

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

**APPLICATION OF ADVANCE ENERGY
PARTNERS HAT MESA, LLC TO AMEND
ORDER NO. R-21852 TO EXTEND TIME TO
COMPLETE DRILLING OPERATIONS,
LEA COUNTY, NEW MEXICO.**

CASE NO. 23185

EXHIBIT INDEX

Exhibit A	Self-Affirmed Statement of Lizzy Laufer
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A-2	Order No. R-21852
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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF ADVANCE ENERGY
PARTNERS HAT MESA, LLC TO AMEND
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COMPLETE DRILLING OPERATIONS,
LEA COUNTY, NEW MEXICO.

CASE NO. 23185

SELF-AFFIRMED STATEMENT
OF LIZZY LAUFER

1. I am a Landman with Advance Energy Partners Hat Mesa, LLC (“Advance”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in this case. Copies of the application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties in this case indicated opposition to this matter proceeding by affidavit; therefore I do not expect any opposition at hearing.

4. The Division issued Order No. R-21852 (“Order”) in Case No. 22106 on September 22, 2021. The Order approved a 360-acre, more or less, standard horizontal spacing unit within the Wolfcamp formation underlying the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and E/2 NE/4 of Section 25, Township 21 South, Range 32 East in Lea County, New Mexico (“Unit”), and designated Advance as the operator of the Unit.

5. The Order further pooled all uncommitted interests within the WC-025 G-10 S2133280; WOLFCAMP pool (Pool Code 98033) underlying the Unit and dedicated the Unit to

Advance Energy Partners Hat Mesa, LLC
Case No. 23185
Exhibit A

the Margarita Federal Com #20H and #24H wells (“Wells”). A copy of the Order is attached as **Exhibit A-2**.

6. Paragraph 19 of the Order required Advance to commence drilling the Wells within one year of the Order and complete the Wells no later than one year thereafter unless Advance obtains a time extension from the Division Director for good cause shown.

7. Advance timely commenced drilling the Wells on June 19, 2022 but requires additional time to complete the Wells. The Margarita 13 Fed Com project consists of 21 wells, with 10 of the wells being subject to compulsory pooling orders. To promote optimal development and the integrity of the wellbores, Advance must conclude drilling operations on all 21 wells before commencing completion operations. Approval of the completion extension will provide sufficient time for Advance to drill the 21-well project back-to-back, which will increase productivity and prevent economic waste. As a result, good cause exists to extend the time for Advance to complete the Wells.

8. Advance requests the Division amend the Order to extend the deadline for Advance to complete the Wells until June 19, 2024.

9. Advance further requests that the other provisions of the Order remain in force and effect.

10. Advance is in good standing under the Division’s rules and regulations.

11. In my opinion, the granting of Advance’s application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

12. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

13. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.



Lizzy Laufer

11/14/22

Date

**STATE OF NEW MEXICO
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LEA COUNTY, NEW MEXICO.**

CASE NO. 23185

APPLICATION

Advance Energy Partners Hat Mesa, LLC (“Advance”) (OGRID No. 372417), through its undersigned attorneys, files this application with the Oil Conservation Division (“Division”) requesting that the Division amend Order No. R-21852 to extend the deadline to complete drilling operations until June 19, 2024. In support of its application, Advance states the following.

1. The Division issued Order No. R-21852 (“Order”) in Case No. 22106 on September 22, 2021. The Order approved a 360-acre, more or less, standard horizontal spacing unit within the Wolfcamp formation underlying the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and E/2 NE/4 of Section 25, Township 21 South, Range 32 East in Lea County, New Mexico (“Unit”), and designated Advance as the operator of the Unit.

2. The Order further pooled all uncommitted interests within the WC-025 G-10 S2133280; WOLFCAMP pool (Pool Code 98033) underlying the Unit and dedicated the Unit to the Margarita Federal Com #20H, and #24H wells (“Wells”).

3. Paragraph 19 of the Order required Advance to commence drilling the Wells within one year of the Order and complete the Wells no later than one year thereafter unless Advance obtains a time extension from the Division Director for good cause shown.

4. Advance timely commenced drilling the Wells on June 19, 2022 but requires additional time to complete the Wells. The Margarita 13 Fed Com project consists of 21 wells,

**Advance Energy Partners Hat Mesa, LLC
Case No. 23185
Exhibit A-1**

with 10 of the wells being subject to compulsory pooling orders. To promote optimal development and the integrity of the wellbores, Advance must conclude drilling operations on all 21 wells before commencing completion operations. Approval of the completion extension will provide sufficient time for Advance to drill the 21-well project back-to-back, which will increase productivity and prevent economic waste.

5. Accordingly, Advance requests that the Division amend the Order to extend the deadline for Advance to complete the Wells until June 19, 2024.

WHEREFORE, Advance requests that this application be set for hearing on December 1, 2022, and after notice and hearing as required by law, the Division amend Order No. R-21852 to extend the deadline for Advance to complete drilling the Wells until June 19, 2024.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn McLean

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

ypena@hinklelawfirm.com

Counsel for Advance Energy Partners Hat Mesa, LLC

Application of Advance Energy Partners Hat Mesa, LLC to Amend Order No. R-21852 to Extend Time to Complete Drilling Operations, Lea County, New Mexico. Advance Energy Partners Hat Mesa, LLC (“Advance”) seeks an order amending Order No. R-21852 (“Order”) to extend the deadline to complete drilling operations until June 19, 2024. The Order approved a 360-acre, more or less, standard horizontal spacing unit within the Wolfcamp formation underlying the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and E/2 NE/4 of Section 25, Township 21 South, Range 32 East in Lea County, New Mexico (“Unit”), and designated Advance as operator of the Unit. The Order further pooled all uncommitted interests within the WC-025 G-10 S2133280; WOLFCAMP pool (Pool Code 98033) underlying the Unit and dedicated the Unit to the Margarita Federal Com #20H, and #24H wells (“Wells”). The Order required Advance to commence drilling the Wells within one year of the Order and complete the Wells no later than one year thereafter unless Advance obtains a time extension from the Division Director for good cause shown. Advance requests that the Division amend the Order to extend the deadline for Advance to complete the Wells until June 19, 2024. The Wells are located approximately 27 miles west of Eunice, New Mexico.

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
ADVANCE ENERGY PARTNERS HAT MESA, LLC**

**CASE NO. 22106
ORDER NO. R-21852**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on September 9, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

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

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

**Advance Energy Partners Hat Mesa, LLC
Case No. 23185
Exhibit A-2**

10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

CASE NO. 22106
ORDER NO. R-21852

Page 2 of 6

election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

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

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL
DIRECTOR

AES/jag

Date: 9/22/2021

CASE NO. 22106
ORDER NO. R-21852

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Exhibit A

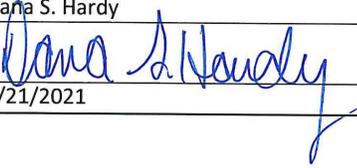
Page 2 of 3

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case No.:	22106
Hearing Date:	9/9/2021
Applicant	Advance Energy Partners Hat Mesa, LLC
Designated Operator & OGRID	OGRID # 372417
Applicant's Counsel	Hinkle Shanor LLP
Case Title	Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors	ConocoPhillips Company
Well Family	Margarita
Formation/Pool	
Formation Name(s) or Vertical Extent	Wolfcamp
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	Wolfcamp
Pool Name and Pool Code	WC-025 G-10 S2133280; WOLFCAMP pool (98033)
Well Location Setback Rules	Statewide
Spacing Unit Size	360 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	360 acres
Building Blocks	quarter-quarter
Orientation	Standup
Description: TRS/County	SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and E/2 NE/4 of Section 25, Township 21 South, Range 32 East in 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
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	-
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	Margarita Federal Com #20H (API # pending) SHL: S13-T21S-R32E 460 FNL, 675' FEL BHL: S25-T21S-R32E 2540 FNL, 330 FEL Completion Target: Wolfcamp formation TVD: Approx. 11900'
Well #2	Margarita Federal Com #24H (API # pending) SHL: S13-T21S-R32E 460 FNL, 741 FEL (Unit A) BHL: S25-T21S-R32E 2540 FNL, 660 FEL (Unit H) Completion Target: Wolfcamp formation TVD: Approx. 12100'
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
FE Capex and Operating Costs	
Drilling Supervision/Month \$	8,000
Production Supervision/Month \$	800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%

Received by OCD: 9/21/2021 4:46:58 PM

Released to Imaging: 9/22/2021 8:29:00 AM

Page 3 of 3

Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-6
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-7
Ownership Determination	
Land Ownership Schematic of Spacing Unit	Exhibit A-3
Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit A-3
Ownership Depth Severance	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	
Date:	9/21/2021

Received by OCD: 9/21/2021 4:40:58 PM

Released to Imaging: 9/22/2021 8:29:00 AM

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

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CASE NO. 23185

SELF-AFFIRMED STATEMENT
OF DANA S. HARDY

1. I am attorney in fact and authorized representative of Advance Energy Partners Hat Mesa, LLC, the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit B-1** and caused the Notice Letter to be sent to the parties set out in the chart attached as **Exhibit B-2**.

3. The above-referenced Application was provided, along with the Notice Letters, to the recipients listed in Exhibit B-2.

4. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received.

5. Copies of the certified mail green cards and white slips are attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.

6. On November 16, 2022, I caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, along with a copy of the notice publication, is attached as **Exhibit B-4**.

7. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dana S. Hardy
Dana S. Hardy

November 28, 2022
Date

Advance Energy Partners Hat Mesa, LLC
Case No. 23185
Exhibit B



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:
Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

November 8, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 23185 - Application of Advance Energy Partners Hat Mesa, LLC to Amend Order No. R-21852 to Extend Time to Complete Drilling Operations, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **December 1, 2022** beginning at 8:15 a.m.

Hearings are currently conducted remotely. 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.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.state.nm.us/ocd/ocdpermitting/>) or via e-mail to ocd.hearings@emnrd.nm.gov 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.

Please contact Lizzy Laufer, via email at llaufer@ameredev.com if you have any questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Advance Energy Partners Hat Mesa, LLC
Case No. 23185
Exhibit B-1

Enclosure

PO BOX 10
ROSWELL, NEW MEXICO 88202
(575) 622-6510
FAX (575) 623-9332

7601 JEFFERSON ST NE · SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

PO BOX 2068
SANTA FE, NEW MEXICO 87504
(505) 982-4554
FAX (505) 982-8623

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CASE NO. 23185

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Marathon Oil Permian LLC 990 Town & Country Blvd. Houston, Texas 77024	11/08/22	11/21/22
Veritas Permian Resources III, LLC P.O. Box 10850 Fort Worth, Texas 76114	11/08/22	11/21/22

**Advance Energy Partners Hat Mesa, LLC
Case No. 23185
Exhibit B-2**

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$ _____
 Return Receipt (hardcopy) \$ _____
 Return Receipt (electronic) \$ _____
 Certified Mail Restricted Delivery \$ _____
 Adult Signature Required \$ _____
 Adult Signature Restricted Delivery \$ _____

Postage \$ _____
 Total Postage and Fees \$ _____

Marathon Oil Permian LLC
 990 Town & Country Blvd.
 Houston, Texas 77024
 23185 Advance Energy – Margarita Re-Open (R-21852)

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7020 0090 0000 0867 3691



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p style="text-align: center;">Marathon Oil Permian LLC 990 Town & Country Blvd. Houston, Texas 77024</p> <p style="text-align: center; font-size: 0.8em;">23185 Advance Energy – Margarita Re-Open (R-21852)</p> <p style="text-align: center;">9590 9402 7543 2098 9504 48</p> <p>2. Article Number (Transfer from service label)</p> <p style="text-align: center; font-size: 1.2em;">7020 0090 0000 0867 3691</p>	<p>A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p> <p>D. Is delivery address different from item? <input type="checkbox"/> Yes If Yes, enter delivery address below: <input type="checkbox"/> No</p> <p style="text-align: center; font-size: 1.5em; font-weight: bold; color: black;">RECEIVED</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">NOV 21 2022</p> <p style="text-align: center;">Hinkle Shanor LLP Santa Fe NM 87504</p> <p>3. Service Type</p> <table style="width: 100%; font-size: 0.8em;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Collect on Delivery Restricted Delivery		<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
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PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt																

Advance Energy Partners Hat Mesa, LLC
Case No. 23185
Exhibit B-3

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
November 16, 2022
and ending with the issue dated
November 16, 2022.



Publisher

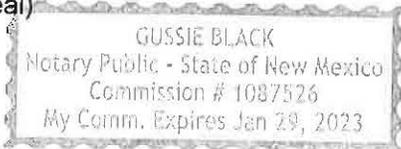
Sworn and subscribed to before me this
16th day of November 2022.



Business Manager

My commission expires
January 29, 2023

(Seal)



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
November 16, 2022

This is to notify all interested parties, including Marathon Oil Permian LLC; Veritas Permian Resources III, LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Advance Energy Partners Hat Mesa, LLC (Case No. 23185) ("Advance"). The hearing will be conducted remotely on December 1, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Advance applies for an order amending Order No. R-21852 ("Order") to extend the deadline to complete drilling operations until June 19, 2024. The Order approved a 360-acre, more or less, standard horizontal spacing unit within the Wolfcamp formation underlying the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and E/2 NE/4 of Section 25, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"), and designated Advance as operator of the Unit. The Order further pooled all uncommitted interests within the WC-025 G-10 S2133280; WOLFCAMP pool (Pool Code 98033) underlying the Unit and dedicated the Unit to the Margarita Federal Com #20H, and #24H wells. The Order required Advance to commence drilling the wells within one year of the Order and complete the wells no later than one year thereafter unless Advance obtains a time extension from the Division Director for good cause shown. Advance requests that the Division amend the Order to extend the deadline for Advance to complete the wells until June 19, 2024. The wells are located approximately 27 miles west of Eunice, New Mexico.
#00273170

02107475

00273170

GILBERT
HINKLE, SHANOR LLP
PO BOX 2068
SANTA FE, NM 87504

**Advance Energy Partners Hat Mesa, LLC
Case No. 23185
Exhibit B-4**