

Case 21161, 21166

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August 10, 2021

Ms. Adrienne Sandoval
New Mexico State Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Case Number 21767/OCD Order R-21706
Case Number 21766/OCD Order R-21705
SW/4 Section 25, W/2 Section 36, T-20-S, R-35-E,
Lea County, New Mexico
Morpheus Prospect/Morpheus wells

Via: Certified Mail Return Receipt

Dear Ms. Sandoval,

Pursuant to OCD Orders R-21706 and R-21705, the Bone Spring formation was pooled for the initial drilling of 2 Bone Test wells, one committed to a spacing unit consisting of the W/2SW/4 of Section 25 and the W/2W/2 of Section 36 and the second well committed to a spacing unit consisting of the E/2SW/4 of Section 25 and the E/2W/2 of Section 36, both in T-20-S, R-35-E, Lea County. The parties subject to both pooling orders are Centennial Development Exploration Company, Conoco Phillips Company and Marathon Oil Permian Company. Following the issuance of the OCD orders, the pooled wells were proposed to all companies pursuant to the OCD 30 day election option.

Notice to the OCD is hereby given, that Marathon Oil Permian Company and Conoco Phillips Company have elected not to participate in the two wells and are non-consent, subject to the penalty as set forth in the two orders. Centennial Development Exploration Company has elected to participate in the drilling and completion of the two wells, under the Operating Agreement provided to all parties at the time the wells were proposed.

Yours truly,

Handwritten signature of Bob Shelton in cursive script.
Bob Shelton

CC:

Mr. Jeff Broussard
Marathon Oil Permian Company
5555 San Felipe Street
Houston Texas, 77056-2701

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Mr. Andrew Kendall
Conoco Phillips Company
P. O. Box 2197
Houston, Texas 77252

Mr. Gavin Smith
Centennial Development Exploration Company
1001 17th Street, Suite 1800
Denver, Colorado 80202