

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

**APPLICATIONS OF REDWOOD OPERATING
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 22627-22628

NOTICE OF SUPPLEMENTAL EXHIBITS

Redwood Operating LLC provides notice that it is submitting the following attached supplemental exhibits. First, attached is a revised Compulsory Pooling Checklist for Case No. 22628 (Redwood Exhibit A), which includes the attorney signature. Second, attached is a replacement ownership schedule for the proposed Kaiser 18 #4H Well in Case No. 22628 found in Redwood Exhibit C-3 to reflect that the only uncommitted party that Redwood is now seeking to pool is Sabinal Energy Operating LLC in Case No. 22628. If the parties execute an agreed form of joint operating agreement, Redwood will notify the Division that Case No. 22628 may be dismissed. Third, is a replacement Redwood Exhibit E, which includes a revised affidavit of notice with an updated postal service report and attachments. Also attached, in response to the Examiner's request, Pecos Oil & Gas, LLC has prepared an affidavit, attached as Redwood Exhibit G. The affidavit confirms that it is a mineral owner in the proposed spacing unit in Case No. 22628, has a right to drill thereon, and authorized Redwood Operating LLC to propose wells, operate wells, and manage Pecos Oil & Gas, LLC's working interests and leasehold rights. That authorization includes the right to file compulsory pooling applications to force pool uncommitted owners, on behalf of Pecos Oil & Gas, LLC.

Respectfully submitted,

HOLLAND & HART LLP



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

ATTORNEYS FOR REDWOOD OPERATING LLC

CERTIFICATE OF SERVICE

I hereby certify that on May 3, 2022, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Blake C. Jones
Steptoe & Johnson PLLC
1780 Hughes Landing Blvd., Suite 750
The Woodlands, TX 77380
TEL: (281) 203-5730
FAX: (281) 203-5701
blake.jones@steptoe-johnson.com

Attorney for Sabinal Energy Operating, LLC

Ernest L. Padilla
Padilla Law Firm, P.A.
Post Office Box 2523
Santa Fe, New Mexico 87504
(505) 988-7577
padillalawnm@outlook.com

Attorney for Ann Landrith Holdings, LLC



Adam G. Rankin

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22628	APPLICANT'S RESPONSE
Date	April 7, 2022
Applicant	Redwood Operating LLC
Designated Operator & OGRID (affiliation if applicable)	330211
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF REDWOOD OPERATING LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	Sabinal Energy Operating, LLC
Well Family	Kaiser 18
Formation/Pool	
Formation Name(s) or Vertical Extent:	Yeso formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	From 3,001 feet to base of Yeso
Pool Name and Pool Code:	Redlake; Glorieta-Yeso (Pool Code 51120)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	200 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	200 acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	East to West
Description: TRS/County	<p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Revised Exhibit No. A Submitted by: Ameredev Hearing Date: May 05, 2022 Case Nos. 22627-22628</p> SW/4 NW/4 of Section 18, Township 18 South, Range 27 East, and the S/2 N/2 of Section 13, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Yes; From 3,001 feet to base of Yeso
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Kaiser 18 #4H well SHL: SE/4 NW/4 (Unit F) of Section 18 Township 18 South, Range 27 East. BHL: SW/4 NW/4 (Unit E) of Section 13, Township 18 South, Range 26 East. Completion Target: Blinebry within the Yeso Completion Status: Expected to be standard
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-2
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	Exhibit D-3
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4, C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5

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-3, D-4
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-3, D-4
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-4
HSU Cross Section	Exhibit D-4
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-3
General Location Map (including basin)	Exhibit D-1
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-4
Additional Information	
Special Provisions/Stipulations	
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:	4-Apr-22

Exhibit C-3
 Kaiser 18 #4H
 REVISED Ownership
 Schedule

Name	Interest Type	Working Interest	Fee Mineral
Tract 1 - S2NW4 Section 13, T18S-R26E - 80 acres			
Pecos Oil & Gas LLC	Working Interest	0.85733910	
Sabinal Energy Operating LLC	Working Interest	0.07488080	
Hoya Energy LP	Working Interest	0.06778010	
Ann Landrith Holdings LLC	Fee Mineral		0.66666667
Roscommon LLC	Fee Mineral		0.16666667
AmeriPermian Holdings LLC	Fee Mineral		0.16666667
Total:		1.00000000	1.00000000
Tract 2 - SW4NE4 Section 13, T18S-R26E - 40 acres			
Pecos Oil & Gas LLC	Working Interest	0.89026082	
Sabinal Energy Operating LLC	Working Interest	0.05760063	
Hoya Energy LP	Working Interest	0.05213855	
Ann Landrith Holdings LLC	Fee Mineral		0.66666667
Roscommon LLC	Fee Mineral		0.16666667
AmeriPermian Holdings LLC	Fee Mineral		0.16666667
Total:		1.00000000	1.00000000
Tract 3 - SE4NE4 Section 13, T18S-R26E - 40 acres			
Pecos Oil & Gas LLC	Working Interest	0.89026082	
Sabinal Energy Operating LLC	Working Interest	0.05760063	
Hoya Energy LP	Working Interest	0.05213855	
Robert H Henry			0.33333333
Jefferson Law Firm PLLC			0.33333333
Emmerson Family LLC			0.16666667
Teresa Hume-Burtis, Trustee			0.16666667
Total:		1.00000000	1.00000000
Tract 4 - SW4NW4 Section 18, T18S-R27E - 40 acres			
Pecos Oil & Gas LLC	Working Interest	1.00000000	
Robert H Henry			0.33333333
Jefferson Law Firm PLLC			0.33333333
Emmerson Family LLC			0.16666667
Teresa Hume-Burtis, Trustee			0.16666667
Total:		1.00000000	1.00000000
Owners to be Pooled in 200.00 acre spacing unit			
Sabinal Energy Operating LLC	Working Interest	0.0529926	
Total:		0.0529926	

Owners NOT being Pooled			
Pecos Oil & Gas LLC	Working Interest	0.8990400	
Hoya Energy LP	Working Interest	0.04796740	
Ann Landrith Holdings LLC	Fee Mineral		0.05
Roscommon LLC	Fee Mineral		0.0125

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Replacement Exhibit No. C-3
 Submitted by: Ameredev
 Hearing Date: May 05, 2022
 Case Nos. 22627-22628

Exhibit C-3
Kaiser 18 #4H
Ownership Schedule

AmeriPermian Holdings LLC	Fee Mineral		0.0125
Robert H Henry	Fee Mineral		0.0166667
Jefferson Law Firm PLLC	Fee Mineral		0.0166667
Emmerson Family LLC	Fee Mineral		0.0083333
Teresa Hume-Burtis, Trustee	Fee Mineral		0.0083333
Total:		0.9470074	0.125
Total Working & Mineral Interest:		1.0000000	0.1250000

SUBSCRIBED AND SWORN to before me this 2nd day of May, 2022 by Adam G.

Rankin.



Notary Public

My Commission Expires:

Nov. 12, 2023

STATE OF NEW MEXICO
NOTARY PUBLIC
CARLA GARCIA
COMMISSION # 1127528
COMMISSION EXPIRES 11/12/2023



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

March 18, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Redwood Operating LLC for compulsory pooling, Eddy County, New Mexico: Kaiser 18 #1H well

Ladies & Gentlemen:

This letter is to advise you that Redwood Operating 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. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

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 at the Division’s Santa Fe office at the above specified address 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 Derick Smith at (575) 627-3477 or dericksmith@redwoodoperating.com.

Sincerely,

Adam G. Rankin
ATTORNEY FOR REDWOOD OPERATING LLC

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming



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

March 18, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: VERTICAL OFFSETS IN POOL

Re: Application of Redwood Operating LLC for compulsory pooling, Eddy County, New Mexico: Kaiser 18 #1H well

Ladies & Gentlemen:

This letter is to advise you that Redwood Operating 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. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

Your interest is not being pooled by this application. You are receiving this notice because you own an interest in the Yeso formation that is not being included in the horizontal spacing unit. 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 at the Division's Santa Fe office at the above specified address 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 Derick Smith at (575) 627-3477 or dsmith@elkhornlandandtitle.com.

Sincerely,

Adam G. Rankin
ATTORNEY FOR REDWOOD OPERATING LLC

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agrarkin@hollandhart.com

March 18, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Redwood Operating LLC for compulsory pooling, Eddy County, New Mexico: Kaiser 18 #4H well

Ladies & Gentlemen:

This letter is to advise you that Redwood Operating 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. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

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 at the Division’s Santa Fe office at the above specified address 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 Derick Smith at (575) 627-3477 or dericksmith@redwoodoperating.com.

Sincerely,

Adam G. Rankin
ATTORNEY FOR REDWOOD OPERATING LLC

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Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Redwood_Kaiser 18 1H Shallow
Case no. 22627 Postal Delivery Report

TrackingNo	Name	Address_1	City	State	Zip	USPS_Status
9414811898765841871141	Billy & Betty Norwood	PO Box 1029	Malakoff	TX	75148-1029	Your item was picked up at the post office at 11:37 am on March 22, 2022 in MALAKOFF, TX 75148.
9414811898765841871189	Maroon Creek, LLC	PO Box 6759	Snowmass Village	CO	81615-6759	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765841871134	Ann Landrith Holdings, LLC	PO Box 3363	Tulsa	OK	74101-3363	Your item was picked up at the post office at 1:13 pm on March 31, 2022 in TULSA, OK 74103.
9414811898765841871172	Roscommon LLC	3028 Quail Creek Rd	Oklahoma City	OK	73120-1916	Your item was delivered to an individual at the address at 2:04 pm on March 22, 2022 in OKLAHOMA CITY, OK 73120.
9414811898765841871318	AmeriPermian Holdings LLC	1733 Woodstead Ct Ste 206	The Woodlands	TX	77380-3401	Your item was delivered to an individual at the address at 12:21 pm on March 22, 2022 in SPRING, TX 77380.

Redwood_Kaiser 18 1H Vertical Offset
Case no. 22627 Postal Delivery Report

TrackingNo	Name	Address_1	City	State	Zip	USPS_Status
9414811898765841871356	Sabinal Energy Operating, LLC	1780 Hughes Landing Blvd Ste 1200	The Woodlands	TX	77380-4024	Your item has been delivered to an agent for final delivery in SPRING, TX 77380 on March 22, 2022 at 10:28 am.
9414811898765841871363	Hoya Energy LP	26203 Monarch Meadow Ct	Katy	TX	77494-0748	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765841871325	Norwood Oil Company	PO Box 1029	Malakoff	TX	75148-1029	Your item was picked up at the post office at 11:37 am on March 22, 2022 in MALAKOFF, TX 75148.

Redwood_Kaiser 18 4H
Case no. 22628 Postal Delivery Report

TrackingNo	Name	Address_1	City	State	Zip	USPS_Status
9414811898765841871301	Sabinal Energy Operating, LLC	1780 Hughes Landing Blvd Ste 1200	The Woodlands	TX	77380-4024	Your item has been delivered to an agent for final delivery in SPRING, TX 77380 on March 22, 2022 at 10:28 am.
9414811898765841871028	AmeriPermian Holdings LLC	1733 Woodstead Ct Ste 206	The Woodlands	TX	77380-3401	Your item was delivered to an individual at the address at 12:21 pm on March 22, 2022 in SPRING, TX 77380.
9414811898765841871394	Hoya Energy LP	26203 Monarch Meadow Ct	Katy	TX	77494-0748	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765841871349	Norwood Oil Company	PO Box 1029	Malakoff	TX	75148-1029	Your item was picked up at the post office at 11:37 am on March 22, 2022 in MALAKOFF, TX 75148.
9414811898765841871387	Billy & Betty Norwood	PO Box 1029	Malakoff	TX	75148-1029	Your item was picked up at the post office at 11:37 am on March 22, 2022 in MALAKOFF, TX 75148.
9414811898765841871332	Lenea F. Weatherford	5014 Sherwood Dr	Midland	TX	79707-1562	Your item was delivered to an individual at the address at 9:50 am on March 22, 2022 in MIDLAND, TX 79707.
9414811898765841871370	Edward L. & Nicholi Johnson	17910 Terranova West Dr	Spring	TX	77379-7950	Your item was delivered to an individual at the address at 11:21 am on March 22, 2022 in SPRING, TX 77379.
9414811898765841871011	R.K. Moore	5718 Paradise Ridge Dr	West Bend	WI	53095-8779	Your item was delivered to an individual at the address at 12:52 pm on March 25, 2022 in WEST BEND, WI 53095.
9414811898765841871059	Ann Landrith Holdings, LLC	PO Box 3363	Tulsa	OK	74101-3363	Your item was picked up at the post office at 1:13 pm on March 31, 2022 in TULSA, OK 74103.
9414811898765841871066	Roscommon LLC	3028 Quail Creek Rd	Oklahoma City	OK	73120-1916	Your item was delivered to an individual at the address at 2:04 pm on March 22, 2022 in OKLAHOMA CITY, OK 73120.

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

APPLICATIONS OF REDWOOD
OPERATING LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22627-22628

AFFIDAVIT OF JUSTIN TELTSCHIK

Justin Teltschik, of lawful age and being first duly sworn, declares as follows:

1. My name is Justin Teltschik. I am the co-managing member of Pecos Oil & Gas, LLC. I am familiar with the applications filed in these cases and have personal knowledge of the information provided in this affidavit.

2. Pecos Oil & Gas, LLC is a foreign limited liability company registered in Delaware with a principal place of business at 1455 West Loop South, Suite 230, Houston, Texas. It is registered to do business in New Mexico through the New Mexico Secretary of State and is in good standing.

3. Pecos Oil & Gas, LLC is a working interest owner in each of the tracts that comprise the proposed horizontal spacing units in these cases. As a working interest owner, Pecos Oil & Gas, LLC has a right to drill wells in the subject acreage.

4. However, Pecos Oil & Gas, LLC is not an operator of oil and gas wells or other oil and gas facilities in New Mexico. Therefore, it does not have an OGRID number and is not a bonded or registered operator through the New Mexico Oil Conservation Division.

5. Pecos Oil & Gas, LLC has therefore contracted with Redwood Operating LLC to propose wells, operate wells, operate Pecos Oil & Gas, LLC's working interests, and generally act on behalf of Pecos Oil & Gas, LLC to manage its leasehold interests in New Mexico.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Supplemental Exhibit No. G
Submitted by: Ameredev
Hearing Date: May 05, 2022
Case Nos. 22627-22628

6. Redwood Operating LLC is a domestic limited liability company with a principal place of business at 11344 Lovington Highway, Artesia, New Mexico.

7. As part of its contractual agreement with Redwood Operating LLC, Pecos Oil & Gas, LLC authorized Redwood Operating LLC to propose the wells and to file the applications that are the subject of these compulsory pooling proceedings on its behalf. Redwood Operating LLC is also authorized to manage Pecos Oil & Gas, LLC's leasehold interests that are the subject of these cases.

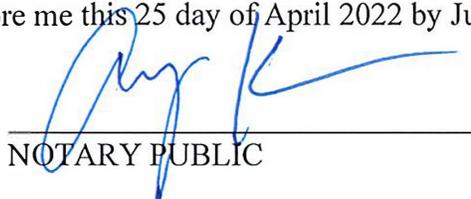
8. Accordingly, Redwood Operating LLC has a right to propose, drill, and operate wells on the subject acreage, as well as to file compulsory pooling applications to force pool uncommitted owners, on behalf of Pecos Oil & Gas LLC.

FURTHER AFFIANT SAYETH NAUGHT.


Justin Teltschik

STATE OF TEXAS)
)
COUNTY OF HARRIS)

SUBSCRIBED and SWORN to before me this 25 day of April 2022 by Justin Teltschik.


NOTARY PUBLIC

My Commission Expires:

02/04/2025

