# BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING APRIL 07, 2022

CASE NOS. 22687-22688

ERIC CARTMAN STATE COM #601H-603H WELLS ERIC CARTMAN STATE COM #604H-605H WELLS

# **LEA COUNTY, NEW MEXICO**



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

APPLICATIONS OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22687-22688

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# **COMPULSORY POOLING APPLICATION CHECKLIST**

#### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS Case No. 22687 APPLICANT'S RESPONSE Date: April 7, 2022 Centennial Resource Production LLC Applicant Designated Operator & OGRID (affiliation if applicable) Centennial Resource Production LLC (OGRID 372165) Applicant's Counsel: **Holland & Hart LLP** Case Title: APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA **COUNTY, NEW MEXICO.** Entries of Appearance/Intervenors: N/A Well Family **Eric Cartman 6 State Com** Formation/Pool Formation Name(s) or Vertical Extent: **Bone Spring** Primary Product (Oil or Gas): Oil Pooling this vertical extent: **Bone Spring** Pool Name and Pool Code: Ojo Chiso; Bone Spring Pool (Pool Code 96553) Well Location Setback Rules: Statewide oil 640 acres Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Horizontal Size (Acres) 640 acres **Building Blocks:** 40 acres **South to North** Orientation: Description: TRS/County W/2 of Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations Depth Severance: Y/N. If yes, description No

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
omitted by: Centennial Resource Production,

Submitted by: Centennial Resource Production, LLC Hearing Date: April 7, 2022 Case Nos. 22687-22688

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Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D, D-1
Target Formation	Exhibit D-5
HSU Cross Section	Exhibit D-5
Depth Severance Discussion	Exhibit D
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4
General Location Map (including basin)	Exhibit D-2
Well Bore Location Map	Exhibit D-2
Structure Contour Map - Subsea Depth	Exhibit D-4
Cross Section Location Map (including wells)	Exhibit D-4
Cross Section (including Landing Zone)	Exhibit D-5
Additional Information	
Special Provisions/Stipulations	N/A

CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.

Printed Name (Attorney or Party Representative):	Adam G. Rankin	
Signed Name (Attorney or Party Representative):		
Date:		7-Apr-22

# **COMPULSORY POOLING APPLICATION CHECKLIST**

#### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case No. 22687	APPLICANT'S RESPONSE				
Date: April 7, 2022					
Applicant	Centennial Resource Production LLC				
Designated Operator & OGRID (affiliation if applicable)	Centennial Resource Production LLC (OGRID 372165)				
Applicant's Counsel:	Holland & Hart LLP				
Case Title:	APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.				
Entries of Appearance/Intervenors:	N/A				
Well Family	Eric Cartman 6 State Com				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Bone Spring				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	Bone Spring				
Pool Name and Pool Code:	Ojo Chiso; Bone Spring Pool (Pool Code 96553)				
Well Location Setback Rules:	Statewide oil				
Spacing Unit Size:	640 acres				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	640 acres				
Building Blocks:	40 acres				
Orientation:	South to North				
Description: TRS/County	W/2 of Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico.				
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes				
Other Situations					
Depth Severance: Y/N. If yes, description	No				

Received by OCD: 4/5/2022 11:17:42 AM	Page 10 of
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-2
Gunbarrel/Lateral Trajectory Schematic	N/A
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Cross Section (including Landing Zone)	Exhibit D-5
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I have by cortify that the information	
CERTIFICATION: I hereby certify that the information	provided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Adam G. Rankin

7-Apr-22

Date:

**Signed Name** (Attorney or Party Representative):

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

APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. <u>22687</u>

**APPLICATION** 

Centennial Resource Production, LLC ("Centennial" or "Applicant") (OGRID No. 372165), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of irregular Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Centennial states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced spacing unit to the following proposed initial wells:

a. the **Eric Cartman 6 State Com #601H well**, to be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 7) of irregular Section 6, to a bottom hole location in the NW/4 NW/4 (Lot 1) of irregular Section 31;

b. the Eric Cartman 6 State Com #602H well, to be horizontally drilled from

a surface location in the SW/4 SW/4 (Lot 7) of irregular Section 6, to a

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Centennial Resource Production.

Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688

bottom hole location in the NE/4 NW/4 (Unit C) of irregular Section 31; and

- c. the **Eric Cartman 6 State Com #603H well**, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NE/4 NW/4 (Unit C) of irregular Section 31.
- 3. The completed interval for the proposed **Eric Cartman 6 State Com #602H well** will remain within 330 feet of the quarter-quarter line separating the E/2 W/2 from the W/2 W/2 of irregular Sections 6 and 31, to allow inclusion of this acreage into a standard horizontal well spacing unit.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and, after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon;

- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

**HOLLAND & HART LLP** 

By:

Michael H. Feldewert Adam G. Rankin Julia Broggi Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile mhfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com

ATTORNEYS FOR CENTENNIAL RESOURCE PRODUCTION, LLC

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

APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22688

#### **APPLICATION**

Centennial Resource Production, LLC ("Centennial" or "Applicant") (OGRID No. 372165), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) approving a standard 640-acre, more or less, horizontal spacing unit in a portion of the Bone Spring formation from a depth of 10,388 feet to the base of the Bone Spring formation, comprised of the E/2 of irregular Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests within such acreage. In support of its application, Centennial states:

- 1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced spacing unit to the following proposed initial wells:
  - a. the Eric Cartman 6 State Com #604H well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NW/4 NE/4 (Unit B) of irregular Section 31; and

- b. the **Eric Cartman 6 State Com #605H well**, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NE/4 NE/4 (Unit A) of irregular Section 31.
- 3. The completed interval for the proposed **Eric Cartman 6 State Com #604H well** will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of irregular Sections 6 and 31, to allow inclusion of this acreage into a standard horizontal well spacing unit.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the defined portion of the Bone Spring formation and approving the initial wells thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;

- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

**HOLLAND & HART LLP** 

By:

Michael H. Feldewert
Adam G. Rankin
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jbroggi@hollandhart.com

ATTORNEYS FOR CENTENNIAL RESOURCE PRODUCTION, LLC

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

APPLICATIONS OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22687 & 22688

#### <u>AFFIDAVIT OF GAVIN SMITH</u>

Gavin Smith, of lawful age and being first duly sworn, states the following:

- My name is Gavin Smith and I am employed by Centennial Resource Production,
   LLC ("Centennial") as a Senior Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
- 3. I am familiar with the applications filed by Centennial in these consolidated cases and the status of the lands in the subject area.
- 4. None of the uncommitted parties in this case has indicated opposition to these pooling cases proceeding by affidavit and, therefore, I do not expect opposition at the hearing.
- 5. In **Case No. 22687**, Centennial seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of irregular Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico.
- 6. The spacing unit will be dedicated to the proposed initial **Eric Cartman 6 State Com #601H well**, which be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 7) of irregular Section 6, to a bottom hole location in the NW/4 NW/4 (Lot 1) of irregular Section 31;

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688

the Eric Cartman 6 State Com #602H well, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 7) of irregular Section 6, to a bottom hole location in the NE/4 NW/4 (Unit C) of irregular Section 31; and the Eric Cartman 6 State Com #603H well, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NE/4 NW/4 (Unit C) of irregular Section 31.

- 7. The completed interval for the proposed **Eric Cartman 6 State Com #602H** well will remain within 330 feet of the quarter-quarter line separating the E/2 W/2 from the W/2 W/2 of irregular Sections 6 and 31, to allow inclusion of this acreage into a standard horizontal well spacing unit.
- 8. In Case No. 22628, Centennial seeks an order pooling all uncommitted interests within a portion of the Bone Spring formation, from a depth of 10,388 feet to the base of the Bone Spring formation, within a proposed standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of irregular Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico.
- 9. The proposed spacing unit will be dedicated to the initial **Eric Cartman 6 State Com #604H well**, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NW/4 NE/4 (Unit B) of irregular Section 31; and the **Eric Cartman 6 State Com #605H well**, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NE/4 NE/4 (Unit A) of irregular Section 31.
- 10. The completed interval for the proposed Eric Cartman 6 State Com #604H well will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from

the E/2 E/2 of irregular Sections 6 and 31, to allow inclusion of this acreage into a standard horizontal well spacing unit.

- 11. The proposed horizontal spacing unit will partially overlap an existing spacing unit operated by Centennial that is dedicated to the E/2 of Section 6 and the NE/4 of Section 7, Township 22 South, Range 35 East, Lea County, New Mexico. Two horizontal wells which are drilled and producing within the Second Bone Spring interval are currently dedicated to that spacing unit: the Carne Asada State Com 501H (API 30-025-46021) and the Carne Asada State Com 502H (API 30-025-46331).
- 12. Centennial provided 20-days' notice of this proposed overlapping spacing unit to all working interest owners by certified mail, return-receipt requested, pursuant to Division regulations. **Centennial Exhibit C-1** is a copy of the notice letter that was provided. No working interest owner objected.
- 13. **Centennial Exhibit C-2** contains draft Form C-102s for the proposed initial wells in each of these standard spacing units. The completed interval for each well is at a standard location except for the 603H well, which is pending administrative approval.
- 14. For Case Nos. 22627 and 22628, Centennial understands that these Bone Spring formation wells will be placed in the Ojo Chiso; Bone Spring Pool (Pool Code 96553).
- 15. Centennial Exhibit C-3 identifies the tracts of land comprising each of the proposed horizontal spacing units, the working interest ownership in each tract, and their interest in the horizontal spacing unit. There are no unleased mineral interest owners. The subject acreage is comprised of state lands.
- 16. No ownership depth severances exist within the Bone Spring formation underlying this acreage.

- 17. **Centennial Exhibit C-4** identifies the working interest owners that Centennial is seeking to pool in each of the proposed horizontal spacing units.
- 18. Centennial has conducted a diligent search of the public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each owner. Centennial has made a good faith effort to locate each party that it seeks to pool in these cases.
- 19. Centennial also seeks to pool the overriding royalty interest owners identified in Exhibit C-4.
- 20. **Centennial Exhibit C-5** contains a sample of the well proposal letters and AFEs sent to the working interest owners. The costs reflected in these AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in these formations.
- 21. **Centennial Exhibit C-6** contains a general summary of the contacts with the uncommitted owners. In my opinion, Centennial has undertaken good faith efforts to reach an agreement with the uncommitted owners.
- 22. Centennial requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.
- 23. Centennial has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Centennial seeks to pool and instructed that they be notified of this hearing.
- 24. **Centennial Exhibits C-1 through C-6** were either prepared by me or compiled under my direction and supervision.

#### FURTHER AFFIANT SAYETH NOT.

Laws	Just
Gavin Smith	

STATE OF COLORADO )

COUNTY OF DENVER

SUBSCRIBED and SWORN to before me this \_\_\_\_\_\_ day of April 2022 by Gavin Smith.

NØTARY PUBLIC

My Commission Expires:

Frances M. Ivers
NOTARY PUBLIC
STATE OF COLORADO

NOTARY ID 20214039707 MY COMMISSION EXPIRES October 07, 202

# <u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

# TO ALL WORKING INTEREST OWNERS IN THE AGREAGE AFFECTED BY PROPOSED OVERLAPPING SPACING UNIT

Re: Notice of Overlapping Spacing

Ojo Chiso; Bone Spring (96553)

E/2 Section 31, T21S R35E; E/2 Section 6, T22S R35E

Lea County, New Mexico

#### To Whom It May Concern:

This letter is to advise you that Centennial Resource Production, LLC has proposed to drill the following wells in the 3<sup>rd</sup> Bone Spring formation:

Eric Cartman 6 State Com #604H

SHL: 256' FSL Section 6 & 1,960' FEL Section 6, T22S R35E, Lea County, NM BHL: 100' FNL Section 31 & 1,545' FEL Section 31, T21S R35E, Lea County, NM

Target: 3<sup>rd</sup> Bone Spring Formation/TVD: 10,840 feet

Eric Cartman 6 State Com #605H

SHL:256' FSL Section 6 & 1,930' FEL Section 6, T22S R35E, Lea County, NM BHL: 100' FNL Section 31 & 330' FEL Section 31, T21S R35E, Lea County, NM

Target: 3<sup>rd</sup> Bone Spring Formation/TVD: 10,840 feet

These wells will be dedicated to a 644.80-acre spacing unit comprised of the following acreage:

E/2 Section 31, T21S R35E & E/2 Section 6, T22S R35E, Lea County, NM

This proposed 644.80-acre spacing unit will overlap the following spacing unit(s) and existing wells:

Spacing Unit: E/2 Section 6 & NE/4 Section 7, T22S R35E, Lea County, NM

Wells: Carne Asada State Com #501H (API: 30-025-46021)

Carne Asada State Com #502H (API: 30-025-46331)

Target: 2<sup>nd</sup> Bone Spring Formation/TVD: 10,070 feet

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C1
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688

Pursuant to NMAC 19.15.16.15.B(9) and 19.15.15.12.B, you have a right to object this overlapping spacing unit by delivering a written statement of objection to our office within twenty (20) days of the mailing of this notice. If no objection is received within this 20-day period, we will proceed with the drilling the initial wells within this overlapping spacing unit.

If you have any questions about this matter, please contact my office.

Sincerely,

Gavin Smith, CPL Senior Landman

Centennial Resource Production, LLC

Phone: 720-499-1474

Email: gavin.smith@cdevinc.com

<u>District I</u> 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

<sup>1</sup> API Number	r	<sup>2</sup> Pool Code		
<sup>4</sup> Property Code			operty Name MAN 6 STATE COM	<sup>6</sup> Well Number 601H
<sup>7</sup> OGRID No.			perator Name OURCE PRODUCTION, LLC	<sup>9</sup> Elevation 3626.1'

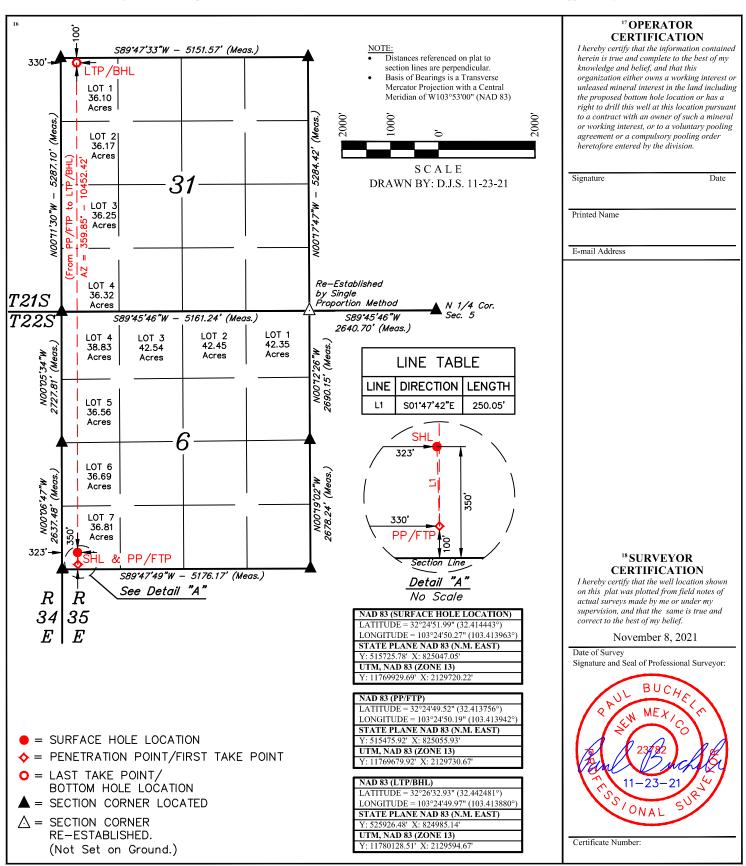
#### <sup>10</sup> Surface Location

7	Section 6	22S	35E	Lot Ian	350	SOUTH	323	WEST	County LEA

#### "Bottom Hole Location If Different From Surface

UL or lot no. 1	Section 31	n	Township 21S	Range 35E	Lot Idn	Feet from the 100		North/South line NORTH	Feet from the 330	East/West line WEST	County LEA
12 Dedicated Acre	es	<sup>13</sup> Join	nt or Infill	14 Conso	lidation Code		15 Order No.				

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



to Imaging: 4/5/2022 11:25:29 AM BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C2
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022 Hearing Date: April 7, 2022 Case Nos. 22687-22688

<u>District I</u> 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

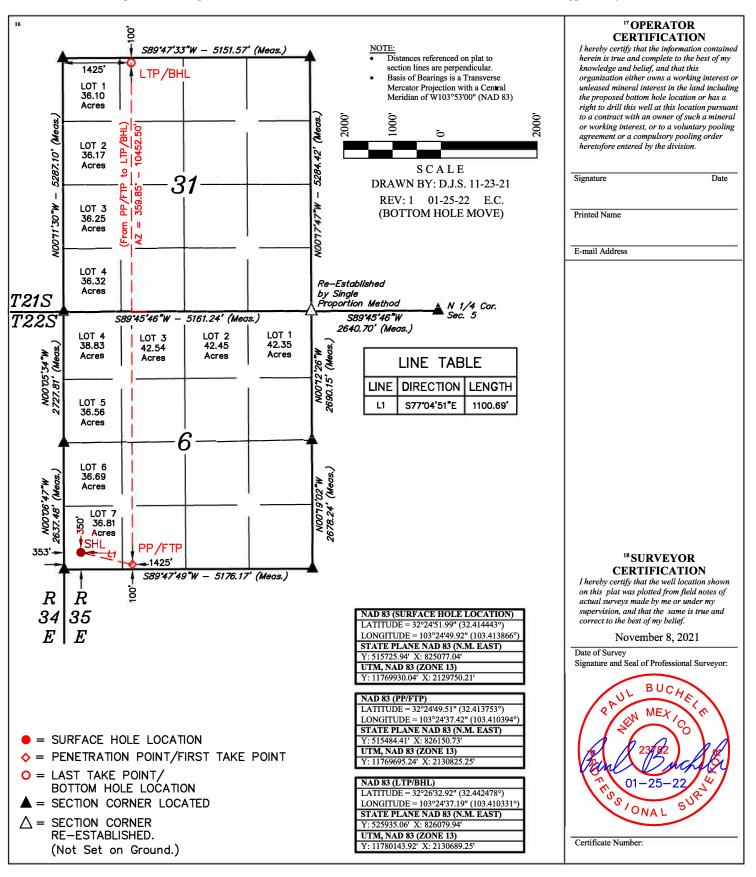
<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name			
<sup>4</sup> Property Code			operty Name MAN 6 STATE COM	<sup>6</sup> Well Number 602H		
<sup>7</sup> OGRID No.			perator Name DURCE PRODUCTION, LLC	9 Elevation 3629.0'		

#### <sup>10</sup> Surface Location

	UL or lot no. 7	Section 6	Township 22S	Range 35E	Lot Idn	Feet from the 350	North/South line SOUTH	Feet from the 353	East/West line WEST	County LEA
"Bottom Hole Location If Different From								Surface		
	III or lot no	Section	Township	Dongo	I of Idn	Foot from the	North/South line	Foot from the	Fact/Wact line	County

UL or lot no. C	Sect 3	1	Township 21S	Range 35E	Lot Idn	Fe	eet from the 100	North/South line NORTH	Feet from the 1425	East/West line WEST	County LEA
12 Dedicated Acres		<sup>13</sup> Jo	oint or Infill	14 Conso	olidation Code	Î	15 Order No.				2)

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



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (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

<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

UL or lot no. Section Township Range Lot Idn

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

Т

Feet from the

East/West line

☐ AMENDED REPORT

County

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name			
<sup>4</sup> Property Code			operty Name MAN 6 STATE COM	<sup>6</sup> Well Number 603H		
7 OGRID No.			perator Name DURCE PRODUCTION, LLC	<sup>9</sup> Elevation 3620.5'		

#### <sup>10</sup> Surface Location

0	6	22S	35E		256	SOUTH	1990	EAST	LEA
"Dottom Hole Leastion If Different From Confees									

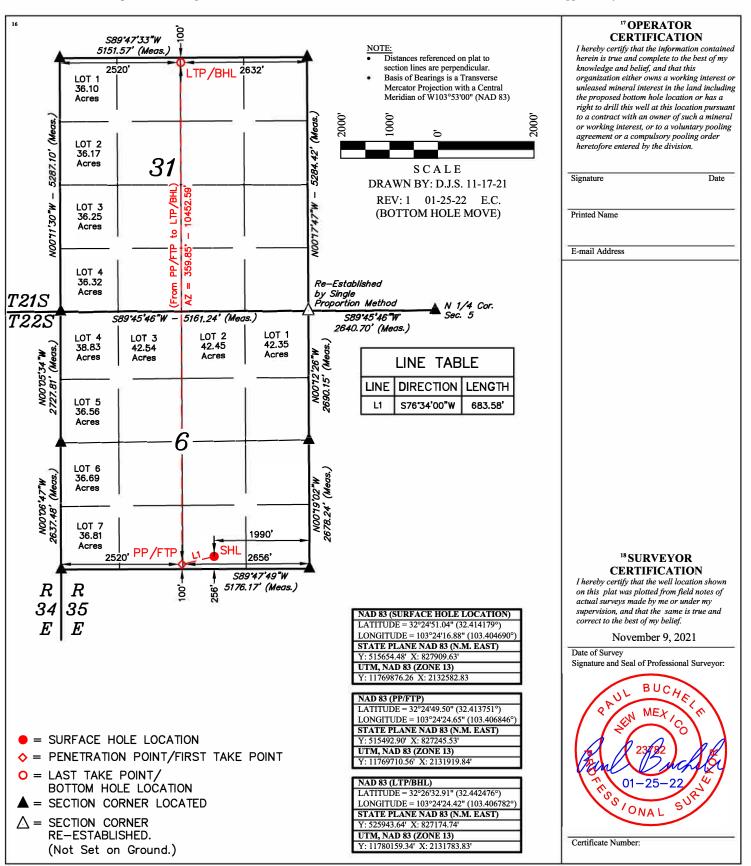
North/South line

#### <sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. B	Sect 3	1	Township 21S	Range 35E	Lot Idn	F	eet from the 100	North/South line NORTH	Feet from the 2520	East/West line WEST	County LEA
12 Dedicated Acre	es	13 Jo	oint or Infill	14 Conso	olidation Code		15 Order No.				0

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

Feet from the



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

<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

UL or lot no. Section Township Range Lot Idn

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

East/West line

Feet from the

☐ AMENDED REPORT

County

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

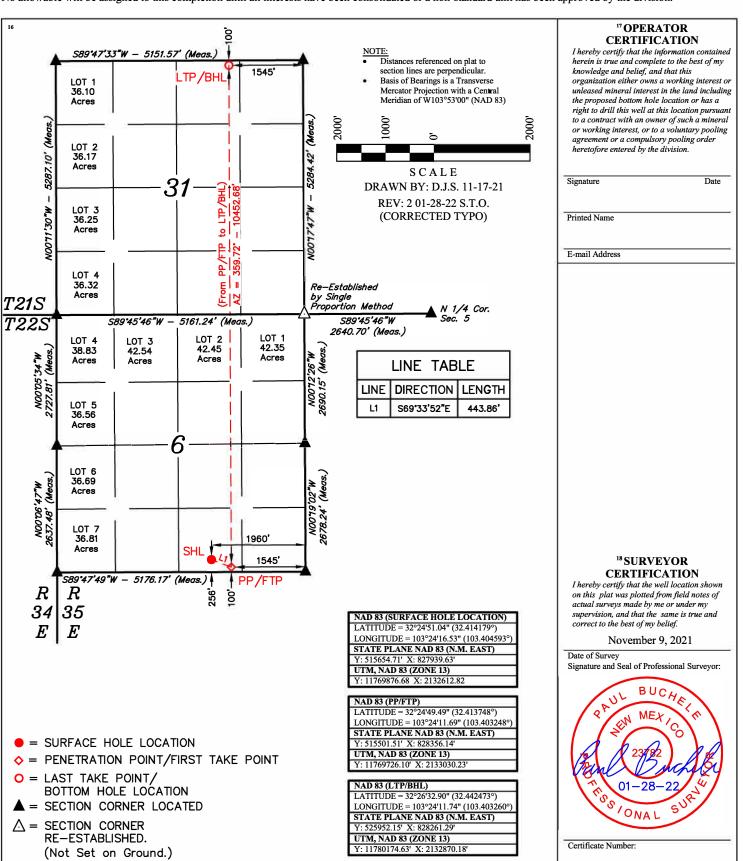
<sup>1</sup> API Number		<sup>2</sup> Pool Code	7	
<sup>4</sup> Property Code			operty Name MAN 6 STATE COM	<sup>6</sup> Well Number 604H
<sup>7</sup> OGRID No.			perator Name DURCE PRODUCTION, LLC	<sup>9</sup> Elevation 3620.5'

# 10 Surface Location Feet from the North/South line

0	6	22S	35E		256	SOUTH	1960	EAST	LEA .
"Bottom Hole Location If Different From Surface									

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	31	21S	35E		100	NORTH	1545	EAST	LEA
12 Dedicated Acre	es 1:	<sup>3</sup> Joint or Infill	14 Conso	olidation Code	15 Order No.				

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



District I 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

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<u>District IV</u> 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

<sup>1</sup> API Number		<sup>2</sup> Pool Code	-		
4 Property Code			operty Name MAN 6 STATE COM	<sup>6</sup> Well Number 605H	
7 OGRID No.			perator Name DURCE PRODUCTION, LLC	<sup>9</sup> Elevation 3620.7'	

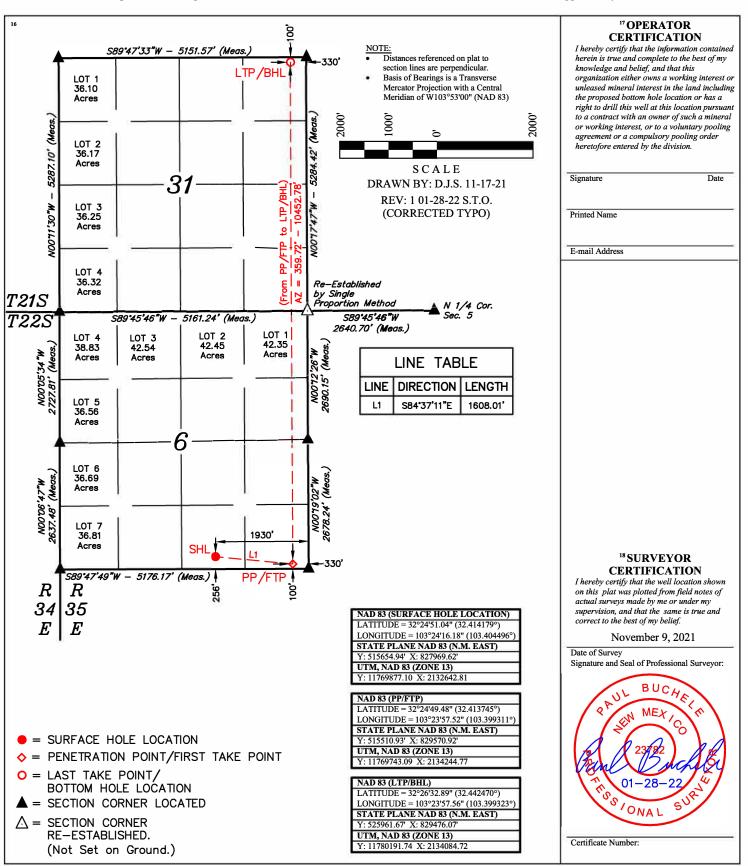
#### <sup>10</sup> Surface Location

O O	6	22S	35E	Lot Iun	256	SOUTH	1930	EAST	LEA

#### <sup>11</sup> Bottom Hole Location If Different From Surface

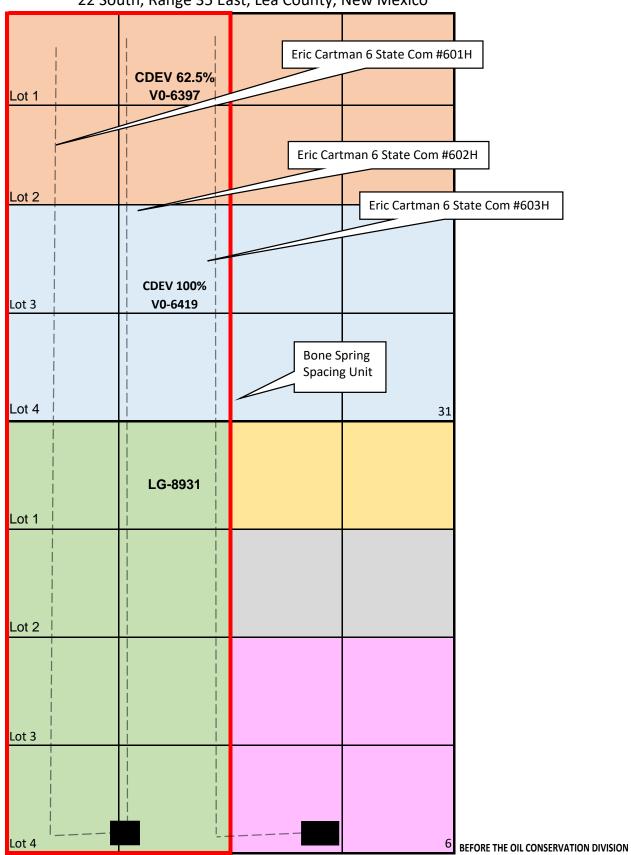
UL or lot no. A	Sect	ı l	Township 21S	Range 35E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 330	East/West line EAST	County LEA
12 Dedicated Acre	es	<sup>13</sup> Jo	oint or Infill	14 Conso	olidation Code	15 Order No.				

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



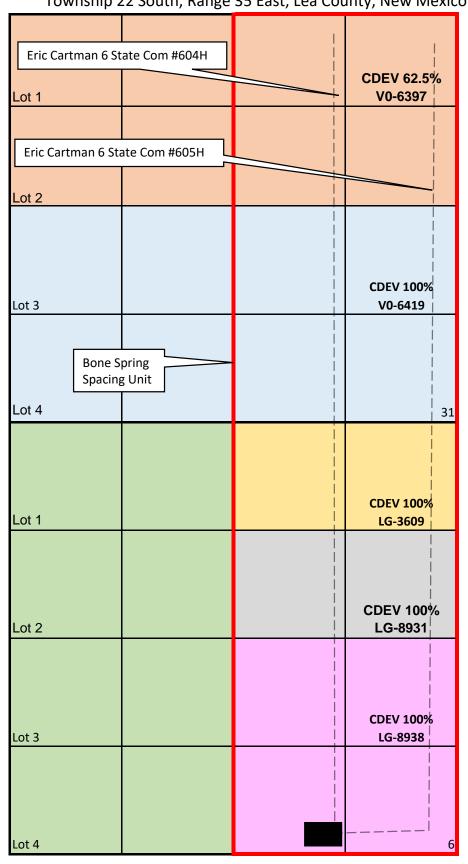
Case No. 22687
Exhibit C-3
Ownership Map - Eric Cartman W/2 Spacing Unit Township

22 South, Range 35 East, Lea County, New Mexico



Santa Fe, New Mexico
Exhibit No. C3
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688

Case No. 22688
Exhibit C-3
Ownership Map - Eric Cartman E/2 Spacing Unit
Township 22 South, Range 35 East, Lea County, New Mexico



### Case No. 22687 Exhibit C-4

### Eric Cartman 6 State Com #601H - #603H Ownership Schedule

Name	Interest Type	Working Interest
Tract 1 - NW/4 S	section 31, T21S R34E - 152.27 acro	Ü
Chevron Midcontinent, LP	Working Interest	0.25000000
Fuel Products, Inc.	Working Interest	0.05000000
Gahr Energy Company	Working Interest	0.05000000
Mark K. Nearburg	Working Interest	0.02500000
Centennial Resource Production, LLC	Working Interest	0.62500000
Total		1.00000000
	ection 31, T21S R34E - 152.57 acre	
Centennial Resource Production, LLC	Working Interest	1.00000000
Total	5	1.00000000
	ection 6, T22S R34E - 311.43 acres	
Calmetto, II Ltd.	ORRI	N/A
Dakota Resources, Inc.	ORRI	N/A
Pogar Petroleum	ORRI	N/A
The S" Family Partners, Ltd.	ORRI	N/A
Alpha Energy Partners, LLC	Working Interest	0.16910000
Barry Hopkins	Working Interest	0.01000000
COG Operating LLC	Working Interest	0.64590000
Craig Bishop	Working Interest	0.02000000
Fall Creek of San Angelo	Working Interest	0.01500000
Henry Hwang	Working Interest	0.00500000
Jan Parsley Sheffield Trust	Working Interest	0.03000000
Lynn Parsley Maxwell Trust	Working Interest	0.03000000
Patco, Ltd.	Working Interest	0.05500000
Rodney L Seale	Working Interest	0.02000000
Total	Working Interest	1.00000000
	Pooled in 616.27 acre spacing unit	1.0000000
Calmetto, II Ltd.	ORRI	N/A
Dakota Resources, Inc.	ORRI	N/A
Pogar Petroleum	ORRI	N/A
The S" Family Partners, Ltd.	ORRI	N/A
Chevron Midcontinent, LP	Working Interest	0.06177081
Fuel Products, Inc.	Working Interest	0.01235416
Gahr Energy Company	Working Interest	0.01235416
Mark K. Nearburg	Working Interest	0.00617708
Alpha Energy Partners, LLC	Working Interest	0.08545412
Barry Hopkins	Working Interest	0.00505347
COG Operating LLC	Working Interest	0.32640342
Craig Bishop	Working Interest	0.01010693
Fall Creek of San Angelo	Working Interest	0.00758020
Henry Hwang	Working Interest	0.00758020
Jan Parsley Sheffield Trust	Working Interest	0.01516040
Lynn Parsley Maxwell Trust	Working Interest	0.01516040
Patco, Ltd.	Working Interest	0.02779407
Rodney L Seale	Working Interest	0.01010693
Total:	Siming interest	0.59800290
	ners NOT being Pooled	0.57000270
Centennial Resource Production, LLC	Working Interest	0.40199710
Total:	morest	0.40199710
	L	0.701///10
Total Working Interest:		1.00000000
Town it offining micropic		1.00000000

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C4
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688

## Case No. 22688 Exhibit C-4

# Eric Cartman 6 State Com #604H - #605H Ownership Schedule

Name	Interest Type	Working Interest
Tract 1 - NE/4 S	Section 31, T21S R34E - 160.00 acr	es
Chevron Midcontinent, LP	Working Interest	0.25000000
Fuel Products, Inc.	Working Interest	0.05000000
Gahr Energy Company	Working Interest	0.05000000
Mark K. Nearburg	Working Interest	0.02500000
Centennial Resource Production, LLC	Working Interest	0.62500000
Total		1.00000000
Tract 2 - SE/4 S	Section 31, T21S R34E - 160.00 acro	es
Centennial Resource Production, LLC	Working Interest	1.00000000
Total		1.00000000
Tract 3 - E/2 S	Section 6, T22S R34E - 324.80 acres	S
Grewal Royalty, LLC	ORRI	N/A
Elk Range Royalty	ORRI	N/A
Centennial Resource Production, LLC	Working Interest	1.00000000
Total		1.00000000
Owners to be	Pooled in 644.80 acre spacing unit	
Chevron Midcontinent, LP	Working Interest	0.06203474
Fuel Products, Inc.	Working Interest	0.01240695
Gahr Energy Company	Working Interest	0.01240695
Mark K. Nearburg	Working Interest	0.00620347
Total:		0.09305211
Ow	vners NOT being Pooled	
Centennial Resource Production, LLC	Working Interest	0.90694789
Total:		0.90694789
Total Working Interest:		1.00000000



January 27, 2022

RE: Eric Cartman 6 State Com 601H

SHL: 350' FSL Sec 6, 323' FWL Sec 6, T22S R35E BHL: 100' FNL Sec 31, 330' FWL Sec 31, T21S R35E

Lea County, New Mexico

To Whom it May Concern:

#### Please note the corrected well location above.

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Eric Cartman 601H as a horizontal well to test the Bone Spring Formation at a TVD of 10,963 feet. The W/2 of the referenced Section 31 and the referenced W/2 of Section 6 will be dedicated to the well as the proration unit being a total of 616.27 acres. Please see the enclosed AFE in the amount of \$7,685,673.00.

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of January 1, 2022. The JOA contains a proposed overhead rate of \$8000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at Frances. Ivers@cdevinc.com. Should you have any questions, please call me at (720) 499-1505.

Best Regards,

Frances Ivers Land Coordinator

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C5
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688



THE UNDERSIGNED HEREBY ELECTS <u>TO PARTICIPATE</u> IN THE CAPTIONED ERIC CARTMAN 6 STATE COM 601H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this	day of	, 2022.
Owner Name:		
Signature:		
By:		
Title:		
THE UNDERSIGNED HEREBY ELEC CARTMAN 6 STATE COM 601H WEL		O PARTICIPATE IN THE CAPTIONED ERIC D TO GO NONCONSENT.
AGREED TO and ACCEPTED this	day of	, 2022.
Owner Name:		
Signature:		
By:		
Title:		



# **Authorization for Expenditure**

AFE Number	401867	Original
Drilling Total (\$)	\$3,336,540	
Completion Total (\$)	\$3,250,236	
Facilities Total (\$)	\$390,727	
Flowback Total (\$)	\$708,170	
AFE Total (\$)	\$7,685,673	

AFE Description				
Property Name	Well: Eric Cartman 6 State Com 601H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - TX	
Scheduled Spud Date	Jul 04, 2022	Estimated TVD (m)		
Scrieduled Spud Date	Jul 04, 2022	Estimated TVD (m)		
Target Zone	TBSG SAND	Estimated MD (m)		

Non Operator A	pprovai
Company	
Approved By	
Title	
Date	

#### **Cost Estimate**

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$368,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$330,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$29,000.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$74,000.00	8015.2300	IDC - FUEL / POWER	\$84,500.00
8015.2400	IDC - RIG WATER	\$18,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$174,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$60,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$205,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$69,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$6,500.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$49,250.00
8015.3700	IDC - DISPOSAL	\$111,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$48,000.00
8015.4200	IDC - MANCAMP	\$52,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$105,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$13,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$12,562.50
8015.5200	IDC - CONTINGENCY	\$144,102.75	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,000.00
8015.2350	IDC - FUEL/MUD	\$105,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$72,236.72
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$162,435.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$445,134.38	8020.1500	TDC - WELLHEAD EQUIPMENT	\$69,168.75
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$61,750.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

0005 4000	ICC COMPLETION DIC	1 00	0005 1400	ICC WIRELING OPENICACED LIGHT	£20,000,00
8025.1200 8025.1500	ICC - COMPLETION RIG ICC - FUEL / POWER	\$.00	8025.1400 8025.1600	ICC - WIRELINE OPEN/CASED HOLE  ICC - COILED TUBING	\$20,000.00 \$95,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$14,175.00
8025.1900	ICC - INSPECTION & TESTING	\$.00		ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$275,200.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,705,545.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$141,369.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400	ICC - RENTAL EQUIPMENT	\$200,000,00
8025.3500	ICC - WELLSITE SUPERVISION	\$64,800.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00	8025.4200	ICC - CONTINGENCY	\$.00
8025.3050	ICC - SOURCE WATER	\$311,012.00	8025.4400	ICC - COMPANY LABOR	\$.00
			-		
Account	Description	Total (\$)	Account	Description A FOLUBRIANT	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$10,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$5,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$33,000.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$33,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$33,000.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$.00	8035.3400	FAC - METER & LACT	\$.00
8035.3600	FAC - ELECTRICAL	\$10,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$40,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$.00	8035.4500	FAC - CONTINGENCY	\$18,606.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$10,000.00	8035.1800	FAC - FUEL / POWER	\$.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	\$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1310	PLN - PEMANENT EASEMENT	\$12,121.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
8036.1500	PLN - MATERIALS & SUPPLIES	\$.00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1700	PLN - RENTAL EQUIPMENT	\$.00	8036.1900	PLN - WATER DISPOSAL / SWD	\$.00
8036.2000	PLN - WASTE DISPOSAL	\$.00	8036.2100	PLN - INSPECTION & TESTING	\$.00
8036.2200	PLN - CONTRACT LABOR	\$.00	8036.2300	PLN - FRAC TANK RENTAL	\$.00
8036.2400	PLN - SUPERVISION	\$.00	8036.2500	PLN - CONSULTING SERVICES	\$.00
8036.2700	PLN - PIPELINE	\$.00	8036.2800	PLN - FLOWLINE	\$160,000.00
8036.2900	PLN - TANK BATTERY	\$.00	8036.3000	PLN - SEPARATOR / SCRUBBER	\$.00
8036.3100	PLN - TREATING EQUIPMENT	\$.00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$.00
8036.3300	PLN - PUMP	\$.00	8036.3400	PLN - METER	\$.00
8036.3500	PLN - COMPRESSOR	\$.00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$.00	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$.00
8036.3700	PLN - AUTOMATION	\$.00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$.00
8036.4300	PLN - INSURANCE	\$.00	8036.4400	PLN - COMPANY LABOR	\$.00
8036.4500	PLN - CONTINGENCY	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS		8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	+	8040.1500	IFC - FUEL / POWER	\$.00
8040.1600	IFC - COILED TUBING	\$.00		IFC - CEMENTING & SERVICES	\$.00
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28		IFC - INSPECTION & TESTING	\$.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00		IFC - ELECTRIC LOGGING/PERFORATING	\$.00
8040.2300	IFC - COMPLETION FLUID	\$.00	8040.2400	IFC - CASING CREW AND TOOLS	\$.00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$5,000.00		IFC - MATERIAL & SUPPLIES	\$.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$150,000.00		IFC - WELLHEAD/FRAC TREE REPAIR	\$.00
		,,000.00			ψ.00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$70,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$3,600.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$5,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$65,000.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$.00	8045.1500	TFC - SUBSURFACE PUMPS	\$25,000.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$8,500.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$18,900.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$40,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$15,000.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$.00
8045.3500	TFC - CONTINGENCY	\$40,000.00	8045.4400	TFC - COMPANY LABOR	\$.00



January 27, 2022

RE: Eric Cartman 6 State Com 602H

SHL: 350' FSL Sec 6, 353' FWL Sec 6, T22S R35E BHL: 100' FNL Sec 31, 1425' FWL Sec 31, T21S R35E

Lea County, New Mexico

To Whom it May Concern:

#### Please note the corrected well location above.

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Eric Cartman 602H as a horizontal well to test the Bone Spring Formation at a TVD of 10,963 feet. The W/2 of the referenced Section 31 and the W/2 of referenced Section 6 will be dedicated to the well as the proration unit being a total of 616.27 acres. Please see the enclosed AFE in the amount of \$7,685,673.00.

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of January 1, 2022. The JOA contains a proposed overhead rate of \$8000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at Frances. Ivers@cdevinc.com. Should you have any questions, please call me at (720) 499-1505.

Best Regards,

Frances Ivers Land Coordinator

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



THE UNDERSIGNED HEREBY ELECTS <u>TO PARTICIPATE</u> IN THE CAPTIONED ERIC CARTMAN 6 STATE COM 602H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this day of, 2022.
Owner Name:
Signature:
By:
Title:
THE UNDERSIGNED HEREBY ELECTS <b>NOT TO PARTICIPATE</b> IN THE CAPTIONED ERIC CARTMAN 6 STATE COM 602H WELLBORE, AND TO GO NONCONSENT.
AGREED TO and ACCEPTED this day of, 2022.
Owner Name:
Signature:
By:
Title:



# **Authorization for Expenditure**

AFE Number	401866	Original
Drilling Total (\$)	\$3,336,540	
Completion Total (\$)	\$3,250,236	
Facilities Total (\$)	\$390,727	
Flowback Total (\$)	\$708,170	
AFE Total (\$)	\$7,685,673	

AFE Description				
Property Name	Well: Eric Cartman 6 State Com 602H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - TX	
Scheduled Spud Date	Jul 19, 2022	Estimated TVD (m)		
Target Zone	TBSG SAND	Estimated MD (m)		

Non Operator Approval		
Company		
Approved By		
Title		
Date		

#### **Cost Estimate**

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$368,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$330,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$29,000.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$74,000.00	8015.2300	IDC - FUEL / POWER	\$84,500.00
8015.2400	IDC - RIG WATER	\$18,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$174,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$60,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$205,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$69,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$6,500.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$49,250.00
8015.3700	IDC - DISPOSAL	\$111,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$48,000.00
8015.4200	IDC - MANCAMP	\$52,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$105,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$13,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$12,562.50
8015.5200	IDC - CONTINGENCY	\$144,102.75	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,000.00
8015.2350	IDC - FUEL/MUD	\$105,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$72,236.72
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$162,435.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$445,134.38	8020.1500	TDC - WELLHEAD EQUIPMENT	\$69,168.75
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$61,750.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,50

8025.1200	ICC - COMPLETION RIG	\$.00	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1500	ICC - FUEL / POWER	\$257,260.00	8025.1600	ICC - COILED TUBING	\$95,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$14,175.00
8025.1900	ICC - INSPECTION & TESTING	\$.00	8025.2000	ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$275,200.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,705,545.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$141,369.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400	ICC - RENTAL EQUIPMENT	\$200,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$64,800.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00	8025.4200	ICC - CONTINGENCY	\$.00
8025.3050	ICC - SOURCE WATER	\$311,012.00	8025.4400	ICC - COMPANY LABOR	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$10,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$5,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$33.000.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$33,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$33,000.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$.00	8035.3400	FAC - METER & LACT	\$.00
8035.3600	FAC - ELECTRICAL	\$10,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$40,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$.00	8035.4500	FAC - CONTINGENCY	\$18,606.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$10,000.00	8035.1800	FAC - FUEL / POWER	\$.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	\$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1310	PLN - PEMANENT EASEMENT	\$12,121.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
8036.1500	PLN - MATERIALS & SUPPLIES	\$.00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1700	PLN - RENTAL EQUIPMENT	\$.00	8036.1900	PLN - WATER DISPOSAL / SWD	\$.00
8036.2000	PLN - WASTE DISPOSAL	\$.00	8036.2100	PLN - INSPECTION & TESTING	\$.00
8036.2200	PLN - CONTRACT LABOR	\$.00	8036.2300	PLN - FRAC TANK RENTAL	\$.00
8036.2400	PLN - SUPERVISION	\$.00	8036.2500	PLN - CONSULTING SERVICES	\$.00
8036.2700	PLN - PIPELINE	\$.00	8036.2800	PLN - FLOWLINE	\$160,000.00
8036.2900	PLN - TANK BATTERY	\$.00	8036.3000	PLN - SEPARATOR / SCRUBBER	\$.00
8036.3100	PLN - TREATING EQUIPMENT	\$.00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$.00
8036.3300	PLN - PUMP	\$.00	8036.3400	PLN - METER	\$.00
8036.3500	PLN - COMPRESSOR	\$.00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$.00	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$.00
8036.3700	PLN - AUTOMATION	\$.00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$.00
8036.4300	PLN - INSURANCE	\$.00	8036.4400	PLN - COMPANY LABOR	\$.00
8036.4500	PLN - CONTINGENCY	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS	\$.00	8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500	IFC - FUEL / POWER	\$.00
8040.1600	IFC - COILED TUBING	\$.00	8040.1700	IFC - CEMENTING & SERVICES	\$.00
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28	8040.1900	IFC - INSPECTION & TESTING	\$.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00	8040.2200	IFC - ELECTRIC LOGGING/PERFORATING	\$.00
8040.2300	IFC - COMPLETION FLUID	\$.00	8040.2400	IFC - CASING CREW AND TOOLS	\$.00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$5,000.00	8040.2800	IFC - MATERIAL & SUPPLIES	\$.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$150,000.00	8040.3100	IFC - WELLHEAD/FRAC TREE REPAIR	\$.00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$70,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$3,600.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$5,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,900.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00



February 15, 2022

RE: Eric Cartman 6 State Com 603H

SHL: 256' FSL Sec 6, 1990' FEL Sec 6, T22S R35E BHL: 100' FNL Sec 31, 2520' FWL Sec 31, T21S R35E

Lea County, New Mexico

To Whom it May Concern:

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Eric Cartman 603H as a horizontal well to test the Bone Spring Formation at a TVD of 10,905 feet. The W/2 of the referenced Section 31 and the referenced W/2 of Section 6 will be dedicated to the well as the proration unit being a total of 616.27 acres. Please see the enclosed AFE in the amount of \$7,685,673.00.

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of January 1, 2022. The JOA contains a proposed overhead rate of \$8000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at Frances. Ivers@cdevinc.com. Should you have any questions, please call me at (720) 499-1505.

Best Regards,

Frances Ivers Land Coordinator



THE UNDERSIGNED HEREBY ELECTS <u>TO PARTICIPATE</u> IN THE CAPTIONED ERIC CARTMAN 6 STATE COM 603H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this day of, 2022.
Owner Name:
Signature:
By:
Title:
THE UNDERSIGNED HEREBY ELECTS <b>NOT TO PARTICIPATE</b> IN THE CAPTIONED ERIC CARTMAN 6 STATE COM 603H WELLBORE, AND TO GO NONCONSENT.
AGREED TO and ACCEPTED this day of, 2022.
Owner Name:
Signature:
By:
Title:



# **Authorization for Expenditure**

AFE Number	Original
Drilling Total (\$)	\$3,336,540
Completion Total (\$)	\$3,250,236
Facilities Total (\$)	\$390,727
Flowback Total (\$)	\$708,170
AFE Total (\$)	\$7,685,673

AFE Description				
Property Name	Well: Eric Cartman 6 State Com 603H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - TX	
Scheduled Spud Date	June 15, 2022	Estimated TVD (m)		
Target Zone	TBSG SAND	Estimated MD (m)		

Non Operator Approval		
Company		
Approved By		
Title		
Date		

#### **Cost Estimate**

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$368,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$330,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$29,000.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$74,000.00	8015.2300	IDC - FUEL / POWER	\$84,500.00
8015.2400	IDC - RIG WATER	\$18,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$174,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$60,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$205,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$69,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$6,500.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$49,250.00
8015.3700	IDC - DISPOSAL	\$111,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$48,000.00
8015.4200	IDC - MANCAMP	\$52,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$105,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$13,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$12,562.50
8015.5200	IDC - CONTINGENCY	\$144,102.75	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,000.00
8015.2350	IDC - FUEL/MUD	\$105,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$72,236.72
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$162,435.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$445,134.38	8020.1500	TDC - WELLHEAD EQUIPMENT	\$69,168.75
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$61,750.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,50

000E 1000	ICC COMPLETION PIC	1 \$ 00	000E 1400	ICC WIRELING OPENICACED HOLE	\$20,000,00
8025.1200 8025.1500	ICC - COMPLETION RIG  ICC - FUEL / POWER	\$.00	8025.1400 8025.1600	ICC - WIRELINE OPEN/CASED HOLE  ICC - COILED TUBING	\$20,000.00 \$95,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00		ICC - WATER DISPOSAL/VACUUM TRUCK	\$14,175.00
8025.1900	ICC - INSPECTION & TESTING	\$.00		ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$275,200.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,705,545.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$141,369.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400	ICC - RENTAL EQUIPMENT	\$200,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$64,800.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00		ICC - CONTINGENCY	\$.00
8025.3050	ICC - SOURCE WATER	\$311,012.00	8025.4400	ICC - COMPANY LABOR	\$.00
			-		
Account	Description Too. AACHAO PROPRIOTION	Total (\$)		Description A FOURTH A FOURTH	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$10,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$5,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$33,000.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$33,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$33,000.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$.00	8035.3400	FAC - METER & LACT	\$.00
8035.3600	FAC - ELECTRICAL	\$10,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$40,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$.00	8035.4500	FAC - CONTINGENCY	\$18,606.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$10,000.00	8035.1800	FAC - FUEL / POWER	\$.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	\$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1310	PLN - PEMANENT EASEMENT	\$12,121.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
8036.1500	PLN - MATERIALS & SUPPLIES	\$.00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1700	PLN - RENTAL EQUIPMENT	\$.00	8036.1900	PLN - WATER DISPOSAL / SWD	\$.00
8036.2000	PLN - WASTE DISPOSAL	\$.00	8036.2100	PLN - INSPECTION & TESTING	\$.00
8036.2200	PLN - CONTRACT LABOR	\$.00	8036.2300	PLN - FRAC TANK RENTAL	\$.00
8036.2400	PLN - SUPERVISION	\$.00	8036.2500	PLN - CONSULTING SERVICES	\$.00
8036.2700	PLN - PIPELINE	\$.00	8036.2800	PLN - FLOWLINE	\$160,000.00
8036.2900	PLN - TANK BATTERY	\$.00	8036.3000	PLN - SEPARATOR / SCRUBBER	\$.00
8036.3100	PLN - TREATING EQUIPMENT	\$.00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$.00
8036.3300	PLN - PUMP	\$.00	8036.3400	PLN - METER	\$.00
8036.3500	PLN - COMPRESSOR	\$.00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$.00	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$.00
8036.3700	PLN - AUTOMATION	\$.00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$.00
8036.4300	PLN - INSURANCE	\$.00	8036.4400	PLN - COMPANY LABOR	\$.00
8036.4500	PLN - CONTINGENCY	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS		8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500	IFC - FUEL / POWER	\$.00
8040.1600	IFC - COILED TUBING	\$.00	8040.1700	IFC - CEMENTING & SERVICES	\$.00
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28		IFC - INSPECTION & TESTING	\$.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00		IFC - ELECTRIC LOGGING/PERFORATING	\$.00
8040.2300	IFC - COMPLETION FLUID	\$.00		IFC - CASING CREW AND TOOLS	\$.00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$5,000.00		IFC - MATERIAL & SUPPLIES	\$.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$150,000.00		IFC - WELLHEAD/FRAC TREE REPAIR	\$.00
			-		1 11

8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$70,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$3,600.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$5,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,900.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00



January 27, 2022

RE: Eric Cartman 6 State Com 604H

SHL: 256' FSL Sec 6, 1960' FEL Sec 6, T22S R35E BHL: 100' FNL Sec 31, 1545' FEL Sec 31, T21S R35E

Lea County, New Mexico

To Whom it May Concern:

#### Please note the corrected well location above.

Centennial Resource Production, LLC ("CRP") proposes to drill and complete the Eric Cartman 6 State 604H as a horizontal well to test the Bone Spring Formation at a TVD of 10,905 feet. The E/2 of the referenced Section 31 and the referenced E/2 of Section 6 will be dedicated to the well as the proration unit being a total of 644.80 acres. Please see the enclosed AFE in the amount of \$7,685,673.00.

Upon your response we will send a Joint Operating Agreement ("JOA") with an effective date of January 1, 2022. The JOA contains a proposed overhead rate of \$8000 per month for drilling and \$800 per month for producing and provides for a 100%/300%/300% non-consent penalty.

In the space provided below, please indicate your election and return one original copy of this letter along with an original copy of the enclosed AFE or email me a copy at Frances. Ivers@cdevinc.com. Should you have any questions, please call me at (720) 499-1505.

Best Regards,

Frances Ivers Land Coordinator

Centennial Resource Production, LLC | 1001 Seventeenth Street, Suite 1800, Denver, Colorado 80202



THE UNDERSIGNED HEREBY ELECTS <u>TO PARTICIPATE</u> IN THE CAPTIONED ERIC CARTMAN 6 STATE COM 604H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this day of	, 2022.
Owner Name:	
Signature:	_
By:	_
Title:	-
THE UNDERSIGNED HEREBY ELECTS NO CARTMAN 6 STATE COM 604H WELLBORE,	T TO PARTICIPATE IN THE CAPTIONED ERIC AND TO GO NONCONSENT.
AGREED TO and ACCEPTED this day of	, 2022.
Owner Name:	
Signature:	
By:	_
Title:	_



# **Authorization for Expenditure**

AFE Number	Original
Drilling Total (\$)	\$3,336,540
Completion Total (\$)	\$3,250,236
Facilities Total (\$)	\$390,727
Flowback Total (\$)	\$708,170
AFE Total (\$)	\$7,685,673

AFE Description				
Property Name	Well: Eric Cartman 6 State Com 604H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - TX	
Scheduled Spud Date	June 30, 2022	Estimated TVD (m)		
Target Zone	TBSG SAND	Estimated MD (m)		

Non Operator A	Non Operator Approval				
Company					
Approved By					
Title					
Date					

# **Cost Estimate**

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$368,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$330,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$29,000.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$74,000.00	8015.2300	IDC - FUEL / POWER	\$84,500.00
8015.2400	IDC - RIG WATER	\$18,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$174,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$60,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$205,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$69,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$6,500.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$49,250.00
8015.3700	IDC - DISPOSAL	\$111,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$48,000.00
8015.4200	IDC - MANCAMP	\$52,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$105,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$13,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$12,562.50
8015.5200	IDC - CONTINGENCY	\$144,102.75	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,000.00
8015.2350	IDC - FUEL/MUD	\$105,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$72,236.72
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$162,435.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$445,134.38	8020.1500	TDC - WELLHEAD EQUIPMENT	\$69,168.75
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$61,750.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

8025.1200	ICC - COMPLETION RIG	\$.00	8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$20,000.00
8025.1500	ICC - FUEL / POWER	\$257,260.00	8025.1600	ICC - COILED TUBING	\$95,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00	8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$14,175.00
8025.1900	ICC - INSPECTION & TESTING	\$.00	8025.2000	ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$275,200.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,705,545.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$141,369.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400	ICC - RENTAL EQUIPMENT	\$200,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$64,800.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00	8025.4200	ICC - CONTINGENCY	\$.00
8025.3050	ICC - SOURCE WATER	\$311,012.00	8025.4400	ICC - COMPANY LABOR	\$.00
Account					
	Description TOO CASING PROPULATION	Total (\$)	8030.1600	Description	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00	8030.2000	TCC - PROD LINER & EQUIPMENT	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	0030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$10,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$5,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$33,000.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$33,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$33,000.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$.00	8035.3400	FAC - METER & LACT	\$.00
8035.3600	FAC - ELECTRICAL	\$10,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$40,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$.00	8035.4500	FAC - CONTINGENCY	\$18,606.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$10,000.00	8035.1800	FAC - FUEL / POWER	\$.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	\$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1310	PLN - PEMANENT EASEMENT	\$12,121.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
8036.1500	PLN - MATERIALS & SUPPLIES		8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1700	PLN - RENTAL EQUIPMENT		8036.1900	PLN - WATER DISPOSAL / SWD	\$.00
8036.2000	PLN - WASTE DISPOSAL	\$.00	8036.2100	PLN - INSPECTION & TESTING	\$.00
8036.2200	PLN - CONTRACT LABOR	\$.00		PLN - FRAC TANK RENTAL	\$.00
8036.2400	PLN - SUPERVISION	\$.00	8036.2500	PLN - CONSULTING SERVICES	\$.00
8036.2700	PLN - PIPELINE	\$.00	8036.2800		\$160,000.00
		<del> </del>		PLN - FLOWLINE	-
8036.2900	PLN - TANK BATTERY	\$.00		PLN - SEPARATOR / SCRUBBER	\$.00
8036.3100	PLN - TREATING EQUIPMENT	\$.00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$.00
8036.3300	PLN - PUMP	\$.00	8036.3400	PLN - METER	\$.00
8036.3500	PLN - COMPRESSOR	\$.00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$.00		PLN - POWER DISTRIBUTION LABOR	\$.00
8036.3700	PLN - AUTOMATION	\$.00		PLN - SAFETY / ENVIRONMENTAL	\$.00
8036.4300	PLN - INSURANCE	\$.00	8036.4400	PLN - COMPANY LABOR	\$.00
8036.4500	PLN - CONTINGENCY	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS	\$.00	8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500	IFC - FUEL / POWER	\$.00
8040.1600	IFC - COILED TUBING	\$.00	8040.1700	IFC - CEMENTING & SERVICES	\$.00
	IFC - FRAC WATER RECOVERY	\$227,470.28	8040.1900	IFC - INSPECTION & TESTING	\$.00
8040.1899					
8040.1899 8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00	8040.2200	IFC - ELECTRIC LOGGING/PERFORATING	\$.00
	IFC - TRUCKING/VACUUM/TRANSP IFC - COMPLETION FLUID	\$20,000.00 \$.00	8040.2200 8040.2400	IFC - ELECTRIC LOGGING/PERFORATING  IFC - CASING CREW AND TOOLS	
8040.2000					\$.00 \$.00 \$.00

8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$70,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$3,600.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$5,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,900.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00



THE UNDERSIGNED HEREBY ELECTS <u>TO PARTICIPATE</u> IN THE CAPTIONED ERIC CARTMAN 6 STATE COM 605H WELLBORE AND TO WAIVE THE NEED FOR A COMPLETION ELECTION.

AGREED TO and ACCEPTED this	day of	, 2022.
Owner Name:		
Signature:		
By:		
Title:		
THE UNDERSIGNED HEREBY ELEC CARTMAN 6 STATE COM 605H WEL		O PARTICIPATE IN THE CAPTIONED ERIC D TO GO NONCONSENT.
AGREED TO and ACCEPTED this	day of	, 2022.
Owner Name:		
Signature:		
By:		
Title:		



# **Authorization for Expenditure**

AFE Number	Original
Drilling Total (\$)	\$3,336,540
Completion Total (\$)	\$3,250,236
Facilities Total (\$)	\$390,727
Flowback Total (\$)	\$708,170
AFE Total (\$)	\$7,685,673

AFE Description				
Property Name	Well: Eric Cartman 6 State Com 605H	State	New Mexico	
AFE Type	Drill and Complete			
Operator	Centennial Resource Production, LLC	Field	Delaware Basin - TX	
Scheduled Spud Date	July 15, 2022	Estimated TVD (m)		
Target Zone	TBSG SAND	Estimated MD (m)		

ion Operator Approvai						
Company						
Approved By						
Title						
Date						

# **Cost Estimate**

Account	Description	Total (\$)	Account	Description	Total (\$)
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00	8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00	8015.1300	IDC - SURFACE DAMAGE / ROW	\$15,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$105,000.00	8015.1500	IDC - RIG MOB / TRUCKING	\$90,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$45,000.00	8015.1700	IDC - DAYWORK CONTRACT	\$368,000.00
8015.1800	IDC - FOOTAGE CONTRACT	\$.00	8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$330,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$29,000.00	8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$74,000.00	8015.2300	IDC - FUEL / POWER	\$84,500.00
8015.2400	IDC - RIG WATER	\$18,000.00	8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$174,000.00
8015.2600	IDC - MUD LOGGING	\$.00	8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$60,000.00
8015.2800	IDC - CORE ANALYSIS	\$.00	8015.2900	IDC - OPEN/CASED HOLE LOGGING	\$.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$205,000.00	8015.3100	IDC - CASING CREW & TOOLS	\$69,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00	8015.3400	IDC - MATERIALS & SUPPLIES	\$6,500.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$18,000.00	8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$49,250.00
8015.3700	IDC - DISPOSAL	\$111,000.00	8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.3900	IDC - FISHING TOOLS & SERVICES	\$.00	8015.4100	IDC - RENTAL EQUIPMENT	\$48,000.00
8015.4200	IDC - MANCAMP	\$52,000.00	8015.4300	IDC - WELLSITE SUPERVISION	\$105,000.00
8015.4400	IDC - SUPERVISION/ENGINEERING	\$.00	8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$13,400.00
8015.4800	IDC - OVERHEAD	\$.00	8015.5000	IDC - WELL CONTROL INSURANCE	\$12,562.50
8015.5200	IDC - CONTINGENCY	\$144,102.75	8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1950	IDC - LOST IN HOLE	\$.00	8015.2150	IDC - DRILL BIT	\$89,000.00
8015.2350	IDC - FUEL/MUD	\$105,000.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8020.1000	TDC - CASING - CONDUCTOR	\$.00	8020.1100	TDC - CASING - SURFACE	\$72,236.72
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$162,435.00	8020.1300	TDC - CASING - INTERMEDIATE 2	\$.00
8020.1400	TDC - CASING - PRODUCTION	\$445,134.38	8020.1500	TDC - WELLHEAD EQUIPMENT	\$69,168.75
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$61,750.00	8020.1800	TDC - CONTINGENCY	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8025.1000	ICC - STAKING & SURVEYING	\$.00	8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00

000E 1000	ICC COMPLETION PIC	1 \$ 00	000E 1400	ICC WIRELING OPENICACED HOLE	\$20,000,00
8025.1200 8025.1500	ICC - COMPLETION RIG  ICC - FUEL / POWER	\$.00	8025.1400 8025.1600	ICC - WIRELINE OPEN/CASED HOLE  ICC - COILED TUBING	\$20,000.00 \$95,000.00
8025.1700	ICC - CEMENTING & SERVICES	\$.00		ICC - WATER DISPOSAL/VACUUM TRUCK	\$14,175.00
8025.1900	ICC - INSPECTION & TESTING	\$.00		ICC - TRUCKING	\$13,125.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$275,200.00	8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2400	ICC - CASING CREW AND TOOLS	\$.00	8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,705,545.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00	8025.3000	ICC - WATER HANDLING	\$141,369.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00	8025.3200	ICC - FISHING TOOLS & SERVICES	\$.00
8025.3300	ICC - COMMUNICATIONS	\$.00	8025.3400	ICC - RENTAL EQUIPMENT	\$200,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$64,800.00	8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00	8025.3800	ICC - OVERHEAD	\$10,000.00
8025.4000	ICC - WELL CONTROL INSURANCE	\$.00		ICC - CONTINGENCY	\$.00
8025.3050	ICC - SOURCE WATER	\$311,012.00	8025.4400	ICC - COMPANY LABOR	\$.00
			-		
Account	Description Too. AACHAO PROPRIOTION	Total (\$)		Description A FOURTH A FOURTH	Total (\$)
8030.1000	TCC - CASING - PRODUCTION	\$.00	8030.1600	TCC - PROD LINER & EQUIPMENT	\$.00
8030.1700	TCC - PACKER/DOWNHOLE TOOLS	\$.00	8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8035.1400	FAC - ROAD LOCATIONS PITS	\$10,000.00	8035.1600	FAC - TRANSPORTATION TRUCKING	\$5,000.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$33,000.00	8035.2400	FAC - SUPERVISION	\$16,000.00
8035.2700	FAC - P-LINE F-LINE LINEPIPE	\$.00	8035.2900	FAC - TANK BATTERY	\$.00
8035.3000	FAC - HEATER TREATER/SEPERATOR	\$33,000.00	8035.3200	FAC - VALVES FITTINGS & PIPE	\$33,000.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$.00	8035.3400	FAC - METER & LACT	\$.00
8035.3600	FAC - ELECTRICAL	\$10,000.00	8035.3700	FAC - COMM TELEMETRY & AUTOMAT	\$40,000.00
8035.3800	FAC - FLARE/COMBUSTER	\$.00	8035.4500	FAC - CONTINGENCY	\$18,606.00
8035.1300	FAC - SURFACE DAMAGE / ROW	\$.00	8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$10,000.00	8035.1800	FAC - FUEL / POWER	\$.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$.00	8035.2000	FAC - WASTE DISPOSAL	\$.00
8035.2100	FAC - INSPECTION & TESTING	\$.00	8035.2300	FAC - FRAC TANK RENTAL	\$.00
8035.2500	FAC - CONSULTING SERVICES	\$.00	8035.2600	FAC - INJECTION PUMP	\$.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$.00	8035.3500	FAC - COMPRESSOR	\$.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$5,000.00	8035.4100	FAC - OVERHEAD	\$.00
8035.4300	FAC - INSURANCE	\$.00	8035.1310	FAC - PEMANENT EASEMENT	\$.00
8035.4400	FAC - COMPANY LABOR	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8036.1000	PLN - PERMITS LICENSES ETC	\$.00	8036.1100	PLN - STAKING & SURVEYING	\$.00
8036.1200	PLN - LEGAL TITLE SERVICES	\$.00	8036.1300	PLN - SURFACE DAMAGE / ROW	\$.00
8036.1310	PLN - PEMANENT EASEMENT	\$12,121.00	8036.1400	PLN - ROAD LOCATIONS PITS	\$.00
8036.1500	PLN - MATERIALS & SUPPLIES	\$.00	8036.1600	PLN - TRANSPORTATION TRUCKING	\$.00
8036.1700	PLN - RENTAL EQUIPMENT	\$.00	8036.1900	PLN - WATER DISPOSAL / SWD	\$.00
8036.2000	PLN - WASTE DISPOSAL	\$.00	8036.2100	PLN - INSPECTION & TESTING	\$.00
8036.2200	PLN - CONTRACT LABOR	\$.00	8036.2300	PLN - FRAC TANK RENTAL	\$.00
8036.2400	PLN - SUPERVISION	\$.00	8036.2500	PLN - CONSULTING SERVICES	\$.00
8036.2700	PLN - PIPELINE	\$.00	8036.2800	PLN - FLOWLINE	\$160,000.00
8036.2900	PLN - TANK BATTERY	\$.00	8036.3000	PLN - SEPARATOR / SCRUBBER	\$.00
8036.3100	PLN - TREATING EQUIPMENT	\$.00	8036.3200	PLN - VALVES FITTINGS & PIPE	\$.00
8036.3300	PLN - PUMP	\$.00	8036.3400	PLN - METER	\$.00
8036.3500	PLN - COMPRESSOR	\$.00	8036.3600	PLN - ELECTRICAL SUPPLIES	\$.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$.00	8036.3620	PLN - POWER DISTRIBUTION LABOR	\$.00
8036.3700	PLN - AUTOMATION	\$.00	8036.4000	PLN - SAFETY / ENVIRONMENTAL	\$.00
8036.4300	PLN - INSURANCE	\$.00	8036.4400	PLN - COMPANY LABOR	\$.00
8036.4500	PLN - CONTINGENCY	\$.00			
Account	Description	Total (\$)	Account	Description	Total (\$)
8040.1100	IFC - ROADS LOCATIONS / PITS		8040.1200	IFC - COMPLETION RIG	\$9,200.00
8040.1400	IFC - WIRELINE OPEN/CASED HOLE	\$5,500.00	8040.1500	IFC - FUEL / POWER	\$.00
8040.1600	IFC - COILED TUBING	\$.00	8040.1700	IFC - CEMENTING & SERVICES	\$.00
8040.1899	IFC - FRAC WATER RECOVERY	\$227,470.28		IFC - INSPECTION & TESTING	\$.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00		IFC - ELECTRIC LOGGING/PERFORATING	\$.00
8040.2300	IFC - COMPLETION FLUID	\$.00		IFC - CASING CREW AND TOOLS	\$.00
8040.2600	IFC - CONTRACT LABOR/ROUSTABOUT	\$5,000.00		IFC - MATERIAL & SUPPLIES	\$.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$150,000.00		IFC - WELLHEAD/FRAC TREE REPAIR	\$.00
			-		1 11

8040.3200	IFC - FISHING TOOLS & SERVICES	\$.00	8040.3400	IFC - RENTAL EQUIPMENT	\$70,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$3,600.00	8040.3700	IFC - SAFETY / ENVIRONMENTAL	\$5,000.00
8040.4200	IFC - CONTINGENCY	\$.00	8040.4400	IFC - COMPANY LABOR	\$.00
8040.4500	IFC - SWABBING	\$.00	8040.2500	IFC - WELL STIMULATION/FRACTURE	\$.00
Account	Description	Total (\$)	Account	Description	Total (\$)
8045.1100	TFC - TUBING	\$65,000.00	8045.1200	TFC - SUCKER RODS & ACCESSORY	\$.00
8045.1300	TFC - DOWNHOLE ARTIFICIAL LIFT EQPT	\$25,000.00	8045.1500	TFC - SUBSURFACE PUMPS	\$.00
8045.1600	TFC - PROD LINER & EQUIPMENT	\$.00	8045.1700	TFC - PACKER/DOWNHOLE TOOLS	\$8,500.00
8045.1900	TFC - PUMPING UNITS /SURFACE LIFT EQUIPMENT	\$.00	8045.2000	TFC - WELLHEAD EQUIPMENT	\$18,900.00
8045.2500	TFC - VALVES / CONNECTIONS / FITINGS	\$40,000.00	8045.3100	TFC - MEASURMENT EQUIPMENT	\$15,000.00
8045.3200	TFC - COMM, TELEMETRY & AUTOMATION	\$.00	8045.3400	TFC - CONTRACTOR LABOR INSTALL	\$40,000.00
8045.3500	TFC - CONTINGENCY	\$.00	8045.4400	TFC - COMPANY LABOR	\$.00

## Eric Cartman 6 State Com #601H - #603H

Date	Action
	Began research of all lands in spacing unit as well as owner addresses and contact
April 8, 2021	information
October 1, 2021	Discussed planned development with ConocoPhillips
January 20, 2022	Discussed planned development with Alpha Energy Partners
January 27, 2022	Sent initial well proposals for Eric Cartman 6 State Com #601H, #602H & #603H
February 7, 2022	Contacted Rodger Seale regarding working interest
February 7, 2022	Contacted Fall Creek San Angelo regarding working interest
March 1, 2022	Attempted to contact various working interest owners
March 8, 2022	Filed for compulsory pooling hearing
March 22, 2022	Sent ConocoPhillips an Operating Agreement to review
March 24, 2022	Sent Jerry Gahr and Fuel Products an Operating Agreement to review

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C6
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688

# Eric Cartman 6 State Com #604H - #605H

Date	Action
	Began research of all lands in spacing unit as well as owner addresses and contact
April 8, 2021	information
February 2, 2022	Sent initial well proposals for Eric Cartman 6 State Com #601H, #602H & #603H
March 1, 2022	Attempted to contact various working interest owners
March 8, 2022	Filed for compulsory pooling hearing
March 24, 2022	Sent Jerry Gahr and Fuel Products an Operating Agreement to review

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

APPLICATIONS OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22627-22628

### AFFIDAVIT OF J. ALEXANDRA SLOAN

- J. Alexandra Sloan, of lawful age and being first duly sworn, declares as follows:
- 1. My name is J. Alexandra Sloan, but I go by Ali. I work for Centennial Resource Production, LLC ("Centennial") as a geologist.
- 2. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My resume is attached as Centennial Exhibit D-1. I graduated with a Bachelor of Arts Degree in geology with honors from The College of Wooster in 2009. I graduated from the University of Colorado at Boulder with a Master of Science in geology in May 2012. I expect to obtain a Master's in Business Administration in December 2022 from St. Edward's University. I started my career in petroleum geology interning with Marathon Oil Corporation in 2010, and then as an operations and development geologist from 2011 through 2015 with a focus on the Bakken. I moved to Parsley Energy, LLC in 2016 with a focus on the Midland Basin and Delaware Basin. In early 2021, I joined Centennial as a Senior Project Geoscientist in the Delaware Basin and am responsible for planning, development, formation evaluation and geologic interpretation across Lea County, New Mexico and Reeves County, Texas. I believe that my education and work experience qualify me to testify as an expert in matters of BEFORE THE OIL CONSERVATION DIVISION petroleum geology. Santa Fe, New Mexico

**Exhibit No. D** Submitted by: Centennial Resource Production, LLC Hearing Date: April 7, 2022

Case Nos. 22687-22688

- 3. I am familiar with the application filed by Centennial in these cases and I have conducted a geologic study of the lands in the subject area.
- 4. Centennial is targeting the Bone Spring formation in these consolidated cases.
- 5. Centennial Exhibit D-2 is a locator map. It shows Centennial's acreage in yellow and the paths of the proposed wellbores, with the surface hole and bottom hole locations, as well as the outline of the proposed spacing units in each case.
- 6. Centennial Exhibit D-3 is a subsea structure map that I prepared off the Third Bone Spring Sand formation. The contour interval is 50 feet. The structure map shows the Bone Spring dipping gently to the southwest. The structure appears consistent across the proposed wellbore paths. Based on this subsea structure map, I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted interval with horizontal wells in this area.
- 7. Centennial Exhibit No. D-4 shows a line of cross-section in blue consisting of three wells penetrating the Bone Spring formation that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.
- 8. Centennial Exhibit No. D-5 is a stratigraphic cross-section that I prepared displaying open-hole logs run over the Bone Spring from the four representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target interval is labeled and marked. The logs in the cross-section demonstrate that the target interval, within the Third Bone Spring, is consistent in thickness, across the entire spacing unit.

- 9. Centennial Exhibit No. D-5 also includes a purple line at 10,388 feet. It marks the top of the portion of the Bone Spring interval that Centennial seeks to pool in Case No. 22628. Specifically, in that case Centennial seeks to create a spacing unit that is limited in depth from 10,388 feet to the base of the Bone Spring formation. A partially overlapping spacing unit operated by Centennial is dedicated to the E/2 of Section 6 (and the NE/4 of Section 7). Two horizontal wells are already producing within the Second Bone Spring interval in that acreage. They are the Carne Asada State Com 501H (API 30-025-46021) and the Carne Asada State Com 502H (API 30-025-46331). Centennial therefore seeks to exclude those well from the spacing unit in Case No. 22628. Centennial plans to develop the shallower portions of the Bone Spring formation in Section 31 in a different spacing unit at a later time.
- 10. In my opinion, the stand-up orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to develop the subject acreage efficiently and effectively.
- 11. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing units proposed in these cases.
- 12. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and the granting of Centennial's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

13. Centennial Exhibit Nos. D-1 through D-5 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

	al A
J. ALEXAN	IDRA SLOAN

STATE OF COLORADO )
COUNTY OF DENVER )

SUBSCRIBED and SWORN to before me this \_\_\_\_\_\_ day of April 2022 by J. Alexandra Sloan.

NOTARY PUBLIC

My Commission Expires:

11-16-2025

CARL J MESSINA III NOTARY PUBLIC - STATE OF COLORADO NOTARY ID 20174047486 MY COMMISSION EXPIRES NOV 16, 2025

## J. Alexandra "Ali" Sloan

371 S. Kearney St., Denver, CO 80224 . ali@sloanmail.com . 832-269-9694

#### SUMMARY

Senior geologist with 10 years experience in unconventional drilling operations, field development, seismic interpretation and 3D modeling in multiple basins including Midland, Delaware, Williston and Piceance. Self-motivated leader with mentorship experience and excellent communication and organizational skills. Excels at team building and cross-discipline interactions while working on multi-faceted teams. Problem solver, creative thinker, and ability to implement data at multiple scales.

#### **EDUCATION**

St. Edward's University – Expected August 2022

**Master of Business Administration** 

#### University of Colorado at Boulder - May 2012

Master of Science, Geology

Thesis: Stratigraphic architecture and connectivity of low net-to-gross fluvial system: Combining outcrop analogs and multiple-point geostatistical modeling, lower Williams Fork Formation, Piceance Basin, Colorado

#### The College of Wooster - May 2009

#### **Bachelors of Arts, Geology - Honors**

Senior Independent Study: Formation of the Hjallin Lens: a quantitative study of extrusive igneous rocks using crystal size distribution and conductive cooling models, Vatnsdalur, Iceland

#### **EXPERIENCE**

#### Centennial Resource Development, February 2021 - Present

- Delaware Basin Senior Project Geoscientist February 2021-Present
  - o Counties worked: Reeves County, TX; Lea County, NM
  - Responsible for planning, development, formation evaluation, and geologic interpretation across acreage position in Lea County, NM and Reeves County, TX

#### Parsley Energy, LLC, Austin, TX, - July 2016 - February 2021

- Midland Basin Team Senior Operations and Development Geologist April 2019-February 2021
  - o Counties worked: Martin, Howard, Glasscock, Upton and Reagan
  - Oversee implementation of development plans for 10+ well developments from creation to post completion totaling approximately \$80-100 million per development successfully drilling 30+ wells in 10 months
  - o Spearhead data trades and in-person knowledge shares between companies
  - o Successfully carry out 2 pilot hole logging and side wall coring programs
- Delaware Basin Team Operations and Development Geologist July 2016 April 2019
  - o Counties worked: Pecos and Reeves
  - Manage development plans and implementation for 2 horizontal drilling rigs drilling more than 20 horizontal wells in 3 years
  - o Interpret 1200 feet of whole core and tie with well logs and seismic
  - o Create 3D earth model of structurally complex area
  - o Successfully carry out 2 pilot hole logging and coring programs

#### Marathon Oil Corporation, Houston, TX, September 2011 – September 2015

- Bakken Asset Team Development Geologist, January 2013 September 2015
  - o Oversee 165 company operated Bakken/Three Forks wells;
  - o Create a cross-functional 3-year rig schedule
  - o Testify monthly to North Dakota Industrial Commission
  - o Execute 2 data acquisition projects including whole coring and open hole wireline logging
  - o Mentor intern summer 2014; intern received/accepted full-time offer
- Bakken Asset Team Operations Geologist, September 2011 January 2013

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D1
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022

Case Nos. 22687-22688

- o Geosteer 40 wells in the Middle Bakken and Three Forks formations
- o Prepare geologic prognosis for each well, communicate daily with on-site geologist and company man to make decisions on how to steer, calculate dip, etc.
  - Prepare pre-frac documents to interpret fracture corridors from gas profiles and make recommendations for well protection during fracs in conjunction with reservoir and production engineers
- Marathon Oil Corporation, Houston, TX, May 2010 August 2010 o

World Wide Exploration Unconventionals, Geoscience Intern

#### University of Colorado at Boulder, Boulder, CO August 2009 – August 2011

o Research Assistant in the Reservoir Characterization and Modeling Laboratory

#### TECHNOLOGY EXPERIENCE

- Kingdom
- Petra
- Geographix
- Petrel
- ArcGIS

- Spotfire
- Starsteer
- Boresight
- Pason
- Drilling Info

- JewelSuite
- Microsoft Office Suite
- Windows and OSX

#### PROFESSIONAL AFFILIATIONS

American Association of Petroleum Geologists (AAPG)

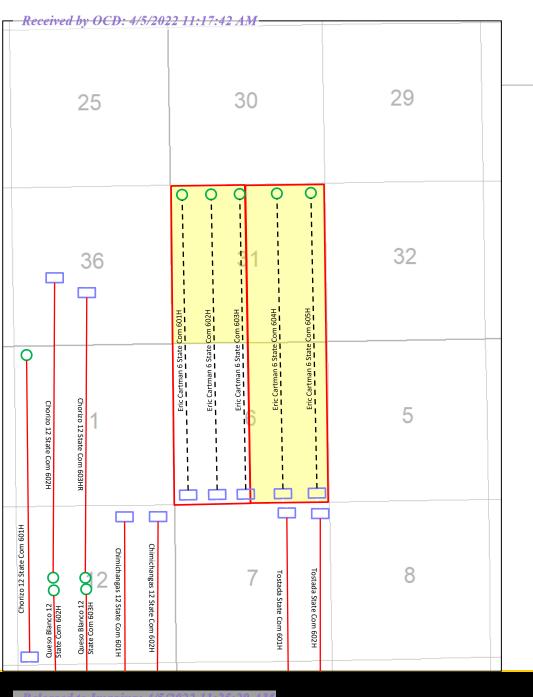
- HoD Delegate for Austin Geological Society, August 2020-2021
- Associate Editor AAPG Bulletin, July 2019-Present
- IMAGE 2021, 2022
  - O History of Petroleum Geology Technical Session Co-Chair
- Unconventional Resources Technology Conference
  - o Technical Theme co-chair, 2019, 2020, 2021, 2022
  - o Technical session co-chair, 2018, 2020, 2021, 2022
  - O Abstract presenter, 2017
- Young Professionals Field Trip Leader
  - O Annual Conference 2019 & 2020
- Student Chapter Committee Chair, September 2015 May 2018
  - o Host Global Student Chapter Leadership Summit at ACE
  - o Oversee all liaisons both international and domestic
- Student Chapter Committee Domestic Vice-Chair, May 2015 September 2015
  - Oversee all liaisons within each section of the United States
  - O Assist in hosting Global Student Chapter Leadership Summit
- Student Chapter Committee Gulf-Coast Liaison, May 2013 May 2015
  - Plan 2-day agenda and host a local student chapter leadership summit yearly
  - o Review 15 student chapter reports and nominate top 3 for awards
- Distinguished Lecture Committee Student Member, May 2010-May 2012

#### Austin Women in Oil and Gas

- Vice-President, 2019-2021
- Secretary, 2017-2019

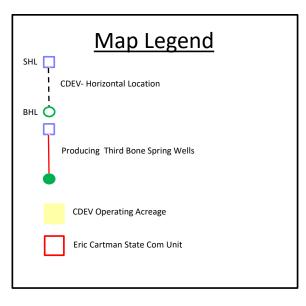
#### **VOLUNTEER ACTIVITIES**

Carson Elementary PTA - Secretary 2021-2022

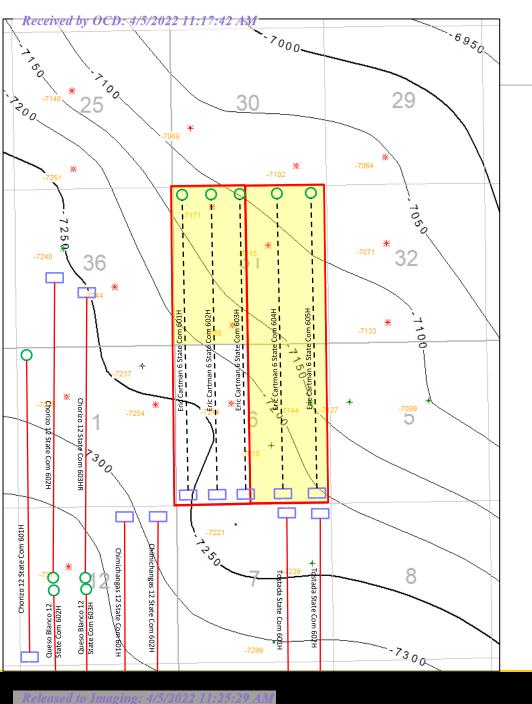


Bone Spring Pool

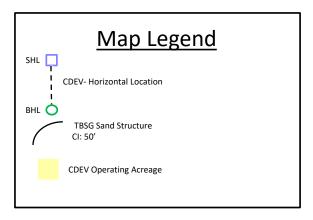
Eric Cartman 601H, 602H, 603H, 604H, 605H



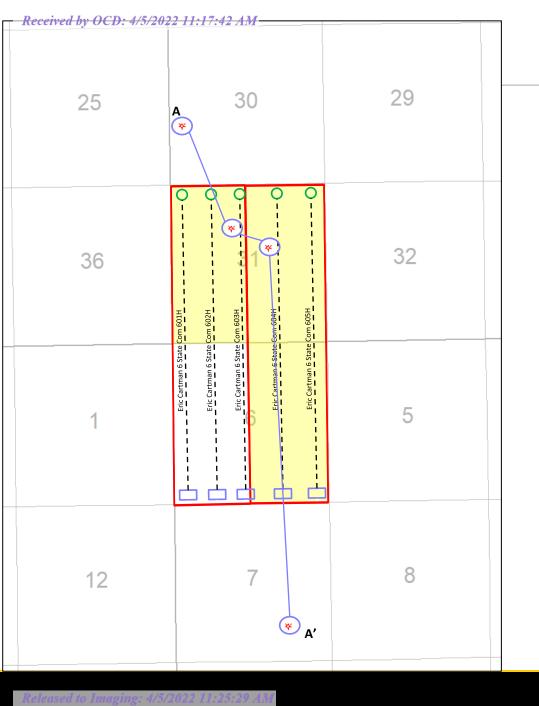
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D2
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688



# Bone Spring Pool TBSG Sand Structure Grid

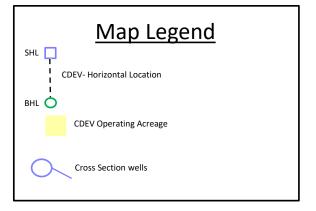


BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D3
Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688



Cross Section TBSG Pools of 77

Eric Cartman 601H, 602H, 603H, 604H, 605H



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. D4

Submitted by: Centennial Resource Production, LLC

Hearing Date: April 7, 2022 Case Nos. 22687-22688

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

APPLICATIONS OF CENTENNIAL RESOURCE PRODUCTION, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

**CASE NOS. 22687-22688** 

# **AFFIDAVIT**

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

Adam G. Rankin, attorney in fact and authorized representative of Centennial Resource Production, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 4th day of April, 2022 by Adam G. Rankin.

My Commission Expires:

Nov. 12, 2023

OFFICIAL SEAL
Carla Garcia
NOTARY PUBLIC-STATE OF NEW MEXICO
My Commission Expires: Nov-12/2023

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Centennial Resource Production, LLC

Submitted by: Centennial Resource Production, LLC Hearing Date: April 7, 2022 Case Nos. 222687-22688

#### BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D5

Exhibit No. D5

Submitted by: Centennial Resource Production, LLC

New Mexico DA State-2
Hearing Date: April 7, 2022
State GC-1

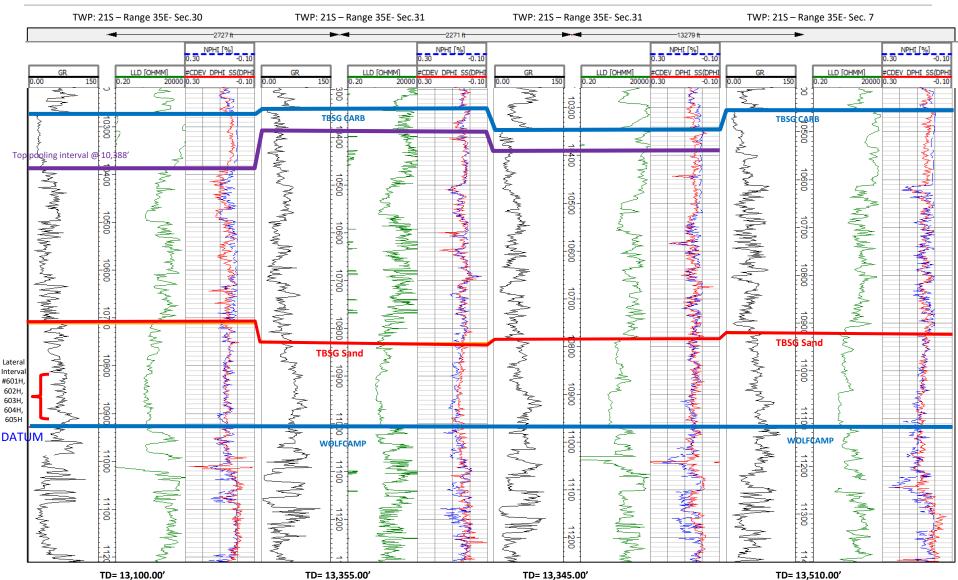
arex Energy Co. of Colorado
Case Nos. 22687-22688
Amoco Prod. Co.

Page 70 of 77

Merchant A Com-1 VF Petroleum Inc. 30025276870000 New Mexico DA State-3 Gruy Pet Mgmt. Co. 30025365590000

Cimarex Energy Co. of Colorado 30025276610000

Amoco Prod. Co. 30025265590000





Adam G. Rankin Phone (505) 988-4421 agrankin@hollandhart.com

March 18 2022

# **VIA CERTIFIED MAIL** CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Centennial Resource Production, LLC for Compulsory Pooling, Lea County, New Mexico.

Eric Cartman State Com #601H-603H wells

Ladies & Gentlemen:

This letter is to advise you that Centennial Resource Production, LLC, has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on April 7, 2022 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Gavin Smith, at (720) 499-1474, or Gavin.Smith@cdevinc.com.

Sincerely,

Adam G. Rankin

ATTORNEY FOR CENTENNIAL RESOURCE PRODUCTION, LLC



Adam G. Rankin Phone (505) 988-4421 agrankin@hollandhart.com

March 18, 2022

# **VIA CERTIFIED MAIL** CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Centennial Resource Production, LLC for Compulsory

Pooling, Lea County, New Mexico.

Eric Cartman State Com #604H-605H wells

Ladies & Gentlemen:

This letter is to advise you that Centennial Resource Production, LLC, has filed the enclosed application with the New Mexico Oil Conservation Division.

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Sincerely,

Adam G. Rankin

ATTORNEY FOR CENTENNIAL RESOURCE

PRODUCTION, LLC

# Centennial - Cartman 601H-603 Case No. 22687 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered to the front desk,
0.44.04.4000765044.07044.6		16000 0 1 0			77004 4000	reception area, or mail room at 12:20 pm on
9414811898765841878416	ConocoPhillips Company Attn Land Department	16930 Park Row	Houston	TX	77084-4920	March 22, 2022 in HOUSTON, TX 77084.
						Your item was picked up at a postal facility at
044 4044 0007650 44 070545	606.0	COO MA IIII' 1 - A	National Control	T.,	70704 4002	8:14 am on March 23, 2022 in MIDLAND, TX
9414811898765841878515	COG Operating, LLC	600 W Illinois Ave	Midland	TX	79701-4882	Your item arrived at the SANTA FE, NM 87504
						post office at 7:36 am on March 26, 2022 and is
9414811898765841878553	Craig Richon	PO Box 11005	Midland	TX	70702 9005	ready for pickup.
3414611636703641676333	Craig bishop	FO BOX 11003	Iviiuiaiiu	17	79702-8003	Your item was delivered to an individual at the
						address at 1:59 pm on March 22, 2022 in
9414811898765841878560	Craig Rishon	3420 56th St	Lubbock	TX	79413-4747	LUBBOCK, TX 79413.
3111011030703011070300	Clark Bishop	3 120 30(11 3)	Labbook	170	73113 17 17	Your item was delivered to an individual at the
						address at 12:44 pm on March 22, 2022 in SAN
9414811898765841878522	Fall Creek of San Angelo	3009 Alta Vista Ln	San Angelo	TX	76904-7401	ANGELO, TX 76904.
	, , , , , , , , , , , , , , , , , , ,					Your package will arrive later than expected, but
						is still on its way. It is currently in transit to the
9414811898765841878508	Fall Creek of San Angelo	3619 S Jackson St	San Angelo	TX	76904-5511	next facility.
						Your item arrived at the SANTA FE, NM 87504
						post office at 7:36 am on March 26, 2022 and is
9414811898765841878591	Henry Hwang	PO Box 11005	Midland	TX	79702-8005	ready for pickup.
						Your item was delivered to an individual at the
						address at 2:43 pm on March 22, 2022 in SUGAR
9414811898765841878546	Henry Hwang	4810 Burbury St	Sugar Land	TX	77479-3989	LAND, TX 77479.
						Your item arrived at the SANTA FE, NM 87504
						post office at 7:36 am on March 26, 2022 and is
9414811898765841878584	Jan Parsley Sheffield Trust	PO Box 11005	Midland	TX	79702-8005	ready for pickup.
						Your item was delivered at 9:35 am on March 23,
9414811898765841878539	Lynn Parsley Maxwell Trust	PO Box 11005	Midland	TX	79702-8005	2022 in MIDLAND, TX 79701.
						Your item arrived at the SANTA FE, NM 87504
0444044000765044070577	Datas Ital	DO D 1100F	N 4: -UI	TV	70702 0005	post office at 7:36 am on March 26, 2022 and is
9414811898765841878577	Patco, Ltd	PO Box 11005	Midland	TX	79702-8005	ready for pickup.  Your item was picked up at a postal facility at
						8:14 am on March 23, 2022 in MIDLAND, TX
0/1/0110007650/1070/5/	ConocoPhillips Company Attn Jennifer Midkiff	600 W Illinois Ave	Midland	TX	79701-4882	
3414011030703041070434	Conocorninips Company Attir Jenniner Mildkin	OUG W IIIIIIOIS AVE	IVIIUIAIIU	17	13/01-4002	Your item departed our COPPELL TX
						DISTRIBUTION CENTER destination facility on
						March 31, 2022 at 3:53 am. The item is currently
9414811898765841877211	Patco, I td	7797 Caruth Blvd	Dallas	TX	75225	in transit to the destination.
3.1.311330, 330.137,7211		Caracii Bira	Danas	170	, 3223	This is a reminder to arrange for redelivery of
						your item or your item will be returned to
9414811898765841877259	Patco, Ltd	416 Justice St	Cedar Hill	TX	75104-9077	, ,
					-	

# Centennial - Cartman 601H-603 Case No. 22687 Postal Delivery Report

						Your item was delivered to an individual at the
						address at 2:18 pm on March 22, 2022 in
9414811898765841877266	Rodney L. Seale	4908 Pinecroft Dr	Farmington	NM	87402-5217	FARMINGTON, NM 87402.
						Your item was delivered at 1:16 pm on March 23,
9414811898765841877228	Calmetto, II Ltd.	PO Box 11107	Midland	TX	79702-8107	2022 in MIDLAND, TX 79701.
						This is a reminder to arrange for redelivery of
						your item or your item will be returned to
9414811898765841877204	Dakota Resources, Inc.	4914 N Midkiff Rd	Midland	TX	79705-2515	sender.
						Your package will arrive later than expected, but
						is still on its way. It is currently in transit to the
9414811898765841877297	Pogar Petroleum	PO Box 10095	Midland	TX	79702-7095	next facility.
						Your item was delivered at 1:16 pm on March 23,
9414811898765841877242	The S Family Partners, Ltd.	PO Box 11106	Midland	TX	79702-8106	2022 in MIDLAND, TX 79701.
						Your item was returned to the sender on March
						22, 2022 at 9:04 am in NEW YORK, NY 10111
9414811898765841877280	Grewal Royalty LLC	45 Rockefeller Plz	New York	NY	10111-0100	because of an incomplete address.
						Your item was delivered to an individual at the
						address at 11:51 am on March 22, 2022 in
9414811898765841877235	Elk Range Royalty	2850 N Harwood St	Dallas	TX	75201-2640	DALLAS, TX 75201.
						Your item was delivered to the front desk,
						reception area, or mail room at 3:55 pm on
9414811898765841877273	Chevron U.S.A., Attn Land Department	6301 Deauville	Midland	TX	79706-2964	March 22, 2022 in MIDLAND, TX 79706.
						Your item was picked up at a postal facility at
						1:57 pm on March 25, 2022 in HOUSTON, TX
9414811898765841878461	Chevron U.S.A. Inc.	1400 Smith St	Houston	TX	77002-7327	
						Your item was delivered at 1:24 pm on March 22,
9414811898765841878423	Fuel Products, Inc.	PO Box 3098	Midland	TX	79702-3098	2022 in MIDLAND, TX 79701.
						Your item was delivered at 1:24 pm on March 22,
9414811898765841878409	Gahr Energy Company	PO Box 1889	Midland	TX	79702-1889	2022 in MIDLAND, TX 79701.
						Your package will arrive later than expected, but
						is still on its way. It is currently in transit to the
9414811898765841878492	Mark K. Nearburg	710 Dragon	Lakeway	TX	78734-4353	next facility.
						Your item was delivered at 3:37 pm on March 23,
9414811898765841878447	Alpha Energy Partners, LLC	PO Box 10701	Midland	TX	79702-7701	2022 in MIDLAND, TX 79701.
						Your item arrived at the SANTA FE, NM 87504
						post office at 7:36 am on March 26, 2022 and is
9414811898765841878430	Barry Hopkins	PO Box 11005	Midland	TX	79702-8005	ready for pickup.
						Your item arrived at the SANTA FE, NM 87504
						post office at 8:32 am on March 28, 2022 and is
9414811898765841878478	Barry Hopkins	1228 E Cypresswood Dr	Spring	TX	77373	ready for pickup.

#### Centennial - Cartman 604H-605H Case No. 22688 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was picked up at a postal facility at 1:57 pm on
9414811898765841878065	Chevron U.S.A. Inc.	1400 Smith St	Houston	TX	77002-7327	March 25, 2022 in HOUSTON, TX 77002.
						Your item was delivered at 1:24 pm on March 22, 2022 in
9414811898765841878027	Fuel Products, Inc.	PO Box 3098	Midland	TX	79702-3098	MIDLAND, TX 79701.
						Your item was delivered at 1:24 pm on March 22, 2022 in
9414811898765841878003	Gahr Energy Company	PO Box 1889	Midland	TX	79702-1889	MIDLAND, TX 79701.
						Your package will arrive later than expected, but is still on
9414811898765841878096	Mark K. Nearburg	710 Dragon	Lakeway	TX	78734-4353	its way. It is currently in transit to the next facility.
						Your item was returned to the sender on March 22, 2022
						at 9:04 am in NEW YORK, NY 10111 because of an
9414811898765841878041	Grewal Royalty LLC	45 Rockefeller Plz	New York	NY	10111-0100	incomplete address.
						Your item was delivered to an individual at the address at
9414811898765841878034	Elk Range Royalty	2850 N Harwood St	Dallas	TX	75201-2640	11:51 am on March 22, 2022 in DALLAS, TX 75201.
						Your item was delivered to the front desk, reception area,
						or mail room at 3:55 pm on March 22, 2022 in MIDLAND,
9414811898765841878072	Chevron U.S.A., Attn Land Department	6301 Deauville	Midland	TX	79706-2964	TX 79706.

v . . . . .

# **Affidavit of Publication**

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated March 22, 2022 and ending with the issue dated March 22, 2022.

Publisher

Sworn and subscribed to before me this 22nd day of March 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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

#### LEGAL NOTICE March 22, 2022

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, April 7, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene Salvidrez@state.nm.us. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than March 27, 2022.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e7a826ddc565491e5572809154e64648d Event number: 2483 816 0092 Event password: mJKbXvy44W2

Join by video: 24838160092@nmemnrd.webex.com Numeric Password: 468428 You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 2483 816 0092

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

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

To: All interest owners subject to pooling proceedings, including: ConocoPhillips Company; Chevron U.S.A. Inc.; Fuel Products, Inc.; Gahr Energy Company; Mark K. Nearburg, his heirs and devisees; Alpha Energy Partners, LLC; Barry Hopkins, his heirs and devisees; COG Operating, LLC; Craig Bishop, his heirs and devisees; Fall Creek of San Angelo; Henry Hwang, his heirs and devisees; Jan Parsley Sheffield Trust; Lynn Parsley Maxwell Trust; Patco, Ltd; Rodney L. Seale, his heirs and devisees; Calmetto, Il Ltd.; Dakota Resources, Inc.; Pogar Petroleum; The "S" Family Partners, Ltd.; Grewal (Royalty) LLC; and Elk Range Royalty.

Case No. 22687: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of irregular Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed following wells: Eric Cartman 6 State Com #601H well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 7) of irregular Section 6, to a bottom hole location in the NW/4 NW/4 (Lot 1) of irregular Section 31; the Eric Cartman 6 State Com #602H well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 7) of irregular Section 6, to a bottom hole location in the NE/4 NW/4 (Unit C) of irregular Section 31; and the Eric Cartman 6 State Com #603H well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NE/4 NW/4 (Unit C) of irregular Section 31. The completed interval of the proposed Eric Cartman 6 State Com #602H well will remain within 330 feet of the quarter-quarter line separating the E/2 W/2 from the W/2 W/2 of irregular Sections 6 and 31, to allow inclusion of this acreage into a standard horizontal well spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles west of Eunice, New Mexico.

67100754

00264945

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

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F

Submitted by: Centennial Resource Production, LLC
Hearing Date: April 7, 2022
Case Nos. 22687-22688

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Business Manager

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(Seal)

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Join by video: 24838160092@nmemnrd.webex.com

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Join by audio: 1-844-992-4726 United States Toll Free Access code: 2483 816 0092

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

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To: All interest owners subject to pooling proceedings, including: Chevron U.S.A. Inc.; Fuel Products, inc.; Gahr Energy Company; Mark K. Nearburg, his heirs and devisees; Grewal (Royalty) LLC; and Elk Range Royalty.

Case No. 22688: Application of Centennial Resource Production, LLC for compulsory pooling, Lea Case No. 22688: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) approving a standard 640-acre, more or less, horizontal spacing unit in a portion of the Bone Spring formation from a depth of 10,388 feet to the base of the Bone Spring formation, comprised of the E/2 of irregular Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests within such acreage. Said horizontal spacing unit is to be dedicated to the proposed following wells: the Eric Cartman 6 State Com #604H well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NW/4 NE/4 (Unit B) of irregular Section 31; and the Eric Cartman 6 State Com #605H well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NE/4 NE/4 (Unit A) of irregular Section 31. The completed interval of the proposed Eric Cartman 6 State Com #604H well will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of irregular Sections 6 and 31, to allow inclusion of this acreage into a standard horizontal well spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, the actual operating costs and charges for and completing the wells and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles west of Eunice, New Mexico.

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