

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: Strata Production Company

OPERATOR ADDRESS: P.O. Box 1030, Roswell, NM 88202-1030

APPLICATION TYPE:

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

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

- (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. Delaware - 24750
(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: Rachel K. Fresquez

TITLE: Regulatory Analyst

DATE: 4/27/2023

TYPE OR PRINT NAME Rachel Fresquez

TELEPHONE NO.: 575-622-1127

E-MAIL ADDRESS: rfresquez@stratanm.com

APPLICATION FOR SUFRACE LEASE COMMINGLING

Strata Production Company respectfully requests approval to surface lease commingle oil and gas from all existing and future wells in Section 22 and Section 23 in Township 23 South, Range 30 East within the Delaware pool; Forty Niner Ridge Unit listed in the application, for Leases NMNM 070951X, NMNM 0543552, and NMNM 114978. This Commingle and Allocation Approval (CAA) will not negatively affect the royalty of the federal government. Any allocation meters (non-FMP's) will meet API measurement standard 14.1. All leases, unit PA's or CA's in the proposed CAA are capable of production in paying quantities, defined as 1 bbl/day of oil or 10 MCF/day of gas. Gas analysis is not required because we are applying under 3173.14(a)(1)iii (Federal lease, unit PA or CA, where each lease, unit PA, or CA proposed for commingling has 100 percent Federal mineral interest, the same fixed royalty rate, and the same revenue distribution). The location of the FMP is on the lease. There is no new surface disturbance included as part of the proposed CAA. These spacing units are initially dedicated to the following wells.

Well Name	Location	API #	POOL	OIL BPD	Gravities	MSCFPD	BTU
Forty Niner Ridge Unit Fed Com 22 23 III 15H	22-23S-30E	30-015-49591	Delaware	550	42	850	1240
Forty Niner Ridge Unit Fed Com 22 23 PPI 16H	22-23S-30E	30-015-50196	Delaware	660	42	725	1240

GENERAL INFORMATION

- Federal lease NMNM 070951X covers 640 acres in Section 22, Township 23 South, Range 30 East, Eddy County, New Mexico.
- Federal lease NMNM 0543552 covers 320 acres in Section 23, Township 23 South, Range 30 East, Eddy County, New Mexico.
- Federal lease NMNM 114978 covers 320 acres in Section 23, Township 23 South, Range 30 East, Eddy County New Mexico.
- The central tank battery to service the subject wells are located within Section 22, Township 23 South, Range 30 East, Eddy County, New Mexico on Federal Lease NMNM
- Application to commingle production from the subject wells has been submitted/approved with the BLM.
- Enclosed herewith is (1) a map that displays the leases, the location of the subject wells, and the proposed CTB, (2) a process flow diagram, (3) and the C-102 plat for each of the wells.

FUTURE ADDITIONS

Strata Production Company requests authority to add additional wells contained with the spacing units identified and approved in this application by filing a Subsequent Report Sundry to the Bureau of Land Management for Federal and filing a C103Z and C102 with the NMOCD. Notice

to owners shall not be required when amending the application to add wells contained within spacing units previously approved for commingling authority.

Pursuant to Statewide rule 19.15.12.10 (C)(4)(g) Strata Production Company respectfully requests the option to include additional pools or leases within the following parameters:

- Strata may add additional production from the Delaware pool; Forty Niner Ridge Unit from Lease's NMNM 070951X, NMNM 0543552, and NMNM 114978 and CA's listed in the application.

PROCESS AND FLOW DESCRIPTION

The production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3-independent streams (gas, oil, and water) by the separator and each stream will be measured individually after it exits the separator.

The gas will be measured using a senior orifice meter and used to allocate total volume measured at the facility check meter, high pressure flare meter, and individual well flare meter. The gas from the heated separator also flows into the header. The gas flows through the header to a custody transfer orifice meter (1127007) that serves as our lease production meter. If the pipeline is experiencing a problem and cannot take any gas, the gas will flow through the high-pressure flare meter (1127008) to the flare. If an individual well needed to be flared for any operational reason, it will be manually routed thorough the individual well flare meter (1127016) to the flare. The overhead gas from the vapor recovery tower is compressed by a vapor recovery compressor and then measured by a custody transfer orifice meter (1127009). The gas from the vapor recovery system combines with the gas from the lease production meter and flows into our gas gathering pipeline system.

The oil from the separators will be measured using a Turbine meter. The oil from each separator will be combined into a common header and flow into a heated horizontal and vertical separator to aid separation of the water entrained in the oil. The oil from the heated separator flows through a vapor recover unit where gas is allowed to breakout to a lower pressure, and then the oil flows into (4) 500-barrel coated steel tanks. Guided wave radar is used to measure water and oil volumes in these tanks.

The water will be measured using a Turbine meter. The water from each separator is combined in a common header and flows into (4) 500-barrel coated steel tanks. Guided wave radar is used to measure water volumes in these tanks. Water from the heated separator flows into the common water header connected to the (4) 500-barrel water tanks. The water is then pumped and/or trucked to a saltwater disposal well.

Well Name	Gas Meter #	Oil Meter #
Forty Niner Ridge Unit Fed Com 22 23 III 15H	1127007	10-1127007
Forty Niner Ridge Unit Fed Com 22 23 PPI 16H	1127008	10-1127008

1. A statement that the CAA will not negatively affect the royalty revenue of the federal government

This CAA will not negatively affect the royalty revenue of the federal government

2. A list of all Federal or Indian lease, unit PA, or CA numbers in the proposed Commingling and Allocation Approval (CAA). This list should include:

a. The specific type of production (oil, gas, or both)

This CAA is for oil, gas and water.

b. For CAs and PAs, please include a list of the proportional interest of federal, state, and fee leases within each CA/PA

Please see other attachment.

c. The royalty rates of the individual leases, unit PAs, or CAs

i. Please include a printout of the MASS Serial Register Page

Please see other attachment.

3. A proposed allocation agreement (including allocation of produced water) that includes:

a. An allocation methodology

Allocation for each well will be calculated from each wells allocation meters for oil and gas versus the total sold of oil and gas at the central tank batteries. Each well will be allocated back a percentage of the total sold based on its allocated percentage for FMP sales meters.

b. An example of how the methodology is applied (multiple examples may be included to ensure clarity)

i. Include a step-by-step explanation for all data and calculations used in the applied methodology example (this can be a part of 3(a))

Example Allocation Method								
Well Name	(1) Well Allocation Meter (oil) bbls	(2) Central Battery Lact FMP Sales (oil)bbls	(3) Well Allocation Percentage of Sale (oil) bbls	(4) Well Allocated Sales (oil) bbls Royalty	(5) Well Allocation Meter (gas) MCF	(6) Central Battery Sales FMP meter (gas) MCF	(7) Well Allocation Percentage of Sale (gas) MCF	(8) Well Allocated Sales (gas) MCF Royalty
FNRU Federal Com 22 23 III 15H	18,000.00	29,000.00	56.25%	16,312.50	27000	49100.00	54.55%	26,781.82
FNRU Federal Com 22 23 PPI 16H	14,000.00		43.75%	12,687.50	22500		45.45%	22,318.18

(1) Well Allocation Meter (oil)	- total months volume from allocation meter on the well from flow computer
(2) Central Battery Lact FMP Sales (oil)	- total months volume sold from central battery from lact flow computer/truck sales
(3) Well Allocation Percentage of Sale (oil)	- calculated percentage from wells allocation meter divided by the sum of all allocation meters going to that FMP (well allocation/sum of allocation meters)
(4) Well Allocated Sales Royalty (oil)	- calculated by multiplying the Central Battery Lact FMP (oil) by the Well Allocation Percentage of Sale
(5) Well Allocation Meter (gas)	- total months volume from allocation meter on the well from flow computer
(6) Central Battery Sales FMP meter (gas)	- total months volume sold from central battery from sales FMP meter (gas)
(7) Well Allocation Percentage of Sale (gas)	- calculated percentage from wells allocation meter divided by the sum of all allocation meters going to that FMP (well allocation/sum of allocation meters)
(8) Well Allocated Sales Royalty (gas)	- calculated by multiplying the Central Battery FMP meter (gas) by the Well Allocation Percentage of Sale

c. A statement that any allocation meters (non-FMPs) will meet either FMP regulations or API measurement standards

i. Please include relevant regulation or standard numbers

Allocation meters will meet FMP regulations under 43 CFR 3174 and 43 CFR 3175.

d. A copy of the agreement signed by each operator of each of the leases, unit PAs, or CAs from which production would be included in the CAA (if more than one operator is involved)

There is only one operator involved in this CAA, Strata Production Company

4. A topographic map of appropriate scale (multiple maps may be included to ensure clarity) that includes:

- The boundaries of all the leases, unit PAs, or CAs that are proposed for the CAA
- The location of all existing or planned facilities
- The location of all wells (including API numbers) that are in the proposed CAA
- Any piping that will be included in the CAA
- The location of all existing or proposed FMPs

Please see other attachment.

5. A statement that all leases, unit PAs, or CAs in the proposed CAA are capable of production in paying quantities and documentation to prove the statement.

a. "Production in paying quantities" is defined as 1bbl/day of oil or 10 Mcf/day of gas

i. A three consecutive day well test can be used to prove production in paying quantities

All leases in the proposed CAA are capable of producing in paying quantities. Paying quantities for new wells being drilled will be provided with submitted completion reports.

6. Gas analysis (not required if the operator is applying for a CAA under 3173.14(a)(1)) that includes:

- a. Btu content**
- b. All oil gravities**

Strata production is applying for commingling under 3173.14(a)(1)(iii)

7. A statement on whether the location of the FMP is on lease or off lease. If the FMP is off lease, the operator must submit:

- a. A justification for off lease measurement (OLM)**

FMP measurement will cover multiple leases but is located within the associated leases that Strata is seeking commingling. FMP for oil and water will be located at the central tank battery on the FNRU Federal COM 22 23 III 15H location. FMP for gas will be at the enterprise tap connect adjacent to the lease.

8. A statement on whether any new surface disturbance is included as part of the proposed CAA (proposed FMP, associated facilities, etc.). If new surface disturbance is part of the proposal, a surface disturbance sundry must be submitted with a surface use plan of operations

No new surface disturbance is required for the proposed CAA.

9. Any additional documentation that would be required under 3173.15 (f—i) relating to surface use or right of way grant applications

No new surface disturbance or right of way is needed for the CAA.

COMMUNITIZATION AGREEMENTS					
API Number	Well Name	Effective Date	CA Number	Legal Description for Leases	CA Royalty Rate
30-015-49591	Forty Niner Ridge Unit Fed Com 22 23 III #15H	Not Assigned	Not Assigned	Unit Number: NM070951X	11.552632%
				Royalty Rate: 7.763158%	
				Legal: T23S-R30E Sec. 22 NE/4SE/4	
				Contribution to CA: 20%	
				Lease Number: NMNM 0543552	
				Royalty Rate: 12.5%	
				Legal: T23S-R30E Sec. 23 N/2SW/4	
				Contribution to CA: 40%	
				Lease Number: NMNM 114978	
				Royalty Rate: 12.5%	
				Legal: T23S-R30E Sec. 23 N/2SE/4	
				Contribution to CA: 40%	
TBD Not Yet Assigned	Forty Niner Ridge Unit Fed Com 22 23 PPI #16H	Not Assigned	Not Assigned	Unit Number: NM070951X	11.552632%
				Royalty Rate: 7.763158%	
				Legal: T23S-R30E Sec. 22 NE/4SE/4	
				Contribution to CA: 20%	
				Lease Number: NMNM 0543552	
				Royalty Rate: 12.5%	
				Legal: T23S-R30E S/2SW/4	
				Contribution to CA: 40%	
				Lease Number: NMNM 114978	
				Royalty Rate: 12.5%	
				Legal: T23S-R30E S/2SE/4	
				Contribution to CA: 40%	

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page
NMNM105415247

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Authority	Total Acres	Serial Number
02-25-1920;041STAT0437;30USC181;MINERAL LEASING ACT OF 1920	3,840.0000	NMNM105415247
	Case File Jurisdiction	Legacy Serial No
		NMNM 070951X
Product Type 318210 EXPLORATORY UNIT AGREEMENT		Lease Issued Date
Commodity Oil & Gas		
Case Disposition AUTHORIZED		

CASE DETAILS	NMNM105415247
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Case Name	C-8011135	Split Estate	Fed Min Interest
Effective Date	08/02/1973	Split Estate Acres	Future Min Interest No
Expiration Date		Royalty Rate	Future Min Interest Date
Land Type	Acquired	Royalty Rate Other	Acquired Royalty Interest
Formation Name	/1/ DLRM03	Approval Date	Held In a Producing Unit No
Parcel Number	DESIGNATION RECEIVED	Sale Date	Number of Active Wells
Parcel Status		Sales Status	
Participating Area		Total Bonus Amount 0.00	Production Determination Producing
Related Agreement		Tract Number	Lease Suspended No
Application Type		Fund Code	Total Rental Amount

CASE CUSTOMERS	NMNM105415247
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Name & Mailing Address	Interest Relationship	Percent Interest
CARLSBAD FIELD OFFICE MEWBOURNE OIL CO	620 E GREENE ST 500 W TEXAS AVE STE 1020 CARLSBAD NM 88220-6292 MIDLAND TX 79701-4279	OFFICE OF RECORD OPERATOR 0.000000 100.000000

LAND RECORDS	NMNM105415247
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Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0230S	0300E	009	Entire Section		ENTIRE SECTION	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0300E	010	Entire Section		ENTIRE SECTION	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0300E	015	Entire Section		ENTIRE SECTION	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	FED ENERGY REG COMM, DEPARTMENT OF ENERGY
23	0230S	0300E	016	Entire Section		ENTIRE SECTION	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0300E	021	Entire Section		ENTIRE SECTION	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0300E	022	Entire Section		ENTIRE SECTION	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

CASE ACTIONS

Action Date	Date Filed	Action Name	Action Status	Action Remarks	NMNM105415247
01/15/1973	01/15/1973	CASE ESTABLISHED	APPROVED/ACCEPTED	DESIGNATION RECEIVED	
01/15/1973	01/15/1973	GEOGRAPHIC NAME	APPROVED/ACCEPTED	FORTY-NINER RIDGE;	
03/06/1973	03/06/1973	AGREEMENT DESIGNATION	APPROVED/ACCEPTED	AGREEMENT	
07/23/1973	07/23/1973	AGREEMENT FILED	APPROVED/ACCEPTED		
08/02/1973	08/02/1973	AGREEMENT / PA APPROVED	APPROVED/ACCEPTED		
08/02/1973	08/02/1973	EFFECTIVE DATE	APPROVED/ACCEPTED	/A/UNIT AGREEMENT	
08/02/1973	08/02/1973	REFERENCE NUMBER (AFS)	APPROVED/ACCEPTED	AFS-891012406X;	
12/18/1973	12/18/1973	AGRM PRODUCING	APPROVED/ACCEPTED	INT MRRW PA, #A	
10/28/1987	10/28/1987	PA EFFECTIVE	APPROVED/ACCEPTED	INT DLRM BRSC PA, #C	
06/23/1989	06/23/1989	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MO/TRS	
12/07/1992	12/07/1992	FORMATION	APPROVED/ACCEPTED	/1/ DLRM03;DELAWARE	
12/07/1992	12/07/1992	WELL DETERMINED NON-PAY	APPROVED/ACCEPTED	/1/ STATE,3	
12/11/1992	12/11/1992	PROPOSAL RECEIVED	APPROVED/ACCEPTED	/1/ NONPAYING 3	
03/03/1995	03/03/1995	PLAN OPER/EXPL/DEV FILED	APPROVED/ACCEPTED	/2/	
03/07/1995	03/07/1995	PLAN OF DEVELOPMENT	APPROVED/ACCEPTED	/2/	
02/05/2001	02/05/2001	DESIGNATION OF SUB OPERATOR	APPROVED/ACCEPTED	BARGO ENE,DELAWARE BR	

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NMNM105415247

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Action Date	Date Filed	Action Name	Action Status	Action Remarks	NMNM105415247
02/15/2001	02/15/2001	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MO	
12/11/2001	12/11/2001	DESIGNATION OF SUB OPERATOR	APPROVED/ACCEPTED	STRATA PROD CO;DELAWA	
01/14/2002	01/14/2002	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MO	
06/01/2006	06/01/2006	DESIGNATION OF SUB OPERATOR	APPROVED/ACCEPTED	/B/MEWBOURNE OIL	
11/07/2006	11/07/2006	NAME CHANGE RECOGNIZED	APPROVED/ACCEPTED	TEXACO EXPL/CHEVRON	
11/18/2010	11/18/2010	WELL DETERMINED NON-PAY	APPROVED/ACCEPTED	STATE, WELL NO. 102	
12/16/2013	12/16/2013	NAME CHANGE RECOGNIZED	APPROVED/ACCEPTED	MEWBOURNE OIL CO	

ASSOCIATED AGREEMENT OR LEASE (RECAPITULATION TABLE) INFO

NMNM105415247

Lease Serial Number	Lease Legacy Serial Number	Case Disposition	Type	Tract No	Commitment Status	Commitment Status Effective Date	Acres	Allocation Percent
NMNM105465720	NMNM 0531075	AUTHORIZED	FEDERAL	01	Effectively Committed	08/02/1973	600.0000	
NMNM105463364	NMNM 0531277	AUTHORIZED	FEDERAL	02	Effectively Committed	08/02/1973	320.0000	
NMNM105504518	NMNM 0531731	AUTHORIZED	FEDERAL	03	Effectively Committed	08/02/1973	160.0000	
NMNM105444150	NMNM 0543280	AUTHORIZED	FEDERAL	04	Effectively Committed	08/02/1973	120.0000	
NMNM105469975	NMNM 0543748	AUTHORIZED	FEDERAL	05	Effectively Committed	08/02/1973	240.0000	
NMNM105460248	NMNM 0543827	AUTHORIZED	FEDERAL	06	Effectively Committed	08/02/1973	40.0000	
NMNM105556856	NMNM 086441	AUTHORIZED	FEDERAL	09	Effectively Committed	08/02/1973	80.0000	
NMNM105334664	NMNM 018996	AUTHORIZED	FEDERAL	11	Effectively Committed	08/02/1973	40.0000	
UNLEASED		AUTHORIZED	UNLEASED	12	Not Committed	08/02/1973	40.0000	
STATE		AUTHORIZED	STATE	13	Fully Committed	08/02/1973	1,400.0000	
FEE		AUTHORIZED	FEE	14	Effectively Committed	08/02/1973	40.0000	
NMNM105527999	NMNM 104965	AUTHORIZED	FEDERAL	6A	Effectively Committed	08/02/1973	760.0000	

LEGACY CASE REMARKS

NMNM105415247

This data is a snapshot in time as of March 14, 2022. Please reference the MLRS website for more information.

Line Number	Remark Text
0001	/A/EXHIBIT B EFFECTIVE DATE 08/02/1973
0002	LEASE SERIAL NO TR# STATUS ACRES
0003	NMNM 0531075 1 EC 600.00
0004	NMNM 0531277 2 EC 320.00
0005	NMNM 0531731 3 EC 160.00
0006	NMNM 0543280 4 EC 120.00
0007	NMNM 0543748 5 EC 240.00
0008	NMNM 0543827 6 EC 40.00
0009	NMNM 104965 6A EC 760.00
0010	NMNM 86441 9 EC 80.00
0011	NMNM 18996 11 EC 40.00
0012	UNLEASED 12 NC 40.00
0013	STATE 13 FC 1400.00
0014	FEE 14 EC 40.00
0015	TOTAL
0016	UNLEASED TR#12,23S,30E,S10,NWNW
0017	TR9,23S,30E,S21,S2SW
0018	/B/MEWBOURNE OIL CO HAS BEEN DESIGNATED SUB-OPERATOR
0019	FOR THE MORROW FORMATION IN THIS UNIT.
0020	/B/MEWBOURNE NOW UNIT OPERATOR EFFECTIVE 5/1/2013.
0021	CHEVRON WAS ORIGINAL UNIT OPERATOR AND RELINQUISHED
0022	UNIT OPERATORSHIP TO MEWBOURNE OIL CO.
0023	STRATA PROD. IS STILL SUB-OPERATOR OF DELAWARE

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION**

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NMNM105470380

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Authority

**02-25-1920; 041STAT0437; 30USC226; MINERAL LEASING
ACT OF 1920**

Total Acres

480.0000

Serial Number

NMNM105470380

Case File Jurisdiction

**Legacy Serial No
NMNM 0543552**

Product Type 311111 NONCOMPETITIVE PUBLIC DOMAIN LEASE PRE 1987

Commodity Oil & Gas

Case Disposition AUTHORIZED

Lease Issued Date

05/25/1964

CASE DETAILS

NMNM105470380

Case Name	C-7993520	Split Estate	Fed Min Interest
Effective Date	06/01/1964	Split Estate Acres	Future Min Interest No
Expiration Date	01/01/3999	Royalty Rate 12 1/2%	Future Min Interest Date
Land Type	Public Domain	Royalty Rate Other	Acquired Royalty Interest
Formation Name		Approval Date	Held In a Producing Unit No
Parcel Number		Sale Date	Number of Active Wells
Parcel Status		Sales Status	Production Status Non-Producing
Participating Area		Total Bonus Amount 0.00	
Related Agreement		Tract Number	Lease Suspended Yes
Application Type		Fund Code 145003	Total Rental Amount

CASE CUSTOMERS

NMNM105470380

Name & Mailing Address	Interest Relationship	Percent Interest
CARRIGAN WADE P	GILBERT AZ 85299-1908	OPERATING RIGHTS 0.000000
CONOCOPHILLIPS CO	BARTLESVILLE OK 74005-7500	LESSEE 50.000000
CONOCOPHILLIPS CO	HOUSTON TX 77084-4920	OPERATING RIGHTS 0.000000
CONOCOPHILLIPS CO	HOUSTON TX 77079-1100	OPERATING RIGHTS 0.000000
LINCOLN ASSOCIATES	SALT LAKE CITY UT 84111-2330	OPERATING RIGHTS 0.000000
OXY USA INC	HOUSTON TX 77046-0521	OPERATING RIGHTS 0.000000
OXY USA INC	HOUSTON TX 77046-0521	LESSEE 50.000000
OXY USA INC	HOUSTON TX 77046-0521	OPERATING RIGHTS 0.000000
SJR ENTERPRISES INC	HOUSTON TX 77024-2638	OPERATING RIGHTS 0.000000
STRATA PRODUCTION CO	ROSWELL NM 88201	OPERATING RIGHTS 0.000000
WINN EXPLORATION CO INC	ROSWELL NM 88201-3372	OPERATING RIGHTS 0.000000

RECORD TITLE

(No Records Found)

OPERATING RIGHTS

(No Records Found)

LAND RECORDS

NMNM105470380

Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0230S	0300E	023	Aliquot		W2	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0300E	026	Aliquot		NW	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

CASE ACTIONS

Action Date	Date Filed	Action Name	Action Status	Action Remarks	NMNM105470380
03/20/1964	03/20/1964	APPLICATION RECEIVED	APPROVED/ACCEPTED		
03/20/1964	03/20/1964	NEW PRIORITY ESTABLISHED	APPROVED/ACCEPTED		
05/25/1964	05/25/1964	APPLICATION REJECTED/DENIED IN PART	APPROVED/ACCEPTED		
05/25/1964	05/25/1964	LEASE ISSUED	APPROVED/ACCEPTED		
06/01/1964	06/01/1964	EFFECTIVE DATE	APPROVED/ACCEPTED		
06/01/1964	06/01/1964	FUND CODE	APPROVED/ACCEPTED	05;145003	
06/01/1964	06/01/1964	RLTY RATE - 12 1/2%	APPROVED/ACCEPTED		
07/02/1964	07/02/1964	DEC AFFIRMED	APPROVED/ACCEPTED		
09/09/1973	09/09/1973	GEOGRAPHIC NAME	APPROVED/ACCEPTED	JAMES RANCH FLD;	
09/09/1973	09/09/1973	KMA CLASSIFIED	APPROVED/ACCEPTED		
12/03/1973	12/03/1973	COMMITTED TO AGREEMENT	APPROVED/ACCEPTED	SANDY	

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Action Date	Date Filed	Action Name	Action Status	Action Remarks	NMNM105470380
12/03/1973	12/03/1973	REFERENCE NUMBER	APPROVED/ACCEPTED	UA-1408000113808;	
01/14/1974	01/14/1974	RENTAL RATE DET/ADJ	APPROVED/ACCEPTED	\$2.00;	
07/03/1974	07/03/1974	EXTENDED	APPROVED/ACCEPTED	THRU 05/31/76;	
11/23/1974	11/23/1974	GEOGRAPHIC NAME	APPROVED/ACCEPTED	FORTY NINER RDG FLD;	
11/23/1974	11/23/1974	KMA EXPANDED	APPROVED/ACCEPTED		
01/20/1976	01/20/1976	UNIT AGRMT TERMINATED	APPROVED/ACCEPTED	SANDY	
02/24/1976	02/24/1976	EXTENDED	APPROVED/ACCEPTED	THRU 01/20/78;	
09/01/1977	09/01/1977	LEASE SUSPENDED	APPROVED/ACCEPTED	POTASH;	
09/09/1988	09/09/1988	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	TF/CS	
03/14/1989	03/14/1989	CASE MICROFILMED/SCANNED	APPROVED/ACCEPTED	CNUM 566,382	
01/11/1999	01/11/1999	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	PHILLIPS/POGO	
01/27/1999	01/27/1999	ASGN APPROVED	APPROVED/ACCEPTED	EFF 02/01/99;	
01/27/1999	01/27/1999	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	JLV	
01/16/2003	01/16/2003	MERGER RECOGNIZED	APPROVED/ACCEPTED	CONOCO/CONOCOPHILLIPS	
11/06/2007	11/06/2007	MERGER RECOGNIZED	APPROVED/ACCEPTED	POGO PROD/PXP ACQ LLC	
11/08/2007	11/08/2007	NAME CHANGE RECOGNIZED	APPROVED/ACCEPTED	PXP ACQ/POGO PROD LLC	
05/01/2008	05/01/2008	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	POGO PRODUC/OXY USA;1	
05/01/2008	05/01/2008	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	POGO PRODUC/OXY USA;1	
06/13/2008	06/13/2008	ASGN APPROVED	APPROVED/ACCEPTED	EFF 06/01/2008;	
06/13/2008	06/13/2008	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	SSP	
06/13/2008	06/13/2008	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 06/01/2008;	
01/08/2009	01/08/2009	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	POGO PRODUC/OXY USA;1	
01/08/2009	01/08/2009	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	POGO PRODUC/OXY USA;1	
03/25/2009	03/25/2009	ASGN APPROVED	APPROVED/ACCEPTED	EFF 02/01/09;	
03/25/2009	03/25/2009	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	ANN	
03/25/2009	03/25/2009	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 02/01/09;	
09/10/2018	09/10/2018	TRANSFER OF OPERATING RIGHTS	FILED	OXY USA/CONOCOPHILL;1	
02/01/2019	02/01/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	CONOCOPHI/STRATA PR;1	
03/22/2019	03/22/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	EMR	
03/22/2019	03/22/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	/A/EFF 10/01/18;	
04/26/2019	04/26/2019	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
06/24/2019	06/24/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	STRATA PR/CARRIGAN;1	
08/03/2019	08/03/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	LL	
08/03/2019	08/03/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 03/01/19;	
08/20/2019	08/20/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	STRATA PR/LINCOLN A;1	
09/12/2019	09/12/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	KB	
09/12/2019	09/12/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 07/01/19;	
10/22/2019	10/22/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	PM	
10/22/2019	10/22/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 09/01/19;	
07/09/2020	07/09/2020	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	OXY USA/CONOCOPHILL;1	
08/07/2020	08/07/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	3	
08/07/2020	08/07/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
08/07/2020	08/07/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	2	
11/06/2020	11/06/2020	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	KB	
11/06/2020	11/06/2020	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 08/01/20;	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	2	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	3	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
01/01/3999	01/01/3999	EXPIRATION	APPROVED/ACCEPTED		

ASSOCIATED AGREEMENT OR LEASE (RECAPITULATION TABLE) INFO

NMNM105470380

Agreement Serial Number	Agreement Legacy Serial Number	Case Disposition	Product Name	Tract No	Commit ment Status	Commitm ent Status Effective Date	Acres	Allocation Percent
NMNM105769630		PENDING		01			80.0000	40.000000
NMNM105769632		PENDING		01			80.0000	40.000000
NMNM105769633		PENDING		01			80.0000	50.000000
NMNM105769634		PENDING		01			80.0000	50.000000

LEGACY CASE REMARKS

NMNM105470380

This data is a snapshot in time as of March 14, 2022. Please reference the MLRS website for more information.

Line Number	Remark Text
0002	OPERATOR BONDED - 03/25/2009
0003	OXY USA INC - ES0136 - N/W;
0004	03/22/2019 - /A/TRANSFER OF OPERATING RIGHTS FILED
0005	09/10/2018 INDICATES OCCIDENTAL/CONOCOPHILLIPS,
0006	WHICH IS INCORRECT, IT SHOULD READ
0007	OXY USA INC/CONOCOPHILLIPS. WE COULD NOT MAKE THE

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Line Number	Remark Text
0008	CHANGE BECAUSE CHECK HAD ALREADY BEEN DEPOSITED.
0009	11/06/2020 CONOCO PHILLIPS NMB001782 NW

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Authority

01-12-1983; 096STAT2447; 30USC188; FED O&G ROYALTY
MGT ACT-1982, TITLE IV.

Total Acres

960.0000

Serial Number

NMNM105384170

Case File Jurisdiction

Legacy Serial No
NMNM 114978

Product Type 312021 COMPETITIVE PUBLIC DOMAIN LEASE POST 1987

Commodity Oil & Gas

Case Disposition AUTHORIZED

Lease Issued Date

11/22/2005

CASE DETAILS

NMNM105384170

Case Name	C-8243621	Split Estate	Fed Min Interest
Effective Date	12/01/2005	Split Estate Acres	Future Min Interest No
Expiration Date	Royalty Rate 12 1/2%	Future Min Interest Date	
Land Type	Public Domain	Royalty Rate Other	Acquired Royalty Interest
Formation Name	Approval Date	Held In a Producing Unit	No
Parcel Number	200510040	Sale Date 10/19/2005	Number of Active Wells
Parcel Status	Sales Status	Production Status	Held by Actual Production
Participating Area	Total Bonus Amount 1,248,000.00	Lease Suspended	No
Related Agreement	Tract Number	Total Rental Amount	
Application Type	Fund Code 145003		

CASE CUSTOMERS

NMNM105384170

Name & Mailing Address	Interest Relationship	Percent Interest
ADVANCE ENERGY PARTNERS HAT MESA LLC	11490 WESTHEIMER RD STE 950 HOUSTON TX 77077-6841	LESSEE 100.000000
ADVANCE ENERGY PARTNERS HAT MESA LLC	11490 WESTHEIMER RD STE 950 HOUSTON TX 77077-6841	OPERATING RIGHTS 0.000000
ANCHOR PRODUCTION LLC	10092 CR 36 YUMA CO 80759	OPERATING RIGHTS 0.000000
BANE BIGBIE INC	PO BOX 998 ARDMORE OK 73402	OPERATING RIGHTS 0.000000
CM RESOURCES LLC	303 W WALL ST STE 700 MIDLAND TX 79701-5114	OPERATING RIGHTS 0.000000
COG OPERATING LLC	600 W ILLINOIS AVE MIDLAND TX 79701-4882	OPERATING RIGHTS 0.000000
CONOCOPHILLIPS CO	PO BOX 2197 HOUSTON TX 77252-2197	OPERATING RIGHTS 0.000000
DUANE BROWN AND PILAR VAILE	PO BOX 2168 ALBUQUERQUE NM 87103	OPERATING RIGHTS 0.000000
HARROUN ENTERPRISES INC	515 TRES LAGUNAS LANE NE ALBUQUERQUE NM 87113	OPERATING RIGHTS 0.000000
HAT MESA OIL CO	3235 CALLE DEBORAH ALBUQUERQUE NM 87104	OPERATING RIGHTS 0.000000
HUTCHINGS OIL CO	PO BOX 1216 ALBUQUERQUE NM 87103-1216	OPERATING RIGHTS 0.000000
RUBICON OIL & GAS II LP	508 W WALL AVE STE 500 MIDLAND TX 79701	OPERATING RIGHTS 0.000000
SCOTT-WINN LLC	PO BOX 1834 ROSWELL NM 88202-1834	OPERATING RIGHTS 0.000000
SJR ENTERPRISES INC	11621 JOAN OF ARC DR HOUSTON TX 77024-2638	OPERATING RIGHTS 0.000000
SJR ENTERPRISES INC	11621 JOAN OF ARC DR HOUSTON TX 77024-2638	OPERATING RIGHTS 0.000000
STRATA PRODUCTION CO	1301 N SYCAMORE AVE ROSWELL NM 88201	OPERATING RIGHTS 0.000000
TITUS OIL & GAS LLC	420 THROCKMORTON ST STE 1150 FORT WORTH TX 76102-3761	OPERATING RIGHTS 0.000000
WADE P CARRIGAN & BETH	PO BOX 1908 GILBERT AZ 85299-1908	OPERATING RIGHTS 0.000000
CARRIGN IRREVOCABLE TRST		
WADE PETROLEUM CORPORATION	2101 ALTURA AZUL NE ALBUQUEQUE NM 87110	OPERATING RIGHTS 0.000000
WARREN ASSOCIATES	PO BOX 7250 ALBUQUERQUE NM 87194-7250	OPERATING RIGHTS 0.000000
WARREN INC	PO BOX 10400 ALBUQUERQUE NM 87184-0400	OPERATING RIGHTS 0.000000
WINN EXPLORATION CO INC	706 BRAZOS ST ROSWELL NM 88201-3372	OPERATING RIGHTS 0.000000
WINN INVESTMENT CO	706 BRAZOS ST ROSWELL NM 88201-3372	OPERATING RIGHTS 0.000000

RECORD TITLE

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MTRS Subdivision and Metes and Bounds	Account	Percent Held
23 0230S 0300E 023 E2	ADVANCE ENERGY PARTNERS HAT MESA LLC	100.000000
23 0230S 0300E 025 ENTIRE SECTION	ADVANCE ENERGY PARTNERS HAT MESA LLC	100.000000

OPERATING RIGHTS

NMNM105384170

MTRS Subdivision and Metes and Bounds	Depth/Formation	Account	Percent Held
23 0230S 0300E 023 E2	All depths below 100' below the top of the Bone Spring formation 7,854'	ADVANCE ENERGY PARTNERS HAT MESA LLC	22.500000
	Below the base of the Delaware formation to 100' below the top of the Bone Spring formation 7,754' to 7,854'	RUBICON OIL & GAS II LP	77.500000
		WARREN INC	0.500000
		ANCHOR PRODUCTION LLC	0.500000
		STRATA PRODUCTION CO	13.000000

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MTRS Subdivision and Metes and Bounds	Depth/Formation	Account	Percent Held
		HUTCHINGS OIL CO	3.500000
		Duane Brown and Pilar Vaile	0.500000
		WADE P CARRIGAN & BETH CARRIGN	1.875000
		IRREVOCABLE TRST	
		WADE PETROLEUM CORPORATION	0.875000
		HARROUN ENTERPRISES INC	0.500000
		SCOTT-WINN LLC	0.500000
		BANE BIGBIE INC	0.250000
		WINN INVESTMENT CO	0.750000
		SJR ENTERPRISES INC	0.750000
		RUBICON OIL & GAS II LP	5.000000
		HAT MESA OIL CO	0.750000
		CONOCOPHILLIPS CO	70.000000
		WARREN ASSOCIATES	0.750000
	Surface to the base of the Delaware Formation 7,754'	WARREN INC	0.500000
		ANCHOR PRODUCTION LLC	0.500000
		Duane Brown and Pilar Vaile	0.500000
		WADE P CARRIGAN & BETH CARRIGN	1.875000
		IRREVOCABLE TRST	
		SCOTT-WINN LLC	0.500000
		BANE BIGBIE INC	0.250000
		WINN INVESTMENT CO	0.750000
		SJR ENTERPRISES INC	0.750000
		RUBICON OIL & GAS II LP	5.000000
		ADVANCE ENERGY PARTNERS HAT MESA LLC	17.500000
		TITUS OIL & GAS LLC	46.250000
		CM RESOURCES LLC	6.250000
		WARREN ASSOCIATES	0.750000
		STRATA PRODUCTION CO	18.625000
23 0230S 0300E 025 ENTIRE SECTION	All depths below 100' below the top of the Bone Spring formation 7,854'	ADVANCE ENERGY PARTNERS HAT MESA LLC	22.500000
		RUBICON OIL & GAS II LP	77.500000
	Below the base of the Delaware formation to 100' below the top of the Bone Spring formation 7,754' to 7,854'	STRATA PRODUCTION CO	13.000000
		ANCHOR PRODUCTION LLC	0.500000
		RUBICON OIL & GAS II LP	5.000000
		SJR ENTERPRISES INC	0.750000
		WINN INVESTMENT CO	0.750000
		WARREN INC	0.500000
		HUTCHINGS OIL CO	3.500000
		WARREN ASSOCIATES	0.750000
		CONOCOPHILLIPS CO	70.000000
		HAT MESA OIL CO	0.750000
		Duane Brown and Pilar Vaile	0.500000
		WADE P CARRIGAN & BETH CARRIGN	1.875000
		IRREVOCABLE TRST	
		WADE PETROLEUM CORPORATION	0.875000
		HARROUN ENTERPRISES INC	0.500000
		SCOTT-WINN LLC	0.500000
		BANE BIGBIE INC	0.250000
	Surface to the base of the Delaware Formation 7,754'	STRATA PRODUCTION CO	18.625000
		WADE P CARRIGAN & BETH CARRIGN	1.875000
		IRREVOCABLE TRST	
		SCOTT-WINN LLC	0.500000
		BANE BIGBIE INC	0.250000
		WINN INVESTMENT CO	0.750000
		SJR ENTERPRISES INC	0.750000
		Duane Brown and Pilar Vaile	0.500000
		ADVANCE ENERGY PARTNERS HAT MESA LLC	17.500000
		TITUS OIL & GAS LLC	46.250000
		CM RESOURCES LLC	6.250000
		WARREN ASSOCIATES	0.750000
		WARREN INC	0.500000
		ANCHOR PRODUCTION LLC	0.500000
		RUBICON OIL & GAS II LP	5.000000

LAND RECORDS

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Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0230S	0300E	023	Aliquot		E2	PECOS DISTRICT OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0300E	025	Entire Section		ENTIRE SECTION	PECOS DISTRICT OFFICE	EDDY	BUREAU OF LAND MGMT
							CARLSBAD FIELD OFFICE		
							CARLSBAD FIELD OFFICE		

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CASE ACTIONS					
Action Date	Date Filed	Action Name	Action Status	Action Remarks	NMNM105384170
10/18/2005	10/18/2005	CASE ESTABLISHED	APPROVED/ACCEPTED	200510040;	
10/19/2005	10/19/2005	BID RECEIVED	APPROVED/ACCEPTED	\$1248000.00;	
10/19/2005	10/19/2005	BONUS BID PAYMENT RECD	APPROVED/ACCEPTED	\$1920.00;	
10/19/2005	10/19/2005	SALE HELD	APPROVED/ACCEPTED		
11/01/2005	11/01/2005	BONUS BID PAYMENT RECD	APPROVED/ACCEPTED	\$1246080.00;	
11/22/2005	11/22/2005	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	LR	
11/22/2005	11/22/2005	LEASE ISSUED	APPROVED/ACCEPTED		
12/01/2005	12/01/2005	EFFECTIVE DATE	APPROVED/ACCEPTED		
12/01/2005	12/01/2005	FUND CODE	APPROVED/ACCEPTED	05;145003	
12/01/2005	12/01/2005	RLTY RATE - 12 1/2%	APPROVED/ACCEPTED		
02/21/2006	02/21/2006	CASE MICROFILMED/SCANNED	APPROVED/ACCEPTED		
06/30/2006	06/30/2006	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	RUBICON O/BOLD ENER;1	
07/28/2006	07/28/2006	ASGN APPROVED	APPROVED/ACCEPTED	EFF 07/01/06;	
07/28/2006	07/28/2006	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MV	
08/14/2006	08/14/2006	MERGER NAME CHANGE	APPROVED/ACCEPTED	GRUY/CIMAREX OF COLO	
08/18/2006	08/18/2006	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	BOLD ENER/RUBICON O;1	
08/29/2006	08/29/2006	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	RUBICON O/BOLD ENER;1	
09/20/2006	09/20/2006	ASGN APPROVED	APPROVED/ACCEPTED	EFF 09/01/06;	
09/20/2006	09/20/2006	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MV	
09/20/2006	09/20/2006	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 09/01/06;	
10/24/2006	10/24/2006	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	BOLD ENER/COG OIL &;1	
11/20/2006	11/20/2006	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MV	
11/20/2006	11/20/2006	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 11/01/06;	
01/18/2007	01/18/2007	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	BOLD ENER/PROVIDENC;1	
03/01/2007	03/01/2007	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	JLV	
03/01/2007	03/01/2007	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 02/01/07;	
07/01/2008	07/01/2008	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	BOLD ENE/STRATA;1	
07/01/2008	07/01/2008	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	COG OIL & GA/STRATA;1	
09/15/2008	09/15/2008	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	ANN	
10/06/2008	10/06/2008	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	ANN	
10/06/2008	10/06/2008	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	(2)EFF 08/01/08;	
10/06/2008	10/06/2008	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	(1)EFF 08/01/08;	
05/26/2009	05/26/2009	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	STRATA PR/ANCHOR PR;1	
06/25/2009	06/25/2009	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	LR	
06/25/2009	06/25/2009	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 06/01/09;	
03/17/2010	03/17/2010	MERGER NAME CHANGE	APPROVED/ACCEPTED	COG O&G/COG OPER	
06/21/2010	06/21/2010	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	PROVIDENC/HUTCHINGS;1	
08/06/2010	08/06/2010	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MJD	
08/06/2010	08/06/2010	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 07/01/2010	
02/18/2011	02/18/2011	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	LBO	
02/18/2011	02/18/2011	DEC ISSUED	APPROVED/ACCEPTED	RENTAL DEFICIENCY	
02/18/2011	02/18/2011	TERMINATION NOTICE ISSUED	APPROVED/ACCEPTED	CLASS I	
02/25/2011	02/25/2011	REINSTATEMENT	APPROVED/ACCEPTED	1	
02/28/2011	02/28/2011	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	LBO	
02/28/2011	02/28/2011	REINSTATEMENT APPROVED	APPROVED/ACCEPTED	CLASS I;	
04/20/2012	04/20/2012	HELD BY PROD - ACTUAL	APPROVED/ACCEPTED	/1/ 30-015-39361;	
04/20/2012	04/20/2012	PRODUCTION DETERMINATION	APPROVED/ACCEPTED	/1/ 30-015-39361;	
04/20/2012	04/20/2012	PRODUCTION DETERMINATION	APPROVED/ACCEPTED	/1/#1 ROADRUNNER FED;	
06/20/2012	06/20/2012	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MJD	
06/20/2012	06/20/2012	TERMINATION NOTICE ISSUED	APPROVED/ACCEPTED	CLASS 2	
06/25/2012	06/25/2012	TERMINATION VACATED	APPROVED/ACCEPTED		
10/30/2012	10/30/2012	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
12/14/2012	12/14/2012	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
12/14/2012	12/14/2012	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	RUBICON O/LIBERTY E;1	
12/14/2012	12/14/2012	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	RUBICON O/MCCOMBS E;1	
04/02/2013	04/02/2013	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	JA;	
04/02/2013	04/02/2013	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 01/01/13;1	
04/02/2013	04/02/2013	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 01/01/13;2	
08/05/2013	08/05/2013	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	ANN	
08/05/2013	08/05/2013	MERGER NAME CHANGE	APPROVED/ACCEPTED	BOLD ENERGY/OXY NM LP	
08/05/2013	08/05/2013	MERGER NAME CHANGE	APPROVED/ACCEPTED	OXY NM LP/OXY USA WTP	
09/20/2013	09/20/2013	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	RUBICON O/CIMAREX E;1	
11/14/2013	11/14/2013	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	LBO	
11/14/2013	11/14/2013	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 10/01/13;	
07/03/2014	07/03/2014	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	EURO-AMER/STRATA PR;1	
08/14/2014	08/14/2014	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 08/01/14;	
08/15/2014	08/15/2014	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	JA	
01/02/2015	01/02/2015	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	STRATA PR/HAT MESA;1	
02/12/2015	02/12/2015	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	ANN	
02/12/2015	02/12/2015	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 02/01/15;	
06/07/2016	06/07/2016	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	EURO-AMER/STRATA PR;1	
07/08/2016	07/08/2016	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MJD	
07/08/2016	07/08/2016	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 07/01/16;	
03/28/2017	03/28/2017	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	O&G PROPE/STRATA PR;1	
04/27/2017	04/27/2017	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	MJD	

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Action Date	Date Filed	Action Name	Action Status	Action Remarks	NMNM105384170
04/27/2017	04/27/2017	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 04/01/17;	
04/02/2018	04/02/2018	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	LIBERTY E/TITUS OIL;1	
07/15/2018	07/15/2018	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	DME	
07/15/2018	07/15/2018	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 05/01/18;	
01/28/2019	01/28/2019	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	RUBICON O/ADVANCE E;1	
01/28/2019	01/28/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	RUBICON O/ADVANCE E;1	
04/26/2019	04/26/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	SEA BEE/STRATA PROD;1	
04/26/2019	04/26/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	HARROUN E/STRATA PR;1	
04/26/2019	04/26/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	SCOTT INV/STRATA PR;1	
04/26/2019	04/26/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	SCOTT EXP/STRATA PR;1	
05/23/2019	05/23/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	WADE PETR/STRATA PR;1	
05/23/2019	05/23/2019	ASGN APPROVED	APPROVED/ACCEPTED	EFF 02/01/19;	
05/23/2019	05/23/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	PM	
05/23/2019	05/23/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 02/01/19;	
06/03/2019	06/03/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	MCCOMBS E/CM RESOUR;1	
06/12/2019	06/12/2019	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
06/12/2019	06/12/2019	OVERRIDING ROYALTY	APPROVED/ACCEPTED	3	
06/12/2019	06/12/2019	OVERRIDING ROYALTY	APPROVED/ACCEPTED	2	
06/12/2019	06/12/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	CM RESOUR/TITUS OIL;1	
06/24/2019	06/24/2019	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
06/24/2019	06/24/2019	OVERRIDING ROYALTY	APPROVED/ACCEPTED	2	
06/28/2019	06/28/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	TITUS OIL/CONOCOPHI;1	
06/28/2019	06/28/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	TITUS OIL/CONOCOPHI;2	
07/01/2019	07/01/2019	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
08/07/2019	08/07/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	JY	
08/07/2019	08/07/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 05/01/19;4	
08/07/2019	08/07/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 05/01/19;3	
08/07/2019	08/07/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 05/01/19;2	
08/07/2019	08/07/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 05/01/19;1	
08/07/2019	08/07/2019	TRF OPER RGTS DENIED	APPROVED/ACCEPTED		
08/20/2019	08/20/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	HUTCHINGS/STRATA PR;1	
08/30/2019	08/30/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	STRATA PR/LINCOLN A;1	
09/05/2019	09/05/2019	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	ICHTER DE/STRATA PR;1	
09/10/2019	09/10/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 07/01/19;1	
09/10/2019	09/10/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 07/01/19;2	
09/10/2019	09/10/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 07/01/19;3	
10/22/2019	10/22/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	EFF 07/01/19;4	
10/22/2019	10/22/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	PM	
11/25/2019	11/25/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	EFF 09/01/19;1	
11/25/2019	11/25/2019	TRF OPER RGTS DENIED	APPROVED/ACCEPTED	PM	
01/29/2020	01/29/2020	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	STRATA WRONG INTEREST	
04/24/2020	04/24/2020	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	ADVANCE E/CONOCOPHI;1	
04/24/2020	04/24/2020	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	KB	
07/30/2020	07/30/2020	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	EFF 02/01/20;	
07/30/2020	07/30/2020	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	SD	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	EFF 10/01/19;	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	10	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	8	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	6	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	9	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	2	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	3	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	4	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	5	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	7	
08/21/2020	08/21/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
09/14/2020	09/14/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
09/18/2020	09/18/2020	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	CLIFFORD/STRATA PR;1	
09/18/2020	09/18/2020	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	SCOTT INV/STRATA PR;1	
09/18/2020	09/18/2020	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	JMW ENTER/WARREN AS;1	
09/18/2020	09/18/2020	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	SCOTT EXP/STRATA PR;1	
10/29/2020	10/29/2020	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	DME	
10/29/2020	10/29/2020	TRF OPER RGTS WITHDRAWN	APPROVED/ACCEPTED	SCOTT INV/STRATA PR;	
10/29/2020	10/29/2020	TRF OPER RGTS WITHDRAWN	APPROVED/ACCEPTED	SCOTT EXP/STRATA PR;	
10/29/2020	10/29/2020	TRF OPER RGTS WITHDRAWN	APPROVED/ACCEPTED	JMW ENTER/WARREN AS;	
10/29/2020	10/29/2020	TRF OPER RGTS WITHDRAWN	APPROVED/ACCEPTED	CLIFFORD/STRATA PR;	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	3	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	2	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	5	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	9	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	10	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	6	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	4	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	8	
11/17/2020	11/17/2020	OVERRIDING ROYALTY	APPROVED/ACCEPTED	7	
01/28/2021	01/28/2021	OVERRIDING ROYALTY	APPROVED/ACCEPTED	1	
02/26/2021	02/26/2021	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	JMW ENTER/WARREN AS;1	

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Action Date	Date Filed	Action Name	Action Status	Action Remarks	NMNM105384170
03/12/2021	03/12/2021	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	DERKSEN D/ICHTER DE;1	
03/12/2021	03/12/2021	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	JOSEPH TH/ICHTER DE;1	
08/04/2021	08/04/2021	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	LBO	
08/04/2021	08/04/2021	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 03/01/21;	
08/30/2021	08/30/2021	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	DLC	
08/30/2021	08/30/2021	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 04/01/21;2	
08/30/2021	08/30/2021	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	EFF 04/01/21;1	
04/08/2022	05/10/2021	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	MK-B PROP/BARLOW MA;1	
04/08/2022	05/10/2021	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	MARIANNE/O&G PROPE;1	
04/08/2022	05/26/2021	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	STRATA PR/JOSEPH TH;1	

ASSOCIATED AGREEMENT OR LEASE (RECAPITULATION TABLE) INFO

NMNM105384170

Agreement Serial Number	Agreement Legacy Serial Number	Case Disposition	Product Name	Tract No	Commit ment Status	Commitm ent Status Effective Date	Acres	Allocation Percent
NMNM105769630		PENDING		02			80.0000	40.000000
NMNM105769632		PENDING		02			80.0000	40.000000
NMNM105769633		PENDING		02			80.0000	50.000000
NMNM105769634		PENDING		02			80.0000	50.000000

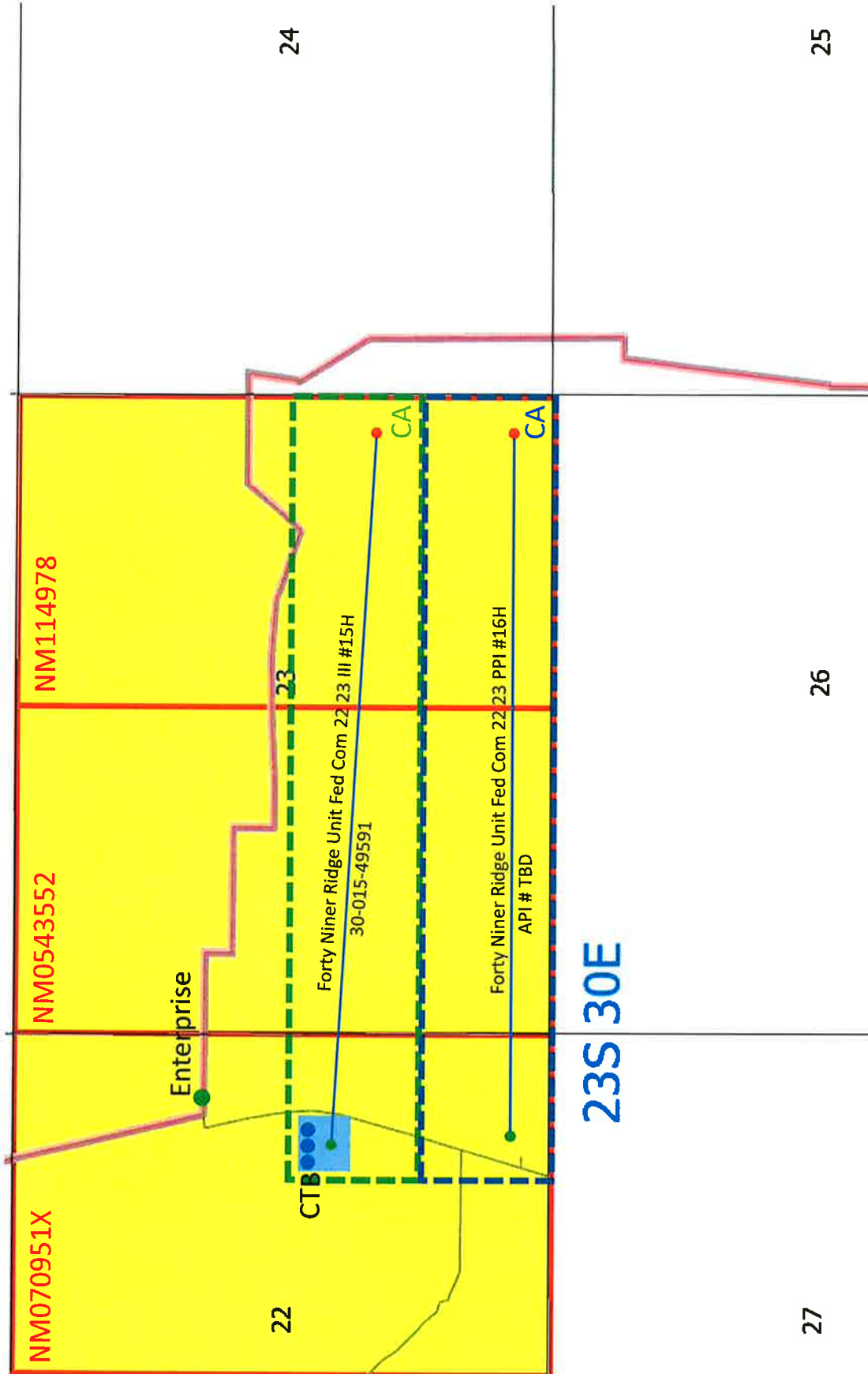
LEGACY CASE REMARKS

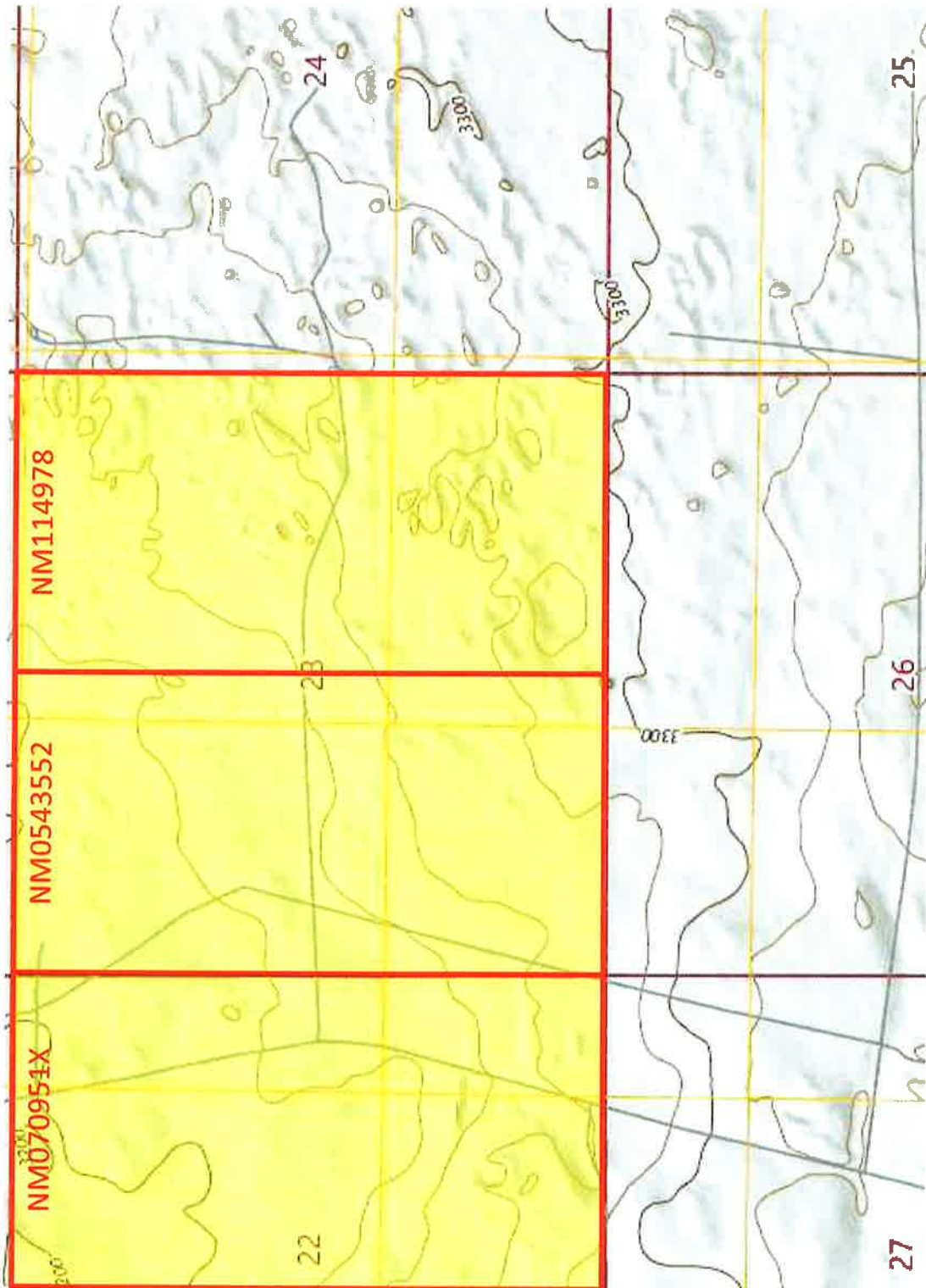
NMNM105384170

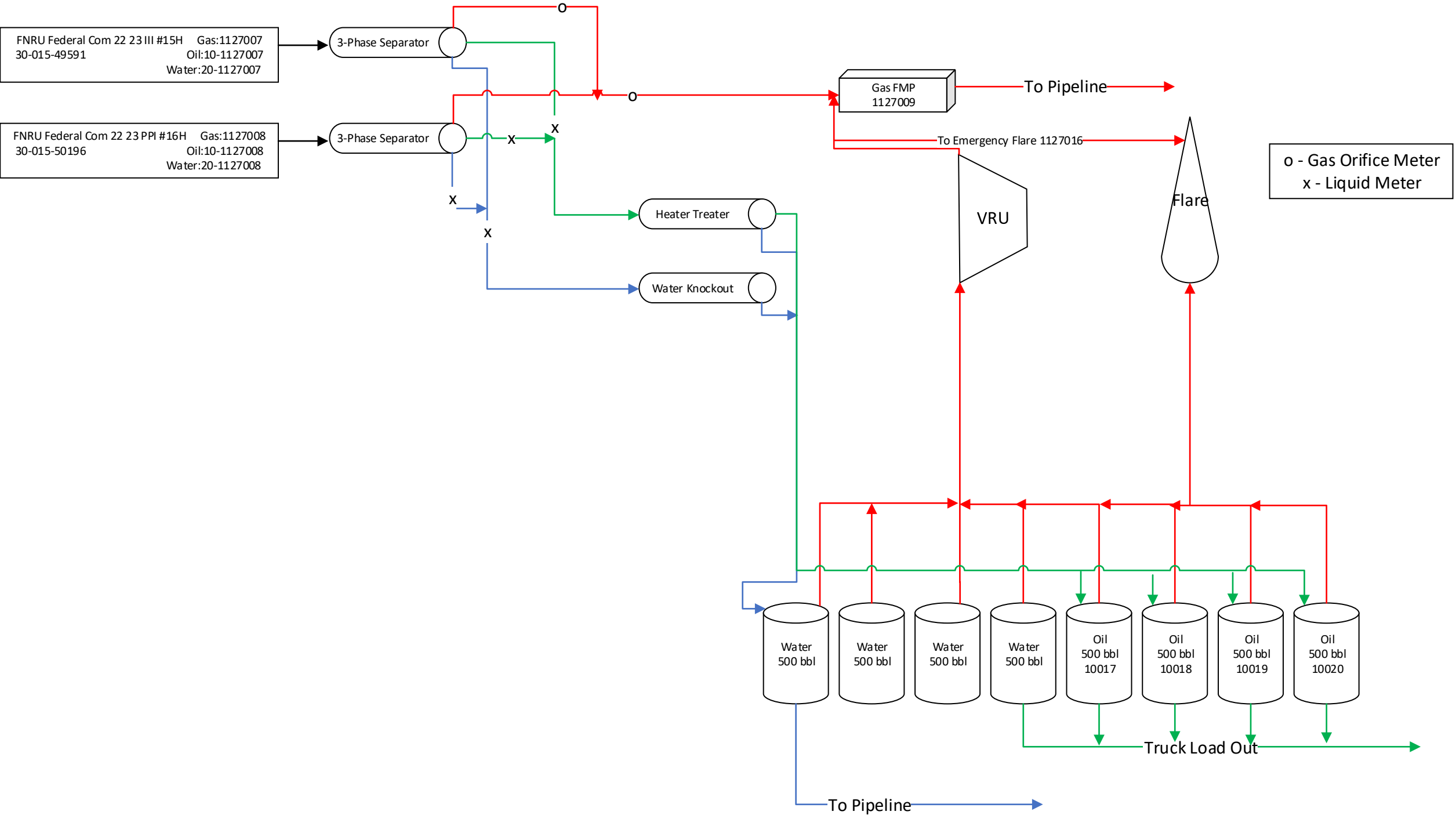
This data is a snapshot in time as of March 14, 2022. Please reference the MLRS website for more information.

Line Number	Remark Text
0002	STIPULATIONS ATTACHED TO LEASE:
0003	NM-11-LN SPECIAL CULTURAL RESOURCE LEASE NOTICE
0004	SENM-LN-1 CAVE - KARST OCCURRENCE AREA
0005	SENM-S-1 POTASH STIPULATION
0006	SENM-S-21 CAVES AND KARST
0007	SENM-S-30 NSO - POTASH AREA
0008	SEC.23: N2NE, SEC.25: NE, NENW
0009	03/01/07- RENTAL PAID 12/2006
0010	RENTAL PAID 12/01/2007 PER MRM
0011	RENTAL PAID TO MMS FROM 12/01/2008 - 11/30/2009
0012	BONDED OPERATORS/LESSEES/TRANSFEREES:
0013	04/02/2013 - RUBICON NMB000711 S/W
0014	08/14/2014 - STRATA PROD CO NM1538 S/W
0015	02/12/2015 - CIMAREX ENE CO OF CO-NMB000835-N/W;
0016	07/08/2016 - STRATA PROD CO - NM1538 S/W
0017	07/15/2018 TITUS O&G CORP NMB001556 SW-NM
0018	04/24/2020 - CONOCOPHILLIPS NMB001782 N/W
0019	08/30/2021 - ADVANCE ENERGY PARTNERS NMB01444 SW/NM;

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Surface Lease Commingle – Central Tank Battery on the Forty Niner Ridge Unit Federal Com 22 23 III 15H and Forty Niner Ridge Unit Federal Com 22 23 PPI 16H

List of Lease Holders: NM 070951X, NM 114978, NM 0543552

Advance Energy Partners
Hat Mesa, LLC
11490 Westheimer Road
Suite 950
Houston, TX 77077
9171 9690 0935 0292 7375 13

Anchor Production, LLC
10092 Country Road 36
Yuma, CO 80759
9171 9690 0935 0292 7375 37

Anthracite Energy Partners, LLC
P.O. Box 52370
Midland, TX 79710
9171 9690 0935 0292 7375 20

Bane Bigbie, Inc.
P.O. Box 998
Ardmore, OK 73402
9171 9690 0935 0292 7375 06

Jane N. Brann
11621 Joan of Arc Drive
Houston, TX 77024
9171 9690 0935 0292 7374 90

Broughton Petroleum, Inc.
P.O. Box 1389
Sealy, TX 77474-1389
9171 9690 0935 0292 7374 83

Duane & Pilar Brown
706 West Apache Drive
Yuma, CO 80759
9171 9690 0935 0292 7374 76

Wade P. & Beth Carrigan
P.O. Box 1908
Gilbert, AZ 85299-1908
9171 9690 0935 0292 7374 69

CP3 Forty Niner Ridge, LLC
8235 Douglas Ave, Ste 400
Dallas, TX 75225
9171 9690 0935 0292 7374 52

COG Operating, LLC
Attn: OBO Accounting 2CC-4
600 W. Illinois Ave
Midland, TX 79701
9171 9690 0935 0292 7374 45

ConocoPhillips Company
P.O. Box 2197
Houston, TX 77252-9931
9171 9690 0935 0292 7374 38

Earthstone Energy, Inc.
1400 Woodloch Forest Drive
Suite 300
The Woodlands, TX 77380
9171 9690 0935 0292 7374 21

Gilman Management, LLC
DBA Fortyniner Ridge, LLC
12231 Academy NE, No. 301
Suite 257
Albuquerque, NM 87111
9171 9690 0935 0292 7374 07

Michael D. & Kat A. Hayes
Co-Trustees of the
Hayes Revocable Trust
3608 Meadowridge
Midland, TX 79707
9171 9690 0935 0292 7373 91

Hutchings Oil Company
P.O. Box 1216
Albuquerque, NM 87103-1216
9171 9690 0935 0292 7373 84

Lincoln Energy Associates, LLC
4725 South Holladay Blvd.
Suite 220
Holladay, UT 84117
9171 9690 0935 0292 7373 77

Mark B Murphy, Trustee
Mark B Murphy Irrevocable Trust
P.O. Box 2484
Roswell, NM 88202-2484

Robin Morgan
135 West Cottonwood Road
Artesia, NM 88210

New Orleans Natural Resources
Group, LLC
P.O. Box 24591
New Orleans, LA 70184
9171 9690 0935 0292 7372 78

Nixon Energy, LLC
P.O. Box 2222
Roswell, NM 88202

OXY USA, Inc.
P.O. Box 27570
Houston, TX 77227-7570
9171 9690 0935 0292 7372 92

Pegasus Resources II, LLC
P.O. Box 470698
Fort Worth, TX 76147
9171 9690 0935 0292 7372 61

Quientesa Royalty, LP
508 W. Wall Avenue, Suite 1220
Midland, TX 79701
9171 9690 0935 0292 7372 85

Scott Exploration, Inc.
P.O. Box 1834
Roswell, NM 88202-1834
9171 9690 0935 0292 7373 15

SJR Enterprises
11621 Joan of Arc Drive
Houston, TX 77024
9171 9690 0935 0292 7373 22

Strata Production Company
P.O. Box 1030
Roswell, NM 88202-1030

Susan S. Murphy Trustee
Susan S. Murphy Marital Trust
706 Brazos Street
Roswell, NM 88201

US Energy Development Corp
1521 North Cooper St
Arlington, TX 76011
9171 9690 0935 0292 7373 60

Warren, Inc.
P.O. Box 10400
Albuquerque, NM 87184-0400
9171 9690 0935 0292 7373 46

Warren Associates
John Mark Warren
4300 N. Derrick CV
Spicewood, TX 78669
9171 9690 0935 0292 7373 39

Winn Investments, Inc.
706 Brazos Street
Roswell, NM 88201

Surface Lease Commingle – Central Tank Battery on the Forty Niner Ridge Unit Federal Com 22 23 III 15H and Forty Niner Ridge Unit Federal Com 22 23 PPI 16H

List of Lease Holders: NM 070951X, NM 114978, NM 0543552

Worrall Investment Company P.O. Box 1834 Roswell, NM 88202-1834 9171 9690 0935 0292 7372 23	EMG Oil Properties, Inc. 1000 W. Fourth Street Roswell, NM 88201 9171 9690 0935 0292 7376 29	Concentric Minerals Partners, LP P.O. Box 11321 Midland, TX 79702 9171 9690 0935 0292 7377 11
XTO Holdings, LLC 22777 Springwoods Village Pkwy Spring, TX 77389-1425 9171 9690 0935 0292 7372 16	Richard Jones, Jr. 200 North Gaines Road Cedar Creek, TX 78612 9171 9690 0935 0292 7376 36	Bayswater Fund IV-B, LLC 730 17 TH Street, Suite 500 Denver, CO 80202 9171 9690 0935 0292 7377 28
A.G. Andrikopoulos Resources P.O. Box 1216 Cheyenne, WY 82003 9171 9690 0935 0292 7375 44	Nuclear Corporation of New Mexico Address Unknown NOP 4/13/23 Carlsbad Current Argus Fallon Partners, LLC Address Unknown NOP 4/13/23 Carlsbad Current Argus	Bayswater Resources, LLC 730 17 th Street, Suite 500 Denver, CO 80202 9171 9690 0935 0292 7377 35
Will K. Stripling Lindy's Living Trust 215 W. Bandera Rd, Ste 114-620 Boerne, TX 78006 9171 9690 0935 0292 7375 51	Zorro Partners, LTD 616 Texas Street Fort Worth, TX 76102 9171 9690 0935 0292 7376 43	The 2016 Samantha Bass Family Trust Trust BMT I BPEOR NM, LLC 201 Main Street, Ste 2750 Ft Worth, TX 76102 9171 9690 0935 0292 7377 42
Bank of America, NA, Trustee of the Delmar Hudson Lewis Living Trust UTA 9/9/02 P.O. Drawer 840738 Dallas, TX 75284-0738 9171 9690 0935 0292 7375 68	Javelina Partners 616 Texas Street Fort Worth, TX 76102 9171 9690 0935 0292 7376 50	The 2016 Hyatt Bass Family Trust BMT II BPEOR NM, LLC 201 Main Street, STE 2750 Ft Worth, TX 76102 9171 9690 0935 0292 7377 59
Patricia B. Young P.O. Box 1639 Solana Beach, CA 92075-1639 9171 9690 0935 0292 7375 75	Jeanette Probandt Trust Jeffrey W. Probandt, Trustee 2501 Tamarind Drive Midland, TX 79705-2685 9171 9690 0935 0292 7376 67	CTAM O&G, LLC Keystone (RMB) BPEOR NM, LLC 201 Main Street, Ste 2750 Ft Worth, TX 76102 9171 9690 0935 0292 7377 66
Providence Minerals, LLC 16400 North Dallas Parkway Suite 400 Dallas, TX 75248 9171 9690 0935 0292 7375 82	Source Rock Minerals, LP P.O. Box 670713 Dallas, TX 75367 9171 9690 0935 0292 7376 74	GC O&G, LLC Keystone (CTAM) BPEOR NM, LLC 201 Main Street, STE 2750 Ft Worth, TX 76102 9171 9690 0935 0292 7377 73
First National Bank and Trust CO of Okmulgee, OK SUC TTEE for Patricia B. Young Mgt Trust P.O. Box 1037 Okmulgee, OK 74447 9171 9690 0935 0292 7375 99	ARD Energy Group, LTD P.O. Box 101027 Fort Worth, TX 76185 9171 9690 0935 0292 7376 81	LMB/RSB GST Exempt Dynasty 2016 Trust LMBI I BPEOR NM, LLC 201 Main Street, Ste 2750 Ft Worth, TX 76102 9171 9690 0935 0292 7377 80
Chevron USA, Inc P.O. Box 730436 Dallas, TX 75373-0436 9171 9690 0935 0292 7376 05	Frost Bank, Trustee Josephine T. Hudson Testamentary Trust-FBO J.T. ARD P.O. Box 1600 San Antonio, TX 78296 9171 9690 0935 0292 7376 98	LMB/RSB Non-Exempt 2016 Trust LMBI II BPEOR NM, LLC 201 Main Street, Ste 2750 Ft Worth, TX 76102 9171 9690 0935 0292 7377 97
New Mexico Western Minerals P.O. Box 45750 Rio Rancho, NM 87174 9171 9690 0935 0292 7376 12	Santa Elena Minerals IV, LP P.O. Box 732880 Dallas, TX 75373-2880 9171 9690 0935 0292 7377 04	

Surface Lease Commingle – Central Tank Battery on the Forty Niner Ridge Unit Federal Com 22 23 III 15H and Forty Niner Ridge Unit Federal Com 22 23 PPI 16H

List of Lease Holders: NM 070951X, NM 114978, NM 0543552

The 2016 Samantha Bass Family
Trust
SRBI BPEOR NM, LLC
201 Main Street, Ste 2750
Ft Worth, TX 76102
9171 9690 0935 0292 7378 03

Strudel Royalties, LLC
616 Texas Street
Ft Worth, TX 76102
9171 9690 0935 0292 7379 02


The 2016 Hyatt Bass Family Trust
SRBI II BPEOR NM, LLC
201 Main Street, Ste 2750
Ft Worth, TX 76102
9171 9690 0935 0292 7378 10

NM State Land Office
P.O. Box 1148
Santa Fe, NM 87504
9171 9690 0935 0292 7379 19

The Philecology Foundation
Thru Line BPEOR NM, LLC
201 Main Street, Ste 2750
Ft Worth, TX 76102
9171 9690 0935 0292 7378 27

Copies of this application were
mailed to the following
individuals, companies, and
organizations on or before,
April 4, 2023. NOP - Carlsbad
Current Argus 4/13/23.

Duncan Management LLC as agent
FBO Kimbell Royalty
Holdings, LLC
P.O. Box 671099
Dallas, TX 75367-1099
9171 9690 0935 0292 7378 34


Rachel Fresquez, Strata
Production Company

Wing Resources IV, LLC
2100 McKinney Ave, Ste 1540
Dallas, TX 75201
9171 9690 0935 0292 7378 41

Blue Star Royalty, LLC
P.O. Box 470249
Ft Worth, TX 76147
9171 9690 0935 0292 7378 58

John and Theresa Hillman
Family Properties, LP
P.O. Box 50187
Midland, TX 79710
9171 9690 0935 0292 7378 65

Horton Royalty, LP
P.O. Box 50938
Midland, TX 79710
9171 9690 0935 0292 7378 72

Jetstream Royalty Partners, LP
P.O. Box 471396
Ft Worth, TX 76147
9171 9690 0935 0292 7378 89

Galley NM Assets, LLC
5909 West Loop South, Ste 520
Bellaire, TX 77401
9171 9690 0935 0292 7378 96

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005664176

This is not an invoice

STRATA PRODUCTION CO

P.O. BOX 1030

ROSWELL, NM 88202

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

04/13/2023



Legal Clerk

Subscribed and sworn before me this April 13, 2023:



State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005664176

PO #:

of Affidavits 1

This is not an invoice

Application of Strata Production Company for Surface Commingle, Eddy County, New Mexico: Notice to all affected parties, as well as the heirs and devisees of: The State of New Mexico; The United States of America Bureau of Land Management; Advance Energy Partners, Hat Mesa, LLC; Anchor Production, LLC; Anthracite Energy Partners, LLC; Bane Bigbie, Inc., Jane N. Brann; Broughton Petroleum, Inc.; Duane & Pilar Brown; Wade P. & Beth Carrigan; CP3 Forty Niner Ridge, LLC; COG Operating, LLC; ConocoPhillips Company; Earthstone Energy, Inc.; Gilman Management, LLC DBA Fortyniner Ridge, LLC; Michael D. & Kat A. Hayes Co-Trustees of the Hayes Revocable Trust; Hutchings Oil Company; Lincoln Associates; Mark B. Murphy, Trustee of the Mark B. Murphy Irrevocable Trust; Robin Morgan; New Orleans Natural Resources Group, LLC; Nixon Energy, LLC; Oxy USA, Inc., Pegasus Resources II, LLC; Quientesa Royalty, LP; Scott Exploration, Inc.; SJR Enterprises; Strata Production Company; Susan S. Murphy, Trustee of the Susan B. Murphy Marital Trust; US Energy Development Corporation; Warren, Inc.; Warren Associates c/o John Mark Warren; Winn Investments, Inc.; Worrall Investment Company; XTO Holdings, LLC; A.G. Andrikopoulos Resources; Will K. Strippling, Lindy's Living Trust; Bank of America, NA, Trustee of the Delmar Hudson Lewis Living Trust UTA 9/9/02; Patricia B. Young; Providence Minerals, LLC; First National Bank and Trust CO of Okmulgee, OK SUC TTEE for Patricia B. Young Mgt Trust; Chevron USA, Inc.; New Mexico Western Minerals; EMG Oil Properties, Inc.; Richard Jones, Jr.; Nuclear Corporation of New Mexico; Fallon Partners, LLC; Zorro Partners, LTD; Javelina Partners; Jeanette Probandt Trust, Jeffrey W. Probandt, Trustee; Source Rock Minerals, LP; ARD Energy Group, LTD; Frost Bank, Trustee Josephine T. Hudson Testamentary Trust-FBO J.T. ARD;

Santa Elena Minerals IV, LP; Concentric Minerals Partners, LP; Bayswater Fund IV-B, LLC; Bayswater Resources, LLC; The 2016 Samantha Bass Family Trust BMT I BPEOR NM, LLC; The 2016 Hyatt Bass Family Trust BMT II BPEOR NM, LLC; CTAM O&G, LLC Keystone (RMB) BPEOR NM, LLC; GC O&G, LLC Keystone (CTAM) BPEOR NM, LLC; LMB/RSB GST Exempt Dynasty 2016 Trust LMB I BPEOR NM, LLC; LMB/RSB Non-Exempt 2016 Trust LMB II BPEOR NM, LLC; The 2016 Samantha Bass Family Trust SRBI BPEOR NM, LLC; The 2016 Hyatt Bass Family Trust SRBI II BPEOR NM, LLC; The Philecology Foundation thru Line BPEOR NM, LLC; Duncan Management LLC as agent FBO Kimbell Royalty Holdings, LLC; Wing Resources IV, LLC; Blue Star Royalty, LLC; John and Theresa Hillman Family Properties, LP; Horton Royalty, LP; Jetstream Royalty Partners, LP; Galley NM Assets, LLC; Strudel Royalties, LLC of Strata Production Company Application for Surface Commingle. Strata Production Company, 1301 N. Sycamore Ave, Roswell, New Mexico, 88201 is applying to the New Mexico Oil Conservation Division for administrative approval to surface commingle according to the provisions of NMAC 19.15.10.12 from the Forty Niner Ridge Unit Federal Com 22 23 III 15H (30-015-49591) and the Forty Niner Ridge Unit Federal Com 22 23 PPI 16H wells; located within the following leases: NM 070951X in Section 22, T23S-R30E, NM 0543552 and NM 114978 located in Section 23, T23S-R30E; located in the Forty Niner Ridge; Delaware, Pool (24750), Eddy County, New Mexico. Any objection regarding this application must be submitted to the Division's Santa Fe office, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505 in writing within 20-days from the date the Oil Conservation Division receives Strata's application. Any interested party with questions or comments may contact Rachel Fresquez, rfresquez@stratan

m.com, 575-622-1127,
#5664176, Current Argus,
April 13, 2023



**STRATA
PRODUCTION
COMPANY**

1301 North Sycamore Avenue
PO Box 1030
Roswell, New Mexico 88202-1030
Telephone (575) 622-1127
Fax (575) 623-3533
www.stratanm.com

April 26, 2023

New Mexico Oil Conservation District
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RE: Certification of Surface Lease Commingling Application – Central Tank Battery on the Forty Niner Ridge Unit Federal Com 22 23 III 15H and Forty Niner Ridge Unit Federal Com 22 23 PPI 16H

Greetings:

This letter is to certify that I, Mitch Krakauskas of Strata Production Company, have reviewed the attached application for Surface Lease Commingle for the Central Tank Battery on the Forty Niner Ridge Unit Federal Com 22 23 III 15H and Forty Niner Ridge Unit Federal Com 22 23 PPI 16H. I am a Certified Professional Landman through the American Association of Professional Landmen. All the leases to be commingled are identical as defined in 19.15.12.7 NMAC.

Notice was sent to the New Mexico State Land Office on April 26, 2023, which included a notification list of all interest owners in accordance with 19.15.4.12 NMAC and a copy of the Notice of Publication, which was advertised in the Carlsbad Current Argus on April 13, 2023.

Application for commingling under 3173.14(a)(1)(iii) for the following leases: NM 070951X, NM 0543552, and NM 114978 was approved by the United States Department of the Interior, Bureau of Land Management, Carlsbad Field Office on December 13, 2022.

Sincerely,

Mitch Krakauskas
Vice President

**STRATA
PRODUCTION
COMPANY**

1301 North Sycamore Avenue
PO Box 1030
Roswell, New Mexico 88202-1030
Telephone (575) 622-1127
Fax (575) 623-3533
www.stratanm.com

Date: April 26, 2023

To: New Mexico State Land Office
State of New Mexico Oil Conservation Division

Re: Surface Lease Commingling Application; Forty Niner Ridge Unit Federal Com 22
23 III 15H and Forty Niner Ridge Unit Federal Com 22 23 PPI 16H CTB

To Whom it may concern,

This letter serves as notice that ownership in the leases referenced in this surface commingling application are Diverse, as defined in 19.15.12.7.A. The initial wells dedicated to this application are as follows.

API #	Well Name	Location	POOL	Status
30-015-49591	Forty Niner Ridge Unit Fed Com 22 23 III 15H	22-23S-30E	Delaware	Permitted
30-015-50196	Forty Niner Ridge Unit Fed Com 22 23 PPI 16H	22-23S-30E	Delaware	Permitted

All owners of the leases in this application, as of the date below, are listed on Exhibit -A, attached hereto. Notice of Publication was advertised in the Carlsbad Current Argus on April 13, 2023, a copy of the affidavit is attached.

I certify that this information is true and correct to the best of my knowledge.

Sincerely,

Strata Production Company

By: Rachel K. Fresquez
Rachel Fresquez
Regulatory Analyst

Date: 4/26/2022

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-49591		² Pool Code 24750		³ Pool Name FORTY NINER RIDGE DELAWARE					
⁴ Property Code 332904		⁵ Property Name FORTY NINER RIDGE UNIT 22 23 III FEDERAL COM						⁶ Well Number 15H	
⁷ OGRID NO. 21712		⁸ Operator Name STRATA PRODUCTION COMPANY						⁹ Elevation 3220'	
¹⁰ Surface Location									
UL or lot no. I	Section 22	Township 23S	Range 30E	Lot Idn	Feet from the 2100	North/South line SOUTH	Feet From the 850	East/West line EAST	County EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. I	Section 23	Township 23S	Range 30E	Lot Idn	Feet from the 1650	North/South line SOUTH	Feet from the 100	East/West line EAST	County EDDY
¹² Dedicated Acres 200		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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

<p>16</p> <p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1942" N: 467055.4 - E: 682172.6</p> <p>B: FOUND BRASS CAP "1942" N: 469704.3 - E: 682151.4</p> <p>C: FOUND BRASS CAP "1942" N: 472352.8 - E: 682132.3</p> <p>D: FOUND BRASS CAP "1942" N: 472364.0 - E: 684804.5</p> <p>E: FOUND BRASS CAP "1942" N: 472376.5 - E: 687479.5</p> <p>F: FOUND BRASS CAP "1942" N: 472383.4 - E: 690160.9</p> <p>G: FOUND BRASS CAP "1942" N: 472390.8 - E: 692844.2</p> <p>H: FOUND BRASS CAP "1942" N: 469750.0 - E: 692862.1</p> <p>I: CALCULATED CORNER N: 467108.3 - E: 692881.7</p> <p>J: FOUND BRASS CAP "1942" N: 467097.4 - E: 690206.2</p> <p>K: FOUND BRASS CAP "1942" N: 467084.8 - E: 687530.3</p> <p>L: FOUND BRASS CAP "1942" N: 467070.0 - E: 684851.5</p> <p>M: FOUND BRASS CAP "1942" N: 469732.1 - E: 687504.4</p>		<p>17 OPERATOR CERTIFICATION</p> <p>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>Jerry Elgin</i> 11/17/2021 Signature Date Jerry Elgin, VP Operations Printed Name jelgin@stratanm.com E-mail Address</p>
<p>18 SURVEYOR CERTIFICATION</p> <p>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>07-01-2021 Date of Survey Signature and Seal of Professional Surveyor: 19680 Certificate Number</p>		

16

S 89°45'35" W 2672.83' (D) S 89°44'01" W 2675.62' S 89°51'09" W 2681.96' (F) S 89°50'32" W 2683.91' (G)

GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N: 469179.5 - E: 686659.9
LAT: 32.2889725° N
LONG: 103.8630546° W

22

S.L. 850'

2100'

2648.02'

2645.06'

2641.37'

2642.43'

100'

B.H. 1650'

23

N 00°25'32" W 2642.43'

N 00°23'20" W 2641.37'

N 00°33'37" W 2648.02'

N 00°27'30" W 2649.56'

N 00°24'52" W 2649.23'

S 89°41'14" W 2679.48' (L) S 89°41'00" W 2679.47' S 89°43'45" W 2676.51' (J) S 89°46'07" W 2676.12' (I)

Job No: LS21060667

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1000 Rio Brazos Road, Aztec, NM 87410
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District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-50196		² Pool Code 24750		³ Pool Name FORTY NINER RIDGE DELAWARE					
⁴ Property Code 333580		⁵ Property Name FORTY NINER RIDGE UNIT FEDERAL COM 22 23 PPI						⁶ Well Number 16H	
⁷ OGRID NO. 21712		⁸ Operator Name STRATA PRODUCTION COMPANY						⁹ Elevation 3264'	
¹⁰ Surface Location									
UL or lot no. P	Section 22	Township 23S	Range 30E	Lot Idn	Feet from the 475	North/South line SOUTH	Feet From the 823	East/West line EAST	County EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. P	Section 23	Township 23S	Range 30E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 100	East/West line EAST	County EDDY
¹² Dedicated Acres 200		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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

<p>¹⁶</p> <p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1942" N: 467055.4 - E: 682172.6</p> <p>B: FOUND BRASS CAP "1942" N: 469704.3 - E: 682151.4</p> <p>C: FOUND BRASS CAP "1942" N: 472352.8 - E: 682132.3</p> <p>D: FOUND BRASS CAP "1942" N: 472364.0 - E: 684804.5</p> <p>E: FOUND BRASS CAP "1942" N: 472376.5 - E: 687479.5</p> <p>F: FOUND BRASS CAP "1942" N: 472383.4 - E: 690160.9</p> <p>G: FOUND BRASS CAP "1942" N: 472390.8 - E: 692844.2</p> <p>H: FOUND BRASS CAP "1942" N: 469750.0 - E: 692862.1</p> <p>I: CALCULATED CORNER N: 467108.3 - E: 692881.7</p> <p>J: FOUND BRASS CAP "1942" N: 467097.4 - E: 690206.2</p> <p>K: FOUND BRASS CAP "1942" N: 467084.8 - E: 687530.3</p> <p>L: FOUND BRASS CAP "1942" N: 467070.0 - E: 684851.5</p> <p>M: FOUND BRASS CAP "1942" N: 469732.1 - E: 687504.4</p>		<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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>Jerry Elgin</i> June 6, 2022 Signature Date</p> <p>Jerry Elgin, VP Operations Printed Name</p> <p>jelgin@stratanm.com E-mail Address</p>
<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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>05/20/2022 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>Robert M. Howett</i></p> <p>19680 Certificate Number</p>		

16

S 89°45'35" W 2672.83' (D) S 89°44'01" W 2675.62' S 89°51'09" W 2681.96' (F) S 89°50'32" W 2683.91' (G)

GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N: 467555.4 - E: 686703.3
LAT: 32.2845078° N
LONG: 103.8629372° W

GEODETIC DATA
NAD 83 GRID - NM EAST

BOTTOM HOLE
N: 467437.8 - E: 692779.3
LAT: 32.2841096° N
LONG: 103.8432780° W

22

23

S.L. 823'

475'

100'

B.H. 330'

N 00°25'32" W 2642.43'

N 00°33'37" W 2648.02'

N 00°32'24" W 2645.06'

N 00°23'20" W 2641.37'

S 89°41'14" W 2679.48' (L) S 89°41'00" W 2679.47' (K) S 89°43'45" W 2676.51' (J) S 89°46'07" W 2676.12' (I)

Job No: LS21060668R



COMMISSIONER

Stephanie Garcia Richard

State of New Mexico
Commissioner of Public Lands

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

Mitch Krakauskas
Strata Production Company
1301 N. Sycamore Ave., Ste A
Roswell, NM 88201

June 30th, 2022

Re: Communitization Agreement Approval
Forty Niner Ridge Unit Federal Com 22 23 #015H
Vertical Extent: Delaware
Township: 23 South, Range 30 East, NMPM
Section 22: NE4SE4
Section 23: N2S2

Eddy County, New Mexico

Dear Mr. Krakauskas,

The Commissioner of Public Lands has this date approved the Forty Niner Ridge Unit Federal Com 22 23 #015H Communitization Agreement for the Delaware formation effective 05-01-2022. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for Two Years, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

Sincerely,

A handwritten signature in blue ink, appearing to read "S.G. Richard", is written over a horizontal line.

Stephanie Garcia Richard
Commissioner of Public Lands

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

Strata Production Company
Forty Niner Ridge Unit Federal Com 22 23 #015H
Delaware
Township: 23 South, Range: 30 East, NMPM
Section 22: NE4SE4
Section 23: N2S2

Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **May 01, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **30th day of June, 2022**.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Strata Production Company
Forty Niner Ridge Unit Federal Com 22 23 #015H
Delaware**

Township: 23 South, Range: 30 East, NMPM

Section 22: NE4SE4

Section 23: N2S2

Eddy County, New Mexico

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- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

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IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **30th day of June, 2022**.



COMMISSIONER OF PUBLIC LANDS

of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Strata Production Company
Forty Niner Ridge Unit Federal Com 22 23 #015H
Delaware
Township: 23 South, Range: 30 East, NMPM
Section 22: NE4SE4
Section 23: N2S2

Eddy County, New Mexico

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- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

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IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 30th day of June, 2022.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/FEDERAL OR
STATE/FEDERAL/FEE**

Revised August, 2021

ONLINE Version

COMMUNITIZATION AGREEMENT

API Initial Well: 30-0 15 - 49591

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, 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 the 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:

Subdivisions NE/4SE/4 (Section 22) & N/2S/2 (Section 23),
Sect(s) 22 & 23, T 23S, R 30E, NMPM Eddy County, NM
containing 200.00 acres, more or less, and this agreement shall include only the
Delaware Mountain Group (Middle Brushy Canyon Formation) Formation
or pool, underlying said lands and the Oil & Gas
(hereinafter referred to as "communitized substances") producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is 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. All matters of operation 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 three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, 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 leasehold bears to the entire acreage interest committed to this agreement.
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.

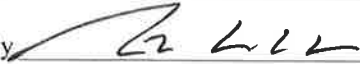
2022 JUN 8 AM 9:41

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 is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is May 1 2022 Month 1 Day, 2022 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
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 interest 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 lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. The 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 of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. 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 written and have set opposite their respective names the date of execution.

Operator	<u>Strata Production Company</u>	Lessees of Record	<u>XTO Delaware Basin, LLC</u>
By			<u>Oxy USA Inc (pooling order attached)</u>
	Print name of person		<u>ConocoPhillips Company</u>
	Mitch Krakauskas as Vice President		<u>Advance Energy Partners Hat Mesa, LLC</u>
Type of authority			

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

2022 JUN 28 AM 9:45

Acknowledgment in an Individual Capacity

State of _____)

County of _____) SS)

This instrument was acknowledged before me on _____

DATE

By _____

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative CapacityState of New Mexico)County of Chaves) SS)This instrument was acknowledged before me on June 27, 2022

DATE

By Mitch Krakauskas

Name(s) of Person(s)

as Vice Presidentof Strata Production Company

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed

(Seal)

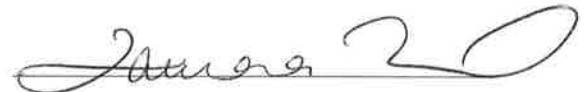
STATE OF NEW MEXICO

NOTARY PUBLIC

Tamara Hill

Commission Number 1132748

My Commission Expires March 3, 2025



Signature of Notarial Officer

My commission expires: 3.3.25

2022 JUN 28 AM 9:45

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. The 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 of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. 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 written and have set opposite their respective names the date of execution.

Operator Strata Production Company

Lessees of Record ConocoPhillips Company

By Mitch Krakauskas

Print name of person
as Vice President

Type of authority


By: Sean Johnson

As: Attorney-In-Fact

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

2022 JUN 28 AM 9:45

Acknowledgment in an Individual Capacity

State of _____)

County of _____) SS)

This instrument was acknowledged before me on _____
DATE

By _____

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative CapacityState of Texas _____)County of midland _____) SS)This instrument was acknowledged before me on May 23, 2022
DATEBy Sean Johnson _____

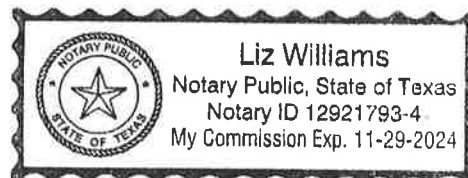
Name(s) of Person(s)

as Attorney-in-fact of ConocoPhillips Company

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed

(Seal)



 A handwritten signature of Liz Williams in cursive script, written over a horizontal line.

Signature of Notarial Officer

My commission expires: _____

2022 JUN 28 AM 9:45

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

3/30/2022
Date

BW XTO Delaware Basin, LLC
By: [Signature]
Angie Repka
Title: Land Manager – Permian – Delaware Basin,
Attorney-in-Fact

ACKNOWLEDGEMENT

State of TEXAS)
) ss.
County of HARRIS)

On this 30th day of MARCH, 2022, before me, a Notary Public for the State of TEXAS, appeared Angie Repka, known to me to be the Land Manager-Permian-Delaware Basin, Attorney-in-Fact of XTO Delaware Basin, LLC, that the Texas limited liability company executed the foregoing instrument and acknowledged to me such company executed the same.

(SEAL)



4/28/2024
My Commission Expires

[Signature]
Notary Public

2022 JUN 28 AM 9:45

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

2/15/22
Date

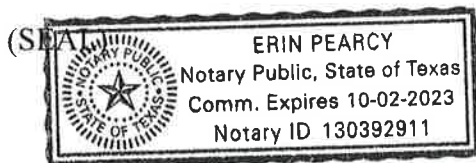
By: _____

Title: CEO**ACKNOWLEDGEMENT**State of Texas)

) ss.

County of Texas)

On this 15th day of February, 2022, before me, a Notary Public for the State
of Texas, appeared Parker Ruse CEO ~~David A. Scott, as Vice President of Advance Energy~~
Partners Hat Mesa, LLC, a Delaware limited liability company, on behalf of said company.



10/2/23
My Commission Expires

130392911
My Commission Number

Erin Pearcy
Notary Public

2022 JUN 28 AM 9:45

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**3/11/2022
DateBy: Walter P. Jones

Title: Walter P. Jones, Vice President - Land

ACKNOWLEDGEMENT


State of Texas)

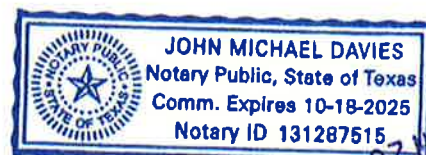
) ss.

County of Tarrant)

On this 11th day of March, 2022, before me, a Notary Public for the State of Texas, appeared Walter P. Jones, as Vice President - Land of Titus Oil & Gas Corporation, acting as nominee holder of legal title as agent for the benefit of Titus Oil & Gas Production, LLC, on behalf of said corporation.

(SEAL)

10/18/2025
My Commission Expires131287515
My Commission Number

Notary Public

2022 JUN 28 AM 9:45

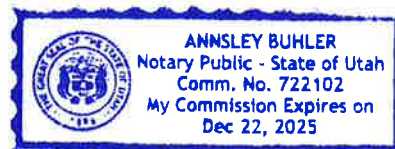
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**2/15/22
DateBy: [Signature]
Title: Manager**ACKNOWLEDGEMENT**State of Utah)

) ss.

County of Salt Lake)

On this 15th day of February, 2022, before me, a Notary Public for the State
of Utah, appeared Larry V. Lunt, as manager of Lincoln Energy Associates
LLC, a Texas limited liability company, on behalf of said company.

(SEAL)

12/22/25
My Commission Expires[Signature]
Notary Public722102
My Commission Number

2022 JUN 28 AM 9:45

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

4-21-2022
Date

By: Wade P. Carrigan
By: Beth Carrigan

ACKNOWLEDGEMENT

State of Arizona)
) ss.

County of Maricopa)

On this 21 day of April, 2022, before me, a Notary Public for the State
of Arizona, appeared Wade P. Carrigan and Beth Carrigan as Husband and
Wife.

(SEAL)



03/03/2024
My Commission Expires

579098
My Commission Number

Luay Najjar
Notary Public

2022 JUN 28 AM 9:45

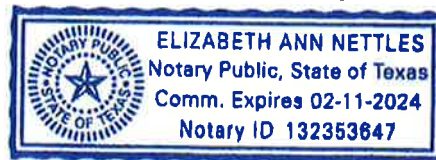
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**2-24-2022
DateBy: Jane N Brann
By: [Signature]**ACKNOWLEDGEMENT**State of TEXAS)

) ss.

County of HARRIS)

On this 24th day of FEBRUARY, 2022, before me, a Notary Public for the State
of TEXAS, appeared Jane N. Brann and James Brann as Husband and Wife.

(SEAL)

2/11/2024
My Commission Expires132353647
My Commission Number[Signature]
Notary Public

2022 JUN 28 AM 9:45

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**2-24-2022

Date

By: James R. BrannTitle: President, SJR Enterprises, Inc**ACKNOWLEDGEMENT**State of TEXAS)

) ss.

County of HARRIS)

On this 24th day of FEBRUARY, 2022, before me, a Notary Public for the State of TEXAS, appeared James R. Brann, as President of SJR Enterprises, Inc., a Texas corporation, on behalf of said corporation.

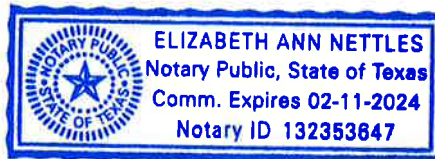
(SEAL)

2/11/2024

My Commission Expires

Elizabeth Ann Nettles
Notary Public132353647

My Commission Number



2022 JUN 28 AM 9:45

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

2/17/22
Date

By: [Signature]

Title: Managing General Partner

ACKNOWLEDGEMENT

State of Texas)

) ss.

County of Travis)

On this 17th day of February, 2022, before me, a Notary Public for the State of Texas, appeared John Mark Warren, as President of Warren Associates, LLC, as general partner of Warren Associates, a New Mexico limited partnership on behalf of said partnership.

(SEAL)



12/31/2022
My Commission Expires

131841747
My Commission Number

[Signature]
Notary Public

2022 JUN 28 AM 9:45

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

June 7, 2022
Date

By: Susan S. Murphy

Title: Susan S. Murphy, President

ACKNOWLEDGEMENT

State of New Mexico)

) ss.

County of Chaves)

On this 7th day of June, 2022, before me, a Notary Public for the State
of New Mexico, appeared Susan Scott Murphy, as President of Winn Investments, a
New Mexico corporation, on behalf of said corporation.



04-26-2026
My Commission Expires

1121492
My Commission Number

[Signature]
Notary Public

2022 JUN 28 AM 9:45

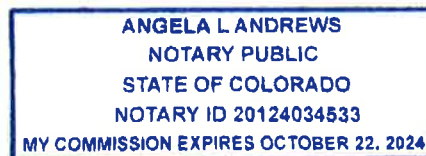
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**May 31, 2022
DateBy: Anchor Production LLC by Don Brown
Title: Manager**ACKNOWLEDGEMENT**State of Colorado)

) ss.

County of yuma)

On this 31st day of May, 2022, before me, a Notary Public for the State
of Colorado, appeared Don Brown, as Manager of Anchor Production, LLC, a
Colorado limited liability company, on behalf of said company.

(SEAL)

10-22-24
My Commission Expires20124034533
My Commission NumberAngela L. Andrews
Notary Public

2022 JUN 28 AM 9:45

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

5/4/2022
Date

By: Duane E Brown
By: [Signature]

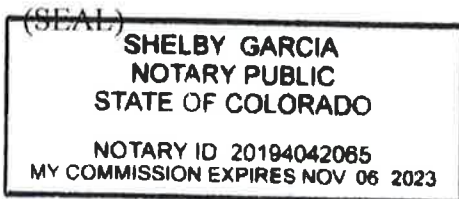
ACKNOWLEDGEMENT

State of Colorado)

) ss.

County of Yuma)

On this 4 day of May, 2022, before me, a Notary Public for the State
of Colorado, appeared Duane Brown and Pilar Vaile, as Husband and Wife.



NOV 06, 2023
My Commission Expires

20194042065
My Commission Number

[Signature]
Notary Public

2022 JUN 28 AM 9:45

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

6/3/22
Date

By: John M. Warren
John M. Warren
Title: President

ACKNOWLEDGEMENT

State of New Mexico)

) ss.

County of Bernalillo)

On this 3rd day of June, 2022, before me, a Notary Public for the State
of New Mexico, appeared John M. Warren, as President of Warren Inc., a New
Mexico corporation, on behalf of said corporation.

(SEAL) STATE OF NEW MEXICO
NOTARY PUBLIC
AMY ARMSTRONG
COMMISSION NO. 1117537
EXPIRES APRIL 25, 2025

4/25/2025
My Commission Expires

Amy Armstrong
Notary Public

1117537
My Commission Number

FNRU Federal Com 22 23 PPI #16H

2022 JUN 28 AM 9:45

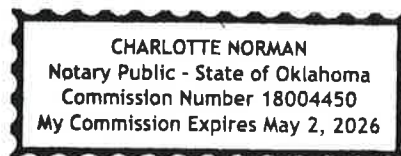
WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD6/6/22
DateBy: Bane Bigbie
Title: PRESIDENT

ACKNOWLEDGEMENT

State of OKLAHOMA)
) ss.County of MURRAY)

On this 22 day of June, 2022, before me, a Notary Public for the State
of OKLAHOMA, appeared Bane Bigbie, as President of Bane Bigbie, Inc., an
Oklahoma corporation, on behalf of said corporation.

(SEAL)

5/2/2026
My Commission ExpiresCharlotte Norman
Notary Public18004450
My Commission Number

2022 JUN 28 AM 9:45

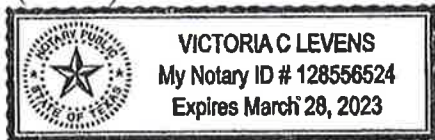
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Date 2/14/2022By: Lynn S. Chamk
Title: President**ACKNOWLEDGEMENT**State of Texas)

) ss.

County of Midland)

On this 16th day of February, 2022, before me, a Notary Public for the State
of Texas, appeared Lynn S. Chamk, as President
of Anthracite Energy Partners, a Limited Liability Company

(SEAL)

3/28/2023
My Commission Expires128556524
My Commission Number[Signature]
Notary Public

2022 JUN 28 AM 9:45

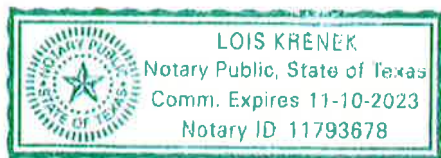
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Date 2-4-22By: Cheryl L. Mellenthin
Title: President**ACKNOWLEDGEMENT**State of Texas)

) ss.

County of Austin)

On this 4th day of February, 2022, before me, a Notary Public for the State
of Texas, appeared Cheryl L. Mellenthin as President of Broughton
Petroleum, Inc., a Texas corporation, on behalf of said corporation.

(SEAL)



My Commission Expires

Lois Krenek
Notary Public

My Commission Number

2022 JUN 28 AM 9:45

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

February 15, 2022
Date

Fortyniner Ridge LLC
By: [Signature]
Title: Managing member

ACKNOWLEDGEMENT

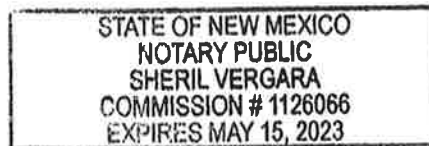
State of New Mexico)

) ss.

County of Bernalillo)

On this 15th day of February, 2022, before me, a Notary Public for the State of New Mexico, appeared Jim K. Gilman, as Managing Member of Fortyniner Ridge, LLC, a New Mexico limited liability company, on behalf of said company.

(SEAL)



5/15/23
My Commission Expires

[Signature]
Notary Public

5/15/23 - 1126066
My Commission Number

2022 JUN 28 AM 9:45

EXHIBIT ATo Communitization Agreement dated May 1, 2022

Plat of communitized area covering the:

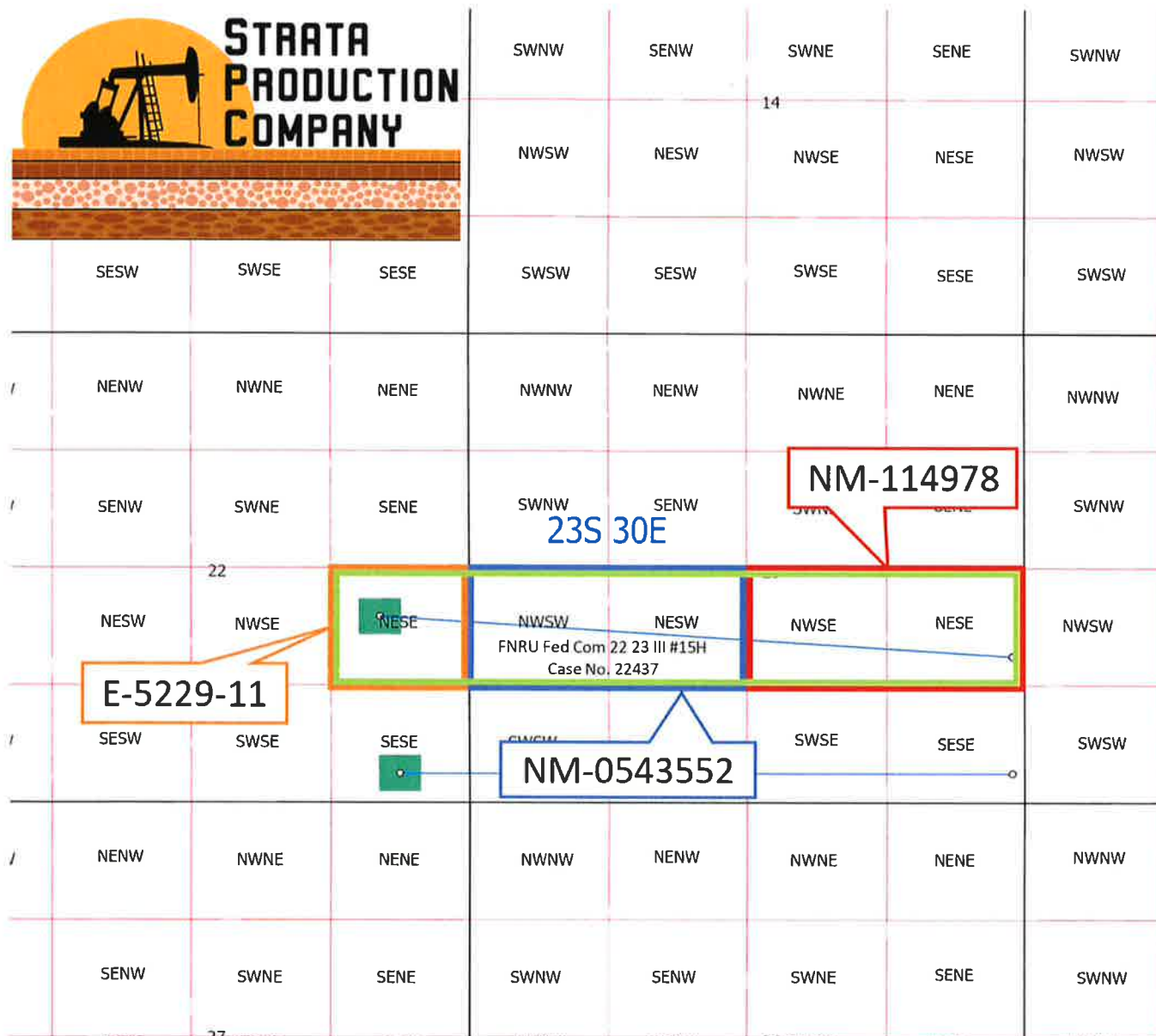
Subdivisions NE/4SE/4 (Section 22) & N/2S/2 (Section 23),of Sect(s) 22 & 23, T 23S, R 30E, NMPM, Eddy County, NM.

EXHIBIT BTo Communitization Agreement dated May 1, 2022, embracing the Subdivisions:

Subdivisions

NE/2SE/4 Section 22, Twp 23S, Rng 30E, NMPM Eddy County, NM

Subdivisions

N/2S/2 Section 23, Twp 23S, Rng 30E, NMPM Eddy County, NM

Delaware Formation (Middle Brushy Canyon)

Operator of Communitized Area: Strata Production Company**DESCRIPTION OF LEASES COMMITTED****TRACT NO. 1**Lease Serial No.: E-5229-11Lease Date: May 10, 1951Lease Term: HBPLessor: State of New MexicoOriginal Lessee: Malco Refineries, Inc.Present Lessee: XTO Delaware Basin, LLCDescription of Land Committed: Subdivisions NE/2SE/4,Sect(s) 22, Twp 23S, Rng 30E, NMPM, Eddy County, NMNumber of Acres: 40.00Royalty Rate: 1/8th

Name and Percent ORRI Owners:

OWNER:	INT TYPE:	INTEREST:
Chevron USA, Inc.	ORRI	0.01869932
Providence Minerals, LLC	ORRI	0.00684211
Galley NM Assets, LLC	ORRI	0.00536437
Mark B. Murphy Irrevocable Trust	ORRI	0.00371473
Susan S. Murphy Marital Trust	ORRI	0.00371473
Wing Resources IV, LLC	ORRI	0.00300000
Santa Elena Minerals IV	ORRI	0.00268218
The Philecology Foundation	ORRI	0.00234647
A. G. Andrikopoulos Resources, Inc.	ORRI	0.00210526
Hyatt Anne Bass Management Trust	ORRI	0.00208575
Pegasus Resources, LLC	ORRI	0.00200001
Jetstream Royalty Partners, LP	ORRI	0.00200000
The Delmar Hudson Lewis Living Trust, B of A, NA, Trustee	ORRI	0.00198830
Will K. Stripling	ORRI	0.00198829
Robin L. Morgan, a widow	ORRI	0.00198546
CTAM O&G, LLC	ORRI	0.00186732
Broughton Petroleum, Inc.	ORRI	0.00161162
Patricia B. Young	ORRI	0.00157895
Hyatt Anne Bass Management Trust	ORRI	0.00156431
LMB/RSB Non-Exempt 2016 Trust	ORRI	0.00147033
EMG Oil Properties, Inc.	ORRI	0.00131428
Bayswater Fund IV-B, LLC	ORRI	0.00130048

Richard D. Jones, Jr.	ORRI	0.00105263
Samantha Sims Bass Management Trust	ORRI	0.00104287
LMB/RSB GST Exempt Dynasty 2016 Trust	ORRI	0.00087614
Samantha Sims Bass Management Trust	ORRI	0.00078216
Hutchings Oil Company	ORRI	0.00064047
Javelina Partners	ORRI	0.00059348
Zorro Partners, Ltd.	ORRI	0.00053605
Nuclear Corporation of New Mexico	ORRI	0.00052632
Patricia Boyle Young Mgmt. Trust	ORRI	0.00052632
GCO&G, LLC	ORRI	0.00047915
DSD Energy Resources, LLC	ORRI	0.00043421
Kimbell Royalty Holdings, LLC	ORRI	0.00043421
ARD Energy Group, Ltd.	ORRI	0.00040204
Edward R. Hudson, Jr.	ORRI	0.00040204
New Mexico Western Minerals, Inc.	ORRI	0.00021930
John and Theresa Hillman Family Partnership	ORRI	0.00021053
Horton Royalty, LP	ORRI	0.00021052
Fallon Partners, LLC	ORRI	0.00018421
Josephine T. Hudson Testamentary Trust, Frost Bank, Trustee	ORRI	0.00013402
Jeanette Probant Trust	ORRI	0.00011368
Blue Star Royalty, LLC	ORRI	0.00010526
Alldale Minerals II, LP	ORRI	0.00008224
Bayswater Resources, LLC	ORRI	0.00005376
Concentric Mineral Partners, LP	ORRI	0.00001368
Estate of Rodmam Heeren and Aime de S. Heeren	PP	0.00063158
Hanaco, LLC	PP	0.00078948
Hanagan Investments	PP	0.00078948
Jeanine Corn Best	PP	0.00157894
New Orleans Natural Resources Group, Inc.	PP	0.00789474
Christopher A. Broderick	RI	0.00003348
Collins Permian, LP	RI	0.00012334
CTH Royalties, LLC	RI	0.00002056
Dianne Mary Truitt	RI	0.00004464
James Edward Kaucher	RI	0.00004465
Janice Eubank Tumlinson	RI	0.00005483
Jean Ann Tully Stell	RI	0.00013876
JWD Resources, LLC	RI	0.00002056
Kathleen L. George	RI	0.00003348
New Mexico Western Minerals, Inc.	RI	0.00043860
NM Royalty, LLC	RI	0.00002056
Richard Ward Kaucher	RI	0.00004464
Robert Peter Kaucher	RI	0.00004464
Ross A. Broderick Revocable Trust	RI	0.00003348
Ross Duncan Properties	RI	0.00008223
State of New Mexico	RI	0.04605263
The DeBlois Revocable Trust, James and Linda DeBlois, Trustees	RI	0.00020663
Theresa A. Broderick	RI	0.00003348
USA BLM	RI	0.07763158
Wallace Family Partnership	RI	0.00012336
WBA Resources, Ltd.	RI	0.00002056
Wing Resources IV, LLC	RI	0.00010965
TOTAL		0.21832013

Name and Percent WIOwners:

OWNER:	INT TYPE:	INTEREST:
Anchor Production	WI	0.02000000
Anthracite Energy Partners, LLC	WI	0.01575420
Broughton Petroleum, Inc.	WI	0.01532738
ConocoPhillips Company	WI	0.02077326
Duane Brown and wife, Pilar Vaile	WI	0.02000000
Fortyniner Ridge, LLC	WI	0.01000000
Jane N. Brann	WI	0.03000000
Lincoln Associates	WI	0.07500000
Strata Production Company	WI	0.54182452
Wade P. Carrigan and wife, Beth Carrigan	WI	0.05000000
Warren Associates, LLC	WI	0.01000000
Warren, Inc.	WI	0.01000000
XTO Holdings, LLC	WI	0.18132064
TOTAL		1.00000000

*This lease is committed to the Fortyniner Ridge Unit, a Federal Unit. The interest in this tract is allocated based on the Unit interest.

TRACT NO. 2

Lease Serial No.: NM 0543552

Lease Date: June 1, 1964

Lease Term: 10 Year – Suspended (Potash)

Lessor: Bureau of Land Management

Original Lessee: G. Burke and H. McCall

Present Lessee: Oxy USA Inc. (50%) ConocoPhillips (50%)

Description of Land Committed: Subdivisions N/2SW/4,

Sect(s) 23, Twp 23S, Rng 30E, NMPM, Eddy County, NM

Number of Acres: 80.00

Royalty Rate: 1/8th

Name and Percent ORRI Owners:

OWNER:	INT TYPE:	INTEREST:
ConocoPhillips Company	ORRI	0.01250000
Nixon Energy, LLC	ORRI	0.00312500
Strata Production Company	ORRI	0.02812500
Oxy USA Inc.	PP	0.04000000
Sandia Production Company	PP	0.01000000
USA BLM	RI	0.12500000
TOTAL		0.21875000

Name and Percent WIOwners:

OWNER:	INT TYPE:	INTEREST:
Lincoln Associates	WI	0.05000000
Oxy USA Inc.	WI	0.50000000
SJR Enterprises	WI	0.01625000
Strata Production Company	WI	0.39250000
Wade P. Carrigan and wife, Beth Carrigan	WI	0.02500000
Winn Investments, Inc.	WI	0.01625000
TOTAL		1.00000000

TRACT NO. 3Lease Serial No.: NM 114978Lease Date: December 1, 2005Lease Term: HBPLessor: Bureau of Land ManagementOriginal Lessee: Rubicon Oil & Gas II, LPPresent Lessee: Advance Energy Partners Hat Mesa LLCDescription of Land Committed: Subdivisions N/2SE/4,Sect(s) 23, Twp 23S, Rng 30E, NMPM, Eddy County, NMNumber of Acres: 80.00Royalty Rate: 1/8th

Name and Percent ORRI Owners:

OWNER:	INT TYPE:	INTEREST:
Hayes Revocable Trust	ORRI	0.02000000
Hutchings Oil Company	ORRI	0.00034161
Jetstream Royalty Partners, LP	ORRI	0.00082418
Lenox Mineral Title Holdings, LLC	ORRI	0.04200000
Mark B. Murphy Irrevocable Trust	ORRI	0.00198136
Quientesa Royalty, LP	ORRI	0.00956250
Robin L. Morgan, a widow	ORRI	0.00105900
Scott Exploration, Inc.	ORRI	0.00309375
Strata Production Company	ORRI	0.00780000
Susan S. Murphy Marital Trust	ORRI	0.00198136
Titus Oil & Gas Corporation	ORRI	0.00656250
Worrall Investment Company	ORRI	0.00309375
USA BLM	RI	0.12500000
TOTAL		0.22330000

Name and Percent WI Owners:

OWNER:	INT TYPE:	INTEREST:
Advance Energy Partners Hat Mesa, LLC	WI	0.22500000
Anchor Production	WI	0.00500000
Bane Bigbie, Inc.	WI	0.00250000
Duane Brown and wife, Pilar Vaile	WI	0.00500000
Lincoln Associates	WI	0.02500000
SJR Enterprises	WI	0.00750000
Strata Production Company	WI	0.22875000
Titus Oil & Gas Corporation	WI	0.46250000
Wade P. Carrigan and wife, Beth Carrigan	WI	0.01875000
Warren Associates, LLC	WI	0.00750000
Warren, Inc.	WI	0.00500000
Winn Investments, Inc.	WI	0.00750000
TOTAL		1.00000000

RECAPITULATION

TRACT NO.	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
No. 1	<u>40.00</u>	<u>20%</u>
No. 2	<u>80.00</u>	<u>40%</u>
No. 3	<u>80.00</u>	<u>40%</u>

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
STRATA PRODUCTION COMPANY**

**CASE NO. 22437
ORDER NO. R-22047**

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on January 6, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Strata Production Company ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

CASE NO. 22437
ORDER NO. R-22047

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- well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL
DIRECTOR

AES/jag

Date: 2/23/2022

CASE NO. 22437
ORDER NO. R-22047

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Exhibit A

Compulsory Pooling Application Checklist	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 22437	APPLICANT'S RESPONSE
Date	January 6, 2021
Applicant	Strata Production Company
Designated Operator & OGRID (affiliation if applicable)	21712
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon Shaheen & Ricardo Gonzales)
Case Title:	Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None at this time
Well Family	FNRU Fed Com Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Delaware Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Delaware Formation
Pool Name and Pool Code:	Forty Niner Ridge; Delaware [24750]
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	200 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	200 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	West-East
Description: TRS/County	NE/4 SE/4 of Section 22 and N/2 S/2 of Section 23, T23S, R30E, Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	n/a
Proximity Defining Well: if yes, description	n/a
Applicant's Ownership in Each Tract	Tract 1 (NE/4 SE/4): 54.182%; Tract 2 (N/2 SW/4): 39.25%; Tract 3 (N/2 SE/4): 22.875%; see Exhibits A-2 through A-4
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

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Well	Received by OCD: 4/28/2023 3:27:00 PM	FNRU Fed Com 22 23 III 15H, API No. Pending SHL: 2100' FSL and 850' FEL, Section 22, T23S-R30E, NMPM BHL: 1650' FSL and 100' FEL, Section 23, T-23S-R30E, NMPM Completion Target: Brushy Canyon at approx. 7331' Well Orientation: West to East Completion location expected to be standard	Page 5 of 5
Horizontal Well First and Last Take Points		FTP (~2100 FSL and 990' FEL of Section 22, T23S-R30E) LTP (~1650' FSL and 100' FEL of Section 23, T23S-R30E)	
Completion Target (Formation, TVD and MD)		Brushy Canyon - TVD (~7331'), MD (~13,199')	
AFE Capex and Operating Costs			
Drilling Supervision/Month \$		\$8000; see Exhibit A, ¶ 22	
Production Supervision/Month \$		\$800; see Exhibit A, ¶ 22	
Justification for Supervision Costs		Please see AFE at Exhibit A-7	
Requested Risk Charge		200%; see Exhibit A, ¶ 23	
Notice of Hearing			
Proposed Notice of Hearing		Submitted with online filing of Application	
Proof of Mailed Notice of Hearing (20 days before hearing)		Exhibit C	
Proof of Published Notice of Hearing (10 days before hearing)		n/a	
Ownership Determination			
Land Ownership Schematic of the Spacing Unit		See Exhibits A-2 & A-3	
Tract List (including lease numbers and owners)		See Exhibits A-2 & A-3	
Pooled Parties (including ownership type)		See Exhibit A, ¶ 10	
Unlocatable Parties to be Pooled		None	
Ownership Depth Severance (including percentage above & below)		None	
Joinder			
Sample Copy of Proposal Letter		Exhibit A-7	
List of Interest Owners (ie Exhibit A of JOA)		Exhibit A-4	
Chronology of Contact with Non-Joined Working Interests		Exhibit A-5	
Overhead Rates In Proposal Letter		n/a	
Cost Estimate to Drill and Complete		Exhibit A-7	
Cost Estimate to Equip Well		Exhibit A-7	
Cost Estimate for Production Facilities		Exhibit A-7	
Geology			
Summary (including special considerations)		Exhibit B, ¶¶ 5-15; see Exhibits B-1 through B-7	
Spacing Unit Schematic		Exhibit B-3	
Gunbarrel/Lateral Trajectory Schematic		Exhibit B-7	
Well Orientation (with rationale)		Exhibit B, ¶ 15(d)	
Target Formation		Exhibit B-4	
HSU Cross Section		Exhibit B-5	

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Dep't. SEVERANCE DISCOUNT	n/a; see Exhibit A, ¶ 15	Page 6 of 5
Forms, Figures and Tables		
C-102	Exhibit A-6	
Tracts	Exhibits A-2 & A-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-2 through A-4	
General Location Map (including basin)	Exhibit A-1	
Well Bore Location Map	Exhibit A-3; see Exhibit A-6	
Structure Contour Map - Subsea Depth	Exhibit B-2	
Cross Section Location Map (including wells)	Exhibit B-5	
Cross Section (including Landing Zone)	Exhibits B-6 and B-7	
Additional Information		
Special Provisions/Stipulations	None	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen	
Signed Name (Attorney or Party Representative):	<i>Sharon T. Shaheen</i>	
Date:	1/4/2022	

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CASE NO. 22437
ORDER NO. R-22047

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

**APPLICATION OF STRATA PRODUCTION COMPANY
TO POOL ADDITIONAL INTEREST OWNERS
UNDER THE TERMS OF ORDER NO. R-22047,**

**CASE NO. 22657
ORDER NO. R-22047-A**

2022 JUN -9 AM 11:52

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 7, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. On February 23, 2022, OCD issued Order R-22047 to Strata Production Company ("Operator") to pool the uncommitted oil and gas interests within the specified spacing unit ("Unit").
2. Subsequent to the issuance of Order R-22047, Operator discovered previously unidentified interest owner(s) in the Unit.
3. Operator provided evidence that it gave notice of the Application and the hearing to the previously unidentified interest owner(s).
4. Operator presented evidence through affidavits in support of the Application.
5. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. The previously unidentified interest owner has not agreed to commit its interest to the Unit.
11. The pooling of the previously unidentified uncommitted interest in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.

12. This Order affords to the previously unidentified interest owner the opportunity to produce its just and equitable share of the oil or gas in the pool.

ORDER

13. The previously unidentified uncommitted interest in the Unit is hereby pooled in the Unit.
14. Order R-22047 shall remain in full force and effect.
15. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL
DIRECTOR
AES/jag

Date: 5/09/2022

2022 JUN -9 AM 11:52

CASE NO. 22657
ORDER NO. R-22047-A

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
STRATA PRODUCTION COMPANY**

**CASE NO. 22438
ORDER NO. R-22048**

2022 JUN -9 AM 11:52

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on January 6, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Strata Production Company ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

CASE NO. 22438
ORDER NO. R-22048

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well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


ADRIENNE SANDOVAL
DIRECTOR
AES/jag

Date: 2/23/2022

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CASE NO. 22438
ORDER NO. R-22048

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Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 22438	APPLICANT'S RESPONSE
Date	January 6, 2021
Applicant	Strata Production Company
Designated Operator & OGRID (affiliation if applicable)	21712
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon Shaheen & Ricardo Gonzales)
Case Title:	Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None at this time
Well Family	FNRU Fed Com Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Delaware Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Delaware Formation
Pool Name and Pool Code:	Forty Niner Ridge; Delaware [24750]
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	200 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	200 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	West-East
Description: TRS/County	SE/4 SE/4 of Section 22 and S/2 S/2 of Section 23, T23S, R30E, Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	n/a
Proximity Defining Well: if yes, description	n/a
Applicant's Ownership in Each Tract	Tract 1 (SE/4 SE/4): 54.182%; Tract 2 (S/2 SW/4): 39.25%; Tract 3 (S/2 SE/4): 22.875%; see Exhibits A-2 through A-4
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

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CASE NO. 22438
ORDER NO. R-22048

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Well #	FNRU Fed Com 22 23 PPI 16H, API No. Pending SHL: 330' FSL and 660' FEL, Section 22, T23S-R30E, NMPM BHL: 330' FSL and 100' FEL, Section 23, T-23S-R30E, NMPM Completion Target: Brushy Canyon at approx. 7315' Well Orientation: West to East Completion location expected to be standard	Page 8 of 5
Horizontal Well First and Last Take Points	FTP (~330' FSL and 990' FEL of Section 22, T23S-R30E) LTP (~330' FSL and 100' FEL of Section 23, T23S-R30E)	
Completion Target (Formation, TVD and MD)	Brushy Canyon - TVD (~7315'), MD (~12,967')	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8000; see Exhibit A, ¶ 22	
Production Supervision/Month \$	\$800; see Exhibit A, ¶ 22	
Justification for Supervision Costs	Please see AFE at Exhibit A-7	
Requested Risk Charge	200%; see Exhibit A, ¶ 23	
Notice of Hearing		
Proposed Notice of Hearing	Submitted with online filing of Application	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C	
Proof of Published Notice of Hearing (10 days before hearing)	n/a	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	See Exhibits A-2 & A-3	
Tract List (including lease numbers and owners)	See Exhibits A-2 & A-3	
Pooled Parties (including ownership type)	See Exhibit A, ¶ 10	
Unlocatable Parties to be Pooled	None	
Ownership Depth Severance (including percentage above & below)	None	
Joinder		
Sample Copy of Proposal Letter	Exhibit A-7	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4	
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5	
Overhead Rates In Proposal Letter	n/a	
Cost Estimate to Drill and Complete	Exhibit A-7	
Cost Estimate to Equip Well	Exhibit A-7	
Cost Estimate for Production Facilities	Exhibit A-7	
Geology		
Summary (including special considerations)	Exhibit B, ¶¶ 5-15; see Exhibits B-1 through B-7	
Spacing Unit Schematic	Exhibit B-3	
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-7	
Well Orientation (with rationale)	Exhibit B, ¶ 15(d)	
Target Formation	Exhibit B-4	
HSU Cross Section	Exhibit B-5	

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Dep't. Severance Discussion	n/a; see Exhibit A, ¶ 15	Page 9 of 5
Forms, Figures and Tables		
C-102	Exhibit A-6	
Tracts	Exhibits A-2 & A-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-2 through A-4	
General Location Map (including basin)	Exhibit A-1	
Well Bore Location Map	Exhibit A-3; see Exhibit A-6	
Structure Contour Map - Subsea Depth	Exhibit B-2	
Cross Section Location Map (including wells)	Exhibit B-5	
Cross Section (including Landing Zone)	Exhibits B-6 and B-7	
Additional Information		
Special Provisions/Stipulations	None	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen	
Signed Name (Attorney or Party Representative):	<i>Sharon T. Shaheen</i>	
Date:	1/4/2022	

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CASE NO. 22438
ORDER NO. R-22048

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

**APPLICATION OF STRATA PRODUCTION COMPANY
TO POOL ADDITIONAL INTEREST OWNERS
UNDER THE TERMS OF ORDER NO. R-22048,**

**CASE NO. 22658
ORDER NO. R-22048-A**

2022 JUN -9 AM 11:52

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 7, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. On February 23, 2022, OCD issued Order R-22048 to Strata Production Company ("Operator") to pool the uncommitted oil and gas interests within the specified spacing unit ("Unit").
2. Subsequent to the issuance of Order R-22048, Operator discovered previously unidentified interest owner(s) in the Unit.
3. Operator provided evidence that it gave notice of the Application and the hearing to the previously unidentified interest owner(s).
4. Operator presented evidence through affidavits in support of the Application.
5. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. The previously unidentified interest owner has not agreed to commit its interest to the Unit.
11. The pooling of the previously unidentified uncommitted interest in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.

12. This Order affords to the previously unidentified interest owner the opportunity to produce its just and equitable share of the oil or gas in the pool.

ORDER

13. The previously unidentified uncommitted interest in the Unit is hereby pooled in the Unit.
14. Order R-22048 shall remain in full force and effect.
15. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

AES/jag

Date: 5/09/2022

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CASE NO. 22658
ORDER NO. R-22048-A

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COMMISSIONER

Stephanie Garcia Richard

State of New Mexico
Commissioner of Public Lands

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

Mitch Krakauskas
Strata Production Company
1301 N. Sycamore Ave., Ste A
Roswell, NM 88201

June 30th, 2022

Re: Communitization Agreement Approval
Forty Niner Ridge Unit Federal Com 22 23 #016H
Vertical Extent: Delaware
Township: 23 South, Range 30 East, NMPM
Section 22: SE4SE4
Section 23: S2S2

Eddy County, New Mexico

Dear Mr. Krakauskas,

The Commissioner of Public Lands has this date approved the Forty Niner Ridge Unit Federal Com 22 23 #016H Communitization Agreement for the Delaware formation effective 05-01-2022. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for Two Years, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

Sincerely,

A handwritten signature in blue ink, appearing to read "S.G. R. / GR", is written over a faint, larger signature.

Stephanie Garcia Richard
Commissioner of Public Lands

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Strata Production Company
Forty Niner Ridge Unit Federal Com 22 23 #016H
Delaware
Township: 23 South, Range: 30 East, NMPM
Section 22: SE4SE4
Section 23: S2S2

Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **May 01, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **30th day of June, 2022**.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

Strata Production Company
Forty Niner Ridge Unit Federal Com 22 23 #016H
Delaware
Township: 23 South, Range: 30 East, NMPM
Section 22: SE4SE4
Section 23: S2S2

Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **May 01, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 30th day of June, 2022.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Strata Production Company
Forty Niner Ridge Unit Federal Com 22 23 #016H
Delaware**

Township: 23 South, Range: 30 East, NMPM

Section 22: SE4SE4

Section 23: S2S2

Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **May 01, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 30th day of June, 2022.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/FEDERAL OR
STATE/FEDERAL/FEE**

Revised August, 2021

ONLINE Version

COMMUNITIZATION AGREEMENT

API Initial Well: 30-0 1S - 50196

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, 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 the 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:

Subdivisions SE/4SE/4 (Section 22) & S/2S/2 (Section 23),

Sect(s) 22 & 23, T 23S, R 30E, NMPM Eddy County, NM

containing 200.00 acres, more or less, and this agreement shall include only the

Delaware Mountain Group (Middle Brushy Canyon Formation) Formation

or pool, underlying said lands and the Oil & Gas

(hereinafter referred to as "communitized substances") producible from such formation.

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2. Attached hereto, and made a part of this agreement for all purposes, is 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. All matters of operation 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 three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, 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 leasehold bears to the entire acreage interest committed to this agreement.
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 is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is May 1 2022 Month Day, Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
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 interest 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 lands shall be subject to approval by the

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Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. The 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 of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. 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 written and have set opposite their respective names the date of execution.

Operator <u>Strata Production Company</u>	Lessees of Record <u>XTO Delaware Basin, LLC</u>
By _____	<u>Oxy USA Inc (pooling order attached)</u>
Print name of person	<u>ConocoPhillips Company</u>
Mitch Krakauskas as Vice President	<u>Advance Energy Partners Hat Mesa, LLC</u>
Type of authority	

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

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Acknowledgment in an Individual Capacity

State of _____)

County of _____) ss)

This instrument was acknowledged before me on _____
DATE

By _____
Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative Capacity

State of New Mexico)

County of Chaves) ss)

This instrument was acknowledged before me on _____
DATE

By Mitch Krakauskas
Name(s) of Person(s)

as Vice President of Strata Production Company

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed

(Seal)

Signature of Notarial Officer

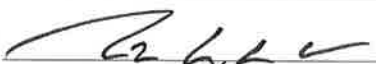
My commission expires: _____

2022 JUN 28 AM 9:47

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. The 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 of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. 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 written and have set opposite their respective names the date of execution.

Operator <u>Strata Production Company</u>	Lessees of Record <u>XTO Delaware Basin, LLC</u>
By <u></u>	<u>Oxy USA Inc (pooling order attached)</u>
Print name of person Mitch Krakauskas as Vice President	<u>ConocoPhillips Company</u>
Type of authority	<u>Advance Energy Partners Hat Mesa, LLC</u>

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

2022 JUN 28 AM 9:47

Acknowledgment in an Individual Capacity

State of _____)

County of _____) §§)

This instrument was acknowledged before me on _____

DATE

By _____

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative CapacityState of New Mexico _____)County of Chaves _____) §§)This instrument was acknowledged before me on June 27, 2022

DATE

By Mitch Krakauskas _____

Name(s) of Person(s)

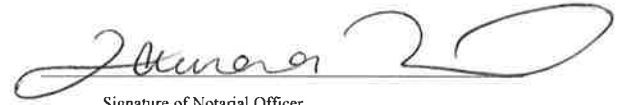
as Vice President _____of Strata Production Company _____

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed

(Seal)

STATE OF NEW MEXICO
 NOTARY PUBLIC
 Tamara Hill
 Commission Number 1132748
 My Commission Expires March 3, 2025



Signature of Notarial Officer

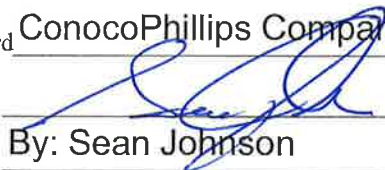
My commission expires: 3-3-25

2022 JUN 28 AM 9:47

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. The 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 of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. 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 written and have set opposite their respective names the date of execution.

Operator	<u>Strata Production Company</u>	Lessees of Record	<u>ConocoPhillips Company</u>
By	<u>Mitch Krakauskas</u>		
	Print name of person		By: Sean Johnson
	as Vice President		As: Attorney-In-Fact
	Type of authority		

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

2022 JUN 28 AM 9:47

Acknowledgment in an Individual Capacity

State of _____)

County of _____) ss)

This instrument was acknowledged before me on _____
DATEBy _____
Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

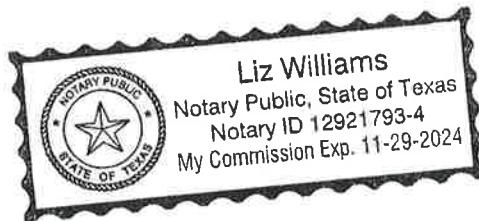
My commission expires: _____

Acknowledgment in a Representative CapacityState of Texas _____)County of Midland _____) ss)This instrument was acknowledged before me on May 23, 2022
DATEBy San Johnson _____
Name(s) of Person(s)as Attorney-in-fact _____ of ConocoPhillips Company _____

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed

(Seal)

_____
Signature of Notarial Officer

My commission expires: _____

2022 JUN 28 AM 9:47

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

3/30/2022
Date

bw XTO Delaware Basin, LLC
By: [Signature]
Angie Repka
Title: Land Manager – Permian – Delaware Basin,
Attorney-in-Fact

ACKNOWLEDGEMENT

State of TEXAS)
) ss.
County of HARRIS)

On this 30th day of MARCH, 2022, before me, a Notary Public for the State of TEXAS, appeared Angie Repka, known to me to be the Land Manager-Permian-Delaware Basin, Attorney-in-Fact of XTO Delaware Basin, LLC, that the Texas limited liability company executed the foregoing instrument and acknowledged to me such company executed the same.

(SEAL)



4/28/2024
My Commission Expires

[Signature]
Notary Public

2022 JUN 28 AM 9:47

WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORDDate 2/15/22By: [Signature]Title: CEO

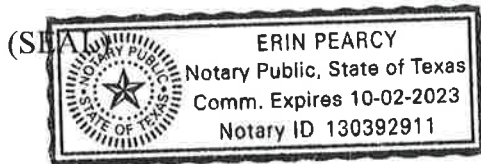
ACKNOWLEDGEMENT

State of Texas)

) ss.

County of Travis)

On this 15th day of February, 2022, before me, a Notary Public for the State
of Texas, appeared Parker Ruse CEO David A. Scott, as Vice President of Advance Energy
Partners Hat Mesa, LLC, a Delaware limited liability company, on behalf of said company.

10/2/23
My Commission Expires[Signature]
Notary Public130392911
My Commission Number

2022 JUN 28 AM 9:47

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**3/11/2022
DateBy: Walter P. Jones

Title: Walter P. Jones, Vice President - Land

ACKNOWLEDGEMENT


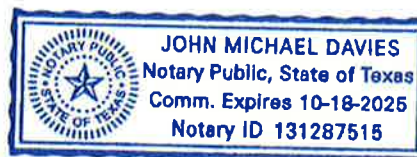
State of Texas)

) ss.

County of Tarrant)

On this 11th day of March, 2022, before me, a Notary Public for the State of Texas, appeared Walter P. Jones, as Vice President - Land of Titus Oil & Gas Corporation, acting as nominee holder of legal title as agent for the benefit of Titus Oil & Gas Production, LLC, on behalf of said corporation.

(SEAL)

10/18/2025
My Commission Expires131287515
My Commission Number
Notary Public

2022 JUN 28 AM 9:47

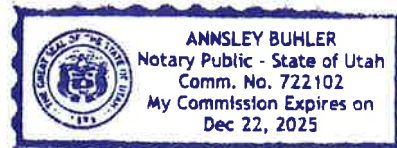
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Date 2/15/22By: [Signature]
Title: Manager**ACKNOWLEDGEMENT**State of Utah)

) ss.

County of Salt Lake)

On this 15th day of February, 2022, before me, a Notary Public for the State
of Utah, appeared Larry V. Lunt, as manager of Lincoln Energy Associates
LLC, a Texas limited liability company, on behalf of said company.

(SEAL)

12/22/25
My Commission Expires[Signature]
Notary Public722102
My Commission Number

2022 JUN 28 AM 9:47

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

4-21-2022
Date

By: Wade Carrigan
By: Beth Carrigan

ACKNOWLEDGEMENT

State of Arizona)

) ss.

County of Maricopa)

On this 21 day of April, 2022, before me, a Notary Public for the State
of Arizona, appeared Wade P. Carrigan and Beth Carrigan as Husband and
Wife.

(SEAL)



03/03/2024
My Commission Expires

Luay Najjar
Notary Public

579098
My Commission Number

2022 JUN 28 AM 9:47

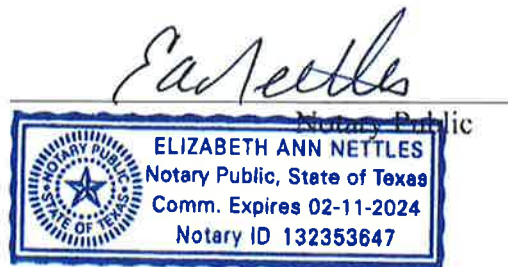
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**2-24-2022
DateBy: Jane N. Brann
By: _____**ACKNOWLEDGEMENT**State of TEXAS)

) ss.

County of HARRIS)

On this 24th day of FEBRUARY, 2022, before me, a Notary Public for the State
of TEXAS, appeared Jane N. Brann and James Brann as Husband and Wife.

(SEAL)

2/11/2024
My Commission Expires132353647
My Commission Number

2022 JUN 28 AM 9:47

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

2-24-2022
Date

By: James R. Brann
Title: President, SJR Enterprises, Inc

ACKNOWLEDGEMENT

State of TEXAS)

) ss.

County of HARRIS)

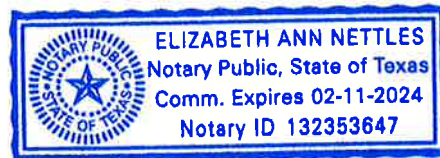
On this 24th day of FEBRUARY, 2022, before me, a Notary Public for the State
of TEXAS, appeared James R. Brann, as President of SJR Enterprises, Inc., a
Texas corporation, on behalf of said corporation.

(SEAL)

2/11/2024
My Commission Expires

132353647
My Commission Number

Elizabeth Ann Nettles
Notary Public



2022 JUN 28 AM 9:47

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Date 2/17/22By: [Signature]Title: General Partner**ACKNOWLEDGEMENT**State of Texas)

) ss.

County of Travis)

On this 17th day of February, 2022, before me, a Notary Public for the State of Texas, appeared John Mark Warren, as President of Warren Associates, LLC, as general partner of Warren Associates, a New Mexico limited partnership on behalf of said partnership.

(SEAL)

My Commission Expires 12/31/2022[Signature]
Notary PublicMy Commission Number 131841747

2022 JUN 28 AM 9:47

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

June 7, 2022
Date

By: Susan S. Murphy
Title: Susan S. Murphy, President

ACKNOWLEDGEMENT

State of New Mexico)
) ss.
County of Chaves)

On this 7th day of June, 2022, before me, a Notary Public for the State
of New Mexico, appeared Susan Scott Murphy, as President of Winn Investments, a
New Mexico corporation, on behalf of said corporation.

(SEAL)

STATE OF NEW MEXICO
NOTARY PUBLIC
GUADALUPE RINCON-GARCIA
COMMISSION# 1121492
EXP. 04-26-2026

04-26-2026
My Commission Expires

1121492
My Commission Number

Gudi
Notary Public

2022 JUN 28 AM 9:47

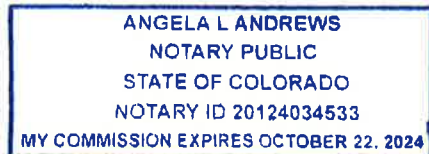
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Date May 31, 2022By: Anchor Production LLC by Don Brown
Title: Manager**ACKNOWLEDGEMENT**State of Colorado)

) ss.

County of Yuma)

On this 31st day of May, 2022, before me, a Notary Public for the State
of Colorado, appeared Don Brown, as Manager of Anchor Production, LLC, a
Colorado limited liability company, on behalf of said company.

(SEAL)

10-22-24
My Commission ExpiresAngela L. Andrews
Notary Public20124034533
My Commission Number

2022 JUN 28 AM 9:47

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

5/4/2022
Date

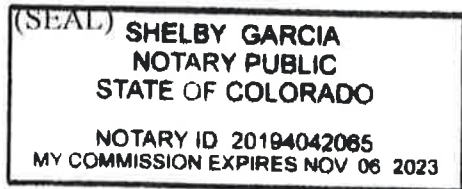
By: Duane Brown
By: Pilar Vaile

ACKNOWLEDGEMENT

State of Colorado)
) ss.

County of Yuma)

On this 5 day of May, 2022, before me, a Notary Public for the State
of Colorado, appeared Duane Brown and Pilar Vaile, as Husband and Wife.



Nov 06, 2023
My Commission Expires

20194042065
My Commission Number

Shelby Garcia
Notary Public

2022 JUN 28 AM 9:47

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

6/3/22
Date

By: John M. Warren
John M. Warren
Title: President

ACKNOWLEDGEMENT

State of New Mexico)

) ss.

County of Bernalillo)

On this 3rd day of June, 2022, before me, a Notary Public for the State
of New Mexico, appeared John M. Warren, as President of Warren Inc., a New
Mexico corporation, on behalf of said corporation.

(SEAL) STATE OF NEW MEXICO
NOTARY PUBLIC
AMY ARMSTRONG
COMMISSION NO. 1117537
EXPIRES APRIL 25, 2025

4/25/2025
My Commission Expires

Amy Armstrong
Notary Public

1117537
My Commission Number

FNRU Federal Com 22 23 PPI #16H

2022 JUN 28 AM 9:47

WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD6/6/22
DateBy: Bane Bigbie
Title: PRESIDENT

ACKNOWLEDGEMENT

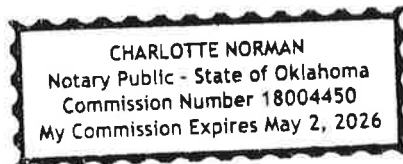
State of OKLAHOMA)

) ss.

County of MURRAY)

On this 22 day of JUNE, 2022, before me, a Notary Public for the State of OKLAHOMA, appeared Bane Bigbie, as President of Bane Bigbie, Inc., an Oklahoma corporation, on behalf of said corporation.

(SEAL)

5/2/2026
My Commission ExpiresCharlotte Norman
Notary Public18004450
My Commission Number

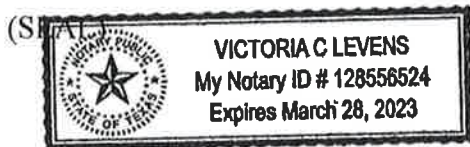
2022 JUN 28 AM 9:47

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Date 2/16/2022By: Lynn S. Chanuk
Title: President**ACKNOWLEDGEMENT**State of Texas)

) ss.

County of Midland)

On this 16th day of February, 2022, before me, a Notary Public for the State
of Texas, appeared Lynn S. Chanuk, as President
of Anthracite Energy Partners, a Limited Liability Company

3/28/2023
My Commission Expires128556524
My Commission Number

Notary Public

2022 JUN 28 AM 9:47

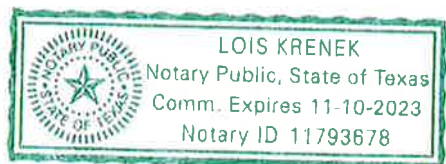
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Feb. 9th, 2022
DateBy: Cheryl L. Mellenthin Cheryl L. Mellenthin
Title: President**ACKNOWLEDGEMENT**State of TEXAS)

) ss.

County of AUSTIN)

On this 9th day of February, 2022, before me, a Notary Public for the State
of Texas, appeared Cheryl L. Mellenthin as President of Broughton
Petroleum, Inc., a Texas corporation, on behalf of said corporation.

(SEAL)



My Commission Expires

Lois Krenek

Notary Public

My Commission Number

2022 JUN 28 AM 9:47

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

February 15, 2022
Date

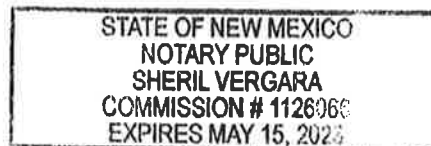
Fortyniner Ridge LLC
By: [Signature]
Title: managing member

ACKNOWLEDGEMENT

State of New Mexico)
) ss.
County of Bernalillo)

On this 15th day of February 2022, before me, a Notary Public for the State of New Mexico, appeared Jim K. Gilman, as Managing Member of Fortyniner Ridge, LLC, a New Mexico limited liability company, on behalf of said company.

(SEAL)



5/15/23
My Commission Expires

#1126066
My Commission Number

[Signature]
Notary Public

2022 JUN 28 AM 9:47

To Communitization Agreement dated May 1, 2022

Subdivisions SE/4SE/4 (Section 22) & S/2S/2 (Section 23)

of Sect(s). 22 & 23, T 23S, R 30E, NMPM, Eddy County, NM.

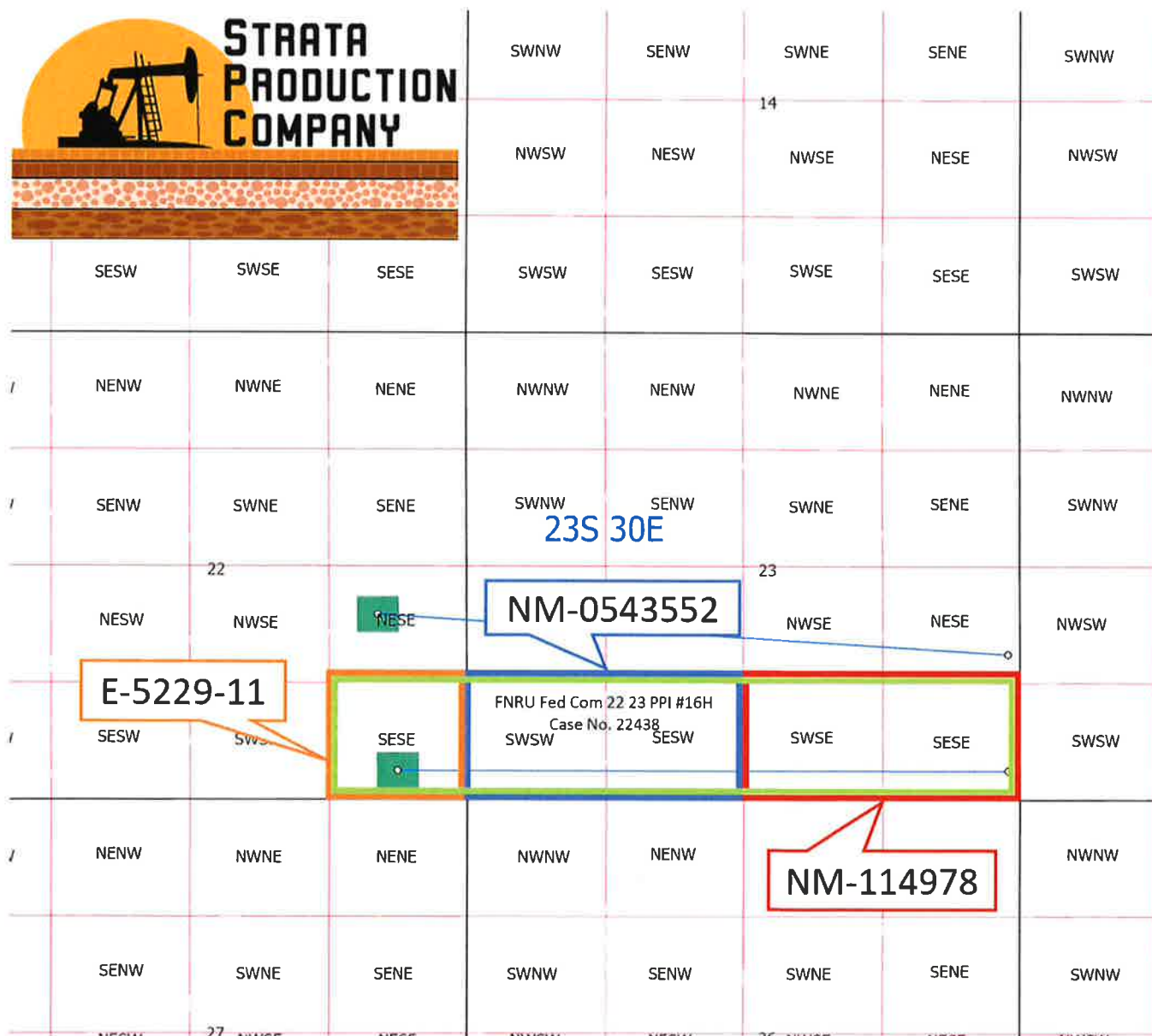


EXHIBIT BTo Communitization Agreement dated May 1, 2022, embracing the Subdivisions:

Subdivisions

SE/2SE/4 Section 22, Twp 23S, Rng 30E, NMPM Eddy County, NM

Subdivisions

S/2S/2 Section 23, Twp 23S, Rng 30E, NMPM Eddy County, NM

Delaware Formation (Middle Brushy Canyon)

Operator of Communitized Area: Strata Production Company**DESCRIPTION OF LEASES COMMITTED****TRACT NO. 1**Lease Serial No.: E-5229-11Lease Date: May 10, 1951Lease Term: HBPLessor: State of New MexicoOriginal Lessee: Malco Refineries, Inc.Present Lessee: XTO Delaware Basin, LLCDescription of Land Committed: Subdivisions SE/2SE/4Sect(s) 22, Twp 23S, Rng 30E NMPM, Eddy County, NMNumber of Acres: 40.00Royalty Rate: 1/8th

Name and Percent ORRI Owners:

OWNER:	INT TYPE:	INTEREST:
Chevron USA, Inc.	ORRI	0.01869932
Providence Minerals, LLC	ORRI	0.00684211
Galley NM Assets, LLC	ORRI	0.00536437
Mark B. Murphy Irrevocable Trust	ORRI	0.00371473
Susan S. Murphy Marital Trust	ORRI	0.00371473
Wing Resources IV, LLC	ORRI	0.00300000
Santa Elena Minerals IV	ORRI	0.00268218
The Philecology Foundation	ORRI	0.00234647
A. G. Andrikopoulos Resources, Inc.	ORRI	0.00210526
Hyatt Anne Bass Management Trust	ORRI	0.00208575
Pegasus Resources, LLC	ORRI	0.00200001
Jetstream Royalty Partners, LP	ORRI	0.00200000
The Delmar Hudson Lewis Living Trust, B of A, NA, Trustee	ORRI	0.00198830
Will K. Stripling	ORRI	0.00198829
Robin L. Morgan, a widow	ORRI	0.00198546
CTAM O&G, LLC	ORRI	0.00186732
Broughton Petroleum, Inc.	ORRI	0.00161162
Patricia B. Young	ORRI	0.00157895
Hyatt Anne Bass Management Trust	ORRI	0.00156431
LMB/RSB Non-Exempt 2016 Trust	ORRI	0.00147033
EMG Oil Properties, Inc.	ORRI	0.00131428
Bayswater Fund IV-B, LLC	ORRI	0.00130048

Richard D. Jones, Jr.	ORRI	0.00105263
Samantha Sims Bass Management Trust	ORRI	0.00104287
LMB/RSB GST Exempt Dynasty 2016 Trust	ORRI	0.00087614
Samantha Sims Bass Management Trust	ORRI	0.00078216
Hutchings Oil Company	ORRI	0.00064047
Javelina Partners	ORRI	0.00059348
Zorro Partners, Ltd.	ORRI	0.00053605
Nuclear Corporation of New Mexico	ORRI	0.00052632
Patricia Boyle Young Mgmt. Trust	ORRI	0.00052632
GCO&G, LLC	ORRI	0.00047915
DSD Energy Resources, LLC	ORRI	0.00043421
Kimbell Royalty Holdings, LLC	ORRI	0.00043421
ARD Energy Group, Ltd.	ORRI	0.00040204
Edward R. Hudson, Jr.	ORRI	0.00040204
New Mexico Western Minerals, Inc.	ORRI	0.00021930
John and Theresa Hillman Family Partnership	ORRI	0.00021053
Horton Royalty, LP	ORRI	0.00021052
Fallon Partners, LLC	ORRI	0.00018421
Josephine T. Hudson Testamentary Trust, Frost Bank, Trustee	ORRI	0.00013402
Jeanette Probant Trust	ORRI	0.00011368
Blue Star Royalty, LLC	ORRI	0.00010526
Alldale Minerals II, LP	ORRI	0.00008224
Bayswater Resources, LLC	ORRI	0.00005376
Concentric Mineral Partners, LP	ORRI	0.00001368
Estate of Rodmam Heeren and Aime de S. Heeren	PP	0.00063158
Hanaco, LLC	PP	0.00078948
Hanagan Investments	PP	0.00078948
Jeanine Corn Best	PP	0.00157894
New Orleans Natural Resources Group, Inc.	PP	0.00789474
Christopher A. Broderick	RI	0.00003348
Collins Permian, LP	RI	0.00012334
CTH Royalties, LLC	RI	0.00002056
Dianne Mary Truitt	RI	0.00004464
James Edward Kaucher	RI	0.00004465
Janice Eubank Tumlinson	RI	0.00005483
Jean Ann Tully Stell	RI	0.00013876
JWD Resources, LLC	RI	0.00002056
Kathleen L. George	RI	0.00003348
New Mexico Western Minerals, Inc.	RI	0.00043860
NM Royalty, LLC	RI	0.00002056
Richard Ward Kaucher	RI	0.00004464
Robert Peter Kaucher	RI	0.00004464
Ross A. Broderick Revocable Trust	RI	0.00003348
Ross Duncan Properties	RI	0.00008223
State of New Mexico	RI	0.04605263
The DeBlois Revocable Trust, James and Linda DeBlois, Trustees	RI	0.00020663
Theresa A. Broderick	RI	0.00003348
USA BLM	RI	0.07763158
Wallace Family Partnership	RI	0.00012336
WBA Resources, Ltd.	RI	0.00002056
Wing Resources IV, LLC	RI	0.00010965
TOTAL		0.21832013

Name and Percent WIOwners:

OWNER:	INT TYPE:	INTEREST:
Anchor Production	WI	0.02000000
Anthracite Energy Partners, LLC	WI	0.01575420
Broughton Petroleum, Inc.	WI	0.01532738
ConocoPhillips Company	WI	0.02077326
Duane Brown and wife, Pilar Vaile	WI	0.02000000
Fortyniner Ridge, LLC	WI	0.01000000
Jane N. Brann	WI	0.03000000
Lincoln Associates	WI	0.07500000
Strata Production Company	WI	0.54182452
Wade P. Carrigan and wife, Beth Carrigan	WI	0.05000000
Warren Associates, LLC	WI	0.01000000
Warren, Inc.	WI	0.01000000
XTO Holdings, LLC	WI	0.18132064
TOTAL		1.00000000

*This lease is committed to the Fortyniner Ridge Unit, a Federal Unit. The interest in this tract is allocated based on the Unit interest.

TRACT NO. 2

Lease Serial No.: NM 0543552

Lease Date: June 1, 1964

Lease Term: 10 Year – Suspended (Potash)

Lessor: Bureau of Land Management

Original Lessee: G. Burke and H. McCall

Present Lessee: Oxy USA Inc. (50%) ConocoPhillips (50%)

Description of Land Committed: Subdivisions S/2SW/4,

Sect(s) 23, Twp 23S, Rng 30E, NMPM, Eddy County, NM

Number of Acres: 80.00

Royalty Rate: 1/8th

Name and Percent ORRI Owners:

OWNER:	INT TYPE:	INTEREST:
ConocoPhillips Company	ORRI	0.01250000
Nixon Energy, LLC	ORRI	0.00312500
Strata Production Company	ORRI	0.02812500
Oxy USA Inc.	PP	0.04000000
Sandia Production Company	PP	0.01000000
USA BLM	RI	0.12500000
TOTAL		0.21875000

Name and Percent WIOwners:

OWNER:	INT TYPE:	INTEREST:
Lincoln Associates	WI	0.05000000
Oxy USA Inc.	WI	0.50000000
SJR Enterprises	WI	0.01625000
Strata Production Company	WI	0.39250000
Wade P. Carrigan and wife, Beth Carrigan	WI	0.02500000
Winn Investments, Inc.	WI	0.01625000
TOTAL		1.00000000

TRACT NO. 3Lease Serial No.: NM 114978Lease Date: December 1, 2005Lease Term: HBPLessor: Bureau of Land ManagementOriginal Lessee: Rubicon Oil & Gas II, LPPresent Lessee: Advance Energy Partners Hat Mesa LLCDescription of Land Committed: Subdivisions S/2SE/4,Sect(s) 23, Twp 23S, Rng 30E, NMPM, Eddy County, NMNumber of Acres: 80.00Royalty Rate: 1/8th

Name and Percent ORRI Owners:

OWNER:	INT TYPE:	INTEREST:
Hayes Revocable Trust	ORRI	0.02000000
Hutchings Oil Company	ORRI	0.00034161
Jetstream Royalty Partners, LP	ORRI	0.00082418
Lenox Mineral Title Holdings, LLC	ORRI	0.04200000
Mark B. Murphy Irrevocable Trust	ORRI	0.00198136
Quienteses Royalty, LP	ORRI	0.00956250
Robin L. Morgan, a widow	ORRI	0.00105900
Scott Exploration, Inc.	ORRI	0.00309375
Strata Production Company	ORRI	0.00780000
Susan S. Murphy Marital Trust	ORRI	0.00198136
Titus Oil & Gas Corporation	ORRI	0.00656250
Worrall Investment Company	ORRI	0.00309375
USA BLM	RI	0.12500000
TOTAL		0.22330000

Name and Percent WI Owners:

OWNER:	INT TYPE:	INTEREST:
Advance Energy Partners Hat Mesa, LLC	WI	0.22500000
Anchor Production	WI	0.00500000
Bane Bigbie, Inc.	WI	0.00250000
Duane Brown and wife, Pilar Vaile	WI	0.00500000
Lincoln Associates	WI	0.02500000
SJR Enterprises	WI	0.00750000
Strata Production Company	WI	0.22875000
Titus Oil & Gas Corporation	WI	0.46250000
Wade P. Carrigan and wife, Beth Carrigan	WI	0.01875000
Warren Associates, LLC	WI	0.00750000
Warren, Inc.	WI	0.00500000
Winn Investments, Inc.	WI	0.00750000
TOTAL		1.00000000

RECAPITULATION

TRACT NO.	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
No. 1	<u>40.00</u>	<u>20%</u>
No. 2	<u>80.00</u>	<u>40%</u>
No. 3	<u>80.00</u>	<u>40%</u>

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
STRATA PRODUCTION COMPANY**

**CASE NO. 22437
ORDER NO. R-22047**

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on January 6, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Strata Production Company ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

CASE NO. 22437
ORDER NO. R-22047

Page 2 of 7

well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL
DIRECTOR

AES/jag

Date: 2/23/2022

CASE NO. 22437
ORDER NO. R-22047

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Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 22437	APPLICANT'S RESPONSE
Date	January 6, 2021
Applicant	Strata Production Company
Designated Operator & OGRID (affiliation if applicable)	21712
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon Shaheen & Ricardo Gonzales)
Case Title:	Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None at this time
Well Family	FNRU Fed Com Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Delaware Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Delaware Formation
Pool Name and Pool Code:	Forty Niner Ridge; Delaware [24750]
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	200 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	200 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	West-East
Description: TRS/County	NE/4 SE/4 of Section 22 and N/2 S/2 of Section 23, T23S, R30E, Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	n/a
Proximity Defining Well: if yes, description	n/a
Applicant's Ownership in Each Tract	Tract 1 (NE/4 SE/4): 54.182%; Tract 2 (N/2 SW/4): 39.25%; Tract 3 (N/2 SE/4): 22.875%; see Exhibits A-2 through A-4
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

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CASE NO. 22437
ORDER NO. R-22047

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Well	Received by OCD: 4/28/2023 3:27:00 PM	FNRU Fed Com 22 23 III 15H, API No. Pending SHL: 2100' FSL and 850' FEL, Section 22, T23S-R30E, NMPPM BHL: 1650' FSL and 100' FEL, Section 23, T-23S-R30E, NMPPM Completion Target: Brushy Canyon at approx. 7331' Well Orientation: West to East Completion location expected to be standard	Page 5 of 5
Horizontal Well First and Last Take Points		FTP (~2100 FSL and 990' FEL of Section 22, T23S-R30E) LTP (~1650' FSL and 100' FEL of Section 23, T23S-R30E)	
Completion Target (Formation, TVD and MD)		Brushy Canyon - TVD (~7331'), MD (~13,199')	
AFE Capex and Operating Costs			
Drilling Supervision/Month \$		\$8000; see Exhibit A, ¶ 22	
Production Supervision/Month \$		\$800; see Exhibit A, ¶ 22	
Justification for Supervision Costs		Please see AFE at Exhibit A-7	
Requested Risk Charge		200%; see Exhibit A, ¶ 23	
Notice of Hearing			
Proposed Notice of Hearing		Submitted with online filing of Application	
Proof of Mailed Notice of Hearing (20 days before hearing)		Exhibit C	
Proof of Published Notice of Hearing (10 days before hearing)		n/a	
Ownership Determination			
Land Ownership Schematic of the Spacing Unit		See Exhibits A-2 & A-3	
Tract List (including lease numbers and owners)		See Exhibits A-2 & A-3	
Pooled Parties (including ownership type)		See Exhibit A, ¶ 10	
Unlocatable Parties to be Pooled		None	
Ownership Depth Severance (including percentage above & below)		None	
Joinder			
Sample Copy of Proposal Letter		Exhibit A-7	
List of Interest Owners (ie Exhibit A of JOA)		Exhibit A-4	
Chronology of Contact with Non-Joined Working Interests		Exhibit A-5	
Overhead Rates In Proposal Letter		n/a	
Cost Estimate to Drill and Complete		Exhibit A-7	
Cost Estimate to Equip Well		Exhibit A-7	
Cost Estimate for Production Facilities		Exhibit A-7	
Geology			
Summary (including special considerations)		Exhibit B, ¶¶ 5-15; see Exhibits B-1 through B-7	
Spacing Unit Schematic		Exhibit B-3	
Gunbarrel/Lateral Trajectory Schematic		Exhibit B-7	
Well Orientation (with rationale)		Exhibit B, ¶ 15(d)	
Target Formation		Exhibit B-4	
HSU Cross Section		Exhibit B-5	

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<div> <div> Received by: 4/28/2022 1:42:22 PM Dep't: SEVERANCE DISCUSSION </div> </div>	n/a; see Exhibit A, ¶ 15	Page 6 of 5
Forms, Figures and Tables		
C-102	Exhibit A-6	
Tracts	Exhibits A-2 & A-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-2 through A-4	
General Location Map (including basin)	Exhibit A-1	
Well Bore Location Map	Exhibit A-3; see Exhibit A-6	
Structure Contour Map - Subsea Depth	Exhibit B-2	
Cross Section Location Map (including wells)	Exhibit B-5	
Cross Section (including Landing Zone)	Exhibits B-6 and B-7	
Additional Information		
Special Provisions/Stipulations	None	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen	
Signed Name (Attorney or Party Representative):	<i>Sharon T. Shaheen</i>	
Date:	1/4/2022	

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CASE NO. 22437
ORDER NO. R-22047

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

APPLICATION OF STRATA PRODUCTION COMPANY

TO POOL ADDITIONAL INTEREST OWNERS

UNDER THE TERMS OF ORDER NO. R-22047,

CASE NO. 22657

ORDER NO. R-22047-A

2022 JUN -9 AM 11:52

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 7, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. On February 23, 2022, OCD issued Order R-22047 to Strata Production Company ("Operator") to pool the uncommitted oil and gas interests within the specified spacing unit ("Unit").
2. Subsequent to the issuance of Order R-22047, Operator discovered previously unidentified interest owner(s) in the Unit.
3. Operator provided evidence that it gave notice of the Application and the hearing to the previously unidentified interest owner(s).
4. Operator presented evidence through affidavits in support of the Application.
5. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. The previously unidentified interest owner has not agreed to commit its interest to the Unit.
11. The pooling of the previously unidentified uncommitted interest in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.

12. This Order affords to the previously unidentified interest owner the opportunity to produce its just and equitable share of the oil or gas in the pool.

ORDER

13. The previously unidentified uncommitted interest in the Unit is hereby pooled in the Unit.
14. Order R-22047 shall remain in full force and effect.
15. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL
DIRECTOR

AES/jag

Date: 5/09/2022

2022 JUN -9 AM 11:52

CASE NO. 22657
ORDER NO. R-22047-A

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
STRATA PRODUCTION COMPANY**

**CASE NO. 22438
ORDER NO. R-22048**

2022 JUN -9 AM 11:52

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on January 6, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Strata Production Company ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


ADRIENNE SANDOVAL
DIRECTOR
AES/jag

Date: 2/23/2022

2022 JUN -9 AM 11:52

CASE NO. 22438
ORDER NO. R-22048

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Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 22438	APPLICANT'S RESPONSE
Date	January 6, 2021
Applicant	Strata Production Company
Designated Operator & OGRID (affiliation if applicable)	21712
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon Shaheen & Ricardo Gonzales)
Case Title:	Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None at this time
Well Family	FNRU Fed Com Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Delaware Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Delaware Formation
Pool Name and Pool Code:	Forty Niner Ridge; Delaware [24750]
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	200 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	200 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	West-East
Description: TRS/County	SE/4 SE/4 of Section 22 and S/2 S/2 of Section 23, T23S, R30E, Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	n/a
Proximity Defining Well: if yes, description	n/a
Applicant's Ownership in Each Tract	Tract 1 (SE/4 SE/4): 54.182%; Tract 2 (S/2 SW/4): 39.25%; Tract 3 (S/2 SE/4): 22.875%; see Exhibits A-2 through A-4
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

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Received by OCD: 1/4/2022 4:42:22 PM	FNRU Fed Com 22 23 PPI 16H, API No. Pending SHL: 330' FSL and 660' FEL, Section 22, T23S-R30E, NMPM BHL: 330' FSL and 100' FEL, Section 23, T-23S-R30E, NMPM Completion Target: Brushy Canyon at approx. 7315' Well Orientation: West to East Completion location expected to be standard	Page 8 of 5
Horizontal Well First and Last Take Points	FTP (~330' FSL and 990' FEL of Section 22, T23S-R30E) LTP (~330' FSL and 100' FEL of Section 23, T23S-R30E)	
Completion Target (Formation, TVD and MD)	Brushy Canyon - TVD (~7315'), MD (~12,967')	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8000; see Exhibit A, ¶ 22	
Production Supervision/Month \$	\$800; see Exhibit A, ¶ 22	
Justification for Supervision Costs	Please see AFE at Exhibit A-7	
Requested Risk Charge	200%; see Exhibit A, ¶ 23	
Notice of Hearing		
Proposed Notice of Hearing	Submitted with online filing of Application	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C	
Proof of Published Notice of Hearing (10 days before hearing)	n/a	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	See Exhibits A-2 & A-3	
Tract List (including lease numbers and owners)	See Exhibits A-2 & A-3	
Pooled Parties (including ownership type)	See Exhibit A, ¶ 10	
Unlocatable Parties to be Pooled	None	
Ownership Depth Severance (including percentage above & below)	None	
Joinder		
Sample Copy of Proposal Letter	Exhibit A-7	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4	
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5	
Overhead Rates In Proposal Letter	n/a	
Cost Estimate to Drill and Complete	Exhibit A-7	
Cost Estimate to Equip Well	Exhibit A-7	
Cost Estimate for Production Facilities	Exhibit A-7	
Geology		
Summary (including special considerations)	Exhibit B, ¶¶ 5-15; see Exhibits B-1 through B-7	
Spacing Unit Schematic	Exhibit B-3	
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-7	
Well Orientation (with rationale)	Exhibit B, ¶ 15(d)	
Target Formation	Exhibit B-4	
HSU Cross Section	Exhibit B-5	

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CASE NO. 22438
ORDER NO. R-22048

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Dep't. Severance Disclosure	n/a; see Exhibit A, ¶ 15	Page 9 of 5
Forms, Figures and Tables		
C-102	Exhibit A-6	
Tracts	Exhibits A-2 & A-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-2 through A-4	
General Location Map (including basin)	Exhibit A-1	
Well Bore Location Map	Exhibit A-3; see Exhibit A-6	
Structure Contour Map - Subsea Depth	Exhibit B-2	
Cross Section Location Map (including wells)	Exhibit B-5	
Cross Section (including Landing Zone)	Exhibits B-6 and B-7	
Additional Information		
Special Provisions/Stipulations	None	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen	
Signed Name (Attorney or Party Representative):	<i>Sharon T. Shaheen</i>	
Date:	1/4/2022	

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CASE NO. 22438
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**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF STRATA PRODUCTION COMPANY
TO POOL ADDITIONAL INTEREST OWNERS
UNDER THE TERMS OF ORDER NO. R-22048,**

**CASE NO. 22658
ORDER NO. R-22048-A**

2022 JUN -3 AM 11:52

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 7, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. On February 23, 2022, OCD issued Order R-22048 to Strata Production Company ("Operator") to pool the uncommitted oil and gas interests within the specified spacing unit ("Unit").
2. Subsequent to the issuance of Order R-22048, Operator discovered previously unidentified interest owner(s) in the Unit.
3. Operator provided evidence that it gave notice of the Application and the hearing to the previously unidentified interest owner(s).
4. Operator presented evidence through affidavits in support of the Application.
5. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. The previously unidentified interest owner has not agreed to commit its interest to the Unit.
11. The pooling of the previously unidentified uncommitted interest in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.

12. This Order affords to the previously unidentified interest owner the opportunity to produce its just and equitable share of the oil or gas in the pool.

ORDER

13. The previously unidentified uncommitted interest in the Unit is hereby pooled in the Unit.
14. Order R-22048 shall remain in full force and effect.
15. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

AES/jag

Date: 5/09/2022

2022 JUN -9 AM 11:52

CASE NO. 22658
ORDER NO. R-22048-A

Page 2 of 2

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2		5. Lease Serial No.
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator		7. If Unit of CA/Agreement, Name and/or No.
3a. Address	3b. Phone No. (include area code)	8. Well Name and No.
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)		9. API Well No.
		10. Field and Pool or Exploratory Area
		11. Country or Parish, State

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA				
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)		
	Title	
Signature	Date	

THE SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Batch Well Data

FNRU FEDERAL COM 22 23 III 15H, US Well Number: 3001549591, Case Number: NMNM104965, Lease Number: NMNM104965,
Operator:STRATA PRODUCTION COMPANY

FNRU FEDERAL COM 22 23 PPI 16H, US Well Number: null, Case Number: NMNM070951X, Lease Number: NMNM070951X,
Operator:STRATA PRODUCTION COMPANY

CONFIDENTIAL

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
-----------	-----------	-------	---------

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: Strata Production Company**OGRID Number:** 21712**Well Name:** Forty Niner Ridge Unit Fed Com 22 23 III 15H**API:** 30-015-49591**Pool:** Delaware**Pool Code:** 24750

**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 holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☒ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ 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.

Rachel Fresquez

Print or Type Name

Rachel K. Fry
 Signature

04/27/2023

Date

575-622-1127

Phone Number

rfresquez@stratanm.com

e-mail Address



STRATA PRODUCTION COMPANY

1301 North Sycamore Avenue
PO Box 1030
Roswell, New Mexico 88202-1030
Telephone (575) 622-1127
Fax (575) 623-3533
www.stratanm.com

Certified Mail-Return Receipt

April 3, 2023

NEW MEXICO STATE LAND OFFICE
P.O. BOX 1148
SANTA FE, NM 87504

RE: Surface Pool Lease Commingling Application – Central Tank Battery on the Forty Niner Ridge Unit Federal Com 22 23 III 15H and Forty Niner Ridge Unit Federal Com 22 23 PPI 16H

Greetings:

Enclosed please find Strata Production Company's application to commingle production at its Central Tank Battery on the Forty Niner Ridge Unit Federal Com 22 23 III 15H and the Forty Niner Ridge Unit Federal Com 22 23 PPI 16H; located in Eddy County, New Mexico, filed with the Bureau of Land Management on 12/13/2022 and notification to the New Mexico Oil Conservation Division.

Any objections or requests for a hearing regarding this application must be submitted to the New Mexico Oil Conservation Division, Santa Fe Office within 20-Days from the date the Division received this application.

Strata respectfully request authority to add additional wells contained within the spacing units identified and approved in this application by filing a Subsequent Report Sundry to the Bureau of Land Management for Federal and filing a C-103Z and C-102 with the NMOCD. Notice to owners shall not be required when amending the application to add wells contained within spacing units previously approved for commingling authority.

Pursuant to Statewide Rule 19.15.12.10 (C)(4)(g) Strata Production Company respectfully requests the option to include additional pools or leases within the following parameters:

- Strata Production Company may add additional production from the Forty Niner Ridge Unit from Lease's NM 070951X, NM 0543552, and NM 114978.

For questions regarding this application, please contact me at 575-622-1127 ext. 13 or rfresquez@stratanm.com.

Sincerely,

Rachel Fresquez
Regulatory Analyst
Strata Production Company

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY STRATA PRODUCTION CO**

ORDER NO. CTB-1160

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. Strata Production Co (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells as described 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. 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 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.
6. 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 as described in Exhibit A.
7. 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 (“CA Pooled Area”), as described in Exhibit A.

CONCLUSIONS OF LAW

8. 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.

9. 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.
10. 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.
11. 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.
12. 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.
13. 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.
14. 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 as described in Exhibit A.

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

2. For each CA Pooled Area described in Exhibit A, 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 CA 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 the formation or dedicated lands are modified or if a modification is made that will affect this Order. 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 CA Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the CA Pooled Area until the Proposed Agreement which includes the CA Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the CA 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 as described 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 as described 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**



**ALBERT C. S. CHANG
DIRECTOR**

DATE: 9/12/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-1160**

Operator: **Strata Production Company (21712)**

Central Tank Battery: **Forty Niner Ridge Unit Federal Com Central Tank Battery**

Central Tank Battery Location: **UL I, Section 22, Township 23 South, Range 30 East**

Gas Title Transfer Meter Location:

Pools

Pool Name	Pool Code
FORTY NINER RIDGE;DELAWARE	24750

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
PROPOSED CA Delaware NMNM 105769630	NESE	22-23S-30E
	N2S2	23-23S-30E
PROPOSED CA Delaware NMNM 105769632	SESE	22-23S-30E
	S2S2	23-23S-30E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-49591	FORTY NINER RIDGE UNIT 22 23 III	NESE	22-23S-30E	24750
	FEDERAL #015H	N2S2	23-23S-30E	
30-015-50196	FN RU FEDERAL COM 22 23 PPI	SESE	22-23S-30E	24750
	#016H	S2S2	23-23S-30E	

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 167821

CONDITIONS

Operator: STRATA PRODUCTION CO P.O. Box 1030 Roswell, NM 882021030	OGRID: 21712
	Action Number: 167821
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	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 email us at OCD.Engineer@emnrd.nm.gov .	9/15/2025