

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

 Print or Type Name

 Date

 Phone Number

 Signature

 e-mail Address



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 819-5579
pmvance@hollandhart.com

July 31, 2023

VIA ONLINE FILING

Dylan Fuge, Division Director
Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Advance Energy Partners Hat Mesa, LLC for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of the S/2 N/2 and S/2 of Section 13, all of Section 24, and the N/2 of Section 25, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico (the "Lands")

Dear Mr. Fuge:

Advance Energy Partners Hat Mesa, LLC (OGRID No. 372417) ("Advance")¹, pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (pool and lease) diversely owned oil and gas production at the **Margarita Tank Battery** *insofar as all existing and future wells drilled in the following spacing units:*

(a) The 360-acre spacing unit comprised of the SW/4 NW/4 and W/2 SW/4 of Section 13, W/2 W/2 of Section 24, and the W/2 NW/4 of Section 25, in the WC-025 G-08 S213304D; Bone Spring (97895) – currently dedicated to the **Margarita Federal Com 13 1H** (API. No. 30-025-47195), **Margarita Federal Com 13 2H** (API. No. 30-025-47196), **Margarita Federal Com 13 9H** (API. No. 30-025-48008), and **Margarita Federal Com 13 13H** (API. No. 30-025-48009);

(b) The 360-acre spacing unit comprised of the SE/4 NW/4 and E/2 SW/4 of Section 13, E/2 W/2 of Section 24, and the E/2 NW/4 of Section 25, in the WC-025 G-08 S213304D; Bone Spring (97895) – currently dedicated to the **Margarita Federal Com 13 3H** (API. No. 30-025-47197), **Margarita Federal Com 13 4H** (API. No. 30-025-47198), **Margarita Federal Com 13 10H** (API. No. 30-025-49183), **Margarita Federal Com 13 14H** (API. No. 30-025-49186), and **Margarita Federal Com 13 22H** (API. No. 30-025-49250);

¹ Advance was recently acquired by an affiliate of Matador Production Company (OGRID No. 228937) ("Matador"). Matador plans to transfer operatorship of the referenced Margarita wells to itself by administratively filing a Form C-145 (Change of Operatorship) with the Division and similar filings with the BLM in the near future.



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 pmvance@hollandhart.com

(c) The 360-acre spacing unit comprised of the SW/4 NE/4 and W/2 SE/4 of Section 13, W/2 E/2 of Section 24, and the W/2 NE/4 of Section 25, in the WC-025 G-08 S213304D; Bone Spring (97895) – currently dedicated to the **Margarita Federal Com 13 5H** (API. No. 30-025-47199), **Margarita Federal Com 13 6H** (API. No. 30-025-47200), **Margarita Federal Com 13 11H** (API. No. 30-025-49184), and **Margarita Federal Com 13 15H** (API. No. 30-025-49187);

(d) The 360-acre spacing unit comprised of the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and the E/2 NE/4 of Section 25, in the WC-025 G-08 S213304D; Bone Spring (97895) – currently dedicated to the **Margarita Federal Com 13 7H** (API. No. 30-025-47201), **Margarita Federal Com 13 8H** (API. No. 30-025-47202), **Margarita Federal Com 13 12H** (API. No. 30-025-49185), and **Margarita Federal Com 13 16H** (API. No. 30-025-49188);

(e) The 360-acre spacing unit comprised of the SW/4 NW/4 and W/2 SW/4 of Section 13, W/2 W/2 of Section 24, and the W/2 NW/4 of Section 25, in the WC-025 G-10 S213328O; Wolfcamp (98033) – currently dedicated to the **Margarita Federal Com 13 17H** (API. No. 30-025-48247);

(f) The 360-acre spacing unit comprised of the SW/4 NE/4 and W/2 SE/4 of Section 13, W/2 E/2 of Section 24, and the W/2 NE/4 of Section 25, in the WC-025 G-10 S213328O; Wolfcamp (98033) – currently dedicated to the **Margarita Federal Com 13 23H** (API. No. 30-025-49497);

(g) The 360-acre spacing unit comprised of the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and the E/2 NE/4 of Section 25, in the WC-025 G-10 S213328O; Wolfcamp (98033) – currently dedicated to the **Margarita Federal Com 13 24H** (API. No. 30-025-49498);

(h) The 360-acre spacing unit comprised of the SW/4 NE/4 and W/2 SE/4 of Section 13, W/2 E/2 of Section 24, and the W/2 NE/4 of Section 25, in the Salt Lake; Bone Spring (53560) – currently dedicated to the **Margarita Federal Com 13 20H** (API. No. 30-025-50128); and

(i) Pursuant to 19.15.12.10.C(4)(g), *from all future additions of pools, leases or leases and pools to the Margarita Tank Battery* with notice provided only to the owners of interests to be added.

Oil and gas production from these spacing units will be commingled and sold at the **Margarita Tank Battery** (“CTB”) located on the quarter-quarter line between the SW/4 NE/4 and SE/4 NW/4 of Section 18, Township 21 South, Range 32 East. Each well is equipped with a three-phase separator and metered on lease before production is transferred to the CTB. Gas production from



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pmvance@hollandhart.com

the separator will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using turbine meters.

Exhibit 1 is a land plat showing Matador's current development plan, flow lines, well pads, the central tank battery ("Facility Pad") in the subject area, and common gathering line. The plat also identifies the wellbores and lease/spacing unit boundaries.

Exhibit 2 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Ryan Hernandez, Senior Facilities Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (Exhibit A to the statement) and an example gas analysis (Exhibit B to the statement).

Exhibit 3 is a C-102 for each of the wells currently permitted or drilled within the existing spacing units.

Exhibit 4 includes relevant communitization agreements.

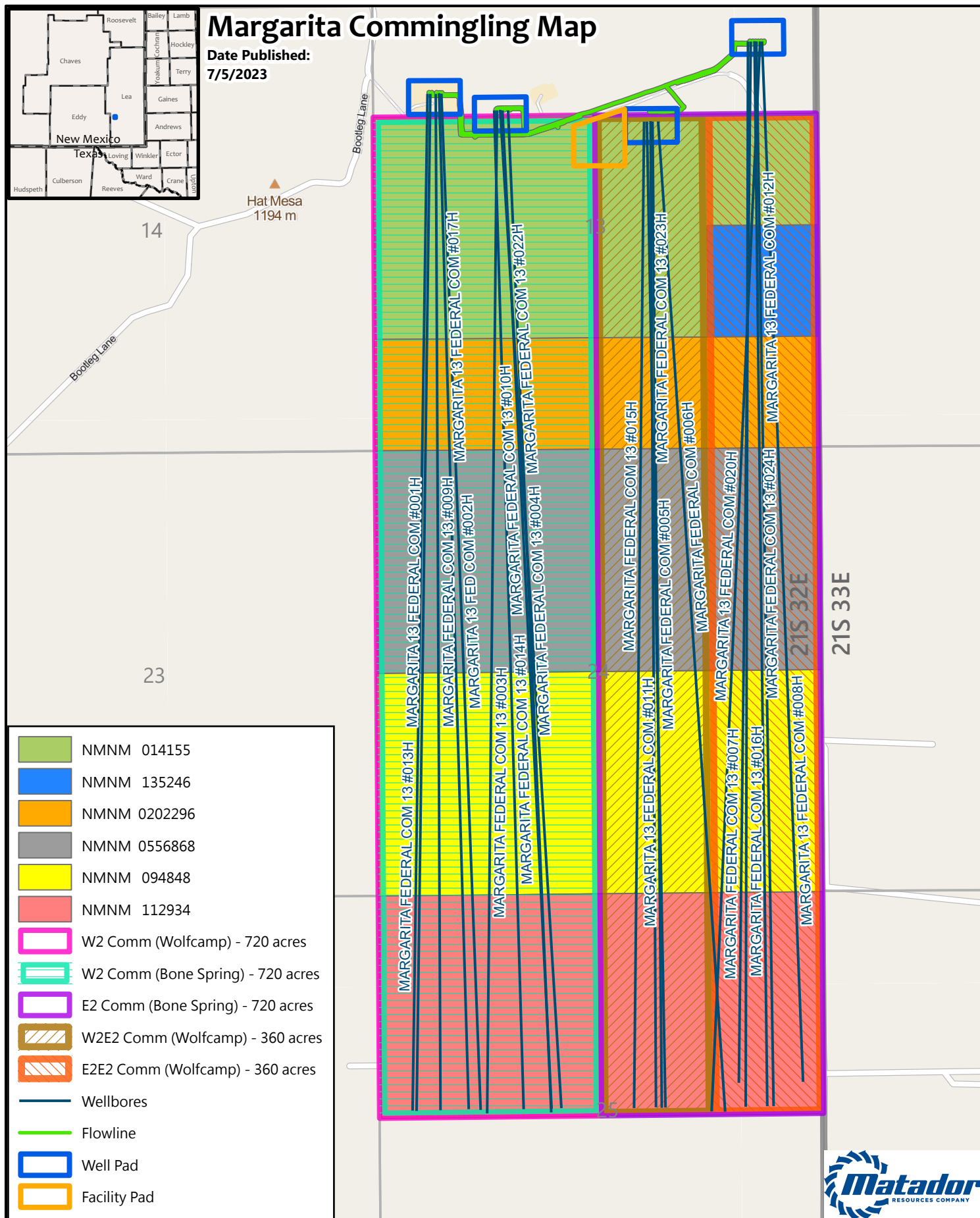
Ownership is diverse between the above-described spacing units, each of which are either subject to a pooling agreement or a pooling order and are therefore considered "leases" as defined by 19.15.12.7(C) NMAC. **Exhibit 5** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the Bureau of Land Management since federal lands are involved.

Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance".

Paula M. Vance
ATTORNEY FOR ADVANCE ENERGY PARTNERS
HAT MESA, LLC & MATADOR PRODUCTION
COMPANY



EXHIBIT

1

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application
to the Santa Fe office with one
copy to the appropriate District
Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Matador Production Company

OPERATOR ADDRESS: 5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
[53560] SALT LAKE;BONE SPRING	46.4 °	46.6° oil 1,442 BTU/CF	\$69,26/bbl oil Deemed 40°/Sweet (Mar '23 realized price) \$2.40/mcf (Mar '23 realized price)	500 bopd
[53560] SALT LAKE;BONE SPRING	1469 BTU/CF			1,000 mcfd
[97895] WC-025 G-08 S213304D; BONE SPRING	46.4 °			16,500 bopd
[97895] WC-025 G-08 S213304D; BONE SPRING	1469 BTU/CF			24,000 mcfd
[98033] WC-025 G-10 S213328O; WOLFCAMP	47.1 °			3,000 bopd
[98033] WC-025 G-10 S213328O; WOLFCAMP	1307 BTU/CF			5,000 mcfd

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.
(4) Measurement type: ☒ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code-
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: 

TITLE: Sr. Facilities Engineer

DATE: 7-26-23

TYPE OR PRINT NAME: Ryan Hernandez

TELEPHONE NO.: (972) 619-1276

E-MAIL ADDRESS: rhernandez@matadorresources.com

EXHIBIT
2

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5427 • Fax 972.371.5201

rhernandez@matadorresources.com

Ryan Hernandez
Sr. Facilities Engineer

July 26, 2023

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application of Matador Production Company for administrative approval to surface commingle (pool and lease) gas and oil production from the spacing units comprised of the S/2N/2 and S/2 of Section 13, All of Section 24, and the N/2 of Section 25, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico (the “Lands”).

To Whom This May Concern,

Matador Production Company (“Matador”), OGRID: 228937, requests to commingle current oil and gas production from twenty-one (21) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the Longwood Midstream Delaware, LLC gathering line. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

The orifice meter is the preferred measurement device utilized by midstream and E&P companies in natural gas measurement. The gas samples are obtained at the time of the meter testing/calibration and the composition and heating value are determined by a laboratory in accordance with American Petroleum Institute (API) specifications to ensure accurate volume and Energy (MMBTU) determinations. See example from FESCO attached as **Exhibit B** hereto.

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. This PFD shows that the water, oil, and gas exit the wellbore and flow into a wellhead three-phase separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically in accordance with industry specifications by a third party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum Association (API) Chapter 21.1. The gas is then sent into a gathering line where it is commingled

with each of the other wells' metered gas, as shown on **Exhibit A**. The gathering line gas is then metered by another orifice meter at the tank battery check to show the total volume of gas leaving the Tank Battery. This meter is tested and calibrated in accordance with industry specifications and volume and energy are determined on an hourly, daily, and monthly basis. Once the gas exits this final tank battery sales check it travels directly into a third party sales connect meter. Longwood Midstream Delaware, LLC has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

In conclusion, all the oil and gas produced on the Lands is and will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

MATADOR PRODUCTION COMPANY

A handwritten signature in black ink, appearing to read 'R. Hernandez', with a stylized, cursive flourish at the end.

Ryan Hernandez
Sr. Facilities Engineer

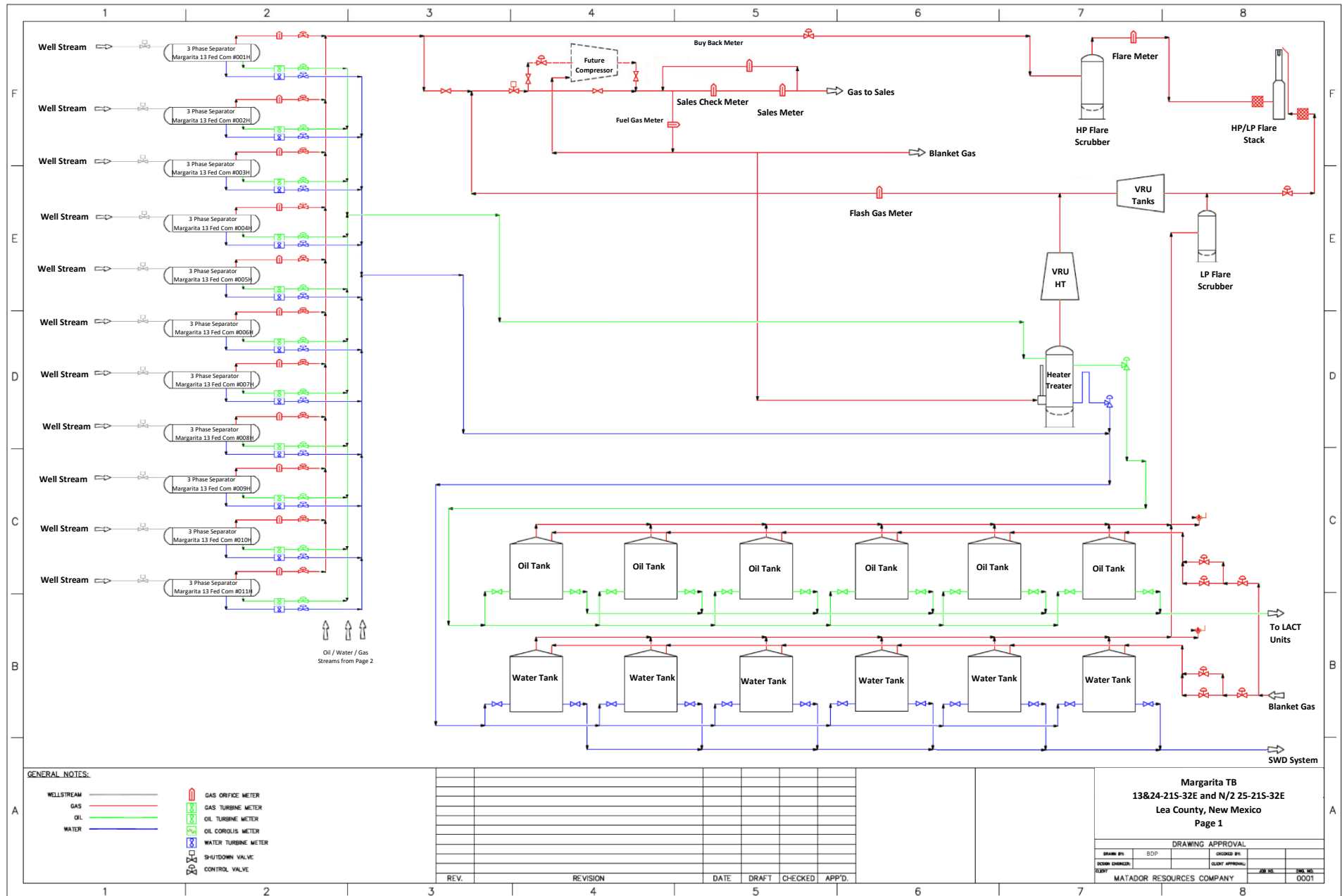


EXHIBIT
A



FESCO, Ltd.
1100 Fesco Ave. - Alice, Texas 78332

For: Matador Production Company
One Lincoln Centre
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240

Sample: Horseshoe Federal COM No. 601H
First Stage Separator
Spot Gas Sample @ 175 psig & 106 °F

Date Sampled: 11/29/2022

Job Number: 222603.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	1.982	
Carbon Dioxide	0.139	
Methane	68.063	
Ethane	14.962	4.102
Propane	7.932	2.240
Isobutane	0.945	0.317
n-Butane	2.520	0.814
2-2 Dimethylpropane	0.001	0.000
Isopentane	0.575	0.216
n-Pentane	0.718	0.267
Hexanes	0.710	0.300
Heptanes Plus	<u>1.453</u>	<u>0.642</u>
Totals	100.000	8.898

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity ----- 3.553 (Air=1)
Molecular Weight ----- 102.37
Gross Heating Value ----- 5529 BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity ----- 0.853 (Air=1)
Compressibility (Z) ----- 0.9948
Molecular Weight ----- 24.58
Gross Heating Value
Dry Basis ----- 1469 BTU/CF
Saturated Basis ----- 1444 BTU/CF

*Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)
Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (14) D. Turner
Analyst: KV
Processor: RG
Cylinder ID: T-5197

Certified: FESCO, Ltd. - Alice, Texas

Conan Pierce 361-661-7015

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286
TOTAL REPORT

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	1.982		2.259
Carbon Dioxide	0.139		0.249
Methane	68.063		44.424
Ethane	14.962	4.102	18.304
Propane	7.932	2.240	14.230
Isobutane	0.945	0.317	2.235
n-Butane	2.520	0.814	5.959
2,2 Dimethylpropane	0.001	0.000	0.003
Isopentane	0.575	0.216	1.688
n-Pentane	0.718	0.267	2.108
2,2 Dimethylbutane	0.009	0.004	0.032
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.070	0.029	0.245
2 Methylpentane	0.207	0.088	0.726
3 Methylpentane	0.118	0.049	0.414
n-Hexane	0.306	0.129	1.073
Methylcyclopentane	0.155	0.056	0.531
Benzene	0.051	0.015	0.162
Cyclohexane	0.180	0.063	0.616
2-Methylhexane	0.045	0.021	0.183
3-Methylhexane	0.053	0.025	0.216
2,2,4 Trimethylpentane	0.037	0.020	0.172
Other C7's	0.109	0.049	0.440
n-Heptane	0.120	0.057	0.489
Methylcyclohexane	0.174	0.072	0.695
Toluene	0.046	0.016	0.172
Other C8's	0.165	0.079	0.740
n-Octane	0.060	0.032	0.279
Ethylbenzene	0.007	0.003	0.030
M & P Xylenes	0.023	0.009	0.099
O-Xylene	0.006	0.002	0.026
Other C9's	0.105	0.055	0.539
n-Nonane	0.035	0.020	0.183
Other C10's	0.061	0.036	0.351
n-Decane	0.010	0.006	0.058
Undecanes (11)	<u>0.011</u>	<u>0.008</u>	<u>0.070</u>
Totals	100.000	8.898	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.853	(Air=1)
Compressibility (Z) -----	0.9948	
Molecular Weight -----	24.58	
Gross Heating Value		
Dry Basis -----	1469	BTU/CF
Saturated Basis -----	1444	BTU/CF

FESCO, Ltd.**1100 Fesco Ave. - Alice, Texas 78332**

Sample: Horseshoe Federal COM No. 601H
 First Stage Separator
 Spot Gas Sample @ 175 psig & 106 °F

Date Sampled: 11/29/2022

Job Number: 222603.001

GLYCALC FORMAT

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	0.139		0.249
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	1.982		2.259
Methane	68.063		44.424
Ethane	14.962	4.102	18.304
Propane	7.932	2.240	14.230
Isobutane	0.945	0.317	2.235
n-Butane	2.521	0.815	5.962
Isopentane	0.575	0.216	1.688
n-Pentane	0.718	0.267	2.108
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.306	0.129	1.073
Cyclohexane	0.180	0.063	0.616
Other C6's	0.404	0.171	1.417
Heptanes	0.482	0.208	1.859
Methylcyclohexane	0.174	0.072	0.695
2,2,4 Trimethylpentane	0.037	0.020	0.172
Benzene	0.051	0.015	0.162
Toluene	0.046	0.016	0.172
Ethylbenzene	0.007	0.003	0.030
Xylenes	0.029	0.011	0.125
Octanes Plus	<u>0.447</u>	<u>0.235</u>	<u>2.220</u>
Totals	100.000	8.898	100.000

Real Characteristics Of Octanes Plus:

Specific Gravity ----- 4.235 (Air=1)
 Molecular Weight ----- 122.02
 Gross Heating Value ----- 6499 BTU/CF

Real Characteristics Of Total Sample:

Specific Gravity ----- 0.853 (Air=1)
 Compressibility (Z) ----- 0.9948
 Molecular Weight ----- 24.58
 Gross Heating Value
 Dry Basis ----- 1469 BTU/CF
 Saturated Basis ----- 1444 BTU/CF

DISTRICT I

1825 N. French Dr., Hobbs, NM 88240
Phone (505) 393-6161 Fax: (505) 393-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 746-1263 Fax: (505) 746-0720

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax: (505) 476-3462State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

Revised August 4, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505OCD - HOBBS
11/18/2020
RECEIVED

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-47195	Pool Code 97895	Pool Name WC-025 G-08 S213304D;BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 1H
OGRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3916'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
D	13	21 S	32 E		1046	NORTH	678	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
E	25	21 S	32 E		2540	NORTH	330	WEST	LEA

Dedicated Acres 360.00	Joint or Infill	Consolidation Code C	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

SURFACE LOCATION
 Lat - N 32.483291°
 Long - W 103.634744°
 NMSPCE - N 540257.6
 E 756750.5
 (NAD-83)

FIRST TAKE POINT
1420 FNL & 330 FWL
 Lat - N 32.482262°
 Long - W 103.635873°
 NMSPCE - N 539880.6
 E 756404.8
 (NAD-83)

**LAST TAKE POINT/
BOTTOM HOLE**
 Lat - N 32.450137°
 Long - W 103.635934°
 NMSPCE - N 528193.4
 E 756462.4
 (NAD-83)

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Cory Walk Date: 11-18-20

Printed Name: Cory Walk

Email Address: cory@permitswest.com

505 466-8120

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DATE SURVEYED: MARCH 5, 2020

Signature & Seal of Professional Surveyor: [Signature]

Certificate No. 7977

Scale: 1" = 1500'

EXHIBIT

3

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

Form C-102
Revised August 4, 2011
Submit one copy to appropriate
District Office

OCD - HOBBS
11/18/2020
RECEIVED

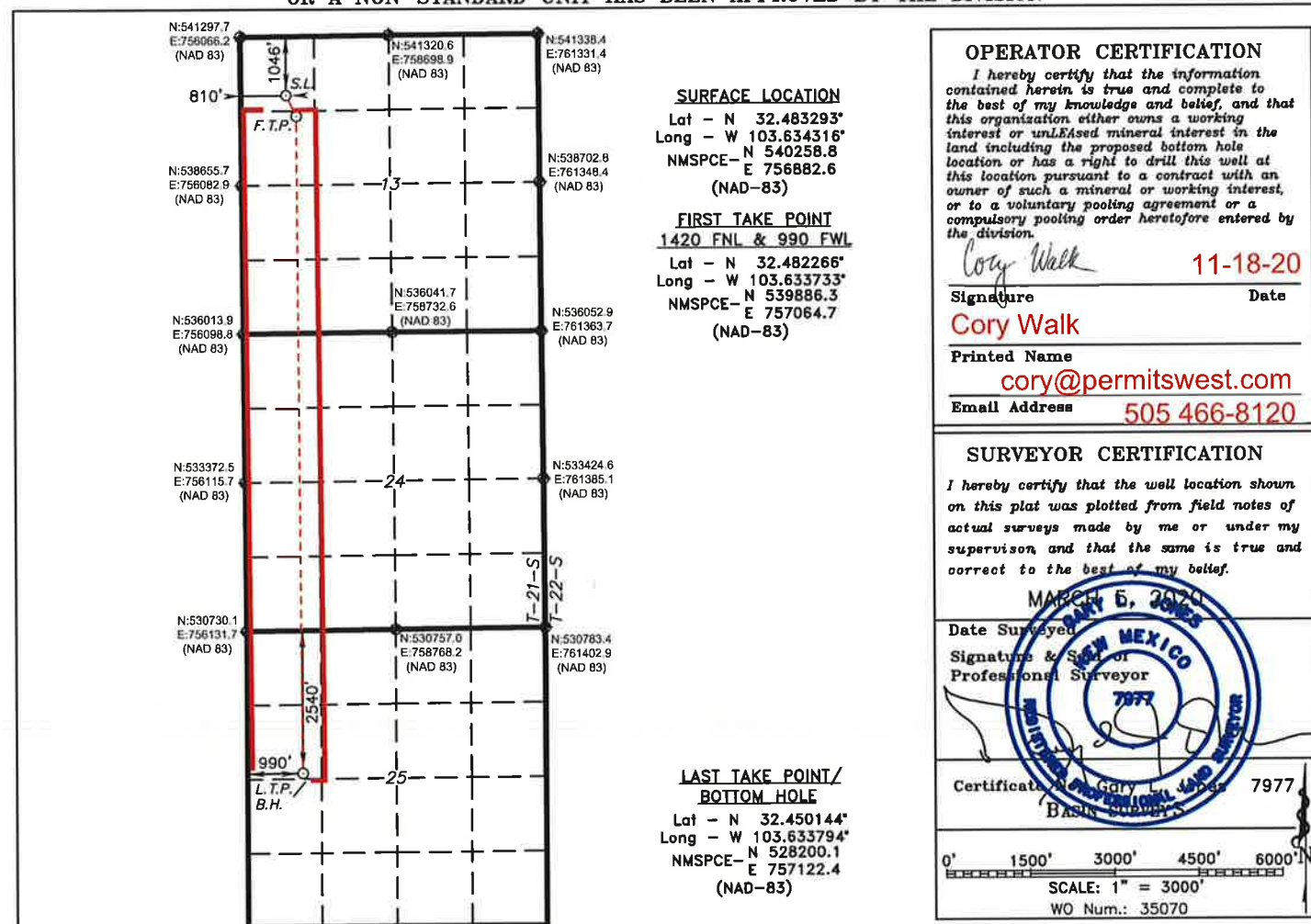
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Surface Location

Bottom Hole Location If Different From Surface

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



DISTRICT I

1825 N. French Dr., Hobbs, NM 88240
Phone (575) 393-8161 Fax: (575) 393-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (575) 748-1283 Fax: (575) 748-9720

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 354-6176 Fax: (505) 354-6170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102

Revised August 4, 2011

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-48008	Pool Code 97895	Pool Name WC-025 G-08 S213304D;BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 9H
OGRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3917'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
D	13	21 S	32 E		1046	NORTH	744	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
E	25	21 S	32 E		2540	NORTH	660	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
360.00		C	

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

SURFACE LOCATION
Lat - N 32.483292°
Long - W 103.634530°
NMSPC - N 540258.2
E 756816.5
(NAD-83)

FIRST TAKE POINT
1420 FNL & 660 FWL
Lat - N 32.482264°
Long - W 103.634803°
NMSPC - N 539883.5
E 756734.7
(NAD-83)

**LAST TAKE POINT/
BOTTOM HOLE**
Lat - N 32.450140°
Long - W 103.634864°
NMSPC - N 528196.8
E 756792.4
(NAD-83)

OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

6-13-20

Signature **Brian Wood** Date _____

Printed Name **brian@permitswest.com**

Email Address **505 466-8120**

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

MARCH 5, 2020
NEW MEXICO
7977

Date Surveyed _____
Signature & Seal of Professional Surveyor _____
Certificate No. _____ 7977
BASIS SURVEY

0' 1500' 3000' 4500' 6000' N
SCALE: 1" = 3000'
WO Num.: 35070

DISTRICT I

1626 N. French Dr., Hobbs, NM 88240
Phone (505) 398-6161 Fax: (505) 398-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 746-1203 Fax: (505) 746-9720

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 394-6176 Fax: (505) 394-6170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3480 Fax: (505) 478-3482State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102

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District OfficeWELL LOCATION AND ACREAGE DEDICATION ☒ AMENDED REPORT

API Number 30-025-48009	Pool Code 97895	Pool Name WC-025 G-08 S213304D;BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 13H
OGRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3916'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
D	13	21 S	32 E		1046	NORTH	645	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
E	25	21 S	32 E		2540	NORTH	330	WEST	LEA

Dedicated Acres 360.00	Joint or Infill	Consolidation Code C	Order No.
----------------------------------	-----------------	--------------------------------	-----------

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

SURFACE LOCATION
Lat - N 32.483291°
Long - W 103.634851°
NMSPC - N 540257.3
E 756717.5
(NAD-83)

FIRST TAKE POINT
1420 FNL & 330 FWL
Lat - N 32.482262°
Long - W 103.635873°
NMSPC - N 539880.6
E 756404.8
(NAD-83)

**LAST TAKE POINT/
BOTTOM HOLE**
Lat - N 32.450137°
Long - W 103.635934°
NMSPC - N 528193.4
E 756462.4
(NAD-83)

OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

6-14-20

Signature Brian Wood Date

Printed Name brian@permitswest.com

Email Address 505 466-8120

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

MARCH 5, 2020

Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No. 7977

Scale: 1" = 3000'

WO Num.: 35070

DISTRICT I

1025 N. French Dr., Hobbs, NM 88240
Phone (505) 393-8101 Fax: (505) 393-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 748-1289 Fax: (505) 748-9720

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax: (505) 476-3462State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102

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District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-47197	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 3H
OGRID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA	Elevation 3912'

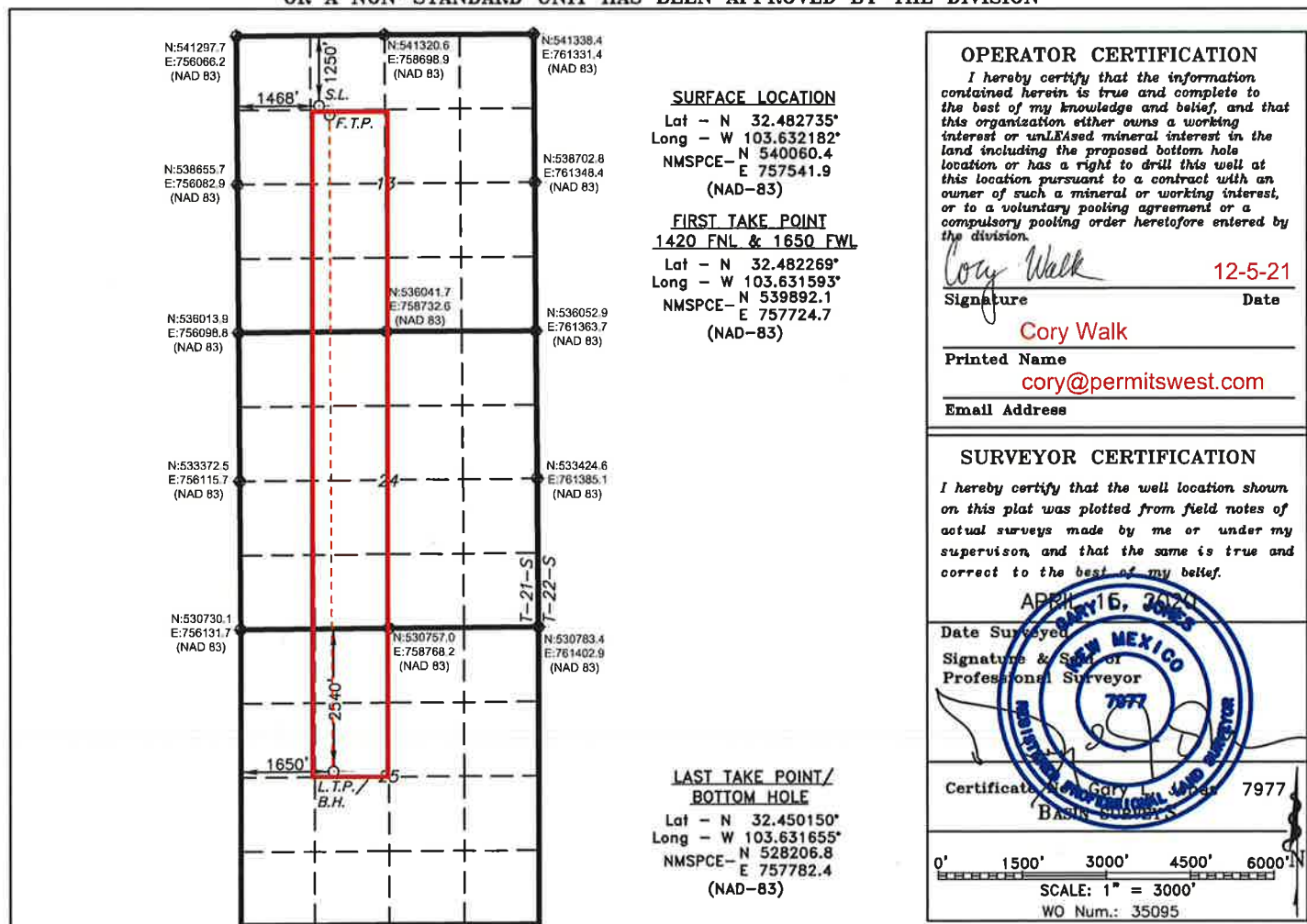
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
C	13	21 S	32 E		1250	NORTH	1468	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
F	25	21 S	32 E		2540	NORTH	1650	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
360			

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

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (505) 393-6161 Fax: (505) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-0720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3460 Fax: (505) 478-3458

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-47198	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 4H
OGRID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA	Elevation 3913'

Surface Location

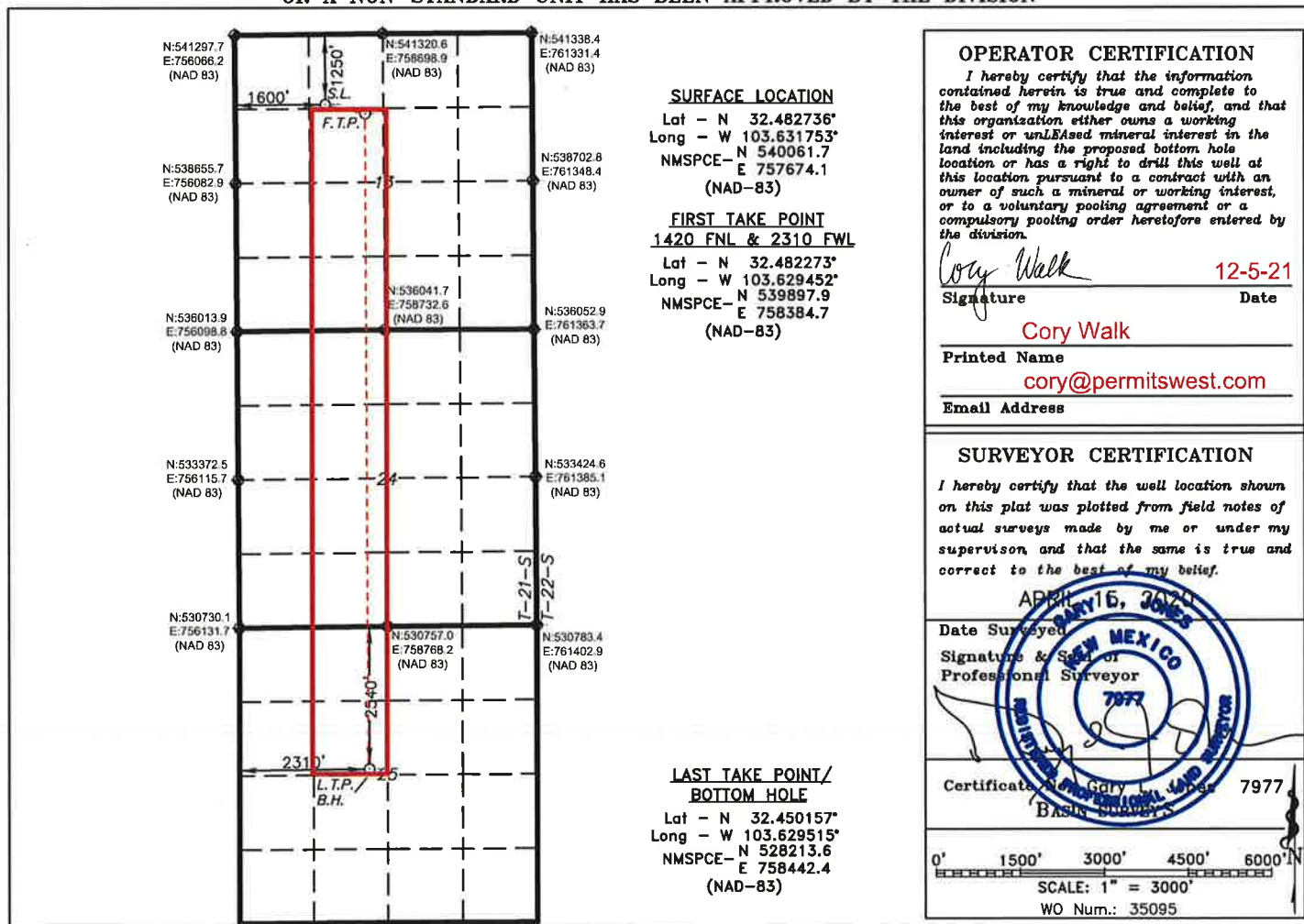
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
C	13	21 S	32 E		1250	NORTH	1600	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
F	25	21 S	32 E		2540	NORTH	2310	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
360			

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DISTRICT I

1626 N. French Dr., Hobbs, NM 88240
Phone (505) 393-6161 Fax: (505) 393-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 748-1203 Fax: (505) 748-0720

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3460 Fax: (505) 478-3462State of New Mexico
Energy, Minerals and Natural Resources DepartmentOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49183	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 10H
OGRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3913'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
C	13	21 S	32 E		1250	NORTH	1534	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
F	25	21 S	32 E		2540	NORTH	1980	WEST	LEA

Dedicated Acres 360	Joint or Infill	Consolidation Code	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

SURFACE LOCATION
Lat - N 32.482736°
Long - W 103.631969°
NMSPCE - N 540061.0
E 757607.7
(NAD-83)

FIRST TAKE POINT
1420 FNL & 1980 FWL
Lat - N 32.482271°
Long - W 103.630523°
NMSPCE - N 539895.0
E 758054.7
(NAD-83)

**LAST TAKE POINT/
BOTTOM HOLE**
Lat - N 32.450154°
Long - W 103.630585°
NMSPCE - N 528210.2
E 758112.4
(NAD-83)

OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Cory Walk Date: 10-16-20

Printed Name: Cory Walk

Email Address: cory@permitswest.com

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed: APR 16, 2024

Signature & Seal of Professional Surveyor: [Signature]

Certificate No. 7977

Scale: 1" = 3000'

WO Num.: 35095

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
Phone (505) 393-6161 Fax: (505) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 746-1383 Fax: (505) 746-0720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8176 Fax: (505) 334-8170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources Department

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49186	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 14H
GRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3913'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
C	13	21 S	32 E		1250	NORTH	1435	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
F	25	21 S	32 E		2540	NORTH	1650	WEST	LEA
Dedicated Acres 360	Joint or Infill	Consolidation Code	Order No.						

**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**

SURFACE LOCATION
 Lat - N 32.482735°
 Long - W 103.632289°
 NMSPCE - N 540060.2
 E 757508.8
 (NAD-83)

FIRST TAKE POINT
 1420 FNL & 1650 FWL
 Lat - N 32.482269°
 Long - W 103.631593°
 NMSPCE - N 539892.1
 E 757724.7
 (NAD-83)

**LAST TAKE POINT/
BOTTOM HOLE**
 Lat - N 32.450150°
 Long - W 103.631655°
 NMSPCE - N 528206.8
 E 757782.4
 (NAD-83)

OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Cory Walk **10-16-20**
 Signature Date
Cory Walk
 Printed Name
cory@permitswest.com
 Email Address

SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

APR 16, 2020
 Date Surveyed
 Signature & Seal of Professional Surveyor
 Certificate No. Gary L. Jones 7977
 Basis: SURVEY

0' 1500' 3000' 4500' 6000'
 SCALE: 1" = 3000'
 WO Num.: 35095

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240
Phone (505) 303-6161 Fax: (505) 393-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-0720

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
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DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3480 Fax: (505) 478-3482State of New Mexico
Energy, Minerals and Natural Resources Department

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

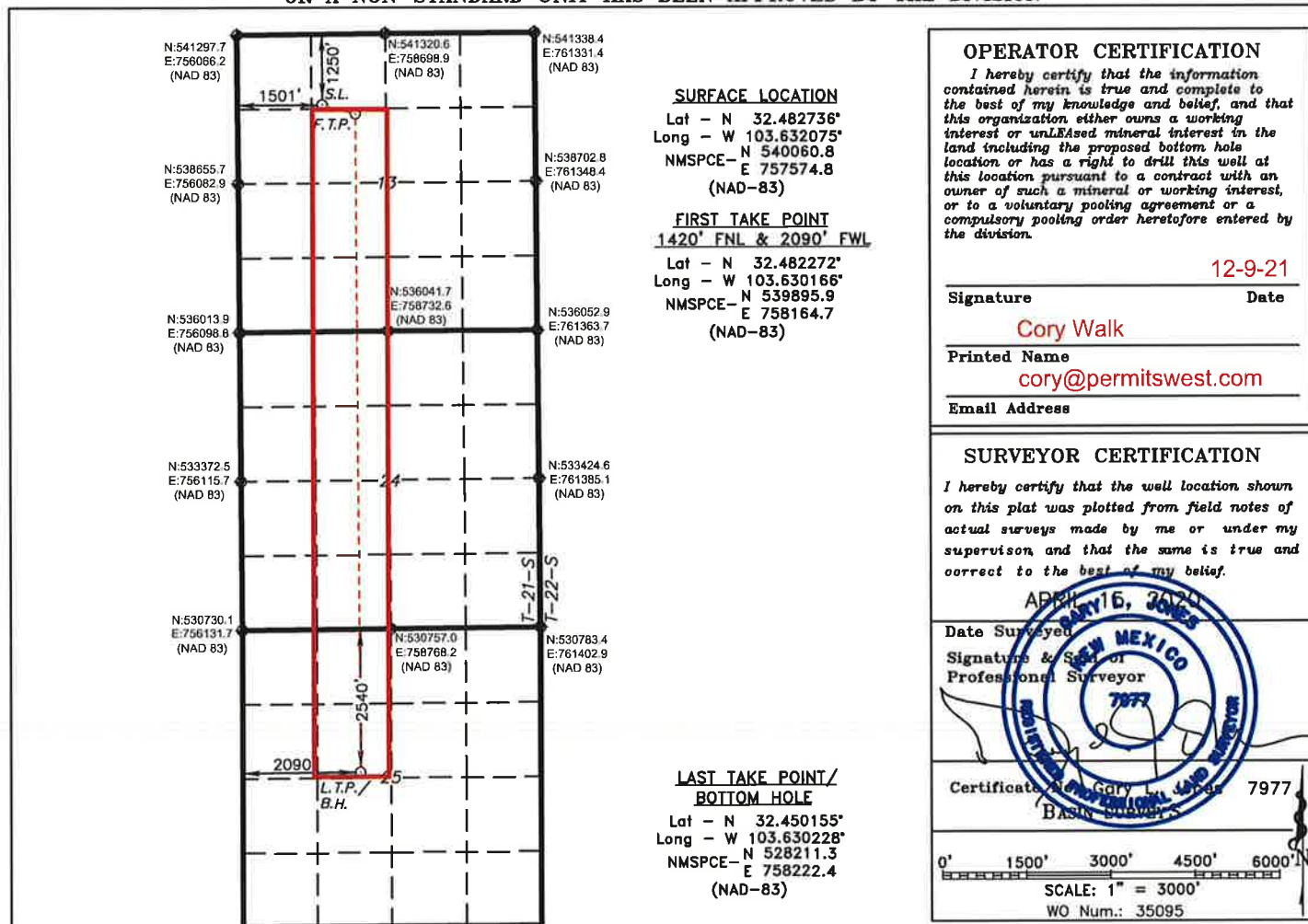
API Number 30-025-49250	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 22H
OGRIID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA	Elevation 3913'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
C	13	21 S	32 E		1250	NORTH	1501	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
F	25	21 S	32 E		2540	NORTH	2090	WEST	LEA
Dedicated Acres 360	Joint or Infill	Consolidation Code	Order No.						

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

DISTRICT I

1626 N. French Dr., Hobbs, NM 88240
Phone (505) 393-6161 Fax: (505) 393-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-0720

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8176 Fax: (505) 334-8170

DISTRICT IV

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Phone (505) 476-3460 Fax: (505) 476-3462State of New Mexico
Energy, Minerals and Natural Resources DepartmentOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

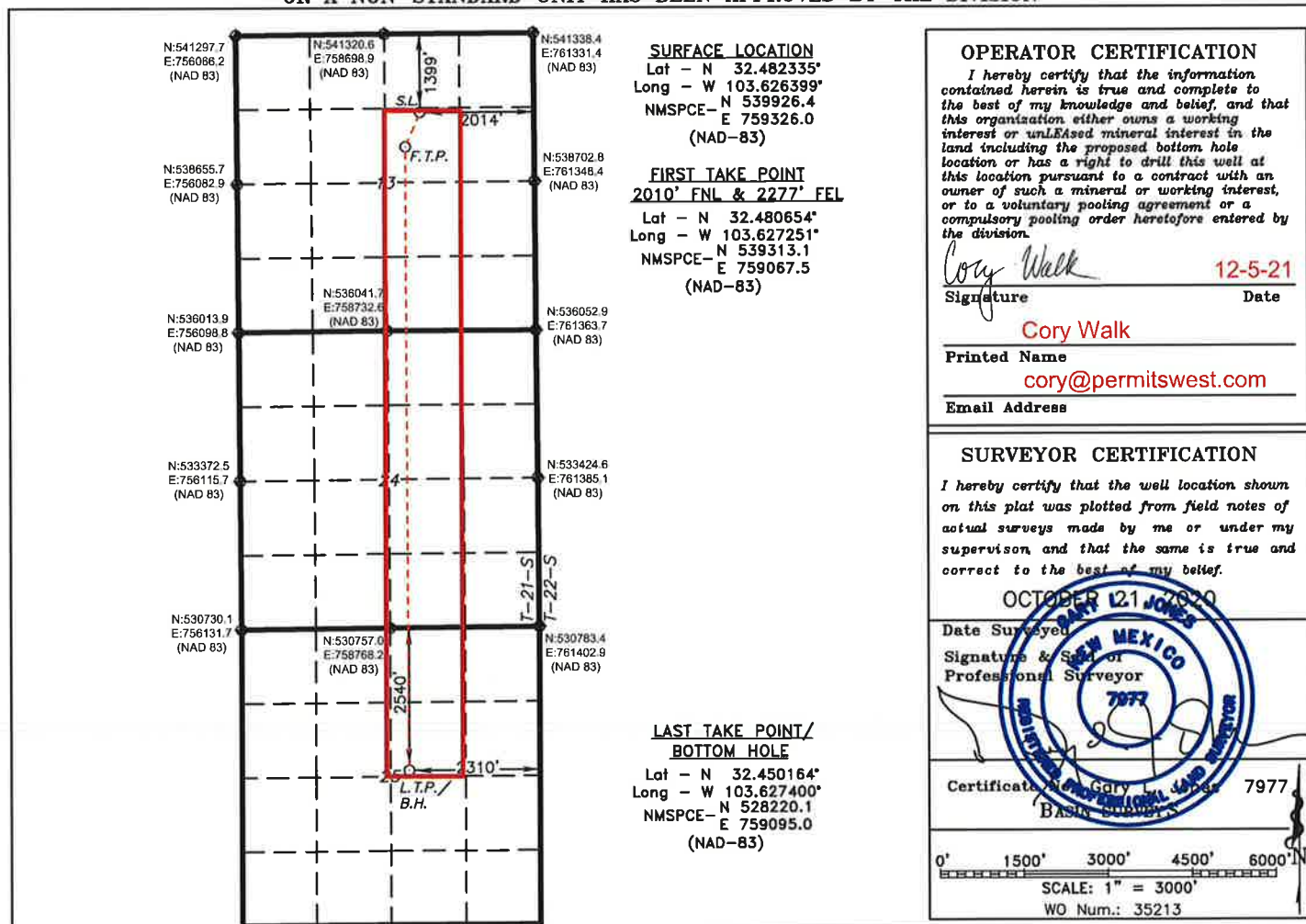
API Number 30-025-47199	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM	Well Number 5H
OGRID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA	Elevation 3911'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	13	21 S	32 E		1399	NORTH	2014	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	25	21 S	32 E		2540	NORTH	2310	EAST	LEA
Dedicated Acres 360	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
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DISTRICT I

1625 N. French Dr., Hobbs, NM 88240
Phone (505) 393-8161 Fax: (505) 393-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 354-8178 Fax: (505) 354-8170

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 354-8178 Fax: (505) 354-8170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3460 Fax: (505) 478-3462State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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Santa Fe, New Mexico 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-47200	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM	Well Number 6H
OGRID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA	Elevation 3910'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	13	21 S	32 E		1399	NORTH	1882	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	25	21 S	32 E		2540	NORTH	1650	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
360			

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

SURFACE LOCATION
Lat - N 32.482334°
Long - W 103.625971°
NMSPCE - N 539927.2
E 759458.1
(NAD-83)

FIRST TAKE POINT
1995' FNL & 1650' FEL
Lat - N 32.480695°
Long - W 103.625218°
NMSPCE - N 539332.3
E 759694.3
(NAD-83)

**LAST TAKE POINT/
BOTTOM HOLE**
Lat - N 32.450169°
Long - W 103.625261°
NMSPCE - N 528226.7
E 759755.0
(NAD-83)

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Cory Walk 12-5-21
Signature Date

Cory Walk
Printed Name

cory@permitswest.com
Email Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

OCTOBER 12 2021
Date Surveyed

[Signature]
Signature & Seal of Professional Surveyor

Certification of *[Signature]* 7977
Basic Survey

0' 1500' 3000' 4500' 6000'
SCALE: 1" = 3000'
WO Num.: 35213

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

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1289 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3450 Fax: (505) 478-3452

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49184	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 11H
OGRI No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3910'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	13	21 S	32 E		1399	NORTH	1948	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	25	21 S	32 E		2540	NORTH	1980	EAST	LEA
Dedicated Acres 360	Joint or Infill	Consolidation Code	Order No.						

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

	<p>SURFACE LOCATION Lat - N 32.482334° Long - W 103.626186° NMSPCE - N 539926.8 E 759391.9 (NAD-83)</p> <p>FIRST TAKE POINT 2010' FNL & 1960' FEL Lat - N 32.480654° Long - W 103.626223° NMSPCE - N 539315.2 E 759384.4 (NAD-83)</p> <p>LAST TAKE POINT/ BOTTOM HOLE Lat - N 32.450167° Long - W 103.626331° NMSPCE - N 528223.4 E 759425.0 (NAD-83)</p>	<p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unLEASED mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</p> <p><i>Cory Walk</i> 10-23-20 Signature Date Cory Walk Printed Name cory@permitswest.com Email Address</p> <p>SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 21 2020 Date Surveyed Signature & Seal of Professional Surveyor Certificate of Gary L. Jones 7977 BASIC SURVEY</p> <p>0' 1500' 3000' 4500' 6000' IN SCALE: 1" = 3000' WO Num.: 35213</p>
--	--	---

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 745-1253 Fax: (575) 745-0720

DISTRICT III
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Phone (505) 334-5178 Fax: (505) 334-5170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 4, 2011
Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49187	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 15H
OGRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3911'

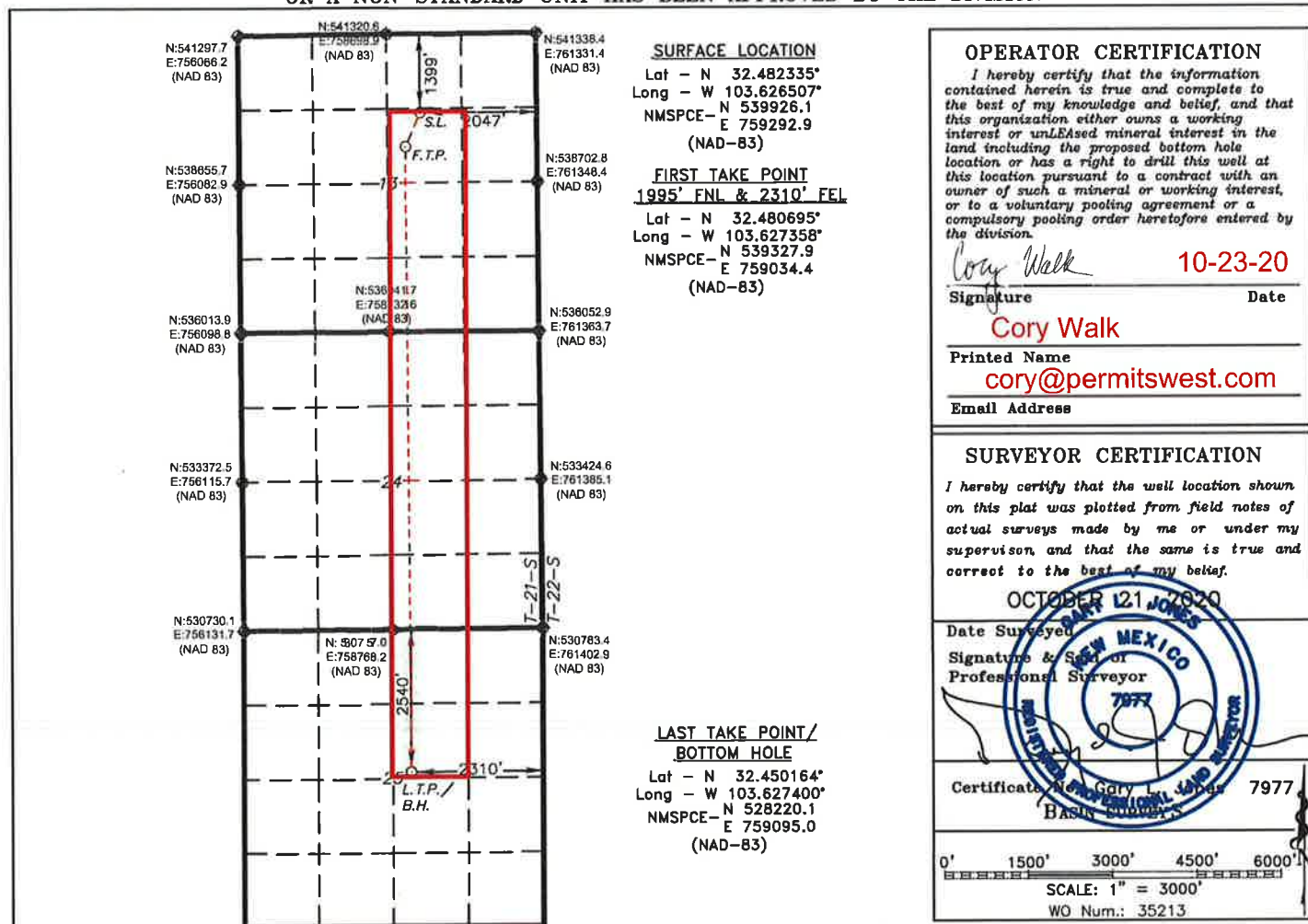
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	13	21 S	32 E		1399	NORTH	2047	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	25	21 S	32 E		2540	NORTH	2310	EAST	LEA
Dedicated Acres 360	Joint or Infill	Consolidation Code	Order No.						

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



DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
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DISTRICT II
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DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
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DISTRICT IV
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State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-47201	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 7H
OGRID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA	Elevation 3907'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
A	13	21 S	32 E		460	NORTH	774	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
H	25	21 S	32 E		2540	NORTH	990	EAST	LEA

Dedicated Acres 360	Joint or Infill	Consolidation Code	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

SURFACE LOCATION
Lat - N 32.484914°
Long - W 103.622376°
NMSPCE - N 540873.2
E 760560.4
(NAD-83)

FIRST TAKE POINT
1420 FNL & 990 FEL
Lat - N 32.482276°
Long - W 103.623077°
NMSPCE - N 539911.8
E 760350.6
(NAD-83)

**LAST TAKE POINT/
BOTTOM HOLE**
Lat - N 32.450175°
Long - W 103.623119°
NMSPCE - N 528233.3
E 760415.0
(NAD-83)

OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Cory Walk 12-5-21
Signature Date

Cory Walk
Printed Name

cory@permitswest.com
Email Address

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APR 16, 2022
Date Surveyed

[Signature]
Signature & Seal of Professional Surveyor

Certificate No. **7977**
Basis **Survey**

0' 1500' 3000' 4500' 6000' N
SCALE: 1" = 3000'
WO Num.: 35093

DISTRICT I

1626 N. French Dr., Hobbs, NM 88240
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DISTRICT II

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DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
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Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-47202	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 8H
OGRID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA	Elevation 3906'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
A	13	21 S	32 E		460	NORTH	642	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
H	25	21 S	32 E		2540	NORTH	330	EAST	LEA
Dedicated Acres 360	Joint or Infill	Consolidation Code	Order No.						

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

	SURFACE LOCATION Lat - N 32.484914° Long - W 103.621948° NMSPCE - N 540873.9 E 760692.4 (NAD-83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature <u>Cory Walk</u> Date <u>12-5-21</u> Printed Name <u>Cory Walk</u> Email Address <u>cory@permitswest.com</u>
	FIRST TAKE POINT 1420 FNL & 330 FEL Lat - N 32.482276° Long - W 103.620937° NMSPCE - N 539916.2 E 761010.6 (NAD-83)	
	LAST TAKE POINT/ BOTTOM HOLE Lat - N 32.450181° Long - W 103.620981° NMSPCE - N 528239.9 E 761074.9 (NAD-83)	
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. Date Surveyed <u>APRIL 15, 2020</u> Signature & Seal of Professional Surveyor <u>[Signature]</u> Certificate No. <u>7977</u> Scale: 1" = 3000' WO Num.: 35093	

DISTRICT I

1825 N. French Dr., Hobbs, NM 88240
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DISTRICT II

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DISTRICT III

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DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482State of New Mexico
Energy, Minerals and Natural Resources DepartmentOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505Form C-102
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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49185	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 12H
OGRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3907'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
A	13	21 S	32 E		460	NORTH	708	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
H	25	21 S	32 E		2540	NORTH	660	EAST	LEA

Dedicated Acres 360	Joint or Infill	Consolidation Code	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

	SURFACE LOCATION Lat - N 32.484914° Long - W 103.622162° NMSPC - N 540873.5 E 760626.3 (NAD-83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature <u>Cory Walk</u> Date 10-16-20 Printed Name Cory Walk Email Address cory@permitswest.com
	FIRST TAKE POINT 1420 FNL & 660 FEL Lat - N 32.482276° Long - W 103.622007° NMSPC - N 539914.0 E 760680.6 (NAD-83)	
	LAST TAKE POINT/ BOTTOM HOLE Lat - N 32.450178° Long - W 103.622050° NMSPC - N 528236.6 E 760744.9 (NAD-83)	
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date Surveyed APR 15, 2024 Signature & Seal of Professional Surveyor Certificate No. 7977 Base 35093 Scale: 1" = 3000' WO Num.: 35093	

DISTRICT I

1825 N. French Dr., Hobbs, NM 88240
Phone (505) 393-6161 Fax: (505) 393-0720

DISTRICT II

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DISTRICT III

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DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax: (505) 476-3465State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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Santa Fe, New Mexico 87505

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District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49188	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 16H
OGRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3907'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
A	13	21 S	32 E		460	NORTH	807	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
H	25	21 S	32 E		2540	NORTH	990	EAST	LEA
Dedicated Acres 360	Joint or Infill	Consolidation Code	Order No.						

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

	SURFACE LOCATION Lat - N 32.484914° Long - W 103.622483° NMSPCE - N 540873.0 E 760527.3 (NAD-83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unbased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature Date Cory Walk 10-16-20 Printed Name cory@permitswest.com Email Address
	FIRST TAKE POINT 1420-FNL- & 990-FEL Lat - N 32.482276° Long - W 103.623077° NMSPCE - N 539911.8 E 760350.6 (NAD-83)	
	LAST TAKE POINT / BOTTOM HOLE Lat - N 32.450175° Long - W 103.623119° NMSPCE - N 528233.3 E 760415.0 (NAD-83)	
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date Surveyed APR 16, 2020 Signature & Seal of Professional Surveyor Certificate No. 7977 Scale: 1" = 3000' WO Num.: 35093	

DISTRICT I

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Phone (505) 393-8161 Fax: (505) 393-0720

DISTRICT II

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DISTRICT III

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DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3450 Fax: (505) 476-3452State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-30-025-48247	Pool Code 98033	Pool Name WC-025 G-10 S2133280; WOLFCAMP
Property Code 328246	Property Name MARGARITA 13 FEDERAL COM	Well Number 17H
GRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3917'

Surface Location

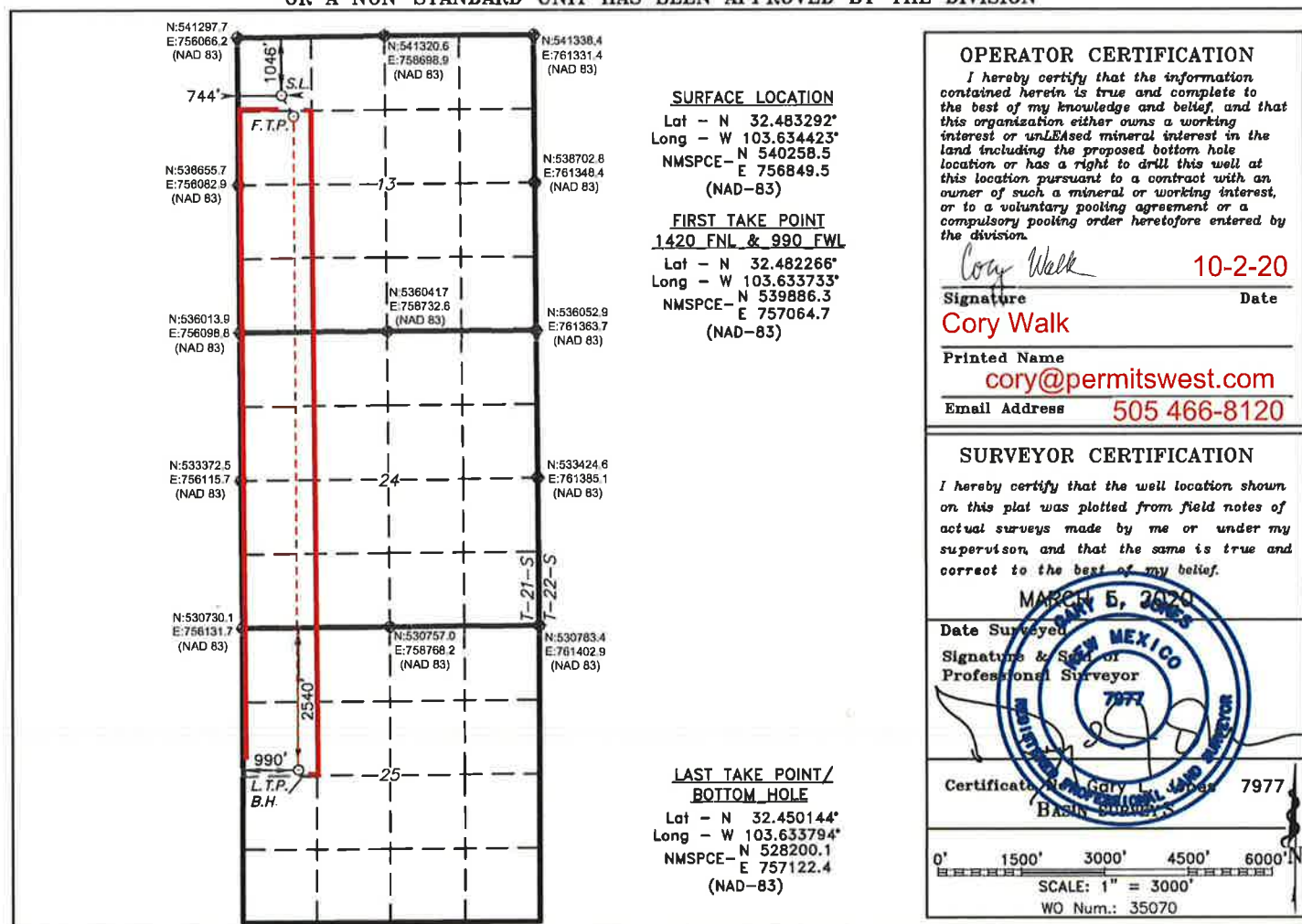
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
D	13	21 S	32 E		1046	NORTH	777	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
E	25	21 S	32 E		2540	NORTH	990	WEST	LEA

Dedicated Acres 360.00	Joint or Infill	Consolidation Code C	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
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DISTRICT I

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Phone (505) 393-6161 Fax: (505) 393-0720

DISTRICT II

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DISTRICT III

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DISTRICT IV

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49497		Pool Code 98033	Pool Name WC-025 G-10 S2133280; WOLFCAMP
Property Code 328246	Property Name MARGARITA FEDERAL COM 13		Well Number 23H
GRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC		Elevation 3910'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	13	21 S	32 E		1399	NORTH	1981	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
G	25	21 S	32 E		2540	NORTH	1980	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
360			

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

	SURFACE LOCATION Lat - N 32.482334° Long - W 103.626292° NMSPCE - N 539926.5 E 759359.0 (NAD-83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Cory Walk 10-23-20 Signature Date Printed Name cory@permitswest.com Email Address
	FIRST TAKE POINT 1995' FNL & 1980' FEL Lat - N 32.480695° Long - W 103.626288° NMSPCE - N 539330.1 E 759364.4 (NAD-83)	
	LAST TAKE POINT/ BOTTOM HOLE Lat - N 32.450167° Long - W 103.626331° NMSPCE - N 528223.4 E 759425.0 (NAD-83)	
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. OCTOBER 12 2020 Date Surveyed Signature & Seal of Professional Surveyor Certificate of Gregory L. Jordan 7977 Basis of Survey 0' 1500' 3000' 4500' 6000' IN SCALE: 1" = 3000' WO Num.: 35213	

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49498	Pool Code 98033	Pool Name WC-025 G-10 S2133280; WOLFCAMP
Property Code 328246	Property Name MARGARITA FEDERAL COM 13	Well Number 24H
OGRID No. 372417	Operator Name Advance Energy Partners Hat Mesa, LLC	Elevation 3907'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
A	13	21 S	32 E		460	NORTH	741	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
H	25	21 S	32 E		2540	NORTH	660	EAST	LEA
Dedicated Acres 360	Joint or Infill	Consolidation Code	Order No.						

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

		<p>SURFACE LOCATION Lat - N 32.484914° Long - W 103.622269° NMSPCE - N 540873.4 E 760593.4 (NAD-83)</p> <p>FIRST TAKE POINT 1420 FNL & 660 FEL Lat - N 32.482276° Long - W 103.622007° NMSPCE - N 539914.0 E 760680.6 (NAD-83)</p> <p>LAST TAKE POINT/ BOTTOM HOLE Lat - N 32.450178° Long - W 103.622050° NMSPCE - N 528236.6 E 760744.9 (NAD-83)</p>
<p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature <u>Cory Walk</u> Date <u>10-16-20</u></p> <p>Printed Name <u>Cory Walk</u></p> <p>Email Address <u>cory@permitswest.com</u></p>		<p>SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date Surveyed <u>APR 16, 2024</u></p> <p>Signature & Seal of Professional Surveyor <u>[Signature]</u></p> <p>Certificate No. <u>7977</u></p> <p>Scale: 1" = 3000'</p> <p>WO Num.: 35093</p>

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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 30-025-50128	² Pool Code 53560	³ Pool Name SALT LAKE; BONE SPRING
⁴ Property Code 328246	⁵ Property Name MARGARITA 13 FED COM	⁶ Well Number 20H
⁷ GRID No. 372417	⁸ Operator Name Advance Energy Partners Hat Mesa, LLC	⁹ Elevation 3911'

¹⁰Surface Location

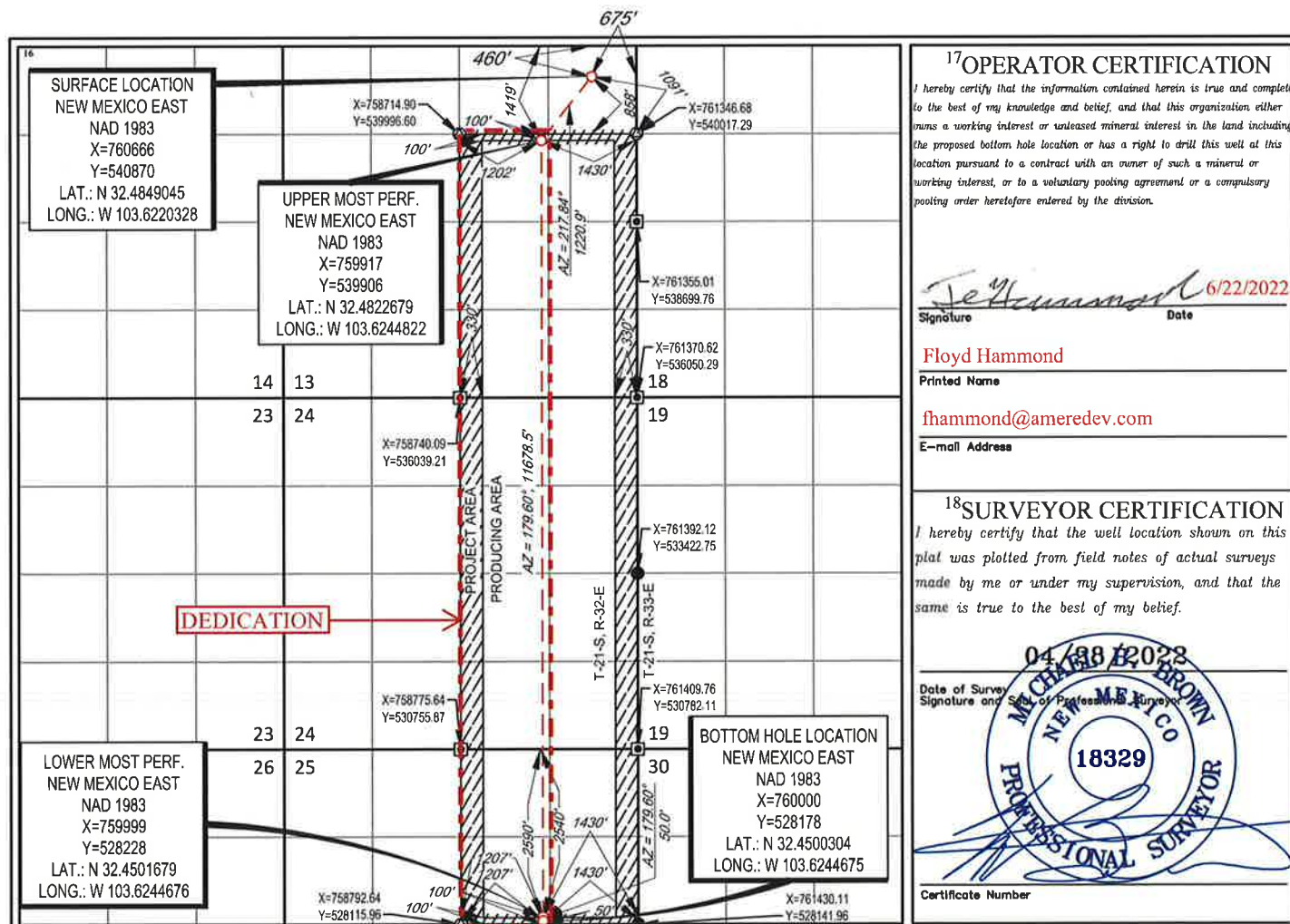
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	21-S	32-E	-	460'	NORTH	675'	EAST	LEA

¹¹Bottom 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
G	25	21-S	32-E	-	2590'	NORTH	1430'	EAST	LEA

¹² Dedicated Acres 360	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.



N-BLR-CON-265

EXHIBIT "A"

Plat of communitized area covering 720.00 acres in the S/2NW/4, SW/4 Section 13, W/2 Section 24 and NW/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Bone Spring Formation.

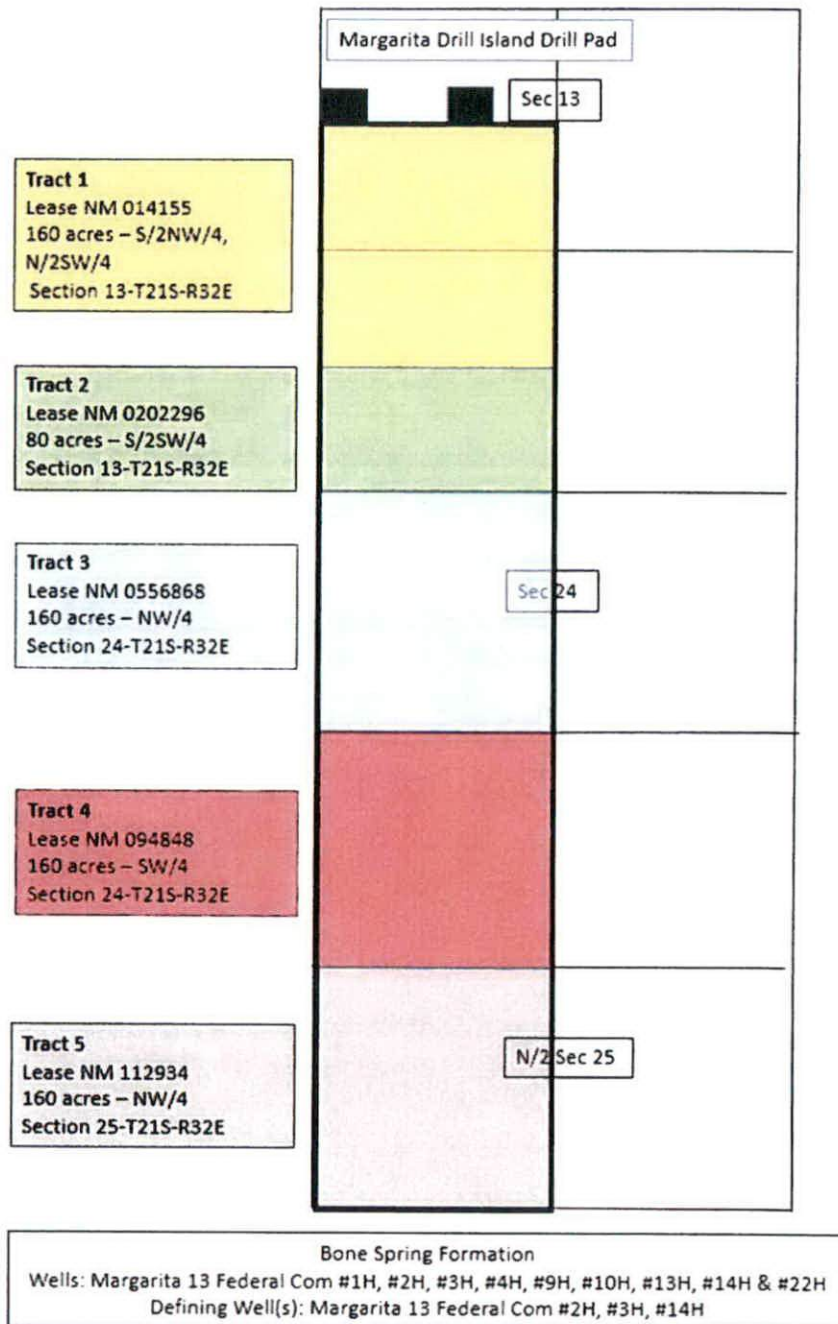


EXHIBIT "B"

To Communitization Agreement Dated July 1, 2022 the S/2NW/4, SW/4 Section 13, W/2 Section 24 and NW/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Operator of Communitized Area: Advance Energy Partners Hat Mesa, LLC

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NMNM 14155
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: S/2NW/4, N/2SW/4
Number of Gross Acres:	160.00
Number of Net Acres:	160.00
Current Lessee of Record:	Leland A. Hodges*
Name of Working Interest Owners:	Advance Energy partners Hat Mesa, LLC
ORRI Owners:	Monarch Resources, Inc., et al

****Please see attached approval letter from Leland A. Hodges.***

Tract No. 2

Lease Serial Number:	NMNM 0202296
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: S/2SW/4
Number of Gross Acres:	80.00
Number of Net Acres:	80.00
Current Lessee of Record:	Advance Energy Partners Hat Mesa, LLC
Name of Working Interest Owners:	Advance Energy Partners Hat Mesa, LLC

Margarita 13 Federal Com – W2 Bone Spring Unit

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co, LLC

Tract No. 3

Lease Serial Number: NMNM 0556868

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: NW/4

Number of Gross Acres: 160.00

Number of Net Acres: 160.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC*

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: Rolla R. Hinkle, III, et al

**** ConocoPhillips is the lessee of record at time of submission, however, upon approval of record title assignment filed on March 4, 2022, Advance Energy Partners Hat Mesa, LLC will become Lessee of Record.***

Tract No. 4

Lease Serial Number: NMNM 94848

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: SW/4

Number of Gross Acres: 160.00

Number of Net Acres: 160.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co, LLC, et al

Tract No. 5

Lease Serial Number:	NMNM 112934
Description of Land Committed:	Township 21 South, Range 32 East, Section 25: NW/4
Number of Gross Acres:	160.00
Number of Net Acres:	160.00
Current Lessee of Record:	Advance Energy Partners Hat Mesa, LLC
Name of Working Interest Owners:	Advance Energy Partners Hat Mesa, LLC
ORRI Owners:	COG Operating LLC

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.00	22.2222%
2	80.00	11.1111%
3	160.00	22.2222%
4	160.00	22.2222%
5	<u>160.00</u>	<u>22.2223%</u>
Total	360.00	100.0000%



11490 Westheimer Road, Suite 950, Houston, Texas 77077 • Phone 832-672-4700 • Fax 832-672-4609

April 5, 2021

The Estate of Allen Hodges, Jr.
c/o Monarch Resources, Inc.
115 West 7th Street, Suite 1310
Fort Worth, Texas 76102

Attention: Leland A. Hodges, III and Margery Lynn Berry, Co-Personal Representatives

Re: Margarita Development Area
Communitization Agreements
S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E
Lea County, NM

Dear Mr. Hodges and Mrs. Perry

Advance Energy Partners Hat Mesa, LLC ("Advance") plans to commence drilling operations on the referenced lands that include lands covered by Federal Lease NMNM 14155 (the "Lease"). Advance intends to communitize the production from the Lease with other leases covering portions of the captioned lands in order pursue the drilling of horizontal wells, pursuant to the rules and regulations of the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico (the "NMOCD").

According to the records of the United States Bureau of Land Management (the "BLM"), Leland Allen Hodges, Jr. holds all of the record title in the Lease. Under the rules and regulations of the BLM, the record title owner under a federal lease is required to either join directly in the execution of all Communitization Agreements or consent in writing to the execution of such Communitization Agreements by the party filing such agreements for approval. In order to facilitate Advance's execution and filing of such Communitization Agreements, we would like to obtain your consent.

To that end, based upon your qualification to serve as the Independent Co-Executors and/or Co-Personal Representatives of the Estate of Leland Allen Hodges, Jr., we are asking you to evidence your consent to the communitization of the Estate's record title interest and interest in operating rights into one or more communitized areas that include all or some portion of the lands covered by the Lease with other adjacent tracts of land.

Advance anticipates that it will file approximately eight different Communitization Agreements, using the form attached hereto (the terms of which are required by the BLM). With your consent to the terms of this letter, and your execution of the Amendment, Advance will be able to certify that you have approved the Communitization Agreements on behalf of the Estate.

If you are willing to consent to Advance's commitment of the Estate's interests to Communitization Agreements that comply with the Amendment and the terms of this letter, please evidence such consent by executing a counterpart of this letter in the space provided below and returning such counterpart to Advance.

The Estate of Leland Allen Hodges, Jr.
Communization Agreement
April 5, 2021
Page 2

We appreciate your attention and cooperation. If you have any questions, please contact me using the contact information provided below:

Office telephone: 832-672-4623
Cell Phone: 713-228-7320
Email: Email: PBurdick@AdvanceEnergyPartners.com

Sincerely,



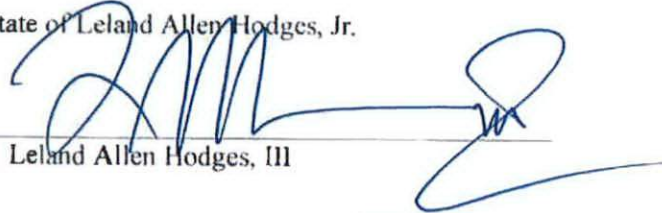
Paul J. Burdick
Landman
Advance Energy Partners, LLC

On behalf of the Estate of Leland Allen Hodges, Jr., the undersigned hereby consent to the commitment of the Estate's interests in the Lease to those Communization Agreements referenced above and grant to Advance, as Operator of the Margarita Ridge Development Area, our permission and approval to certify such consent of the Estate, as required in the applicable Communization Agreements for wells drilled in the Margarita Ridge Development Area, covering S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E, Lea County, New Mexico.

Executed as of April __, 2021.

The Estate of Leland Allen Hodges, Jr.

By:



Leland Allen Hodges, III

By:

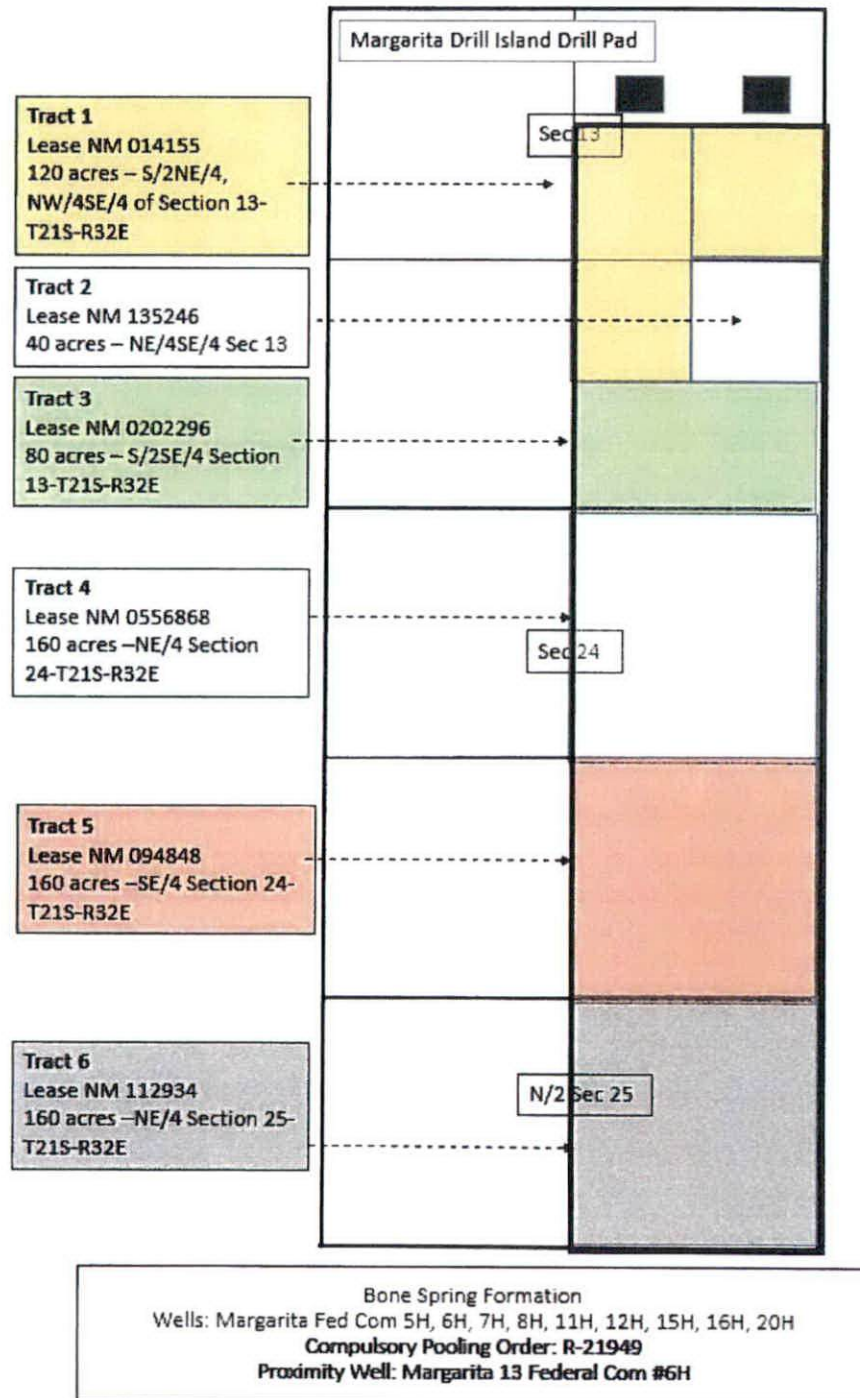


Margery Lynn Berry

EXHIBIT "A"

Plat of communitized area covering 720.00 acres in the S/2NE/4, SE/4 Section 13, E/2 Section 24 and NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Bone Spring Formation.



Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of July, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

S/2NE/4, SE/4 Section 13, E/2 Section 24 and NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Containing 720 acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

Margarita 13 Federal Com- E2 Bone Spring Unit

3. The Operator of the communitized area shall be Advance Energy Partners Hat Mesa, LLC, 2901 Via Fortuna, Suite 600, Austin, Texas 78746. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands

Margarita 13 Federal Com- E2 Bone Spring Unit

within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is July 1, 2022, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

By: Parker Reese, Chief Executive Officer

Released to Imaging: 8/25/2023 5:03:54 PM

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Date

6/2/2022

Advance Energy Partners Hat Mesa, LLC

By: [Signature]Title: Chief Executive Officer**ACKNOWLEDGEMENT**

STATE OF TEXAS)

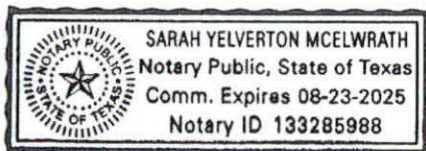
) ss.

COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

8/23/2025[Signature]
Notary Public

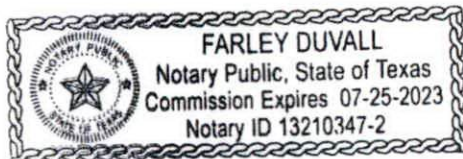
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Marathon Oil Permian, LLC

5-12-2022
DateBy: [Signature]
Title: ATTORNEY-IN-FACT**ACKNOWLEDGEMENT**STATE OF TEXAS)
COUNTY OF HARRIS) ss.

On this 12th day of May, 2022, before me, a Notary Public for the State of TEXAS, personally appeared Stephen J. Thompson, known to me to be the Attorney-in-fact of Marathon Oil Permian, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



My Commission Expires

[Signature]
Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Leland A. Hodges*

Date

By: _____
Title: _____

ACKNOWLEDGEMENT

STATE OF _____)
_____) ss.
COUNTY OF _____)

On this ____ day of _____, 20__, before me, a Notary Public for the State of _____, personally
appeared Leland A. Hodges.

(SEAL)

My Commission Expires

Notary Public

****Please see attached approval letter from Leland A. Hodges.***

SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTEREST

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Advance Energy Partners Hat Mesa, LLC, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME:  _____ (signature of officer)

Printed: Parker Reese

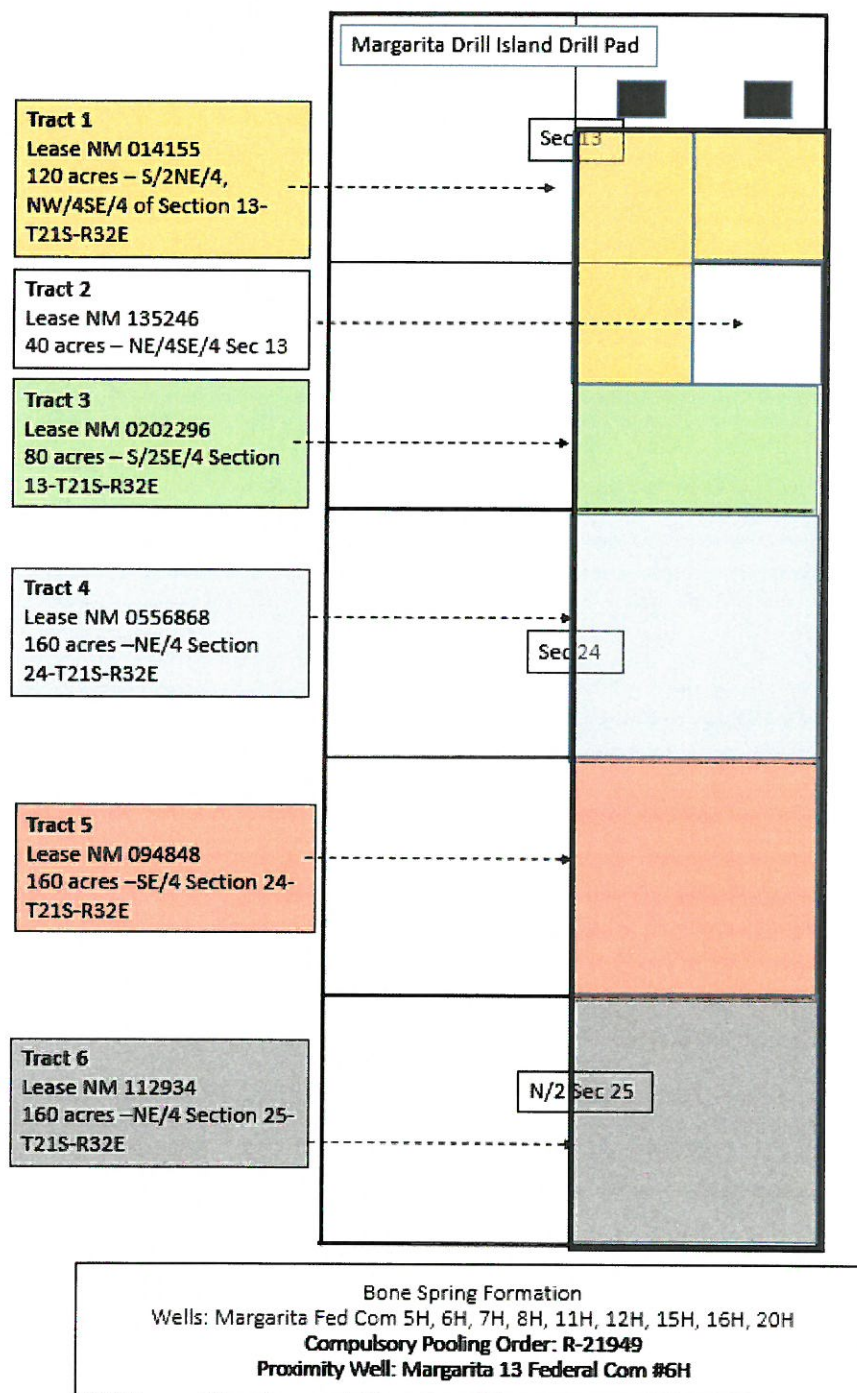
TITLE: Chief Executive Officer

Margarita 13 Federal Com- E2 Bone Spring Unit

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Federal Communitization Agreement

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WITNESSETH:

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WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

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Margarita 13 Federal Com- E2 Bone Spring Unit

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4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
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7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands

Margarita 13 Federal Com- E2 Bone Spring Unit

within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is July 1, 2022, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a

Margarita 13 Federal Com- E2 Bone Spring Unit

counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Advance Energy Partners Hat Mesa, LLC
Operator

6/2/2022
Date

By: [Signature]
Parker Reese, Chief Executive Officer

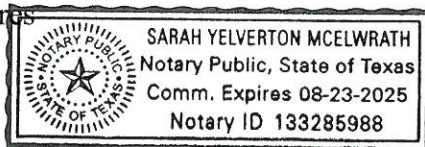
ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/23/2025
My Commission Expires



[Signature]
Notary Public

Margarita 13 Federal Com- E2 Bone Spring Unit

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

6/2/2022
Date

Advance Energy Partners Hat Mesa, LLC

By: [Signature]

Title: Chief Executive Officer

ACKNOWLEDGEMENT

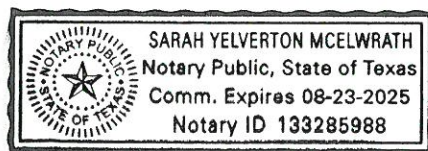
STATE OF TEXAS)
) ss.
COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/23/2025
My Commission Expires

[Signature]
Notary Public



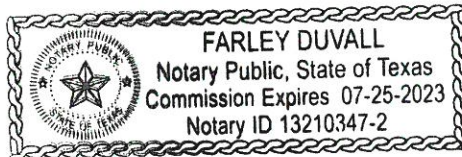
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Marathon Oil Permian, LLC

5-12-2022
DateBy: [Signature]
Title: ATTORNEY-IN-FACT**ACKNOWLEDGEMENT**STATE OF TEXAS)
COUNTY OF HARRIS) ss.

On this 12th day of May, 2022, before me, a Notary Public for the State of TEXAS, personally appeared Stephen J. Thompson, known to me to be the Attorney-in-fact of Marathon Oil Permian, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



My Commission Expires _____

[Signature]
Notary Public

By: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

Released to Imaging: 8/25/2023 5:03:54 PM

SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTEREST**COMMUNITIZATION AGREEMENT:** _____

I, the undersigned, hereby certify, on behalf of Advance Energy Partners Hat Mesa, LLC, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____  (signature of officer)

Printed: Parker Reese

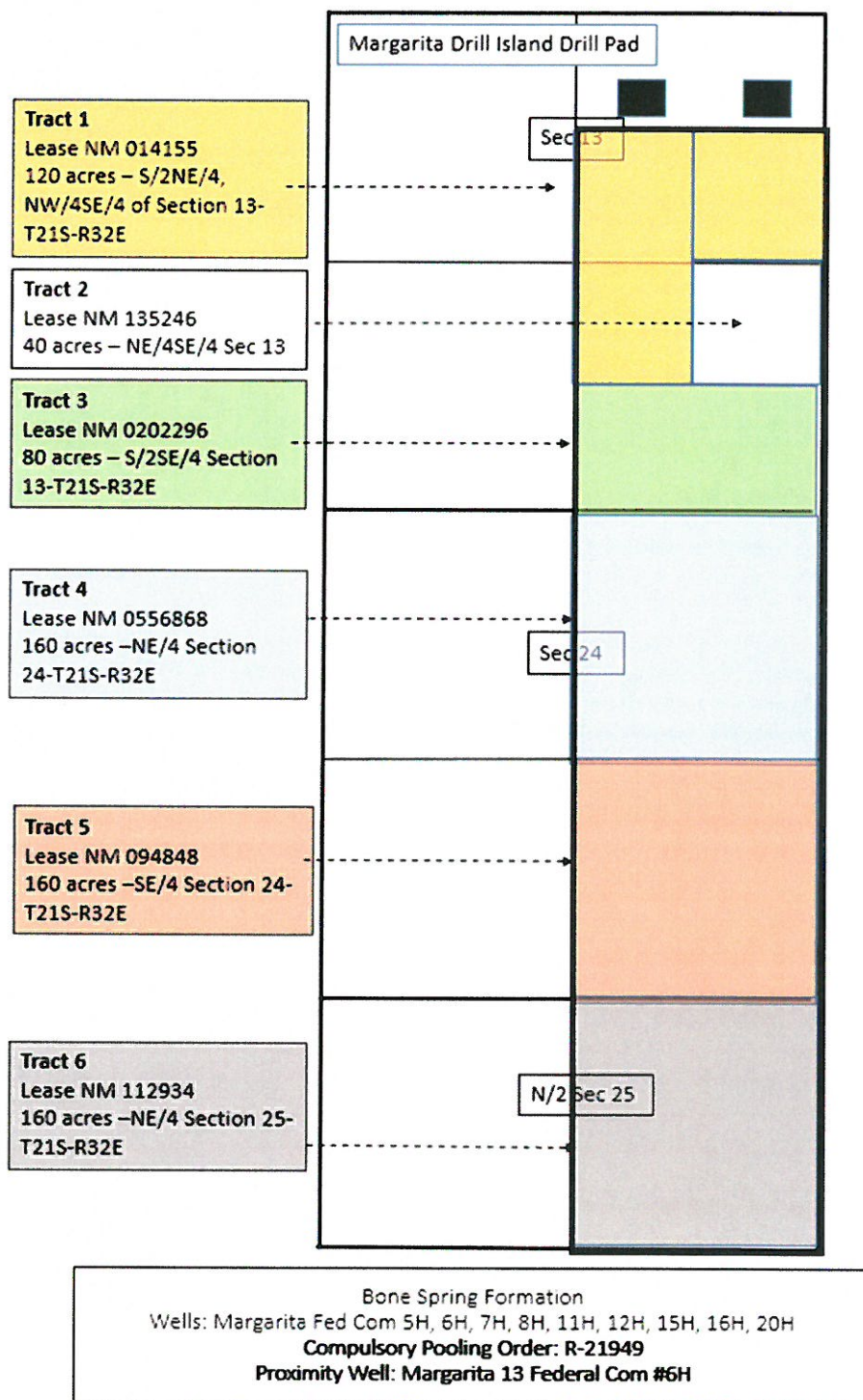
TITLE: Chief Executive Officer

Margarita 13 Federal Com- E2 Bone Spring Unit

EXHIBIT "A"

Plat of communitized area covering **720.00** acres in the S/2NE/4, SE/4 Section 13, E/2 Section 24 and NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Bone Spring Formation.



Margarita 13 Federal Com- E2 Bone Spring Unit

EXHIBIT "B"

To Communitization Agreement Dated July 1, 2022 embracing the following described land in S/2NE/4, SE/4 Section 13, E/2 Section 24 and NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Operator of Communitized Area: Advance Energy Partners Hat Mesa, LLC

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NMNM 14155
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: S/2NE/4, NW/4SE/4
Number of Gross Acres:	120.00
Number of Net Acres:	120.00
Current Lessee of Record:	Leland A. Hodges*
Name of Working Interest Owners:	Advance Energy partners Hat Mesa, LLC
ORRI Owners:	Monarch Resources, Inc., et al

****See attached approval letter from Leland A. Hodges.***

Tract No. 2

Lease Serial Number:	NMNM 135246
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: NE/4SE/4
Number of Gross Acres:	40.00
Number of Net Acres:	40.00
Current Lessee of Record:	Marathon Oil Permian, LLC
Name of Working Interest Owners:	Marathon Oil Permian, LLC

Margarita 13 Federal Com- E2 Bone Spring Unit

ORRI Owners: None
Tract No. 3

Lease Serial Number: NMNM 0202296

Description of Land Committed: Township 21 South, Range 32 East,
Section 13: S/2SE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co,
LLC
Tract No. 4

Lease Serial Number: NMNM 0556868

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: NE/4

Number of Gross Acres: 160.00

Number of Net Acres: 160.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC*

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: Rolla R. Hinkle, III, et al

**** ConocoPhillips is the lessee of record at time of submission, however, upon approval of record title assignment filed on March 4, 2022, Advance Energy Partners Hat Mesa, LLC will become Lessee of Record.***

Tract No. 5

Lease Serial Number:	NMNM 94848
Description of Land Committed:	Township 21 South, Range 32 East, Section 24: SE/4
Number of Gross Acres:	160.00
Number of Net Acres:	160.00
Current Lessee of Record:	Advance Energy Partners Hat Mesa, LLC
Name of Working Interest Owners:	Advance Energy Partners Hat Mesa, LLC
ORRI Owners:	AEPXCON Management, LLC and AEP EnCap Hold Co, LLC, et al

Tract No. 6

Lease Serial Number:	NMNM 112934
Description of Land Committed:	Township 21 South, Range 32 East, Section 25: NE/4
Number of Gross Acres:	160.00
Number of Net Acres:	160.00
Current Lessee of Record:	Advance Energy Partners Hat Mesa, LLC
Name of Working Interest Owners:	Advance Energy Partners Hat Mesa, LLC
ORRI Owners:	COG Operating LLC

Margarita 13 Federal Com- E2 Bone Spring Unit

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	120.00	16.6667%
2	40.00	5.5555%
3	80.00	11.1111%
4	160.00	22.2222%
5	160.00	22.2222%
6	<u>160.00</u>	<u>22.2223%</u>
Total	720.00	100.0000%

Margarita 13 Federal Com- E2 Bone Spring Unit



11490 Westheimer Road, Suite 950, Houston, Texas 77077 • Phone 832-672-4700 • Fax 832-672-4609

April 5, 2021

The Estate of Allen Hodges, Jr.
c/o Monarch Resources, Inc.
115 West 7th Street, Suite 1310
Fort Worth, Texas 76102

Attention: Leland A. Hodges, III and Margery Lynn Berry, Co-Personal Representatives

Re: Margarita Development Area
Communization Agreements
S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E
Lea County, NM

Dear Mr. Hodges and Mrs. Perry

Advance Energy Partners Hat Mesa, LLC ("Advance") plans to commence drilling operations on the referenced lands that include lands covered by Federal Lease NMNM 14155 (the "Lease"). Advance intends to communitize the production from the Lease with other leases covering portions of the captioned lands in order pursue the drilling of horizontal wells, pursuant to the rules and regulations of the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico (the "NMOCD").

According to the records of the United States Bureau of Land Management (the "BLM"), Leland Allen Hodges, Jr. holds all of the record title in the Lease. Under the rules and regulations of the BLM, the record title owner under a federal lease is required to either join directly in the execution of all Communitization Agreements or consent in writing to the execution of such Communitization Agreements by the party filing such agreements for approval. In order to facilitate Advance's execution and filing of such Communitization Agreements, we would like to obtain your consent.

To that end, based upon your qualification to serve as the Independent Co-Executors and/or Co-Personal Representatives of the Estate of Leland Allen Hodges, Jr., we are asking you to evidence your consent to the communitization of the Estate's record title interest and interest in operating rights into one or more communitized areas that include all or some portion of the lands covered by the Lease with other adjacent tracts of land.

Advance anticipates that it will file approximately eight different Communization Agreements, using the form attached hereto (the terms of which are required by the BLM). With your consent to the terms of this letter, and your execution of the Amendment, Advance will be able to certify that you have approved the Communitization Agreements on behalf of the Estate.

If you are willing to consent to Advance's commitment of the Estate's interests to Communitization Agreements that comply with the Amendment and the terms of this letter, please evidence such consent by executing a counterpart of this letter in the space provided below and returning such counterpart to Advance.

The Estate of Leland Allen Hodges, Jr.
Communization Agreement
April 5, 2021
Page 2

We appreciate your attention and cooperation. If you have any questions, please contact me using the contact information provided below:

Office telephone: 832-672-4623
Cell Phone: 713-228-7320
Email: Email: PBurdick@AdvanceEnergyPartners.com

Sincerely,



Paul J. Burdick
Landman
Advance Energy Partners, LLC

On behalf of the Estate of Leland Allen Hodges, Jr., the undersigned hereby consent to the commitment of the Estate's interests in the Lease to those Communitization Agreements referenced above and grant to Advance, as Operator of the Margarita Ridge Development Area, our permission and approval to certify such consent of the Estate, as required in the applicable Communization Agreements for wells drilled in the Margarita Ridge Development Area, covering S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E, Lea County, New Mexico.

Executed as of April __, 2021.

The Estate of Leland Allen Hodges, Jr.

By: _____

Leland Allen Hodges, III

By: _____

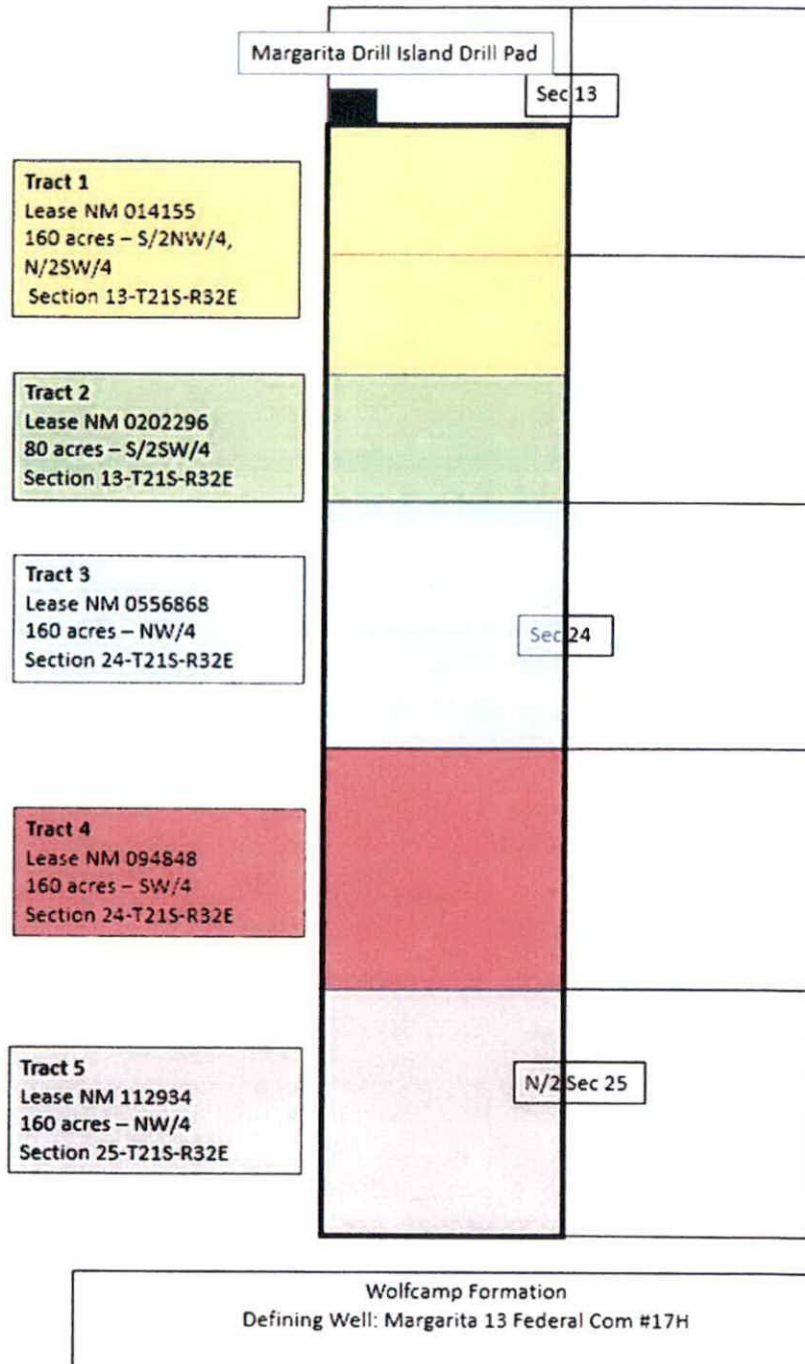
Margery Lynn Berry

N-BLR-CON-267

EXHIBIT "A"

Plat of communitized area covering 720.00 acres in the S/2NW/4, SW/4 Section 13, W/2 Section 24 and NW/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Wolfcamp Formation.



Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of July, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

S/2NW/4, SW/4 Section 13, W/2 Section 24 and NW/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Containing 720 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be Advance Energy Partners Hat Mesa, LLC, 2901 Via Fortuna, Suite 600, Austin, Texas 78746. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands

within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is July 1, 2022, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a

counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Advance Energy Partners Hat Mesa, LLC

Operator

By: _____

Parker Reese, Chief Executive Officer

6/2/2022
Date

ACKNOWLEDGEMENT

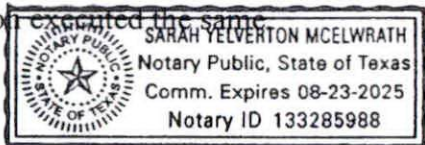
STATE OF TEXAS)

) ss.

COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same

(SEAL)



My Commission Expires _____

Sarah Yelverton McElwrath
Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Advance Energy Partners Hat Mesa, LLC

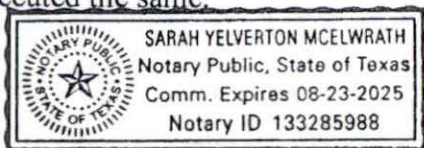
6/2/2022

Date

By: [Signature]Title: Chief Executive Officer**ACKNOWLEDGEMENT**STATE OF TEXAS)
) ss.
COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



My Commission Expires

[Signature]
Notary Public

Leland A. Hodges*

By: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

Released to Imaging: 8/25/2023 5:03:54 PM

SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTEREST

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Advance Energy Partners Hat Mesa, LLC, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____ (signature of officer)

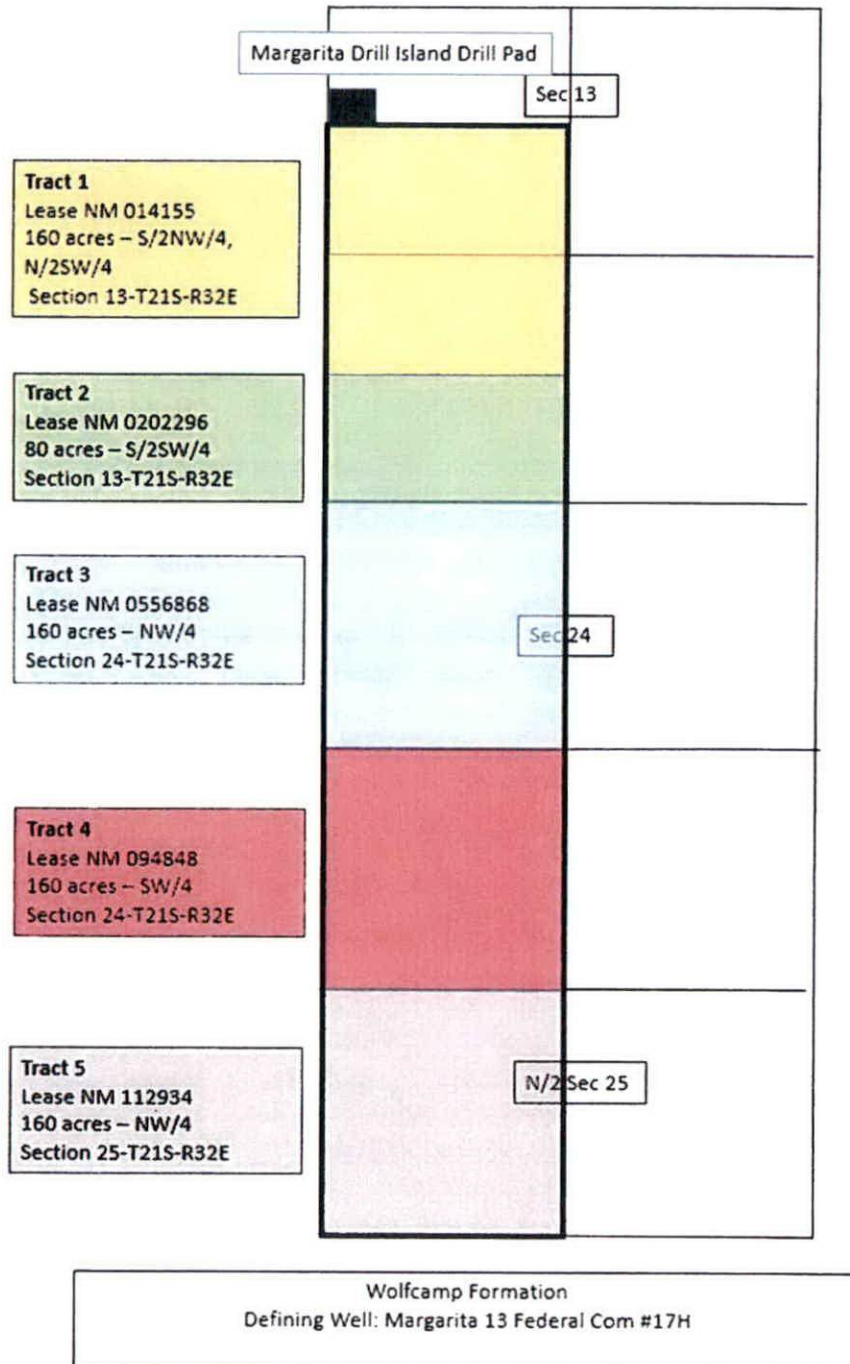
Printed: Parker Reese

TITLE: Chief Executive Officer

EXHIBIT "A"

Plat of communitized area covering **720.00** acres in the S/2NW/4, SW/4 Section 13, W/2 Section 24 and NW/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Wolfcamp Formation.



Margarita 13 Federal Com 17H – W2 Wolfcamp Unit

EXHIBIT "B"

To Communitization Agreement Dated July 1, 2022 the S/2NW/4, SW/4 Section 13, W/2 Section 24 and NW/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Operator of Communitized Area: Advance Energy Partners Hat Mesa, LLC

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NMNM 14155
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: S/2NW/4, N/2SW/4
Number of Gross Acres:	160.00
Number of Net Acres:	160.00
Current Lessee of Record:	Leland A. Hodges
Name of Working Interest Owners:	Advance Energy partners Hat Mesa, LLC
ORRI Owners:	Monarch Resources, Inc., et al

****Please see attached approval letter from Leland A. Hodges.***

Tract No. 2

Lease Serial Number:	NMNM 0202296
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: S/2SW/4
Number of Gross Acres:	80.00
Number of Net Acres:	80.00
Current Lessee of Record:	Advance Energy Partners Hat Mesa, LLC
Name of Working Interest Owners:	Advance Energy Partners Hat Mesa, LLC

Margarita 13 Federal Com 17H – W2 Wolfcamp Unit

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co, LLC

Tract No. 3

Lease Serial Number: NMNM 0556868

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: NW/4

Number of Gross Acres: 160.00

Number of Net Acres: 160.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC*

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: Rolla R. Hinkle, III, et al

**** ConocoPhillips is the lessee of record at time of submission, however, upon approval of record title assignment filed on March 4, 2022, Advance Energy Partners Hat Mesa, LLC will become Lessee of Record.***

Tract No. 4

Lease Serial Number: NMNM 94848

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: SW/4

Number of Gross Acres: 160.00

Number of Net Acres: 160.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co, LLC, et al

Tract No. 5

Lease Serial Number:	NMNM 112934
Description of Land Committed:	Township 21 South, Range 32 East, Section 25: NW/4
Number of Gross Acres:	160.00
Number of Net Acres:	160.00
Current Lessee of Record:	Advance Energy Partners Hat Mesa, LLC
Name of Working Interest Owners:	Advance Energy Partners Hat Mesa, LLC
ORRI Owners:	COG Operating LLC

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.00	22.2222%
2	80.00	11.1111%
3	160.00	22.2222%
4	160.00	22.2222%
5	<u>160.00</u>	<u>22.2223%</u>
Total	360.00	100.0000%



11490 Westheimer Road, Suite 950, Houston, Texas 77077 • Phone 832-672-4700 • Fax 832-672-4609

April 5, 2021

The Estate of Allen Hodges, Jr.
c/o Monarch Resources, Inc.
115 West 7th Street, Suite 1310
Fort Worth, Texas 76102

Attention: Leland A. Hodges, III and Margery Lynn Berry, Co-Personal Representatives

Re: Margarita Development Area
Communization Agreements
S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E
Lea County, NM

Dear Mr. Hodges and Mrs. Perry

Advance Energy Partners Hat Mesa, LLC ("Advance") plans to commence drilling operations on the referenced lands that include lands covered by Federal Lease NMNM 14155 (the "Lease"). Advance intends to communitize the production from the Lease with other leases covering portions of the captioned lands in order pursue the drilling of horizontal wells, pursuant to the rules and regulations of the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico (the "NMOCD").

According to the records of the United States Bureau of Land Management (the "BLM"), Leland Allen Hodges, Jr. holds all of the record title in the Lease. Under the rules and regulations of the BLM, the record title owner under a federal lease is required to either join directly in the execution of all Communitization Agreements or consent in writing to the execution of such Communitization Agreements by the party filing such agreements for approval. In order to facilitate Advance's execution and filing of such Communitization Agreements, we would like to obtain your consent.

To that end, based upon your qualification to serve as the Independent Co-Executors and/or Co-Personal Representatives of the Estate of Leland Allen Hodges, Jr., we are asking you to evidence your consent to the communitization of the Estate's record title interest and interest in operating rights into one or more communitized areas that include all or some portion of the lands covered by the Lease with other adjacent tracts of land.

Advance anticipates that it will file approximately eight different Communitization Agreements, using the form attached hereto (the terms of which are required by the BLM). With your consent to the terms of this letter, and your execution of the Amendment, Advance will be able to certify that you have approved the Communitization Agreements on behalf of the Estate.

If you are willing to consent to Advance's commitment of the Estate's interests to Communitization Agreements that comply with the Amendment and the terms of this letter, please evidence such consent by executing a counterpart of this letter in the space provided below and returning such counterpart to Advance.

The Estate of Leland Allen Hodges, Jr.
Communization Agreement
April 5, 2021
Page 2

We appreciate your attention and cooperation. If you have any questions, please contact me using the contact information provided below:

Office telephone: 832-672-4623
Cell Phone: 713-228-7320
Email: Email: PBurdick@AdvanceEnergyPartners.com

Sincerely,



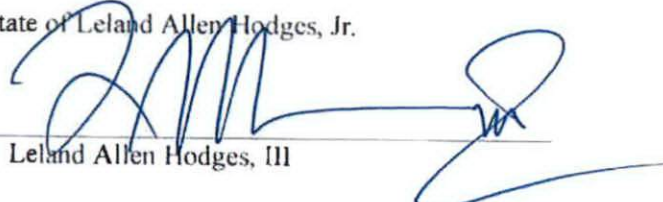
Paul J. Burdick
Landman
Advance Energy Partners, LLC

On behalf of the Estate of Leland Allen Hodges, Jr., the undersigned hereby consent to the commitment of the Estate's interests in the Lease to those Communization Agreements referenced above and grant to Advance, as Operator of the Margarita Ridge Development Area, our permission and approval to certify such consent of the Estate, as required in the applicable Communization Agreements for wells drilled in the Margarita Ridge Development Area, covering S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E, Lea County, New Mexico.

Executed as of April __, 2021.

The Estate of Leland Allen Hodges, Jr.

By:



Leland Allen Hodges, III

By:

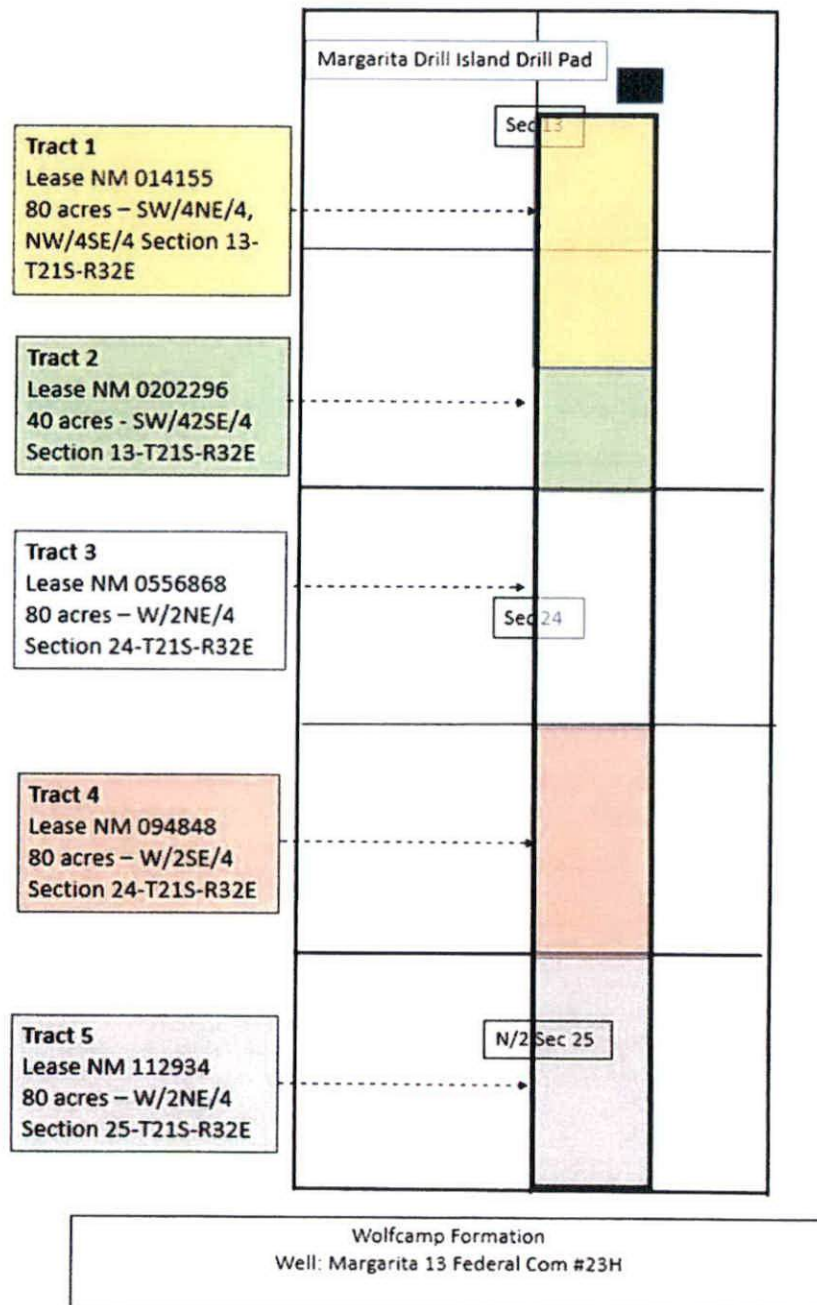


Margery Lynn Berry

EXHIBIT "A"

Plat of communitized area covering 360.00 acres in the SW/4NE/4, W/2SE/4 Section 13, W/2E/2 Section 24 and W/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Wolfcamp Formation.

Margarita 13 Federal Com #23H

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of July, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

SW/4NE/4, W/2SE/4 Section 13, W/2E/2 Section 24 and W/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Containing 360 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be Advance Energy Partners Hat Mesa, LLC, 2901 Via Fortuna, Suite 600, Austin, Texas 78746. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands

within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is July 1, 2022, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a

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Advance Energy Partners Hat Mesa, LLC

By: _____

Title: Chief Executive Officer

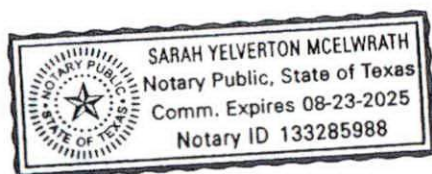
STATE OF TEXAS)
) ss.
COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/23/2025
My Commission Expires


Notary Public



By: _____
Title: _____

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 20__, before me, a Notary Public for the State of _____, personally appeared Leland A. Hodges.

(SEAL)

My Commission Expires

Notary Public

****Please see attached approval letter from Leland A. Hodges.***

SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTEREST

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Advance Energy Partners Hat Mesa, LLC, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME:  _____ (signature of officer)

Printed: Parker Reese

TITLE: Chief Executive Officer

SCANNED

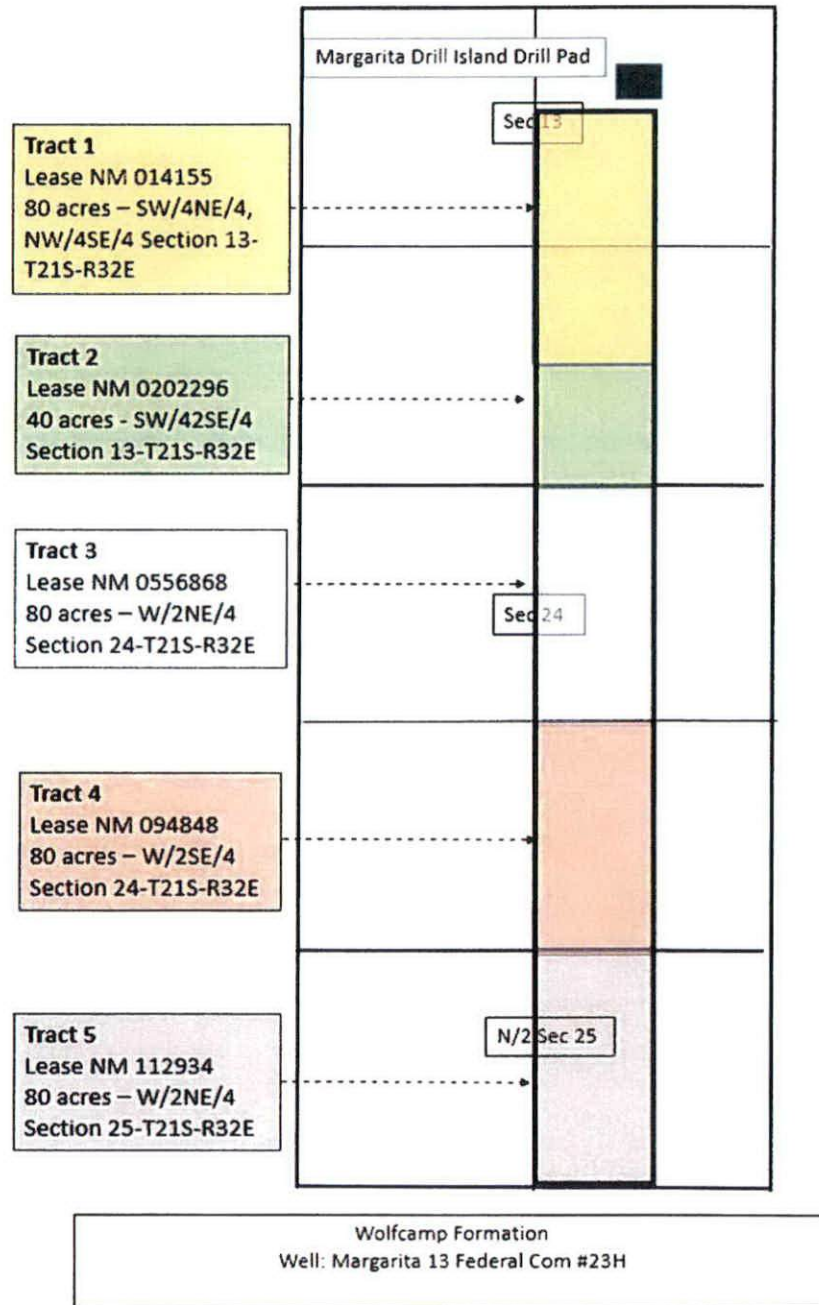
6/2/22

N-BLR-CON-266

EXHIBIT "A"

Plat of communitized area covering 360.00 acres in the SW/4NE/4, W/2SE/4 Section 13, W/2E/2 Section 24 and W/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Wolfcamp Formation.

Margarita 13 Federal Com #23H

Margarita 13 Federal Com 23H – W2E2 Wolfcamp Unit

EXHIBIT "B"

To Communitization Agreement Dated July 1, 2022 embracing the following described land in SW/4NE/4, W/2SE/4 Section 13, W/2E/2 Section 24 and W/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Operator of Communitized Area: Advance Energy Partners Hat Mesa, LLC

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number: NMNM 14155

Description of Land Committed: Township 21 South, Range 32 East,
Section 13: SW/4NE/4, NW/4SE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Leland A. Hodges

Name of Working Interest Owners: Advance Energy partners Hat Mesa, LLC

ORRI Owners: Monarch Resources, Inc., et al

****Please see attached approval letter from Leland A. Hodges.***

Tract No. 2

Lease Serial Number: NMNM 0202296

Description of Land Committed: Township 21 South, Range 32 East,
Section 13: SW/4SE/4

Number of Gross Acres: 40.00

Number of Net Acres: 40.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

Margarita 13 Federal Com 23H – W2E2 Wolfcamp Unit

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co, LLC

Tract No. 3

Lease Serial Number: NMNM 0556868

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: W2NE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC*

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: Rolla R. Hinkle, III, et al

**** ConocoPhillips is the lessee of record at time of submission, however, upon approval of record title assignment filed on March 4, 2022, Advance Energy Partners Hat Mesa, LLC will become Lessee of Record.***

Tract No. 4

Lease Serial Number: NMNM 94848

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: W/2SE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co, LLC, et al

Tract No. 5

Lease Serial Number:	NMNM 112934
Description of Land Committed:	Township 21 South, Range 32 East, Section 25: W/2NE/4
Number of Gross Acres:	80.00
Number of Net Acres:	80.00
Current Lessee of Record:	Advance Energy Partners Hat Mesa, LLC
Name of Working Interest Owners:	Advance Energy Partners Hat Mesa, LLC
ORRI Owners:	COG Operating LLC

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	80.00	22.2222%
2	40.00	11.1111%
3	80.00	22.2222%
4	80.00	22.2222%
5	<u>80.00</u>	<u>22.2223%</u>
Total	360.00	100.0000%



11490 Westheimer Road, Suite 950, Houston, Texas 77077 • Phone 832-672-4700 • Fax 832-672-4609

April 5, 2021

The Estate of Allen Hodges, Jr.
c/o Monarch Resources, Inc.
115 West 7th Street, Suite 1310
Fort Worth, Texas 76102

Attention: Leland A. Hodges, III and Margery Lynn Berry, Co-Personal Representatives

Re: Margarita Development Area
Communization Agreements
S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E
Lea County, NM

Dear Mr. Hodges and Mrs. Perry

Advance Energy Partners Hat Mesa, LLC ("Advance") plans to commence drilling operations on the referenced lands that include lands covered by Federal Lease NMNM 14155 (the "Lease"). Advance intends to communitize the production from the Lease with other leases covering portions of the captioned lands in order pursue the drilling of horizontal wells, pursuant to the rules and regulations of the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico (the "NMOCD").

According to the records of the United States Bureau of Land Management (the "BLM"), Leland Allen Hodges, Jr. holds all of the record title in the Lease. Under the rules and regulations of the BLM, the record title owner under a federal lease is required to either join directly in the execution of all Communitization Agreements or consent in writing to the execution of such Communitization Agreements by the party filing such agreements for approval. In order to facilitate Advance's execution and filing of such Communitization Agreements, we would like to obtain your consent.

To that end, based upon your qualification to serve as the Independent Co-Executors and/or Co-Personal Representatives of the Estate of Leland Allen Hodges, Jr., we are asking you to evidence your consent to the communitization of the Estate's record title interest and interest in operating rights into one or more communitized areas that include all or some portion of the lands covered by the Lease with other adjacent tracts of land.

Advance anticipates that it will file approximately eight different Communitization Agreements, using the form attached hereto (the terms of which are required by the BLM). With your consent to the terms of this letter, and your execution of the Amendment, Advance will be able to certify that you have approved the Communitization Agreements on behalf of the Estate.

If you are willing to consent to Advance's commitment of the Estate's interests to Communitization Agreements that comply with the Amendment and the terms of this letter, please evidence such consent by executing a counterpart of this letter in the space provided below and returning such counterpart to Advance.

The Estate of Leland Allen Hodges, Jr.
Communization Agreement
April 5, 2021
Page 2

We appreciate your attention and cooperation. If you have any questions, please contact me using the contact information provided below:

Office telephone: 832-672-4623
Cell Phone: 713-228-7320
Email: Email: PBurdick@AdvanceEnergyPartners.com

Sincerely,



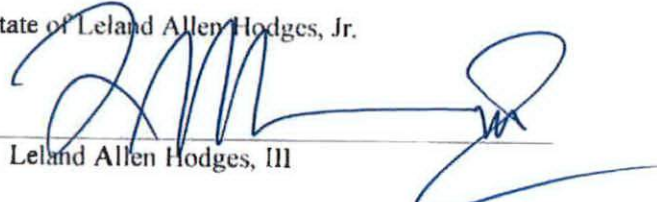
Paul J. Burdick
Landman
Advance Energy Partners, LLC

On behalf of the Estate of Leland Allen Hodges, Jr., the undersigned hereby consent to the commitment of the Estate's interests in the Lease to those Communization Agreements referenced above and grant to Advance, as Operator of the Margarita Ridge Development Area, our permission and approval to certify such consent of the Estate, as required in the applicable Communization Agreements for wells drilled in the Margarita Ridge Development Area, covering S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E, Lea County, New Mexico.

Executed as of April __, 2021.

The Estate of Leland Allen Hodges, Jr.

By:



Leland Allen Hodges, III

By:

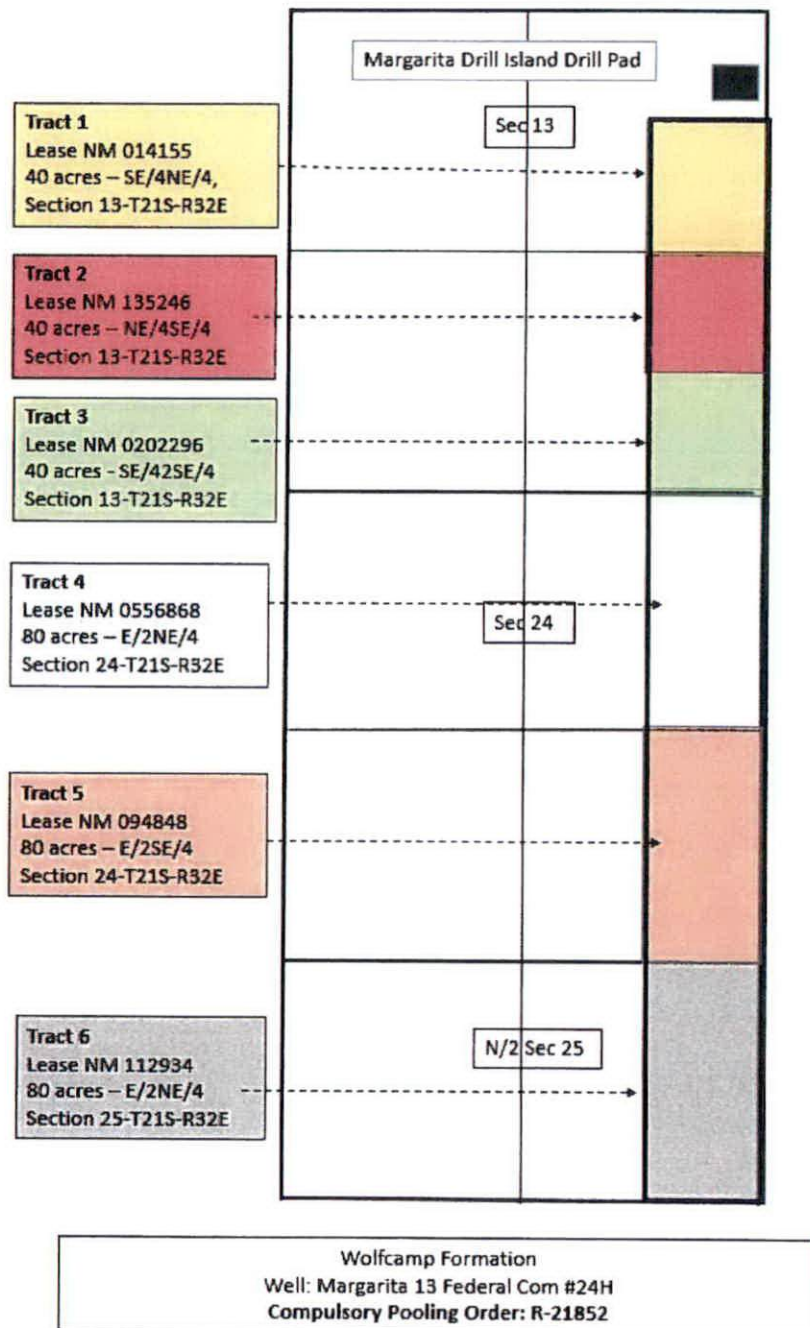


Margery Lynn Berry

EXHIBIT "A"

Plat of communitized area covering **360.00** acres in the SE/4NE/4, E/2SE/4 Section 13, E/2E/2 Section 24 and E/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Wolfcamp Formation.

Margarita 13 Federal Com #24H

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of July, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

SE/4NE/4, E/2SE/4 Section 13, E/2E/2 Section 24 and E/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Containing 360 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be Advance Energy Partners Hat Mesa, LLC, 2901 Via Fortuna, Suite 600, Austin, Texas 78746. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands

within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is July 1, 2022, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a

counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Advance Energy Partners Hat Mesa, LLC

Operator

6/2/2022
Date

By: [Signature]
Parker Reese, Chief Executive Officer

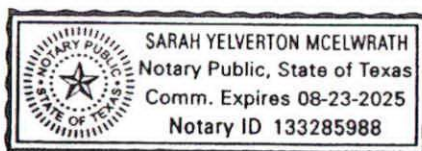
ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/23/2025
My Commission Expires



[Signature]
Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Date

6/2/2022

Advance Energy Partners Hat Mesa, LLC

By: [Signature]Title: Chief Executive Officer**ACKNOWLEDGEMENT**

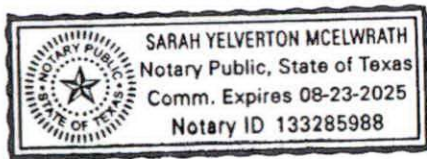
STATE OF TEXAS)

) ss.

COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/23/2025
My Commission Expires[Signature]
Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Marathon Oil Permian, LLC

5-12-2022
Date

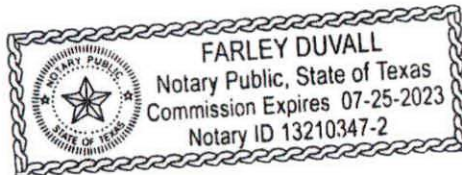
By: [Signature]
Title: ATTORNEY-IN-FACT

ACKNOWLEDGEMENT

STATE OF TEXAS)
COUNTY OF HARRIS) ss.

On this 12th day of MAY, 2022, before me, a Notary Public for the State of TEXAS, personally appeared Stephen J. Thompson, known to me to be the Attorney-in-fact of Marathon Oil Permian, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



My Commission Expires

[Signature]
Notary Public

Leland A. Hodges*

By: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

Released to Imaging: 8/25/2023 5:03:54 PM

SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTEREST

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Advance Energy Partners Hat Mesa, LLC, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME:  _____ (signature of officer)

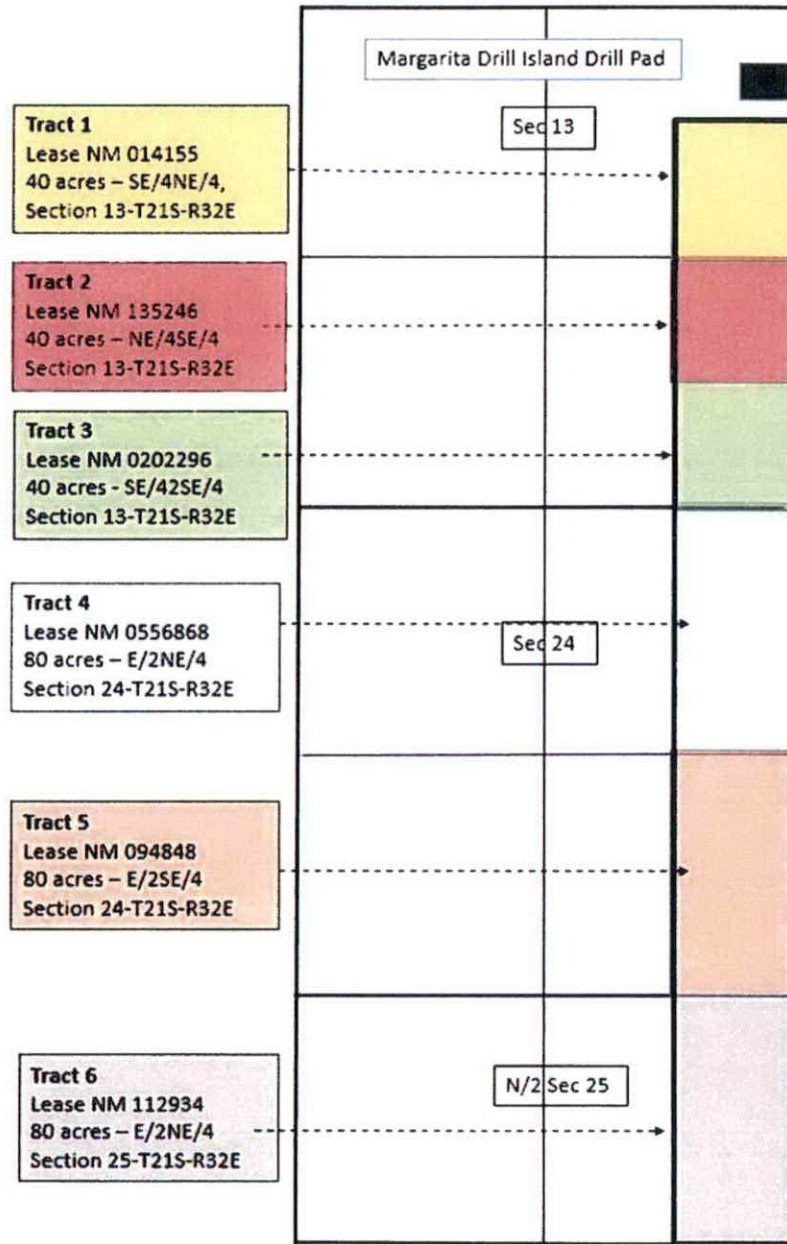
Printed: Parker Reese

TITLE: Chief Executive Officer

EXHIBIT "A"

Plat of communitized area covering **360.00** acres in the SE/4NE/4, E/2SE/4 Section 13, E/2E/2 Section 24 and E/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Wolfcamp Formation.

Margarita 13 Federal Com #24H

Wolfcamp Formation
Well: Margarita 13 Federal Com #24H
Compulsory Pooling Order: R-21852

Margarita 13 Federal Com 24H - E2E2 Wolfcamp Unit

EXHIBIT "B"

To Communitization Agreement Dated July 1, 2022 embracing the following described land in SE/4NE/4, E/2SE/4 Section 13, E/2E/2 Section 24 and E/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Operator of Communitized Area: Advance Energy Partners Hat Mesa, LLC

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NMNM 14155
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: SE/4NE/4
Number of Gross Acres:	40.00
Number of Net Acres:	40.00
Current Lessee of Record:	Leland A. Hodges*
Name of Working Interest Owners:	Advance Energy partners Hat Mesa, LLC
ORRI Owners:	Monarch Resources, Inc., et al

****See attached approval letter from Leland A. Hodges.***

Tract No. 2

Lease Serial Number:	NMNM 135246
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: NE/4SE/4
Number of Gross Acres:	40.00
Number of Net Acres:	40.00
Current Lessee of Record:	Marathon Oil Permian, LLC

Name of Working Interest Owners: Marathon Oil Permian, LLC

ORRI Owners: None

Tract No. 3

Lease Serial Number: NMNM 0202296

Description of Land Committed: Township 21 South, Range 32 East,
Section 13: SE/4SE/4

Number of Gross Acres: 40.00

Number of Net Acres: 40.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co, LLC

Tract No. 4

Lease Serial Number: NMNM 0556868

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: E/2NE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC*

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: Rolla R. Hinkle, III, et al

**** ConocoPhillips is the lessee of record at time of submission, however, upon approval of record title assignment filed on March 4, 2022, Advance Energy Partners Hat Mesa, LLC will become Lessee of Record.***

Tract No. 5

Lease Serial Number: NMNM 94848

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: E/2SE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co,
LLC, et al

Tract No. 6

Lease Serial Number: NMNM 112934

Description of Land Committed: Township 21 South, Range 32 East,
Section 25: E/2NE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: COG Operating LLC

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	40.00	11.1111%
2	40.00	11.1111%
3	40.00	11.1111%
4	80.00	22.2222%
5	80.00	22.2222%
6	<u>80.00</u>	<u>22.2223%</u>
Total	360.00	100.0000%



11490 Westheimer Road, Suite 950, Houston, Texas 77077 • Phone 832-672-4700 • Fax 832-672-4609

April 5, 2021

The Estate of Allen Hodges, Jr.
c/o Monarch Resources, Inc.
115 West 7th Street, Suite 1310
Fort Worth, Texas 76102

Attention: Leland A. Hodges, III and Margery Lynn Berry, Co-Personal Representatives

Re: Margarita Development Area
Communization Agreements
S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E
Lea County, NM

Dear Mr. Hodges and Mrs. Perry

Advance Energy Partners Hat Mesa, LLC ("Advance") plans to commence drilling operations on the referenced lands that include lands covered by Federal Lease NMNM 14155 (the "Lease"). Advance intends to communitize the production from the Lease with other leases covering portions of the captioned lands in order pursue the drilling of horizontal wells, pursuant to the rules and regulations of the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico (the "NMOCD").

According to the records of the United States Bureau of Land Management (the "BLM"), Leland Allen Hodges, Jr. holds all of the record title in the Lease. Under the rules and regulations of the BLM, the record title owner under a federal lease is required to either join directly in the execution of all Communitization Agreements or consent in writing to the execution of such Communitization Agreements by the party filing such agreements for approval. In order to facilitate Advance's execution and filing of such Communitization Agreements, we would like to obtain your consent.

To that end, based upon your qualification to serve as the Independent Co-Executors and/or Co-Personal Representatives of the Estate of Leland Allen Hodges, Jr., we are asking you to evidence your consent to the communitization of the Estate's record title interest and interest in operating rights into one or more communitized areas that include all or some portion of the lands covered by the Lease with other adjacent tracts of land.

Advance anticipates that it will file approximately eight different Communitization Agreements, using the form attached hereto (the terms of which are required by the BLM). With your consent to the terms of this letter, and your execution of the Amendment, Advance will be able to certify that you have approved the Communitization Agreements on behalf of the Estate.

If you are willing to consent to Advance's commitment of the Estate's interests to Communitization Agreements that comply with the Amendment and the terms of this letter, please evidence such consent by executing a counterpart of this letter in the space provided below and returning such counterpart to Advance.

The Estate of Leland Allen Hodges, Jr.
Communization Agreement
April 5, 2021
Page 2

We appreciate your attention and cooperation. If you have any questions, please contact me using the contact information provided below:

Office telephone: 832-672-4623
Cell Phone: 713-228-7320
Email: Email: PBurdick@AdvanceEnergyPartners.com

Sincerely,



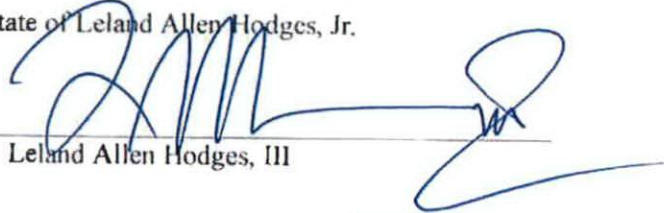
Paul J. Burdick
Landman
Advance Energy Partners, LLC

On behalf of the Estate of Leland Allen Hodges, Jr., the undersigned hereby consent to the commitment of the Estate's interests in the Lease to those Communitization Agreements refenced above and grant to Advance, as Operator of the Margarita Ridge Development Area, our permission and approval to certify such consent of the Estate, as required in the applicable Communization Agreements for wells drilled in the Margarita Ridge Development Area, covering S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E, Lea County, New Mexico.

Executed as of April __, 2021.

The Estate of Leland Allen Hodges, Jr.

By:



Leland Allen Hodges, III

By:



Margery Lynn Berry

SCANNED

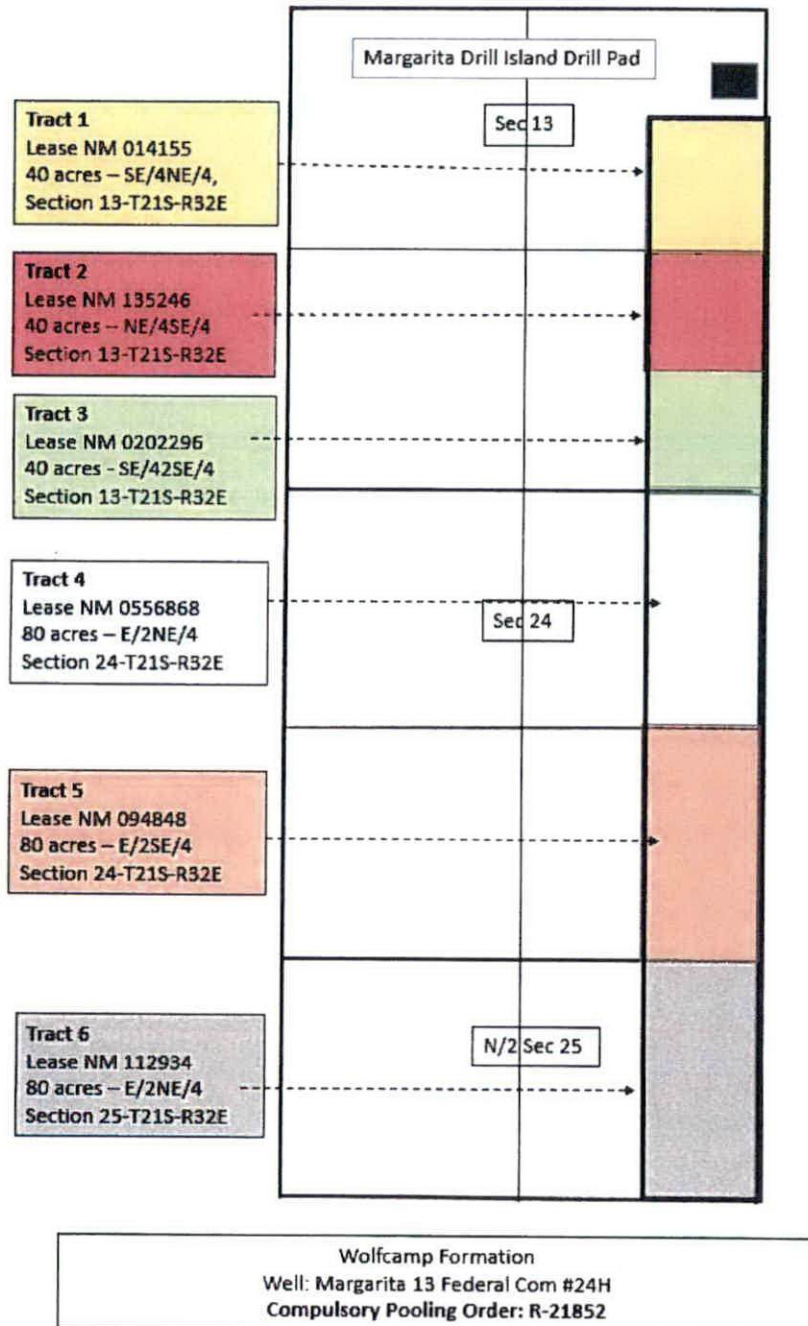
6/2/22

N-BLR-CON-261

EXHIBIT "A"

Plat of communitized area covering 360.00 acres in the SE/4NE/4, E/2SE/4 Section 13, E/2E/2 Section 24 and E/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Wolfcamp Formation.

Margarita 13 Federal Com #24H

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of July, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

SE/4NE/4, E/2SE/4 Section 13, E/2E/2 Section 24 and E/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Containing 360 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be Advance Energy Partners Hat Mesa, LLC, 2901 Via Fortuna, Suite 600, Austin, Texas 78746. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands

within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is July 1, 2022, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.


ACKNOWLEDGEMENT

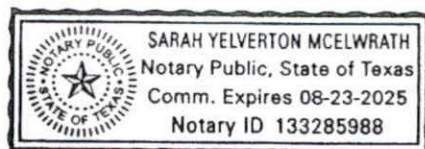
STATE OF TEXAS)
) ss.
COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/23/2025
My Commission Expires


Notary Public



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Date

6/2/2022

Advance Energy Partners Hat Mesa, LLC

By: [Signature]Title: Chief Executive Officer**ACKNOWLEDGEMENT**

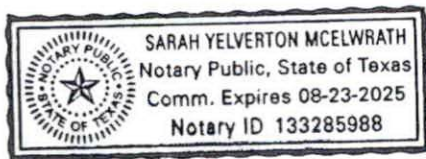
STATE OF TEXAS)

) ss.

COUNTY OF TRAVIS)

On this 2nd day of June, 2022, before me, a Notary Public for the State of Texas, personally appeared Parker Reese, known to me to be the Chief Executive Officer of Advance Energy Partners Hat Mesa, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/23/2025
My Commission Expires[Signature]
Notary Public

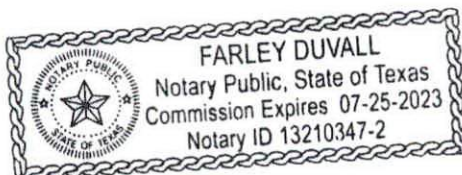
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Marathon Oil Permian, LLC

5-12-2022
DateBy: [Signature]
Title: ATTORNEY-IN-FACT**ACKNOWLEDGEMENT**STATE OF TEXAS)
COUNTY OF HARRIS) ss.

On this 12th day of MAY, 2022, before me, a Notary Public for the State of TEXAS, personally appeared Stephen J. Thompson, known to me to be the Attorney-in-fact of Marathon Oil Permian, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



My Commission Expires _____

[Signature]
Notary Public

By: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

****Please see attached approval letter from Leland A. Hodges.***

SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTEREST

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Advance Energy Partners Hat Mesa, LLC, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME:  _____ (signature of officer)

Printed: Parker Reese

TITLE: Chief Executive Officer

EXHIBIT "A"

Plat of communitized area covering 360.00 acres in the SE/4NE/4, E/2SE/4 Section 13, E/2E/2 Section 24 and E/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Communitized depths are limited to the Wolfcamp Formation.

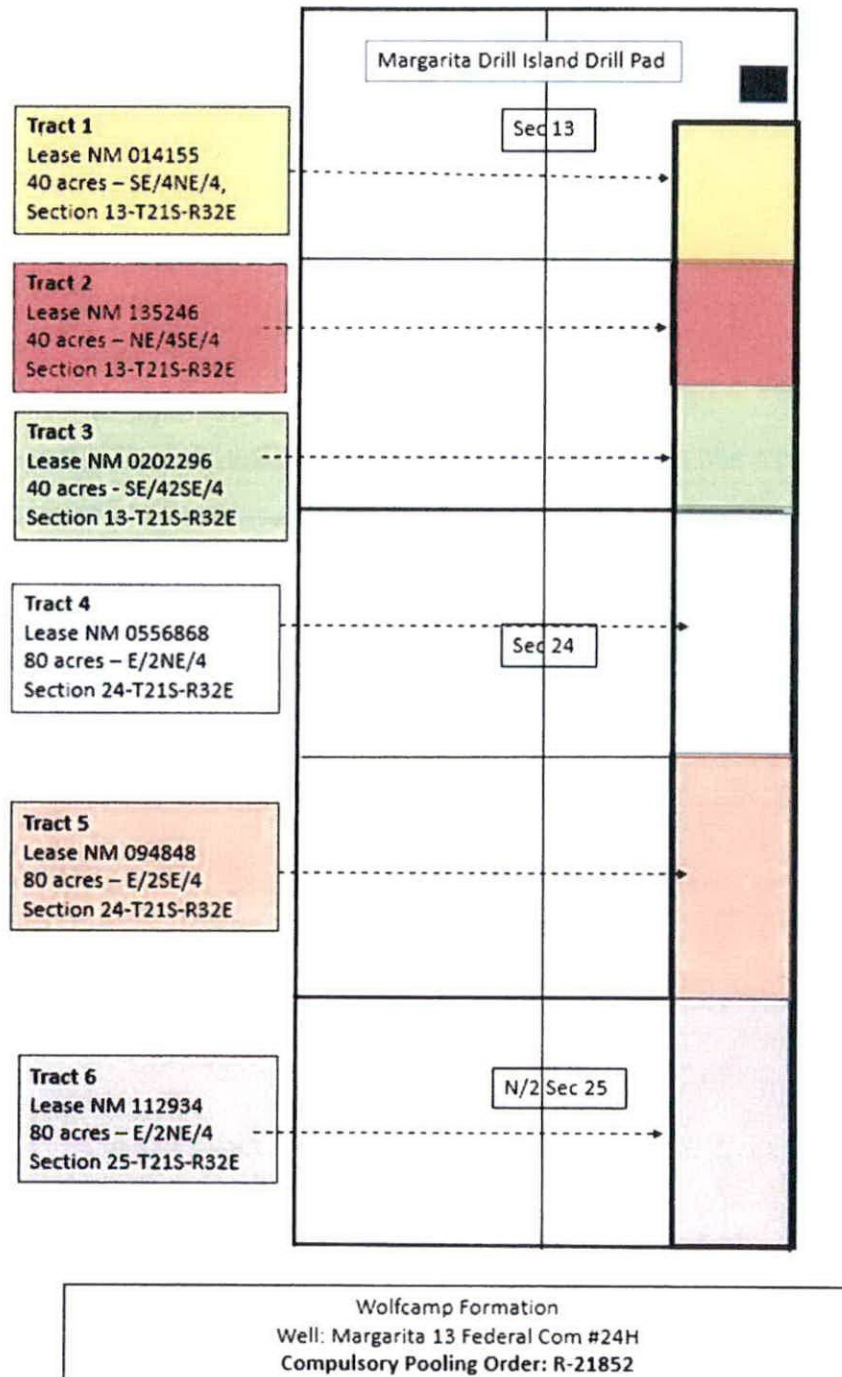
Margarita 13 Federal Com #24H

EXHIBIT "B"

To Communitization Agreement Dated July 1, 2022 embracing the following described land in SE/4NE/4, E/2SE/4 Section 13, E/2E/2 Section 24 and E/2NE/4 Section 25 of Township 21 South, Range 32 East, Lea County, New Mexico.

Operator of Communitized Area: Advance Energy Partners Hat Mesa, LLC

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NMNM 14155
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: SE/4NE/4
Number of Gross Acres:	40.00
Number of Net Acres:	40.00
Current Lessee of Record:	Leland A. Hodges*
Name of Working Interest Owners:	Advance Energy partners Hat Mesa, LLC
ORRI Owners:	Monarch Resources, Inc., et al

****See attached approval letter from Leland A. Hodges.***

Tract No. 2

Lease Serial Number:	NMNM 135246
Description of Land Committed:	Township 21 South, Range 32 East, Section 13: NE/4SE/4
Number of Gross Acres:	40.00
Number of Net Acres:	40.00
Current Lessee of Record:	Marathon Oil Permian, LLC

Name of Working Interest Owners: Marathon Oil Permian, LLC

ORRI Owners: None

Tract No. 3

Lease Serial Number: NMNM 0202296

Description of Land Committed: Township 21 South, Range 32 East,
Section 13: SE/4SE/4

Number of Gross Acres: 40.00

Number of Net Acres: 40.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co,
LLC

Tract No. 4

Lease Serial Number: NMNM 0556868

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: E/2NE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC*

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: Rolla R. Hinkle, III, et al

**** ConocoPhillips is the lessee of record at time of submission, however, upon approval of record title assignment filed on March 4, 2022, Advance Energy Partners Hat Mesa, LLC will become Lessee of Record.***

Tract No. 5

Lease Serial Number: NMNM 94848

Description of Land Committed: Township 21 South, Range 32 East,
Section 24: E/2SE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: AEPXCON Management, LLC and AEP EnCap Hold Co,
LLC, et al

Tract No. 6

Lease Serial Number: NMNM 112934

Description of Land Committed: Township 21 South, Range 32 East,
Section 25: E/2NE/4

Number of Gross Acres: 80.00

Number of Net Acres: 80.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC

ORRI Owners: COG Operating LLC

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	40.00	11.1111%
2	40.00	11.1111%
3	40.00	11.1111%
4	80.00	22.2222%
5	80.00	22.2222%
6	<u>80.00</u>	<u>22.2223%</u>
Total	360.00	100.0000%



11490 Westheimer Road, Suite 950, Houston, Texas 77077 • Phone 832-672-4700 • Fax 832-672-4609

April 5, 2021

The Estate of Allen Hodges, Jr.
c/o Monarch Resources, Inc.
115 West 7th Street, Suite 1310
Fort Worth, Texas 76102

Attention: Leland A. Hodges, III and Margery Lynn Berry, Co-Personal Representatives

Re: Margarita Development Area
Communitization Agreements
S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E
Lea County, NM

Dear Mr. Hodges and Mrs. Perry

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According to the records of the United States Bureau of Land Management (the "BLM"), Leland Allen Hodges, Jr. holds all of the record title in the Lease. Under the rules and regulations of the BLM, the record title owner under a federal lease is required to either join directly in the execution of all Communitization Agreements or consent in writing to the execution of such Communitization Agreements by the party filing such agreements for approval. In order to facilitate Advance's execution and filing of such Communitization Agreements, we would like to obtain your consent.

To that end, based upon your qualification to serve as the Independent Co-Executors and/or Co-Personal Representatives of the Estate of Leland Allen Hodges, Jr., we are asking you to evidence your consent to the communitization of the Estate's record title interest and interest in operating rights into one or more communitized areas that include all or some portion of the lands covered by the Lease with other adjacent tracts of land.

Advance anticipates that it will file approximately eight different Communitization Agreements, using the form attached hereto (the terms of which are required by the BLM). With your consent to the terms of this letter, and your execution of the Amendment, Advance will be able to certify that you have approved the Communitization Agreements on behalf of the Estate.

If you are willing to consent to Advance's commitment of the Estate's interests to Communitization Agreements that comply with the Amendment and the terms of this letter, please evidence such consent by executing a counterpart of this letter in the space provided below and returning such counterpart to Advance.

The Estate of Leland Allen Hodges, Jr.
Communization Agreement
April 5, 2021
Page 2

We appreciate your attention and cooperation. If you have any questions, please contact me using the contact information provided below:

Office telephone: 832-672-4623
Cell Phone: 713-228-7320
Email: Email: PBurdick@AdvanceEnergyPartners.com

Sincerely,



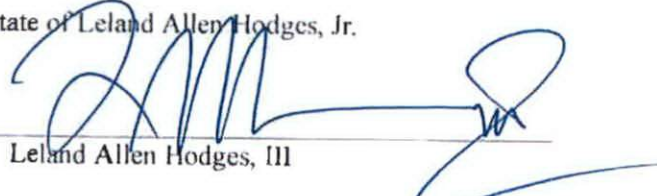
Paul J. Burdick
Landman
Advance Energy Partners, LLC

On behalf of the Estate of Leland Allen Hodges, Jr., the undersigned hereby consent to the commitment of the Estate's interests in the Lease to those Communitization Agreements refenced above and grant to Advance, as Operator of the Margarita Ridge Development Area, our permission and approval to certify such consent of the Estate, as required in the applicable Communization Agreements for wells drilled in the Margarita Ridge Development Area, covering S/2N/2, S/2 Section 13, All of Section 24 and N/2 Section 25, T21S-R32E, Lea County, New Mexico.

Executed as of April __, 2021.

The Estate of Leland Allen Hodges, Jr.

By:



Leland Allen Hodges, III

By:



Margery Lynn Berry

Advance Energy Partners Hat Mesa, LLC	11490 WESTHEIMER ROAD, STE 950	HOUSTON	TX	77077
Marathon Oil Permian, LLC	990 TOWN & COUNTRY BLVD.	HOUSTON	TX	77024
Veritas Permian Resources III, LLC	PO BOX 10850; ADDRESS 2: 6500 WHITE SETTLEMENT RD., WESTWORTH VILLAGE TX 76114	FT. WORTH	TX	76114
MNO Holdings (I), Inc., as Agent for MNO (I), LLC	800 CAPITOL STREET, STE 3600	HOUSTON	TX	77002
AEPXCON Management, LLC	2619 ROBINHOOD STREET	HOUSTON	TX	77005
AEP ENCAP HOLDCO, LLC	9651 KATY FREEWAY, STE 600	HOUSTON	TX	77024
Chevron Midcontinent, L.P.	PO BOX 4791	HOUSTON	TX	77210- 4791
COG Operating LLC	ONE CONCHO CENTER, 600 WEST ILLINOIS	MIDLAND	TX	79701
William L Cravens, Trustee of the WLC Exempt Trust	3838 OAK LAWN, STE 1416	DALLAS	TX	75219
INDABA Investments Inc	PO BOX 1718	FORT WORTH	TX	76101- 1718
MERPEL, LLC	4245 N. CENTRAL EXPRESSWAY, SUITE 320 BOX 109	DALLAS	TX	75205
Monarch Resources Inc	306 W. 7TH ST, SUITE 701	FORT WORTH	TX	76102- 4906
Colburn Oil, LP	PO BOX 2524	MIDLAND	TX	79702
FLO-TEX Oil Co., LLC	PO BOX 2241	MIDLAND	TX	79702
Integrity Energy, LLC	PO BOX 10253	MIDLAND	TX	79702
Essence Resources, LLC	PO BOX 402	MIDLAND	TX	79702
Pegasus Resources, LLC	PO BOX 733980	DALLAS	TX	75373
Pegasus Resources II, LLC	PO BOX 733980	DALLAS	TX	75373
Petrolima, LLC	203 W. WALL ST., STE 1100	MIDLAND	TX	79701
SMP Sidecar Titan Mineral Holdings, LP	4143 MAPLE AVE., STE 500	DALLAS	TX	75219
SMP Titan Mineral Holdings, LP	4143 MAPLE AVE., STE 500	DALLAS	TX	75219
MSH Family Real Estate Partnership II, LLC	4143 MAPLE AVE., STE 500	DALLAS	TX	75219
SMP Titan Flex, LP	4143 MAPLE AVE., STE 500	DALLAS	TX	75219
Nancy A. Leonard	PO BOX 1718	FT. WORTH	TX	76101
O.P. Leonard III	PO BOX 1718	FT. WORTH	TX	76101
Louise Keffler	PO BOX 1718	FT. WORTH	TX	76101
David Leonard	PO BOX 1718	FT. WORTH	TX	76101

Daniel M. Leonard	PO BOX 471692	FT. WORTH	TX	76147
Obie Hallum	13720 WALSH AVE	ALEDO	TX	76008
Raleigh Hallum	PO BOX 1718	FT. WORTH	TX	76101
Adelaide Church	6612 GENOA RD.	FT. WORTH	TX	76116
Chad Shirley	6110 MAJESTIC PINES DR.	KINGWOOD	TX	77345
Texco Resources, LLC	PO BOX 330, 445 E. CHEYENNE MTN. BLVD., STE C	COLORADO SPRINGS	CO	80906
Independence Resources, LLC	PO BOX 330, 445 E. CHEYENNE MTN. BLVD., STE C	COLORADO SPRINGS	CO	80906
Penasco Petroleum, LLC	P O BOX 2292	ROSWELL	NM	88202
RAISA II HOLDCO, INC	1560 BROADWAY ST., STE 2050	DENVER	CO	80202
Rolla R. Hinkle, III	P O BOX 2292	ROSWELL	NM	88202- 2292
The Cornerstone Family Trust, John Kyle Thoma as Successor Trustee	P. O. Box 558	PEYTON	CO	80831- 0558
TD Minerals LLC	8111 WESTCHESTER DRIVE, SUITE 900	DALLAS	TX	75225
Office of Natural Resources Revenue	PO Box 25165	DENVER	COLORADO	80225



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 819-5579
pmvance@hollandhart.com

July 31, 2023

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Advance Energy Partners Hat Mesa, LLC for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of the S/2 N/2 and S/2 of Section 13, all of Section 24, and the N/2 of Section 25, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico (the "Lands")

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application, which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from the date this application is received by the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Kyle Perkins
Matador Production Company
(972) 371-5202
kperkins@matadorresources.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance".

Paula M. Vance
**ATTORNEY FOR ADVANCE ENERGY PARTNERS
HAT MESA, LLC & MATADOR PRODUCTION
COMPANY**

MANIFEST - 77697 - 7.12 Copy of Margarita Owners Contact

Parent ID	Mail Date	Company	Name	Address_1	City	ST	Zip	MailClass	TrackingNo	Well
31309	07/31/2023	The Cornerstone Family Trust,	John Kyle Thoma as Successor Trustee	PO Box 558	Peyton	CO	80831-0558	Certified with Return Receipt (Signature)	9402811898765417786157	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 38
31309	07/31/2023	The Wlc Exempt Trust	William L Cravens, Trustee of	3838 Oak Lawn Ave Ste 1416	Dallas	TX	75219-4515	Certified with Return Receipt (Signature)	9402811898765417786867	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 9
31309	07/31/2023		Advance Energy Partners Hat Mesa, LLC	11490 Westheimer Rd Ste 950	Houston	TX	77077-6841	Certified with Return Receipt (Signature)	9402811898765417786201	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 1
31309	07/31/2023		INDABA Investments Inc	PO Box 1718	Fort Worth	TX	76101-1718	Certified with Return Receipt (Signature)	9402811898765417786829	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 10
31309	07/31/2023		MERPEL, LLC	4245 N Central Expy Ste 320 No 109	Dallas	TX	75205-4529	Certified with Return Receipt (Signature)	9402811898765417786805	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 11
31309	07/31/2023		Monarch Resources Inc	306 W 7th St Ste 701	Fort Worth	TX	76102-4906	Certified with Return Receipt (Signature)	9402811898765417786898	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 12
31309	07/31/2023		Colburn Oil, LP	PO Box 2524	Midland	TX	79702-2524	Certified with Return Receipt (Signature)	9402811898765417786843	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 13
31309	07/31/2023		FLO-TEX Oil Co., LLC	PO Box 2241	Midland	TX	79702-2241	Certified with Return Receipt (Signature)	9402811898765417786836	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 14

MANIFEST - 77697 - 7.12 Copy of Margarita Owners Contact

Parent ID	Mail Date	Company	Name	Address_1	City	ST	Zip	MailClass	TrackingNo	Well
31309	07/31/2023		Integrity Energy, LLC	PO Box 10253	Midland	TX	79702-7253	Certified with Return Receipt (Signature)	9402811898765417786874	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 15
31309	07/31/2023		Essence Resources, LLC	PO Box 402	Midland	TX	79702-0402	Certified with Return Receipt (Signature)	9402811898765417786713	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 16
31309	07/31/2023		Pegasus Resources, LLC	PO Box 733980	Dallas	TX	75373-3980	Certified with Return Receipt (Signature)	9402811898765417786751	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 17
31309	07/31/2023		Pegasus Resources II, LLC	PO Box 733980	Dallas	TX	75373-3980	Certified with Return Receipt (Signature)	9402811898765417786706	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 18
31309	07/31/2023		Petrolima, LLC	203 W Wall St Ste 1100	Midland	TX	79701-4520	Certified with Return Receipt (Signature)	9402811898765417786744	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 19
31309	07/31/2023		Marathon Oil Permian, LLC	990 Town And Country Blvd	Houston	TX	77024-2217	Certified with Return Receipt (Signature)	9402811898765417786294	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 2
31309	07/31/2023		SMP Sidecar Titan Mineral Holdings, LP	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Certified with Return Receipt (Signature)	9402811898765417786782	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 20
31309	07/31/2023		SMP Titan Mineral Holdings, LP	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Certified with Return Receipt (Signature)	9402811898765417786737	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 21

MANIFEST - 77697 - 7.12 Copy of Margarita Owners Contact

Parent ID	Mail Date	Company	Name	Address_1	City	ST	Zip	MailClass	TrackingNo	Well
31309	07/31/2023		MSH Family Real Estate Partnership II, LLC	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Certified with Return Receipt (Signature)	94028118 98765417 786775	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 22
31309	07/31/2023		SMP Titan Flex, LP	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Certified with Return Receipt (Signature)	94028118 98765417 786911	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 23
31309	07/31/2023		Nancy A. Leonard	PO Box 1718	Ft Worth	TX	76101-1718	Certified with Return Receipt (Signature)	94028118 98765417 786966	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 24
31309	07/31/2023		O.P. Leonard III	PO Box 1718	Ft Worth	TX	76101-1718	Certified with Return Receipt (Signature)	94028118 98765417 786904	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 25
31309	07/31/2023		Louise Keffler	PO Box 1718	Ft Worth	TX	76101-1718	Certified with Return Receipt (Signature)	94028118 98765417 786997	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 26
31309	07/31/2023		David Leonard	PO Box 1718	Ft Worth	TX	76101-1718	Certified with Return Receipt (Signature)	94028118 98765417 786942	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 27
31309	07/31/2023		Daniel M. Leonard	PO Box 471692	Ft Worth	TX	76147-1692	Certified with Return Receipt (Signature)	94028118 98765417 786980	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 28
31309	07/31/2023		Obie Hallum	13720 Walsh Ave	Aledo	TX	76008-1909	Certified with Return Receipt (Signature)	94028118 98765417 786935	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 29

MANIFEST - 77697 - 7.12 Copy of Margarita Owners Contact

Parent ID	Mail Date	Company	Name	Address_1	City	ST	Zip	MailClass	TrackingNo	Well
31309	07/31/2023		Veritas Permian Resources III, LLC	PO Box 10850	Ft Worth	TX	76114-0850	Certified with Return Receipt (Signature)	9402811898765417786249	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 3
31309	07/31/2023		Raleigh Hallum	PO Box 1718	Ft Worth	TX	76101-1718	Certified with Return Receipt (Signature)	9402811898765417786973	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 30
31309	07/31/2023		Adelaide Church	6612 Genoa Rd	Ft Worth	TX	76116-1848	Certified with Return Receipt (Signature)	9402811898765417786621	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 31
31309	07/31/2023		Chad Shirley	6110 Majestic Pines Dr	Kingwood	TX	77345-3331	Certified with Return Receipt (Signature)	9402811898765417786690	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 32
31309	07/31/2023		Texco Resources, LLC	PO Box 330, 445 E. Cheyenne Mtn. Blvd., Ste C	Colorado Springs	CO	80906	Certified with Return Receipt (Signature)	9402811898765417786645	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 33
31309	07/31/2023		Independence Resources, LLC	PO Box 330, 445 E. Cheyenne Mtn. Blvd., Ste C	Colorado Springs	CO	80906	Certified with Return Receipt (Signature)	9402811898765417786683	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 34
31309	07/31/2023		Penasco Petroleum, LLC	PO Box 2292	Roswell	NM	88202-2292	Certified with Return Receipt (Signature)	9402811898765417786638	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 35
31309	07/31/2023		RAISA II HOLDCO, INC	1560 Broadway Ste 2050	Denver	CO	80202-5168	Certified with Return Receipt (Signature)	9402811898765417786676	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 36

MANIFEST - 77697 - 7.12 Copy of Margarita Owners Contact

Parent ID	Mail Date	Company	Name	Address_1	City	ST	Zip	MailClass	TrackingNo	Well
31309	07/31/2023		Rolla R. Hinkle, III	PO Box 2292	Roswell	NM	88202-2292	Certified with Return Receipt (Signature)	9402811898765417786119	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 37
31309	07/31/2023		TD Minerals LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	Certified with Return Receipt (Signature)	9402811898765417786126	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 39
31309	07/31/2023		MNO Holdings I, Inc., as Agent for MNO I, LLC	800 Capitol St Ste 3600	Houston	TX	77002-2932	Certified with Return Receipt (Signature)	9402811898765417786287	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 4
31309	07/31/2023		Office of Natural Resources Revenue	PO Box 25165	Denver	CO	80225-0165	Certified with Return Receipt (Signature)	9402811898765417786102	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 40
31309	07/31/2023		AEPXCON Management, LLC	2619 Robinhood St	Houston	TX	77005-2431	Certified with Return Receipt (Signature)	9402811898765417786232	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 5
31309	07/31/2023		AEP ENCAP HOLDCO, LLC	9651 Katy Fwy Ste 600	Houston	TX	77024-1590	Certified with Return Receipt (Signature)	9402811898765417786270	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 6
31309	07/31/2023		Chevron Midcontinent, L.P.	PO Box 4791	Houston	TX	77210-4791	Certified with Return Receipt (Signature)	9402811898765417786812	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 7
31309	07/31/2023		COG Operating LLC	600 W Illinois Ave One Concho Center	Midland	TX	79701-4882	Certified with Return Receipt (Signature)	9402811898765417786850	77697 - 7.12 Copy of Margarita Owners Contact30203696v1.XLSX - 8

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Paula M. Vance](#)
Cc: [McClure, Dean, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle Q](#); [Walls, Christopher](#)
Subject: Approved Administrative Order PLC-907
Date: Friday, August 25, 2023 5:01:32 PM
Attachments: [PLC907 Order.pdf](#)

NMOCD has issued Administrative Order PLC-907 which authorizes Matador Production Company (228937) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-47195	Margarita 13 Federal Com #1H	E L M	13-21S-32E	97895
		W/2 W/2	24-21S-32E	
		D E	25-21S-32E	
30-025-47196	Margarita 13 Federal Com #2H	E L M	13-21S-32E	97895
		W/2 W/2	24-21S-32E	
		D E	25-21S-32E	
30-025-48008	Margarita 13 Federal Com #9H	E L M	13-21S-32E	97895
		W/2 W/2	24-21S-32E	
		D E	25-21S-32E	
30-025-48009	Margarita 13 Federal Com #13H	E L M	13-21S-32E	97895
		W/2 W/2	24-21S-32E	
		D E	25-21S-32E	
30-025-47197	Margarita 13 Federal Com #3H	F K N	13-21S-32E	97895
		E/2 W/2	24-21S-32E	
		C F	25-21S-32E	
30-025-47198	Margarita 13 Federal Com #4H	F K N	13-21S-32E	97895
		E/2 W/2	24-21S-32E	
		C F	25-21S-32E	
30-025-49183	Margarita 13 Federal Com #10H	F K N	13-21S-32E	97895
		E/2 W/2	24-21S-32E	
		C F	25-21S-32E	
30-025-49186	Margarita 13 Federal Com #14H	F K N	13-21S-32E	97895
		E/2 W/2	24-21S-32E	
		C F	25-21S-32E	
30-025-49250	Margarita 13 Federal Com #22H	F K N	13-21S-32E	97895
		E/2 W/2	24-21S-32E	
		C F	25-21S-32E	
30-025-47199	Margarita 13 Federal Com #5H	G J O	13-21S-32E	97895
		W/2 E/2	24-21S-32E	
		B G	25-21S-32E	
30-025-47200	Margarita 13 Federal Com #6H	G J O	13-21S-32E	97895
		W/2 E/2	24-21S-32E	
		B G	25-21S-32E	
30-025-49184	Margarita 13 Federal Com #11H	G J O	13-21S-32E	97895
		W/2 E/2	24-21S-32E	
		B G	25-21S-32E	
30-025-49187	Margarita 13 Federal Com #15H	G J O	13-21S-32E	97895
		W/2 E/2	24-21S-32E	
		B G	25-21S-32E	
		G J O	13-21S-32E	

30-025-50128	Margarita 13 Federal Com #20H	W/2 E/2 B G	24-21S-32E 25-21S-32E	97895
30-025-47201	Margarita 13 Federal Com #7H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-47202	Margarita 13 Federal Com #8H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-49185	Margarita 13 Federal Com #12H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-49188	Margarita 13 Federal Com #16H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-48247	Margarita 13 Federal Com #17H	E L M W/2 W/2 D E	13-21S-32E 24-21S-32E 25-21S-32E	98033
30-025-49497	Margarita 13 Federal Com #23H	G J O W/2 E/2 B G	13-21S-32E 24-21S-32E 25-21S-32E	98033
30-025-49498	Margarita 13 Federal Com #24H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	98033

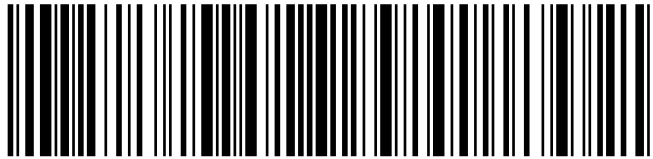
The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
 Petroleum Engineer, Oil Conservation Division
 New Mexico Energy, Minerals and Natural Resources Department
 (505) 469-8211

USPS CERTIFIED MAIL

Holland & Hart LLP
P.O. Box 2208
Santa Fe, NM 87504-2208



MRC - Margarita Commingling

9214 8901 9403 8326 3775 98

Bureau of Land Management
301 Dinosaur Trail
Santa Fe NM 87508

Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508

Affidavit of PublicationSTATE 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
August 03, 2023
and ending with the issue dated
August 03, 2023.


 Publisher

Sworn and subscribed to before me this
3rd day of August 2023.


 Business Manager

My commission expires
January 29, 2027

(Seal)
STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087528
COMMISSION EXPIRES 01/29/2027

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

To: All affected parties, including: Advance Energy Partners Hat Mesa, LLC; Marathon Oil Permian, LLC; Veritas Permian Resources III, LLC; MNO Holdings (I), Inc., as Agent for MNO (I), LLC; AEPXCON Management, LLC; AEP ENCAP HOLDCO, LLC; Chevron Midcontinent, L.P.; COG Operating LLC; William L Cravens, Trustee of the WLC Exempt Trust; INDABA Investments Inc; MERPEL, LLC; Monarch Resources Inc; Colburn Oil, LP; FLO-TEX Oil Co., LLC; Integrity Energy, LLC; Essence Resources, LLC; Pegasus Resources, LLC; Pegasus Resources II, LLC; Petrolima, LLC; SMP Sidecar Titan Mineral Holdings, LP; SMP Titan Mineral Holdings, LP; MSH Family Real Estate Partnership II, LLC; SMP Titan Flex, LP; Nancy A. Leonard, her heirs and devisees; O.P. Leonard III, his or her heirs and devisees; Louise Keffler, her heirs and devisees; David Leonard, his heirs and devisees; Daniel M. Leonard, his heirs and devisees; Obie Hallum, his or her heirs and devisees; Raleigh Hallum, his or her heirs and devisees; Adelaide Church, his or her heirs and devisees; Chad Shirley, his heirs and devisees; Texco Resources, LLC; Independence Resources, LLC; Penasco Petroleum, LLC; RAISA II HOLDCO, INC; Rolla R. Hinkle, III, his heirs and devisees; The Cornerstone Family Trust, John Kyle Thoma as Successor Trustee; TD Minerals LLC; and Office of Natural Resources Revenue.

Application of Advance Energy Partners Hat Mesa, LLC for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of the S/2 N/2 and S/2 of Section 13, all of Section 24, and the N/2 of Section 25, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico (the "Lands"). Advance Energy Partners Hat Mesa, LLC (OGRID No. 372417) ("Advance"), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (pool and lease) diversely owned oil and gas production at the Margarita Tank Battery insofar as all existing and future wells drilled in the following spacing units:

(a) The 360-acre spacing unit comprised of the SW/4 NW/4 and W/2 SW/4 of Section 13, W/2 W/2 of Section 24, and the W/2 NW/4 of Section 25, in the WC-025 G-08 S213304D; Bone Spring (97895) – currently dedicated to the Margarita Federal Com 13 1H (API. No. 30-025-47195), Margarita Federal Com 13 2H (API. No. 30-025-47196), Margarita Federal Com 13 9H (API. No. 30-025-48008), and Margarita Federal Com 13 13H (API. No. 30-025-48009);

(b) The 360-acre spacing unit comprised of the SE/4 NW/4 and E/2 SW/4 of Section 13, E/2 W/2 of Section 24, and the E/2 NW/4 of Section 25, in the WC-025 G-08 S213304D; Bone Spring (97895) – currently dedicated to the Margarita Federal Com 13 3H (API. No. 30-025-47197), Margarita Federal Com 13 4H (API. No. 30-025-47198), Margarita Federal Com 13 10H (API. No. 30-025-49183), Margarita Federal Com 13 14H (API. No. 30-025-49186), and Margarita Federal Com 13 22H (API. No. 30-025-49250);

(c) The 360-acre spacing unit comprised of the SW/4 NE/4 and W/2 SE/4 of Section 13, W/2 E/2 of Section 24, and the W/2 NE/4 of Section 25, in the WC-025 G-08 S213304D; Bone Spring (97895) – currently dedicated to the Margarita Federal Com 13 5H (API. No. 30-025-47199), Margarita Federal Com 13 6H (API. No. 30-025-47200), Margarita Federal Com 13 11H (API. No. 30-025-49184), and Margarita Federal Com 13 15H (API. No. 30-025-49187);

(d) The 360-acre spacing unit comprised of the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and the E/2 NE/4 of Section 25, in the WC-025 G-08 S213304D; Bone Spring (97895) – currently dedicated to the Margarita Federal Com 13 7H (API. No. 30-025-47201), Margarita Federal Com 13 8H (API. No. 30-025-47202), Margarita Federal Com 13 12H (API. No. 30-025-49185), and Margarita Federal Com 13 16H (API. No. 30-025-49188);

(e) The 360-acre spacing unit comprised of the SW/4 NW/4 and W/2 SW/4 of Section 13, W/2 W/2 of Section 24, and the W/2 NW/4 of Section 25, in the WC-025 G-10 S213328O; Wolfcamp (98033) – currently dedicated to the Margarita Federal Com 13 17H (API. No. 30-025-48247);

(f) The 360-acre spacing unit comprised of the SW/4 NE/4 and W/2 SE/4 of Section 13, W/2 E/2 of Section 24, and the W/2 NE/4 of Section 25, in the WC-025 G-10 S213328O; Wolfcamp (98033) – currently dedicated to the Margarita Federal Com 13 23H (API. No. 30-025-49497);

(g) The 360-acre spacing unit comprised of the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and the E/2 NE/4 of Section 25, in the WC-025 G-10 S213328O; Wolfcamp (98033) – currently dedicated to the Margarita Federal Com 13 24H (API. No. 30-025-49498);

(h) The 360-acre spacing unit comprised of the SW/4 NE/4 and W/2 SE/4 of Section 13, W/2 E/2 of Section 24, and the W/2 NE/4 of Section 25, in the Salt Lake; Bone Spring (53560) – currently dedicated to the Margarita Federal Com 13 20H (API. No. 30-025-50128); and

(i) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Margarita Tank Battery with notice provided only to the owners of interests to be added.

Any objection to this application must be filed in writing within twenty days from date of publication with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division. If you have any questions about this application, please contact Kyle Perkins, Matador Production Company, (972) 371-5202 or KPerkins@matadorresources.com.
#00281150

67100754

00281150

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

From: [Paula M. Vance](#)
To: [McClure, Dean, EMNRD](#)
Subject: RE: [EXTERNAL] RE: Action ID: 246062; PLC-904
Date: Monday, August 14, 2023 9:30:59 AM
Attachments: [Banners_20230814150031.pdf](#)

Dean,

Attached is the tracking information with the notice to the BLM Santa Fe office. Once I get the updated C-102 for the MARGARITA 13 FEDERAL COM #020H with the corrected pool, I will send it your way.

Let me know if you need anything else regarding the notice.

Paula Vance
Associate, Holland & Hart LLP

pmvance@hollandhart.com | T: (505) 954-7286 | M: (337) 280-9055

CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this email.

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Sunday, August 13, 2023 3:00 PM
To: Paula M. Vance <PMVance@hollandhart.com>
Subject: RE: [EXTERNAL] RE: Action ID: 246062; PLC-904

Paula,

While I could see the argument for the notice to the SLO and/or BLM requiring a 20 day notice period; the Division has not been requiring this as there is a requirement that the SLO and/or BLM grant like approval prior to the Division's approval being in affect. As such, you may mail it out via certified mail if you wish and provide me with the tracking number per normal without restarting the 20 day notice period. Alternatively, the Division has been accepting a print off of the sundry notice to the BLM in lieu of certified mail, although perhaps this path isn't as ideal.

Sounds good; I'll use Unit Letters F and G of Section 13, Township 21 South, Range 32 East. Due to the facility being within the project area and your argument that the correct location is within the application and if any confusion was caused then the interest owner could have contacted the applicant, **no new notice will be required**. Please note this is not to say that such an argument will always be sufficient in the future.

Additionally, see [19.15.12.10 C.\(4\)\(e\)\(ii\) NMAC](#). As such, please take note of this for future applications and NOPs. In the application itself, I will want to know the location to the quarter-quarter, but for the NOP, down to the section will be sufficient.

[19.15.12.10 C.\(4\)\(e\) NMAC](#)

(e) Notice by publication. When an applicant is unable to locate all interest owners after exercising reasonable diligence, the applicant shall provide notice by publication and submit proof of publication with the application. Such proof shall consist of a copy of the legal advertisement that was published in a newspaper of general circulation in the county or counties in which the commingled production is located. The advertisement

shall include:

- (i) the applicant's name, address, telephone number and contact party;
- (ii) the location by section, township and range of the leases from which production will be commingled and **the location of the commingling facility;**
- (iii) the source of all commingled production by pool name; and
- (iv) a notation that interested parties must file objections or requests for hearing in writing with the division's Santa Fe office within 20 days after publication, or the division may approve the application.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Paula M. Vance <PMVance@hollandhart.com>
Sent: Sunday, August 13, 2023 2:23 PM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: [EXTERNAL] RE: Action ID: 246062; PLC-904

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dean,

1. Regarding the notice to the BLM, since this is time-sensitive, would it be sufficient for us to hand deliver to their Santa Fe office tomorrow? Alternatively, we can mail it to the BLM from our office tomorrow and I can provide tracking information to you. Let me know.
2. See the correct version highlighted below. The lease map is correct and the "Section 18" was a typo in the application letter. I don't believe that this should be an issue because the lease map clearly depicts the CTB location. I've also provided contact information for myself, Matador's facilities engineer and Matador's in-house counsel (NOP) in the event a notice party required clarification. Also, the NOP does not specify the exact location, so the only place that the typo exists is in the application letter. Let me know if you need further justification.
3. Attached is the NOP affidavit.

Paula Vance
Associate, Holland & Hart LLP

pmvance@hollandhart.com | T: (505) 954-7286 | M: (337) 280-9055

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From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Sunday, August 13, 2023 1:31 PM
To: Paula M. Vance <PMVance@hollandhart.com>
Subject: RE: Action ID: 246062; PLC-904

Additionally, please confirm the location of the battery.

Listed in the application: Unit Letters F and G of Section 18, Township 21 South, Range 32 East

Lease Map in application: Unit Letters F and G of Section 13, Township 21 South, Range 32 East

Presumably the lease map is correct as the location listed in the application would be ~ 5 miles to the west of the well pads. Diversly perhaps the battery is in Range 33 East which would make it only ~ 1 mile to the east. Please note that the commingling location is relevant when it comes to the notice requirements of surface commingling applications (consideration must be taken by the Division whether to require new notice). Arguably it is reasonable to assume that if the interest owners did not protest a location about 5 miles to the west of the "leases" then they would not protest a much closer location, but this would not be an ideal situation. Diversly, if the battery is in section 13, then it falls within the project area and any off lease approval would be granted via part 12 rather than part 23 which makes the location much less relevant.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: McClure, Dean, EMNRD
Sent: Sunday, August 13, 2023 1:15 PM
To: Paula M. Vance <PMVance@hollandhart.com>
Subject: Action ID: 246062; PLC-904

To whom it may concern (c/o Paula Vance for Advance Energy Partners Hat Mesa, LLC),

The Division is reviewing the following application:

Action ID	246062
Admin No.	PLC-904
Applicant	Advance Energy Partners Hat Mesa, LLC (372417
Title	Margarita Tank Battery
Sub. Date	07/31/2023

Please provide the following additional supplemental documents:

-

Please provide additional information regarding the following:

- Please confirm that the BLM has been notified of this application. Notice to the revenue service in Denver is not sufficient.

Additional notes:

- My current review of this application was done with the assumption that public notice was conducted. If it was not, there may be additional questions forthcoming prior to my recommendation that a permit be issued for this project.
- The following well may have the incorrect pool associated with it. I am currently reaching out to the

Division’s District Geologist on the matter for confirmation. The final order may be affected by this, but no further action should be needed from the applicant regardless.

30-025-50128	Margarita 13 Federal Com #20H	G J O	13-21S-32E	53560
		W/2 E/2	24-21S-32E	
		B G	25-21S-32E	

All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MATADOR PRODUCTION COMPANY**

ORDER NO. PLC-907

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Matador Production Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
6. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

CONCLUSIONS OF LAW

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

3. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
6. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
8. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later

than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

9. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
10. If a well is not included in Exhibit A but produces from a pool and lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
11. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
12. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
13. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**DYLAN M. FUGE
DIRECTOR**

DATE: 8/25/2023

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **PLC-907**

Operator: **Matador Production Company (228937)**

Central Tank Battery: **Margarita Tank Battery**

Central Tank Battery Location: **UL F G, Section 18, Township 21 South, Range 32 East**

Gas Title Transfer Meter Location: **UL F G, Section 18, Township 21 South, Range 32 East**

Pools

Pool Name	Pool Code
WC-025 G-08 S213304D; BONE SPRING	97895
WC-025 G-10 S213328O; WOLFCAMP	98033

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
NMNM 105555720 (014155)	E F G H J K L	13-21S-32E
NMNM 105305435 (135246)	I	13-21S-32E
NMNM 105446903 (0202296)	S/2 S/2	13-21S-32E
NMNM 105315649 (0556868)	N/2	24-21S-32E
NMNM 105317738 (094848)	S/2	24-21S-32E
NMNM 105394313 (112934)	N/2	25-21S-32E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-47195	Margarita 13 Federal Com #1H	E L M	13-21S-32E	97895
		W/2 W/2	24-21S-32E	
		D E	25-21S-32E	
30-025-47196	Margarita 13 Federal Com #2H	E L M	13-21S-32E	97895
		W/2 W/2	24-21S-32E	
		D E	25-21S-32E	
30-025-48008	Margarita 13 Federal Com #9H	E L M	13-21S-32E	97895
		W/2 W/2	24-21S-32E	
		D E	25-21S-32E	
30-025-48009	Margarita 13 Federal Com #13H	E L M	13-21S-32E	97895
		W/2 W/2	24-21S-32E	
		D E	25-21S-32E	
30-025-47197	Margarita 13 Federal Com #3H	F K N	13-21S-32E	97895
		E/2 W/2	24-21S-32E	
		C F	25-21S-32E	
30-025-47198	Margarita 13 Federal Com #4H	F K N	13-21S-32E	97895
		E/2 W/2	24-21S-32E	
		C F	25-21S-32E	
30-025-49183	Margarita 13 Federal Com #10H	F K N	13-21S-32E	97895
		E/2 W/2	24-21S-32E	
		C F	25-21S-32E	

30-025-49186	Margarita 13 Federal Com #14H	F K N E/2 W/2 C F	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-49250	Margarita 13 Federal Com #22H	F K N E/2 W/2 C F	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-47199	Margarita 13 Federal Com #5H	G J O W/2 E/2 B G	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-47200	Margarita 13 Federal Com #6H	G J O W/2 E/2 B G	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-49184	Margarita 13 Federal Com #11H	G J O W/2 E/2 B G	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-49187	Margarita 13 Federal Com #15H	G J O W/2 E/2 B G	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-50128	Margarita 13 Federal Com #20H	G J O W/2 E/2 B G	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-47201	Margarita 13 Federal Com #7H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-47202	Margarita 13 Federal Com #8H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-49185	Margarita 13 Federal Com #12H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-49188	Margarita 13 Federal Com #16H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	97895
30-025-48247	Margarita 13 Federal Com #17H	E L M W/2 W/2 D E	13-21S-32E 24-21S-32E 25-21S-32E	98033
30-025-49497	Margarita 13 Federal Com #23H	G J O W/2 E/2 B G	13-21S-32E 24-21S-32E 25-21S-32E	98033
30-025-49498	Margarita 13 Federal Com #24H	H I P E/2 E/2 A H	13-21S-32E 24-21S-32E 25-21S-32E	98033

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **PLC-907**
Operator: **Matador Production Company (228937)**

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring NMNM 105770678	S/2 NW/4, SW/4	13-21S-32E	720	A
	W/2	24-21S-32E		
	NW/4	25-21S-32E		
CA Bone Spring NMNM 105770714	S/2 NE/4, SE/4	13-21S-32E	720	B
	E/2	24-21S-32E		
	NE/4	25-21S-32E		
CA Wolfcamp NMNM 105770713	S/2 NW/4, SW/4	13-21S-32E	720	C
	W/2	24-21S-32E		
	NW/4	25-21S-32E		
CA Wolfcamp NMNM 105768335	G J O	13-21S-32E	360	D
	W/2 E/2	24-21S-32E		
	B G	25-21S-32E		
CA Wolfcamp NMNM 105770715	H I P	13-21S-32E	360	E
	E/2 E/2	24-21S-32E		
	A H	25-21S-32E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 105555720 (014155)	E F L K	13-21S-32E	160	A
NMNM 105446903 (0202296)	M N	13-21S-32E	80	A
NMNM 105315649 (0556868)	NW/4	24-21S-32E	160	A
NMNM 105317738 (094848)	SW/4	24-21S-32E	160	A
NMNM 105394313 (112934)	NW/4	25-21S-32E	160	A
NMNM 105555720 (014155)	G H J	13-21S-32E	120	B
NMNM 105305435 (135246)	I	13-21S-32E	40	B
NMNM 105446903 (0202296)	O P	13-21S-32E	80	B
NMNM 105315649 (0556868)	NE/4	24-21S-32E	160	B
NMNM 105317738 (094848)	SE/4	24-21S-32E	160	B
NMNM 105394313 (112934)	NE/4	25-21S-32E	160	B
NMNM 105555720 (014155)	E F L K	13-21S-32E	160	C
NMNM 105446903 (0202296)	M N	13-21S-32E	80	C
NMNM 105315649 (0556868)	NW/4	24-21S-32E	160	C
NMNM 105317738 (094848)	SW/4	24-21S-32E	160	C
NMNM 105394313 (112934)	NW/4	25-21S-32E	160	C
NMNM 105555720 (014155)	G J	13-21S-32E	80	D
NMNM 105446903 (0202296)	O	13-21S-32E	40	D
NMNM 105315649 (0556868)	W/2 NE/4	24-21S-32E	80	D

NMNM 105317738 (094848)	W/2 SE/4	24-21S-32E	80	D
NMNM 105394313 (112934)	W/2 NE/4	25-21S-32E	80	D
NMNM 105555720 (014155)	H	13-21S-32E	40	E
NMNM 105305435 (135246)	I	13-21S-32E	40	E
NMNM 105446903 (0202296)	P	13-21S-32E	40	E
NMNM 105315649 (0556868)	E/2 NE/4	24-21S-32E	80	E
NMNM 105317738 (094848)	E/2 SE/4	24-21S-32E	80	E
NMNM 105394313 (112934)	E/2 NE/4	25-21S-32E	80	E

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 246062

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 246062
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	8/25/2023