13 South, Range 38 East, Lea County New Mexico (“Spacing Unit”). The Well’s first take point will be located approximately 100 feet from the south boundary line and 1,320 feet from the east boundary line of Section 15. The Well’s last take point will be located approximately 100 feet from the north boundary line and 1,320 feet from the east boundary line of Section 15.

Steward’s ownership records indicate that you own an unleased mineral interest located within the Spacing Unit, and as an unleased mineral owner you are offered participation in the Well based upon your proportionate mineral interest in the Spacing Unit. Your proportionate interest and share of cost in the Well are noted at the bottom of the attached Authorization for Expenditure (“AFE”). The itemized cost of the Well is listed on the AFE, and the total cost for drilling is \$998,460.00, with an additional \$2,074,144.00 to complete the well. *This AFE is an estimate only and an unleased mineral owner, by execution of same, commits to pay its proportionate share of actual cost incurred.*

Please indicate your election as to your participation in the Well by checking the appropriate box in the space provided below and returning the second page of this letter to Steward using the enclosed envelope. In the event you elect to participate in the well, please also sign the bottom of the attached AFE, and include it within the envelope as well.

Please be advised that Steward has requested a risk penalty in accordance with New Mexico law. In the event you elect NOT to participate, but do desire to lease your mineral interest, please contact Steward’s Land Department and request to speak with a Landman regarding your unleased interest.

Well Proposal
BABINEAUX FEE #2H
January 15, 2021

Your election must be received by Steward within 30 days of the date this proposal was received by you. Failure to respond within 30 days shall be deemed an election NOT to participate. Please send your election to:

Steward Energy II, LLC
Land Department
2600 N. Dallas Parkway, Suite 400
Frisco, Texas 75094

For questions regarding this well proposal please contact the Land Department via email land@stewardenergy.net or call (214) 297-0500.

Respectfully,



Cooper Newlan
Landman

Attachment

Proportionate Interest: 0.622386%

The undersigned elects to not to participate in the BABINEAUX FEE #2H well with their proportionate interest.

Douglas A Denton

By: _____ Date: _____



STEWARD
ENERGY II

AUTHORIZATION FOR EXPENDITURE

Well Name: Babineaux Fee #2H					
Operator: Steward Energy II, LLC			AFE Number: 2104014DR		
Well Type: Horizontal Oil		AFE Type: New Drill		AFE Date: 1/28/2021	
S/T/R: Sec 15 T13S-R38E		Prop. Depth: Approx. 5,500' TVD; 10,880' MD		County, State: Lea, NM	
		Field: Bronco, San Andres, South		Prep. By: Tim Hilton	
First Take Point:		100' FSL & 1,320' FEL (Sec. 15, T13N-R38W)			
Last Take Point:		100' FNL & 1,320' FEL (Sec. 15, T13N-R38W)			
Project Description:		Drill & Complete Horizontal Oil Well with the San Andres as the Target Formation			

Account #	Cost Breakdown	Drilling	Dry Hole	Completion Cost	Workover	Total
8200.100	Land, Surveying & Legal	\$5,500	\$5,500			\$5,500
8200.101	Abstract, Title & Permit	\$75,000	\$75,000			\$75,000
8200.102	ROW & Surface Damages	\$15,000	\$15,000			\$15,000
8200.103	Road, Pad Location & Pit Building	\$58,500	\$58,500			\$58,500
8200.104	Environ, Reg & Safety	\$2,500	\$2,500			\$2,500
8200.105	Well Insurance	\$2,200	\$2,200			\$2,200
8200.113	Contract Labor	\$3,850	\$3,850			\$3,850
8200.114	Consulting Services & Contract	\$42,500	\$42,500			\$42,500
8200.120	Vacuum & Pump Truck	\$4,500	\$4,500			\$4,500
8200.122	Material Transportation	\$10,400	\$10,400			\$10,400
8200.126	Fuel	\$30,600	\$30,600			\$30,600
8200.131	Chemical-Downhole Treating	\$8,160	\$8,160			\$8,160
8200.132	Mud & Additives	\$25,000	\$25,000			\$25,000
8200.140	Mob/Demob	\$55,000	\$55,000			\$55,000
8200.141	Mud Disposal/Pit Closure	\$155,000	\$155,000			\$155,000
8200.142	Trailer Rental, Camp & Catering	\$18,700	\$18,700			\$18,700
8200.144	Drilling Rig - Daywork or Footage	\$143,000	\$143,000			\$143,000
8200.149	Bits, Mills & Reamers	\$19,500	\$19,500			\$19,500
8200.151	Directional Services	\$95,000	\$95,000			\$95,000
8200.160	Casing Crews & Services	\$18,700	\$18,700			\$18,700
8200.161	Cementing Services	\$68,000	\$68,000			\$68,000
8200.169	Water Transfer	\$4,000		\$4,000	\$4,000	\$4,000
8200.170	Water Purchase	\$18,000	\$18,000			\$18,000
8200.175	Surface Equipment Rental & Services	\$60,800	\$60,800			\$60,800
8200.176	Downhole Equipment Rental &	\$26,400	\$26,400			\$26,400
8200.193	Downhole Inspection/Testing -	\$22,650	\$22,650			\$22,650
8200.301	Overhead	\$10,000	\$10,000			\$10,000
IDC Total:		\$994,460	\$994,460	\$4,000	\$4,000	\$998,460
8250.200	Conductor/Drive Pipe	\$13,600	\$13,600			\$13,600
8250.201	Surface Casing	\$50,784	\$50,784			\$50,784
8250.203	Production Casing	\$190,080	\$190,080			\$190,080
8250.205	Wellhead Equipment, Flow Tee &	\$13,880	\$13,880			\$13,880
8250.214	Other Downhole Equipment	\$28,800	\$28,800			\$28,800
TDC Total:		\$297,144	\$297,144			\$297,144
8300.114	Consulting Services & Contract			\$50,000	\$50,000	\$50,000
8300.120	Vacuum & Pump Truck			\$6,000	\$6,000	\$6,000
8300.122	Material Transportation			\$13,000	\$13,000	\$13,000
8300.126	Fuel			\$48,000	\$48,000	\$48,000

8300.131	Chemicals - Downhole Treating		\$3,500	\$3,500	\$3,500	
8300.142	Trailer Rental, Camp & Catering		\$3,000	\$3,000	\$3,000	
8300.143	Well Control - BOP, Isolation Assy		\$55,000	\$55,000	\$55,000	
8300.146	Completion/Workover Rig		\$28,450	\$28,450	\$28,450	
8300.148	Reverse Unit		\$20,000	\$20,000	\$20,000	
8300.149	Bits, Mills & Reamers		\$3,500	\$3,500	\$3,500	
8300.164	Wireline & Perforating		\$52,000	\$52,000	\$52,000	
8300.169	Water Transfer	\$45,000	\$45,000	\$45,000	\$45,000	
8300.170	Water Purchase		\$108,250	\$108,250	\$108,250	
8300.171	Stimulation - Frac, Acid, Gravel Pack		\$720,000	\$720,000	\$720,000	
8300.175	Surface Equipment Rental & Services		\$45,000	\$45,000	\$45,000	
8300.176	Downhole Equipment Rental &		\$21,000	\$21,000	\$21,000	
8300.179	Elect & Generator R&M		\$35,000	\$35,000	\$35,000	
ICC Total:			\$1,256,700	\$1,256,700	\$1,256,700	
8350.205	Wellhead Equipment, Flow Tee &	\$12,000	\$12,000	\$12,000	\$12,000	
8350.206	Tubing		\$30,000	\$30,000	\$30,000	
8350.211	Electric Submersible Pumps		\$235,500	\$235,500	\$235,500	
8350.213	Frac Plugs, Bridge Plus, Packers,		\$22,000	\$22,000	\$22,000	
8350.221	Surface VSD, Transformer, POC &		\$22,000	\$22,000	\$22,000	
8350.234	Surface Pump & LACT's		\$1,500	\$1,500	\$1,500	
TCC Total:			\$323,000	\$323,000	\$323,000	
8600.100	Land, Surveying, & Legal	\$2,000	\$2,000		\$2,000	
8600.102	ROW & Surface Damages	\$6,000	\$6,000		\$6,000	
8600.111	Company Supervision	\$8,500	\$8,500		\$8,500	
8600.120	Vaccum & Pump Truck	\$1,500	\$1,500		\$1,500	
8600.122	Material Transportation	\$3,800	\$3,800		\$3,800	
8600.175	Surface Equipment Rental & Services	\$3,500	\$3,500		\$3,500	
IFC Total:			\$25,300		\$25,300	
8650.222	Instrumentation & Meters	\$11,000	\$11,000		\$11,000	
8650.224	Electrial Installation & Power	\$10,000	\$10,000		\$10,000	
8650.229	Prod & SWD Facility Inst.	\$42,000	\$42,000		\$42,000	
8650.231	Separator, Heater Treater, FWKO	\$59,000	\$59,000		\$59,000	
8650.233	Flowline & Gethering Lines	\$15,000	\$15,000		\$15,000	
8650.235	Miscellaneous Non-Controllable -	\$35,000	\$35,000		\$35,000	
TFC Total:			\$172,000		\$172,000	
			Totals:		\$3,072,604	
			Owner Cost %:	0.015625%	Owner Net Cost:	\$480

Approved by:

Signature

Hawaii Public Radio:

Date:

Date:

This AFE is an estimate only and non-operator, by execution of same, commits to pay its proportionate share of actual cost incurred.

EXHIBIT A-6

Chronology of contact with locatable uncommitted interest

- January 2019 – Steward Energy II, LLC begins acquiring oil and gas leases from the original 41 mineral owners located in Tracts A, B and C. To date Steward Energy II, LLC has acquired 30 oil and gas leases and 2 mineral deeds within Tracts A, B and C.
- January 19, 2021 – Steward Energy II, LLC sends the Babineaux Fee #2H well proposals to the uncommitted unleased minerals owners via certified U.S. Mail.
- February 9, 2021 – Steward Energy II, LLC received an executed election letter and AFE by Thomas Wyndham Tubbs.

Steward Energy
II, LLC
Case No. 21758

Exhibit A-6



HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:

Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

March 9, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL INTERESTS SUBJECT TO POOLING PROCEEDINGS

Re: Case No. 21758: Application of Steward Energy II, LLC for Compulsory Pooling, Lea County, New Mexico

Sir/Madam:

Enclosed is a copy of an application that Steward Energy II, LLC ("Steward") has filed with the New Mexico Oil Conservation Division ("the Division").

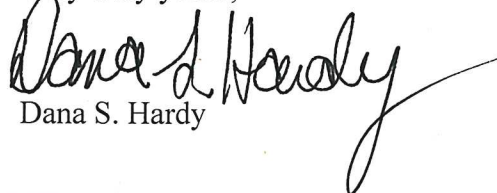
Steward seeks an order pooling all uncommitted mineral interests in the San Andres formation in a 320-acre, more or less, standard (proximity tract) horizontal spacing unit comprised of the E/2 of Section 15, Township 13 South, Range 38 East in Lea County, New Mexico.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on April 8, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>. You are not required to attend the hearing, but as an owner of an interest that may be affected by Steward's application, you may appear at the hearing and present testimony. If you do not appear at that time and become a party of record, you will be precluded from contesting the matter at a later date.

A party appearing in a Division case is required by the Division's Rules to file a Pre-Hearing Statement at least four business days prior to the hearing, but in no event later than 5:00 p.m. mountain time on the Thursday preceding the hearing. The Pre-Hearing Statement must be filed with the Division and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

Very truly yours,



Dana S. Hardy

Enclosure

PO BOX 10
ROSWELL, NEW MEXICO 88202
575-622-6510
(FAX) 575-623-9332

PO BOX 172
ARTESIA, NEW MEX
575-622-65
(FAX) 575-746-

**Steward Energy
II, LLC
Case No. 21758
Exhibit A-7**

PO BOX 2068
NEW MEXICO 87504
982-4554
505-982-8623

7601 JEFFERSON ST NE - SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

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Certified Mail Fee

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Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$
- Return Receipt (electronic) \$
- Certified Mail Restricted Delivery \$
- Adult Signature Required \$
- Adult Signature Restricted Delivery \$

Postage

\$

Total Postage and Fees

\$

6.96

Sent To

Est. of Charles Edward Christmann

Street and

Francis Ann Dalmasso Christmann

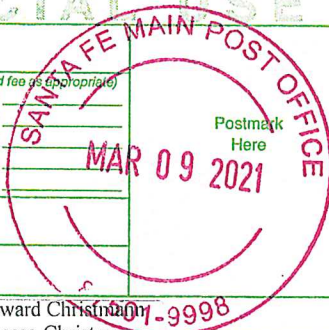
4409 14th Street

City, State

Lubbock, TX 79416

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions



7020 0640 0000 0143 1136

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Estate of Charles Edward
 Christmann and Francis Ann
 Dalmasso Christmann
 4409 14th Street
 Lubbock, TX 79416



9590 9402 5554 9249 4990 70

2. Article Number (Transfer from service label)

7020 0640 0000 0143 1136

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *C. Christmann*

Agent

Addressee

B. Received by (Printed Name)

FC 1143

C. Date of Delivery

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

Priority Mail Express®

Registered Mail™

Registered Mail Restricted Delivery

Return Receipt for Merchandise

Signature Confirmation™

Signature Confirmation Restricted Delivery

Domestic Return Receipt

CERTIFIED MAIL® RECEIPT

Domestic Mail Only

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OFFICIAL USE

7018 2290 0000 3427 7969

Certified Mail Fee			
\$			
Extra Services & Fees (check box, add fee as appropriate)			
<input checked="" type="checkbox"/>	Return Receipt (hardcopy)		\$
<input type="checkbox"/>	Return Receipt (electronic)		\$
<input type="checkbox"/>	Certified Mail Restricted Delivery	\$	
<input type="checkbox"/>	Adult Signature Required	\$	
<input type="checkbox"/>	Adult Signature Restricted Delivery	\$	
Postage			
\$			
Total Postage and Fees			
\$	6.96		
Sent To Hawaii Public Radio			
Street 738 Kaheka Street			
City, State Honolulu, HI 96814			
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions			

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Hawaii Public Radio
738 Kaheka Street
Honolulu, HI 96814



9590 9402 5554 9249 4990 01

2. Article Number (Transfer from service label)

7018 2290 0000 3427 7969

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature	
x <u>WR 1469</u>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
B. Received by (Printed Name) <u>CR</u>	C. Date of Delivery <u>3/15/21</u>
D. Is delivery address different from Item 1? If YES, enter delivery address below:	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input checked="" type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Insured Mail	
<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	

Domestic Return Receipt

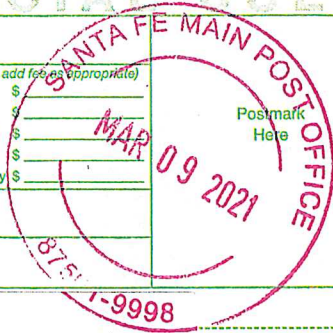
U.S. Postal Service™
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OFFICIAL USE

7020 0640 0000 0143 1112

Certified Mail Fee \$
 Extra Services & Fees (check box, add fees as appropriate)
 Return Receipt (hardcopy) \$
 Return Receipt (electronic) \$
 Certified Mail Restricted Delivery \$
 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$ **6.96**
 Sent To
 Street and A1 Sekou Kelsey
 2680 Green Mount Trail
 City, State, Z Belleville, IL 62220
 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X <u>N. KELSEY</u> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>VICTOR R-S C-19</u> C. Date of Delivery <u>3-19-21</u></p>																
<p>1. Article Addressed to:</p> <p>Sekou Kelsey 2680 Green Mount Trail Belleville, IL 62220</p> <p>9590 9402 5554 9249 4990 56</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>																
<p>2. Article Number (Transfer from service label) 7020 0640 0000 0143 1112</p>	<p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input checked="" type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input checked="" type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®																
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™																
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery																
<input type="checkbox"/> Certified Mail Restricted Delivery	<input checked="" type="checkbox"/> Return Receipt for Merchandise																
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™																
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery																
<input type="checkbox"/> Insured Mail																	
<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)																	

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 Domestic Mail Only

7020 0640 0000 0143 1129

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Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$
- Return Receipt (electronic) \$
- Certified Mail Restricted Delivery \$
- Adult Signature Required \$
- Adult Signature Restricted Delivery \$

Postmark
Here

Postage

\$

Total Postage and Fees

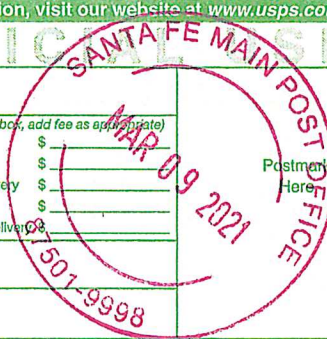
\$

6.96

Sent To

Street a. Billy Glen Spradlin
 29 Rim Road
 City, St. Kilgore, TX 75662

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature</p> <p><input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent</p> <p><input type="checkbox"/> Addressee</p>
<p>1. Article Addressed to:</p> <p>Billy Glen Spradlin 29 Rim Road Kilgore, TX 75662</p>	<p>B. Received by (Printed Name)</p> <p>C. Date of Delivery</p> <p>3. 15</p>
<p>2. Article Number (Transfer from service label)</p> <p>7020 0640 0000 0143 1129</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>9590 9402 5554 9249 4990 63</p>	<p>3. Service Type</p> <ul style="list-style-type: none"> <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

7019 2970 0000 7641 4221

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Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ 0.96

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

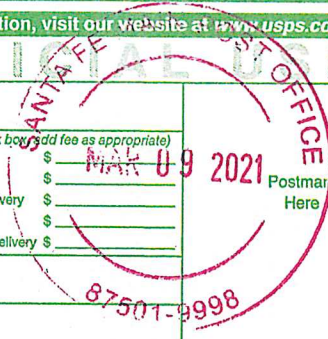
Total Postage and Fees \$ 6.96

Sent To _____

Street an. Brian Douglas Sands
6714 W. Wakefield Dr., #14

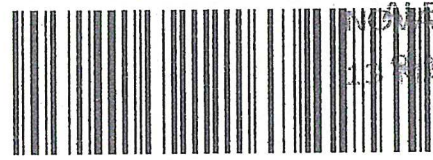
City, State. Alexandria, VA 22307

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



HINKLE SHANOR LLP
ATTORNEYS AT LAW
POST OFFICE BOX 2068
SANTA FE, NEW MEXICO 87504

CERTIFIED MAIL®



ALBUQUERQUE NM 870

MAR 20 2021 PM 6 L



7019 2970 0000 7641 4221

*NSA
RMS
M*

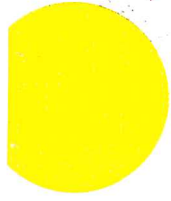
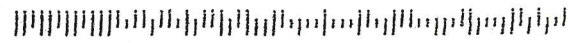
-R-T-S- 22307-RFS-1N 03/12/21

RETURN TO SENDER
ATTEMPTED - NOT KNOWN
UNABLE TO FORWARD
RETURN TO SENDER

R
F
S



22307-1-274255



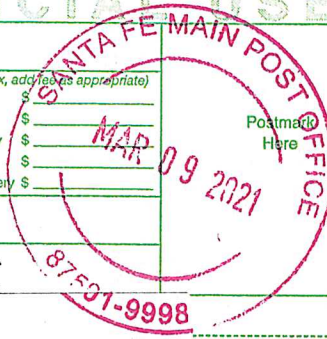
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OFFICIAL USE

7020 0640 0000 0143 1143

Certified Mail Fee	\$
Extra Services & Fees (check box, add fees as appropriate)	
<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$ 6.96
Sent To	
Street and	David Stalcup 3310 46 th Street
City, State	Lubbock, TX 79413



PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature </p> <p>B. Received by (Printed Name) Sara M. Decker</p> <p>C. Date of Delivery 03/02/21</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>David Stalcup 3310 46th Street Lubbock, TX 79413</p>	<p>3. Service Type</p> <ul style="list-style-type: none"> <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery
<p>2. Article Number (Transfer from service label)</p> <p>7020 0640 0000 0143 1143</p>	



9590 9402 5554 9249 4990 87

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

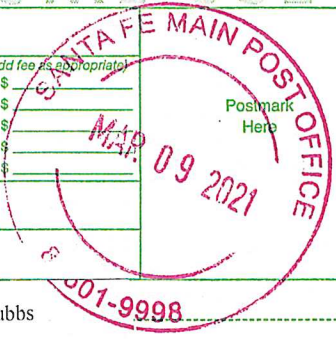
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OFFICIAL USE

7020 0640 0000 0143 1150

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee if appropriate)	
<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$ 6.96
Sent	
Street	Thomas Wyndham Tubbs 1710 33 rd Street
City	Lubbock, TX 79411



PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X NB11035C-19 <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>																
<p>1. Article Addressed to:</p> <p>Thomas Wyndham Tubbs 1710 33rd Street Lubbock, TX 79411</p>	<p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input checked="" type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input checked="" type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®																
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™																
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery																
<input type="checkbox"/> Certified Mail Restricted Delivery	<input checked="" type="checkbox"/> Return Receipt for Merchandise																
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™																
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery																
<input type="checkbox"/> Insured Mail																	
<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)																	
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<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>	<p>Domestic Return Receipt</p>																



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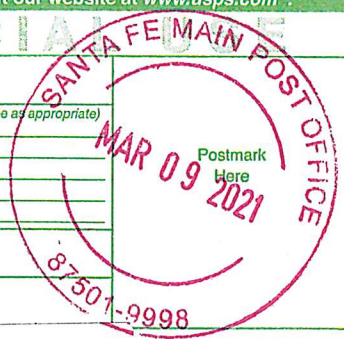
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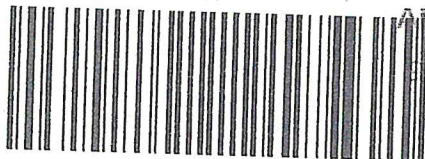
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Handwritten signature in blue ink.

Waikiki Partners, L.P.
303 W. Wall St., Suite 2102
Midland, TX 79701

Handwritten circled number 2102.

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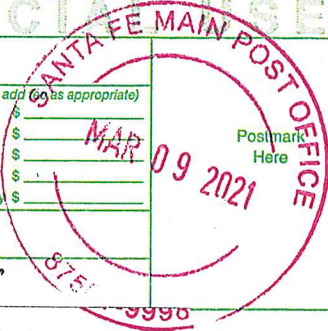
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Postage	\$	
Total Postage and Fees	\$	6.96
Sent To	Teryl Daniele Sands	
Street and A.	5521 North 4 th Avenue	
City, State, Z.	Phoenix, AZ 85013	



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
March 11, 2021
and ending with the issue dated
March 11, 2021.



Publisher

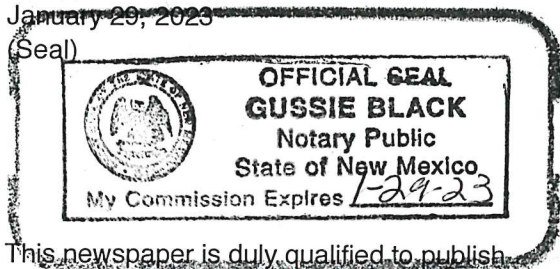
Sworn and subscribed to before me this
11th day of March 2021.



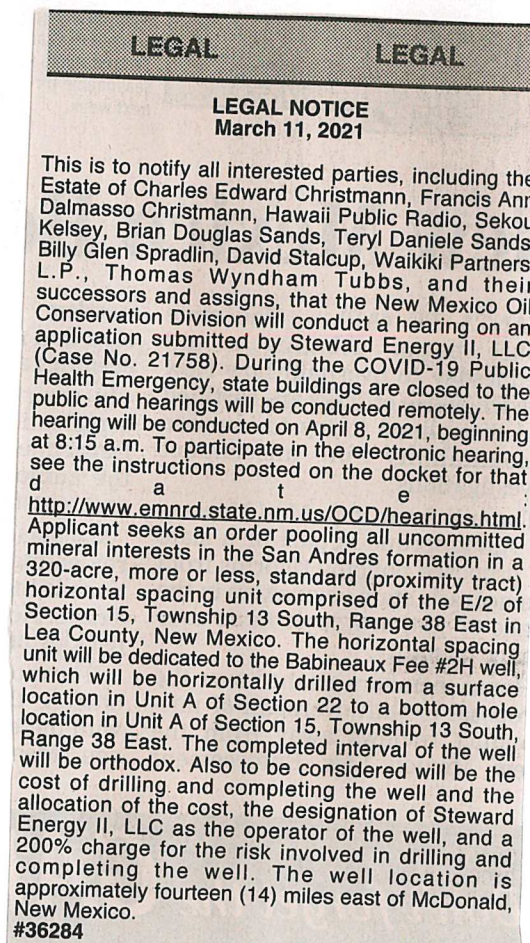
Business Manager

My commission expires
January 29, 2023

(Seal)



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



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HINKLE, SHANOR LLP
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Steward Energy
II, LLC
Case No. 21758

Exhibit A-8

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

APPLICATION OF STEWARD ENERGY II, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

Case No. 21758

SELF-AFFIRMED STATEMENT OF
SHANE SEALS

1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.
2. I am a geologist at Steward Energy II, LLC ("Steward"). I am familiar with the geological matters that pertain to Steward's application.
3. I have previously testified before the New Mexico Oil Conservation Division as an expert in geology, and my qualifications were accepted.
4. Steward is targeting the San Andres formation with its proposed Babineaux Fee #2H well ("Well").
5. **Exhibit B-1** contains a general location map of the proposed horizontal spacing unit ("HSU") which provides the location of the well bore, a schematic of the proposed spacing unit, and a gun barrel/lateral trajectory schematic along with additional Steward Energy-operated offset horizontal wells in the nearby area.
6. **Exhibit B-1** also contains a structure map of the top of the San Andres formation Pi Marker that is representative of the targeted interval. The map demonstrates that the structure generally dips from north to south. I do not observe any faulting, pinch-outs, or other geologic impediments to developing the targeted interval with horizontal wells in this area.

Steward Energy
II, LLC
Case No. 21758

Exhibit B

7. **Exhibit B-1** also overlays a cross-section line of three wells penetrating the San Andres formation that I used to construct a stratigraphic cross-section from A to A'. I consider these well logs to be representative of the geology in the area.

8. **Exhibit B-2** is a stratigraphic cross-section using the representative wells depicted in **Exhibit B-1**. The well logs on the cross-section provide a representative sample of the San Andres formation in the area. The cross-section demonstrates the target zone for the Well is continuous across the HSU.

9. In my opinion, stand-up orientation for the Well is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage because there is a slightly dominant stress regime that makes stand-up orientation optimal for completion purposes.

10. Based on the information discussed above, I am able to conclude that:

- a) The HSU is justified from a geologic standpoint;
- b) There is no faulting or other geologic impediment that could adversely affect the drilling of the Well; and
- c) Each quarter-quarter section in the HSU will contribute more or less equally to production.

11. In my opinion, the granting of Steward's application will serve the interests of conservation and the prevention of waste.

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

13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 12 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.

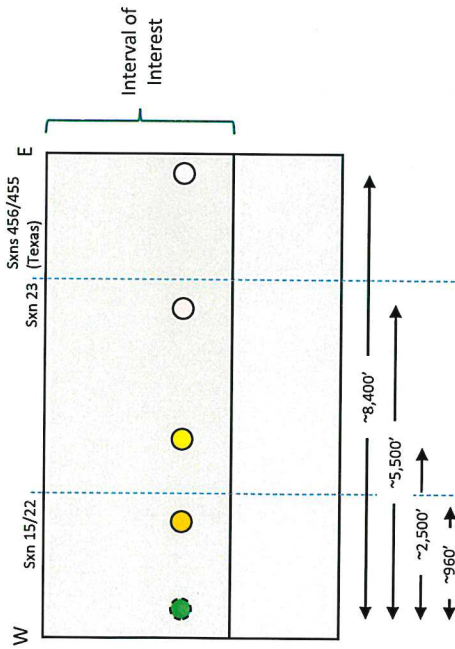


Shane Seals

2/30/21
Date

Gun Barrel

(Not to scale - Refer to map for orientation)



Proposed Babineaux Fee #2H
(Same interval as previously drilled Combo Fee #1H)

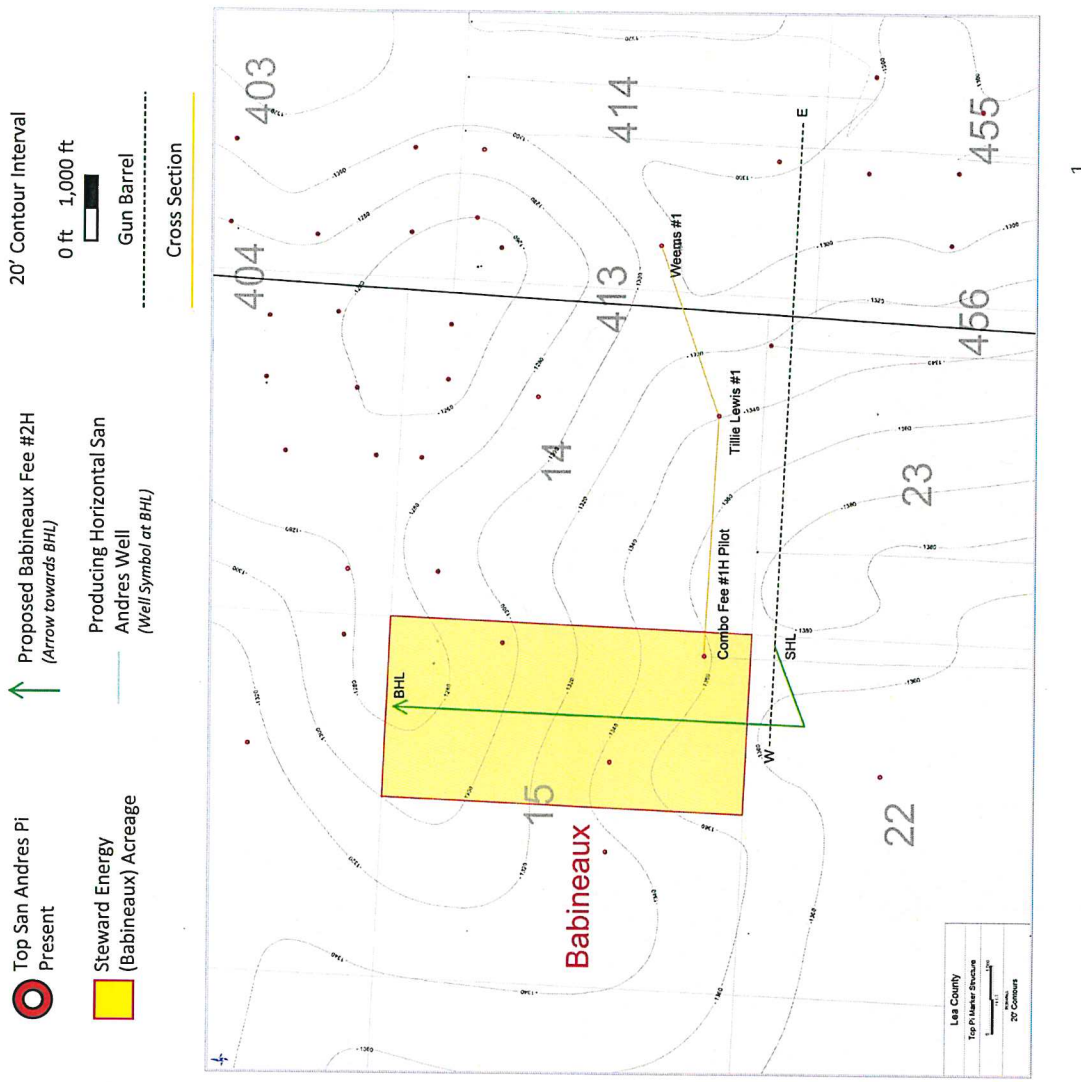
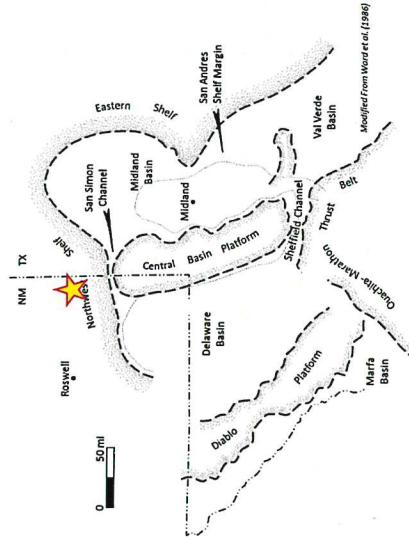
Combo Fee #1H
(Steward Energy)

Felina Fee #5H
(Steward Energy)

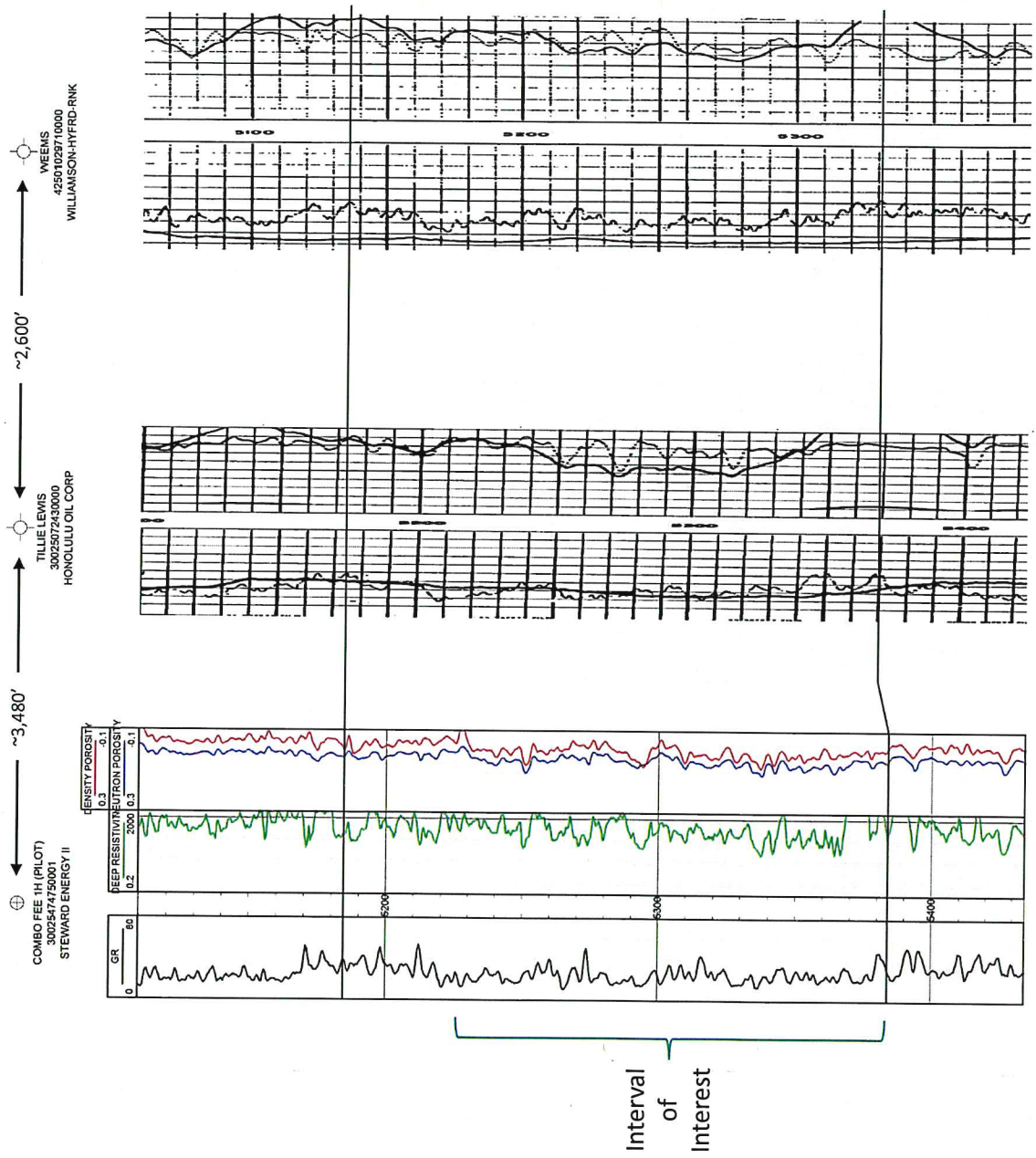
Slippin Jimmy Fee #1H
(Steward Energy)

Spoonman 455 #4H
(Steward Energy)

Permian Basin System



Steward Energy
II, LLC
Case No. 21758
Exhibit B-1



Steward Energy
II, LLC
Case No. 21758
Exhibit B-2