BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING JULY 20, 2023

APPLICATION OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 23448:

Mighty Pheasant 5-8 Fed Com 204H Well Mighty Pheasant 5-8 Fed Com 304H Well

Case No. 23449:

Mighty Pheasant 5-8 Fed Com 301H Well

Case No. 23450:

Mighty Pheasant 5-8 Fed Com 302H Well

Case No. 23451:

Mighty Pheasant 5-8 Fed Com 303H Well

CIMAREX ENERGY CO.

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

APPLICATION OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No.	23448

APPLICATION

Cimarex Energy Co. ("Cimarex"), OGRID No. 215099, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, Section 70-2-17, seeking an order (1) establishing a standard 320.09-acre, more or less, spacing and proration unit comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a stratigraphic equivalent of 9,373 feet (that being the top of 1st Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by same Well, that being the base of the Bone Spring formation, designated as an oil pool, underlying said unit. Section 5 is an irregular section with correction Lots.

In support of its Application, Cimarex states the following:

- 1. Cimarex is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.
- 2. Cimarex proposes and dedicates to the HSU the **Mighty Pheasant 5-8 Fed Com 204H Well** and the **Mighty Pheasant 5-8 Fed Com 304H Well**, as the initial wells, to be drilled to a sufficient depth to test the Bone Spring formation.

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- 3. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 204H Well,** an oil well, to be horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 32, Township 19 South, Range 34 East, NMPM, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 20 South, Range 34 East, NMPM.
- 4. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 304H Well,** an oil well, to be horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 32, Township 19 South, Range 34 East, NMPM, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 20 South, Range 34 East, NMPM.
- 5. The proposed wells are orthodox in their locations, and the take points and completed intervals comply with setback requirements under the statewide rules.
 - 6. Cimarex's review of the land records did not reveal any overlapping units.
- 7. Cimarex has sought in good faith but has been unable to obtain voluntary agreement from all interest owners to participate in the drilling of the wells or the commitment of their interests to the wells for their development within the proposed HSU.
- 8. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 9. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Cimarex requests that all uncommitted interests in this HSU be pooled and that Cimarex be designated the operator of the proposed horizontal wells and HSU.

WHEREFORE, Cimarex requests that this Application be set for hearing on April 6, 2023, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Establishing a standard 320.09-acre, more or less, spacing and proration unit comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and

the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New

Mexico;

B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying

the proposed HSU;

C. Approving the Mighty Pheasant 5-8 Fed Com 204H Well and the Mighty

Pheasant 5-8 Fed Com 304H Well as the wells for the HSU.

D. Designating Cimarex as operator of this HSU and the horizontal wells to be drilled

thereon;

E. Authorizing Cimarex to recover its costs of drilling, equipping, and completing the

wells;

F. Approving actual operating charges and costs of supervision, to the maximum

extent allowable, while drilling and after completion, together with a provision adjusting the rates

pursuant to the COPAS accounting procedures; and

G. Setting a 200% charge for the risk assumed by Cimarex in drilling and completing

the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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Attorneys for Cimarex Energy Co.

Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 320.09-acre, more or less, horizontal spacing and proration unit comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. Section 5 is an irregular section containing correction lots. The proposed wells to be dedicated to the horizontal spacing unit are the Mighty Pheasant 5-8 Fed Com 204H Well and the Mighty Pheasant 5-8 Fed Com 304H Well, both oil wells, to be horizontally drilled from surface locations in the SW/4 SE/4 (Unit O) of Section 32, Township 19 South, Range 34 East, NMPM, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 8, Township 20 South, Range 34 East, NMPM. The wells will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 40 miles northeast of Carlsbad, New Mexico.

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

APPLICATION OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No.	23449

APPLICATION

Cimarex Energy Co. ("Cimarex"), OGRID No. 215099, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, Section 70-2-17, seeking an order (1) establishing a standard 320.01-acre, more or less, spacing and proration unit comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a stratigraphic equivalent of 9,373 feet (that being the top of 1st Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by same Well, that being the base of the Bone Spring formation, designated as an oil pool, underlying said unit. Section 5 is an irregular section with correction Lots.

In support of its Application, Cimarex states the following:

- 1. Cimarex is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.
- 2. Cimarex proposes and dedicates to the HSU the **Mighty Pheasant 5-8 Fed Com 301H Well,** as the initial well, to be drilled to a sufficient depth to test the Bone Spring formation.

- 3. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 301H Well,** an oil well, to be horizontally drilled from a surface location in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8.
- 4. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under the statewide rules.
 - 5. Cimarex's review of the land records did not reveal any overlapping units.
- 6. Cimarex has sought in good faith but has been unable to obtain voluntary agreement from all interest owners to participate in the drilling of the well or the commitment of their interests to the well for their development within the proposed HSU.
- 7. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 8. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Cimarex requests that all uncommitted interests in this HSU be pooled and that Cimarex be designated the operator of the proposed horizontal well and HSU.

WHEREFORE, Cimarex requests that this Application be set for hearing on April 6, 2023, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Establishing of a standard 320.01-acre, more or less, spacing and proration unit comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico;
- B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU.

- C. Approving the **Mighty Pheasant 5-8 Fed Com 301H Well** as the well for the HSU.
- D. Designating Cimarex as operator of this HSU and the horizontal well to be drilled thereon;
- E. Authorizing Cimarex to recover its costs of drilling, equipping, and completing the well;
- F. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- G. Setting a 200% charge for the risk assumed by Cimarex in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

ABADIE & SCHILL, PC

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Attorneys for Cimarex Energy Co.

Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 320.01-acre, more or less, horizontal spacing and proration unit comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. Section 5 is an irregular section containing correction lots. The proposed well to be dedicated to the horizontal spacing unit is the Mighty Pheasant 5-8 Fed Com 301H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 40 miles northeast of Carlsbad, New Mexico.

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

APPLICATION OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No.	23450

APPLICATION

Cimarex Energy Co. ("Cimarex"), OGRID No. 215099, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, Section 70-2-17, seeking an order (1) establishing a standard 320.04-acre, more or less, spacing and proration unit comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a stratigraphic equivalent of 9,373 feet (that being the top of 1st Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by same Well, that being the base of the Bone Spring formation, designated as an oil pool, underlying said unit. Section 5 is an irregular section with correction Lots.

In support of its Application, Cimarex states the following:

- 1. Cimarex is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.
- Cimarex proposes and dedicates to the HSU the Mighty Pheasant 5-8 Fed Com
 302H Well, as the initial well, to be drilled to a sufficient depth to test the Bone Spring formation.

- 3. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 302H Well,** an oil well, to be horizontally drilled from a surface location in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8.
- 4. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under the statewide rules.
 - 5. Cimarex's review of the land records did not reveal any overlapping units.
- 6. Cimarex has sought in good faith but has been unable to obtain voluntary agreement from all interest owners to participate in the drilling of the well or the commitment of their interests to the well for their development within the proposed HSU.
- 7. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 8. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Cimarex requests that all uncommitted interests in this HSU be pooled and that Cimarex be designated the operator of the proposed horizontal well and HSU.

WHEREFORE, Cimarex requests that this Application be set for hearing on April 6, 2023, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Establishing a standard 320.04-acre, more or less, spacing and proration unit comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico;
- B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU;

- C. Approving the **Mighty Pheasant 5-8 Fed Com 302H Well** as the well for the HSU.
- D. Designating Cimarex as operator of this HSU and the horizontal well to be drilled thereon;
- E. Authorizing Cimarex to recover its costs of drilling, equipping, and completing the well;
- F. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- G. Setting a 200% charge for the risk assumed by Cimarex in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

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Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320.04-acre, more or less, horizontal spacing and proration unit comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. Section 5 is an irregular section containing correction lots. The proposed well to be dedicated to the horizontal spacing unit is the Mighty Pheasant 5-8 Fed Com 302H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 40 miles northeast of Carlsbad, New Mexico.

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

APPLICATION OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No.	23451
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APPLICATION

Cimarex Energy Co. ("Cimarex"), OGRID No. 215099, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, Section 70-2-17, seeking an order (1) establishing a standard 320.06-acre, more or less, spacing and proration unit comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a stratigraphic equivalent of 9,373 feet (that being the top of 1st Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by same Well, that being the base of the Bone Spring formation, designated as an oil pool, underlying said unit. Section 5 is an irregular section with correction Lots.

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 303H Well, as the initial well, to be drilled to a sufficient depth to test the Bone Spring formation.

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- 3. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 303H Well,** an oil well, to be horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 32, Township 19 South, Range 34 East, NMPM, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 8, Township 20 South, Range 34 East, NMPM.
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A. Establishing a standard 320.06-acre, more or less, spacing and proration unit comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico;

- B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU;
 - C. Approving the **Mighty Pheasant 5-8 Fed Com 303H Well** as the well for the HSU.
- D. Designating Cimarex as operator of this HSU and the horizontal well to be drilled thereon;
- E. Authorizing Cimarex to recover its costs of drilling, equipping, and completing the well;
- F. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- G. Setting a 200% charge for the risk assumed by Cimarex in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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Attorneys for Cimarex Energy Co.

Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 320.06-acre, more or less, horizontal spacing and proration unit comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. Section 5 is an irregular section containing correction lots. The proposed well to be dedicated to the horizontal spacing unit is the Mighty Pheasant 5-8 Fed Com 303H Well, an oil well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 32, Township 19 South, Range 34 East, NMPM, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 8, Township 20 South, Range 34 East, NMPM. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 40 miles northeast of Carlsbad, New Mexico.

COMPULSORY POOLING APPLICATIO	N CHECKLIST
ALL INFORMATION IN THE APPLICATION MUST BE	SUPPORTED BY SIGNED AFFIDAVITS
Case: 23448	APPLICANT'S RESPONSE
Date: July 20, 2023 (Scheduled hearing)	
Applicant	Cimarex Energy Co.
Designated Operator & OGRID (affiliation if applicable)	215099
Applicant's Counsel:	Darin C. Savage, Abadie & Schill, P.C.
Case Title:	APPLICATION OF CIMAREX ENERGY CO., FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Read & Stevens, Inc., / Permian Resources Operating, LLC Sandstone Properties, LLC Northern Oil and Gas, Inc.
Well Family	Mighty Pheasant
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:	Quail Ridge, Bone Spring Pool [Code: 50460]
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.09-acre, more or less
Building Blocks:	Quarter-Quarter Sections (40 Acre Blocks)
Orientation:	North to South
Description: TRS/County	Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this	Yes, Standard Spacing Unit
Other Situations	
Depth Severance: Y/N. If yes, description	No, N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	See Exhibit A-2.1, breakdown of ownership
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	Mighty Pheasant 5-8 Fed Com 204H Well (API No. 30-015-Pending), SHL: Unit O, 281' FSL, 1443' FEL, Section 32, T19S-R34E; BHL: Unit P, 100' FSL, 708' FEL, Section 8, T20S-R34E, NMPM; Lea County, New Mexico, standup, standard location

<u>Kecewea by OCD: //13/2023 6:14:00 PM</u>	Page
Cost Estimate for Production Facilities	Exhibit A-3
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-5, B-6, B-8, B-11, B-12,B-16, B-17
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-3, B-4,
Well Orientation (with rationale)	Exhibit A-1, B-5, B-6, B-8, B-11, B-12,B-16, B-17
Target Formation	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
HSU Cross Section	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2.1
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2.1
General Location Map (including basin)	Exhibit A-2.1
Well Bore Location Map	Exhibit A-1, B-2, B-3
Structure Contour Map - Subsea Depth	Exhibit B-5, B-6, B-11, B-16
Cross Section Location Map (including wells)	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Cross Section (including Landing Zone)	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	/s/Darín Savage
Date:	Date 7-13-2023

COMPULSORY POOLING APPLICATION CHECKLIST

Case: 23449	APPLICANT'S RESPONSE
Date: July 20, 2023 (Scheduled hearing)	
Applicant	Cimarex Energy Co.
Designated Operator & OGRID (affiliation if applicable)	215099
Applicant's Counsel:	Darin C. Savage, Abadie & Schill, P.C.
Case Title:	APPLICATION OF CIMAREX ENERGY CO., FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Read & Stevens, Inc., / Permian Resources Operating, LLC Sandstone Properties, LLC Northern Oil and Gas, Inc.
Well Family	Mighty Pheasant
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:	Quail Ridge, Bone Spring Pool [Code: 50460]
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.01-acre, more or less
Building Blocks:	Quarter-Quarter Sections (40 Acre Blocks)
Orientation:	North to South
Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico Yes, Standard Spacing Unit
and is approval of non-standard unit requested in this	
application?	
Other Situations Depth Severance: Y/N. If yes, description	No, N/A
Proximity Tracts: If yes, description	No No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	See Exhibit A-2.2, breakdown of ownership
	See Exhibit A 2.2, breakdown of ownership
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

Received by OCD: 7/13/2023 6:14:00 PM	Page 26 of
Well #1	Mighty Pheasant 5-8 Fed Com 301H Well (API No. 30-015-Pending), SHL: Lot 4, 483' FNL, 1272' FWL, Section 5, T20S-R34E; BHL: Unit M, 100' FSL, 330' FWL, Section 8, T20S-R34E, NMPM; Lea County, New Mexico, standup, standard location
Horizontal Well First and Last Take Points	Mighty Pheasant 5-8 Fed Com 301H Well: FTP: 100' FNL, 330' FWL, Section 5; LTP: 100' FSL, 330' FWL, Section 8
Completion Target (Formation, TVD and MD)	Mighty Pheasant 5-8 Fed Com 301H Well: TVD approx. 10,870', TMD 21,057'; Bone Spring formation, See Exhibit A, A-1 & B-2
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D, D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2
Proof of Published Notice of Hearing (10 days before hearing	
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2.2
Tract List (including lease numbers and owners)	Exhibit A-2.2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	
Pooled Parties (including ownership type)	All uncommitted WI owners; including as shown on Exhibit A-2.2
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above &	
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2.2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
Geology	
Summary (including special considerations)	Exhibit B

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Spacing Unit Schematic	Exhibit B-5, B-6, B-8, B-11, B-12,B-16, B-17
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-3, B-4,
Well Orientation (with rationale)	Exhibit A-1, B-5, B-6, B-8, B-11, B-12,B-16, B-17
Target Formation	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
HSU Cross Section	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2.2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2.2
General Location Map (including basin)	Exhibit A-2.2
Well Bore Location Map	Exhibit A-1, B-2, B-3
Structure Contour Map - Subsea Depth	Exhibit B-5, B-6, B-11, B-16
Cross Section Location Map (including wells)	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Cross Section (including Landing Zone)	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information p	rovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	/s/ Darín Savage
Date:	Date 7-13-2023

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 23450	APPLICANT'S RESPONSE	
Date: July 20, 2023 (Scheduled hearing)		
Applicant	Cimarex Energy Co.	
Designated Operator & OGRID (affiliation if applicable)	215099	
Applicant's Counsel:	Darin C. Savage, Abadie & Schill, P.C.	
Case Title:	APPLICATION OF CIMAREX ENERGY CO., FOR A	
	HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO	
Entries of Appearance/Intervenors:	Read & Stevens, Inc., / Permian Resources Operating, LLC	
.,	Sandstone Properties, LLC	
	Northern Oil and Gas, Inc.	
Well Family	Mighty Pheasant	
Formation/Pool	ingity i neasure	
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:	Quail Ridge, Bone Spring Pool [Code: 50460]	
Well Location Setback Rules:	Statewide Rules	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	320.04-acre, more or less	
Building Blocks:	Quarter-Quarter Sections (40 Acre Blocks)	
Orientation:	North to South	
Description: TRS/County	Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4	
	of Section 5 and the E/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is	Yes, Standard Spacing Unit	
approval of non-standard unit requested in this application?	res, standard Spacing offic	
Other Situations		
Depth Severance: Y/N. If yes, description	No, N/A	
Proximity Tracts: If yes, description	No	
Proximity Defining Well: if yes, description	No	
Applicant's Ownership in Each Tract	See Exhibit A-2.3, breakdown of ownership	
Well(s)		
Name & API (if assigned), surface and bottom hole location,	Add wells as needed	
footages, completion target, orientation, completion status		
(standard or non-standard) Well #1	Mighty Pheasant 5-8 Fed Com 302H Well (API No. 30-015-	
	Pending), SHL: Lot 4, 484' FNL, 1312' FWL, Section 5, T20S-	
	R34E; BHL: Unit N, 100' FSL, 1744' FWL, Section 8, T20S-	
	R34E, NMPM; Lea County, New Mexico, standup, standard location	
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Received by OCD: 7/13/2023 6:14:00 PM Horizontal Well First and Last Take Points	Mighty Pheasant 5-8 Fed Com 302H Well: FTP: 100' FNL,
	1744' FWL, Section 5; LTP: Unit N, 100' FSL, 1744' FWL, Section 8
Completion Target (Formation, TVD and MD)	Mighty Pheasant 5-8 Fed Com 302H Well: TVD approx. 10,860', TMD 20,992'; Bone Spring formation, See Exhibit A, A-1
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D, D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2.3
Tract List (including lease numbers and owners)	Exhibit A-2.3
If approval of Non-Standard Spacing Unit is requested, Tract List	
(including lease numbers and owners) of Tracts subject to notice	NI/A
requirements.	N/A
	All uncommitted WI owners; including as shown on
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	. 7
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2.3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
	Exhibit A-3
Geology	Exhibit A-3 Exhibit B
Geology Summary (including special considerations)	
Geology Summary (including special considerations) Spacing Unit Schematic	Exhibit B
Cost Estimate for Production Facilities Geology Summary (including special considerations) Spacing Unit Schematic Gunbarrel/Lateral Trajectory Schematic Well Orientation (with rationale)	Exhibit B Exhibit B-5, B-6, B-8, B-11, B-12,B-16, B-17
Geology Summary (including special considerations) Spacing Unit Schematic Gunbarrel/Lateral Trajectory Schematic	Exhibit B Exhibit B-5, B-6, B-8, B-11, B-12,B-16, B-17 Exhibit B-3, B-4,
Geology Summary (including special considerations) Spacing Unit Schematic Gunbarrel/Lateral Trajectory Schematic Well Orientation (with rationale)	Exhibit B Exhibit B-5, B-6, B-8, B-11, B-12,B-16, B-17 Exhibit B-3, B-4, Exhibit A-1, B-5, B-6, B-8, B-11, B-12,B-16, B-17

Forms, Figures and Tables	rage so at 2
C-102	Exhibit A-1
Tracts	Exhibit A-2.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2.3
General Location Map (including basin)	Exhibit A-2.3
Well Bore Location Map	Exhibit A-1, B-2, B-3
Structure Contour Map - Subsea Depth	Exhibit B-5, B-6, B-11, B-16
Cross Section Location Map (including wells)	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Cross Section (including Landing Zone)	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provid	ed in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	/s/Darín Savage
Date:	Date 7-13-2012

Received by OCD: 7/13/2023 6:14:00 PM Page 31 of 275 **COMPULSORY POOLING APPLICATION CHECKLIST** ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS Case: 23451 **APPLICANT'S RESPONSE** Date: July 20, 2023 (Scheduled hearing) **Applicant** Cimarex Energy Co. Designated Operator & OGRID (affiliation if applicable) 215099 Applicant's Counsel: Darin C. Savage, Abadie & Schill, P.C. Case Title: APPLICATION OF CIMAREX ENERGY CO., FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO Entries of Appearance/Intervenors: Read & Stevens, Inc., / Permian Resources Operating, LLC Sandstone Properties, LLC Northern Oil and Gas, Inc. Well Family Mighty Pheasant 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: Quail Ridge, Bone Spring Pool [Code: 50460] Well Location Setback Rules: Statewide Rules **Spacing Unit** Type (Horizontal/Vertical) Horizontal Size (Acres) 320.06-acre, more or less **Building Blocks:** Quarter-Quarter Sections (40 Acre Blocks) Orientation: North to South Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 Description: TRS/County of Section 5 and the W/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is Yes, Standard Spacing Unit approval of non-standard unit requested in this application? Other Situations No, N/A Depth Severance: Y/N. If yes, description Proximity Tracts: If yes, description No

Proximity Defining Well: if yes, description Applicant's Ownership in Each Tract See Exhibit A-2.4, ownership breakdown Name & API (if assigned), surface and bottom hole location, Add wells as needed footages, completion target, orientation, completion status

Mighty Pheasant 5-8 Fed Com 303H Well (API No. 30-015-

Lea County, New Mexico, standup, standard location

Pending), SHL: Unit O, 281' FSL, 1463' FEL, Section 32, T19S-R34E; BHL: Unit O, 100' FSL, 2122' FEL, Section 8, T20S-R34E, NMPM;

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(standard or non-standard)

Well #1

Horizontal Well First and Last Take Points	Mighty Pheasant 5-8 Fed Com 303H Well: FTP: 100 FNL,
Completion Target (Formation, TVD and MD)	2122' FEL, Section 5; LTP: 100' FSL, 2122' FEL, Section 8 Mighty Pheasant 5-8 Fed Com 303H Well: TVD approx. 10,860', TMD 21,019'; Bone Spring formation, See Exhibit
	A, A-1
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D, D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2.4
Tract List (including lease numbers and owners)	Exhibit A-2.4
If approval of Non-Standard Spacing Unit is requested, Tract List	
(including lease numbers and owners) of Tracts subject to notice	NI/A
requirements.	N/A
	All uncommitted WI owners; including as shown on
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2.4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-5, B-6, B-8, B-11, B-12,B-16, B-17
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-3, B-4,
Well Orientation (with rationale)	Exhibit A-1, B-5, B-6, B-8, B-11, B-12,B-16, B-17
Target Formation	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
HSU Cross Section	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Depth Severance Discussion	N/A
Forms, Figures and Tables	
	Exhibit A-1

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Tracts	Exhibit A-2.4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2.4
General Location Map (including basin)	Exhibit A-2.4
Well Bore Location Map	Exhibit A-1, B-2, B-3
Structure Contour Map - Subsea Depth	Exhibit B-5, B-6, B-11, B-16
Cross Section Location Map (including wells)	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Cross Section (including Landing Zone)	Exhibit B-3, B-4, B-6, B-7, B-13, B-14, B-18
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information prov	ided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Darin C. Savage

/s/Darín Savage

Date 7-13-2023

Signed Name (Attorney or Party Representative):

Date:

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

APPLICATIONS OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23448, 23449, 23450 & 23451

PREHEARING STATEMENT

Cimarex Energy Co., ("Cimarex"), OGRID No. 215099, through its undersigned attorneys, submits the following Prehearing Statement pursuant to the rules of the Oil Conservation Division ("Division") for the above referenced Cases which are consolidated with the Case Nos. 23452-23455, 23594 – 23601 and 23508 – 23523 for a contested hearing pursuant to that certain "Further Amended Pre-Hearing Order" issued on June 8, 2023. This Prehearing Statement describes Cimarex's Case Nos. 23448 - 23451, which propose to pool the Bone Spring formation underlying Sections 5 and 8, in Township 20 South, Range 34 East, NMPM, Lea County ("Subject Lands") and which compete directly against Case Nos. 23516 – 23519 filed by Read & Stevens, Inc., in association with Permian Resources Operating, LLC (collectively referred to herein as "Permian Resources") which also propose to pool the Bone Spring formation underlying the Subject Lands.

APPEARANCES

APPLICANT ATTORNEY

Cimarex Energy Co. Darin C. Savage

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Santa Fe, New Mexico 87501 Telephone: 970.385.4401

Facsimile: 970.385.4901

darin@abadieschill.com andrew@abadieschill.com bill@abadieschill.com

COMPETING PARTY

Read & Stevens, Inc., in association with Permian Resources Operating, LLC

Michael H. Feldewert Adam G. Rankin Julia Broggi Paula M. Vance Holland & Hart LLP Post Office Box 2208 Santa Fe, NM 87504 505-988-4421

Facsimile: 505-983-6043 mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com pmvance@hollandhart.com

ADDITIONAL PARTIES

Sandstone Properties, LLC

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Northern Oil and Gas, Inc.

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

APPLICANT'S STATEMENT OF THE CASES

Cimarex provides this Prehearing Statement to provide a summary of Case Nos. 23448, 23449, 23450 and 23451. These four cases seek to develop the Bone Spring formation in the Subject Lands (i.e., Sections 5 and 8), and these cases are grouped and organized in a logical manner to present to the Division an intelligible overview of the cases that can be readily followed.

In Case No. 23448, Cimarex seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, more specifically, from a stratigraphic equivalent of 9,373 feet (that being the top of 1st Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by same Well, that being the base of the Bone Spring formation, designated as an oil pool, underlying a standard 320.09-acre, more or less, spacing and proration unit comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Cimarex proposes and dedicates to the unit the Mighty Pheasant 5-8 Fed Com 204H Well and the Mighty Pheasant 5-8 Fed Com 304H Well, as the initial wells, to be drilled to a sufficient depth to test the Bone Spring formation The proposed wells are orthodox in their locations, and the take points and completed intervals comply with setback requirements under statewide rules.

In Case No. 23449, Cimarex seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, more specifically, from a stratigraphic equivalent of 9,373 feet (that being the top of 1st Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by same Well, that being the base of the Bone

Spring formation, designated as an oil pool, underlying a standard 320.01-acre, more or less, spacing and proration unit comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Cimarex proposes and dedicates to the unit the **Mighty Pheasant 5-8 Fed Com 301H Well,** as the initial well, to be drilled to a sufficient depth to test the Bone Spring formation. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under statewide rules.

In Case No. 23450, Cimarex seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, more specifically, from a stratigraphic equivalent of 9,373 feet (that being the top of 1st Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by same Well, that being the base of the Bone Spring formation, designated as an oil pool, underlying a standard 320.04-acre, more or less, spacing and proration unit comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Cimarex proposes and dedicates to the unit the **Mighty Pheasant 5-8 Fed Com 302H Well,** as the initial well, to be drilled to a sufficient depth to test the Bone Spring formation. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under statewide rules.

In Case No. 23451, Cimarex seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, more specifically, from a stratigraphic equivalent of 9,373 feet (that being the top of 1st Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a

stratigraphic equivalent of 10,845 feet, as defined by same Well, that being the base of the Bone Spring formation, designated as an oil pool, underlying a standard 320.06-acre, more or less, spacing and proration unit comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Cimarex proposes and dedicates to the unit the **Mighty Pheasant 5-8 Fed Com 303H Well,** as the initial well, to be drilled to a sufficient depth to test the Bone Spring formation. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under statewide rules.

Cimarex's four cases described herein and its plans for development compete directly with Case Nos. 23516, 23517, 23518, and 23519 filed by Permian Resources for the Subject Lands. In Case No. 23516, Permian Resources seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, spacing and proration unit comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, dedicating the Joker 5-8 Federal Com 111H, 121H, 122H, 171H, and 131H wells to said unit.

In Case No. 23517, Permian Resources seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, spacing and proration unit comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, dedicating the Joker 5-8 Federal Com 112H, 123H, 124H, 172H, and 132H wells to said unit.

In Case No. 23518, Permian Resources seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, spacing and proration unit

comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, dedicating the Joker 5-8 Federal Com 113H, 125H, 126H, 173H, and 133H wells to said unit.

In Case No. 23519, Permian Resources seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, spacing and proration unit comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, dedicating the Joker 5-8 Federal Com 114H, 127H, 128H, 174H, and 134H wells to said unit.

APPLICANT'S PROPOSED EVIDENCE AND WITNESS QUALIFICATIONS

WITNESS ESTIMATED TIME EXHIBITS

Landman: John Coffman Approx. 45 min Approx. 9

Qualifications: I graduated in 2018 from Texas Tech University with a bachelor's degree in Business Administration with an emphasis on Energy Commerce. I have worked at Cimarex for approximately 4 years, and I have been working in New Mexico for 4 years. My credentials as an expert witness in petroleum land matters have been accepted by the Division and made a matter of record.

Geologist: Staci Meuller Approx. 45 min Approx. 21

Qualifications: I have a Bachelor of Science Degree in Geophysical Engineering from Colorado School of Mines, and a Master of Science Degree in Geophysics from Colorado School of Mines. I have worked on New Mexico Oil and Gas matters since July 2018. My credentials as an expert witness in geology have been accepted by the Division and made a matter of record.

Reservoir Engineer: Eddie Behm Approx. 45 minutes Approx. 17 Qualifications: I attended the University of Tulsa and graduated with a bachelor's in petroleum engineering in 2011. I have worked for Occidental, California Resources prior to working for Cimarex and have been employed as a Production and Reservoir engineer for Cimarex for the last 6 years, working in the Delaware Basin with a primary focus on Lea County, New Mexico. I have previously testified before the Division as an expert reservoir engineer, and my credentials have been accepted of record.

Facilities Engineer: Calvin Boyle Available for questions (15 min) Approx. 1 Qualifications: I attended the University of Oklahoma and graduated with a bachelor's in petroleum engineering in 2016 followed by Oklahoma State University where I graduated with a Master of Business Administration in 2018. I worked for Halliburton prior to working for Cimarex Energy Co. ("Cimarex") and have been employed as a Field, Production, and Facilities engineer for Cimarex for the last 4 years, working in the Delaware Basin with a primary focus on Lea County, New Mexico. I am familiar with the subject applications filed in the above-referenced Cases and the engineering involved. I have not testified previously before the Division and am providing a one-page resume.

LIST OF MATERIAL FACTS NOT IN DISPUTE

Parties are in general agreement that the Bone Spring formation underlying the Subject Lands would be productive if developed and should be developed; however, there are factual differences regarding the best way to achieve optimum development and productivity of the Bone Spring.

LIST OF DISPUTED FACTS AND ISSUES

The central issue in Cimarex's Case Nos. 23448-23451 and Permian Resources' competing Case Nos. 23516 – 23519 is which party should be the designated operator for the Bone Spring formation in the Subject Lands. In addition, there are specific disagreements between the parties regarding (1) the number of wells that should be used to develop the Bone Spring, (2) the depths and spacing of the wells, (3) the costs of developing the Bone Spring underlying the Subject Lands; and (4) a dispute about whether the Upper Wolfcamp should be drilled and developed (Cimarex asserts that the drilling of the Upper Wolfcamp would result in waste and harm to correlative rights and should not be done; while Permian Resources proposes to drill the Upper Wolfcamp).

PROCEDURAL MATTERS

This contested hearing includes Cimarex's Case Nos. 23448-23451 and Permian Resources' competing applications in Case Nos. 23516 – 23519, as described herein, but the

hearing also includes numerous additional cases for the Bone Spring in Sections 4 and 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and consideration of whether to drill the Wolfcamp formation. In all, the Division will need to review and consider 32 cases addressing both the Bone Spring and Wolfcamp in Sections 5 and 8 and Sections 4 and 9, all in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. The Prehearing Statements submitted in these matters, three Prehearing Statements in all, are organized in an effort to provide a manageable approach to reviewing the cases by addressing (1) the 8 competing cases in the Bone Spring for Sections 5 and 8; (2) the 8 competing cases in the Bone Spring for Sections 4 and 9; and finally (3) the status of the competing cases filed for the Wolfcamp formation in both Sections 4 and 9 and Sections 5 and 8.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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Attorneys for Cimarex Energy Co.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on July 13, 2023:

Michael H. Feldewert — mfeldewert@hollandhart.com Adam G. Rankin — agrankin@hollandhart.com Julia Broggi — jbroggi@hollandhart.com Paula M. Vance — pmvance@hollandhart.com

Attorneys for Read & Stevens, Inc.; and Permian Resources Operating, LLC

Blake C. Jones – blake.jones@steptoe-johnson.com

Attorney for Northern Oil and Gas, Inc.

Sealy Cavin, Jr. – scavin@cilawnm.com Scott S. Morgan – smorgan@cilawnm.com Brandon D. Hajny – bhajny@cilawnm.com

Attorneys for Sandstone Properties, LLC

/s/ Darin C. Savage

Darin C. Savage

TAB 2

Case Nos. 23448-23451

Exhibit A: Self-Affirmed Statement of John Coffman Landman

Exhibit A-1: C-102 Forms

Exhibit A-2.1: Ownership and Sectional Map Exhibit A-2.2: Ownership and Sectional Map Exhibit A-2.3: Ownership and Sectional Map Exhibit A-2.4: Ownership and Sectional Map Exhibit A-3: Well Proposal Letters and AFEs

Exhibit A-4: Chronology of Contacts with Uncommitted Owners

Exhibit A-5: Support Letters from Interest Owners Exhibit A-6: Read and Stevens Original Well Proposal

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

APPLICATIONS OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23448, 23449, 23450 & 23451

SELF-AFFIRMED STATEMENT OF JOHN COFFMAN

I, being duly sworn on oath, state the following:

- 1. I am over the age of eighteen years and have the capacity to execute this Self-Affirmed Statement, which is based on my personal knowledge.
- 2. I am employed as a Landman with Coterra Energy, Inc., and its subsidiary Cimarex Energy Co. ("Cimarex"), the applicant in this case, and I am familiar with the subject application and the lands involved.
- 3. I graduated in 2018 from Texas Tech University with a bachelor's degree in Business Administration with an emphasis on Energy Commerce. I have worked at Cimarex for approximately 4 years, and I have been working in New Mexico for 5 years. My credentials as an expert witness in petroleum land matters have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
- 4. This Statement is submitted in connection with the filing by Cimarex of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1).
- 5. The above-referenced cases (Case Nos. 23448 23451) all seek to develop the Bone Spring formation underlying Sections 5 and 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico ("Subject Lands"); and therefore, we have grouped them together for



this presentation to the Division as a logical way to organize and present the cases being reviewed in this contested hearing.

- 6. Under <u>Case No. 23448</u>, Cimarex seeks an order pooling all uncommitted mineral interest in the Bone Spring formation, more specifically, the Quail Ridge; Bone Spring formation [Pool Code 50460], designated as an oil pool, from a stratigraphic equivalent of 9,373 feet (that being the top of the 1st Bone Spring), a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by the same Well, that being the base of the Bone Spring formation, underlying a standard 320.09-acre, more or less, spacing and proration unit comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4 and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Cimarex intends to dedicate to the unit two initial wells: the **Mighty Pheasant 5-8 Fed Com 204H Well**, and the **Mighty Pheasant 5-8 Fed Com 304H Well**.
- 7. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 204H Well** (API pending) to be horizontally drilled from a surface location 281' FSL and 1443' FEL of Section 32, Township 19 South, Range 34 East to a bottom hole location 100' FSL and 708' FEL of Section 8, Township 20 South, Range 34 East; approximate TVD of 10,308'; approximate TMD of 20,465'; FTP in Section 5: 100' FNL, 708' FEL; LTP in Section 8: 100' FSL, 708' FEL.
- 8. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 304H Well** (API pending) to be horizontally drilled from a surface location 281' FSL and 1423' FEL of Section 32 to a bottom hole location 100' FSL and 708' FEL of Section 8; approximate TVD of 10,840'; approximate TMD of 21,040'; FTP in Section 5: 100' FNL, 708' FEL; LTP in Section 8: 100' FSL, 708' FWL.

- 9. Under <u>Case No. 23449</u>, Cimarex seeks an order pooling all uncommitted mineral interest in the Bone Spring formation, more specifically, the Quail Ridge; Bone Spring formation [Pool Code 50460], designated as an oil pool, from a stratigraphic equivalent of 9,373 feet (that being the top of the 1st Bone Spring), a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by the same Well, that being the base of the Bone Spring formation, underlying a standard 320.01-acre, more or less, spacing and proration unit comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4 and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Cimarex intends to dedicate to the unit the **Mighty Pheasant 5-8 Fed Com 301H Well**.
- 10. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 301H Well** (API pending) to be horizontally drilled from a surface location 483' FNL and 1272' FWL of Section 5, Township 20 South, Range 34 East, to a bottom hole location 100' FSL and 330' FWL of Section 8 Township 20 South, Range 34 East; approximate TVD of 10,870'; approximate TMD of 21,057'; FTP in Section 5: 100' FNL, 330' FWL; LTP in Section 8: 100' FSL, 330' FWL.
- 11. Under <u>Case No. 23450</u>, Cimarex seeks an order pooling all uncommitted mineral interest in the Bone Spring formation, more specifically, the Quail Ridge; Bone Spring formation [Pool Code 50460], designated as an oil pool, from a stratigraphic equivalent of 9,373 feet (that being the top of the 1st Bone Spring), a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by the same Well, that being the base of the Bone Spring formation, underlying a standard 320.04-acre, more or less, spacing and proration unit comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4 and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, in Township 20 South, Range 34 East,

NMPM, Lea County, New Mexico. Cimarex intends to dedicate to the unit the **Mighty Pheasant**5-8 Fed Com 302H Well.

- 12. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 302H Well** (API pending) to be horizontally drilled from a surface location 484' FNL and 1312' FWL of Section 5 Township 20 South, Range 34 East, to a bottom hole location in the 100' FSL and 1744' FWL of Section 8, Township 20 South, Range 34 East; with an approximate TVD of 10,860'; approximate TMD of 20,992'; FTP in Section 5: 100' FNL, 1,744' FWL; LTP in Section 8: 100' FSL, 1,744' FWL.
- 13. Under <u>Case No. 23451</u>, Cimarex seeks an order pooling all uncommitted mineral interest in the Bone Spring formation, more specifically, the Quail Ridge; Bone Spring formation [Pool Code 50460], designated as an oil pool, from a stratigraphic equivalent of 9,373 feet (that being the top of the 1st Bone Spring), a depth as defined on the log for the Hudson Federal #1 Well (API No. 30-025-32819), to a stratigraphic equivalent of 10,845 feet, as defined by the same Well, that being the base of the Bone Spring formation, underlying a standard 320.06-acre, more or less, spacing and proration unit comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4 and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Cimarex intends to dedicate to the unit the **Mighty Pheasant 5-8 Fed Com 303H Well**.
- 14. Cimarex proposes the **Mighty Pheasant 5-8 Fed Com 303H Well** (API pending) to be horizontally drilled from a surface location 281' FSL and 1463' FEL of Section 5, to a bottom hole location 100' FSL and 2122' FEL of Section 8; approximate TVD of 10,860'; approximate TMD of 21,019'; FTP in Section 5: 100' FNL, 2,122' FEL; LTP in Section 8: 100' FSL, 2,122' FEL.
 - 15. The proposed C-102 for each well is attached as **Exhibit A-1**.

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16. A general location plat and a plat outlining the units being pooled is attached hereto as **Exhibit A-2.1** through **Exhibit A-2.4**, which show the location of the proposed wells within the units. The location of each well is orthodox, and it meets the Division's offset requirements.

17. The parties being pooled, the nature of their interests, and their last known addresses are listed in **Exhibit A-2.1** through **Exhibit A-2.4** attached hereto. These Exhibits include information regarding working interest owners. In a Successor Operator Ballot sent to working interest owners in February of 2020 and subsequent letter dated August 31, 2020, Magnum Hunter Production Inc., a subsidiary of Cimarex, received the affirmative vote under the 1979 Estoril Operating Agreement that covers the S/2 of Sections 4 and 5 and all of Sections 8 and 9, Township 20 South, Range 34 East. At the time, a total of 14 working interest owners collectively owning 59.405672% of the interest in the contract area from the Top of the Bone Spring formation to the Base of the Bone Spring formation, and 54.758783% of the interest covering from the Base of the Bone Spring formation to the Base of the Morrow formation. Under the terms of said Operating Agreement, because two or more of the parties owning a majority interest have voted to elect Magnum Hunter Production Inc. as Operator, Magnum Hunter Production Inc. is the operator of said lands described above covered by the Operating Agreement.

- 18. There are no depth severances in the Bone Spring formation in this acreage. Cimarex's review of the lands shows no overlapping units.
- 19. Cimarex operates around 15,000 acres and operate ~50 wellbores in the immediate vicinity in Township 19 South, Ranges 33 and 34 East, in Lea County. I believe that Cimarex is a top-tier operator especially regarding the knowledge it takes to drill in this area. We have been able to come to agreements with multiple owners in the area to effectively and efficiently develop a large portion of this area.

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20. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted working interest owners shown on **Exhibits A-2.1 through A-2.4**. In compiling these addresses, I conducted a diligent search of the public records in **Lea** County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. All working interest owners were locatable and noticed. Cimarex published notice in the Hobbs News-Sun, a newspaper of general circulation in Lea County, New Mexico, to account for any unlocatable parties and cover any contingencies regarding notice.

21. Cimarex has made a good faith effort to negotiate with the interest owners, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the well or in the commitment of their interests to the well for its development within the proposed horizontal spacing unit. Exhibits A-4 provides a chronology and history of contacts with the owners. Prior to the acquisition by Permian Resources of Read and Stevens, Cimarex had made good faith efforts to communicate and get a plan of development in place for these four sections. No meetings with Read and Stevens had ever come to fruition, instead, we found out that they had spud wells in the middle of a 2-mile development in order to save their expiring permits. We were never notified or proposed by Read and Steven's in this action although we do own in the lands that were involved. I have personally worked for over 2 years and Cimarex has worked for over 4 years to get to a resolution so that this acreage can be developed. The majority of the working interest owners in these sections are excited for development and have been long awaiting a return on their investment. Cimarex has constantly been trying to obtain term assignments, vetting out trades with other working interest owners, and has made offers to purchase in this area. We believe in this area and have shown our earnestness in development for years. Cimarex was the first operator to do the groundwork and file applications for the Subject Lands, filing well before Read & Stevens.

- 22. The interest owners being pooled have been contacted regarding the proposed wells but have failed or refused to voluntarily commit their interest in the wells. However, Cimarex has been in ongoing discussions with some of the interest owners to voluntarily enter into a Joint Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between Cimarex and another interest owner or owners, Cimarex requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and protection of correlative rights.
- 23. For any unleased open acreage being pooled, Cimarex requests that the acreage be pooled pursuant to statutory one-eighth (1/8) royalty.
- 24. **Exhibit A-3** is a sample proposal letter and the AFEs for each proposed well. The estimated cost of the wells set forth in the AFEs is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.
- 25. Not including the Wolfcamp development proposed by Permian Resources, Cimarex's full development of the acreage is far, far less expensive, by more than \$130MM, for 2 mile wellbores to develop the 1st, 2nd and 3rd Bone Spring formations (~Permian's cost of \$400MM vs. Cimarex's lower cost of \$266MM). Permian not only proposes to over-drill the Subject Lands, but it will incur unnecessary costs that will substantially burden smaller working interest owners. Working interest owners should get the best wells at the most economic prices, and we feel that our development provides the most efficient and cost-saving plan. See **Exhibit A-5** which provides

letters of support from working interest owners in the units who support Cimarex's development plan, based on excellent prior experiences working with Cimarex as an operator.

- 26. Cimarex requests overhead and administrative rates of \$8000/month for drilling each well and \$800/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Cimarex requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 27. Cimarex requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners.
 - 28. Cimarex requests that it be designated operator of the units and wells.
- 29. The Exhibits to this Self-Affirmed Statement were prepared by me or compiled from Cimarex's company business records under my direct supervision.
- 30. The granting of this Application is in the best interests of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells. Due to Cimarex's operational footprint and expertise in the area, we are able to utilize our drilling efficiencies, relationships with working interest owners, and third party takeaway to cost-effectively develop this acreage. We understand the geology of this area and do not need to over-drill the Subject Lands in order to fully develop the acreage.
 - 31. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

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Signature page of Self-Affirmed Statement of John Coffman:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case Nos. 23448, 23449, 23450 and 23451, and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.

John Coffman

Date Signed

<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

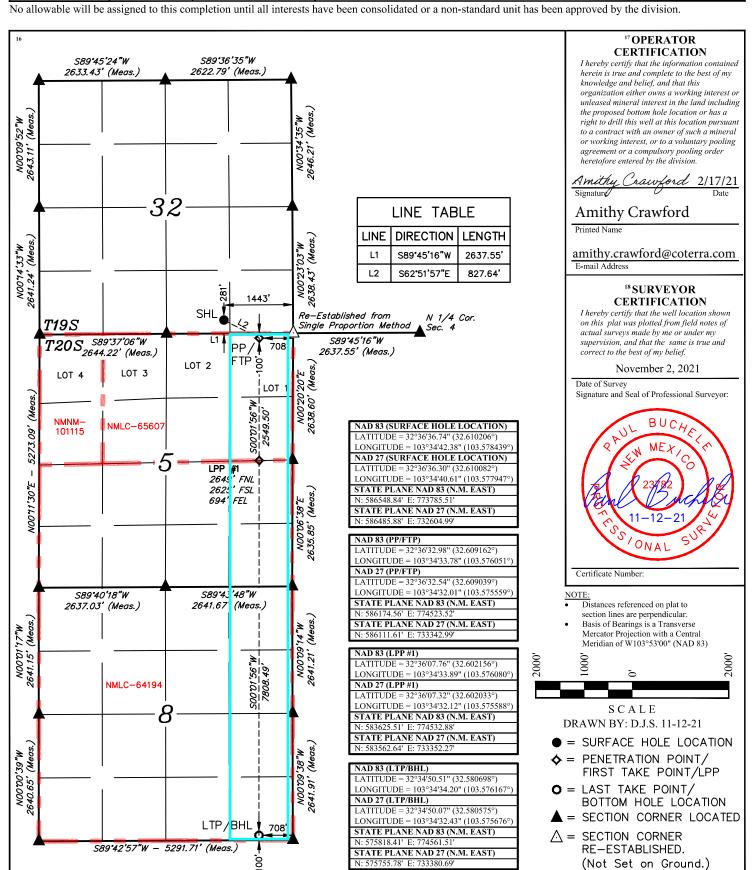
¹ API Number		² Pool Code	³ Pool Name		
30-025		50460	Quail Ridge, Bone Spring		
4 Property Code		6 Well Number			
		204Н			
⁷ OGRID No. 215099			perator Name EX ENERGY CO.	⁹ Elevation 3645.3'	

¹⁰ Surface Location

UL or lot no. O	Section 32	Township 19S	Range 34E	Lot Idn	Feet from the 281	North/South line SOUTH	Feet from the 1443	East/West line EAST	County LEA	
	Bottom Hole Location If Different From Surface									

Bottom Hole Location If Different From Surface

UL or lot no. P	Sect 8	ion	Township 20S	Range 34E	Lot Idn	Fe	eet from the 100	North/South line SOUTH	Feet from the 708	East/West line EAST	County LEA
12 Dedicated Acres 320.09 13 Joint or Infill		14 Conso	olidation Code		15 Order No.						



9

EXHIBIT

(Not Set on Ground.)

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<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

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AMENDED REPORT

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(Not Set on Ground.)

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025 API Number	•	² Pool Code 50460		
⁴ Property Code			operty Name ASANT 5-8 FED COM	⁶ Well Number 304H
7 OGRID No. 215099			ocrator Name EX ENERGY CO.	⁹ Elevation 3645.7'

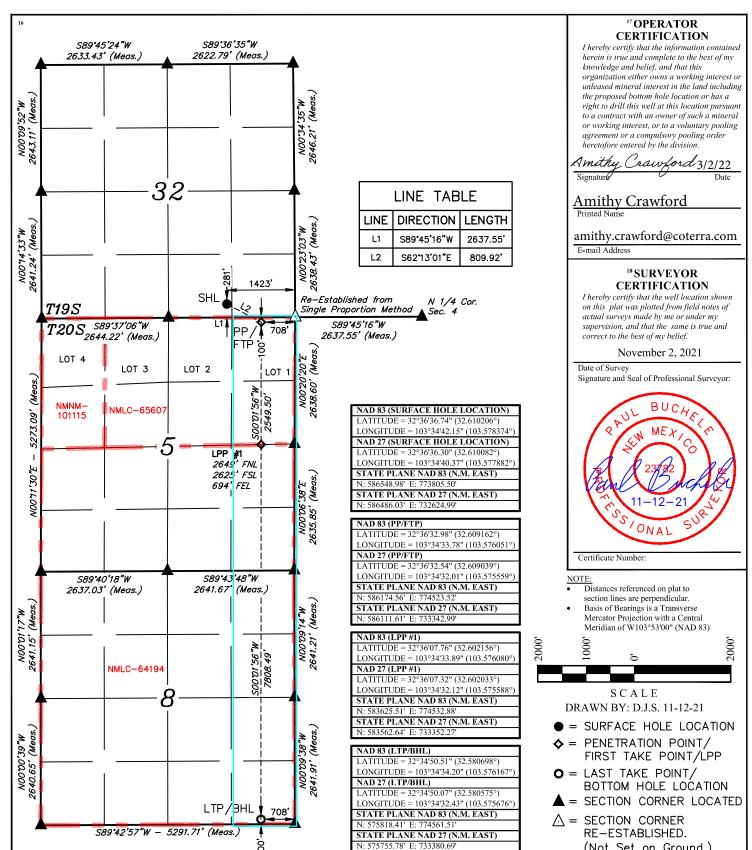
¹⁰ Surface Location

OL or lot no.	32	19S	34E	Lot Ian	281	SOUTH	1423	East/West fine EAST	County LEA

"Bottom Hole Location If Different From Surface

	UL or lot no. P	Section 8	Township 20S	Range 34E	Lot Idn	F	eet from the 100	North/South line SOUTH	Feet from the 708	East/West line EAST	County LEA
ſ	12 Dedicated Acres 320.09 13 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.



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

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

■ AMENDED REPORT

County

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025	•	² Pool Code 50460		
⁴ Property Code		⁶ Well Number 301H		
⁷ OGRID No. 215099			perator Name EX ENERGY CO.	⁹ Elevation 3629.8'

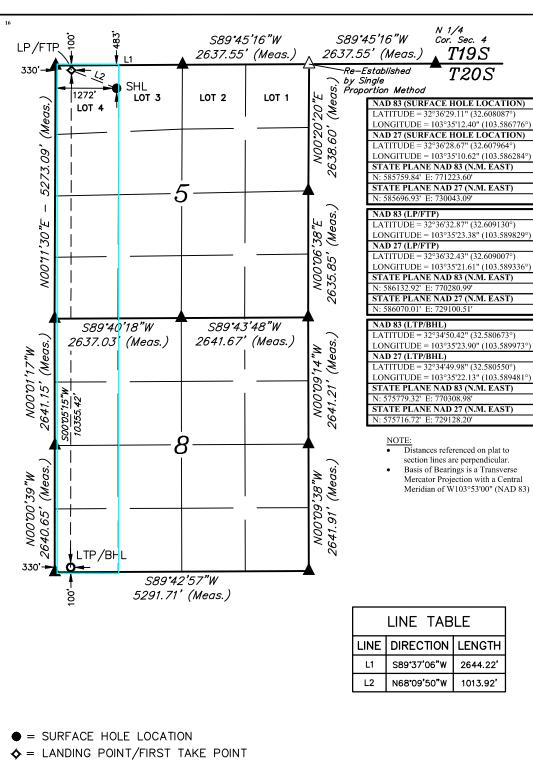
¹⁰ Surface Location

4	3	208	34E		483	NORTH	1272	WEST	LEA	
				D - 44 II		CD:CC E	C . C			
"Bottom Hole Location If Different From Surface										
III or let no	Section	Township	Dongo	Lot Idn	Foot from the	North/South line	Foot from the	Fost/Wost line	County	

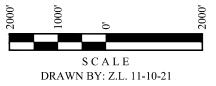
20S 34Ē 100 SOUTH 330 WEST LEA Μ

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.

Range



- LAST TAKE POINT/ BOTTOM HOLE LOCATION
- SECTION CORNER LOCATED
- SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)



¹⁷OPERATOR

CERTIFICATION

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

Amithy Crawford

Amithy Crawford

amithy.crawford@coterra.com

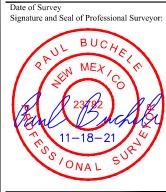
E-mail Address

18 SURVEYOR

CERTIFICATION

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

November 01, 2021



Certificate Number:

Released to Imaging: 7/14/2023 8:10:01 AM

Received by OCD: 7/13/2023 6:14:00 PM

<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

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WELL LOCATION AND ACREAGE DEDICATION PLAT

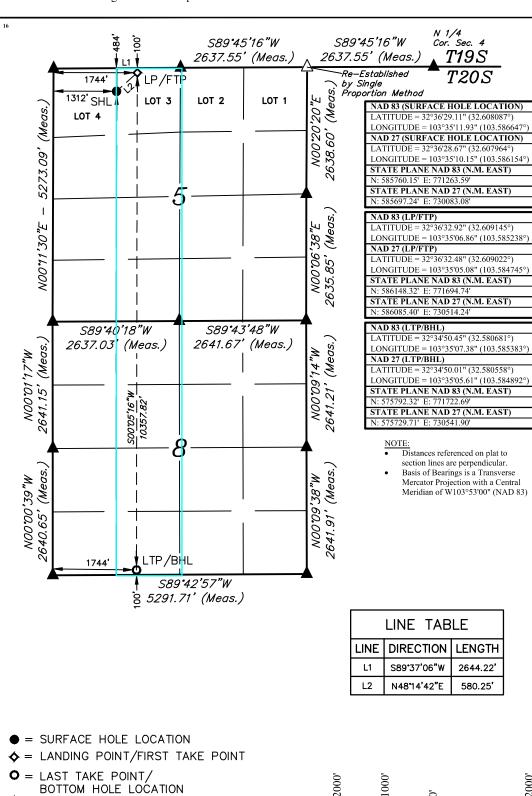
30-025 Number	۳	50460 Code		
⁴ Property Code		⁶ Well Number 302H		
⁷ OGRID No. 215099			perator Name EX ENERGY CO.	⁹ Elevation 3629.9'

¹⁰ Surface Location

4	J	203	34L		404	NORTH	1312	WEST	LEA
						0D:00 - E			
			11	Bottom H	ole Location I	f Different From	Surface		
III. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Fast/West line	County

20S 34Ē 100 SOUTH 1744 WEST LEA 320.04

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.



¹⁷OPERATOR

CERTIFICATION

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

Crawford 3/9/22 1 mithu

<u>Amithy Crawford</u>

amithy.crawford@coterra.com

E-mail Address

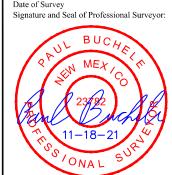
18 SURVEYOR

CERTIFICATION

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

November 01, 2021

Released to Imaging: 7/14/2023 8:10:01 AM



Certificate Number:

SECTION CORNER LOCATED

SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

SCALE DRAWN BY: Z.L. 11-10-21 <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

30-025	er	² Pool Code 50460	Quail Ridge; Bone Spring	
⁴ Property Code		5 PI MIGHTY PHE	⁶ Well Number 303H	
⁷ OGRID №. 215099			perator Name EX ENERGY CO.	⁹ Elevation 3644.9'

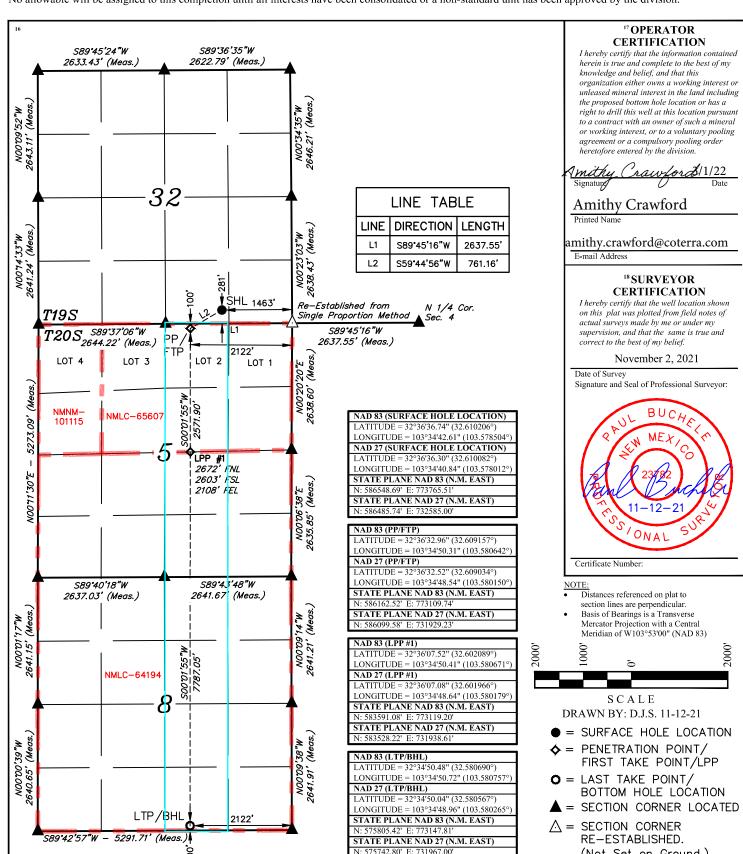
¹⁰ Surface Location

		UL or lot no. O	Section 32	Township 19S	Range 34E	Lot Idn	Feet from the 281	North/South line SOUTH	Feet from the 1463	East/West line EAST	County LEA
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"Bottom Hole Location If Different From Surface

UL or lot no. O	Section 8	n	Township 20S	Range 34E	Lot Idn	Fo	eet from the 100	North/South line SOUTH	Feet from the 2122	East/West line EAST	County LEA
12 Dedicated Acr 320.06	es	13 Joi	int 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.

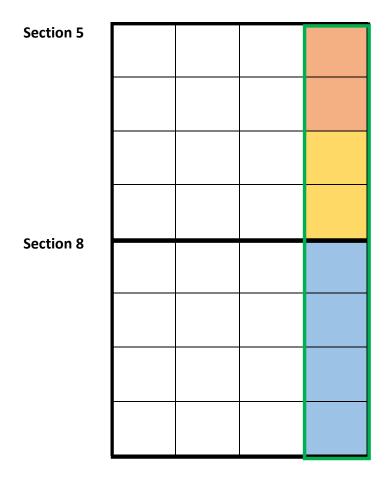


Released to Imaging: 7/14/2023 8:10:01 AM

(Not Set on Ground.)

Exhibit "A-2"

E/2E/2 of Section 5 and the E/2E/2 of Section 8, Township 20 South, Range 34 East of Lea County, NM (PERMIAN/DELAWARE BASIN) – Bone Spring formation



Tract 1: USA NMLC-0064194 (80 acres)



Tract 2: USA NMLC-0064194 (160 acres)



Tract 3:USA NMLC-0065607
(80.09 acres)



Mighty Pheasant 5-8 Fed Com 204H

SHL: Sec. 32-19S-34E; 281' FSL and 1443' FEL BHL: Sec. 8-20S-34E; 100' FSL and 708' FEL

Mighty Pheasant 5-8 Fed Com 304H

SHL: Sec. 32-19S-34E; 281' FSL and 1423' FEL BHL: Sec. 8-20S-34E; 100' FSL and 708' FEL

Exhibit "A-2" OWNERSHIP BREAKDOWN – Bone Spring formation

E/2E/2 of Section 5 and the E/2E/2 of Section 8, Township 20 South, Range 34 East of Lea County, NM

Mighty Pheasant 5-8 Fed Com 204H and 304H

TRACT 1 OWNERSHIP (E/2SE/4 of Section 5-T20S-R34E, being 80 acres)

Lease: USA NMLC-0064194

Owner	Net Acres	Unit WI	Status
Moore and Shelton Co., LTD	1.6615	0.02076924	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	2.6853	0.03356644	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	2.3346	0.02918245	Committed
3525 Andrews Highway			
Midland, TX 79703			

Permian Resources LLC/Read and Stevens	24.2031	0.30253931	Uncommitted
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			
Javelina Partners	4.7437	0.05929631	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	2.5808	0.03225959	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	22.4755	0.28094403	Committed
6001 Deauville Blvd., Ste 300N			
Midland, TX 79706			
Frost Bank, Trustee of the Josephine T.	0.4692	0.00586541	Committed
Hudson Testamentary Trust FBO J. Terrell Ard			
P.O. Box 1600			
San Antonio, TX 78296			
Ard Oil, LTD	1.4077	0.01759615	Uncommitted
222 West Fort Worth St. Ph5			
Fort Worth, TX 76102			
Chase Oil Corporation	1.4407	0.01800822	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			

Cimarex Energy Co.	8.5075	0.10634446	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Avalon Energy Corporation	0.4545	0.00568184	Uncommitted
310 W. Wall Street, Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	3.8893	0.04861611	Uncommitted
450 E. 17 th Ave. Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.4754	0.00594271	Uncommitted
1775 Sherman St., Ste. 2990			
Denver, CO 80203			
William A. Hudson, II	0.2517	0.00314684	Committed
616 Texas St.			
Fort Worth, TX 76102			
Union Hill Oil and Gas Co. Inc.	2.4193	0.03024090	Uncommitted
7712 Glanshannon Cir.			
Dallas, TX 75225			
TRACT 1 TOTAL	80	0.249929707	

TRACT 2 OWNERSHIP (E/2E/2 of Section 8-T20S-R34E, being 160 acres)

Lease: USA NMLC-0064194

Owner	Net Acres	Unit WI	Status
Moore and Shelton Co., LTD	3.3231	0.02076924	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	5.3706	0.03356644	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	4.6692	0.02918247	Committed
3525 Andrews Hwy.			
Midland, TX 79703			
Permian Resources LLC/Read and Stevens	48.4063	0.30253931	Uncommitted
5400 LBJ Freeway, Suite 1500			
Dallas, TX 75240			
Javelina Partners	9.4874	0.05929631	Committed
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			
Zorro Partners, Ltd.	5.1615	0.03225959	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	44.9510	0.28094406	Committed
6001 Deauville Blvd., Ste. 300N			

Midland, TX 79706

Frost Bank, Trustee of the Josephine T.	0.9385	0.00586541	Committed
Hudson Testamentary Trust FBO J. Terrell Ard			
P.O. Box 1600			
San Antonio, TX 78296			
Ard Oil, LTD	2.8154	0.01759615	Uncommitted
222 West Forth St., Ph5			
Fort Worth, TX 76102			
Chase Oil Corporation	2.8813	0.01800820	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			
Cimarex Energy Co.	17.0151	0.10634446	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Avalon Energy Corporation	0.9091	0.00568182	Uncommitted
310 W. Wall St., Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	7.7786	0.04861609	Uncommitted
450 E. 17 th Ave., Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.9508	0.00594271	Committed
1775 Sherman St., Ste. 2990			

Denver, CO 80203

William A. Hudson, II 0.5035 0.00314684 Committed

616 Texas St.

Fort Worth, TX 76102

Union Hill Oil and Gas Co. Inc. 4.8385 0.03024090 Uncommitted

7712 Glanshannon Cir.

Dallas, TX 75225

TRACT 2 TOTAL 160.00 0.49985941

TRACT 3 OWNERSHIP (Lot 1 and SE/4NE/4 of Section 5-T20S-R34E, being 80.09 acres)

Lease: USA NMLC-0065607

 Owner	Net Acres	Unit WI	Status
Cimarex Energy Co.	4.7508	0.05931848	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Permian Resources LLC/Read and Stevens	4.5050	0.05625003	Uncommitted
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			
Javelina Partners	10.3472	0.12919490	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	10.3472	0.12919490	Committed

616 Texas St.

Fort Worth, TX 76102

Frost Bank, Trustee of the Josephine T. 1.2723 0.01588544 Committed

Hudson Testamentary Trust FBO J. Terrell Ard

P.O. Box 1600

San Antonio, TX 78296

Magnum Hunter Production Inc. 35.0394 0.43750000 Committed

6001 Deauville Blvd., Ste. 300N

Midland, TX 79706

Ard Oil, LTD 3.8168 0.04765624 Uncommitted

222 West Forth St., Ph5

Fort Worth, TX 76102

HOG Partnership LP 10.0113 0.12500000 Uncommitted

5950 Cedar Springs Rd., Ste. 242

Dallas, TX 75235

TRACT 3 TOTAL 80.09 0.25021088

Complete List of Parties/Persons to be Pooled:

Working Interest Owners

Moore & Shelton Co., Ltd HOG Partnership, LP Challenger Crude, Ltd. Permian Resources LLC Bank of America, N.A., Successor Trustee of the Delmar Hudson Lewis Living Trust Magnum Hunter Production Zorro Partners, Ltd. Frost Bank, Trustee of the Josephine T.
Hudson Testamentary Trust FBO J. Terrell
Ard
Ard Oil, LTD
Chase Oil Corporation
Cimarex Energy Co.
Avalon Energy Corporation
Wilbanks Reserve Corporation
Marks Oil, Inc.
Javelina Partners
William A. Hudson, II
Union Hill Oil & Gas Co. Inc.

UNIT RECAPITULATION:

E/2E/2 of Section 5 and E/2E/2 of Section 8; all in T20S-R34E; 320.06 acres

Moore & Shelton Co., Ltd – 1.557255% HOG Partnership, LP – 5.644411% Challenger Crude, Ltd. – 2.188069%

Permian Resources LLC / Read and Stevens – 24.091505%

Magnum Hunter Production – 32.011605%

Zorro Partners, Ltd. - 5.651386%

Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard – 0.837253%

Ard Oil, LTD - 2.511751%

Chase Oil Corporation – 1.350236%

Cimarex Energy Co. – 9.457805%

Avalon Energy Corporation – 0.426017%

Wilbanks Reserve Corporation - 3.645182%

Marks Oil, Inc. – 0.445578%

Javelina Partners - 7.678570%

William A. Hudson, II - 0.235947%

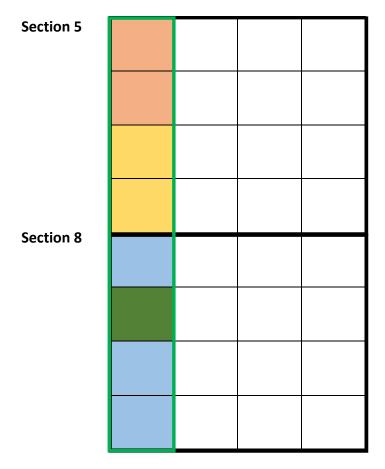
Union Hill Oil & Gas Co. Inc. - 2.267430%

UNIT TOTAL:

100% WI

Exhibit "A-2"

W/2W/2 of Section 5 and the W/2W/2 of Section 8, Township 20 South, Range 34 East of Lea County, NM (PERMIAN/DELAWARE BASIN) – Bone Spring formation



Tract 1: USA NMLC-0064194 (80 acres)



Tract 2: USA NMLC-0064194 (120 acres)



Tract 3: USA NMLC-0064194 (40 acres)



Tract 4: USA NMLC-101115 (80.01 acres)



Mighty Pheasant 5-8 Fed Com 301H

SHL: Sec. 5-20S-34E; 483' FNL and 1272' FWL BHL: Sec. 8-20S-34E; 100' FSL and 330' FWL

Exhibit "A-2" OWNERSHIP BREAKDOWN – Bone Spring formation

W/2W/2 of Section 5 and the W/2W/2 of Section 8, Township 20 South, Range 34 East of Lea County, NM

Mighty Pheasant 5-8 Fed Com 301H

TRACT 1 OWNERSHIP (W/2SW/4 of Section 5-T20S-R34E, being 80 acres)

Lease: USA NMLC-0064194

Owner	Net Acres	Unit WI	Status
Moore and Shelton Co., LTD	1.6615	0.02076924	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	2.6853	0.03356644	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	7.0038	0.02188616	Committed
3525 Andrews Hwy.			
Midland, TX 79703			
Permian Resources LLC/Read and Stevens	22.0938	0.27617294	Uncommitted
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			

Javelina Partners	4.7437	0.05929631	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	2.5808	0.03225960	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	22.4755	0.28094405	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Frost Bank, Trustee of the Josephine T.	0.4692	0.00586541	Committed
Hudson Testamentary Trust FBO J. Terrell Ard			
P.O. Box 1600			
San Antonio, TX 78296			
Ard Oil, LTD	1.4077	0.01759615	Uncommitted
222 West Forth St., Ph5			
Fort Worth, TX 76102			
Chase Oil Corporation	1.4407	0.01800821	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			
Cimarex Energy Co.	8.5075	0.10634446	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			

Avalon Energy Corporation	0.4545	0.00568182	Uncommitted
310 W. Wall St., Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	3.8892	0.04861609	Uncommitted
450 E. 17 th Ave., Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.4754	0.00594271	Uncommitted
1775 Sherman St., Ste. 2990			
Denver, CO 80203			
William A. Hudson, II	0.2517	0.00314685	Committed
616 Texas St.			
Fort Worth, TX 76102			
Union Hill Oil and Gas Co. Inc.	2.4193	0.03024091	Uncommitted
7712 Glanshannon Cir.			
Dallas, TX 75225			
TRACT 1 TOTAL	80	0.24999219	

TRACT 2 OWNERSHIP (NW/4NW/4 and W/2SW/4 of Section 8-T20S-R34E, being 120 acres)

Lease: USA NMLC-0064194

Owner	Net Acres	Unit WI	Status
Moore and Shelton Co., LTD	2.4923	0.02076924	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	4.0279	0.03356644	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	3.5018	0.02918246	Committed
3525 Andrews Hwy.			
Midland, TX 79703			
Permian Resources LLC/Read and Stevens	36.3047	0.30253927	Uncommitted
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			
Javelina Partners	7.1156	0.05929631	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	3.8712	0.03225962	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	33.7133	0.28094406	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			

Frost Bank, Trustee of the Josephine T.	0.7039	0.00586541	Committed
Hudson Testamentary Trust FBO J. Terrell Ard			
P.O. Box 1600			
San Antonio, TX 78296			
Ard Oil, LTD	2.1115	0.01759615	Uncommitted
222 West Forth St., Ph5			
Fort Worth, TX 76102			
Chase Oil Corporation	2.1609	0.01800822	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			
Cimarex Energy Co.	12.7613	0.10634444	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Avalon Energy Corporation	0.6818	0.00568183	Uncommitted
310 W. Wall St., Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	5.8339	0.04861608	Uncommitted
450 E. 17 th Ave., Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.7131	0.00594272	Uncommitted
1775 Sherman St., Ste. 2990			
Denver, CO 80203			

William A. Hudson, II	.3776	0.00314685	Committed
616 Texas St.			
Fort Worth, TX 76102			
Union Hill Oil and Gas Co. Inc.	3.6289	0.03024092	Uncommitted
7712 Glanshannon Cir.			
Dallas, TX 75225			
TRACT 2 TOTAL	120.00	0.37498828	

TRACT 3 OWNERSHIP (SW/4NW/4 of Section 8-T20S-R34E, being 40 acres)

Lease: USA NMLC-0064194

Owner	Net Acres	Unit WI	Status
Moore and Shelton Co., LTD	0.8308	0.02076921	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	1.3427	0.03356641	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	1.1673	0.02918243	Committed
3525 Andrews Hwy.			
Midland, TX 79703			
Permian Resources LLC/Read and Stevens	12.1016	0.30253921	Uncommitted
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			

Javelina Partners	2.3719	0.05929633	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	1.2904	0.03225957	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	11.2378	0.28094406	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Frost Bank, Trustee of the Josephine T.	0.2346	0.00586538	Committed
Hudson Testamentary Trust FBO J. Terrell Ard			
P.O. Box 1600			
San Antonio, TX 78296			
Ard Oil, LTD	0.7038	0.01759615	Uncommitted
222 West Forth St., Ph5			
Fort Worth, TX 76102			
Chase Oil Corporation	0.7203	0.01800824	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			
Cimarex Energy Co.	2.8461	0.10634444	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			

Avalon Energy Corporation	0.2273	0.00568186	Uncommitted
310 W. Wall St., Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	1.9446	0.04861616	Uncommitted
450 E. 17 th Ave., Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.2377	0.00594275	Uncommitted
1775 Sherman St., Ste. 2990			
Denver, CO 80203			
William A. Hudson, II	.1259	0.00314682	Committed
616 Texas St.			
Fort Worth, TX 76102			
Union Hill Oil and Gas Co. Inc.	1.2096	0.03024095	Uncommitted
7712 Glanshannon Cir.			
Dallas, TX 75225			
TRACT 3 TOTAL	40.00	0.12499609	

TRACT 4 OWNERSHIP (Lot 4 and SW/4NW/4 of Section 5-T20S-R34E, being 80.01 acres)

Lease: USA NMLC-101115

 Owner	Net Acres	Unit WI	Status	
Permian Resources LLC/Read and Stevens	68.8086	0.8599999	Uncommitted	
300 N. Marienfeld St., Ste. 1000				
Midland, TX 79701				
Highland (Texas) Energy Company	3.8557	0.04819048	Committed	

1	1	886	Greer	nville	Ave	Ste.	106

Dallas, TX 75243

Richardson Oil Company, LLC	0.9449	0.01180953	Committed
11886 Greenville Ave., Ste. 106			
Dallas, TX 75243			
Carolyn R. Beall	1.6002	0.02000001	Uncommitted
P.O. Box 3098			
Midland, TX 79702			
Diamond Star Production Co., LLC	1.6002	0.02000001	Uncommitted
P.O. Box 638			
Ardmore, OK 73402			
Tierra Encantada, LLC	1.6002	0.02000001	Uncommitted
P.O. Box 3098			
Midland, TX 79702			
David Luna	1.6002	0.02000001	Uncommitted
P.O. Box 1518			
Roswell, NM 88202			
TRACT 4 TOTAL	80.01	0.25002344	

Complete List of Parties/Persons to be Pooled:

Working Interest Owners

Moore & Shelton Co., LTD

HOG Partnership, LP

Challenger Crude, Ltd.

Permian Resources, LLC

Zorro Partners, Ltd.

Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard

Ard Oil, LTD

Chase Oil Corporation

Avalon Energy Corporation

Wilbanks Reserve Corporation

Marks Oil, Inc.

Javelina Partners

William A. Hudson, II

Union Hill Oil & Gas Co. Inc.

Highland (Texas) Energy Company

Richardson Oil Company, LLC

Carolyn R. Beall

Diamond Star Production Co., LLC

Tierra Encantada, LLC

David Luna

UNIT RECAPITULATION:

W/2W/2 of Section 5 and W/2W/2 of Section 8; all in T20S-R34E; 320.01 acres

Moore & Shelton Co., Ltd – 1.557644%

HOG Partnership, LP – 2.517404%

Challenger Crude, Ltd. – 2.188616%

Permian Resources LLC / Read and Stevens – 44.191751%

Magnum Hunter Production – 21.070146%

Zorro Partners, Ltd. – 2.419395%

Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard – 0.439892%

Ard Oil, LTD - 1.319670%

Chase Oil Corporation - 1.350574%

Cimarex Energy Co. - 7.975584%

Avalon Energy Corporation – 0.426124%

Wilbanks Reserve Corporation – 3.646093%

Marks Oil, Inc. - 0.445690%

Javelina Partners – 4.447084%

William A. Hudson, II - 0.236006%

Union Hill Oil & Gas Co. Inc. - 2.267998%

Highland (Texas) Energy Company – 1.204875%

Richardson Oil Company, LLC – 0.295266%

Carolyn R. Beall - 0.500047%

Diamond Star Production Co., LLC - 0.500047%

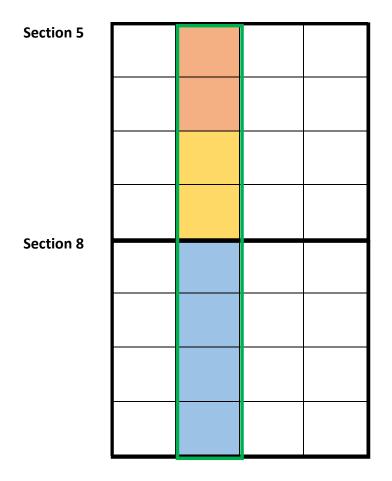
Tierra Encantada, LLC – 0.500047%

David Luna - 0.500047%

UNIT TOTAL: 100% WI

Exhibit "A-2"

E/2W/2 of Section 5 and the E/2W/2 of Section 8, Township 20 South, Range 34 East of Lea County, NM (PERMIAN/DELAWARE BASIN) – Bone Spring formation



Tract 1: USA NMLC-0064194 (80 acres)



Tract 2: USA NMLC-0064194 (160 acres)



Tract 3:USA NMLC-0065607
(80.04 acres)



Mighty Pheasant 5-8 Fed Com 302H

SHL: Sec. 5-20S-34E; 484' FNL and 1312' FWL BHL: Sec. 8-20S-34E; 100' FSL and 1744' FWL Exhibit "A-2"

OWNERSHIP BREAKDOWN – Bone Spring formation

E/2W/2 of Section 5 and the E/2W/2 of Section 8, Township 20 South, Range 34 East of Lea County, NM

Mighty Pheasant 5-8 Fed Com 302H

TRACT 1 OWNERSHIP (E/2SW/4 of Section 5-T20S-R34E, being 80 acres)

Lease: USA NMLC-0064194

Owner	Net Acres	Unit WI	Status
Moore and Shelton Co., LTD	1.6615	0.02076924	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	2.6853	0.03356644	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	2.3346	0.02918245	Committed
3525 Andrews Hwy.			
Midland, TX 79703			
Permian Resources LLC/Read and Stevens	24.2031	0.30253930	Uncommitted
300 N. Marienfeld St., Ste. 1000			

Midland, TX 79701

Javelina Partners	4.7437	0.05929629	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	2.5808	0.03225963	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	22.4755	0.28094408	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Frost Bank, Trustee of the Josephine T.	0.4692	0.00586541	Committed
Hudson Testamentary Trust FBO J. Terrell Ard			
P.O. Box 1600			
San Antonio, TX 78296			
Ard Oil, LTD	1.4077	0.01759616	Uncommitted
222 West Forth St., Ph5			
Fort Worth, TX 76102			
Chase Oil Corporation	1.4407	0.01800821	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			
Cimarex Energy Co.	8.5075	0.10634445	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			

Avalon Energy Corporation	0.4545	0.00568183	Uncommitted
310 W. Wall St., Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	3.8893	0.04861608	Uncommitted
450 E. 17 th Ave., Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.4754	0.00594270	Uncommitted
1775 Sherman St., Ste. 2990			
Denver, CO 80203			
William A. Hudson, II	0.2517	0.00314683	Committed
616 Texas St.			
Fort Worth, TX 76102			
Union Hill Oil and Gas Co. Inc.	2.4193	0.03024090	Uncommitted
7712 Glanshannon Cir.			
Dallas, TX 75225			
TRACT 1 TOTAL	80	0.24996875	

TRACT 2 OWNERSHIP (E/2W/2 of Section 8-T20S-R34E, being 160 acres)

Lease: USA NMLC-0064194

Owner Net Acres Unit WI Status

Moore and Shelton Co., LTD	3.3231	0.02076924	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	5.3706	0.03356644	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	4.6692	0.02918247	Committed
3525 Andrews Hwy.			
Midland, TX 79703			
Permian Resources LLC/Read and Stevens	48.4063	0.30253929	Uncommitted
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			
Javelina Partners	9.4874	0.05929631	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	5.1615	0.03225959	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	44.9510	0.28094405	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Front Dook Truston of the Jaconhine T	0.0395	0.000000044	Committed
Frost Bank, Trustee of the Josephine T.	0.9385	0.00586541	Committed

P.O. Box 1600

San Antonio, TX 78296

Ard Oil, LTD 222 West Forth St., Ph5	2.8154	0.01759614	Uncommitted
Fort Worth, TX 76102			
Chase Oil Corporation	2.8813	0.01800821	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			
Cimarex Energy Co.	17.0151	0.10634447	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Avalon Energy Corporation	0.9091	0.00568181	Uncommitted
310 W. Wall St., Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	7.7786	0.0486161	Uncommitted
450 E. 17 th Ave., Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.9508	0.00594270	Uncommitted
1775 Sherman St., Ste. 2990			
Denver, CO 80203			
William A. Hudson, II	0.5035	0.00314685	Committed

616 Texas St.

Fort Worth, TX 76102

Union Hill Oil and Gas Co. Inc. 4.8385 0.03024092 Uncommitted

7712 Glanshannon Cir.

Dallas, TX 75225

TRACT 2 TOTAL 160.00 0.49993751

TRACT 3 OWNERSHIP (Lot 3 and SE/4NW/4 of Section 5-T20S-R34E, being 80.04 acres)

Lease: USA NMLC-0065607

Owner	Net Acres	Unit WI	Status
Cimarex Energy Co.	4.7479	0.05931848	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Permian Resources LLC/Read and Stevens	9.8374	0.12290556	Uncommitted
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			
Javelina Partners	10.3408	0.12919492	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	10.3408	0.12919492	Committed
616 Texas St.			
Fort Worth, TX 76102			
Frost Bank, Trustee of the Josephine T.	1.2715	0.01588544	Committed

Н	udson	Testamentary	Trust FBO J.	Terrell Ard
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P.O. Box 1600

San Antonio, TX 78296

Ard Oil, LTD	3.8144	0.04765625	Uncommitted
222 West Forth St., Ph5			
Fort Worth, TX 76102			
MRC Permian Company	14.4048	0.17997000	Committed
5400 LBJ Freeway, Suite 1500			
Dallas, TX 75240			
Northern Oil and Gas, Inc. (CM Resources)	9.9425	0.12421882	Uncommitted
4350 Baker Road, Suite 400			
Minnetonka, MN 55343			
CBR Oil Properties, LLC	1.2628	0.03157067	Uncommitted
400 N. Pennsylvania, Suite 1080			
Roswell, NM 88201			
General Partnership, 2023 Permian Basin JV	1.0670	0.01333116	Uncommitted
P.O. Box 10			
Folsom, LA 70437			
HOG Partnership LP	10.0050	0.12500001	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
TRACT 3 TOTAL	80.04	0.25009374	

Complete List of Parties/Persons to be Pooled:

Working Interest Owners

Moore & Shelton Co., Ltd
HOG Partnership, LP
Challenger Crude, Ltd.
Permian Resources LLC
Bank of America, N.A., Successor
Trustee of the Delmar Hudson Lewis
Living Trust
Magnum Hunter Production
Zorro Partners, Ltd.
Frost Bank, Trustee of the Josephine T.
Hudson Testamentary Trust FBO J.
Terrell Ard
Ard Oil, LTD
Chase Oil Corporation
Cimarex Energy Co.
Avalon Energy Corporation
Wilbanks Reserve Corporation
Marks Oil, Inc.
Javelina Partners
William A. Hudson, II
Union Hill Oil & Gas Co. Inc.
MRC Permian Company
Northern Oil and Gas, Inc.
CBR Oil Properties, LLC
General Partnership, 2023 Permian
Basin JV

UNIT RECAPITULATION:

E/2W/2 of Section 5 and E/2W/2 of Section 8; all in T20S-R34E; 320.04 acres

Moore & Shelton Co., Ltd – 1.557644% HOG Partnership, LP – 5.643340% Challenger Crude, Ltd. – 2.188411%

Permian Resources LLC / Read and Stevens – 25.761402%

Magnum Hunter Production – 21.068171%

Zorro Partners, Ltd. – 5.650252%

Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard – 0.837136%

Ard Oil, LTD – 2.511399%

Chase Oil Corporation – 1.350447%

Cimarex Energy Co. – 9.458356%

Avalon Energy Corporation – 0.426083%

Wilbanks Reserve Corporation – 3.645751%

Marks Oil, Inc. – 0.445647%

Javelina Partners – 7.677751%

William A. Hudson, II – 0.235984%

Union Hill Oil & Gas Co. Inc. – 2.267785%

MRC Permian Company – 4.500937%

Northern Oil and Gas Inc. – 3.106635%

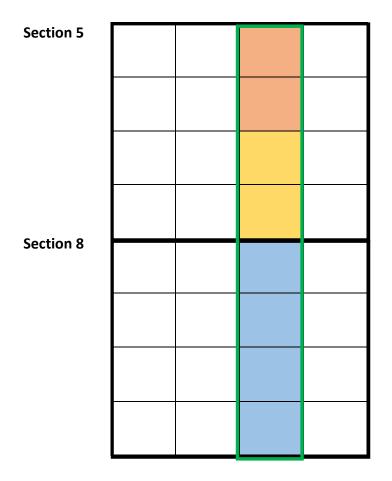
CBR Oil Properties, LLC – 1.333611%

General Partnership, 2023 Permian Basin JV – 0.333404%

UNIT TOTAL: 100% WI

Exhibit "A-2"

W/2E/2 of Section 5 and the W/2E/2 of Section 8, Township 20 South, Range 34 East of Lea County, NM (PERMIAN/DELAWARE BASIN) – Bone Spring formation



Tract 1: USA NMLC-0064194 (80 acres)



Tract 2: USA NMLC-0064194 (160 acres)



Tract 3:USA NMLC-0065607
(80.06 acres)





Mighty Pheasant 5-8 Fed Com 303H

SHL: Sec. 32-19S-34E; 281' FSL and 1463' FEL BHL: Sec. 8-20S-34E; 100' FSL and 2122' FWL

Exhibit "A-2"

OWNERSHIP BREAKDOWN – Bone Spring formation

W/2E/2 of Section 5 and the W/2E/2 of Section 8, Township 20 South, Range 34 East of Lea County, NM

Mighty Pheasant 5-8 Fed Com 303H

TRACT 1 OWNERSHIP (W/2SE/4 of Section 5-T20S-R34E, being 80 acres)

Lease: USA NMLC-0064194

Owner	Net Acres	Unit WI	Status
Moore and Shelton Co., LTD	1.6615	0.02076925	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	2.6853	0.03356645	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	2.3346	0.02918247	Committed
3525 Andrews Hwy.			
Midland, TX 79703			
Permian Resources LLC/Read and Stevens	24.2031	0.30253928	Uncommitted
300 N. Marienfeld St., Ste. 1000			

Midland, TX 79701

Javelina Partners	4.7437	0.05929632	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	2.5808	0.03225961	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	22.4755	0.28094403	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Frost Bank, Trustee of the Josephine T.	0.4692	0.00586542	Committed
Hudson Testamentary Trust FBO J. Terrell Ard			
P.O. Box 1600			
San Antonio, TX 78296			
Ard Oil, LTD	1.4077	0.01759614	Uncommitted
222 West Forth St., Ph5			
Fort Worth, TX 76102			
Chase Oil Corporation	1.4407	0.01800822	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			
Cimarex Energy Co.	8.5075	0.10634446	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			

Avalon Energy Corporation	0.4545	0.00568183	Uncommitted
310 W. Wall St., Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	3.8893	0.04861608	Uncommitted
450 E. 17 th Ave., Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.4754	0.00594271	Uncommitted
1775 Sherman St., Ste. 2990			
Denver, CO 80203			
William A. Hudson, II	0.2517	0.00314683	Committed
616 Texas St.			
Fort Worth, TX 76102			
Union Hill Oil and Gas Co. Inc.	2.4193	0.03024091	Uncommitted
7712 Glanshannon Cir.			
Dallas, TX 75225			
TRACT 1 TOTAL	80	0.24995313	

TRACT 2 OWNERSHIP (W/2E/2 of Section 8-T20S-R34E, being 160 acres)

Lease: USA NMLC-0064194

Owner Net Acres Unit WI Status

Moore and Shelton Co., LTD	3.3231	0.02076923	Committed
P.O. Box 3070			
Galveston, TX 77552			
HOG Partnership, LP	5.3706	0.03356643	Uncommitted
5950 Cedar Springs Rd., Ste. 242			
Dallas, TX 75235			
Challenger Crude, Ltd.	4.6692	0.02918245	Committed
3525 Andrews Hwy.			
Midland, TX 79703			
Permian Resources LLC/Read and Stevens	48.4063	0.30253930	Uncommitted
300 N. Marienfeld St., Ste. 1000			
Midland, TX 79701			
Javelina Partners	9.4874	0.05929632	Committed
616 Texas St.			
Fort Worth, TX 76102			
Zorro Partners, Ltd.	5.1615	0.03225959	Committed
616 Texas St.			
Fort Worth, TX 76102			
Magnum Hunter Production Inc.	44.9510	0.28094405	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Frost Bank, Trustee of the Josephine T.	0.9385	0.00586541	Committed

Hudson Testamentary Trust FBO J. Terrell Ard	

P.O. Box 1600

San Antonio, TX 78296

Ard Oil, LTD 222 West Forth St., Ph5	2.8154	0.01759616	Uncommitted
Fort Worth, TX 76102			
Chase Oil Corporation	2.8813	0.01800822	Uncommitted
11344 Lovington Hwy.			
Artesia, NM 88210			
Cimarex Energy Co.	17.0151	0.10634448	Committed
6001 Deauville Blvd., Ste. 300N			
Midland, TX 79706			
Avalon Energy Corporation	0.9091	0.00568183	Uncommitted
310 W. Wall St., Ste. 305			
Midland, TX 79701			
Wilbanks Reserve Corporation	7.7786	0.0486161	Uncommitted
450 E. 17 th Ave., Ste. 220			
Denver, CO 80203			
Marks Oil, Inc.	0.9508	0.00594271	Committed
1775 Sherman St., Ste. 2990			
Denver, CO 80203			
William A. Hudson, II	0.5035	0.00314685	Committed

616 Texas St.

Fort Worth, TX 76102

Union Hill Oil and Gas Co. Inc. 4.8385 0.03024091 Uncommitted

7712 Glanshannon Cir.

Dallas, TX 75225

TRACT 2 TOTAL 160.00 0.49990627

TRACT 3 OWNERSHIP (Lot 2 and SW/4NE/4 of Section 5-T20S-R34E, being 80.06 acres)

Lease: USA NMLC-0065607

Net Acres	Unit WI	Status
4.7479	0.05931848	Committed
4.5034	0.05625001	Uncommitted
10.3433	0.12919490	Committed
10.3433	0.12919490	Committed
1.2718	0.01588547	Committed
	4.7479 4.5034 10.3433	4.7479 0.05931848 4.5034 0.05625001 10.3433 0.12919490 10.3433 0.12919490

Hudson Testamentary Trust FBO J. Terrell Ard

P.O. Box 1600

San Antonio, TX 78296

Magnum Hunter Production Inc. 35.0262 0.43749999 Committed

6001 Deauville Blvd., Ste. 300N

Midland, TX 79706

Ard Oil, LTD 3.8154 0.04765624 Uncommitted

222 West Forth St., Ph5

Fort Worth, TX 76102

HOG Partnership LP 10.0075 0.12500002 Uncommitted

5950 Cedar Springs Rd., Ste. 242

Dallas, TX 75235

TRACT 3 TOTAL 80.06 0.25014060

Complete List of Parties/Persons to be Pooled:

Working Interest Owners

Moore & Shelton Co., Ltd

HOG Partnership, LP

Challenger Crude, Ltd.

Permian Resources LLC

Bank of America, N.A., Successor Trustee

of the Delmar Hudson Lewis Living Trust

Magnum Hunter Production

Zorro Partners, Ltd.

Frost Bank, Trustee of the Josephine T.

Hudson Testamentary Trust FBO J. Terrell

Ard

Ard Oil, LTD

Chase Oil Corporation

Cimarex Energy Co.

Avalon Energy Corporation Wilbanks Reserve Corporation Marks Oil, Inc. Javelina Partners William A. Hudson, II Union Hill Oil & Gas Co. Inc.

UNIT RECAPITULATION:

W/2E/2 of Section 5 and W/2E/2 of Section 8; all in T20S-R34E; 320.06 acres

Moore & Shelton Co., Ltd – 1.557401%

HOG Partnership, LP - 5.643769%

Challenger Crude, Ltd. - 2.188274%

Permian Resources LLC / Read and Stevens – 24.093234%

Magnum Hunter Production - 32.010504%

Zorro Partners, Ltd. - 5.650705%

Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard – 0.837183%

Ard Oil, LTD - 2.511540%

Chase Oil Corporation – 1.350363%

Cimarex Energy Co. - 9.458136%

Avalon Energy Corporation – 0.426057%

Wilbanks Reserve Corporation - 3.645523%

Marks Oil, Inc. - 0.445620%

Javelina Partners - 7.678079%

William A. Hudson, II - 0.235969%

Union Hill Oil & Gas Co. Inc. - 2.267643%

UNIT TOTAL: 100% WI

Cimarex Energy Co. Permian Business Unit 600 N. Marienfeld Street Suite 600 Midland, Texas 79701 MAIN 432.571,7800



August 25, 2022

Ard Oil, Ltd. 222 West Forth St., Ph5 Fort Worth, TX 76102

Re:

Proposal to Drill

Mighty Pheasant 5-8 Fed Com 101H-104H, 201H-204H & 301H-304H

Sections 5 & 8, Township 20 South, Range 34 East

Lea County, NM

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Mighty Pheasant 5-8 Fed Com 101H-104H, 201H-204H & 301H-304H Wells at a legal location in Section 5, Township 20 South, Range 34 East, NMPM, Lea Co., NM.

Mighty Pheasant 5-8 Fed Com 101H - The intended surface hole location for the well is 330' FNL and 1090' FWL of Section 5, Township 20 South, Range 34 East, and the intended bottom hole location is 100' FSL and 330' FWL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 9,530' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 102H - The intended surface hole location for the well is 330' FNL and 1130' FWL of Section 5, Township 20 South, Range 34 East, and the intended bottom hole location is 100' FSL and 1744' FWL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 9,530' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 103H - The intended surface hole location for the well is 340' FSL and 1640' FEL of Section 32, Township 19 South, Range 34 East, and the intended bottom hole location is 100' FSL and 2122' FEL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 9,530' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 104H - The intended surface hole location for the well is 340' FSL and 1600' FEL of Section 32, Township 19 South, Range 34 East, and the intended bottom hole location is 100' FSL and 708' FEL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 9,530' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.



Mighty Pheasant 5-8 Fed Com 201H - The intended surface hole location for the well is 330' FNL and 1110' FWL of Section 5, Township 20 South, Range 34 East, and the intended bottom hole location is 100' FSL and 330' FWL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,310' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 202H - The intended surface hole location for the well is 330' FNL and 1150' FWL of Section 5, Township 20 South, Range 34 East, and the intended bottom hole location is 100' FSL and 1744' FWL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,310' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 203H - The intended surface hole location for the well is 340' FSL and 1620' FEL of Section 32, Township 19 South, Range 34 East, and the intended bottom hole location is 100' FSL and 2122' FEL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,308' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 204H - The intended surface hole location for the well is 280' FSL and 1520' FEL of Section 32, Township 19 South, Range 34 East, and the intended bottom hole location is 100' FSL and 708' FEL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,308' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 301H - The intended surface hole location for the well is 390' FNL and 1190' FWL of Section 5, Township 20 South, Range 34 East, and the intended bottom hole location is 100' FSL and 330' FWL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,870' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 302H - The intended surface hole location for the well is 390' FNL and 1230' FWL of Section 5, Township 20 South, Range 34 East, and the intended bottom hole location is 100' FSL and 1744' FWL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,860' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 303H - The intended surface hole location for the well is 280' FSL and 1540' FEL of Section 32, Township 19 South, Range 34 East, and the intended bottom hole location is 100' FSL and 2122' FEL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,850' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

Mighty Pheasant 5-8 Fed Com 304H - The intended surface hole location for the well is 280' FSL and 1500' FEL of Section 32, Township 19 South, Range 34 East, and the intended bottom hole location is 100' FSL and 708' FEL of Section 8, Township 20 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Mighty Pheasant 5-8 Fed Com Wells. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Cimarex will file for force pooling for the Mighty Pheasant 5-8 Fed Com 101H-104H, 201H-204H & 301H-304H wells 30 days after the receipt of these proposals.

Please call the undersigned with any questions or comments.

Respectfully,

John Coffman 432.571.7883

John.Coffman@Coterra.com

O COTERRA

Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 204H

AFE # XXXXXXX

Company Entity				Date Prepared 8/17/2022
Exploration Region Permian Basin	Well Name Mighty Pheasant 5-8 Fed Com 204H	Prospect New Mexico Bone Spring	Property Num XXXXXX-XXX.01	
County, State Lea, NM	Location Section 5-8 T20S-R34E Lea, NM		Estimated Spud	Estimated Completion
X New Supplement Revision	Formation 2nd Sand	Well Type DEV	Ttl Measured Depth 19808	Ttl Vetical Depth 10308
Purpose Drill Description	and complete well			
	ne intended surface hold location for the well i			

The intended surface hold location for the well is 280 FSL and 1520 FEL of Section 32, T19S-R34E, and the intended bottom hole location is 100 FSL and 708 FEL of Section 8, T20S-R34E. The well is proposed to be drilled vertically to the 2nd Sand formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total vertical depth of the well is proposed to be approximately 10308 feet.

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,475,500		\$2,475,500
Completion Casts		\$4,646,761	\$4,646,761
Total Intangible Cost	\$2,475,500	\$4,646,761	\$7,122,261
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$393,000	\$1,125,000	\$1,518,000
Lease Equipment		\$790,428	\$790,428
Total Tangible Cost	\$393,000	\$1,915,428	\$2,308,428
Total Well Cost	\$2,868,500	\$6,562,189	\$9,430,689

Comments On Well Costs

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator 's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

elect to	purchase	mv	own	well	control	insurance	policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.	
I elect to market my gas with Cimarex pursuant to the terms and conditions of its cont	tract

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

7/6/2022

^{1.} All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.



Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 204H

Description Roads & Location Damages Mud/Fluids Disposal	DIDC,100	20,000	Codes	Amount	Codes STIM.100	Amount 3,000	Codes CON.100	Amount 48,637	PCOM.100	3,000	74,637
Damages					STIM.100	3,000			PCOM.100	3,000	74,63
	DIDC.105	15 500									
Mud/Eluide Dieporal		16,500	1		100		CON.105	15807	VII.		32,30
viud/Fiulus Disposai	DIDC.255	200,000	10.00		STIM.255	51,000			PCOM.255	0	251,00
Day Rate	DIDC.115	468,000	DICC.120	96,000							564,00
Misc Preparation	DIDC.120	30,000									30,00
Bits	DIDC.125	97,000	DICC.125	0	STIM.125	0			PCOM.125	0	97,00
Fuel	DIDC.135	119,000	DICC.130	0					PCOM.130	0	119,00
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	20,000			PCOM.135	0	25,00
Mud & Additives	DIDC.145	300,000			-						300,00
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	109,193	109,19
Surface Rentals	DIDC.150	97,000	DICC.140	0	STIM.140	137,000	CON.140	1,378	PCOM.140	60,000	295,37
Downhole Rentals	DIDC.155	131,000	4.4		STIM.145	35,000			PCOM.145	0	166,000
Flowback Labor	Discours				STIM.141	0			PCOM.141	30,000	30,000
Automation Labor					2,111,112,11		CON.150	36,558	PCOM.150	5,000	41,558
	DIDC.170	5,000					2014,120	30,000			5,000
Mud Logging IPC & EXTERNAL PAINTING	DIDC.170	5,000					CON 165	18,888			18,88
	DIDC.185	70,000	DICC.155	140,000			CO14.103	10,000			210,000
Cementing & Float Equipment		70,000			CTIMATOO	4.000			PCOM.160	0	50,000
Tubular Inspections	DIDC.190	38,000	DICC.160	8,000	and the second of the second	4,000			PCOM. 160	U	
Casing Crews	DIDC.195	15,000	DICC.165	13,000	100000000000000000000000000000000000000	0					28,000
Mechanical Labor	DIDC.200	20,000	DICC.170	3,000	STIM.170	0	CON.170	139,588	PCOM.170	5,000	167,58
Trucking/Transportation	DIDC:205	30,000	DICC.175	8,000	STIM.175	4,000	CON.175	17,833	PCOM.175	0	59,83
Supervision	DIDC.210	81,000	DICC.180	13,000	to have to be been a few of	47,000	CON.180	21,238	PCOM.180	0	162,23
Trailer House/Camp/Catering	DIDC.280	36,000	DICC.255	5,000	STIM.280	31,000					72,000
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	85,000	CON.190	24,318	PCOM.190	0	114,31
Overhead	DIDC.225	5,000	DICC.195	5,000							10,000
MOB/DEMOB	DIDC.240	115,000									115,000
Directional Drilling Services	DIDC.245	307,000									307,000
Solids Control	DIDC.260	46,000							77		46,000
Well Control Equip (Snubbing Services)	DIDC.265	84,000	DICC.240	0	STIM.240	64,000			PCOM.240	0	148,000
Completion Rig			-		STIM.115	21,000			PCOM.115	0	21,000
Coil Tubing Services					STIM.260	0			PCOM 260	0	
Completion Logging/Perforating/Wireline					STIM.200	257,000			PCOM.200	0	257,000
Composite Plugs					STIM.390	39,000			PCOM.390	0	39,000
Stimulation					STIM.210	2,245,000			PCOM.210	0	2,245,000
					STIM.210				PCOWLE TO		191,000
Stimulation Water/Water Transfer/Water					100000000000000000000000000000000000000	191,000			PCOM.305	0	60,000
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000	2011200		PCOM.303	U	
Legal/Regulatory/Curative	DIDC.300	10,000					CON.300	0			10,000
Well Control Insurance	DIDC.285	7,000						1000			7,000
Major Construction Overhead							CON.305	26,507			26,507
FL/GL - ON PAD LABOR							CON.495	37,613			37,613
FL/GL - Labor							CON.500	94,842			94,842
FL/GL - Supervision							CON.505	14,429			14,429
Survey							CON.515	2,351			2,351
SWD/Other - Labor							CON.600	0			(
SWD/Other - Supervision							CON.605	0			(
Aid In Construct/3rd Party Connect							CON.701	40,531			40,531
Contingency	DIDC.435	118,000	DICC.220	15,000	STIM.220	165,000	CON.220	105,542	PCOM.220	0	403,542
Contingency		2011000	Manual I		14.00.000	11200000	CON.221	23,508	100,000,000,00		23,508
Total Intangible Cost		2,475,500		306,000		3,459,000		669,568		212,193	7,122,26
Conductor Pipe	DWEB.130	0		300,000		3,432,000		000,000		4.47.1	0
	DWEB.135	104,000									104,000
Water String Surface Casing	DWEB.135	251,000									251,000
	DWEB.140										251,000
Intermediate Casing 1	DVVEB.145	0	DIAMEA 100	707.000							
Production Casing or Liner			DWEA.100	792,000	CTIL .				DCOLUT		792,000
Tubing	- Ner - II	72.50		4025	STIMT.105	139,000			PCOMT.105	0	139,000
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,000
Liner Hanger, Isolation Packer	DWEB.100	0	DWEA.125	0		28.54			00010		20.000
Packer, Nipples					STIMT.400	28,000		Takena	PCOMT.400	0	28,000
SHORT ORDERS							CONT.380	10,538			10,538
PUMPS							CONT.385	30,804			30,804
WALKOVERS							CONT.390	4,053			4,053
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,000
Surface Equipment									PCOMT.420	15,000	15,000
Well Automation Materials									PCOMT.455	5,000	5,000
N/C Lease Equipment							CONT.400	184,334			184,334
Tanks, Tanks Steps, Stairs							CONT.405	51,879			51,879
Battery Equipment							CONT.410	214,003			214,003
Secondary Containments							CONT.415	19,292			19,292
Overhead Power Distribution							CONT.420	64,038			64,038
Facility Electrical							CONT.425	32,100			32,100
							CONT.425	486			486
Telecommunication Equipment											45,232
Meters and Metering Equipment							CONT.445	45,232			
Facility Line Pipe							CONT.450	31,208			31,20
Lease Automation Materials							CONT.455	32,424			32,424
FL/GL - Materials							CONT.550	21,400			21,400
EL /CL Line Dine							CONT.555	48,637			48,637
FL/GL - Line Pipe											
SWD/Other - Materials							CONT.650	0			(
				810,000			CONT.650 CONT.655	0		30,000	2.308,428



Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 204H

Description		BCP	- Drilling		ACP - Drilling	1	Comp	/Stim	Amir
	Codes		Amount			Amount	Codes	CON.100	Amour 3,00
Roads & Location	DIDC.100		20,000				STIM.100	CON.100	3,00
Damages	DIDC.105		16,500						
Mud/Fluids Disposal	DIDC.255		200,000				STIM.255		51,00
Day Rate	DIDC.115	DICC 120	468,000	DICC,120		96,000			
Misc Preparation	DIDC.120		30,000						
Bits	DIDC.125	DICC.125	97,000	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135	DICC.130	119,000	DICC.130		0			
Water for Drilling Rig (Not Frac	DIDC.140	DICC 135	5,000		STIM.135	0	STIM.135		20,00
Mud & Additives	DIDC.145	5,44,155	300,000			diam'r			11 1
SWD PIPED TO 3RD PARTY SWD	DIDC.143		300,000						
	DIDC 150	DICC.140	97,000	DICC 140	STIM.140	0	STIM.140	CON.140	137,000
Surface Rentals		DICC.140	20000000	DICC. 140	311141.140	, u	STIM.145	CONTRACT	35,000
Downhole Rentals	DIDC.155		131,000						33,00
Flowback Labor							STIM.141		
Automation Labor									
Mud Logging	DIDC.170		5,000						1
IPC & EXTERNAL PAINTING									
Cementing & Float Equipment	DIDC.185		70,000			140,000			
Tubular Inspections	DIDC.190	DICC.160	38,000	DICC.160	STIM.160	8,000	STIM,160		4,000
Casing Crews	DIDC.195	DICC.165	15,000	DICC.165	STIM.165	13,000	STIM.165		(
Mechanical Labor	DIDC.200	DICC.170	20,000	DICC.170	STIM.170	3,000	STIM.170	CON.170	
Trucking/Transportation	DIDC.205		30,000		Total Control	8,000	STIM.175	CON.175	4,000
Supervision	DIDC.210		81,000		STIM.180	13,000	STIM. 180	CON.180	47,000
and the second s	DIDC.210		36,000		STIM.280	5,000	STIM.180		31,000
Trailer House/Camp/Catering					19/07/19/2019	1,000		CON 100	
Other Misc Expenses			5,000		STIM 190	0	STIM.190	CON.190	85,000
Overhead		DICC.195	5,000			5,000			
MOB/DEMOB	DIDC.240		115,000						
Directional Drilling Services	DIDC.245		307,000						
Solids Control	DIDC.260		46,000						
Well Control Equip (Snubbing	DIDC.265	DICC.240	84,000		STIM.240	0	STIM.240		64,000
Completion Rig			2,455,7				STIM.115		21,000
Coil Tubing Services							STIM.260		(
Completion							STIM.200		257,000
							STIM.390		39,000
Composite Plugs									
Stimulation							STIM.210		2,245,000
Stimulation Water/Water							STIM.395		191,000
Cimarex Owned Frac/Rental							STIM.305		60,000
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC.285		7,000						
Major Construction Overhead						1			
FL/GL - ON PAD LABOR									
FL/GL - Labor									
FL/GL - Supervision									
Control of the Contro						1			
Survey									
SWD/Other - Labor									
SWD/Other - Supervision									
Aid In Construct/3rd Party Connect			1						
Contingency	DIDC.435	DICC.220	118,000	DICC.220	STIM.220	15,000	STIM.220	CON 220	165,000
Contingency			1						
Total Intangible Cos			2,475,500			306,000			3,459,000
Conductor Pipe	DWEB.130		0			-			
Water String	DWEB.135		104,000						
The state of the s									
Surface Casing	DWEB.140		251,000						
Intermediate Casing 1	DWEB.145		0			20100			
Production Casing or Liner				DWEA.100		792,000			
Tubing					A CONTRACTOR OF THE CONTRACTOR		STIMT.105		139,000
Wellhead, Tree, Chokes	DWEB.115	DWEA.120	38,000	DWEA.120	STIMT.120	18,000	STIMT.120		38,000
Liner Hanger, Isolation Packer	DWEB.100	DWEA.125	0	DWEA.125		0			
Packer, Nipples							STIMT.400		28,000
SHORT ORDERS									
PUMPS									
WALKOVERS									
Downhole Lift Equipment							STIMT.410		80,000
							3111111.410		60,000
Surface Equipment									
Well Automation Materials									
N/C Lease Equipment									
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
The second secon									
Facility Line Pipe									
Lease Automation Materials									
FL/GL - Materials									
FL/GL - Materials									
SWD/Other - Materials									
SWD/Other - Line Pipe									
			393,000			010.000			285,000
Total Tangible Cost			393,000			810,000			285,000



Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 204H AFE # XXXXXXX

Description		Production Equip			Post Completion		Total
	Codes	A	Amount	Codes	200	Amount	74,63
Roads & Location	CON.100		48,637	PCOM.100	Repair any roads post D&C	3,000	32,30
Damages	CON.105		15807	00011355		0	251,00
Mud/Fluids Disposal				PCOM.255			564,000
Day Rate Misc Preparation							30,000
Bits				PCOM.125		0	97,000
Fuel				PCOM.130		0	119,000
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	25,000
Mud & Additives							300,000
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	Water for 60 days (270K barrels)	109,193	109,193
Surface Rentals	CON.140		1,378	PCOM.140	Iron. XEC Own 5K. No 10K. \$1,100 per day	60,000	295,378
Downhole Rentals				PCOM,145		0	166,000
Flowback Labor				PCOM.141	3 Flowback Hands (60 days), 25%	30,000	30,000
Automation Labor	CON.150		36,558	PCOM.150		5,000	41,558
Mud Logging							5,000
IPC & EXTERNAL PAINTING	CON.165		18,888				18,888
Cementing & Float Equipment							210,000
Tubular Inspections				PCOM.160		0	50,000 28,000
Casing Crews	CO11470		120 500	25014170	Dit flowback hom & Automotion	5,000	167,588
Mechanical Labor	CON.170		139,588	PCOM.170	RU Flowback Iron & Automation	5,000	59,833
Trucking/Transportation	CON.175		17,833	PCOM.175			162,238
Supervision	CON.180		21,238	PCOM, 180		0	72,000
Trailer House/Camp/Catering	CONTRO		24210	PCOM.190		0	114,318
Other Misc Expenses	CON.190		24,318	PCOM. 190			10,000
Overhead MOB/DEMOB							115,000
11 2 4 C 12 C 12 C 12 C 12 C 12 C 12 C 1							307,000
Directional Drilling Services Solids Control							46,000
Well Control Equip (Snubbing Services)				PCOM.240		0	148,000
Completion Rig				PCOM.115		0	21,000
Coil Tubing Services				PCOM.260		0	(
Completion Logging/Perforating/Wireline				PCOM.200		0	257.000
Composite Plugs				PCOM.390		0	39,000
Stimulation				PCOM.210		0	2,245,000
Stimulation Water/Water Transfer/Water				1. COMMETO			191,000
Cimarex Owned Frac/Rental Equipment				PCOM.305		0	60,000
Legal/Regulatory/Curative	CON.300		0				10,000
Well Control Insurance	7771442						7,000
Major Construction Overhead	CON.305		26,507				26,507
FL/GL - ON PAD LABOR	CON.495		37,613				37,613
FL/GL - Labor	CON.500		94,842				94,842
FL/GL - Supervision	CON.505		14,429				14,429
Survey	CON.515		2351				2,351
SWD/Other - Labor	CON.600		0				0
SWD/Other - Supervision	CON.605		0				(
Aid In Construct/3rd Party Connect	CON.701		40,531				40,531
Contingency	CON.220		105,542				403,542
Contingency	CON.221		23,508				23,508
Total Intangible Cost			669,568			212,193	7,122,26
Conductor Pipe							(
Water String							104,000
Surface Casing							251,000
Intermediate Casing 1							(
Production Casing or Liner							792,000
Tubing				PCOMT.105	Colonian part market and	0	139,000
Wellhead, Tree, Chokes				PCOMT.120	Replace worn chokes and valves during FB	10,000	104,000
Liner Hanger, Isolation Packer				0000			20.000
Packer, Nipples				PCOMT.400		0	28,000
SHORT ORDERS	CONT.380		10,538				10,538
PUMPS	CONT.385		30,804				30,804
WALKOVERS	CONT.390		4,053	DCC			4,053
Downhole Lift Equipment				PCOMT.410	Basis Shakes Court Basis San III	15,000	80,000
Surface Equipment				PCOMT.420	Replacing Chokes, Stuffing Boxes, and all	15,000	15,000
Well Automation Materials	CONT 400		10422	PCOMT.455	PTs, and replacing meters	5,000	5,000 184,334
N/C Lease Equipment	CONT.400 CONT.405		184,334				51,879
Tanks, Tanks Steps, Stairs	CONT.410		51,879				214,003
Battery Equipment Secondary Containments	CONT.415		214,003 19,292				19,292
Overhead Power Distribution	CONT.415		64,038				64,038
Facility Electrical	CONT.425		32,100				32,100
Telecommunication Equipment	CONT.425		486				486
Meters and Metering Equipment	CONT.445						45,232
Facility Line Pipe	CONT.450		45,232 31,208				31,208
Lease Automation Materials	CONT.455		32,424				32,424
FL/GL - Materials	CONT.550		21,400				21,400
FL/GL - Materials FL/GL - Line Pipe	CONT.555		48,637				48,63
i et ar - ruie i the	10-20-00-00-00-00-00-00-00-00-00-00-00-00		40,037				40,03
SWD/Other - Materials							
SWD/Other - Materials SWD/Other - Line Pipe	CONT.650 CONT.655						(
SWD/Other - Materials SWD/Other - Line Pipe Total Tangible Cost	CONT.655		790,428			30,000	2,308,428

AFE # XXXXXXX O COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 301H Date Prepared Company Entity 8/17/2022 AFE Property Number Well Name Prospect Explaration Region XXXXXX-XXX.01 XXXXXXX Mighty Pheasant 5-8 Fed Com 301H New Mexico Bone Spring Permian Basin Estimated Soud Estimated Completion County, State Location Section 5-8 T20S-R34E Lea, NM Lea, NM Ttl Measured Depth Ttl Vetical Depth Well Type X New 10870 Supplement DEV 3rd Sand Revision Drill and complete well Purpose Description The intended surface hold location for the well is 390 FNL and 1190 FWL of Section 5, T20S-R34E, and the intended bottom hole location is Drilling 100 FSL and 330 FWL of Section 8, T20S-R34E. The well is proposed to be drilled vertically to the 3rd Sand formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total vertical depth of the well is proposed to be approximately 10870 feet. After Casing Point Completed Well Cost Dry Hole Intangible \$2,475,500 Drilling Costs \$2,475,500 \$4,595,289 \$4,595,289 Completion Costs \$7,070,789 Total Intangible Cost \$2,475,500 \$4,595,289 Completed Well Cost Dry Hole After Casing Point Tangible \$1,518,000 Well Equipment \$1,125,000 \$393,000 \$840.065 Lease Equipment \$840.065 \$2,358,065 \$1,965,065 Total Tangible Cost \$393,000 Total Well Cost \$2,868,500 \$6,560,354 \$9,428,854 Comments On Well Costs 1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier. Well Control Insurance Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator 's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator. I elect to purchase my own well control insurance policy. Marketing Election Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above. I elect to take my gas in kind. I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract. The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well

Company	Approved By (Print Name)	Approved By (Signature)	Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

7/6/2022



COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 301H

Description	BCP - Dr	illing	ACP -	Drilling		np/Stim	- Marine Control	on Equip	Post Con		Total
Description	Codes	Amount	Codes	Amount		Amount	Codes	Amount	Codes	Amount	Co
Roads & Location	DIDC,100	20,000			STIM.100	3,000	CON.100	44,205	PCOM.100	3,000	70,20
Damages	DIDC,105	16,500					CON.105	3215			19,71
Mud/Fluids Disposal	DIDC.255	200,000			STIM.255	51,000			PCOM.255	0	251,00
Day Rate	DIDC.115	468,000	DICC.120	96,000							564,00
Misc Preparation	DIDC.120	30,000									30,00
Bits	DIDC.125	97,000	DICC 125	0	STIM.125	0			PCOM.125	0	97,00
Fuel	DIDC.135	119,000	DICC.130	0					PCOM.130	0	119,00
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC 135	0	STIM.135	20,000			PCOM.135	0	25,00
Mud & Additives	DIDC.145	300,000	5145/45			20,000				3	300,00
SWD PIPED TO 3RD PARTY SWD WELL	DIDC.143	300,000							PCOM.257	87,354	87,35
	DIOCATO	07.000	DICC.140	0	STIM.140	137,000	CON.140	6,912	PCOM.140	60,000	300,91
Surface Rentals	DIDC.150	97,000	DICC. 140				CON.140	0,512	PCOM.145	00,000	166,00
Downhole Rentals	DIDC.155	131,000			STIM.145	35,000				-	
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,00
Automation Labor							CON.150	45,010	PCOM.150	5,000	50,01
Mud Logging	DIDC.170	5,000									5,00
IPC & EXTERNAL PAINTING							CON.165	5,144			5,14
Cementing & Float Equipment	DIDC.185	70,000	DICC.155	140,000							210,00
Tubular Inspections	DIDC.190	38,000	DICC.160	8,000	STIM.160	4,000			PCOM.160	0	50,00
Casing Crews	DIDC.195	15,000	DICC.165	13,000	STIM.165	0					28,00
Mechanical Labor	DIDC.200	20,000	DICC 170	3,000	STIM.170	0	CON.170	185,663	PCOM.170	5,000	213,66
							CON.175	16,075	PCOM.175	0	58,07
Trucking/Transportation	DIDC.205	30,000	DICC 175	8,000	STIM.175	4,000	CON.175		PCOM.173 PCOM.180	0	152,57
Supervision	DIDC.210	81,000	DICC 180	13,000	STIM.180	47,000	CON.180	11,574	PCUM.180	U	
Trailer House/Camp/Catering	DIDC.280	36,000	DICC.255	5,000	STIM.280	31,000	22,012	223.0			72,00
Other Misc Expenses	DIDC:220	5,000	DICC 190	0	STIM.190	85,000	CON.190	19,290	PCOM.190	0	109,29
Overhead	DIDC.225	5,000	DICC 195	5,000							10,000
MOB/DEMOB	DIDC:240	115,000									115,000
Directional Drilling Services	DIDC.245	307,000									307,000
Solids Control	DIDC.260	46,000									46,000
Well Control Equip (Snubbing Services)	DIDC.265	84,000	DICC.240	0	STIM.240	64,000			PCOM.240	0	148,000
Completion Rig	Parket In	14.00			STIM.115	21,000			PCOM.115	0	21,000
Coil Tubing Services					STIM.260	21,000			PCOM.260	0	1,00
					STIM.200				PCOM.200	0	257,00
Completion Logging/Perforating/Wireline						257,000					
Composite Plugs					STIM.390	39,000			PCOM.390	0	39,00
Stimulation					STIM.210	2,245,000			PCOM.210	0	2,245,00
Stimulation Water/Water Transfer/Water					STIM.395	191,000					191,00
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	0	60,00
Legal/Regulatory/Curative	DIDC.300	10,000					CON.300	0			10,00
Well Control Insurance	DIDC.285	7,000									7,00
Major Construction Overhead							CON.305	0			
FL/GL - ON PAD LABOR							CON.495	33,114			33,11
FL/GL - Labor							CON.500	113,970			113,97
FL/GL - Supervision							CON.505	12,056			12,05
											6,59
Survey							CON.515	6,590			
SWD/Other - Labor							CON.600	0			
SWD/Other - Supervision							CON.605	0			
Aid In Construct/3rd Party Connect							CON.701	0			
Contingency	DIDC.435	118,000	DICC.220	15,000	STIM.220	165,000	CON.220	106,737	PCOM.220	0	404,73
Contingency							CON.221	30,381			30,38
Total Intangible Cost		2,475,500		306,000		3,459,000		639,935		190,354	7,070,78
Conductor Pipe	DWEB.130	0				41.50,000					9
	DWEB.135	104,000									104,00
Water String	DWEB.133	251,000									251,00
Surface Casing											251,000
Intermediate Casing 1	DWEB.145	0									
Production Casing or Liner			DWEA.100	792,000							792,00
Tubing					STIMT.105	139,000			PCOMT.105	0	139,00
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,00
Liner Hanger, Isolation Packer	DWEB.100	0	DWEA.125	0							
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,000
SHORT ORDERS						7.00	CONT.380	11,253			11,25
PUMPS							CONT.385	26,362			26,36
WALKOVERS							CONT.390	6,430			6,43
Downhole Lift Equipment					STIMT.410	80,000	20111330	0,-130	PCOMT.410	0	80,00
A CONTRACTOR OF THE PROPERTY O					311WIL410	80,000			PCOMT.410		
Surface Equipment										15,000	15,00
Well Automation Materials								1	PCOMT.455	5,000	5,00
N/C Lease Equipment							CONT.400	279,861			279,86
Tanks, Tanks Steps, Stairs							CONT.405	0			9
Battery Equipment							CONT.410	229,386			229,38
Secondary Containments							CONT.415	12,859			12,85
Overhead Power Distribution							CONT.420	10,288			10,28
Facility Electrical							CONT.425	48,224			48,22
Telecommunication Equipment							CONT.426	0			70,22
Meters and Metering Equipment							CONT.445	42,758			42,75
The state of the s											28,93
Facility Line Pipe							CONT.450	28,935			
Lease Automation Materials							CONT.455	36,972			36,97
FL/GL - Materials							CONT.550	26,684			26,68
FL/GL - Line Pipe							CONT.555	80,052			80,05
SWD/Other - Materials							CONT.650	0			
SWD/Other - Line Pipe							CONT.655	0			
				040.000				21225		20.000	2 250 05
Total Tangible Cost		393,000		810,000		285,000		840,065		30,000	2,358,06



Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 301H

Damages Mud/Fluids Disposal Day Rate Misc Preparation Bits	DIDC.100		Amount 20,000	Codes		Amount	Codes STIM.100	CON.100	Amour 3,00
Damages Mud/Fluids Disposal Day Rate Misc Preparation Bits	DIDC.105						STIM.100	CON.100	3,00
Mud/Fluids Disposal Day Rate Misc Preparation Bits						1			
Day Rate Misc Preparation Bits	DIDCOLL		16,500						5100
Misc Preparation Bits	DIDC.255		200,000				STIM.255		51,00
Bits	DIDC.115	DICC.120	468,000	DICC.120		96,000			
	DIDC.120		30,000						
Empl	DIDC.125		97,000		STIM.125	0	STIM.125		
	DIDC.135		119,000			0			70.00
	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135		20.00
Mud & Additives	DIDC.145		300,000						
SWD PIPED TO 3RD PARTY SWD									
Surface Rentals	DIDC.150	DICC.140	97,000	DICC.140	STIM.140	- 0	STIM.140	CON.140	137,00
Downhole Rentals	DIDC.155		131,000				STIM.145		35,00
Flowback Labor							STIM.141		
Automation Labor									
Mud Logging	DIDC.170		5,000						
IPC & EXTERNAL PAINTING									
Cementing & Float Equipment	DIDC.185	DICC.155	70,000	DICC.155		140,000			
	DIDC.190	DICC.160	38,000	DICC.160	STIM.160	8,000	STIM.160		4,00
	DIDC.195	DICC.165	15,000	DICC.165	STIM.165	13,000	STIM.165		
	DIDC.200		20,000		STIM.170	3,000	STIM.170	CON.170	- 1
	DIDC.205		30,000	The second second second	STIM.175	8,000	STIM.175	CON.175	4,00
Control of the Contro	DIDC.210		81,000		STIM.180	13,000	STIM.180	CON.180	47,00
		DICC.255	36,000		STIM.280	5,000	STIM.280		31,00
	The ball of the last of	DICC.190	5,000	DICC.190	STIM.190	0,000	STIM.190	CON.190	85,00
		DICC.195	5,000	DICC.195	III. 130	5,000	2		55,00
ACCURACY CONTRACTOR OF THE PROPERTY OF THE PRO	DIDC.240	DICCISS	115,000	DICC. 193		5,000			
The state of the s			307,000						
Description (Britain Schoolses)	DIDC 245		20000000						
	DIDC 260	DICCAM	46,000	DICCOL	CTIMOMO		CTILADAG		64,00
Appropriate the property of the second second	DIDC 265	DICC240	84,000	DICC.240	51IM.240	0	STIM.240 STIM.115		100000
Completion Rig									21,000
Coil Tubing Services							STIM.260		
Completion							STIM.200		257,000
Composite Plugs							STIM.390		39,000
Stimulation							STIM.210		2,245,000
Stimulation Water/Water							STIM.395		191,00
Cimarex Owned Frac/Rental							STIM.305		60,000
Legal/Regulatory/Curative	DIDC.300		10,000						
	DIDC 285		7,000						
Major Construction Overhead									
FL/GL - ON PAD LABOR									
FL/GL - Labor									
FL/GL - Supervision									
Survey									
SWD/Other - Labor									
SWD/Other - Supervision									
Aid In Construct/3rd Party Connect									
	DIDC.435	DICC 320	118,000	DICC.220	CTIM 220	15,000	STIM.220	CON 220	165,000
Control of Control	DIDC.433	DICCEZO	110,000	DICC.EZO	311W.220	13,000	JIIIVILLO	CONTEG	105,00
Contingency Total laterally Con			2,475,500			306.000			3,459,000
Total Intangible Cos	DWC0 120			-		300,000			3,433,000
	DWEB.130		0						
	DWEB.135		104,000						
and the second s	DWEB.140		251,000						
	DWEB.145		0			Made School			
Production Casing or Liner				DWEA.100		792,000			
Tubing						L. Sant	STIMT.105		139,00
Section 1981 of Physics Control Beautiful Control		DWEA.120			STIMT.120	18,000	STIMT.120		38,00
Liner Hanger, Isolation Packer	DWEB.100	DWEA 125	0	DWEA.125		0			
Packer, Nipples							STIMT.400		28,00
SHORT ORDERS									
PUMPS									
WALKOVERS									
Downhole Lift Equipment							STIMT.410		80,00
Surface Equipment									
Well Automation Materials									
N/C Lease Equipment									
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
Facility Line Pipe									
Lease Automation Materials									
FL/GL - Materials									
FL/GL - Materials									
SWD/Other - Materials									
SWD/Other - Line Pipe			393,000			810,000		-	285,00



Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 301H

Description		Production Equip			Post Completion	American	Total
	Codes		Amount	Codes	and the second sections	Amount	70,20
Roads & Location	CON.100		44,205	PCOM.100	Repair any roads post D&C	3,000	
Damages	CON.105		3215				19,7
Mud/Fluids Disposal				PCOM.255		0	251,00
Day Rate							564,00
Misc Preparation							30,00
Bits				PCOM.125		0	97,00
Fuel				PCOM.130		0	119,00
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	25,00
Mud & Additives							300,00
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	Water for 60 days (270K barrels)	87,354	87,35
Surface Rentals	CON.140		6,912	PCOM.140	Iron. XEC Own 5K. No 10K. \$1,100 per day	60,000	300,91
Downhole Rentals				PCOM.145		0	166,00
Flowback Labor	1000			PCOM.141	3 Flowback Hands (60 days). 25%	30,000	30,00
Automation Labor	CON 150		45,010	PCOM.150		5,000	50,01
Mud Logging	- 10						5,00
IPC & EXTERNAL PAINTING	CON 165		5,144				5,14
Cementing & Float Equipment							210,00
Tubular Inspections				PCOM.160		0	50,00
Casing Crews							28,00
Mechanical Labor	CON.170		185,663	PCOM.170	RU Flowback Iron & Automation	5,000	213,66
Trucking/Transportation	CON.175		16,075	PCOM.175		0	58,07
Supervision	CON.180		11,574	PCOM.180		0	152,57
Trailer House/Camp/Catering			- 3941.54				72,00
Other Misc Expenses	CON.190		19,290	PCOM.190		0	109,29
Overhead			. 5,250	. 2301.130			10,00
MOB/DEMOB							115,00
Directional Drilling Services							307,00
Solids Control							46,00
				PCOM.240		0	148,00
Well Control Equip (Snubbing Services)							
Completion Rig				PCOM.115		0	21,00
Coil Tubing Services				PCOM.260		0	
Completion Logging/Perforating/Wireline				PCOM.200		0	257,00
Composite Plugs				PCOM.390		0	39,00
Stimulation				PCOM.210		0	2,245,00
Stimulation Water/Water Transfer/Water							191,00
Cimarex Owned Frac/Rental Equipment				PCOM.305		0	60,00
Legal/Regulatory/Curative	CON.300		0				10,00
Well Control Insurance							7,00
Major Construction Overhead	CON.305		0				1
FL/GL - ON PAD LABOR	CON.495		33,114				33,11-
FL/GL - Labor	CON.500		113,970				113,97
FL/GL - Supervision	CON.505		12,056				12,05
Survey	CON.515		6590				6,59
SWD/Other - Labor	CON.600		0				
SWD/Other - Supervision	CON.605		0				
Aid In Construct/3rd Party Connect	CON.701		0				
Contingency	CON.220		106,737				404,73
Contingency	CON.221						30,38
	CON,221		30,381			190,354	7,070,78
Total Intangible Cost			639,935			190,554	7,070,78
Conductor Pipe							
Water String							104,00
Surface Casing							251,00
Intermediate Casing 1							
Production Casing or Liner							792,00
Tubing				PCOMT.105	and the second second second second	0	139,00
Wellhead, Tree, Chokes				PCOMT.120	Replace worn chokes and valves during FB	10,000	104,00
Liner Hanger, Isolation Packer							
Packer, Nipples				PCOMT.400		0	28,00
SHORT ORDERS	CONT.380		11,253				11,25
PUMPS	CONT.385		26,362				26,36
WALKOVERS	CONT.390		6,430				6,43
Downhole Lift Equipment				PCOMT.410		0	80,00
Surface Equipment				PCOMT.420	Replacing Chokes, Stuffing Boxes, and all	15,000	15,000
Well Automation Materials	25.31				PTs, and replacing meters	5,000	5,00
N/C Lease Equipment	CONT.400		279,861	and appropriate	- All Andrews - Andrews	100	279,86
Tanks, Tanks Steps, Stairs	CONT.405		0				
Battery Equipment	CONT.410		229,386				229,38
Secondary Containments	CONT.415		12,859				12,85
Overhead Power Distribution	CONT.420		10,288				10,28
Facility Electrical	CONT.425		48,224				48,22
Telecommunication Equipment	CONT.425						40,22
	to the same through the same		42.750				42.75
Meters and Metering Equipment	CONT.445		42,758				42,75
Facility Line Pipe	CONT.450		28,935				28,93
Lease Automation Materials	CONT.455		36,972				36,97
FL/GL - Materials	CONT.550		26,684				26,68
FL/GL - Line Pipe	CONT.555		80,052				80,05
SWD/Other - Materials	CONT.650		0				
	CONT.655						
SWD/Other - Line Pipe Total Tangible Cost	COM1.655		840,065			30,000	2,358,06

7/6/2022

O COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 302H AFE # XXXXXXX Date Prepared Company Entity 8/17/2022 Property Number AFF Exploration Region Well Name Prospect XXXXXX-XXX.01 XXXXXXX Permian Basin Mighty Pheasant 5-8 Fed Com 302H New Mexico Bone Spring Estimated Completion Estimated Soud County, State Location Lea, NM Section 5-8 T20S-R34E Lea, NM Itl Vetical Deoth X New Well Type Ttl Measured Depth 10860 Supplement 3rd Sand DEV 20360 Revision Purpose Drill and complete well Description The intended surface hold location for the well is 390 FNL and 1230 FWL of Section 5, T205-R34E, and the intended bottom hole location is Drilling 100 FSL and 1744 FWL of Section 8, T20S-R34E. The well is proposed to be drilled vertically to the 3rd Sand formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total vertical depth of the well is proposed to be approximately 10860 feet. Completed Well Cost After Casing Point Dry Hole Intangible Drilling Costs \$2,475,500 \$2,475,500 \$4,595,289 \$4,595,289 Completion Costs Total Intangible Cost \$2,475,500 \$4,595,289 \$7,070,789 Completed Well Cost After Casing Point Tangible Dry Hole \$1,518,000 \$1,125,000 Well Equipment \$393,000 \$840,065 \$840,065 Lease Equipment \$1,965,065 \$2,358,065 Total Tangible Cost \$393,000 Total Well Cost \$6,560,354 \$9,428,854 \$2,868,500 1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier. Well Control Insurance Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator 's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator. I elect to purchase my own well control insurance policy. Marketing Election Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above. I elect to take my gas in kind. I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract. The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well. Nonoperator Approval Company Approved By (Print Name) Approved By (Signature) Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate

share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.



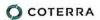
Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 302H

Description	BCP - Dri			Drilling		np/Stim		on Equip	Post Com		Total
	Codes	Amount	Codes	Amount	Codes	Amount		Amount	PCOM.100	Amount 3,000	70,20
Roads & Location	DIDC.100	20,000			STIM.100	3,000	CON.100	44,205	PLOM. 100	3,000	19,71
Damages	DIDC.105	16,500					CON,105	3215	00011355	0	251,00
Mud/Fluids Disposal	DIDC.255	200,000			STIM.255	51,000			PCOM.255	0	
Day Rate	DIDC.115	468,000	DICC 120	96,000				1			564,00
Misc Preparation	DIDC.120	30,000						1			30,00
Bits	DIDC.125	97,000	DICC 125	0	STIM.125	0			PCOM 125	0	97,00
Fuel	DIDC.135	119,000	DICC.130	0					PCOM.130	0	119,00
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC 135	0	STIM.135	20,000			PCOM.135	0	25,00
Mud & Additives	DIDC.145	300,000									300,00
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	87,354	87,35
Surface Rentals	DIDC.150	97,000	DICC.140	0	STIM.140	137,000	CON.140	6,912	PCOM.140	60,000	300,91
Downhole Rentals	DIDC 155	131,000			STIM.145	35,000		1500	PCOM.145	0	166,00
Flowback Labor	5.5-6.135				STIM.141	0			PCOM.141	30,000	30,00
Automation Labor					31111111111		CON.150	45,010	PCOM.150	5,000	50,01
	DIDC.170	F 000					CO14.130	43,010	1 COM. 130	3,000	5,00
Mud Logging	DIDC.170	5,000					CON.165	6144			5,14
IPC & EXTERNAL PAINTING	-2.22.02	-02742					CON.165	5,144			210,00
Cementing & Float Equipment	DIDC.185	70,000	DICC.155	140,000							
Tubular Inspections	DIDC.190	38,000	DICC.160	8,000	STIM.160	4,000			PCOM.160	0	50,00
Casing Crews	DIDC:195	15,000	DICC.165	13,000	STIM.165	0				0.00	28,00
Mechanical Labor	DIDC.200	20,000	DICC.170	3,000	STIM.170	0	CON.170	185,663	PCOM.170	5,000	213,66
Trucking/Transportation	DIDC.205	30,000	DICC 175	8,000	STIM.175	4,000	CON.175	16,075	PCOM.175	0	58,07
Supervision	DIDC.210	81,000	DICC 180	13,000		47,000	CON.180	11,574	PCOM.180	0	152,57
Trailer House/Camp/Catering	DIDC.280	36,000	DICC 255	5,000	STIM.280	31,000					72,00
Other Misc Expenses	DIDC.220	5,000	DICC.190	0,000	STIM.190	85,000	CON.190	19,290	PCOM.190	0	109,29
Overhead	DIDC.225	5,000	DICC.195	5,000	311111190	33,000	55.1.120	15,230			10,00
MOB/DEMOB	DIDC 240	115,000	JICC 193	5,000							115,00
											307,00
Directional Drilling Services	DIDC.245	307,000									
Solids Control	DIDC.260	46,000	B/5-1		mw) -	24.000			necutation		46,00
Well Control Equip (Snubbing Services)	DIDC.265	84,000	DICC 240	0	STIM.240	64,000			PCOM.240	0	148,00
Completion Rig					STIM.115	21,000			PCOM.115	0	21,00
Coil Tubing Services					STIM.260	0		1	PCOM.260	0	
Completion Logging/Perforating/Wireline					STIM.200	257,000			PCOM.200	0	257,00
Composite Plugs					STIM.390	39,000			PCOM.390	0	39,00
Stimulation					STIM.210	2,245,000			PCOM.210	0	2,245,00
Stimulation Water/Water Transfer/Water					STIM.395	191,000					191,00
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM,305	0	60,00
	DIDC 200	10,000			311101.303	60,000	CON.300	0	r comisos		10,00
Legal/Regulatory/Curative	DIDC.300	10,000					CO14.500	· ·			7,00
Well Control Insurance	DIDC.285	7,000									
Major Construction Overhead							CON.305	0			
FL/GL - ON PAD LABOR							CON.495	33,114			33,11
FL/GL - Labor							CON.500	113,970			113,97
FL/GL - Supervision							CON.505	12,056			12,05
Survey							CON.515	6,590			6,59
SWD/Other - Labor							CON.600	0			0
SWD/Other - Supervision							CON.605	0			- 1
Aid In Construct/3rd Party Connect							CON.701	0			1
Contingency	DIDC.435	118,000	DICC.220	15,000	STIM.220	165,000	CON.220	106,737	PCOM.220	0	404,73
Contingency	Dide.Add	110,000	DICCILLO	13,000	211111220	103,000	CON.221	30,381	1.401111111		30,38
Total Intangible Cost		2,475,500		306,000		3,459,000	CONTE	639,935		190,354	7,070,78
	DIMED 130			500,000		5,459,000		039,933		150,334	7,070,70
Conductor Pipe	DWEB.130	0									
Water String	DWEB.135	104,000									104.00
Surface Casing	DWEB.140	251,000									251,00
Intermediate Casing 1	DWEB.145	0									
Production Casing or Liner			DWEA.100	792,000							792,00
Tubing					STIMT.105	139,000			PCOMT.105	0	139,00
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,00
Liner Hanger, Isolation Packer	DWEB.100	0	DWEA.125								
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,00
SHORT ORDERS						23,000	CONT.380	11,253	Discount of Principle		11,25
PUMPS							CONT.385	26,362			26,36
WALKOVERS							CONT.390	6,430			6,43
					CTORY			6,430	DCOLUT 415	0	
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,00
Surface Equipment									PCOMT.420	15,000	15,00
Well Automation Materials								100,700	PCOMT.455	5,000	5,00
N/C Lease Equipment							CONT.400	279,861			279,86
Tanks, Tanks Steps, Stairs							CONT.405	0			
Battery Equipment							CONT.410	229,386			229,38
Secondary Containments							CONT.415	12,859			12,85
Overhead Power Distribution							CONT.420	10,288			10,28
Facility Electrical							CONT.425	48,224			48,22
A course of the second course								48,224			40,22
Telecommunication Equipment							CONT.426	1 10			
Meters and Metering Equipment							CONT.445	42,758			42,75
Facility Line Pipe							CONT.450	28,935			28,93
Lease Automation Materials							CONT.455	36,972		- 1	36,97
FL/GL - Materials							CONT.550	26,684			26,68
FL/GL - Line Pipe							CONT.555	80,052			80,05
SWD/Other - Materials							CONT.650	0			
SWD/Other - Line Pipe							CONT.655	0			
Total Tangible Cost		393,000		810,000		285,000		840,065		30,000	2,358,06
		22457									



COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 302H

Description		BCP	- Drilling		ACP - Drilling		Comp	/Stim	1 400
Description	Codes		Amount			Amount	Codes	9070790	Amou
Roads & Location	DIDC.100		20,000				STIM.100	CON.100	3,0
Damages	DIDC.105		16,500						
Mud/Fluids Disposal	DIDC.255		200,000			1	STIM.255		51,00
Day Rate	DIDC.115	DICC.120	468,000	DICC,120		96,000			
Misc Preparation	DIDC.120		30,000						
Bits	DIDC.125	DICC.125	97,000	DICC.125	STIM.125	0	STIM.125		
Fuel		DICC130	119,000			0			
Water for Drilling Rig (Not Frac	DIDC.140	DICC.135	5,000		STIM 135	0	STIM.135		20,00
	DIDC.145	DICC.133	300,000		311141.133		200000		7.7
Mud & Additives SWD PIPED TO 3RD PARTY SWD	DIDC.143		300,000						
			07.000	DICC 140	CTILLIA	0	STIM.140	CON.140	137,00
Surface Rentals	DIDC.150	DICC.140	97,000	DICC.140	STIM.140	U		CON.140	1 1 1 1 1 1 1 1 1 1
Downhole Rentals	DIDC.155		131,000				STIM.145		35,00
Flowback Labor							STIM.141		
Automation Labor									
Mud Logging	DIDC.170		5,000						
IPC & EXTERNAL PAINTING									
Cementing & Float Equipment	DIDC.185	DICC.155	70,000	DICC.155		140,000			
Tubular Inspections	DIDC.190	DICC.160	38,000	DICC.160	STIM.160	8,000	STIM.160		4,00
Casing Crews		DICC.165	15,000		STIM.165	13,000	STIM.165		
Mechanical Labor		DICC.170	20,000		STIM.170	3,000	STIM.170	CON.170	
		DICC.175	30,000			8,000	STIM.175	CON.175	4,00
Trucking/Transportation		A Autorit Intraction	1				STIM. 175	CON.175	47,00
Supervision	DIDC.210		81,000		STIM.180	13,000		CON.160	
Trailer House/Camp/Catering	DIDC.280		36,000		STIM.280	5,000	STIM.280	2011100	31,00
Other Misc Expenses		Professor Strong Co.	5,000		STIM 190	0	STIM.190	CON.190	85,00
Overhead		DICC.195	5,000			5,000			
MOB/DEMOB	DIDC.240		115,000						
Directional Drilling Services	DIDC.245		307,000						
Solids Control	DIDC 260		46,000						
Well Control Equip (Snubbing		DICC.240	84,000		STIM 240	0	STIM.240		64,00
Completion Rig		20000000			1000000		STIM.115		21,00
Coil Tubing Services							STIM.260		2.1,00
							STIM.200		257,00
Completion									
Composite Plugs							STIM.390		39,00
Stimulation							STIM.210		2,245,00
Stimulation Water/Water							STIM.395		191,00
Cimarex Owned Frac/Rental							STIM.305		60,00
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC 285		7,000						
Major Construction Overhead	2.0000		1,000						
FL/GL - ON PAD LABOR									
FL/GL - Labor									
FL/GL - Supervision									
Survey									
SWD/Other - Labor									
SWD/Other - Supervision									4
Aid In Construct/3rd Party Connect									
Contingency	DIDC.435	DICC.220	118,000	DICC.220	STIM.220	15,000	STIM.220	CON.220	165,00
Contingency			1						
Total Intangible Cos			2.475.500			306,000			3,459,00
Conductor Pipe	DWEB.130		0			300,000			
						1			
Water String	DWEB.135		104,000						
Surface Casing	DWEB.140		251,000						
Intermediate Casing 1	DWEB.145		0						
Production Casing or Liner				DWEA.100		792,000			
Tubing							STIMT.105		139,00
Wellhead, Tree, Chokes	DWEB.115	DWEA.120	38,000	DWEA.120	STIMT.120	18,000	STIMT.120		38,00
Liner Hanger, Isolation Packer		DWEA 125	A Company of the Parket	DWEA.125		0			
Packer, Nipples				-			STIMT.400		28,00
SHORT ORDERS							2,,,,,,,,,,,,		23,00
PUMPS									
WALKOVERS							-		92.00
Downhole Lift Equipment			1				STIMT.410		80,00
Surface Equipment			/						
Well Automation Materials									
N/C Lease Equipment									
Tanks, Tanks Steps, Stairs									
Battery Equipment			1						
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment			1						
and the same of th									
Facility Line Pipe									
Facility Line Pipe Lease Automation Materials									
Lease Automation Materials FL/GL - Materials									
Lease Automation Materials FL/GL - Materials FL/GL - Materials									
Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials									
Lease Automation Materials			393,000			810,00C			285,00



COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 302H

Description		Production Equip		-	Post Completion	Ame	Total
	Codes		mount	Codes	Bassis and total Doc	Amount	70,20
Roads & Location	CON.100		44,205	PCOM.100	Repair any roads post D&C	3,000	
Damages	CON.105		3215				19,71
Mud/Fluids Disposal				PCOM.255		0	251,00
Day Rate							564,00
Misc Preparation							30,00
Bits				PCOM.125		0	97,00
Fuel				PCOM.130		0	119,00
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	25,00
Mud & Additives							300,00
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	Water for 60 days (270K barrels)	87,354	87,35
Surface Rentals	CON.140		6,912	PCOM.140	Iron. XEC Own 5K. No 10K. \$1,100 per day	60,000	300,91
Downhole Rentals				PCOM.145		0	166,00
Flowback Labor			. 1	PCOM.141	3 Flowback Hands (60 days). 25%	30,000	30,00
Automation Labor	CON.150		45,010	PCOM.150		5,000	50,01
Mud Logging						677	5,00
IPC & EXTERNAL PAINTING	CON.165		5,144				5,14
Cementing & Float Equipment	2247.00						210,00
Tubular Inspections				PCOM.160		0	50,00
Casing Crews				1.95.00100			28,00
Mechanical Labor	CON.170	1	85,663	PCOM.170	RU Flowback Iron & Automation	5,000	213,66
	CON.175		16,075	PCOM.175	NO HONDOCK HOLL OF ACCUMULANT	0	58,07
Trucking/Transportation	CON.173			PCOM. 173		0	152,57
Supervision	CON.180		11,574	PCOM. 180			72,00
Trailer House/Camp/Catering	CONTRO		10.000	00011100		0	109,29
Other Misc Expenses	CON.190		19,290	PCOM.190		U	109,29
Overhead							
MOB/DEMOB							115,00
Directional Drilling Services							307,00
Solids Control							46,00
Well Control Equip (Snubbing Services)				PCOM.240		0	148,00
Completion Rig				PCOM.115		0	21,00
Coil Tubing Services				PCOM.260		0	
Completion Logging/Perforating/Wireline				PCOM.200		0	257,00
Composite Plugs				PCOM.390		0	39,00
Stimulation				PCOM.210		0	2,245,00
Stimulation Water/Water Transfer/Water							191,00
Cimarex Owned Frac/Rental Equipment				PCOM.305		0	60,00
Legal/Regulatory/Curative	CON.300		0				10,00
Well Control Insurance	6011300						7,00
Major Construction Overhead	CON.305		0				1,00
FL/GL - ON PAD LABOR	CON.495		33,114				33,11
	and the state of t						113,97
FL/GL - Labor	CON.500		13,970				
FL/GL - Supervision	CON.505		12,056				12,05
Survey	CON.515		6590				6,59
SWD/Other - Labor	CON.600		0				
SWD/Other - Supervision	CON.605		0				
Aid In Construct/3rd Party Connect	CON.701		0				
Contingency	CON.220	1	06,737				404,73
Contingency	CON.221		30,381				30,38
Total Intangible Cost			639,935			190,354	7,070,78
Conductor Pipe							
Water String							104,00
Surface Casing							251,00
Intermediate Casing 1							
Production Casing or Liner							792,00
Tubing				PCOMT.105		0	139,00
Wellhead, Tree, Chokes				PCOMT.120	Replace worn chokes and valves during FB	10,000	104,00
Liner Hanger, Isolation Packer					The same of the sa		
Packer, Nipples				PCOMT,400		0	28,00
SHORT ORDERS	CONT.380		11,253	. 25,111,400			11,25
PUMPS	CONT.385		26,362				26,36
WALKOVERS	CONT.385 CONT.390						6,43
	CON1.590		6,430	DCOLIT 110		0	80,00
Downhole Lift Equipment				PCOMT.410	Parlacing Chaling St. Hand		
Surface Equipment				PCOMT.420	Replacing Chokes, Stuffing Boxes, and all	15,000	15,00
Well Automation Materials				PCOMT.455	PTs, and replacing meters	5,000	5,00
N/C Lease Equipment	CONT.400	2	79.861				279,86
Tanks, Tanks Steps, Stairs	CONT.405		0				
Battery Equipment	CONT.410		229,386				229,38
Secondary Containments	CONT.415		12,859				12,85
Overhead Power Distribution	CONT.420		10,288				10,28
Facility Electrical	CONT.425		48,224				48,22
Telecommunication Equipment	CONT.426		0				
Meters and Metering Equipment	CONT.445		42,758				42,75
Facility Line Pipe	CONT.450		28,935				28,93
Lease Automation Materials	CONT.455		36,972				36,97
FL/GL - Materials	CONT.550		26,684				26,68
FL/GL - Line Pipe	CONT.555		80,052				80,05
SWD/Other - Materials	CONT.650		0				00,03
SWD/Other - Line Pipe	CONT.655		0				
			840,065			30,000	2,358,06
Total Tangible Cost							

O COTERRA

Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 303H

AFE # XXXXXXX

Company Entity				Date Prepared 8/17/2022
Exploration Region Permian Basin	Well Name Mighty Pheasant 5-8 Fed Com 303H	Prospect New Mexico Bone Spring	Property Number XXXXXX-XXX.01	per AFE XXXXXXXX
county, State	Location		Estimated Spud	Estimated Completion
.ea, NM	Section 5-8 T20S-R34E Lea, NM			
X New Supplement Revision	Formator 3rd Sand	Well Type DEV	Ttl Measured Deoth 20350	Ttl Vetical Deoth 10850
Purpose Dri Description	ill and complete well			
	The intended surface hold location for the well in 100 FSL and 2122 FEL of Section 8, T20S-R34E. To southerly direction within the formation to the mapproximately 10850 feet.	The well is proposed to be drilled vert	ically to the 3rd Sand formati	on and laterally in a

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,475,500		\$2,475,500
Completion Costs		\$4,624,922	\$4,624,922
Total Intangible Cost	\$2,475,500	\$4,624,922	\$7,100,422
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$393,000	\$1,125,000	\$1,518,000
Lease Equipment		\$790,428	\$790,428
Total Tangible Cost	\$393,000	\$1,915,428	\$2,308,428
Total Well Cost	\$2,868,500	\$6,540,350	\$9,408,850

Comments On Well Cost:

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

		well control	

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.	
I elect to market my gas with	Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

7/6/2022

^{1.} All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.



COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 303H

Description	BCP - Dri	-	ACP -			np/Stim		ion Equip	Post Con		Total
	Codes	Amount	Codes	Amount		Amount	Codes	Amount	Codes	Amount	Cos
Roads & Location	DIDC.100	20,000			STIM.100	3,000	CON.100	48,637	PCOM.100	3,000	74,637
Damages	DIDC.105	16,500			Wall Calls	45.749	CON.105	15807	ncourses	ň	32,307 251,000
Mud/Fluids Disposal	DIDC.255	200,000	200000		STIM.255	51,000			PCOM.255	0	
Day Rate	DIDC.115	468,000	DICC 120	96,000							564,000
Misc Preparation	DIDC.120	30,000	270.00								30,000
Bits	DIDC.125	97,000	DICC.125	0	STIM.125	0			PCOM.125	0	97,000
Fuel	DIDC.135	119,000	DICC.130	0					PCOM.130	0	119,000
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC 135	0	STIM.135	20,000			PCOM.135	0	25,000
Mud & Additives	DIDC.145	300,000								20.00	300,000
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	87,354	87,354
Surface Rentals	DIDC.150	97,000	DICC.140	0	STIM.140	137,000	CON.140	1,378	PCOM.140	60,000	295,378
Downhole Rentals	DIDC.155	131,000			STIM.145	35,000			PCOM.145	0	166,000
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,000
Automation Labor							CON.150	36,558	PCOM.150	5,000	41,558
Mud Logging	DIDC.170	5,000									5,000
IPC & EXTERNAL PAINTING							CON.165	18,888			18,888
Cementing & Float Equipment	DIDC.185	70,000	DICC.155	140,000							210,000
Tubular Inspections	DIDC.190	38,000	DICC.160	8,000	STIM.160	4,000			PCOM.160	0	50,000
Casing Crews	DIDC,195	15,000	DICC.165	13,000	STIM.165	0		March 1			28,000
Mechanical Labor	DIDC.200	20,000	DICC.170	3,000	STIM.170	0	CON.170	139,588	PCOM.170	5,000	167,588
Trucking/Transportation	DIDC.205	30,000	DICC.175	8,000	STIM.175	4,000	CON.175	17,833	PCOM.175	0	59,833
Supervision	DIDC.210	81,000	DICC.180	13,000		47,000	CON.180	21,238	PCOM.180	0	162,238
Trailer House/Camp/Catering	DIDC.280	36,000	DICC.255	5,000		31,000					72,000
Other Misc Expenses	DIDC.220	5,000	DICC 190	0	STIM.190	85,000	CON.190	24,318	PCOM.190	0	114,318
Overhead	DIDC.225	5,000	DICC.195	5,000		55,000		2.75.0			10,000
MOB/DEMOB	DIDC:240	115,000	an Paris	-,							115,000
Directional Drilling Services	DIDC.245	307,000									307,000
Solids Control	DIDC.260	46,000									46,000
Well Control Equip (Snubbing Services)	DIDC.265	84,000	DICC.240	0	STIM.240	64,000			PCOM.240	0	148,000
Completion Rig	DIDC.EUJ	04,000	512270		STIM.115	21,000			PCOM.240	0	21,000
					STIM.260	21,000			PCOM.260	0	21,000
Coil Tubing Services					STIM.200				PCOM.200	0	257,000
Completion Logging/Perforating/Wireline						257,000				0	39,000
Composite Plugs					STIM.390	39,000			PCOM.390		
Stimulation					5TIM.210	2,245,000			PCOM.210	0	2,245,000
Stimulation Water/Water Transfer/Water					STIM.395	191,000					191,000
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	0	60,000
Legal/Regulatory/Curative	DIDC.300	10,000					CON.300	0			10,000
Well Control Insurance	DIDC.285	7,000						20172			7,000
Major Construction Overhead							CON.305	26,507			26,507
FL/GL - ON PAD LABOR							CON.495	37,613			37,613
FL/GL - Labor							CON.500	94,842			94,842
FL/GL - Supervision							CON.505	14,429			14,429
Survey							CON.515	2,351			2,351
SWD/Other - Labor							CON.600	0			C
SWD/Other - Supervision							CON.605	0			0
Aid In Construct/3rd Party Connect							CON.701	40,531			40,531
Contingency	DIDC.435	118,000	DICC 220	15,000	STIM.220	165,000	CON.220	105,542	PCOM.220	0	403,542
Contingency							CON.221	23,508			23,508
Total Intangible Cost		2,475,500		306,000		3,459,000		669,568		190,354	7,100,422
Conductor Pipe	DWEB.130	0									
Water String	DWEB.135	104,000									104,000
Surface Casing	DWEB.140	251,000									251,000
Intermediate Casing 1	DWEB.145	0									251,000
Production Casing or Liner	E 1112	0	DWEA.100	792,000							792,000
Tubing			D112A.100	132,000	STIMT.105	139,000			PCOMT.105	0	139,000
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	10 000	STIMT.120	38,000			PCOMT.103	10,000	104,000
Liner Hanger, Isolation Packer		38,000	DWEA.125		JIIIWI.120	36,000			. COM1.120	10,000	104,000
	DWEB.100	0	DIVER. 125	U	STINAT 400	20,000			DCOLIT 400	0	28,000
Packer, Nipples					STIMT.400	28,000		40.000	PCOMT.400	U	
SHORT ORDERS							CONT.380	10,538			10,538
PUMPS							CONT.385	30,804			30,804
WALKOVERS					CTIL		CONT.390	4,053	DCOLET LLC	Ä	4,053
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,000
Surface Equipment									PCOMT.420	15,000	15,000
Well Automation Materials									PCOMT.455	5,000	5,000
N/C Lease Equipment							CONT.400	184,334			184,334
Tanks, Tanks Steps, Stairs	1						CONT.405	51,879			51,879
Battery Equipment							CONT.410	214,003			214,003
Secondary Containments	-						CONT.415	19,292			19,292
Overhead Power Distribution							CONT.420	64,038			64,038
Facility Electrical							CONT.425	32,100			32,100
Telecommunication Equipment							CONT.426	486			486
Meters and Metering Equipment							CONT.445	45,232			45,232
Facility Line Pipe							CONT.450	31,208			31,208
Lease Automation Materials							CONT.455	32,424			32,424
FL/GL - Materials							CONT.550	21,400			21,400
FL/GL - Line Pipe							CONT.555	48,637			48,637
SWD/Other - Materials							CONT.650	n			(
SWD/Other - Line Pipe							CONT.655	0			
- i - j - ditter - Little i i i j C				-			CO141.033				-
Total Tangible Cost		393,000		810,000		285,000		790,428		30,000	2,308,428



COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 303H AFE # XXXXXXXX

Standard Colorida	Description		BCP -	- Drilling		ACP - Drilling	V	Comp	/Stim	I Amount
Description		Codes		Amount	Codes		Amount	Codes	CON 100	The second secon
MacCorplane Doc 255 Doc 255 Doc 255 Doc 255 Doc 255 Doc 255 Statut								511M.100	CON.100	3,01
Doc Pater	THE LOT THE COURT OF THE COURT									F100
Mac Physical Pilot								S11M.255		51,00
Bits	Aurilla Aurilla and American Inc.		DICC.120		DICC.120		96,000			
DICC185 DICC185 STAN 145 DICC185 DICC185 STAN 145 DICC185 DICC185 STAN 145 DICC185 DIC	Contract of the Contract of th									
DOC-140 DOC-151 SO00 DCC-153 STAN-155 D	Bits	DIDC.125	DICC.125			STIM.125		STIM.125		
DOC-150 DOC-150 DOC-160 STIM 140 DOC-160	Fuel	DIDC.135	DICC.130				1			4.00
SWID PRED D Jab PARTY SWO SWID RES DICC155 DICC155 SWID RES	Water for Drilling Rig (Not Frac	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135		20,00
Surface Remails DOC 159 DOC 150 STOK 140 STOK	Mud & Additives	DIDC.145		300,000						
Double D	SWD PIPED TO 3RD PARTY SWD									
Floable Library Multi-Library Multi-Libr	Surface Rentals	DIDC.150	DICC.140	97,000	DICC.140	STIM.140	0	STIM.140	CON.140	1 10000
Automation Labor Mod Logring DRC & BETERNAL PAINTING DRC & DECTION DICCIDS DRC 10173 D	Downhole Rentals	DIDC.155		131,000				STIM.145	1	35,00
December	Flowback Labor							STIM.141		
DEC SENTENDA PANTING Concentring PATE AND EXPENSE OF TAXABLE PROPERTY OF TAXABLE PRO	Automation Labor									
DEC SENTENDA PANTING Concentring PATE AND EXPENSE OF TAXABLE PROPERTY OF TAXABLE PRO	Mud Logging	DIDC.170		5,000						
Commenting Discrit D	the state of the s									
Tubble Trespectation Children (Service Children) Children		DIDC.185	DICC.155	70,000	DICC.155		140,000			
Calling Ceres DICC.165 DICC		DIDC.190	DICC.160			STIM 160	8,000	STIM.160		4,00
Mechanical Labor 100C200 100C170 20000 100C170 30000 100C170 30000 50C1775 30000 100C175 30000 100C175 30000 100C175 30000 30C175 30000 100C175 30000 30C175 30000 30C175 30000 30C175 30						And the second State of th	1,725,000	STIM.165		
Tracking Transportation DICC295 DICC175 30000 DICC175 18000 DICC175 18000 STM 110 CON175 4.00 Straint or Control Processing Supervision DICC210 DICC180 STM 180 1.00 STM 180 CON175 4.00 S	The state of the s					4-0.492	1		CON.170	
Supervision									Control and property	4,00
Table House/Camp/Catering Obc-Mice Springs Obc-Mice Sprin	March 1975 September 1988 September 197						1		Carlo Color	
Other Mark Expenses	And the second s									
DOCATION	The state of the s								CON 190	1
DICC249						311W.120	30.00	311101.130	CO11.130	65,00
Directional Dilling Services DIC-249			DICC 195		DICC. 195		5,000			
Solids Control										1
Well Control Equip Sinubbling	A SANGE OF THE REAL PROPERTY OF THE PROPERTY O									
Completion Rig Cold Tubing Services STMA 250 ST					DI CO	200000		CTIL LO		
Completion Com		DIDC.265	DICC 240	84,000	DICC.240	STIM.240	0			
Competition										
STIMA300 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 30.00 3	Coil Tubing Services									
Stimulation	Completion									
Stimulation Water Mater Climares Owned Frace/Remail Equipment Stimulation	Composite Plugs							STIM.390		1 2 1 1 1000
Climare Commed Faze/Rental Legal/Regulatory/Curative DIDC.285 DIDC.285 Time DIDC.285 Tim	Stimulation							STIM.210		2,245,00
Legal/Regidatory/Curative	Stimulation Water/Water							STIM.395		191,00
Legal/Regulatory/Curative	Cimarex Owned Frac/Rental							STIM.305		60,00
Well Control Insurance		DIDC.300		10,000						
Major Construction Overhead FL/GL - National PAD LABOR FL/GL - National PAD LABOR FL/GL - National PAD LABOR FL/GL - Supervision Stury										
FL/GL - Labor FL/GL - Labor FL/GL - Labor FL/GL - Supervision Survey SWD/Other - Labor SWD/Other - Supervision Survey SURVEY SWD/Other - Supervision SURVEY SWD/Other - Supervision SURVEY SUR				.,,						
FL/GL - Labor FL/GL - Supervision Survey SWD/Other - Labor SWD/Other - Supervision Aid In Construct/3d Party Connect Contingency Total Intangible Cos Conductor Pipe DWE8.130 DWE8.135 DWE8.135 DWE8.136 DWE8.140 DWE8.145 DWE8.155 DWE8.145	Control of the Control of Control									
FL/GL - Supervision Survey SWD/Other - Labor SWD/Other - Supervision SWD/Other										
Survey SWD/Other - Labor SWD/Other - Supervision Aid In Construct/3rd Party Connect Contingency Contingency Total Intangible Cos Conductor Pipe DWEB.130 DWEB.135 DWEB.135 DWEB.135 DWEB.135 DWEB.135 DWEB.135 DWEB.140 DWEB.140 DWEB.140 DWEB.140 DWEB.140 DWEB.140 DWEB.140 DWEB.140 DWEB.140 DWEB.145 DWEB.155 DWE										
SWD/Other - Labor SWD/Other - Supervision Aid In Construct/3rd Party Connect Contingency Total Intanglable Cos Total Intanglable Cos Web 130 Water String DWEB.130 DWEB.130 DWEB.130 DWEB.130 DWEB.135 DWEB.145										
SWD/Other - Supervision Aid in Construct/3rd Party Connect Contingency DIDC 435 DICC 220 118,000 DICC 220 STIM 220 15,000 STIM 220 CON 220 165,000 Contingency DIDC 435 DICC 220 118,000 DICC 220 STIM 220 15,000 STIM 220 CON 220 165,000 STIM 220 CON 220 165,000 STIM 220 CON 220 165,000 STIM 220 CON 220 STIM 22							1			
Ald In Construct/3rd Party Connect Contingency Contingency Total Intangible Cos Total Intangible Cos West 130										
Contingency										
Contingency Total Intangible Cos 2.475,500 306,000 3.459,000 3.459,000		DIDC 125	DICCOOL	110.000	DICCOOL	CT11.1000	15.000	CTIL 4 220	CON1220	165.00
Total Intangible Cos Conductor Pipe DWEB.130 DWEB.135 Surface Casing DWEB.140 DWEB.145 Surface Casing DWEB.140 DWEB.145 Surface Casing OWEB.140 DWEB.145 Surface Casing OWEB.140 DWEB.145 DWEB.140 DWEB.145 DWEB.145 DWEB.145 DWEB.140 DWEB.145 DWEB.140 DWEB.145 DWEB.140 DWEB.145 DWEB.140 DWEB.145 DWEB.140 DWEB.145 DWEB.140 DWEB.145 DWEB.145 DWEB.145 DWEB.140 DWEB.145 DWEB.1		DIDC.435	DICC.220	118,000	DICC.220	S11M.220	15,000	S11M.220	CON.220	165,00
Conductor Pipe										2.50.00
Water String DWEB.135 104,000 251,000 Intermediate Casing 1 Production Casing or Liner DWEB.145 0 Production Casing or Liner DWEB.145 0 DWEB.100 792,000 STIMT.105 139,000 139,000 STIMT.105 <td>TO CONTRACT AND ADMINISTRATION OF THE PROPERTY OF THE PROPERTY</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>306,000</td> <td></td> <td>-</td> <td>3,459,00</td>	TO CONTRACT AND ADMINISTRATION OF THE PROPERTY						306,000		-	3,459,00
Surface Casing DWEB.140 DWEB.145 DWEB.145 DWEB.145 DWEB.145 DWEB.100 DWEB.100 Tubing STIMT.105 139,000 STIMT.105 139,000 DWEB.106 DWEB.107 STIMT.105 139,000 DWEB.107 STIMT.105 139,000 DWEB.107 STIMT.105 139,000 DWEB.107 STIMT.105 139,000 DWEB.107 STIMT.107 STIMT.107 STIMT.107 STIMT.107 STIMT.107 STIMT.107 STIMT.107 STIMT.107 STIMT.108 STIMT.109 STI										
Intermediate Casing 1	ACTUAR SALES OF THE SALES OF									
Production Casing or Liner DWEA.100 792,000 STIMT.105 139,000 STIMT.105 38,000 STIMT.105 38,000 STIMT.105 STIMT.105 38,000 STIMT.105 STIMT	Surface Casing									
Tubing Wellhead, Tree, Chokes Wellhead, Tree, Chokes DWEB.115 DWEA.120 DWEB.100 STIMT.100 STIMT.400 STIMT.4	Intermediate Casing 1	DWEB.145		0						
Wellhead, Tree, Chokes DWEB.115 DWEA.120 38,000 DWEA.120 18,000 STIMT.120 38,000 Liner Hanger, Isolation Packer DWEB.100 DWEA.125 0 DWEA.125 0 DWEA.125 0 STIMT.400 28,000 STIMT.410 80,000 <	Production Casing or Liner				DWEA.100		792,000			
Liner Hanger, Isolation Packer Packer, Nipples SHORT ORDERS PUMPS WALKOVERS Downhole Lift Equipment Surface Equipment Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Ine Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Materials SWD/Other - Line Pipe	Tubing							STIMT.105		139,00
Packer, Nipples SHORT ORDERS PUMPS WALKOVERS Downhole Lift Equipment Surface Equipment Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Materials SWD/Other - Line Pipe	Wellhead, Tree, Chokes	DWEB.115	DWEA.120				18,000	STIMT,120		38,00
SHORT ORDERS PUMPS WALKOVERS Downhole Lift Equipment Surface Equipment Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Materials SWD/Other - Line Pipe	Liner Hanger, Isolation Packer	DWEB.100	DWEA.125	0	DWEA.125		0			
PUMPS WALKOVERS Downhole Lift Equipment Surface Equipment Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility, Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Materials SWD/Other - Line Pipe	Packer, Nipples							STIMT.400		28,00
WALKOVERS Downhole Lift Equipment Surface Equipment Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility In Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe	SHORT ORDERS									
Downhole Lift Equipment Surface Equipment Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Materials SWD/Other - Line Pipe	PUMPS									
Downhole Lift Equipment Surface Equipment Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Materials SWD/Other - Line Pipe	WALKOVERS									
Surface Equipment Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe	Downhole Lift Equipment							STIMT.410		80,08
Well Automation Materials N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe	Surface Equipment									
N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe	Well Automation Materials									
Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										
Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										
Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										
Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe	Control of the Contro									
Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										
Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										
Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										
Facility Line Pipe Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										
Lease Automation Materials FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe	Company of the Compan									
FL/GL - Materials FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										
FL/GL - Materials SWD/Other - Materials SWD/Other - Line Pipe										100
SWD/Other - Materials SWD/Other - Line Pipe	FL/GL - Materials									
SWD/Other - Line Pipe	FL/GL - Materials									
	SWD/Other - Materials									
Total Tangible Cost 393,000 810,000 285,00	SWD/Other - Line Pipe									
	Total Tangible Cost			393,000			810,000			285,00



Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 303H

Description		Production Equip		Post Completion	Aminust	Total
	Codes	Amount		2	Amount 3,000	74,63
Roads & Location	CON.100	48,637	PCOM.100	Repair any roads post D&C	5,000	32,30
Damages	CON 105	15807	20011255		0	251,00
Mud/Fluids Disposal			PCOM.255		U	564,00
Day Rate						30,00
Misc Preparation			PCOM.125		0	97,00
Bits			PCOM.123		0	119,000
Fuel			PCOM.135		0	25,000
Water for Drilling Rig (Not Frac Water)			PCOW, 133			300,000
Mud & Additives SWD PIPED TO 3RD PARTY SWD WELL			PCOM.257	Water for 60 days (270K barrels)	87,354	87,354
Surface Rentals	CON.140	1,378		Iron. XEC Own 5K. No 10K. \$1,100 per day	60,000	295,378
Downhole Rentals	CO14.140	1,570	PCOM.145	non-rac onn one recovery	0	166,000
Flowback Labor			PCOM.141	3 Flowback Hands (60 days), 25%	30,000	30,000
Automation Labor	CON.150	36,558		S (I of I	5,000	41,558
Mud Logging	CO14.750	30,330	, commo			5,000
IPC & EXTERNAL PAINTING	CON.165	18,888				18,888
Cementing & Float Equipment	COILIUS	10,000				210,000
Tubular Inspections			PCOM.160		0	50,000
Casing Crews						28,000
Mechanical Labor	CON.170	139,588	PCOM.170	RU Flowback Iron & Automation	5,000	167,588
Trucking/Transportation	CON.175	17,833			0	59,833
Supervision	CON.180	21,238			0	162,238
Trailer House/Camp/Catering		51,555				72,000
Other Misc Expenses	CON.190	24,318	PCOM.190		0	114,318
Overhead		24,310			71	10,000
MOB/DEMOB						115,000
Directional Drilling Services					-	307,000
Solids Control						46,000
Well Control Equip (Snubbing Services)			PCOM.240		0	148,000
Completion Rig			PCOM.115		0	21,000
Coil Tubing Services			PCOM.260		0	(
Completion Logging/Perforating/Wireline			PCOM.200		0	257,000
Composite Plugs			PCOM.390		0	39,000
Stimulation			PCOM.210		0	2,245,000
Stimulation Water/Water Transfer/Water						191,000
Cimarex Owned Frac/Rental Equipment			PCOM.305		0	60,000
Legal/Regulatory/Curative	CON.300					10,000
Well Control Insurance	and the same of					7,000
Major Construction Overhead	CON.305	26,507				26,50
FL/GL - ON PAD LABOR	CON.495	37,613				37,613
FL/GL - Labor	CON.500	94,842				94,84
FL/GL - Supervision	CON.505	14,429				14,429
Survey	CON.515	2351				2,35
SWD/Other - Labor	CON.600	C				(
SWD/Other - Supervision	CON.605					
Aid In Construct/3rd Party Connect	CON.701	40,531				40,53
Contingency	CON.220	105,542				403,542
Contingency	CON.221	23,508				23,50
Total Intangible Cost		669,568			190,354	7,100,42
Conductor Pipe						(
Water String						104,000
Surface Casing						251,000
Intermediate Casing 1						
Production Casing or Liner						792,00
Tubing			PCOMT.105		0	139,000
Wellhead, Tree, Chokes			PCOMT.120	Replace worn chokes and valves during FB	10,000	104,000
Liner Hanger, Isolation Packer						
Packer, Nipples			PCOMT,400	-	0	28,000
SHORT ORDERS	CONT.380	10,538				10,53
PUMPS	CONT.385	30,804				30,80
WALKOVERS	CONT.390	4,053				4,05
Downhole Lift Equipment			PCOMT.410		0	80,00
Surface Equipment			PCOMT.420		15,000	15,000
Well Automation Materials	2000		PCOMT.455	PTs, and replacing meters	5,000	5,000
N/C Lease Equipment	CONT.400	184,334				184,33
Tanks, Tanks Steps, Stairs	CONT.405	51,875				51,87
Battery Equipment	CONT.410	214,003				214,00
Secondary Containments	CONT.415	19,292				19,29
Overhead Power Distribution	CONT.420	64,038				64,03
Facility Electrical	CONT.425	32,100				32,10
Telecommunication Equipment	CONT.426	486				48
Meters and Metering Equipment	CONT.445	45,232				45,23
Facility Line Pipe	CONT.450	31,208				31,20
Lease Automation Materials	CONT.455	32,424				32,42
FL/GL - Materials	CONT.550	21,400				21,40
FL/GL - Line Pipe	CONT.555	48,637				48,63
SWD/Other - Materials	CONT.650					
SWD/Other - Line Pipe	CONT.655					2,308,42
Total Tangible Cost		790,428			30,000	

7/6/2022

O COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 304H AFE # XXXXXXX Date Prepared Company Entity 8/17/2022 AFE Property Number Exploration Region Well Name XXXXXX-XXX.01 XXXXXXX Permian Basin Mighty Pheasant 5-8 Fed Com 304H New Mexico Bone Spring Estimated Completion Estimated Spud County, State Location Lea, NM Section 5-8 T20S-R34E Lea, NM Tti Vetical Depth Itl Measured Depth X New Well Type Supplement 3rd Sand DEV 20340 Revision Purpose Drill and complete well Description The intended surface hold location for the well is 280 FSL and 1500 FEL of Section 32, T19S-R34E, and the intended bottom hole location is Drilling 100 FSL and 708 FEL of Section 8, T20S-R34E. The well is proposed to be drilled vertically to the 3rd Sand formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total vertical depth of the well is proposed to be approximately 10840 feet. Completed Well Cost Dry Hole After Casing Point Intangible Drilling Costs \$2,475,500 \$2,475,500 \$4,624,922 \$4,624,922 Completion Costs \$7,100,422 Total Intangible Cost \$2,475,500 \$4,624,922 Completed Well Cost Dry Hole After Casing Point Tangible \$1,125,000 \$1,518,000 Well Equipment \$393,000 \$790,428 Lease Equipment \$790,428 \$2,308,428 Total Tangible Cost \$393,000 \$1,915,428 Total Well Cost \$2,868,500 \$6,540,350 \$9,408,850 1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier. Well Control Insurance Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator 's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator. I elect to purchase my own well control insurance policy. Marketing Election Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above. I elect to take my gas in kind. I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract. The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well. Nonoperator Approval Approved By (Print Name) Date Company Approved By (Signature)

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate

share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.



COTERRA Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 304H

Description	BCP - Dri			Drilling		p/Stim		on Equip	Post Com	Commercial	Total
•	Codes	Amount	Codes	Amount		Amount		Amount	Codes	Amount	74,63
Roads & Location	DIDC.100	20,000			STIM.100	3,000	CON.100	48,637	PCOM.100	3,000	32,30
Damages	DIDC.105	16,500					CON.105	15807			
Mud/Fluids Disposal	DIDC.255	200,000			STIM.255	51,000			PCOM.255	0	251,00
Day Rate	DIDC.115	468,000	DICC.120	96,000							564,00
Misc Preparation	DIDC.120	30,000									30,00
Bits	DIDC.125	97,000	DICC 125	0	STIM.125	0			PCOM.125	0	97.00
Fuel	DIDC.135	119,000	DICC 130	0					PCOM.130	0	119.00
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC 135	0	STIM.135	20,000			PCOM.135	0	25,00
Mud & Additives	DIDC.145	300,000									300,00
SWD PIPED TO 3RD PARTY SWD WELL	210-211-12	244,000							PCOM.257	87,354	87,35
entry on earlier television contraction of the	DIDC 150	97,000	DICC.140	0	STIM.140	137,000	CON.140	1,378	PCOM.140	60,000	295,37
Surface Rentals	DIDC,150		DICC. 140	0			CO14,140	1,570	PCOM.145	00,000	166,00
Downhole Rentals	DIDC.155	131,000			STIM.145	35,000					
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,00
Automation Labor							CON.150	36,558	PCOM.150	5,000	41,55
Mud Logging	DIDC.170	5,000									5,00
IPC & EXTERNAL PAINTING							CON.165	18,888			18,88
Cementing & Float Equipment	DIDC.185	70,000	DICC 155	140,000							210,00
Tubular Inspections	DIDC.190	38,000	DICC 160	8,000	STIM.160	4,000			PCOM.160	0	50,00
Casing Crews	DIDC.195	15,000	DICC.165	13,000	STIM.165	0					28,00
Mechanical Labor	DIDC.200	20,000	DICC.170	3,000		0	CON.170	139,588	PCOM.170	5,000	167,58
	and the second second	30,000	DICC.175	8,000	Law William Control		CON.175	17,833	PCOM.175	0	59,83
Trucking/Transportation	DIDC.205				TO SHOW THE W.	4,000		1	PCOM.173	0	162,23
Supervision	DIDC.210	81,000	DICC.180	13,000		47,000	CON.180	21,238	rcow. 100	U	
Trailer House/Camp/Catering	DIDC.280	36,000	DICC.255	5,000		31,000		1000			72,00
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	85,000	CON.190	24,318	PCOM.190	0	114,31
Overhead	DIDC.225	5,000	DICC.195	5,000							10,00
MOB/DEMOB	DIDC.240	115,000									115,00
Directional Drilling Services	DIDC.245	307,000									307,00
Solids Control	DIDC.260	46,000									46,00
Well Control Equip (Snubbing Services)	DIDC.265	84,000	DICC.240	0	5TIM.240	64,000			PCOM.240	0	148,00
Completion Rig	DIDELEGS	01,000	Dicezio		STIM.115	21,000			PCOM.115	0	21,00
					STIM.260				PCOM.260	0	21,00
Coil Tubing Services						0				12	257.00
Completion Logging/Perforating/Wireline					STIM.200	257,000			PCOM.200	0	257,00
Composite Plugs					STIM.390	39,000			PCOM.390	0	39,00
Stimulation					STIM.210	2,245,000			PCOM.210	0	2,245,000
Stimulation Water/Water Transfer/Water					STIM.395	191,000					191,00
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	0	60,000
Legal/Regulatory/Curative	DIDC.300	10,000					CON.300	0			10,000
Well Control Insurance	DIDC.285	7,000									7,000
Major Construction Overhead	7.5	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,					CON.305	26,507			26,50
FL/GL - ON PAD LABOR							CON.495	37,613			37,61
											94,842
FL/GL - Labor							CON.500	94,842			14,42
FL/GL - Supervision							CON.505	14,429			
Survey							CON.515	2,351			2,35
SWD/Other - Labor							CON.600	0			
SWD/Other - Supervision							CON.605	0			
Aid In Construct/3rd Party Connect							CON.701	40,531			40,53
Contingency	DIDC.435	118,000	DICC.220	15,000	STIM.220	165,000	CON.220	105,542	PCOM.220	0	403,542
Contingency							CON.221	23,508			23,508
Total Intangible Cost		2,475,500		306,000		3,459,000		669,568		190,354	7,100,42
Conductor Pipe	DWEB.130	0		-		5,155,000	-				(
Water String	DWEB.135	104,000									104,000
Surface Casing	DWEB.140	251,000									251,000
Intermediate Casing 1	DWEB.145	0		Sec.							(
Production Casing or Liner			DWEA.100	792,000							792,000
Tubing	.1.7.				STIMT.105	139,000			PCOMT.105	0	139,00
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT,120	10,000	104,00
Liner Hanger, Isolation Packer	DWEB.100	0	DWEA.125	0	-						
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,00
SHORT ORDERS						100,000	CONT.380	10,538			10,53
PUMPS							CONT.385	30,804			30,80
WALKOVERS							CONT.390	4,053			4,05
Downhole Lift Equipment					STIMT.410	80,000		4,053	PCOMT.410	0	80.00
					511WL410	80,000					
Surface Equipment									PCOMT.420	15,000	15,00
Well Automation Materials								and a	PCOMT.455	5,000	5,00
N/C Lease Equipment							CONT.400	184,334			184,33
Tanks, Tanks Steps, Stairs							CONT.405	51,879			51,87
Battery Equipment							CONT.410	214,003			214,00
Secondary Containments							CONT.415	19,292			19,29
Overhead Power Distribution							CONT.420	64,038			64,03
Facility Electrical							CONT.425	32,100			32,10
Telecommunication Equipment							CONT.426	486			48
Meters and Metering Equipment							CONT.445	45,232			45,23
Facility Line Pipe							CONT.450	31,208			31,20
Lease Automation Materials							CONT.455	32,424			32,42
FL/GL - Materials							CONT.550	21,400			21,40
FL/GL - Line Pipe							CONT.555	48,637			48,63
SWD/Other - Materials							CONT.650	0			
							CONT.655	0			
SWD/Other - Line Pine											
SWD/Other - Line Pipe Total Tangible Cost		393,000	-	B10,000		285,000		790.428		30,000	2,308,42



Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 304H

Description		BCP	- Drilling		ACP - Drilling	7-5	Comp	o/Stim	1 1000
	Codes		Amount	Codes		Amount		CONTRO	Amou
Roads & Location	DIDC.100		20,000				STIM.100	CON.100	3,0
Damages	DIDC.105		16,500				CT11 4 DET		51,0
Mud/Fluids Disposal	DIDC.255		200,000			05.000	STIM.255		51,0
Day Rate	DIDC.115	DICC 120		DICC.120		96,000			
Misc Preparation	DIDC.120		30,000		Same and the same				
Bits		And an abuse of the	1 2 2 2 2 2 2 2	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135		119,000			0			20.00
Water for Drilling Rig (Not Frac	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135	1.	20,00
Mud & Additives	DIDC.145		300,000						
SWD PIPED TO 3RD PARTY SWD		And the second second	10.000		1000 months				4270
Surface Rentals	DIDC.150	DICC.140	97,000	DICC.140	STIM.140	0	STIM.140	CON.140	137,00
Downhole Rentals	DIDC.155		131,000				STIM.145		35,00
Flowback Labor							STIM.141		
Automation Labor			Park 723						
Mud Logging	DIDC.170		5,000						
IPC & EXTERNAL PAINTING	and the same	2.32.		0.92723					
Cementing & Float Equipment	DIDC.185	AND ASSOCIATION AND ADDRESS OF THE PERSON AN		DICC.155	2010007	140,000			
Tubular Inspections		And the second second		DICC.160	The state of the s	8,000	STIM.160		4,00
Casing Crews	DIDC.195			DICC.165	- Carlotte Control of the Control of	13,000	STIM.165		
Mechanical Labor	DIDC.200	DICC.170		DICC.170		3,000	STIM.170	CON.170	
Trucking/Transportation	DIDC.205			DICC.175		8,000	STIM.175	CON.175	4,00
Supervision	DIDC.210	100 MARCHAEL	81,000		And the second s	13,000	STIM.180	CON.180	47,00
Trailer House/Camp/Catering		DICC.255	36,000		STIM.280	5,000	STIM.280	Later and	31,00
Other Misc Expenses	DIDC.220		5,000		STIM.190	0	STIM.190	CON.190	85,00
Overhead		DICC.195	5,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240		115,000						
Directional Drilling Services	DIDC 245		307,000						
Solids Control	DIDC.260	A STATE OF THE STA	46,000						
Well Control Equip (Snubbing	DIDC.265	DICC.240	84,000	DICC.240	STIM.240	0	STIM.240		64,00
Completion Rig							STIM.115		21,00
Coil Tubing Services							STIM.260		
Completion							STIM.200		257,00
Composite Plugs						1	STIM.390		39,00
Stimulation							STIM.210		2,245,00
Stimulation Water/Water							STIM.395		191,00
Cimarex Owned Frac/Rental							STIM.305		60,00
Legal/Regulatory/Curative	DIDC.300		10,000			1			
Well Control Insurance	DIDC 285		7,000						
Major Construction Overhead									
FL/GL - ON PAD LABOR									
FL/GL - Labor									
FL/GL - Supervision									
Survey									
SWD/Other - Labor									
SWD/Other - Supervision						1			
Aid In Construct/3rd Party Connect									
Contingency	DIDC.435	DICC.220	118,000	DICC.220	STIM.220	15,000	STIM.220	CON.220	165,00
Contingency		The same of the sa				0.00			1
Total Intangible Cos			2,475,500			306,000			3,459,00
Conductor Pipe	DWEB.130		0						
Water String	DWEB.135		104,000						
Surface Casing	DWEB.140		251,000						
Intermediate Casing 1	DWEB.145		0						
Production Casing or Liner	100	1/		DWEA.100		792,000			
Tubing						1	STIMT.105		139,00
Wellhead, Tree, Chokes	DWEB.115	DWEA.120	38.000	DWEA.120	STIMT.120	18,000			38,00
Liner Hanger, Isolation Packer		DWEA.125		DWEA.125		0			
Packer, Nipples		1					STIMT.400		28,00
SHORT ORDERS									23,00
PUMPS									
WALKOVERS									
Downhole Lift Equipment							STIMT.410		80,00
Surface Equipment							21111111111		0.5,00
Well Automation Materials									
N/C Lease Equipment									
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
Facility Line Pipe									
Lease Automation Materials									
FL/GL - Materials									
FL/GL - Materials									-
SWD/Other - Materials									
CHID (Other 1:									
SWD/Other - Line Pipe Total Tangible Cost			393,000			810,000		-	285.00



Authorization For Expenditure - Mighty Pheasant 5-8 Fed Com 304H

Description		Production Equip			Post Completion		Total
	Codes		Amount	Codes	200	Amount	Co
Roads & Location	CON.100		48,637	PCOM.100	Repair any roads post D&C	3,000	74,6
Damages	CON.105		15807				32,3
Mud/Fluids Disposal				PCOM.255		0	251,0
Day Rate							564,0
Misc Preparation							30,0
Bits				PCOM.125		0	97,0
Fuel				PCOM.130		0	119,0
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	25,0
Mud & Additives						-	300,0
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	Water for 60 days (270K barrels)	87,354	87,3
Surface Rentals	CON.140		1,378	PCOM.140	Iron. XEC Own 5K. No 10K. \$1,100 per day	60,000	295,3
Downhole Rentals				PCOM.145		0	166,0
Flowback Labor			1	PCOM.141	3 Flowback Hands (60 days). 25%	30,000	30,0
Automation Labor	CON.150		36,558	PCOM.150		5,000	41,5
Mud Logging							5,0
IPC & EXTERNAL PAINTING	CON.165		18,888				18,8
Cementing & Float Equipment	200						210,0
Tubular Inspections				PCOM.160		0	50,0
Casing Crews			100000		Control of the last		28,0
Mechanical Labor	CON.170		139,588	PCOM.170	RU Flowback Iron & Automation	5,000	167,5
Trucking/Transportation	CON.175		17,833	PCOM.175		0	59,8
Supervision	CON.180		21,238	PCOM.180		0	162,2
Trailer House/Camp/Catering							72,0
Other Misc Expenses	CON.190		24,318	PCOM.190		0	114,3
Overhead	A						10,0
MOB/DEMOB							115,0
Directional Drilling Services							307,0
Solids Control						1	46,0
Well Control Equip (Snubbing Services)				PCOM.240		0	148,0
Completion Rig				PCOM.115		0	21,0
Coil Tubing Services				PCOM.260		0	
Completion Logging/Perforating/Wireline				PCOM.200		0	257,0
				PCOM.390		0	39,0
Composite Plugs						0	2,245,0
Stimulation				PCOM.210		U	191,0
Stimulation Water/Water Transfer/Water							60,0
Cimarex Owned Frac/Rental Equipment	Page 102			PCOM.305		0	
Legal/Regulatory/Curative	CON.300		0				10,00
Well Control Insurance	10000000						7,0
Major Construction Overhead	CON.305		26,507				26,50
FL/GL - ON PAD LABOR	CON.495		37,613				37,6
FL/GL - Labor	CON.500		94,842				94,8
FL/GL - Supervision	CON.505		14,429				14,4
Survey	CON.515		2351				2,3
SWD/Other - Labor	CON.600		0				
SWD/Other - Supervision	CON.605		0				
Aid In Construct/3rd Party Connect	CON.701		40,531				40,5
Contingency	CON.220		105,542				403,5
Contingency	CON.221		23,508				23,50
Total Intangible Cost			669,568			190,354	7,100,4
Conductor Pipe							
Water String							104,0
Surface Casing							251,0
Intermediate Casing 1							
Production Casing or Liner							792,0
Tubing				PCOMT.105		0	139,0
Wellhead, Tree, Chokes				PCOMT.120	Replace worn chokes and valves during FB	10,000	104,0
Liner Hanger, Isolation Packer							-
Packer, Nipples				PCOMT.400		0	28,0
SHORT ORDERS	CONT.380		10,538				10,5
PUMPS	CONT.385		30,804				30,8
WALKOVERS	CONT.390						4,0
	CON1.390		4,053	DCOMT 410		0	80,0
Downhole Lift Equipment				PCOMT.410 PCOMT.420	Replacing Chokes, Stuffing Boxes, and all	15,000	15,0
Surface Equipment						100000000000000000000000000000000000000	5,0
Well Automation Materials	CONT 400		40100	PCOMT.455	PTs, and replacing meters	5,000	
N/C Lease Equipment	CONT.400		184,334				184,3
Tanks, Tanks Steps, Stairs	CONT.405		51,879				51,8
Battery Equipment	CONT.410		214,003				214,0
Secondary Containments	CONT.415		19,292				19,2
Overhead Power Distribution	CONT.420		64,038				64,0
Facility Electrical	CONT.425		32,100				32,1
Telecommunication Equipment	CONT.426		486				4
Meters and Metering Equipment	CONT.445		45,232				45,2
Facility Line Pipe	CONT.450		31,208				31,2
Lease Automation Materials	CONT.455		32,424				32,4
FL/GL - Materials	CONT.550		21,400				21,4
- Maria Indiana	CONT.555		48,637				48,6
FL/GL - Line Pipe	CO141.555						
	CONT.650		0				
FL/GL - Line Pipe	Control of the Contro		1				2,308,4

A.A.P.L. FORM 610 - 1989

MODEL FORM OPERATING AGREEMENT

	OPERATING AGREED	MENT	
	DATED		
	August 15	2022 ,	
OPERATOR Cimarex Ener	gy Co.	J.**	
CONTRACT AREA All Sect	tion 5 and Section 8, To	ownship 20 South, Ra	nge 34 East
COUNTY OR PARISH OF L	ea	, STATE OF	New Mexico
MIGHT	Y PHEASANT 5-8 FEI	D COM WELLS	

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A.A.P.L. NO. 610 - 1989

COPAS 2005 Accounting Procedure Recommended by COPAS, Inc.

- · human resources
- · management

A.

- supervision not directly charged under Section II.2 (Labor)
- legal services not directly chargeable under Section II.9 (Legal Expense)
- taxation, other than those costs identified as directly chargeable under Section II.10 (Taxes and Permits)
- preparation and monitoring of permits and certifications; preparing regulatory reports; appearances before or meetings with governmental agencies or other authorities having jurisdiction over the Joint Property, other than On-site inspections; reviewing, interpreting, or submitting comments on or lobbying with respect to Laws or proposed Laws.

Overhead charges shall include the salaries or wages plus applicable payroll burdens, benefits, and Personal Expenses of personnel performing overhead functions, as well as office and other related expenses of overhead functions.

1. OVERHEAD—DRILLING AND PRODUCING OPERATIONS

As compensatio	n for costs	incurred	but not	chargeable	under	Section	II (Direct	Charges)	and n	ot cove	red by	other	provisions	of thi
Section III, the C	Operator sha	all charge	on either	r:										

	(Alternative 1) Fixed Rate Basis, Section III.1.B. (Alternative 2) Percentage Basis, Section III.1.C.
TEC	CHNICAL SERVICES
(i)	Except as otherwise provided in Section II.13 (<i>Ecological Environmental, and Safety</i>) and Section III.2 (<i>Overhead – Major Construction and Catastrophe</i>), or by approval of the Parties pursuant to Section I.6.A (<i>General Matters</i>), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for On-site Technical Services, including third party Technical Services:

(ii) Except as otherwise provided in Section II.13 (*Ecological, Environmental, and Safety*) and Section III.2 (*Overhead – Major Construction and Catastrophe*), or by approval of the Parties pursuant to Section I.6.A (*General Matters*), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for **Off-site** Technical Services, including third party Technical

Serv	rices:
	(Alternative 1 – All Overhead) shall be covered by the <u>overhead</u> rates.
V	(Alternative 2 – All Direct) shall be charged direct to the Joint Account.
	(Alternative 3 – Drilling Direct) shall be charged <u>direct</u> to the Joint Account, <u>only</u> to the extent such Technical Services

☑ (Alternative 1 – Direct) shall be charged <u>direct</u> to the Joint Account.

☐ (Alternative 2 – Overhead) shall be covered by the <u>overhead</u> rates.

are directly attributable to drilling, redrilling, deepening, or sidetracking operations, through completion, temporary abandonment, or abandonment if a dry hole. Off-site Technical Services for all other operations, including workover, recompletion, abandonment of producing wells, and the construction or expansion of fixed assets not covered by Section III.2 (Overhead - Major Construction and Catastrophe) shall be covered by the overhead rates.

Notwithstanding anything to the contrary in this Section III, Technical Services provided by Operator's Affiliates are subject to limitations set forth in Section II.7 (Affiliates). Charges for Technical personnel performing non-technical work shall not be governed by this Section III.1.A, but instead governed by other provisions of this Accounting Procedure relating to the type of work being performed.

B. OVERHEAD—FIXED RATE BASIS

(1)	The Operator shall	charge the Joint	Account at the	following rates	per well	per month:
-----	--------------------	------------------	----------------	-----------------	----------	------------

Drilling Well Rate per month \$ 8,	000.00	(prorated for less than a full month)
Producing Well Rate per month \$	800.00	_

- (2) Application of Overhead—Drilling Well Rate shall be as follows:
 - (a) Charges for onshore drilling wells shall begin on the spud date and terminate on the date the drilling and/or completion equipment used on the well is released, whichever occurs later. Charges for offshore and inland waters drilling wells shall begin on the date the drilling or completion equipment arrives on location and terminate on the date the drilling or completion equipment moves off location, or is released, whichever occurs first. No charge shall be made during suspension of drilling and/or completion operations for fifteen (15) or more consecutive calendar days.

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Chronology of Contacts with Non-Joined Working Interest Owners

Sent all Working Interest Owners Well Proposals with a copy of the proposed Operating Agreement. Followed up with emails and phone calls.

Read and Stevens-

10/2021 – Reached out to Harrison Read, Vice President of Land and Business Development for Read and Stevens to have an in-person meeting over the development of the area.

1/24/22 – Reached out to Harrison with no response.

2/18/22-3/31/22 – Received response from Harrison with a few dates, none of which were viable and attempted to reschedule. Meeting never took place.

8/25/22- Elections were sent to Read and Stevens for both developments.

<u>Permian Resources</u>- We were notified Permian Resources had acquired Read and Stevens Inc. and were open to talks.

March 1-7, 2023 – Met with Travis Macha and Skyler Fast from Permian Resources to exchange information on potential trade tracts.

March 15, 2023 – Sent email about separate contested hearing to "trade out of each others way". PR was still evaluating the trade.

April 27, 2023- Sent a follow up Email to Travis Macha, Skyler Fast, Mark Hajdik on trade tracts.

April 28, 2023- Emails exchanged to have a follow up in-person meeting of the minds.

May 18, 2023- Meeting with Bob Heller, Travis Macha and Patrick Godwin from Permian Resources and Dylan Park from Coterra to discuss other potential trade tracts.

May 25, 2023- Call with Travis Macha to discuss next steps on potential trade.

June 1 2023- Emails/discussions with Travis Macha on a potential 3 company trade.

June 6, 2023- Follow up to 3 company trade.

June 20, 2023- Followed up on 3 company trade, decision made to move forward with hearing

HOG Partnership

9/7/22 – Email Discussion about proposals received

9/8/22 – Email discussion about proposals received

Challenger Crude (Henry Resources)

9/27/22 – Discussed election timing and general development plan after receipt of proposals with Kymberly Holman



- 3/23/23 Discussed ownership figures for both developments
- 4/3/23 Confirmed that we received executed Operating Agreements from Challenger and elections back
- 6/16/23- Discussed supplemental Wolfcamp notice that was sent
- 7/10/23 Phone call with Kymberly to update her on hearing moving forward.

Randall Hudson, Edward Hudson, Javelina Partners, Zorro Partners, William Hudson II (Hudson Group)

- 2/9/22 Email discussion to communicate plans to develop both developments in which the Hudson group owns
- 6/2/22 Updated the Hudson Group of our AFE's and full development of the leasehold
- 8/25/22 Let the groups know that proposals were heading their way
- 10/26/22 Confirmed each entities interest via email to confirm with what ownership they were showing
- 2/7/23 Discussed with Randall and Edward about potential trades that may come of the Permian Resources acquisition and next steps for pooling
- 3/7/23 Provided Randall and Edward with timing of development in order for them to secure a term assignment from Lindy's Living Trust
- 3/22/23 Sent OA's for their files and confirmed they were executed
- 6/26/23 Met with Randall and Edward with Lea Team to discuss fine details of plans and landing zones etc.

Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard

- 2/10/23- Spoke to Brad Ince about a potential Term Assignment and terms for the trust
- 2/14/23- Sent an email to Brad Ince at Frost bank to confirm best time to negotiate and hash out terms of the contract
- 4/17/23 Sent an email with the Term assignment form for redline and review
- 5/18/23 Email exchange to discuss best time for a call
- 5/20/23 Call with Brad to confirm details of the Term assignment
- 6/9/23 Sent changes to form along with Net acre figures to calculate bonus payment
- 6/27/23 Forwarded Staci's information for geologic questions concerning the development

7/10-12/23- Provided Debbie Dorsett with AFE's and other information to get the Term assignment routed.

Ard Oil LTD.

- 10/19/22-Received email from Reid Marley to discuss Loosey Goosey and Mighty Pheasant proposals and discussed with development plan and path Coterra would be making forward
- 2/27/23- Phone call with Reid to discuss term assignment offer and provided Operating agreements via email
- 7/10/23 Discussed development timing with Reid
- 7/11/23 Reid emailed that he would like to not be considered committed

Chase Oil Corporation

- 9/12/22 Received email from Morgan Buckles confirming receipt of the proposals.
- 9/12/22 Phone call with Morgan Buckles to discuss proposals and plan of development
- 6/7/23 Received email from Morgan Buckles stating that they would like to sign AFE's and move forward with the operator the OCD decides post hearing.

Wilbanks Reserve Corporation/Marks Oil

- 9/1/22 Phone call with Hannah Frederick confirming receipt of the proposals and request to confirm interest in the contract area
- 9/6/22- Received email from Hannah Frederick following up on working interest figures and sent ownership at the time
- 9/27/22 Email correspondence to set up a phone call to discuss moving forward with title run
- 11/3/22 Discussion of timing for force pooling filing and next steps
- 1/30/23 Discussed Permian Resources development and proposals in the area
- 2/22/23 Reached out to determine if Wilbanks Reserve had signed OA's. Hannah mentioned she would bring this up to upper management and get a decision since there was traction on development
- 7/10/23 Confirmed DOTO figures with Hannah
- 7/11/23 Wilbanks Reserve would like to wait until the Commission has made a decision on operator

Union Hill Oil and Gas

- 3/1/23- Spoke with Robert Buchholz about proposals he received
- 3/1/23 Sent Robert the corresponding Operating agreements for both developments and provided ownership

Highland Texas Energy Company and Richardson Oil Company

10/11/22- Received elections back from Gary Richardson for the development

3/9/23 – Followed up with Gary to confirm they would like to participate under the OA

3/21/23 – Discussed force pooling matters via email

P.O. Box 3070 Galveston, Texas 77552

July 10, 2023

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

Re: Application of Cimarex Energy Co. for Horizontal Spacing Unit and Compulsory Pooling in Case Nos. 23448 23449 23450 23451 23452 23453 23454 23455 23594 23595 23596 23597 23598 23599 23600 23601

To Whom it May Concern:

Moore & Shelton Co. LLP of Galveston, Texas is a working interest owner in Eddy and Lea Counties and has interests in all of sections 4, 5, 8 & 9 of T20S-R34E, Lea County. Moore & Shelton owns interests in over 40 wells in Eddy and Lea Counties.

We have been extremely pleased with Cimarex representing our interests and believe Cimarex has the most and best experience to efficiently develop these properties.

Moore & Shelton Co. LLP therefore supports Cimarex' application and requests that the Division rule in their favor.

Sincerely,
Paul C. More

Paul Moore

Moore & Shelton Co. LLP

General Partner

JAVELINA PARTNERS & ZORRO PARTNERS LTD

616 TEXAS STREET FORT WORTH, TX 76102 (817) 336-7109

July 7, 2023

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

Re: Applications of Cimarex Energy Co. for Horizontal Spacing Unit and
Compulsory Pooling
Case Nos.
23448 23449 23450 23451 23452 23453 23454 23455 23594 23595 23596 23597
23598 23599 23600 23601

Ladies and Gentlemen,

Javelina Partners and Zorro Partners LTD are working interest owners in the referenced Applications and Case Nos, which collectively cover all of sections 4, 5, 8 & 9 of T20S – R34E, Lea County ('the Acreage').

There are competing Applications for the Bone Spring and Wolfcamp formations in the referenced Applications and Case Nos.

Javelina Partners and Zorro Partners LTD own interests in approximately 105,000 gross leasehold acres in Eddy & Lea Counties. Over the last 3.5 years, Javelina Partners and Zorro Partners LTD have participated in the drilling of over 130 horizontal Bone Spring and Wolfcamp wells, with seven different operators, in Eddy & Lea Counties.

Cimarex Energy Co. is the Operator of a JOA which covers 75% of the Acreage, and includes the Bone Spring and Wolfcamp formations.

JAVELINA PARTNERS & ZORRO PARTNERS LTD

616 TEXAS STREET FORT WORTH, TX 76102 (817) 336-7109

It is our opinion that Cimarex Energy Co. has accurately analyzed the nature of the geology between the 3rd Bone Spring and Upper Wolfcamp and offers a superior plan that develops the total reservoir tank, which includes both the 3rd Bone Spring Sand and the Upper Wolfcamp Sands without having to drill additional costly and unnecessary wells, thus, representing the best use of both drilling capital and surface acres in comparison with competing applications.

Javelina Partners and Zorro Partners LTD therefore support Cimarex Energy Co.'s Applications covering the referenced Horizontal Spacing Units and Case Nos in both the Bone Spring and Wolfcamp formations, and respectfully request that the Division rule accordingly.

Sincerely,

Edward Randall Hudson IV

Javelina Partners

Land Manager

William A. Hudson II
Zorro Partners LTD
Managing Partner

Re: Applications of Cimarex Energy Co. for Horizontal Spacing Unit and Compulsory Pooling

Case Nos.

23448 23449 23450 23451 23452 23453 23454 23455 23594 23595 23596 23597 23598 23599 23600 23601



300 N. MARIENFELD STREET, SUITE 1000 MIDLAND, TX 79701 OFFICE 432.695.4222 FAX 432.695.4063

RECEIVED

March 17, 2023

Via Certified Mail

MAR 20 2023

92148902956265901602225706

Magnum Hunter Production, Inc. 600 N. Marienfeld St, Suite 600 Midland, TX 79701

COTERRA ENERGY

RE:

Joker 5-8 Federal Com - Well Proposals

Sections 5 & 8, T20S-R34E Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC, as operator for Read & Stevens, Inc. ("Permian"), hereby proposes the drilling and completion of the following twenty-four (24) wells, the Joker 5-8 Federal Com wells at approximate locations within Township 20 South, Range 34 East:

FIRST BONE SPRING FORMATION:

1. Joker 5-8 Federal Com 111H - (West Pad)

SHL: 380' FNL & 2,179' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 330' FWL of Section 5 LTP: 100' FSL & 330' FWL of Section 8 BHL: 10' FSL & 330' FWL of Section 8

Standard Spacing Unit: Lot 4, SWNW, W2SW of Section 5, W2W2 of Section 8, T20S-R34E

TVD: 9,576' TMD: 19,861'

2. Joker 5-8 Federal Com 112H - (West Pad)

SHL: 380' FNL & 2,212' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 1,650' FWL of Section 5 LTP: 100' FSL & 1,650' FWL of Section 8 BHL: 10' FSL & 1,650' FWL of Section 8

Standard Spacing Unit: Lot 3, SENW, E2SW of Section 5, E2W2 of Section 8, T20S-R34E

TVD: 9,596' TMD: 19,881'

3. Joker 5-8 Federal Com 113H - (East Pad)

SHL: 380' FNL & 2,005' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 2,310' FEL of Section 5 LTP: 100' FSL & 2,310' FEL of Section 8 BHL: 10' FSL & 2,310' FEL of Section 8

Standard Spacing Unit: Lot 2, SWNE, W2SE of Section 5, W2E2 of Section 8, T20S-R34E

TVD: 9,616' TMD: 19,901'



4. Joker 5-8 Federal Com 114H - (East Pad)

SHL: 380' FNL & 1,840' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 990' FEL of Section 5 LTP: 100' FSL & 990' FEL of Section 8 BHL: 10' FSL & 990' FEL of Section 8

Standard Spacing Unit: Lot 1, SENE, E2SE of Section 5, E2E2 of Section 8, T20S-R34E

TVD: 9,616' TMD: 19,901'

SECOND BONE SPRING FORMATION:

5. Joker 5-8 Federal Com 121H - (West Pad)

SHL: 380' FNL & 2,245' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 330' FWL of Section 5 LTP: 100' FSL & 330' FWL of Section 8 BHL: 10' FSL & 330' FWL of Section 8

Standard Spacing Unit: Lot 4, SWNW, W2SW of Section 5, W2W2 of Section 8, T20S-R34E

TVD: 10,316' TMD: 20,601'

6. Joker 5-8 Federal Com 122H - (West Pad)

SHL: 380' FNL & 2,278' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 990' FWL of Section 5 LTP: 100' FSL & 990' FWL of Section 8 BHL: 10' FSL & 990' FWL of Section 8

Standard Spacing Unit: Lot 4, SWNW, W2SW of Section 5, W2W2 of Section 8, T20S-R34E

TVD: 9,981' TMD: 20,266'

7. Joker 5-8 Federal Com 123H - (West Pad)

SHL: 380' FNL & 2,311' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 1,650' FWL of Section 5 LTP: 100' FSL & 1,650' FWL of Section 8 BHL: 10' FSL & 1,650' FWL of Section 8

Standard Spacing Unit: Lot 3, SENW, E2SW of Section 5, E2W2 of Section 8, T20S-R34E

TVD: 10,296' TMD: 20,581'

8. Joker 5-8 Federal Com 124H - (West Pad)

SHL: 380' FNL & 2,344' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 2,310' FWL of Section 5 LTP: 100' FSL & 2,310' FWL of Section 8 BHL: 10' FSL & 2,310' FWL of Section 8

Standard Spacing Unit: Lot 3, SENW, E2SW of Section 5, E2W2 of Section 8, T20S-R34E

TVD: 9,971' TMD: 20,256'

9. Joker 5-8 Federal Com 125H - (East Pad)

SHL: 380' FNL & 1,972' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 2,310' FEL of Section 5 LTP: 100' FSL & 2,310' FEL of Section 8 BHL: 10' FSL & 2,310' FEL of Section 8

Standard Spacing Unit: Lot 2, SWNE, W2SE of Section 5, W2E2 of Section 8, T20S-R34E

TVD: 10,286' TMD: 20,571'

10. Joker 5-8 Federal Com 126H - (East Pad)

SHL: 380' FNL & 1,939' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 1,650' FEL of Section 5 LTP: 100' FSL & 1,650' FEL of Section 8 BHL: 10' FSL & 1,650' FEL of Section 8

Standard Spacing Unit: Lot 2, SWNE, W2SE of Section 5, W2E2 of Section 8, T20S-R34E

TVD: 9,961' TMD: 20,256'

11. Joker 5-8 Federal Com 127H - (East Pad)

SHL: 380' FNL & 1,906' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 990' FEL of Section 5 LTP: 100' FSL & 990' FEL of Section 8 BHL: 10' FSL & 990' FEL of Section 8

Standard Spacing Unit: Lot 1, SENE, E2SE of Section 5, E2E2 of Section 8, T20S-R34E

TVD: 10,286' TMD: 20,571'

12. Joker 5-8 Federal Com 128H - (East Pad)

SHL: 380' FNL & 1,873' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 330' FEL of Section 5 LTP: 100' FSL & 330' FEL of Section 8 BHL: 10' FSL & 330' FEL of Section 8

Standard Spacing Unit: Lot 1, SENE, E2SE of Section 5, E2E2 of Section 8, T20S-R34E

TVD: 9,961' TMD: 20,256'

THIRD BONE SPRING CARB (HARKEY) FORMATION:

13. Joker 5-8 Federal Com 171H - (West Pad)

SHL: 250' FNL & 2,179' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 990' FWL of Section 5 LTP: 100' FSL & 990' FWL of Section 8 BHL: 10' FSL & 990' FWL of Section 8

Standard Spacing Unit: Lot 4, SWNW, W2SW of Section 5, W2W2 of Section 8, T20S-R34E

TVD: 10,451' TMD: 20,736'

14. Joker 5-8 Federal Com 172H - (West Pad)

SHL: 250' FNL & 2,344' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 2,310' FWL of Section 5 LTP: 100' FSL & 2,310' FWL of Section 8 BHL: 10' FSL & 2,310' FWL of Section 8

Standard Spacing Unit: Lot 3, SENW, E2SW of Section 5, E2W2 of Section 8, T20S-R34E

TVD: 10,446' TMD: 20,731'

15. Joker 5-8 Federal Com 173H - (East Pad)

SHL: 250' FNL & 2,005' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 1,650' FEL of Section 5 LTP: 100' FSL & 1,650' FEL of Section 8 BHL: 10' FSL & 1.650' FEL of Section 8

Standard Spacing Unit: Lot 2, SWNE, W2SE of Section 5, W2E2 of Section 8, T20S-R34E

TVD: 10,436' TMD: 20,721'

16. Joker 5-8 Federal Com 174H - (East Pad)

SHL: 250' FNL & 1,840' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 330' FEL of Section 5 LTP: 100' FSL & 330' FEL of Section 8 BHL: 10' FSL & 330' FEL of Section 8

Standard Spacing Unit: Lot 1, SENE, E2SE of Section 5, E2E2 of Section 8, T20S-R34E

TVD: 10,416' TMD: 20,701'

THIRD BONE SPRING FORMATION:

17. Joker 5-8 Federal Com 131H - (West Pad)

SHL: 250' FNL & 2,212' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 330' FWL of Section 5 LTP: 100' FSL & 330' FWL of Section 8 BHL: 10' FSL & 330' FWL of Section 8

Standard Spacing Unit: Lot 4, SWNW, W2SW of Section 5, W2W2 of Section 8, T20S-R34E

TVD: 10,831' TMD: 21,116'

18. Joker 5-8 Federal Com 132H - (West Pad)

SHL: 250' FNL & 2,278' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 1,650' FWL of Section 5 LTP: 100' FSL & 1,650' FWL of Section 8 BHL: 10' FSL & 1.650' FWL of Section 8

Standard Spacing Unit: Lot 3, SENW, E2SW of Section 5, E2W2 of Section 8, T20S-R34E

TVD: 10,831' TMD: 21,116'

19. Joker 5-8 Federal Com 133H - (East Pad)

SHL: 250' FNL & 1,972' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 2,310' FEL of Section 5 LTP: 100' FSL & 2,310' FEL of Section 8 BHL: 10' FSL & 2,310' FEL of Section 8

Standard Spacing Unit: Lot 2, SWNE, W2SE of Section 5, W2E2 of Section 8, T20S-R34E

TVD: 10,821' TMD: 21,106'

20. Joker 5-8 Federal Com 134H – (East Pad)

SHL: 250' FNL & 1,906' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 990' FEL of Section 5 LTP: 100' FSL & 990' FEL of Section 8 BHL: 10' FSL & 990' FEL of Section 8

Standard Spacing Unit: Lot 1, SENE, E2SE of Section 5, E2E2 of Section 8, T20S-R34E

TVD: 10,821' TMD: 21,106'

WOLFCAMP XY FORMATION:

21. Joker 5-8 Federal Com 201H - (West Pad)

SHL: 250' FNL & 2,245' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 990' FWL of Section 5 LTP: 100' FSL & 990' FWL of Section 8 BHL: 10' FSL & 990' FWL of Section 8

Standard Spacing Unit: Lot 4, SWNW, W2SW of Section 5, W2W2 of Section 8, T20S-R34E

TVD: 10,926' TMD: 21,211'

22. Joker 5-8 Federal Com 202H - (West Pad)

SHL: 250' FNL & 2,311' FWL (or at a legal location in Lot 3) of Section 5

FTP: 100' FNL & 2,310' FWL of Section 5 LTP: 100' FSL & 2,310' FWL of Section 8 BHL: 10' FSL & 2,310' FWL of Section 8

Standard Spacing Unit: Lot 3, SENW, E2SW of Section 5, E2W2 of Section 8, T20S-R34E

TVD: 10,926' TMD: 21,211'

23. Joker 5-8 Federal Com 203H - (East Pad)

SHL: 250' FNL & 1,939' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 1,650' FEL of Section 5 LTP: 100' FSL & 1,650' FEL of Section 8 BHL: 10' FSL & 1,650' FEL of Section 8

Standard Spacing Unit: Lot 2, SWNE, W2SE of Section 5, W2E2 of Section 8, T20S-R34E

TVD: 10,906' TMD: 21,191'

24. Joker 5-8 Federal Com 204H - (East Pad)

SHL: 250' FNL & 1,873' FEL (or at a legal location in Lot 2) of Section 5

FTP: 100' FNL & 330' FEL of Section 5 LTP: 100' FSL & 330' FEL of Section 8 BHL: 10' FSL & 330' FEL of Section 8

Standard Spacing Unit: Lot 1, SENE, E2SE of Section 5, E2E2 of Section 8, T20S-R34E

TVD: 10,896' TMD: 21,181' The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. These locations do fall within an approved potash drill island, so any surface changes remain subject to BLM approval. Permian is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is enclosed. The Operating Agreement has the following general provisions:

- -100%/300%/300% non-consent provisions
- \$8,000/\$800 drilling and producing rates
- Permian Resources Operating, LLC named as Operator

Note that communitization agreements for each spacing unit shall be sent in a separate mailing.

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the proposed AFE, and your geologic well requirements.

Please further note that the Sections 5 & 8 require a Potash Development Area to be approved by the Bureau of Land Management prior to any permits to be submitted. Permian has submitted for this development area and conducted federal onsites. This development area has been protested by Cimarex. Any development of these two sections will be subject to that protest being dismissed.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Permian will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well. If you do not wish to participate, Permian would be interested in acquiring your interest in the subject lands which is subject to further mutually agreeable negotiation.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.400.1037 or by email at travis.macha@permianres.com. Due to the number of inquiries received, email may be the quickest way to receive a response.

<u>Operator Note:</u> Permian has recently drilled a pilot hole in the N/2 of Section 18 of T20S-R34E to the southwest of the Joker unit and is presently drilling a 3rd Bone Spring/Wolfcamp XY spacing test in Sections 18 & 19 (Batman Unit). Permian further plans a second 1st Bone Spring/2nd Bone Spring spacing test in Sections 17 & 20 of T20S-R34E directly south of the Joker unit later this year (Robin Unit). The learnings from the pilot hole and both spacing tests will be implemented by Permian in all zones here in order to ensure thoughtful and efficient development.

Respectfully,

Travis Macha

Senior Landman

Enclosures

Joker 5-8 Federal Com Elections:

	Well Elections	
(Please indicate yo	ur responses in the s	paces below)
Well(s)	Elect to Participate	Elect to NOT Participate
Joker 5-8 Federal Com 111H		
Joker 5-8 Federal Com 112H		
Joker 5-8 Federal Com 113H		
Joker 5-8 Federal Com 114H		
Joker 5-8 Federal Com 121H		
Joker 5-8 Federal Com 122H		
Joker 5-8 Federal Com 123H		
Joker 5-8 Federal Com 124H		
Joker 5-8 Federal Com 125H		
Joker 5-8 Federal Com 126H		
Joker 5-8 Federal Com 127H		
Joker 5-8 Federal Com 128H		
Joker 5-8 Federal Com 171H		
Joker 5-8 Federal Com 172H		
Joker 5-8 Federal Com 173H		
Joker 5-8 Federal Com 174H		
Joker 5-8 Federal Com 131H		
Joker 5-8 Federal Com 132H		
Joker 5-8 Federal Com 133H		
Joker 5-8 Federal Com 134H		
Joker 5-8 Federal Com 201H		
Joker 5-8 Federal Com 202H		
Joker 5-8 Federal Com 203H		
Joker 5-8 Federal Com 204H		

Company Name	e (If Applicable):	
-		
D		
By:		
Printed Name: _		
Date:		

Permian Resources Operating, LLC

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

		OF COSTS AND AUTHO	ORIZATION FOR EXPENI		
DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	11H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	19,861' / 9,576'
COUNTY/STATE:	Lea County, New Mexic	0		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	FBSG			COMPLETION DAYS:	18.6
GLOLOGIC IARGEII		well and complete with	44 stages. AFE include	s drilling, completions, fl	
REMARKS:	install cost				
	-	DRILLING	COMPLETION	PRODUCTION	TOTAL COSTS
INTANGIBL		COSTS	COSTS	COSTS	
Land/Legal/Regulatory		52,768	1/ 1/1-	37,500	\$ 90,268 276,003
2 Location, Surveys & Dan	iages	257,363 42,549	16,141 39,110	2,500	106,660
4 Freight/Transportation 5 Kental - Suriace Equipmo	and	111,070	192,448	105,000	408,518
6 Kental - Downhole Equip		183,520	53,429	103,000	236,949
7 Kental - Living Quarters	mem	42,956	48,671		91,62
10 Directional Drilling, Su	rvevs	383,743			383,743
11 Drilling		673,443			673,443
12 Drill Bits		89,495	•	•	89,49
13 Fuel & Power		168,789	647,751		816,540
14 Cementing & Float Equi		217,354	•	<u> </u>	217,354
15 Completion Unit, Swab,		-	•	15,000	15,000
16 Pertorating, Wireline, S			351,218	<u> </u>	351,218
17 High Pressure Pump Tr			110,130	-	110,130
18 Completion Unit, Swab,		-	130,865		130,865
20 Mud Circulation System	1	93,991			93,991
21 Mud Logging	alvation	15,660	7,450		15,660
22 Logging/Formation Eva 23 Mud & Chemicals	ni wali Uli	323,254	391,463	10,000	724,717
23 Mud & Chemicais 24 Water		38,825	591,078	225,000	854,903
25 Stimulation			727,236		727,230
26 Stimulation Flowback &	: Uisp	•	108,640	150,000	258,640
28 Mud/Wastewater Disp	•	172,514	54,630		227,144
30 Kig Supervision / Engin		108,273	119,194	21,667	249,134
32 Drig & Completion Ove		9,312	-	•	9,312
35 Labor		137,006	62,080	101,667	300,753
54 Proppant		-	1,121,387		1,121,387
95 Insurance		13,096	•		13,096
97 Contingency		-	21,817	3,833	25,650
99 Plugging & Abandonme		2441.476	4,794,736	697,167	8,633,37
	TOTAL INTANGIBLES >				
TANGIBLE	COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
50 Surface Casing	COSIS	109,201			\$ 109,201
61 Intermediate Casing	·	307,574			307,574
62 Drilling Liner			.		
63 Production Casing		613,783			613,783
64 Production Liner					-
65 Tubing			•	140,000	140,000
66 Wellhead		57,908		40,000	97,908
67 Packers, Liner Hangers		13,161	-	20,000	33,161
68 Tanks			<u> </u>	45,833	45,833
69 Production Vessels			-	126,667	126,667
70 Flow Lines				66,667	00,007
71 Kod string 72 Artificial Lift Equipmen				90,000	90,000
73 Compressor	•			5,833	5,833
74 Installation Costs			.		
75 Surtace Pumps				61,667	61,66
76 Downhole Pumps					-
77 Measurement & Meter I	nstallation			116,667	116,667
78 Gas Conditioning / Deh	ydration		•		
79 interconnecting Facility	Piping			20,000	20,000
80 Gathering / Bulk Lines		-	•		•
81 Valves, Dumps, Control			<u> </u>	108,333	108,333
82 Tank / Facility Contains	nent	•		43,333	43,333
83 Flare Stack			-	16,667	16,667
84 Electrical / Grounding	134		-	50,000	50,000
85 Communications / SCA				36,667 853	36,667
86 Instrumentation / Safety		4 404 405			
-	TOTAL TANGIBLES >		4,794,736	989,187 1,686,354	2,090,81 10,724,19
PARED BY Permian Re	rotal Costs >	T _I ONS, AUS	4,794,700	1,000,354	zuji saja i
Completions Engine					
Production Engine					
Production Engine	er. K				
nian Resources Operati	ng, LLC APPROVAL:		of the second of		
Co-C	EO	Co-C	EO	VP - Opera	ations
	WH		JW		CRM
VP - Land & Le	galBG	VP - Geoscien	SO SO		
OPERATING PARTN	VER APPROVAL:				
			Manual Control of the		ID.
Company Nar	ne:		Working Interest (%):	T	ax ID:
Signed	by:		Date:		
Ti	tle:		Approval:	Yes	No (mark one)
					——————————————————————————————————————

The cease on this AFE are restants only and may not be construed as critings on any specific item or the total cost of the project. Tubbing installation approved under the AFE may be drived up to a year after the we'll have been completed. In executing this AFE, the Fasticipan approximately for Operator's proportionals abare of actual costs incurred, including, legal, curative, regulatory, belowing a cost would be incursed in the proportional abare of actual costs incurred, including, legal, curative, regulatory, belowing a cost would be consistently for Operator's proportional abare of actual costs incurred, including, legal, curative, regulatory, belowing a cost with a cost with a second cost incurred and actual costs incurred in the cost with a cost of the application of the applicable joint operations and actual cost incurred in the cost with a cost of the application of the applicable joint operations and actual cost in the cost of the application of the applicable joint operations are consistent on the application of the applicable joint operations are consistent on the application of the applicable joint operations are consistent on the application of the application of the applicable joint operations are consistent on the application of th

ol and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of ap

Permian Resources Operating, LLC

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

	ESTIMATE	OF COSTS AND AUT	THORIZATION FOR EXPE	NDITURE	
DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	12H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	19,881' / 9,596'
COUNTY/STATE:	Lea County, New Mexic	20		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	FBSG			COMPLETION DAYS:	18.6
	Drill a horizontal FBSG	well and complete v	vith 44 stages. AFE includ	des drilling, completions, fl	owback and Initial AL
REMARKS:	install cost			aco ummig, compicació, i	
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	COSTS
1 Land/Legal/Regulatory		52,768		37,500	\$ 90,268
2 Location, Surveys & Dama	ges	257,363	16,141	2,500	2/6,003
4 Freight / Transportation 5 Rental - Surface Equipmen	ıt	42,549 111,070	39,110 192,448	25,000 105,000	106,660 408,518
6 Kental - Downhole Equipn		183,520	53,429		236,949
7 Kental - Living Quarters		42,956	48,671	•	91,627
10 Directional Drilling, Surv	eys	383,743		•	383,743
11 Drilling 12 Drill Bits		673,443 89,495			673,443 89,495
13 Fuel & l'ower		168,789	647,751		816,540
14 Cementing & Float Equip		217,354			217,354
15 Completion Unit, Swab, C				15,000	15,000
16 Periorating, Wireline, Silo			351,218	•	351,218
17 High Pressure Pump Truc 18 Completion Unit, Swab, C			110,130		110,130
20 Mud Circulation System		93,991		-	93,991
21 Mud Logging		15,660	•		15,660
22 Logging / Formation Evalu	uation	6,495	7,450		13,944
23 Mud & Chemicals 24 Water		323,254	391,463	10,000	724,717 854,903
25 Stimulation		- 30,023	727,236	225,000	727,236
26 Stimulation Flowback & I			108,640	150,000	258,640
28 Mud / Wastewater Dispos		172,514	54,630		227,144
30 Rig Supervision / Enginee 32 Drig & Completion Overh		108,273	119,194	21,667	249,134 9,312
35 Labor	icau	137,006	62,080	101,667	300,753
54 Proppant		•	1,121,387		1,121,387
95 Insurance		13,096	-	-	13,096
97 Contingency			21,817	3,833	25,650
99 Plugging & Abandonmen		2141 476	4,794,736	607167	9 622 270
	TOTAL INTANGIBLES >			697,167	8,633,379
		DRILLING COSTS	COMPLETION COSTS	PRODUCTION	TOTAL
TANGIBLE C	OSTS			COSTS	COSTS
60 Surface Casing 61 Intermediate Casing	3	307,574		-	\$ 109,201 307,574
62 Drilling Liner		- 307,074			
63 Production Casing		613,783		-	613,783
64 Production Liner				•	-
65 Tubing 66 Wellhead		57,908		140,000	97,908
67 Packers, Liner Hangers		13,161		20,000	33,161
68 Tanks		•		45,833	45,833
69 Production Vessels				126,667	126,667
70 Flow Lines				66,667	66,667
71 Kod string 72 Artilicial Lift Equipment				90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs				•	•
75 Surface Pumps			-	61,667	61,667
76 Downhole Pumps					
77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo			· · · · · · · · · · · · · · · · · · ·	116,667	116,667
79 Interconnecting Facility P		•		20,000	20,000
80 Gathering / Bulk Lines	. •		-	-	•
81 Valves, Dumps, Controlle				108,333	108,333
82 Tank / Facility Containme 83 Flare Stack	ut			43,333	43,333
84 Electrical / Grounding				50,000	50,000
85 Communications / SCADA	4	-	-	36,667	36,667
86 Instrumentation / Safety				853	853
	TOTAL TANGIBLES >		0	989,187	2,090,814
	TOTAL COSTS >	4,243,103	4,794,736	1,686,354	10,724,193
EPARED BY Permian Reso	ources Operating, LLC:				
					
Drilling Engineer					
Completions Engineer					
Production Engineer	: DC				
ion Bossesson Onesetina	- IIC APPROVAL		-		
mian Resources Operating	LLC APPROVAL:				·
Co-CEC)	C	o-CEO	VP - Oper	ations
	WH		JW	•	CRM
VP - Land & Lega	l	VP - Geosc	iences		
	BG		so		
NI ODED ATTAIC DADTE	D ADDOMAL.				
N OPERATING PARTNE	K APPKUVAL:				
Company Name	:		Working Interest (%):	T	ax ID:
- •			_		
Signed by	:		Date: _		
Title	:		Approval:	Yes	No (mark one)
					<u></u>

ECTIMATE OF	COSTS AND	AUTHORIZA	TION FOR	EXPENDITURE
ESTIMATE OF	COSISAND	AUTHURIZA	LIION FOR	EXPENDITORE

DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	13H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	19,901' / 9,616'
COUNTY/STATE:	Lea County, New Mexic	:0		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	FBSG			COMPLETION DAYS:	18.6
	Drill a horizontal FBSG	well and complete	with 44 stages. AFE includ	es drilling, completions, fl	owback and Initial AL
REMARKS:	install cost				
		DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
INTANGIBLE	COSTS		C0313		\$ 90,268
1 Land/ Legal/ Regulatory 2 Location, Surveys & Damag	ee .	52,768 257,363	16,141	2,500	2/6,003
4 Freight / Transportation		42,549	39,110	25,000	106,660
5 Rental - Surface Equipment		111,070	192,448	105,000	408,518
6 Kental - Downhole Equipm	ent	183,520	53,429		236,949
7 Rental - Living Quarters		42,956	48,671	-	91,627 383,743
10 Directional Drilling, Surve 11 Drilling	ys	383,743			673,443
12 Drill Bits		89,495			89,495
13 Fuel & l'ower		168,789	647,751	•	816,540
14 Cementing & Float Equip		217,354	-	•	217,354
15 Completion Unit, Swab, C			351 310	15,000	15,000
16 Periorating, Wireline, Slici 17 High Pressure Pump Truci			351,218 110,130		351,218 110,130
18 Completion Unit, Swab, C			130,865		130,865
20 Mud Circulation System		93,991		•	93,991
21 Mud Logging		15,660	-	•	15,660
22 Logging / Formation Evalu	ation	6,495	7,450		13,944
23 Mud & Chemicals 24 Water		323,254 38,825	391,463 591,078	10,000	724,717 854,903
25 Stimulation		- 30,023	727,236	223,000	727,236
26 Stimulation Flowback & L	isp		108,640	150,000	258,640
28 Mud/Wastewater Disposa	1	172,514	54,630		227,144
30 Rig Supervision / Engineer		108,273	119,194	21,667	249,134
32 Drig & Completion Overh	ead	9,312	-	•	9,312
35 Labor 54 Proppant		137,006	1,121,387	101,667	300,753 1,121,387
95 Insurance		13,096	1,121,367		13,096
97 Contingency			21,817	3,833	25,650
99 Plugging & Abandonment			-	-	•
	TOTAL INTANGIBLES >	3,141,476	4,794,736	697,167	8,633,379
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE C	OSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing		109,201	-	-	\$ 109,201
61 Intermediate Casing		307,574	-	-	307,574
62 Drilling Liner		-			
63 Production Casing		613,783	•	•	613,783
64 Production Liner 65 Tubing				140,000	140,000
66 Wellhead		57,908		40,000	97,908
67 Packers, Liner Hangers		13,161		20,000	33,161
68 Tanks				45,833	45,833
69 Production Vessels			-	126,667	126,667
70 Flow Lines 71 Rod string				66,667	66,667
72 Artificial Lift Equipment				90,000	90,000
73 Compressor			-	5,833	5,833
74 Installation Costs				-	
75 Surface Pumps				61,667	61,667
76 Downhole Pumps	lattation.		-	-	116,667
77 Measurement & Meter Ins 78 Gas Conditioning / Dehyd				116,667	- 110,007
79 Interconnecting Facility Pi				20,000	20,000
80 Gathering / Bulk Lines	. •		-		
81 Valves, Dumps, Controller				108,333	108,333
82 Tank / Facility Containmen	nt		-	43,333	43,333
83 Flare Stack 84 Electrical / Grounding				16,667	16,667
85 Communications / SCADA		<u>:</u>		36,667	36,667
86 Instrumentation / Safety			-	853	853
	TOTAL TANGIBLES >	1,101,627	0	989,187	2,090,814
-	TOTAL COSTS >	> 4,243,103	4,794,736	1,686,354	10,724,193
EPARED BY Permian Reso	urces Operating, LLC:				
Drilling Engineer:	PS				
Completions Engineer					
	ML				
Production Engineer:					
			-		
	DC				
Production Engineers	, LLC APPROVAL:				
Production Engineer:	, LLC APPROVAL:	(Co-CEO	VP - Opei	
Production Engineers mian Resources Operating Co-CEO	, LLC APPROVAL:		JW	VP - Oper	ations
Production Engineers	, LLC APPROVAL:	(VP - Geos	jw	VP - Oper	
Production Engineers mian Resources Operating Co-CEO	, LLC APPROVAL:		JW	VP - Oper	
Production Engineers mian Resources Operating Co-CEO	, LLC APPROVAL:		jw	VP - Oper	
Production Engineers mian Resources Operating Co-CEO	, LLC APPROVAL:		jw	VP - Oper	
Production Engineer: mian Resources Operating Co-CEO VP - Land & Legal	DC , LLC APPROVAL: WH BG		jw	VP - Oper	
Production Engineer: mian Resources Operating Co-CEO VP - Land & Legal	DC , LLC APPROVAL: WH BG		sciences SO		
Production Engineers mian Resources Operating Co-CEO	DC , LLC APPROVAL: WH BG R APPROVAL:	VP - Geos	sciences SO		
Production Engineers mian Resources Operating Co-CEO VP - Land & Legal ON OPERATING PARTNE Company Name:	DC , LLC APPROVAL: WH BG R APPROVAL:	VP - Geos	SO Working Interest (%):		CRM
Production Engineers mian Resources Operating Co-CEO VP - Land & Legal	DC , LLC APPROVAL: WH BG R APPROVAL:	VP - Geos	sciences SO		CRM
Production Engineers mian Resources Operating Co-CEO VP - Land & Legal ON OPERATING PARTNE Company Name:	DC , LLC APPROVAL: WH BG R APPROVAL:	VP - Geos	SO Working Interest (%):		CRM

Permian Resources Operating, LLC

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

WELL NAME:	2.17.2023			AFE NO.:	1
	Joker 5-8 Federal Com	114H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	19,901' / 9,616'
COUNTY/STATE:	Lea County, New Mexi	co		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	FBSG			COMPLETION DAYS:	18.6
		well and complete with	h 44 stages. AFE includes	_	wback and Initial AL
REMARKS:	install cost	wen and complete wid	11 44 3tages. Fu D Metades	drining, completions, no	Work and minute in
REMARKS.	IIIstan cost				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	COSTS
1 Land/Legal/Regulatory		\$ 52,768		37,500	S 90,268
2 Location, Surveys & Dama	705	257,363	16,141	2,500	276,003
4 Freight/Transportation	54.5	42,549	39,110	25,000	106,660
5 Rental - Surface Equipmen	ı	111,070	192,448	105,000	408,518
6 Rental - Downhote Equipm		183,520	53,429		236,949
7 Rental - Living Quarters		42,956	48,671	-	91,627
10 Directional Drilling, Surv	eys	383,743	-	-	383,743
11 Drilling		673,443	-		673,443
12 Drill Bits		89,495	•	-	89,495
13 Fuel & Power		168,789	647,751	-	816,540
14 Cementing & Float Equip		217,354	-	•	217,354
15 Comptetion Unit, Swab, C		<u> </u>	•	15,000	15,000
16 Periorating, Wireline, Silo			351,218	-	351,218
17 High Pressure Pump Truc			110,130	-	110,130
18 Completion Unit, Swab, C	:10	-	130,865		130,865
20 Mud Circulation System		93,991			15,660
21 Mud Logging 22 Logging / Formation Evalu	uation	15,660	7,450	-	13,944
23 Mud & Chemicals	aation	323,254	391,463	10,000	724,717
24 Water		38,825	591,078	225,000	854,903
25 Stimulation		- 50,025	727,236		727,236
26 Stimulation Flowback & I	Disp	•	108,640	150,000	258,640
28 Mud/Wastewater Dispos		172,514	54,630		227,144
30 Rig Supervision / Enginee		108,273	119,194	21,667	249,134
32 Drig & Completion Overh	_	9,312		•	9,312
35 Labor		137,006	62,080	101,667	300,753
54 Proppant			1,121,387		1,121,387
95 Insurance		13,096		-	13,096
97 Contingency		-	21,817	3,833	25,650
99 Plugging & Abandonmen	t			•	
	TOTAL INTANGIBLES	> 3,141,476	4,794,736	697,167	8,633,379
		DRILLING	COMPLETION	PRODUCTION	TOTAL
		COSTS	COMPLETION COSTS	COSTS	COSTS
TANGIBLE C	OSTS		C0313		
60 Surface Casing		\$ 109,201		•	\$ 109,201
61 Intermediate Casing		307,574		•	307,574
62 Drilling Liner		-	-	•	
63 Production Casing		613,783	-	•	613,783
64 Production Liner		•	•	1717/00/	
65 Tubing		•	<u> </u>	140,000	140,000
66 Weilhead		57,908		40,000	97,908
67 Packers, Liner Hangers 68 Tanks		13,161		20,000	45,833
69 Production Vessels				126,667	126,667
70 Flow Lines				66,667	66,667
				00,007	
71 Rod string 72 Artificial Lift Equipment				90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs					
75 Surface Pumps				61,667	61,667
76 Downhole Pumps					
77 Measurement & Meter Ins	stallation			116,667	116,667
78 Gas Conditioning / Dehye		-	-	•	
79 Interconnecting Facility P		-	•	20,000	20,000
80 Gathering / Bulk Lines	- -	-			
81 Valves, Dumps, Controlle	rs	-		108,333	108,333
82 Tank / Facility Containme		•	•	43,333	43,333
83 Flare Stack		-		16,667	16,667
			-	50,000	50,000
84 Electrical / Grounding			•	36,667	36,667
85 Communications / SCAD	4				175.7
		•		853	853
85 Communications / SCAD	TOTAL TANGIBLES	> 1,101,627	0	989,187	2,090,814
85 Communications / SCAD			4,794,736		
85 Communications / SCAD	TOTAL TANGIBLES			989,187	2,090,814
85 Communications / SCAD. 86 Instrumentation / Safety	TOTAL TANGIBLES TOTAL COSTS			989,187	2,090,814
85 Communications / SCAD. 86 Instrumentation / Safety	TOTAL TANGIBLES TOTAL COSTS			989,187	2,090,814
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Rese	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC:			989,187	2,090,814
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Reso	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC:			989,187	2,090,814
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Reso	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC:			989,187	2,090,814
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Reso	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: : PS : ML			989,187	2,090,814
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Reso Drilling Engineer Completions Engineer	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: : PS : ML			989,187	2,090,814
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC			989,187	2,090,814
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC			989,187	2,090,814
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Rese Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL:	> 4,243,103	4,794,736	989,187 1,686,354	2,090,814 10,724,193
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL:		4,794,736 CEO	989,187	2,090,814 10,724,193
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Rese Drilling Engineer Completions Engineer Production Engineer mian Resources Operating	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH	> 4,243,103	4,794,736 EO	989,187 1,686,354	2,090,814 10,724,193
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Rese Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH	> 4,243,103	4,794,736 EO	989,187 1,686,354	2,090,814 10,724,193
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Rese Drilling Engineer Completions Engineer Production Engineer mian Resources Operating	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH	> 4,243,103	4,794,736 EO	989,187 1,686,354	2,090,814 10,724,193
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Research Drilling Engineer Completions Engineer Production Engineer mian Resources Operating	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH	> 4,243,103	4,794,736 EO	989,187 1,686,354	2,090,814 10,724,193
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Research Drilling Engineer Completions Engineer Production Engineer mian Resources Operating	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH	> 4,243,103	4,794,736 EO	989,187 1,686,354	2,090,814 10,724,193
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Resc Drilling Engineer Completions Engineer Production Engineer Troduction Engineer Co-CEC VP - Land & Lega	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH BG	> 4,243,103	4,794,736 EO	989,187 1,686,354	2,090,814 10,724,193
85 Communications / SCADA 86 Instrumentation / Salety EPARED BY Permian Resc Drilling Engineer Completions Engineer Production Engineer Trian Resources Operating Co-CEC VP - Land & Lega	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH BG	> 4,243,103	4,794,736 EO	989,187 1,686,354	2,090,814 10,724,193
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer Too-CEC VP - Land & Lega ON OPERATING PARTNE	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH BG R APPROVAL:	> 4,243,103 Co-C VP - Geosciel	4,794,736 TEO	989,187 1,686,354 VP - Opera	2,090,814 10,724,193
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Rese Drilling Engineer Completions Engineer Production Engineer mian Resources Operating	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH BG R APPROVAL:	> 4,243,103	4,794,736 EO	989,187 1,686,354 VP - Opera	2,090,814 10,724,193
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer Trainan Resources Operating Co-CEC VP - Land & Lega ON OPERATING PARTNE	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: BG RAPPROVAL:	> 4,243,103 Co-C VP - Geosciel	4,794,736 EO	989,187 1,686,354 VP - Opera	2,090,814 10,724,193
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer Too-CEC VP - Land & Lega ON OPERATING PARTNE	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: BG RAPPROVAL:	> 4,243,103 Co-C VP - Geosciel	4,794,736 TEO	989,187 1,686,354 VP - Opera	2,090,814 10,724,193
85 Communications / SCAD, 86 Instrumentation / Salety EPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer Trainan Resources Operating Co-CEC VP - Land & Lega ON OPERATING PARTNE	TOTAL TANGIBLES TOTAL COSTS Durces Operating, LLC: PS ML DC LLC APPROVAL: WH BG R APPROVAL:	> 4,243,103 Co-C VP - Geosciel	4,794,736 EO	989,187 1,686,354 VP - Opera	2,090,814 10,724,193

	ESTIMATE	OF COSTS AND AUT	HORIZATION FOR EXPE	NDITURE	
DATE:	2.17.2023			AFE NO.:	11
WELL NAME:	Joker 5-8 Federal Com 1	21H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	20,601' / 10,316'
COUNTY/STATE:	Lea County, New Mexic	:0		LATERAL LENGTH:	10,000'
Permian WI:	•			DRILLING DAYS:	19.6
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	18.6
		well and complete wi	ith 44 stages. AFE includ	des drilling, completions, f	
REMARKS:	install cost	•			
		DRILLING	COMPLETION	PRODUCTION	TOTAL
	n coare	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	COSTS
INTANGIBI					\$ 91.851
1 Land/ Legal/ Regulatory 2 Location, Surveys & Dar		265,083	16,625	37,500 2,500	284,208
4 Freight/Transportation	nages	43,826	40,284	25,000	109,110
5 Kental - Surtace Equipm	ent	114,402	198,221	105,000	417,624
6 Kental - Downhole Equi		189,026	55,031		244,057
7 Kental - Living Quarters		44,244	50,131	-	94,375
10 Directional Drilling, Su	ırveys	395,255	•		395,255
11 Drilling		693,647	•		693,647
12 Drill Bits		92,179	-	-	92,179
13 Fuel & Power	-1	173,853	667,183		841,036
14 Cementing & Float Equ		223,875	-		223,875
15 Completion Unit, Swab		•	361,754	15,000	15,000 361,754
16 Pertorating, Wireline, S 17 High Pressure Pump Tr		<u>.</u>	113,434		113,434
18 Completion Unit, Swab			134,791		134,791
20 Mud Circulation System		96,811			96,811
21 Mud Logging		16,130			16,130
22 Logging / Formation Ev	aluation	6,690	7,673		14,363
23 Mud & Chemicals		332,951	403,207	10,000	746,158
24 Water		39,990	608,810	250,000	898,800
25 Stimulation			749,053	•	749,053
26 Stimulation Flowback 8		•	111,899	150,000	261,899
28 Mud/Wastewater Disp		177,689	56,269		233,959
30 Kig Supervision / Engir		111,522	122,769	21,667	255,958
32 Drig & Completion Ove	erhead	9,591	•		9,591
35 Labor		141,116	63,942	101,667	306,725
54 Proppant		17.490	1,155,029		1,155,029
95 Insurance 97 Contingency		13,489	22,472	3,833	26,305
99 Plugging & Abandonm	ent			3,033	20,505
>>	TOTAL INTANGIBLES >	3,235,720	4,938,578	722,167	8,896,465
	TOTAL BYTAINGIDES		COMPLETION		
TANCIBLE	COSTS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	TOTAL COSTS
TANGIBLE 60 Surface Casing	: COS15	5 112,477			\$ 112,477
61 Intermediate Casing	•	316,801			316,801
62 Drilling Liner					
63 Production Casing		632,196			632,196
64 Production Liner				-	
65 Tubing			•	140,000	140,000
66 Wellhead		59,645		40,000	99,645
67 Packers, Liner Hangers		13,556		20,000	33,556
68 Tanks			-		•
69 Production Vessels			•	45,833	45,833
70 Flow Lines				126,667	126,667
71 Kod string		•		66,667	66,667
72 Artificial Lift Equipmen 73 Compressor	nt.	<u>-</u>	<u>-</u>	90,000	90,000 5,833
74 Installation Costs				5,833	
75 Surface Pumps				61,667	61,667
76 Downhole Pumps					
77 Measurement & Meter	Installation			116,667	116,667
78 Gas Conditioning / Deb					
79 Interconnecting Facility	Piping	•		20,000	20,000
80 Gathering / Bulk Lines		•	-		
81 Vaives, Dumps, Contro		-		108,333	108,333
82 Tank / Facility Contains	ment			43,333	43,333
83 Flare Stack				16,667	16,667
84 Electrical / Grounding	134			50,000	50,000
85 Communications / SCA 86 Instrumentation / Safety		<u> </u>	<u>. </u>	36,667	36,667 833
80 Instrumentation/Sarety	•	- 4444		833	
	TOTAL TANGIBLES >		0	989,167	2,123,843
	TOTAL COSTS >	4,370,396	4,938,578	1,711,334	11,020,308
PARED BY Permian Re	esources Operating, LLC:				
Drilling Engine	eer: PS				
Completions Engine					
Production Engine	eer: DC				
nian Resources Operati	ng IIC APPROVAL				
resources Operati				 	
Co-C	EO	Со	-CEO	VP - Oper	rations
	WH		 jw	•	CRM
VP - Land & Le	gal	VP - Geosci	ences		
	BG		50		
ODED ATIMIC DARTS	SED APPROVAT				• • • • • • • • • • • • • • • • • • • •
N OPERATING PARTN	NEK APPKUVAL:				
Company Nar	me:		Working Interest (%):	ΤΤ	ax ID:
Signed			Date:		
Signed	by:		Date:		
Ti	tle:		Approval:	Yes	No (mark one)
			<u> </u>		

TA TE.			ORIZATION FOR EXPEND		1
DATE:	2.17.2023	2011		AFE NO.: _	Tass Bang Spring
WELL NAME:	Joker 5-8 Federal Com 12	22H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E	···		MD/TVD:	20,266' / 9,981'
COUNTY/STATE:	Lea County, New Mexic	0		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	18.6
REMARKS:	Drill a horizontal SBSG vinstall cost	well and complete with	n 44 stages. AFE includes	drilling, completions, fl	owback and Initial AL
** *		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBL	E COSTS	COSTS	COSTS	COSTS	COSTS
I Land/Legal/Regulatory		54,351	•	37,500	\$ 91,851
2 Location, Surveys & Dan	nages	265,083	16,625	2,500	284,208
4 Freight/Transportation	am4	43,826	40,284	25,000	109,110
5 Kental - Surtace Equipmo 6 Kental - Downhole Equip		114,402	55,031	103,000	244,057
7 Kental - Living Quarters	panem.	44,244	50,131	-	94,375
10 Directional Drilling, Su	rveys	395,255	-	-	395,255
11 Drilling		693,647	-	-	693,647
12 Drill Bits		92,179			92,179
13 Fuel & Power	f	173,853	667,183	•	841,036
14 Cementing & Float Equi 15 Completion Unit, Swab,		223,875		15,000	223,875 15,000
16 Perforating, Wireline, Si		-	361,754	13,000	361,754
17 High Pressure Pump Tr			113,434		113,434
18 Completion Unit, Swab,		-	134,791		134,791
20 Mud Circulation System	1	96,811	•	•	96,811
21 Mud Logging		16,130			16,130
22 Logging / Formation Eva	aluation	6,690	7,673		14,363
23 Mud & Chemicals		332,951	403,207	10,000	746,158
24 Water 25 Stimulation		39,990	608,810 749,053	250,000	898,800 749,053
25 Stimulation 26 Stimulation Flowback &	L Disp		111,899	150,000	261,899
28 Mud/Wastewater Disp		177,689	56,269		233,959
80 Rig Supervision / Engin		111,522	122,769	21,667	255,958
32 Drig & Completion Ove	erhead	9,591	•	•	9,591
35 Labor		141,116	63,942	101,667	306,725
54 Proppant		-	1,155,029		1,155,029
35 Insurance 37 Contingency		13,489	22,472	3,833	13,489
99 Piugging & Abandonme	ent		22,472	3,033	20,505
or radbing or recurrent	TOTAL INTANGIBLES >		4,938,578	722,167	8,896,46
	TOTAL INTANGIBLES				
TANGIBLE	COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
50 Surface Casing	5	112,477		•	\$ 112,477
51 Intermediate Casing		316,801	-	•	316,801
52 Drilling Liner			•	•	-
63 Production Casing		632,196		•	632,196
54 Production Liner 55 Tubing				140,000	140,000
66 Wellhead		59,645		40,000	99,645
67 Packers, Liner Hangers		13,556		20,000	33,556
68 Tanks		•		-	
69 Production Vessels				45,833	45,833
70 Flow Lines				126,667	126,667
71 Rod string				66,667	66,667
72 Artificial Lift Equipmen	ıt			90,000	90,000
73 Compressor 74 Installation Costs			-	5,833	5,833
75 Surface Pumps				61.667	61,667
76 Downhole Pumps		-		01,007	
7 Measurement & Meter I	nstallation			116,667	116,667
78 Gas Conditioning/Deh					
⁷⁹ Interconnecting Facility	Piping			20,000	20,000
80 Gathering / Bulk Lines				•	
31 Valves, Dumps, Control				108,333	108,333
32 Tank/ Facility Contains 33 Flare Stack	nent		-	43,333	43,333
34 Electrical / Grounding				16,667	50,000
5 Communications / SCA	DA	-		36,667	36,667
6 Instrumentation / Safety			-	833	833
•	TOTAL TANGIBLES >	1,134,676		989,167	2,123,84
	TOTAL COSTS >	4,370,396	4,938,578	1,711,334	11,020,30
PARED BY Permian Re	sources Operating, LLC:				
D-101 E					
Drilling Engine					
Completions Engine					
Production Engine	er. DC				
ian Resources Operati	ng, LLC APPROVAL:				
Co-C1		Co-C	EEO	VP - Opera	
VD 1-0141	WH	un Como	,		CRM
VP - Land & Leg	gal BG	VP - Geoscien	50 SO		
OPERATING PARTN	VER APPROVAL:				
Company Nan	ne:		Working Interest (%):	T	ix ID:
Signed I	.				
Signed (ســــ		Date:		
	tle:		Approval:	Yes	No (mark one)
on this ATE are estimates only and may not be					

ECTIMATE C	DECOSTS AND	AUTHORIZATION FOR	EXPENIETTIBE

DATE:	2.17.2023	-		AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com	123H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	20,581' / 10,296'
COUNTY/STATE:	Lea County, New Mexi	ico		LATERAL LENGTH:	10,000'
·	Eca County, New Mex			_	19.6
Permian WI:				DRILLING DAYS:	
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	18.6
	Drill a horizontal SBSG	well and complete with	h 44 stages. AFE includes	drilling, completions, flo	wback and Initial AL
REMARKS:	install cost	•	J	•	
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	COSTS
				37,500	\$ 91,851
T Land / Legal / Regulatory		\$ 54,351	15.615		
2 Location, Surveys & Dama	ages	265,083	16,625	2,500	284,208
4 Freight/Transportation		43,826	40,284	25,000	109,110
5 Rental - Surface Equipmen		114,402	198,221	105,000	417,624
6 Kental - Downhole Equip	ment	189,026	55,031	•	244,057
7 Kental - Living Quarters		44,244	50,131		94,375
10 Directional Drilling, Sur	veys	395,255	-	•	395,255
11 Drilling		693,647		-	693,647
12 Drill Bits		92,179	•		92,179
13 Fuel & Power		173,853	667,183	·	841,036
14 Cementing & Float Equip	p	223,875		-	223,875
15 Completion Unit, Swab,		•		15,000	15,000
16 Perforating, Wireline, Sli			361,754	-	361,754
17 High Pressure Pump Tru			113,434		113,434
18 Completion Unit, Swab,		-	134,791		134,791
20 Mud Circulation System		96,811			96,811
21 Mud Logging		16,130			16,130
22 Logging / Formation Eval	letion		7,673		14,363
	iuation	6,690	•		746,158
23 Mud & Chemicals		332,951	403,207	10,000	
24 Water		39,990	608,810	250,000	898,800
25 Stimulation	131	<u> </u>	749,053	•	749,053
26 Stimulation Flowback &	•		111,899	150,000	261,899
28 Mud/Wastewater Dispo	sal	177,689	56,269	•	233,959
30 Kig Supervision / Engine	ering	111,522	122,769	21,667	255,958
32 Drig & Completion Over	head	9,591		_	9,591
35 Labor		141,116	63,942	101,667	306,725
54 Proppant			1,155,029		1,155,029
95 Insurance		13,489			13,489
97 Contingency			22,472	3,833	26,305
99 Plugging & Abandonmer	nt				
>> 1 10889 00 1100111101111101		2 225 720	4.000.550	700 467	9 906 465
	TOTAL INTANGIBLES	> 3,235,720	4,938,578	722,167	8,896,465
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE (COSTS	COSTS	COSTS	COSTS	COSTS
	20313				
60 Surface Casing		\$ 112,477		-	\$ 112,477
61 Intermediate Casing		316,801		•	316,801
62 Drilling Liner		<u>-</u>	-	-	
63 Production Casing		632,196		-	632,196
64 Production Liner			-	•	-
65 Tubing		•	-	140,000	140,000
66 Wellhead		59,645		40,000	99,645
67 l'ackers, Liner Hangers		13,556		20,000	33,556
68 Tanks			-	-	
69 Production Vessels				45,833	45,833
70 Flow Lines				126,667	126,667
71 Kod string				66,667	66,667
72 Artificial Lift Equipment	l			90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs		•	-		
75 Surface Pumps		-		61,667	61,667
76 Downhole Pumps					•
77 Measurement & Meter In	istaliation		•	116,667	116,667
78 Gas Conditioning / Dehy	dration			-	·
79 Interconnecting Facility I	Piping			20,000	20,000
80 Gathering / Bulk Lines					
81 Valves, Dumps, Controll	ers			108,333	108,333
82 Tank / Facility Containm					
	ent			43.333	43,333
83 Flare Stack	ent			43,333	43,333
83 Flare Stack 84 Electrical / Grounding	ent			16,667	16,667
84 Electrical / Grounding				16,667 50,000	16,667 50,000
84 Electrical/Grounding 85 Communications/SCAD				16,667 50,000 36,667	16,667 50,000 36,667
84 Electrical / Grounding	DA			16,667 50,000 36,667 833	16,667 50,000 36,667 833
84 Electrical / Grounding 85 Communications / SCAD		> 1,134,676		16,667 50,000 36,667	16,667 50,000 36,667
84 Electrical / Grounding 85 Communications / SCAD	DA		- - - 0 4,938,578	16,667 50,000 36,667 833	16,667 50,000 36,667 833
84 Electrical / Grounding 85 Communications / SCAD	A TOTAL TANGIBLES			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical/Grounding 85 Communications/SCAD	A TOTAL TANGIBLES			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety	TOTAL TANGIBLES TOTAL COSTS			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety	TOTAL TANGIBLES TOTAL COSTS			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res	TOTAL TANGIBLES TOTAL COSTS COURSES Operating, LLC:			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC:			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC: PS PS PT: ML			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC: PS PS PT: ML			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC: PS PS PT: ML			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC: PS PS PT: ML PT: DC			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC: PS PS PT: ML PT: DC			16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC: PS	> 4,370,396	4,938,578	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee	TOTAL TANGIBLES TOTAL COSTS FOR PS PT: ML PT: DC TOTAL COSTS TOTAL COSTS TOTAL TANGIBLES TOTAL COSTS		4,938,578	16,667 50,000 36,667 833 989,167	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC: PS	> 4,370,396	4,938,578	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee	TOTAL TANGIBLES TOTAL COSTS Sources Operating, LLC: PS PT: ML PT: DC Og, LLC APPROVAL: O	> 4,370,396	4,938,578 CEO	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE	TOTAL TANGIBLES TOTAL COSTS Sources Operating, LLC: PS PT: ML PT: DC Og, LLC APPROVAL: O	> 4,370,396	4,938,578 CEO	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE	TOTAL TANGIBLES TOTAL COSTS Sources Operating, LLC: PS PT: ML PT: DC Og, LLC APPROVAL: O	> 4,370,396	4,938,578 CEO JW noces	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE	TOTAL TANGIBLES TOTAL COSTS Sources Operating, LLC: PS PT: ML PT: DC Rg, LLC APPROVAL: OWH	> 4,370,396	4,938,578 CEO JW noces	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE	TOTAL TANGIBLES TOTAL COSTS Sources Operating, LLC: PS PT: ML PT: DC Rg, LLC APPROVAL: OWH	> 4,370,396	4,938,578 CEO JW noces	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE	TOTAL TANGIBLES TOTAL COSTS Sources Operating, LLC: PS PT: ML PT: DC Rg, LLC APPROVAL: OWH	> 4,370,396	4,938,578 CEO JW noces	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAU 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE VP - Land & Leg.	TOTAL TANGIBLES TOTAL COSTS FOURCES Operating, LLC: FIT: PS FIT: ML FIT: DC REG, LLC APPROVAL: O WH al BG	> 4,370,396	4,938,578 CEO JW noces	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAU 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE VP - Land & Leg.	TOTAL TANGIBLES TOTAL COSTS FOURCES Operating, LLC: FIT: PS FIT: ML FIT: DC REG, LLC APPROVAL: O WH al BG	> 4,370,396	4,938,578 CEO JW noces	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operatin Co-CE VP - Land & Leg	TOTAL TANGIBLES TOTAL COSTS COURCES OPERATING, LLC: PS PS PS: ML PS PS PS PS: ML PS	> 4,370,396 Co-C VP - Geoscier	4,938,578 TEO	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAU 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE VP - Land & Leg.	TOTAL TANGIBLES TOTAL COSTS COURCES OPERATING, LLC: PS PS PS: ML PS PS PS PS: ML PS	> 4,370,396	4,938,578 CEO JW noces	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee Production Enginee Truian Resources Operation Co-CE VP - Land & Leg ON OPERATING PARTNI Company Name	TOTAL TANGIBLES TOTAL COSTS FOURCES Operating, LLC: PS PT: ML PC: DC Rg, LLC APPROVAL: O WH al BG ER APPROVAL: e:	> 4,370,396 Co-C VP - Geoscier	4,938,578 EEO	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operation Co-CE VP - Land & Leg.	TOTAL TANGIBLES TOTAL COSTS FOURCES Operating, LLC: PS PT: ML PC: DC Rg, LLC APPROVAL: O WH al BG ER APPROVAL: e:	> 4,370,396 Co-C VP - Geoscier	4,938,578 TEO	16,667 50,000 36,667 833 989,167 1,711,334	16,667 50,000 36,667 833 2,123,843 11,020,308
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee Production Enginee Truian Resources Operation Co-CE VP - Land & Lega DN OPERATING PARTNI Company Name Signed by	TOTAL TANGIBLES TOTAL COSTS COURCES Operating, LLC: PS	> 4,370,396 Co-C VP - Geoscier	4,938,578 EEO	16,667 50,000 36,667 833 989,167 1,711,334 VP - Opera	16,667 50,000 36,667 833 2,123,843 11,020,308 tions CRM
84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee Production Enginee Truian Resources Operation Co-CE VP - Land & Leg ON OPERATING PARTNI Company Name	TOTAL TANGIBLES TOTAL COSTS FOURCES Operating, LLC: FIT: PS FIT: ML FIT: DC WH al BG ER APPROVAL: e: e: e:	> 4,370,396 Co-C VP - Geoscier	4,938,578 CEO JW noces SO Working Interest (%): Date: Approval:	16,667 50,000 36,667 833 989,167 1,711,334 VP - Opera	16,667 50,000 36,667 833 2,123,843 11,020,308 tions CRM × ID:

Permian Resources Operating, LLC

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

PETIMATE OF	COCTE AND	AUTHORIZATION FOR	EVERNINGFILDE
COLUMATE OF	COSISAND	AUTHORIZATION FOR	EXPENDITURE

DATE: WELL NAME: LOCATION: COUNTY/STATE:	2.17.2023 Joker 5-8 Federal Com 1				1
LOCATION:	Joker 5 8 Federal Com			AFE NO.:	
	Jokes 5-0 redetas Cossi	124H		FIELD:	Teas; Bone Spring
	Section 5, T20S-R34E			MD/TVD:	20,256' / 9,971'
				· -	
•	Lea County, New Mexi	co		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	18.6
	Drill a horizontal SBSG	well and complete with	44 stages. AFE includes	drilling, completions, fl	owback and Initial Al
REMARKS:	install cost	wen und complete with		, arming, compression, re	o ,, o west that a said a said
REMARKS.	- Instan cost				
•		DRILLING	COMPLETION	PRODUCTION	TOTAL
		COSTS	COSTS	COSTS	COSTS
INTANGIBLE	COSTS		COSIS		
1 Land/Legal/Regulatory		\$ 54,351	-	37,500	\$ 91,85
2 Location, Surveys & Dama	ges	265,083	16,625	2,500	284,20
4 Freight / Transportation		43,826	40,284	25,000	109,11
5 Rental - Surface Equipmer	t	114,402	198,221	105,000	417,62
6 Kental - Downhole Equips		189,026	55,031		244,05
7 Kental - Living Quarters		44,244	50,131		94,37
10 Directional Drilling, Surv	our.	395,255			395,25
_	eys				693,64
11 Drilling		693,647			
12 Drilf Bits		92,179		•	92,17
13 Fuel & l'ower		173,853	667,183	•	841,03
14 Cementing & Float Equip		223,875	<u></u>	-	223,87
15 Completion Unit, Swab, C	TU			15,000	15,00
16 Perforating, Wireline, Sile	kline		361,754		361,75
17 High Pressure Pump True		•	113,434		113,43
18 Completion Unit, Swab, G			134,791		134,79
	.10				
20 Mud Circulation System		96,811	-	•	96,81
21 Mud Logging		16,130	-	•	16,13
22 Logging / Formation Eval	ation	6,690	7,673		14,36
23 Mud & Chemicals		332,951	403,207	10,000	746,15
24 Water		39,990	608,810	250,000	898,80
25 Stimulation			749,053		749,05
26 Stimulation Flowback & 1)isn		111,899	150,000	261,89
				150,000	
28 Mud/Wastewater Dispos		177,689	56,269		233,95
30 Rig Supervision / Engine		111,522	122,769	21,667	255,95
32 Drig & Completion Overl	iead	9,591	•	•	9,59
35 Labor		141,116	63,942	101,667	306,72
54 Proppant		-	1,155,029		1,155,02
95 Insurance		13,489			13,48
97 Contingency			22,472	3,833	26,30
99 Plugging & Abandonmen				3,005	20,00
>> 1 1128 mg at Atomitecimien					
	TOTAL INTANGIBLES	> 3,235,720	4,938,578	722,167	8,896,40
		DRILLING	COMPLETION	PRODUCTION	TOTAL
		COSTS	COSTS	COSTS	COSTS
TANGIBLE C	OSTS		COSIS	COSIS	
0 Surface Casing		5 112,477	•	-	\$ 112,47
51 Intermediate Casing		316,801		-	316,80
62 Drilling Liner					
63 Production Casing		632,196			632,19
64 Production Liner					
65 Tubing				140,000	140,00
66 Wellhead		59,645		40,000	99,64
67 Packers, Liner Hangers		13,556	•	20,000	33,55
58 Tanks				•	-
59 Production Vessels				45,833	45,83
70 Flow Lines				126,667	126,66
71 Kod string				66,667	66,66
72 Artificial Lift Equipment				90,000	90,00
73 Compressor					5,83
-				5,833	
74 Installation Costs					-
75 Surface Pumps		•		61,667	61,66
76 Downhole l'umps					-
77 Measurement & Meter In:	tallation			116,667	116,66
78 Gas Conditioning / Dehye	tration				
79 Interconnecting Facility P				20,000	20,00
80 Gathering / Bulk Lines	70				
31 Valves, Dumps, Controlle				108,333	108,33
32 Tank / Facility Containme	πι	·	-	43,333	43,33
33 Flare Stack			•	16,667	16,66
34 Electrical / Grounding			-	50,000	50,00
35 Communications / SCAD	L			36,667	36,66
66 Instrumentation / Safety				833	83
7	TOTAL TANGIBLES:	1,134,676		989,167	2,123,84
	TOTAL COSTS:	> 4,370,396	4,938,578	1,711,334	11,020,30
	ources Operating, LLC:				
PARED BY Permian Reso					
PARED BY Permian Reservation Partilling Engineer	: PS				
Drilling Engineer					
Drilling Engineer Completions Engineer	: ML				
Drilling Engineer	: ML				
Drilling Engineer Completions Engineer Production Engineer	: ML : DC				
Drilling Engineer Completions Engineer Production Engineer	: ML : DC				
Drilling Engineer Completions Engineer Production Engineer	: ML : DC ;, LLC APPROVAL:	Co-Cl	EO	VP - Opera	alions
Drilling Engineer Completions Engineer Production Engineer nian Resources Operating	: ML : DC ;, LLC APPROVAL:	Co-Cl	EO	VP - Opera	ations
Drilling Engineer Completions Engineer Production Engineer sian Resources Operating Co-CEC	: ML : DC ;, LLC APPROVAL:		Jw	VP - Opera	
Drilling Engineer Completions Engineer Production Engineer	HL DC LLC APPROVAL: WH	Co-Cl VP - Geoscienc	JW	VP - Opera	
Drilling Engineer Completions Engineer Production Engineer sian Resources Operating Co-CEC	: ML : DC ;, LLC APPROVAL:		Jw	VP - Opera	
Drilling Engineer Completions Engineer Production Engineer sian Resources Operating Co-CEC	HL DC LLC APPROVAL: WH		JW	VP - Opera	
Drilling Engineer Completions Engineer Production Engineer sian Resources Operating Co-CEC	HL DC LLC APPROVAL: WH		JW	VP - Opera	
Drilling Engineer Completions Engineer Production Engineer nian Resources Operating Co-CEC VP - Land & Lega	ML DC LLC APPROVAL: WH BG		JW	VP - Opera	
Drilling Engineer Completions Engineer Production Engineer nian Resources Operating Co-CEC VP - Land & Lega	HL DC LLC APPROVAL: WH BG R APPROVAL:	VP - Geoscienc	ses SO		CRM
Drilling Engineer Completions Engineer Production Engineer nian Resources Operating Co-CEC	HL DC LLC APPROVAL: WH BG R APPROVAL:	VP - Geoscienc	JW		
Drilling Engineer Completions Engineer Production Engineer nian Resources Operating Co-CEC VP - Land & Lega VOPERATING PARTNE Company Name	HE DC LLC APPROVAL: WH BG R APPROVAL:	VP - Geosciend	SO Working Interest (%):		CRM
Drilling Engineer Completions Engineer Production Engineer nian Resources Operating Co-CEC VP - Land & Lega	HE DC LLC APPROVAL: WH BG R APPROVAL:	VP - Geoscienc	ses SO		CRM

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com	125H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	20,571' / 10,286'
COUNTY/STATE:	Lea County, New Mexi	ico		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	18.6
		well and complete with	144 stages. AFE include	es drilling, completions, fl	lowback and Initial Al
REMARKS:	install cost				
		DRILLING	COMPLETION COSTS	PRODUCTION	TOTAL COSTS
INTANGIBL		COSTS		COSTS	
1 Land/Legal/Regulatory 2 Location, Surveys & Dan		\$ 54,351 265,083	16,625	37,500 2,500	\$ 91,85 284,20
4 Freight/Transportation	iages	43,826	40,284	25,000	109,11
5 Rental - Surface Equipme	ent	114,402	198,221	105,000	417,62
6 Kental - Downhole Equip		189,026	55,031		244,05
7 Rental - Living Quarters		44,244	50,131	•	94,37
10 Directional Drilling, Su	rveys	395,255			395,25
11 Drilling		693,647			693,64
12 Drill Bits 13 Fuel & Power		92,179	667,183		841,03
14 Cementing & Float Equi	in	223,875	•		223,87
15 Completion Unit, Swab,				15,000	15,00
16 Perforating, Wireline, S			361,754		361,75
17 High Pressure Pump Tr	uck	•	113,434		113,43
18 Completion Unit, Swab,		•	134,791	•	134,/9
20 Mud Circulation System	1	96,811			96,81
21 Mud Logging	-1	16,130	777	•	16,13
22 Logging / Formation Eva 23 Mud & Chemicals	LIUALIUII	332,951	403,207	10,000	746,15
24 Water		39,990	608,810	250,000	898,80
25 Stimulation			749,053		749,03
26 Stimulation Flowback &	z Disp		111,899	150,000	261,89
28 Mud/Wastewater Disp		177,689	56,269		233,95
30 Kig Supervision / Engin		111,522	122,769	21,667	255,95
32 Drig & Completion Ove		9,591	•	-	9,59
35 Labor		141,116	63,942	101,667	306,72
54 Proppant		•	1,155,029	<u> </u>	1,155,02
95 Insurance		13,489	-	•	13,48
97 Contingency		•	22,472	3,833	26,30
99 Plugging & Abandonme	TOTAL INTANGIBLES	> 3,235,720	4,938,578	722,167	8,896,4
	TOTAL INTANGIBLES				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE	COSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing		316,801		•	\$ 112,47 316,80
61 Intermediate Casing 62 Drilling Liner		310,001			310,00
63 Production Casing		632,196			632,19
64 Production Liner					
65 Tubing			· · · · · ·	140,000	140,00
66 Wellhead		59,645	-	40,000	99,64
67 Packers, Liner Hangers		13,556	•	20,000	33,55
68 Tanks		-	- _	•	•
69 Production Vessels				45,833	45,83
70 Flow Lines			•	126,667	126,66
71 Rod string 72 Artificial Lift Equipmen	ıt		<u>-</u>	90,000	90,00
73 Compressor	•			5,833	5,83
74 Installation Costs					-
75 Surface Pumps			-	61,667	61,66
76 Downhole Pumps					
77 Measurement & Meter I	nstallation		•	116,667	116,66
78 Gas Conditioning / Deh	ydration			•	
79 Interconnecting Facility	Piping	•	-	20,000	20,00
80 Gathering / Bulk Lines	_	•		•	·
81 Valves, Dumps, Control				108,333	108,33
82 Tank / Facility Contains	nent		<u>-</u>	43,333	43,33
83 Flare Stack 84 Electrical / Grounding		<u> </u>		16,667 50,000	16,66
85 Communications / SCA	DA			36,667	36,66
86 Instrumentation / Safety				833	83
	TOTAL TANGIBLES	> 1,134,676	0	989,167	2,123,8
	TOTAL COSTS		4,938,578	1,711,334	11,020,3
		<u> </u>			
	sources Operating, LLC:				· · · · · · · · · · · · · · · · · · ·
Drilling Engine					
Completions Engine					
Production Engine	er. DC				
nian Resources Operati	ng, LLC APPROVAL:				
Co-Cl	EO	Co-C	EO	VP - Oper	ations
	WH		jw	·	CRM
VP - Land & Leg	galBG	VP - Geoscien	ces		
N OPERATING PARTN	IER APPROVAL:				
Company Nan	ne:		Working Interest (%):	т	ax ID:
					
Signed I	by:		Date:		
_	_	_	Approval:	Yes	No (mark one)
TI			ADD(OVAL)	1 103	, ino (markone)
Tie	····				 `

The costs on this AEE are estimate only and may not be construed as critings on any specific ties or the total cost of the project. Tabling installation approved under the AEE may be delayed up to a year after the well has been completed. In executing this AEE, the Participents against one proportional in the contract of the project costs incurrent, including, legal, counties, regulatory, whether project in a proportional in the cost of the applicatory costs or other agreement covering this well. Participents shall be covered by and billed proportionality for Operator's contract and graves and the cost of spal.

Permian Resources Operating, LLC 300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

	ESTIMATE	OF COSTS AND AUTHO	ORIZATION FOR EXPEND	DITURE	
DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	26H		FIELD:	Teas; Bone Spring
	Section 5, T20S-R34E			MD/TVD:	20,256' / 9,961'
LOCATION:				· —	
COUNTY/STATE:	Lea County, New Mexic	co		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	18.6
	Drill a horizontal SBSG	well and complete with	44 stages. AFE includes	drilling, completions, flo	wback and Initial AL
REMARKS:	install cost			willing, compression, in	
REWLARKS:	IIStan Cost				
-		DRILLING	COMPLETION	PRODUCTION	TOTAL
		COSTS	CONFLETION	COSTS	COSTS
INTANGIBLE	COSTS		C0313		
T Land/ Legal/ Regulatory		54,351		37,500	\$ 91,851
2 Location, Surveys & Damag	ges .	265,083	16,625	2,500	284,208
4 Freight/Transportation		43,826	40,284	25,000	109,110
5 Rental - Surface Equipment		114,402	198,221	105,000	417,624
6 Rental - Downhole Equipm	ent	189,026	55,031		244,057
7 Kental - Living Quarters		44,244	50,131	•	94,375
10 Directional Drilling, Surve	eys	395,255		·	395,255
11 Drilling		693,647	•	•	693,647
12 Drill Bits		92,179	•	•	92,179
13 Fuel & Power		173,853	667,183	-	841,036
14 Cementing & Float Equip		223,875		-	223,875
15 Completion Unit, Swab, C		•		15,000	15,000
16 Periorating, Wireline, Stick			361,754		361,754
17 High Pressure Pump Truck		•	113,434	•	113,434
18 Completion Unit, Swab, C	TU		134,791	•	134,791
20 Mud Circulation System		96,811		-	96,811
21 Mud Logging		16,130	-		16,130
22 Logging / Formation Evalu	ation	6,690	7,673		14,363
23 Mud & Chemicals		332,951	403,207	10,000	746,158
24 Water		39,990	608,810	250,000	898,800
25 Stimulation		•	749,053	-	749,053
26 Stimulation Flowback & D	•	•	111,899	150,000	261,899
28 Mud/Wastewater Disposa	ıl	177,689	56,269	•	233,959
30 Rig Supervision / Engineer	ring	111,522	122,769	21,667	255,958
32 Drig & Completion Overh	ead	9,591	-	•	9,591
35 Labor		141,116	63,942	101,667	306,725
54 Proppant		•	1,155,029		1,155,029
95 Insurance		13,489		-	13,489
97 Contingency			22,472	3,833	26,305
99 Plugging & Abandonment		-			-
55 5	TOTAL INTANGIBLES >	3,235,720	4,938,578	722,167	8,896,465
	101110111111111111111111111111111111111				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE CO	OSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing		112,477			\$ 112,477
61 Intermediate Casing		316,801			316,801
62 Drilling Liner					
63 Production Casing		632,196			632,196
64 Production Liner					
65 Tubing				140,000	140,000
66 Wellhead		59,645		40,000	99,645
67 Packers, Liner Hangers		13,556		20,000	33,556
68 Tanks				20,000	
69 Production Vessels				- AE 972	45,833
70 Flow Lines				45,833	
				126,667	126,667
71 Rod string 72 Artificial Lift Equipment				66,667	66,667
• •				90,000	90,000
73 Compressor 74 Installation Costs		<u> </u>	<u>-</u>	5,833	5,833
			<u>-</u>		-
75 Surface Pumps		<u> </u>		61,667	61,667
76 Downhole Pumps			<u> </u>		<u>-</u>
77 Measurement & Meter Inst				116,667	116,667
78 Gas Conditioning / Dehyd		<u> </u>			
79 Interconnecting Facility Pi	bruß	<u>-</u>		20,000	20,000
80 Gathering / Bulk Lines		.			•
81 Valves, Dumps, Controller			<u> </u>	108,333	108,333
82 Tank / Facility Containmen	ıt	-	-	43,333	43,333
83 Flare Stack		•		16,667	16,667
84 Electrical / Grounding		-	<u> </u>	50,000	50,000
85 Communications / SCADA	•			36,667	36,667
86 Instrumentation / Safety				833	833
	TOTAL TANGIBLES >	1,134,676	0	989,167	2,123,843
	TOTAL COSTS >	4,370,396	4,938,578	1,711,334	11,020,308
EPARED BY Permian Reso	urces Operating, LLC:				
Drilling Engineer:	PS				
Completions Engineer:	ML				
Production Engineer:	DC				
mian Resources Operating	, LLC APPROVAL:				
Co-CEO		Co-C	EO	VP - Opera	tions
	WH		 jw	•	CRM
VP - Land & Legal		VP - Geoscien	•		
	BG		50		
	~		<i>5</i> √		
				-	
N OPERATING PARTNEI	R APPROVAL:				
Company Name:			Working Interest (%):	Ta	x ID:
- ·	— ———				
Signed by:		<u> </u>	Date:		
marroy d			,	7 V	7 No. (
Title:			Approval:	Yes	No (mark one)
ts on this AFR are estimates only and may not be owner	trued as cellings on any specific item or the total	cost of the project. Tubing installation arres	ved under the AFE may be deleved up to a year	efter the well has been conveleted. In execution t	his AFF, the Participant acress to nev its

Permian Resources Operating, LLC 300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

	ESTIMATE	OF COSTS AND AUTH	URIZATION FUR EXPEN	JITUKE	
DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	27H		FIELD:	Teas; Bone Spring
				_	20,286' / 10,571'
LOCATION:	Section 5, T20S-R34E			MD/TVD:	
COUNTY/STATE:	Lea County, New Mexic	20		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	18.6
	Drill a horizontal SBSG	well and complete wit	h 44 stages. AFE include	s drilling, completions, flo	whack and Initial Al.
REMARKS:	install cost	······································		uiming tompioners, in	
REWARKS.	Histair Cost				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
		COSTS	COSTS	COSTS	COSTS
INTANGIBLE	COSIS				
T Land/ Legal/ Regulatory		54,351 265,083	16,625	37,500 2,500	\$ 91,851 284,208
2 Location, Surveys & Damag 4 Freight/Transportation	ges	43,826	40,284	25,000	109,110
5 Kental - Surface Equipmen	•	114,402	198,221	105,000	417,624
6 Kental - Downhole Equipm		189,026	55,031	100,000	244,057
7 Kental - Living Quarters		44,244	50,131		94,375
10 Directional Drilling, Surve	evs	395,255			395,255
11 Drilling	-,-	693,647			693,647
12 Drill Bits		92,179			92,179
13 Fuel & Power		173,853	667,183		841,036
14 Cementing & Float Equip		223,875			223,875
15 Completion Unit, Swab, C	TU		-	15,000	15,000
16 Periorating, Wireline, Slic	kline	-	361,754	-	361,754
17 High Pressure Pump Truc	k		113,434	•	113,434
18 Completion Unit, Swab, C	วาบ		134,791	•	134,791
20 Mud Circulation System		96,811	•	-	96,811
21 Mud Logging		16,130			16,130
22 Logging / Formation Evalu	iation	6,690	7,673		14,363
23 Mud & Chemicals		332,951	403,207	10,000	746,158
24 Water		39,990	608,810	250,000	898,800
25 Stimulation			749,053		749,053
26 Stimulation Flowback & L	•		111,899	150,000	261,899
28 Mud / Wastewater Dispose		177,689	56,269	•	233,959
30 Kig Supervision / Enginee		111,522	122,769	21,667	255,958
32 Drig & Completion Overh	ead	9,591			9,591
35 Labor		141,116	63,942	101,667	306,725
54 Proppant			1,155,029	-	1,155,029
95 Insurance		13,489	•		13,489
97 Contingency	_		22,A72	3,833	26,305
99 Plugging & Abandonmen			-		<u> </u>
	TOTAL INTANGIBLES >	3,235,720	4,938,578	722,167	8,896,465
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE O	OCTE	COSTS	COSTS	COSTS	COSTS
60 Surface Casing	0313				
61 Intermediate Casing	•	112,477		<u> </u>	\$ 112,477
62 Drilling Liner		316,801	•	<u> </u>	316,801
63 Production Casing		632,196	·	<u>-</u> _	632,196
64 Production Liner		•		<u>-</u> _	032,190
65 Tubing			<u> </u>	140,000	140,000
66 Wellhead		59,645		40,000	99,645
67 Packers, Liner Hangers		13,556		20,000	33,556
68 Tanks		13,330		20,000	33,330
69 Production Vessels				45,833	45,833
70 Flow Lines					126,667
71 Rod string				126,667	66,667
72 Artificial Lift Equipment				90,000	90,000
73 Compressor			<u>-</u>	5,833	5,833
74 Installation Costs					
75 Surface l'umps				61,667	61,667
76 Downhole Pumps					01,007
77 Measurement & Meter Ins	tallation			116,667	116,667
78 Gas Conditioning / Dehyd					
79 Interconnecting Facility Pi				20,000	20,000
80 Gathering / Bulk Lines	. 0			-	•
81 Valves, Dumps, Controller	rs		-	108,333	108,333
82 Tank / Facility Containmen				43,333	43,333
83 Flare Stack				16,667	16,667
84 Electrical / Grounding			-	50,000	50,000
85 Communications / SCADA	\	-	-	36,667	36,66/
86 Instrumentation / Safety				833	833
	TOTAL TANGIBLES >	1,134,676		989,167	2,123,843
	TOTAL COSTS >	4,370,396	4,938,578	1,711,334	11,020,308
	101112 000101	0,00,00	070,000,00	1,/11,554	11,020,500
TRABED BY B					
EPARED BY Permian Reso	urces Operating, LLC:			4	· **=- · · ·
Dailling Engineer	. ~				
Drilling Engineer.					
Completions Engineer.					
Production Engineer:	: DC				
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mian Resources Operating	, LLC APPROVAL:				
Co-CEO)	Co-C	CEO	VP - Opera	tions
	WH		Jw	· /	CRM
VP - Land & Legal		VP - Geoscier	•		4
* min oc rekai	BG	* a Geosciei	SO		
	W		30		
N OPERATING PARTNE	R APPROVAL:				
Company Name:			Working Interest (%):	Ta	x ID:
Signed by:			Date:		
pro-4			· · -		□ No. / '
Title:			Approval:	Yes	No (mark one)
to on this AFE are estimates only and may not be con-	strued as cellines on any specific tiers or the total	coal of the replact. Tubing installation enga-	aved under the AFF may be delayed up to a year	selection will be been completed to according	the ASS the Best decad access to your the

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701
Phone (432) 695-4222 • Fax (432) 695-4063
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	28H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	20,256' / 9,961'
COUNTY/STATE:	Lea County, New Mexic	20		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	18.6
GLOLOGIC TANGLI.		wall and complete with	n 44 stages. AFE includes	_	
REMARKS:	install cost	wen and complete with	1 44 Stages. AT L Includes	arming, completions, no	Wouch and minut 115
KEMAKKS.	Install Cost				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	COSTS
1 Land/Legal/Regulatory		54,351		37,500	\$ 91,851
2 Location, Surveys & Dama	ges	265,083	16,625	2,500	284,208
4 Freight/Transportation		43,826	40,284	25,000	109,110
5 Kental - Surface Equipmen		114,402	198,221	105,000	417,624
6 Rental - Downhole Equipm	ient	189,026	55,031	•	244,057
7 Kental - Living Quarters		44,244	50,131	•	94,375
10 Directional Drilling, Surv	eys	395,255	-	•	395,255 693,647
11 Drilling 12 Drill Bits		693,647 92,179	-		92,179
13 Fuel & Power		173,853	667,183		841,036
14 Cementing & Float Equip		223,875			223,875
15 Completion Unit, Swab, C				15,000	15,000
16 Pertorating, Wireline, Slice			361,754		361,754
17 High Pressure Pump Truc	k	•	113,434	-	113,434
18 Completion Unit, Swab, C	TU	-	134,791		134,791
20 Mud Circulation System		96,811	-	-	96,811
21 Mud Logging		16,130		•	16,130
22 Logging / Formation Evalu	uation	6,690	7,673	•	14,363
23 Mud & Chemicals		332,951	403,207	10,000	746,158 898,800
24 Water		39,990	608,810	250,000	749,053
25 Stimulation 26 Stimulation Flowback & I)isn		749,053	150,000	261,899
28 Mud / Wastewater Dispos	•	177,689	56,269	- 130,000	233,959
30 Rig Supervision / Enginee		111,522	122,769	21,667	255,958
32 Drig & Completion Over	•	9,591			9,591
35 Labor		141,116	63,942	101,667	306,725
54 Proppant			1,155,029		1,155,029
95 Insurance		13,489	•	•	13,489
97 Contingency		•	22,472	3,833	26,305
99 Plugging & Abandonmen	t	•	•	•	•
	TOTAL INTANGIBLES:	> 3,235,720	4,938,578	722,167	8,896,465
		DRILLING	COMPLETION	PRODUCTION	TOTAL
	ocas.	COSTS	COSTS	COSTS	COSTS
TANGIBLE C	.0515				
60 Surface Casing 61 Intermediate Casing	·	\$ 112,477	•		\$ 112,477 316,801
62 Drilling Liner		316,801			316,801
63 Production Casing		632,196			632,196
64 Production Liner					
65 Tubing				140,000	140,000
66 Wellhead		59,645		40,000	99,645
67 Packers, Liner Hangers		13,556		20,000	33,556
68 Tanks		•	•	•	•
69 Production Vessels			-	45,833	45,833
70 Flow Lines			•	126,667	126,667
		-		66,667	66,667
71 Rod string		<u> </u>	•	90,000	90,000
71 Rod string 72 Artificial Lift Equipment			•	5,833	5,833
71 Rod string 72 Artificial Lift Equipment 73 Compressor					
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs			•		61.667
71 Kod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps				61,667	61,667
71 Kod string 72 Artiticial Litt Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps	stallation				61,667
71 Kod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins			· ·	61,667	
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Debye	iration			116,667	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P	iration				61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Debye	iration iping			116,667	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyt 79 Interconnecting Facility P 80 Gathering / Bulk Lines	tration iping rs			20,000	61,667 116,667 - 20,000 - 108,333 43,333
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Line 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack	tration iping rs			116,66/ 20,000 108,333 43,333 16,66/	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding	dration iping rs int			116,66/ 20,000 108,333 43,333 16,66/ 50,000	61,667 - 116,667 - 20,000 - 108,333 - 43,333 - 16,667 - 50,000
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD	dration iping rs int			116,66/ 20,000 108,333 43,333 16,66/ 50,000 36,66/	61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding	tration iping rs int			116,66/ 20,000 	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD	tration iping rs int A TOTAL TANGIBLES			116,66/ 20,000 108,333 43,333 16,66/ 50,000 36,66/	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD	tration iping rs int		0 4,938,578	116,66/ 20,000 	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD	tration iping rs int A TOTAL TANGIBLES			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety	tration iping rs int A TOTAL TANGIBLES TOTAL COSTS			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety	tration iping rs int A TOTAL TANGIBLES TOTAL COSTS			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety	tration iping rs int A TOTAL TANGIBLES TOTAL COSTS cources Operating, LLC:			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese	tration iping rs rs rs TOTAL TANGIBLES TOTAL COSTS: cources Operating, LLC:			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Debye 79 Interconnecting Facility P 80 Gathering/ Buik Lines 81 Valves, Dumps, Controlle 82 Tank/ Facility Containme 83 Flare Stack 84 Electrical/ Grounding 85 Communications/ SCAD, 86 Instrumentation/ Safety EPARED BY Permian Rese Drilling Engineer Completions Engineer	tration iping rs rs ration TOTAL TANGIBLES TOTAL COSTS: Durces Operating, LLC: PS ML			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese	tration iping rs rs ration TOTAL TANGIBLES TOTAL COSTS: Durces Operating, LLC: PS ML			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Dehyt 79 Interconnecting Facility P 80 Gathering/ Buik Lines 81 Valves, Dumps, Controlle 82 Tank/ Facility Containme 83 Flare Stack 84 Electrical/ Grounding 85 Communications/ SCAD, 86 Instrumentation/ Safety EPARED BY Permian Rese Drilling Engineer Completions Engineer	tration iping rs rs ration TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Dehyt 79 Interconnecting Facility P 80 Gathering/ Buik Lines 81 Valves, Dumps, Controlle 82 Tank/ Facility Containme 83 Flare Stack 84 Electrical/ Grounding 85 Communications/ SCAD, 86 Instrumentation/ Safety EPARED BY Permian Rese Drilling Engineer Completions Engineer	tration iping rs rs ration TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC			116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Debys 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentallon / Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC LLC APPROVAL:	> 4,370,396	4,938,578	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Dehyt 79 Interconnecting Facility P 80 Gathering/ Buik Lines 81 Valves, Dumps, Controlle 82 Tank/ Facility Containme 83 Flare Stack 84 Electrical/ Grounding 85 Communications/ SCAD, 86 Instrumentation/ Safety EPARED BY Permian Rese Drilling Engineer Completions Engineer	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC G, LLC APPROVAL:	> 4,370,396	4,938,578	116,66/ 20,000 108,333 43,333 16,667 50,000 36,667 833 989,167	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Completions Engineer Production Engineer Production Engineer	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC G, LLC APPROVAL: D WH	> 4,370,396	4,938,578	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Debys 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentallon / Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC G, LLC APPROVAL: D WH	> 4,370,396	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Completions Engineer Production Engineer Production Engineer	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC G, LLC APPROVAL: D WH	> 4,370,396	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Completions Engineer Production Engineer Production Engineer	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC G, LLC APPROVAL: D WH	> 4,370,396	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning / Dehyo 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Completions Engineer Production Engineer Production Engineer	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC G, LLC APPROVAL: D WH	> 4,370,396	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Dehyt 79 Interconnecting Facility P 80 Gathering/ Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer rmian Resources Operating Co-CEC	tration iping rs rs rs ration TOTAL TANGIBLES TOTAL COSTS: Durces Operating, LLC: PS HL DC WH H	> 4,370,396	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Dehyt 79 Interconnecting Facility P 80 Gathering/ Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer rmian Resources Operating Co-CEC	tration iping rs rs rs ration TOTAL TANGIBLES TOTAL COSTS: Durces Operating, LLC: PS HL DC WH H	> 4,370,396	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Debys 79 Interconnecting Facility P 80 Gathering/ Bulk Lines 81 Valves, Dumps, Controlle 82 Tank/ Facility Containme 83 Flare Stack 84 Electrical/ Grounding 85 Communications/ SCAD 86 Instrumentallon/ Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer Production Engineer CO-CEC	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS HILLO APPROVAL: DUBER APPROVAL: BG GR APPROVAL:	> 4,370,396 Co-C VP - Geoscier	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Dehyt 79 Interconnecting Facility P 80 Gathering/ Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer rmian Resources Operating Co-CEC	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC Q, LLC APPROVAL: D WH MI BG GR APPROVAL:	> 4,370,396 Co-C VP - Geoscier	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Debye 79 Interconnecting Facility P 80 Gathering / Buik Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety EPARED BY Permian Rese Completions Engineer Completions Engineer Production Engineer Trainan Resources Operating Co-CEC VP - Land & Lega ON OPERATING PARTNE	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC MH BG GR APPROVAL:	> 4,370,396 Co-C VP - Geoscier	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Debys 79 Interconnecting Facility P 80 Gathering/ Bulk Lines 81 Valves, Dumps, Controlle 82 Tank/ Facility Containme 83 Flare Stack 84 Electrical/ Grounding 85 Communications/ SCAD 86 Instrumentallon/ Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer Production Engineer CO-CEC	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC MH BG GR APPROVAL:	> 4,370,396 Co-C VP - Geoscier	4,938,578 CEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Debye 79 Interconnecting Facility P 80 Gathering / Buik Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety EPARED BY Permian Rese Completions Engineer Completions Engineer Production Engineer Trainan Resources Operating Co-CEC VP - Land & Lega ON OPERATING PARTNE	tration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC LLC APPROVAL: WH BG GR APPROVAL:	> 4,370,396 Co-C VP - Geoscier	4,938,578 EEO	116,66/ - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,711,334	61,667
71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Ins 78 Gas Conditioning/ Dehyt 79 Interconnecting Facility P 80 Gathering/ Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer rmian Resources Operating Co-CEC VP - Land & Lega ON OPERATING PARTNE Company Name Signed by	tration iping rs rs rs rs rt A TOTAL TANGIBLES: TOTAL COSTS: DUrces Operating, LLC: PS HL DC HL BG GR APPROVAL: ER HE	> 4,370,396 Co-C VP - Geoscier	4,938,578 CEO JW nces SO Working Interest (%): Date: Approval:	116,66/	61,667

Permian Resources Operating, LLC 300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDIT	IRE

DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	31H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	21,116' / 10,831'
COUNTY/STATE:	Lea County, New Mexic	0		LATERAL LENGTH:	10,000'
Permian WI:	TROCO			DRILLING DAYS:	19.6 18.6
GEOLOGIC TARGET:	TBSG		with 44 stages AEE include	COMPLETION DAYS:	
REMARKS:	install cost	well and complete	with 44 stages. AFE include	es arming, completions, m	
INTANGIBLE	COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
T Land/Legal/Regulatory	CO313	57,069	-	37,500	\$ 94,569
2 Location, Surveys & Damag	ges	2/8,338	17,456	2,500	298,294
4 Freight/Transportation 5 Kental - Surface Equipmen	•	46,017 120,122	42,298	25,000 105,000	113,315 433,255
6 Kental - Downhole Equipm		198,477	57,783		256,260
7 Kenjal - Living Quarters		46,457	52,637	-	99,094
10 Directional Drilling, Surv. 11 Drilling	eys	415,018 728,329	-		415,018 728,329
12 Drill Bits		96,788			96,788
13 Fuel & Power		182,546	700,542		883,088 235,069
14 Cementing & Float Equip 15 Completion Unit, Swab, C	าาบ	235,069	-	15,000	15,000
16 Periorating, Wireline, Slice		-	379,842	•	379,842
17 High Pressure Pump Truc		-	119,106		119,106
18 Completion Unit, Swab, C 20 Mud Circulation System	.10	101,651	141,550		101,651
21 Mud Logging		16,936		-	16,936
22 Logging / Formation Evalu 23 Mud & Chemicals	uation	7,024 349,599	8,057 423,367	10,000	782,966
24 Water		41,989	639,251	300,000	981,240
25 Stimulation			786,506		786,506
26 Stimulation Flowback & L	•	186,574	117,494 59,083	150,000	267,494
28 Mud/Wastewater Dispos 30 Rig Supervision/Enginee		117,098	128,908	21,667	267,673
32 Drig & Completion Overh		10,071			10,071
35 Labor 54 Proppant		148,172	67,140	101,667	316,978 1,212,780
95 Insurance		14,164	- 1,212,700		14,164
97 Contingency	_		23,595	3,833	27,428
99 Plugging & Abandonmen	t TOTAL INTANGIBLES:	> 3,397,506	5,185,507	772,167	9,355,180
	TOTAL INTANGIBLES				
TANGIBLE C	ОСТЕ	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing		5 118,101			\$ 118,101
61 Intermediate Casing		332,642			332,642
62 Drilling Liner 63 Production Casing		663,806			663,806
64 Production Liner			•		-
65 Tubing		•	-	140,000	140,000
66 Wellhead 67 Packers, Liner Hangers		62,628		20,000	34,234
68 Tanks		•	-	45,833	45,833
69 Production Vessels		-		126,667	126,667
70 Flow Lines 71 Rod string		-		66,667	66,667
72 Artificial Lift Equipment			•	90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs 75 Surface Pumps		-		61,667	61,667
76 Downhole Pumps			·		
77 Measurement & Meter Ins				116,667	116,667
78 Gas Conditioning / Dehyo 79 Interconnecting Facility P				20,000	20,000
80 Gathering / Bulk Lines			·		
81 Valves, Dumps, Controlle		-		108,333	108,333
82 Tank / Facility Containme 83 Flare Stack	nt		·	43,333	43,333
84 Electrical / Grounding				50,000	50,000
85 Communications / SCADA 86 Instrumentation / Salety	4			36,667	36,667
oo nisu amentation / Safety	TOTAL TANGIBLES	> 1,191,410	·	989,167	2,180,577
	TOTAL COSTS :		5,185,507	1,761,334	11,535,757
EPARED BY Permian Reso	ources Operating, LLC:				
Drilling Engineer	: PS				
Completions Engineer	: ML				
Production Engineer	: DC				
rmian Resources Operating	, LLC APPROVAL:				
Co-CEC		•	Co-CEO	VP - Oper	CRM
VP - Land & Lega	****	VP - Geo	•		Cimi
.	BG		so		
			/		
ON OPERATING PARTNE	R APPROVAL:				
Company Name	:		Working Interest (%):	т	ax ID:
			_	•	
Signed by			Date:		
	:				
Title			Approval:	Yes	No (mark one)

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

CCTIMATE	OF COSTS	AND AUTHO	ODIZATION	EOD EVDI	NIDITIOE
ESTIMATE	Or COSIS	ANDADID	DIVICATION	LOW EVL	CHULLUKE

DATE:	2.17.2023		· · · · · · · · · · · · · · · · · · ·	AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	132H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	21,116' / 10,831'
				LATERAL LENGTH:	10,000'
COUNTY/STATE:	Lea County, New Mexic			_	19.6
Permian WI:	TTTCC			DRILLING DAYS:	18.6
GEOLOGIC TARGET:	TBSG		1-1 44 · APP 1 1 1	COMPLETION DAYS:	
		well and complete	with 44 stages. AFE include	s drilling, completions, fi	owback and Initial AL
REMARKS:	install cost				
·	-	DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE (onere .	COSTS	COSTS	COSTS	COSTS
T Land/ Legal/ Regulatory	.0313	\$ 57,069		37,500	\$ 94,569
2 Location, Surveys & Damag	tes	278,338	17,456	2,500	298,294
4 Freight/Transportation		46,017	42,298	25,000	113,315
5 Kental - Surface Equipment		120,122	208,133	105,000	433,255
6 Kental - Downhole Equipm	ent	198,477	57,783	•	256,260 99,094
7 Kental - Living Quarters 10 Directional Drilling, Surve	PVS	415,018	- 32,037		415,018
11 Drilling	.,,,	728,329			728,329
12 Drill Bits		96,788	-	•	96,788
13 Fuel & Power		182,546	700,542	-	883,088
14 Cementing & Float Equip	*** 1	235,069	•	12 1990	235,069 15,000
15 Completion Unit, Swab, C 16 Pertorating, Wireline, Slick		-	379,842	15,000	3/9,842
17 High Pressure Pump Truck			119,106		119,106
18 Completion Unit, Swab, C			141,530		141,530
20 Mud Circulation System		101,651			101,651
21 Mud Logging		16,936			16,936
22 Logging / Formation Evalu 23 Mud & Chemicals	ation	7,024	8,057	10,000	15,081
24 Water		349,599	423,367 639,251	300,000	782,966 981,240
25 Stimulation			786,506	•	786,506
26 Stimulation Flowback & U	•		117,494	150,000	267,494
28 Mud / Wastewater Disposa		186,574	59,083		245,657
30 Rig Supervision / Engineer 32 Drig & Completion Overh		117,098	128,908	21,667	267,673
35 Labor	ęau	10,071	67,140	101,667	316,978
54 Proppant		- 110,172	1,212,780		1,212,780
95 Insurance		14,164	•		14,164
97 Contingency			23,595	3,833	27,A28
99 Plugging & Abandonment	l			-	-
	TOTAL INTANGIBLES	> 3,397,506	5,185,507	772,167	9,355,180
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE CO	OSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing		\$ 118,101		•	\$ 118,101
61 Intermediate Casing		332,642			332,642
62 Drilling Liner 63 Production Casing		663,806	•		663,806
64 Production Liner					
65 Tubing				140,000	140,000
66 Wellhead		62,628		40,000	102,628
67 Packers, Liner Hangers		14,234	•	20,000	34,234
68 Tanks 69 Production Vessels				45,833	45,833
70 Flow Lines				126,667	126,667
71 Rod string					
72 Artiticial Litt Equipment				90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs 75 Surface Pumps					
76 Downhole Pumps				61,667	61,667
77 Measurement & Meter Inst	tallation			116,667	116,667
78 Gas Conditioning / Dehyd		-	-	•	
79 Interconnecting Facility Pi	ping	-	•	20,000	20,000
80 Gathering / Bulk Lines	_			<u> </u>	•
81 Valves, Dumps, Controller 82 Tank/Facility Containmer				108,333	108,333
83 Flare Stack				16,667	43,333
84 Electrical / Grounding				50,000	50,000
85 Communications / SCADA	•			36,667	36,667
86 Instrumentation / Safety	TOT, 1			833	833
	TOTAL TANGIBLES >		0	989,167	2,180,577
	TOTAL COSTS >	4,588,916	5,185,507	1,761,334	11,535,757
EPARED BY Permian Reso	urces Operating, LLC:				
Dallita - Ft-	P.C.				
Drilling Engineer:					
Completions Engineer:					
Production Engineer:	DC				
mian Bassussa Onestina	LLC ADDDONAL.				
mian Resources Operating.	LLC APPROVAL:				
Co-CEO		c	o-CEO	VP - Opera	tions
	WH		JW	vi - Opera	CRM
VP - Land & Legal		VP - Geosc	clences		•
 0	BG		50		
·····					
N OPERATING PARTNE	R APPROVAL:				
C			M-14-7		
Company Name:			Working Interest (%):	Ta	x ID:
Signed by:			Date:		
- · ·				_	
Title:			Approval:	Yes	No (mark one)
to on this AFE are estimates only and may not be const	trand as collings on any specific item or the total	cost of the project. Tubing installation	approved under the AFE may be delayed up to a yea	r after the well has been completed. In executing	his AFE, the Participant agrees to pay its

proportionals share of actual costs incurred, including, legal, curstive, regulatory, brokerage and well cross under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Farticipants shall be covered by and billed proportionately for Operator of control and general liability insurance unders perticipant provides Operator a credit case of covering this well. Farticipants shall be covered by and billed proportionately for Operator of Operator of the date of speci.

Permian Resources Operating, LLC 300 N. Marlenfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

	ESTIMATE	OF COSTS AND AUTH	ORIZATION FOR EXPEND	TIURE	
DATE:	2.17.2023			AFE NO.:	<u> </u>
WELL NAME:	Joker 5-8 Federal Com 1	133H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	21,106' / 10,821'
COUNTY/STATE:	Lea County, New Mexic	co		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	TBSG			COMPLETION DAYS:	18.6
GLOEGGIC IAMGEII		wall and complete wit	h 44 stages. AFE includes	_	
DENZA DICC.		wen and complete wit	ii 44 stages. ATE filciudes	drining, completions, in	Work and mutal AL
REMARKS:	install cost				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
BETALOM F	20cms	COSTS	COSTS	COSTS	COSTS
INTANGIBLE	COSTS		C0510		
1 Land/Legal/Regulatory 2 Location, Surveys & Damas		57,069	17,456	2,500	\$ 94,569 298,294
4 Freight / Transportation	325	46,017	42,298	25,000	113,315
5 Kental - Surface Equipment	1	120,122	208,733	105,000	433,255
6 Rental - Downhole Equipm		198,477	57,783		256,260
7 Rental - Living Quarters		46,457	52,637		99,094
10 Directional Drilling, Surve	ys:	415,018	•		415,018
11 Drilling		728,329	•	•	728,329
12 Drill Bits		96,788			96,788
13 Fuel & Power		182,546	700,542	-	883,088
14 Cementing & Float Equip	****	235,069		15 0000	235,069
15 Completion Unit, Swab, C			379,842	15,000	15,000 379,842
16 Pertorating, Wireline, Slice 17 High Pressure Pump Truck			119,106		119,106
18 Completion Unit, Swab, C			141,530		141,530
20 Mud Circulation System	••	101,651		-	101,651
21 Mud Logging		16,936			16,936
22 Logging / Formation Evalu	ation	7,024	8,057	-	15,081
23 Mud & Chemicals		349,599	423,367	10,000	782,966
24 Water		41,989	639,251	300,000	981,240
25 Stimulation		-	786,506	•	786,506
26 Stimulation Flowback & L	-	-	117,494	150,000	267,494
28 Mud/Wastewater Dispose		186,574	59,083		245,657
30 Kig Supervision / Enginee	•	117,098	128,908	21,667	267,673
32 Drig & Completion Overh	ead	10,071	47130	- 1017//	10,071
35 Labor		148,172	67,140	101,667	1,212,780
54 Proppant 95 Insurance		14,164	1,212,780		14,164
97 Contingency		19,109	23,595	3,833	27,428
99 Plugging & Abandonment	,		20,070		
>> 1 1000m.8 (2.120m.no	TOTAL INTANGIBLES:	> 3,397,506	5,185,507	772,167	9,355,180
	TOTAL INTANGIBLES				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE C	OSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing		\$ 118,101		-	\$ 118,101
61 Intermediate Casing		332,642	•	-	332,642
62 Drilling Liner		•			
63 Production Casing		663,806	•		663,806
64 Production Liner		•			
65 Tubing				140,000	140,000
66 Wellhead		62,628		40,000	102,628
67 l'ackers, Liner Hangers 68 Tanks		14,234	<u> </u>	20,000	34,234 45,833
69 Production Vessels				45,833	126,667
70 Flow Lines				66,667	66,667
71 Rod string					
72 Artificial Lift Equipment				90.000	90,000
73 Compressor				5,833	5,833
74 Installation Costs					
75 Surface Pumps				61,667	61,66/
76 Downhole Pumps					-
77 Measurement & Meter Ins	tallation	•		116,667	116,667
78 Gas Conditioning / Dehyd	ration	•	•		•
79 Interconnecting Facility Pl	ping		•	20,000	20,000
80 Gathering / Bulk Lines				-	
81 Valves, Dumps, Controller		<u> </u>		108,333	108,333
82 Tank / Facility Containme	ut			43,333	43,333
83 Flare Stack			·	16,667	<u> </u>
84 Electrical / Grounding 85 Communications / SCADA			<u> </u>	36,667	36,667
86 Instrumentation / Safety	-			833	833
	TOTAL TANGIBLES	> 1,191,410		989,167	2,180,577
			£ 105 CO7		
	TOTAL COSTS :	> 4,588,916	5,185,507	1,761,334	11,535,757
			· 		_
EPARED BY Permian Reso	urces Operating, LLC:				
Drilling Engineer	: PS				
Completions Engineer					
Production Engineer					
mian Pasauras O	TIC ADDDOUAT				
rmian Resources Operating	, LLC APPROVAL:		<u> </u>		
Co-CEC	•	C- 4	CEO	VP - Opera	tions
CO-CEC	WH	Con		vr - Opera	CRM
VD 1461		VD C	•		CKM
VP - Land & Lega		VP - Geoscie			
	BG		SO		
ON OPERATING PARTNE	R APPROVAL:				
C			Washing Interest (9)	-	· ID:
Company Name			Working Interest (%):	18	x ID:
Signed by	:		Date:		
					
Title	!		Approval:	Yes	No (mark one)
rots on this AFE are estimates only and may not be con		Cost of the project. Tubine installation			
				PATH SOMPORER IN COLUMN	

	ESTIM/	300 N. Marienfeld St., Ste. 1 Phone (432) 695-4222 • ATE OF COSTS AND AUTHO	Fax (432) 695-4063	ITURE	
DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Co	m 134H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34I			MD/TVD:	21,106' / 10,821'
COUNTY/STATE:	Lea County, New M			LATERAL LENGTH:	10,000'
Permian WI:	Dea County, 11ew 11			DRILLING DAYS:	19.6
	TBSG			COMPLETION DAYS:	18.6
GEOLOGIC TARGET:		SG well and complete with	. 44 stages AFF includes		
REMARKS:	install cost	SG well and complete with	1 44 Stages. Are includes	drining, completions, in	OW DACK AND INCAN INC
REWIARRS.	nistan cost				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBL	E COSTS	COSTS	COSTS	COSTS	COSTS
I Land/Legal/Regulatory		\$ 57,069		37,500	\$ 94,569
Location, Surveys & Dan	ıages	278,338	17,456	2,500	298,294
Freight/Transportation		46,017	42,298	25,000	113,315 433,255
6 Kental - Surface Equipme		120,122	208,133 57,783	105,000	256,260
6 Kental - Downhole Equij 7 Kental - Living Quarters	ment	46,457	52,637		99,094
10 Directional Drilling, Su	rveys	415,018	•	•	415,018
1 Drilling	•	728,329	•		728,329
12 Drill Bits		96,788	-	-	96,788
13 Fuel & Power		182,546	700,542	•	883,088 235,069
14 Cementing & Float Equ		235,069		15,000	15,000
15 Completion Unit, Swab 16 Periorating, Wireline, S			379,842	13,000	379,842
17 High Pressure Pump Tr			119,106	-	119,106
18 Completion Unit, Swab		•	141,530		141,530
20 Mud Circulation System		101,651		•	101,651
21 Mud Logging		16,936	•	•	16,936
22 Logging/Formation Ev	aluation	7,024	8,057	-	15,081
23 Mud & Chemicals		349,599	423,367	10,000	782,966
24 Water		41,989	639,251	300,000	981,240 786,506
25 Stimulation 26 Stimulation Flowback &	t Dien	<u> </u>	786,506 117,494	150,000	267,494
28 Mud/Wastewater Disp		186,574	59,083		245,657
30 Kig Supervision / Engin		117,098	128,908	21,667	267,673
32 Drig & Completion Ove	-	10,071	•		10,071
35 Labor		148,172	67,140	101,667	316,978
54 Proppant		·	1,212,780		1,212,780
5 Insurance		14,164	-	•	14,164
77 Contingency	amt		23,595	3,833	27,428
99 Plugging & Abandonm		200.504	5,185,507	772.167	0.25 272
	TOTAL INTANGIBL				9,355,180
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE	COSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing		\$ 118,101		-	\$ 118,101
61 Intermediate Casing		332,642	-	-	332,642
52 Drilling Liner 53 Production Casing		663,806			663,806
64 Production Liner		*			
65 Tubing				140,000	140,000
66 Wellhead		62,628	•	40,000	102,628
67 Packers, Liner Hangers		14,234	-	20,000	34,234
68 Tanks		•		45,833	45,833
59 Production Vessels 70 Flow Lines		•		126,667	126,667
71 Rod string				- 00,007	- 00,007
72 Artificial Lift Equipmer	ıt	-		90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs		-			.
5 Surtace Pumps		-		61,667	61,667
6 Downhole Pumps		-	•		
77 Measurement & Meter I 78 Gas Conditioning/Deh		•		116,667	116,667
79 Interconnecting Facility	•			20,000	20,000
60 Gathering / Bulk Lines	- · · · · · · · · · · · · · · · · · · ·				
31 Valves, Dumps, Control	ilers	•		108,333	108,333
32 Tank / Facility Contains	nent		-	43,333	43,333
3 Flare Stack		•		16,667	16,667
4 Electrical / Grounding	134			50,000	50,000
35 Communications/SCA 36 Instrumentation/Salety				36,667	36,667
o mon mineriality burety	TOTAL TANGIBL	.ES > 1,191,410	0	989,167	2,180,577
	TOTAL COS		5,185,507	1,761,334	11,535,757
	TOTAL COS	13 4,300,710	3,103,307	1,/01,334	11,333,737
PARED BY Permian Re	esources Operating, LLC	C:			
Drilling Engine	er: PS				
Completions Engine					
Production Engine					
Troduction Engine	ei. DC				
ian Resources Operati	ng, LLC APPROVAL:				
Co-C	EO	Co-C	EO	VP - Oper	ations
30-6	WH	25-2	jw	. 1 - Open	CRM
VP - Land & Le	gal	VP - Geoscien	•		
·	BG		50		
OPERATING PARTN			Working Internation	***	av IDs
Company Nan			Working Interest (%):	1	ax 1D:
Signed 1	by:		Date:		

The cests on this AFE are estimates only and may not be construct an critings on any specific litera or the total cost of the project. Tabling installation approved under the AFE may be delayed up to a year after the we'll has been completed. In executing this AFE, the Participants agrees to pay its proportionates their of actual cross incurred, inchaining, legal, curative, regulatory, bendurange and we'll costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this we'll. Participants shall be covered by and billed proportionately for Operator's we construct and remove the about provides Operator are critical and applicable joint in the control and removal and applicable joint in the former of the participants and applicable joint in the former of the participants about the covered by and billed proportionately for Operator's we construct and removal and participant and applicable joint to the covered by the former of the participant in the former of the participant is also applicable joint and participants about the covered by and billed proportionately for Operator's we consider a participant applicable joint applicable joint participants about the covered by and billed proportionately for Operator's we consider a participant applicable joint participants about the covered by and billed proportionately for Operator's we consider the participant and participants about the covered by and billed proportionately for Operator's we consider the participants and participants are considered as a participant and participants are

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	71H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	20,736' / 10,451'
COUNTY/STATE:	Lea County, New Mexic	:0		LATERAL LENGTH: _	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	TBSG			COMPLETION DAYS:	18.6
REMARKS:	Drill a horizontal TBSG install cost	well and complete with	n 44 stages. AFE include	es drilling, completions, fl	owback and Initial A
INTANGIBLE (COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
Land/Legal/Regulatory		55,739		37,500	\$ 93,23
2 Location, Surveys & Damag 4 Freight / Transportation	es	271,852 44,945	17,050 41,312	2,500 25,000	291,40 111,25
5 Kental - Suriace Equipment	!	117,323	203,283	105,000	425,60
6 Kental - Downhole Equipm		193,853	56,437		250,28
7 Kental - Living Quarters		45,374	51,411		96,78
10 Directional Drilling, Surve	eys	405,348	<u> </u>		405,34
l1 Drilling l2 Drill Bits		711,359			711,35
13 Fuel & Power		178,292	684,220		862,51
14 Cementing & Float Equip		229,592	-		229,59
15 Completion Unit, Swab, C		•	•	15,000	15,00
le Periorating, Wireline, Slice		•	370,992	•	370,99
17 High Pressure Pump Truci 18 Completion Unit, Swab, C			116,330	•	116,33
W Mud Circulation System	10	99,283	150,252		99,21
1 Mud Logging		16,542		-	16,54
22 Logging / Formation Evalu	ation	6,860	7,869	-	14,72
23 Mud & Chemicals		341,453	413,503	10,000	764,95
l4 Water 15 Stimulation		41,011	624,356 768,180	300,000	965,30 768,11
25 Stimulation 26 Stimulation Flowback & L	isp	.	768,180	150,000	264,75
28 Mud/Wastewater Dispos	•	182,227	57,706	.50,000	239,93
10 Klg Supervision / Enginee	ring	114,369	125,904	21,66/	261,94
2 Drig & Completion Overh	ead	9,836			9,83
5 Labor		144,719	65,575	101,667	311,96 1,184,52
i4 Proppant IS Insurance		13,834	1,184,522		13,83
77 Contingency		- 10,001	23,045	3,833	26,87
9 Plugging & Abandonment		•	-	-	
	TOTAL INTANGIBLES:	3,318,344	5,064,685	772,167	9,155,1
		DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
TANGIBLE CONTRACTOR CO	OSTS	115,349		C0313	\$ 115,34
il Intermediate Casing	•	324,891			324,89
2 Drilling Liner					
3 Production Casing		648,340	-	-	648,34
4 Production Liner		<u> </u>		•	
5 Tubing 6 Wellhead		61,169		40,000	140,00
7 Packers, Liner Hangers		13,902		20,000	33,90
8 Tanks		•	-	45,833	45,83
9 Production Vessels		•	-	126,667	126,66
70 Flow Lines			-	66,667	66,66
71 Kod string 72 Artificial Lilt Equipment				90,000	90.00
3 Compressor		-		5,833	5,83
4 Installation Costs			•		
75 Surtace Pumps		•		61,667	61,66
6 Downhole Pumps	1-11-11		-		
7 Measurement & Meter Ins '8 Gas Conditioning / Dehyd			•	116,667	116,66
9 Interconnecting Facility Pi				20,000	20,00
O Gathering / Bulk Lines	r 0	•		-	
1 Valves, Dumps, Controller	s	•		108,333	108,33
2 Tank / Facility Containmen	ıt	-		43,333	43,33
3 Flare Stack		<u> </u>		16,667	16,66
4 Electrical / Grounding 5 Communications / SCADA				50,000 36,667	50,00 36,66
6 Instrumentation/Safety	•			833	83
7	TOTAL TANGIBLES	1,163,650		989,167	2,152,8
	TOTAL COSTS >		5,064,685	1,761,334	11,308,0
PARED BY Permian Reso	urces Operating, LLC:				
Drilling Engineer:	PS				
Completions Engineer:					
Production Engineer:					
ian Resources Operating	LLC APPROVAL:				
Co-CEO		Co. C	FO	VP. O	
CO-CEO	WH	Co-C		VP - Opera	CRM
VP - Land & Legal	****	VP - Geoscien	•		CKM
	BG	, - Secretar	50		
· · · · · · · · · · · · · · · · · · ·					
OPERATING PARTNE	R APPROVAL:				
OPERATING PARTNE			Working Interest (%):	T	ax ID:
Company Name:			_	T	ax ID:
			Working Interest (%):	T	ax ID:

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ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 1	72H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:_	20,731' / 10,446'
COUNTY/STATE:	Lea County, New Mexic	:0		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	TBSG		tite AA at a case APP to at 1	COMPLETION DAYS:	18.6
REMARKS:	Drill a horizontal TBSG install cost	well and complete	with 44 stages. AFE includ	es drilling, completions, fi	owback and Initial AL
INTANGIBLE	COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
T Land/ Legal/ Regulatory	20313	55,739		37,500	\$ 93,239
2 Location, Surveys & Dama	ges	2/1,852	17,050	2,500	291,402
4 Freight/Transportation 5 Rental - Suriace Equipmen		44,945	41,312 203,283	25,000	111,257 425,606
6 Kental - Downhole Equipmen		193,853	56,437	- 100,000	250,289
7 Rental - Living Quarters		45,374	51,411		96,785
10 Directional Drilling, Surv. 11 Drilling	eys	405,348 711,359		•	405,348 711,359
12 Drill Bits		94,533	•		94,533
13 Fuel & Power		178,292	684,220	•	862,512
14 Cementing & Float Equip 15 Completion Unit, Swab, C	วาบ	229,592		15,000	229,592 15,000
16 Perforating, Wireline, Slice		-	370,992	•	370,992
17 High Pressure Pump Truc 18 Completion Unit, Swab, C			116,330		116,330
20 Mud Circulation System	.10	99,283	- 130,232		99,283
21 Mud Logging		16,542		•	16,542
22 Logging / Formation Evalu 23 Mud & Chemicals	uation	6,860	7,869 413,503	10,000	764,956
24 Water		41,011	624,356	300,000	965,367
25 Stimulation	N		768,180	•	768,180
26 Stimulation Flowback & L 28 Mud / Wastewater Dispos	-	182,227	114,757 57,706	150,000	264,757
30 Rig Supervision / Enginee		114,369	125,904	21,667	261,941
32 Drig & Completion Overh		9,836		•	9,836
35 Labor 54 Proppant		144,719	65,575	101,667	311,961 1,184,522
95 Insurance		13,834	- 1,104,322		13,834
97 Contingency			23,045	3,833	26,878
99 Plugging & Abandonmen	TOTAL INTANGIBLES:	3,318,344	F 064 69E	772.167	9,155,196
	TOTAL INTANGIBLES		5,064,685	772,167	
TANGIBLE C	OSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing	0313	115,349			\$ 115,349
61 Intermediate Casing		324,891	-	-	324,891
62 Drilling Liner 63 Production Casing		648,340			648,340
64 Production Liner		- 040,540			
65 Tubing		-		140,000	140,000
66 Wellhead 67 Packers, Liner Hangers		61,169		40,000	101,169
68 Tanks		13,902		20,000 45,833	33,902 45,833
69 Production Vessels				126,667	126,667
70 Flow Lines 71 Kod string			•	66,667	66,667
72 Artificiat Lift Equipment				90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs 75 Surface Pumps				61,667	61,667
76 Downhole Pumps		•			
77 Measurement & Meter Ins				116,667	116,667
78 Gas Conditioning / Dehyo 79 Interconnecting Facility Pi				20,000	20,000
80 Gathering / Bulk Lines					
81 Valves, Dumps, Controlle				108,333	108,333
82 Tank / Facility Containme 83 Flare Stack	***			43,333	43,333
84 Electrical / Grounding				50,000	50,000
85 Communications / SCADA 86 Instrumentation / Safety	1			36,66/	36,667
To more ameniation / Oately	TOTAL TANGIBLES >	1,163,650	- -	989,167	2,152,817
	TOTAL COSTS >		5,064,685	1,761,334	11,308,013
EDADED BY Parmian Page	human Operating IICs				
EPARED BY Permian Reso	wives Operating, LLC:				
Drilling Engineer					
Completions Engineer					
Production Engineer	: DC				
rmian Resources Operating	LLC APPROVAL				
	y 220 111 110 VIII				
Co-CEC		C	Co-CEO	VP - Opera	
VP Land follows	WH	VID. C	JW		CRM
VP - Land & Lega	BG BG	VP - Geos	ciences		
ON OPERATING PARTNE	R APPROVAL:				
Company Name			Working Interest (%):	Ta	ax ID:
,			_		
Signed by			Date:		
Title		<u>-</u> <u>-</u> -	Approval:	Yes	No (mark one)
			approved under the AFE may be delayed up to a ye		

THO COMES ON THE ART WITHOUT A THE MAY SHAPE AND THE ART OF THE CONTROL OF THE CO

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ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

	ESTIMATE	OF COSTS AND AUTH	JRIZATION FOR EXPEN		
DATE:	2.17.2023			AFE NO.:	11
WELL NAME:	Joker 5-8 Federal Com 1	73H		FIELD:	Teas; Bone Spring
				MD/TVD:	20,721' / 10,436'
LOCATION:	Section 5, T20S-R34E				
COUNTY/STATE:	Lea County, New Mexic	0		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
	TREC			COMPLETION DAYS:	18.6
GEOLOGIC TARGET:	TBSG			_	
	Drill a horizontal TBSG	well and complete witl	h 44 stages. AFE include	s drilling, completions, fl	lowback and Initial AL
REMARKS:	install cost	-			
KEMARKS.	Histori Cost				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
				-	COSTS
INTANGIBLE (COSTS	COSTS	COSTS	COSTS	
T Land / Legal / Regulatory		55,739	-	37,500	\$ 93,239
2 Location, Surveys & Damag	zes	271,852	17,050	2,500	291,402
4 Freight/Transportation		44,945	41,312	25,000	111,257
5 Rental - Surface Equipmen	t	117,323	203,283	105,000	425,606
6 Kental - Downhole Equipm		193,853	56,437		250,289
	ican.	45,374	51,411	•	96,785
7 Kental - Living Quarters			51,411	<u>-</u>	405,348
10 Directional Drilling, Surv	eys	405,348			
11 Drilling		711,359		-	711,359
12 Drill Bits		94,533	<u> </u>	-	94,533
13 Fuel & Power		178,292	684,220		862,512
14 Cementing & Float Equip		229,592	-		229,592
15 Completion Unit, Swab, C	เบ			15,000	15,000
16 Periorating, Wireline, Slic			3/0,992		370,992
17 High Pressure Pump Truc			116,330		116,330
•			138,232		138,232
18 Completion Unit, Swab, C	.10		130,232		
20 Mud Circulation System		99,283	-		99,283
21 Mud Logging		16,542	•		16,542
22 Logging / Formation Evalu	ıation	6,860	7,869	•	14,729
23 Mud & Chemicals		341,453	413,503	10,000	764,956
24 Water		41,011	624,356	300,000	965,367
25 Stimulation			768,180		768,180
26 Stimulation Flowback & L	Disp		114,757	150,000	264,757
		182,227	57,706	130,000	239,933
28 Mud / Wastewater Dispos					
30 Rig Supervision / Enginee	•	114,369	125,904	21,667	261,941
32 Drig & Completion Overh	ead	9,836	•		9,836
35 Labor		144,719	65,575	101,667	311,961
54 Proppant			1,184,522	-	1,184,522
95 Insurance		13,834			13,834
97 Contingency			23,045	3,833	26,878
				5,605	20,070
99 Plugging & Abandonmen	•				
	TOTAL INTANGIBLES >	3,318,344	5,064,685	772,167	9,155,196
			COLUMN PROPERTY.		TOTAL
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE C	OSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing		115,349			5 115,349
61 Intermediate Casing		324,891			324,891
_		324,871			324,871
62 Drilling Liner				<u> </u>	
63 Production Casing		648,340		•	648,340
64 Production Liner					
65 Tubing		•		140,000	140,000
66 Wellhead		61,169		40,000	101,169
67 Packers, Liner Hangers		13,902		20,000	33,902
68 Tanks		10,702			·
				45,833	45,833
69 Production Vessels		•		126,667	126,667
70 Flow Lines				66,667	66,667
71 Kod string				-	
72 Artificial Lift Equipment		-		90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs					
75 Surface Pumps				61,667	61,667
76 Downhole Pumps		•		·	•
77 Measurement & Meter Ins	tallation			116,667	116,667
78 Gas Conditioning / Dehyd	tration		•	-	-
79 Interconnecting Facility Pi	ping	-		20,000	20,000
80 Gathering / Bulk Lines	-	-			-
81 Valves, Dumps, Controller	rs.			108,333	108,333
82 Tank / Facility Containme				43,333	43,333
83 Flare Stack			<u>-</u>		
				16,667	16,667
84 Electrical / Grounding			<u> </u>	50,000	50,000
85 Communications/SCADA	\			36,667	36,667
86 Instrumentation / Safety				833	833
	TOTAL TANGIBLES >	1,163,650	0	989,167	2,152,817
	TOTAL COSTS >	4,481,994	5,064,685	1,761,334	11,308,013
	101AL C0313 ×	1/201/274	3,004,003	1,761,334	11,000,013
EDADED BY Damelon Door					
EPARED BY Permian Reso	urces Operating, LLC:				
Drilling Engineer:	: PS				
Completions Engineer	. ML				
Production Engineer:	DC .				
mian Resources Operating	LLC APPROVAL:				
	,				
C. 000	•		TEO	4	
Co-CEO		Co-C		VP - Oper	
	WH		JW		CRM
VP - Land & Legal		VP - Geoscien	ices		İ
	BG BG	Geografia	SO		
	PQ.		3∪		
N OPERATING PARTNE	R APPROVAT.				
S. BINTING I ARTHE	······································				
Company Name:			Working Interest (%)		av ID:
Company Name:			Working Interest (%):		ax ID:
e			-		
Signed by:			Date:		
=					
T741			Approval:	Yes	No (mark one)
Title:			_ <u></u>		

The costs on this AFE are resistants only and may not be construed on criticage on any specific tiens or the total cost of the project. Taking installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participants about properties are proportionates above on actual costs incurrent, including, legal, crustive, regulatory, tenkency and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants abail be covered by and hitled proportionately for Operator's a control and graveral liability insurance transce participant provides Operators a certificate evidencing to swe insurance to as amount acceptable to the Operator by the date of speci.

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DATE:				AFE NO.:	
WELL NAME:	Joker 5-8 Federal Com 1	74H		FIELD:	Teas; Bone Spring
LOCATION:	Section 5, T20S-R34E			MD/TVD:	20,701' / 10,416'
COUNTY/STATE:	Lea County, New Mexic	:0		LATERAL LENGTH:	10,000'
Permian WI:		· · · · · · · · · · · · · · · · · · ·		DRILLING DAYS:	19.6
GEOLOGIC TARGET:	TBSG			COMPLETION DAYS:	18.6
GEOLOGIC TARGET:			h 44 stages. AFE includes	_	
		well and complete with	1 44 Stages. Are includes	drining, completions, in	Weack and nuttan NE
REMARKS:	install cost				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
		COSTS	COSTS	COSTS	COSTS
INTANGIBLE				37,500	5 93,239
T Land/ Legal/ Regulatory		55,739	17,050	2,500	291,402
2 Location, Surveys & Dama	ges	44,945	41,312	25,000	111,257
4 Freight/Transportation 5 Kental - Surface Equipmen		117,323	203,283	105,000	425,606
6 Kental - Downhole Equipmen		193,853	56,437		250,289
7 Kental - Living Quarters		45,374	51,411		96,785
10 Directional Drilling, Surv	evs	405,348			405,348
11 Drilling		711,359			711,359
12 Drill Bits		94,533	•	•	94,533
13 Fuel & Power		178,292	684,220	•	862,512
14 Cementing & Float Equip		229,592		•	229,592
15 Completion Unit, Swab, C		-		15,000	15,000
16 Perforating, Wireline, Sile		•	370,992	•	370,992
17 High Pressure Pump True			116,330		116,330
18 Completion Unit, Swab, C	TU	- 191792	138,232	•	138,232 99,283
20 Mud Circulation System		99,283 16,542			16,542
21 Mud Logging	tiom	6,860	7,869	<u>-</u>	14,729
22 Logging / Formation Eval 23 Mud & Chemicals	wat Uli	341,453	413,503	10,000	764,956
24 Water		41,011	624,356	300,000	965,367
25 Stimulation		- 41,011	768,180	- 300,000	768,180
26 Stimulation Flowback &	Disp	•	114,757	150,000	264,757
28 Mud/Wastewater Dispos		182,227	57,706		239,933
30 Rig Supervision / Engine		114,369	125,904	21,667	261,941
32 Drig & Completion Over	•	9,836	-		9,836
35 Labor		144,719	65,575	101,667	311,961
54 Proppant		-	1,184,522	•	1,184,522
95 Insurance		13,834			13,834
97 Contingency			23,045	3,833	26,878
99 Plugging & Abandonmer	it		•		•
	TOTAL INTANGIBLES	> 3,318,344	5,064,685	772,167	9,155,196
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANCING	Morro.	COSTS	COSTS	COSTS	COSTS
TANGIBLE C	.0515				
60 Surface Casing 61 Intermediate Casing	•	324,891	•	•	\$ 115,349
62 Drilling Liner		324,071			324,891
63 Production Casing		648,340			648,340
64 Production Liner					
65 Tubing	·			140,000	140,000
66 Weilhead		61,169		40,000	101,169
67 Packers, Liner Hangers		13,902	•	20,000	33,902
				45,833	45,833
68 Tanks				126,667	126,667
68 Tanks 69 Production Vessels		•			
				66,667	66,667
69 Production Vessels				66,667	- 66,667
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment					90,000
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor			-		-
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs			-	90,000 5,833	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps				90,000	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Litt Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps				90,000 5,833 61,667	90,000 5,833 - 61,667
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Fumps 76 Downhole Pumps 77 Measurement & Meter In				90,000 5,833	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehyd	dration			90,000 5,833 61,667	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy 79 Interconnecting Facility P	dration			90,000 5,833 61,667	90,000 5,833 - 61,667 - 116,667 - 20,000
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines	dration iping			90,000 5,833 61,667 116,667 - 20,000	90,000 5,833 - 61,667 - 116,667 - 20,000
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle	dration iping ers			90,000 5,833 61,667 116,667 - 20,000	90,000 5,833 - 61,667 - 116,667 - 20,000 -
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines	dration iping ers			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Litt Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack	dration iping ers			90,000 5,833 61,667 116,667 20,000 	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter in 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme	dration iping rs rs			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding	dration iping rs rs			90,000 5,833 61,667 116,667 20,000 	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD,	dration iping rs rs	1,163,650		90,000 5,833 61,667 116,667 20,000 	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD,	dration iping ers ent A TOTAL TANGIBLES			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD,	dration iping ers ent		0 5,064,685	90,000 5,833 61,667 116,667 20,000 	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD,	dration iping ers ent A TOTAL TANGIBLES			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Satety	dration iping rs ent A TOTAL TANGIBLES: TOTAL COSTS:			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Satety	dration iping rs ent A TOTAL TANGIBLES: TOTAL COSTS:			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Satety	dration iping rs ent A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC:			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety	dration iping rs ent A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC:			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Satety EEPARED BY Permian Rese	dration iping rs ent A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS HL			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety	dration iping rs ent A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS HL			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Satety EPARED BY Permian Research Orilling Engineer Completions Engineer	dration iping rs rs rnt A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Satety EPARED BY Permian Research Orilling Engineer Completions Engineer	dration iping rs rs rnt A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC			90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833 - 61,667 - 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 2,152,817
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Satety EPARED BY Permian Research Completions Engineer Production Engineer	dration iping rs rnt A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC LLC APPROVAL:	4,481,994	5,064,685	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Satety EPARED BY Permian Research Orilling Engineer Completions Engineer	dration iping rs rat TOTAL TANGIBLES : TOTAL COSTS : Durces Operating, LLC: PS ML DC G, LLC APPROVAL:		5,064,685	90,000 5,833 61,667 116,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Ortilling Engineer Completions Engineer Production Engineer	dration iping TOTAL TANGIBLES : TOTAL COSTS : Durces Operating, LLC: PS ML DC G, LLC APPROVAL:	• 4,481,994 Co-C	5,064,685 EEO	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Satety EPARED BY Permian Research Completions Engineer Production Engineer	dration iping TOTAL TANGIBLES: TOTAL COSTS: DURCES Operating, LLC: PS ML DC G, LLC APPROVAL:	4,481,994	5,064,685 EEO	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Ortilling Engineer Completions Engineer Production Engineer	dration iping TOTAL TANGIBLES : TOTAL COSTS : Durces Operating, LLC: PS ML DC G, LLC APPROVAL:	• 4,481,994 Co-C	5,064,685 EEO	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Ortilling Engineer Completions Engineer Production Engineer	dration iping TOTAL TANGIBLES: TOTAL COSTS: DURCES Operating, LLC: PS ML DC G, LLC APPROVAL:	• 4,481,994 Co-C	5,064,685 EEO	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Ortilling Engineer Completions Engineer Production Engineer	dration iping TOTAL TANGIBLES: TOTAL COSTS: DURCES Operating, LLC: PS ML DC G, LLC APPROVAL:	• 4,481,994 Co-C	5,064,685 EEO	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety EEPARED BY Permian Rese Completions Engineer Completions Engineer Production Engineer Training Resources Operating Co-CEC	dration iping rs rs rat TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML C LLC APPROVAL: WH	• 4,481,994 Co-C	5,064,685 EEO	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety EEPARED BY Permian Rese Completions Engineer Completions Engineer Production Engineer Training Resources Operating Co-CEC	dration iping rs rs rat TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML C LLC APPROVAL: WH	• 4,481,994 Co-C	5,064,685 EEO	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Ortilling Engineer Completions Engineer Production Engineer Production Engineer To Co-CEC	dration iping TOTAL TANGIBLES : TOTAL COSTS : Durces Operating, LLC: PS : ML DC : DC G, LLC APPROVAL: D WH II BG GR APPROVAL:	• 4,481,994 Co-C	5,064,685 TEO	90,000 5,833 61,667 - 20,000 	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety EEPARED BY Permian Rese Completions Engineer Completions Engineer Production Engineer Training Resources Operating Co-CEC	dration iping TOTAL TANGIBLES : TOTAL COSTS : Durces Operating, LLC: PS : ML DC : DC G, LLC APPROVAL: D WH II BG GR APPROVAL:	• 4,481,994 Co-C VP - Geosciet	5,064,685 EEO	90,000 5,833 61,667 - 20,000 	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer Production Engineer Trail Resources Operating ON OPERATING PARTNE	dration iping TOTAL TANGIBLES: TOTAL COSTS: DURCES Operating, LLC: PS ML DC G, LLC APPROVAL: D WH BG GR APPROVAL:	VP - Geoscier	5,064,685 EEO	90,000 5,833 61,667 - 20,000 	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy. 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Rese Ortilling Engineer Completions Engineer Production Engineer Production Engineer To Co-CEC	dration iping TOTAL TANGIBLES: TOTAL COSTS: DURCES Operating, LLC: PS ML DC G, LLC APPROVAL: D WH BG GR APPROVAL:	• 4,481,994 Co-C VP - Geosciet	5,064,685 TEO	90,000 5,833 61,667 - 20,000 	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD 86 Instrumentation / Satety EPARED BY Permian Rese Completions Engineer Completions Engineer Production Engineer Training Resources Operating Co-CEC VP - Land & Lega ON OPERATING PARTNE Company Name Signed by	dration iping rs int A TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML DC LLC APPROVAL: WH BG GR APPROVAL: :	VP - Geoscier	SO Working Interest (%): Date:	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833
69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter In 78 Gas Conditioning / Dehy, 79 Interconnecting Facility P 80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle 82 Tank / Facility Containme 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCAD, 86 Instrumentation / Safety EPARED BY Permian Rese Orilling Engineer Completions Engineer Production Engineer Production Engineer Trail Resources Operating ON OPERATING PARTNE	dration iping rs rs rat TOTAL TANGIBLES: TOTAL COSTS: Durces Operating, LLC: PS ML CO LLC APPROVAL: BG RAPPROVAL: ER APPROVAL:	VP - Geoscier	5,064,685 EEO JW nces SO Working Interest (%): Date: Approval:	90,000 5,833 61,667 - 20,000 - 108,333 43,333 16,667 50,000 36,667 833 989,167 1,761,334	90,000 5,833

Permian Resources Operating, LLC 300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

ESTIMATE OF COSTS AND	ATTHORIZATION FOR	FYPENDITTIRE

DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 2	01H		FIELD:	Tonto; Wolfcamp
LOCATION:	Section 5, T20S-R34E			MD/TVD:	21,211' / 10,926'
COUNTY/STATE:	Lea County, New Mexic	:0		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	WCXY			COMPLETION DAYS:	19
REMARKS:	Drill a horizontal WCXY AL install cost	well and complete w	ith 44 stages. AFE include	s drilling, completions, f	lowback and Initial
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	COSTS
T Land / Legal / Regulatory		59,066	10.1147	37,500	\$ 96,566 308,647
2 Location, Surveys & Dama 4 Freight/Transportation	ges	288,079	18,067 43,778	2,500 25,000	116,406
5 Kental - Surface Equipmen	t	124,327	215,417	105,000	444,744
6 Kental - Downhole Equipm		205,424	59,805		265,229
7 Kental - Living Quarters		48,083	54,480		102,562
10 Directional Drilling, Surv	eys	429,543			429,543 753,820
11 Drilling 12 Drill Bits		753,820			100,176
13 Fuel & Power		188,935	725,061		913,996
14 Cementing & Float Equip		243,296		-	243,296
15 Completion Unit, Swab, G				15,000	15,000 393,136
16 Pertorating, Wireline, Slid 17 High Pressure Pump Truc		<u>-</u>	393,136 123,274		123,2/4
18 Completion Unit, Swab, (146,484		146,484
20 Mud Circulation System		105,209	-	•	105,209
21 Mud Logging		17,529	•		17,529
22 Logging / Formation Eval 23 Mud & Chemicals	uation	361,835	8,339 438,185	10,000	15,609 810,020
23 Mud & Chemicals 24 Water		43,459	661,625	300,000	1,005,083
25 Stimulation		•	814,033	-	814,033
26 Stimulation Flowback &	-		121,606	150,000	271,606
28 Mud/Wastewater Dispos		193,104	61,151	33.747	254,254
30 Kig Supervision / Engine 32 Drig & Completion Overl		121,196	133,420	21,667	10,423
35 Labor		153,358	69,489	101,667	324,514
54 Proppant			1,255,227	<u> </u>	1,255,227
95 Insurance		14,660			14,660
97 Contingency 99 Plugging & Abandonmer	ıt		24,421	3,833	28,254
771 Magana a Avandonmer	TOTAL INTANGIBLES:	3,516,419	5,367,000	772,167	9,655,585
	TOTAL INTANGIDLES				
TANGIBLE	COTT	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
TANGIBLE C	.0515	122,234			\$ 122,234
61 Intermediate Casing	•	344,284			344,284
62 Drilling Liner				-	
63 Production Casing		687,039	-		687,039
64 Production Liner		•		140,000	140,000
65 Tubing 66 Wellhead		64,820		40,000	104,820
67 l'ackers, Liner Hangers		14,732	•	20,000	34,732
68 Tanks			<u> </u>	45,833	45,833
69 Production Vessels				126,667	126,667
70 Flow Lines 71 Rod string				66,667	66,667
72 Artificial Lift Equipment				90,000	90,000
73 Compressor				5,833	5,833
74 Installation Costs		<u> </u>			
75 Surface Pumps 76 Downhole Pumps				61,667	61,667
77 Measurement & Meter In	stallation			116,66/	116,667
78 Gas Conditioning / Dehy	dration	•	•	-	-
79 Interconnecting Facility P	iping	-		20,000	20,000
80 Gathering / Bulk Lines 81 Valves, Dumps, Controlle		-	-	100 222	100 222
82 Tank / Facility Containme				108,333	108,333
83 Flare Stack				16,667	16,667
84 Electrical / Grounding			-	50,000	50,000
85 Communications / SCAD	A	•		36,667	36,667
				36,667 833	36,667 833
85 Communications / SCAD	TOTAL TANGIBLES		0	36,667 833 989,167	36,667 833 2,222,276
85 Communications / SCAD			- - 0 5,367,000	36,667 833	36,667 833
85 Communications / SCAL) 86 Instrumentation / Safety	TOTAL TANGIBLES >			36,667 833 989,167	36,667 833 2,222,276
85 Communications / SCAL) 86 Instrumentation / Safety	TOTAL TANGIBLES >			36,667 833 989,167	36,667 833 2,222,276
85 Communications / SCAL) 86 Instrumentation / Safety	TOTAL TANGIBLES > TOTAL COSTS > purces Operating, LLC:			36,667 833 989,167	36,667 833 2,222,276
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res	TOTAL TANGIBLES > TOTAL COSTS > DURCES Operating, LLC:			36,667 833 989,167	36,667 833 2,222,276
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res	TOTAL TANGIBLES > TOTAL COSTS > Durces Operating, LLC: PS ML			36,667 833 989,167	36,667 833 2,222,276
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Reso Drilling Engineer Completions Engineer	TOTAL TANGIBLES > TOTAL COSTS > Durces Operating, LLC: PS ML DC			36,667 833 989,167	36,667 833 2,222,276
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Engineer	TOTAL TANGIBLES > TOTAL COSTS > Durces Operating, LLC: PS ML DC			36,667 833 989,167	36,667 833 2,222,276
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES > TOTAL COSTS > DURCES Operating, LLC: PS ML DC LLC APPROVAL:	4,749,528	5,367,000	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety REPARED BY Permian Reso Drilling Engineer Completions Engineer	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: FS	4,749,528	5,367,000	36,667 833 989,167	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Research Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: PS HL DC LLC APPROVAL: WH	4,749,528 Co-	5,367,000 CEO	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety REPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: PS HL DC LLC APPROVAL: WH	4,749,528	5,367,000 CEO	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Research Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: PS HL DC LLC APPROVAL: WH	4,749,528 Co-	5,367,000 CEO JW nces	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Research Drilling Engineer Completions Engineer Production Engineer	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: PS HL DC LLC APPROVAL: WH	4,749,528 Co-	5,367,000 CEO JW nces	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operating Co-CEC	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: PS ML DC LLC APPROVAL: WH BG	4,749,528 Co-	5,367,000 CEO JW nces	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operating Co-CEC	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: PS ML DC LLC APPROVAL: WH BG	4,749,528 Co-	5,367,000 CEO JW nces	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Research Drilling Engineer Completions Engineer Production Engineer Production Engineer The Co-CEC VP - Land & Legal DN OPERATING PARTNE	TOTAL TANGIBLES > TOTAL COSTS > DURCES Operating, LLC: PS ML DC LLC APPROVAL: WH BG GR APPROVAL:	• 4,749,528 Co- VP - Geoscie	5,367,000 CEO	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety EPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee rmian Resources Operating Co-CEC	TOTAL TANGIBLES > TOTAL COSTS > DURCES Operating, LLC: PS	• 4,749,528 Co- VP - Geoscie	5,367,000 CEO JW nces	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety REPARED BY Permian Reso Drilling Engineer Completions Engineer Production Engineer Production Engineer The Co-CEC VP - Land & Lega DN OPERATING PARTNE	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: PS HL DC WH H BG GR APPROVAL:	• 4,749,528 Co- VP - Geoscie	5,367,000 CEO	36,667 833 989,167 1,761,334	36,667 833 2,222,276 11,877,862
85 Communications / SCAD 86 Instrumentation / Safety REPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee Production Enginee Trailing Resources Operating Co-CEC VP - Land & Lega DN OPERATING PARTNE Company Name Signed by	TOTAL TANGIBLES > TOTAL COSTS	• 4,749,528 Co- VP - Geoscie	5,367,000 CEO	36,667 833 989,167 1,761,334 VP - Opera	36,667 833 2,222,276 11,877,862 atlons CRM
85 Communications / SCAD 86 Instrumentation / Safety REPARED BY Permian Res Drilling Enginee Completions Enginee Production Enginee Production Enginee Trmian Resources Operating VP - Land & Lega ON OPERATING PARTNE	TOTAL TANGIBLES > TOTAL COSTS > DUTCES Operating, LLC: PS ML DC WH BG GR APPROVAL: ER APPROVAL:	Co-VP - Geoscie	5,367,000 CEO JW nces SO Working Interest (%): Date: Approval:	36,667 833 989,167 1,761,334 VP - Opera	36,667 833 2,222,276 11,877,862 11,877,862 CRM

Permian Resources Operating, LLC
300 N. Marienfeld St., Ste. 1000 Midland, TX 79701
Phone (432) 695-4222 • Fax (432) 695-4063
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

		Of COSTS AND ACTIO	ONIZATION TON EXITENT		
DATE:	2.17.2023			AFE NO.: _	1
WELL NAME:	Joker 5-8 Federal Com 2	02H		FIELD:	Tonto; Wolfcamp
LOCATION:	Section 5, T20S-R34E			MD/TVD:	21,211' / 10,926'
COUNTY/STATE:	Lea County, New Mexic	-		LATERAL LENGTH:	10,000'
•	Lea County, New Mexic				19.6
Permian WI:				DRILLING DAYS:	
GEOLOGIC TARGET:	WCXY			COMPLETION DAYS:	19
	Drill a horizontal WCXY	well and complete wi	th 44 stages. AFE include	es drilling, completions,	flowback and Initial
REMARKS:	AL install cost	•	ŭ	•	
					
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TALTA MOUTH F	POSTS	COSTS	COSTS	COSTS	COSTS
INTANGIBLE O	.0313	59,066		37,500	\$ 96,566
TLand/Legal/Regulatory			18,067	2,500	308,647
2 Location, Surveys & Damag	ges	288,079	43,778	25,000	116,406
4 Freight/Transportation		47,628 124,327	215,417	105,000	444,744
5 Kental - Surface Equipment		205,424	59,805	105,000	265,229
6 Rental - Downhole Equipm	ent	48,083	54,480		102,562
7 Kental - Living Quarters					429,543
10 Directional Drilling, Surve	zys .	429,543			753,820
11 Drilling		753,820	•	-	100,176
12 Drill Bits		100,176	775767		913,996
13 Fuel & Power		188,935	725,061		243,296
14 Cementing & Float Equip 15 Completion Unit, Swab, C	991	243,296		15,000	15,000
•			301132	15,000	393,136
16 Periorating, Wireline, Slici			393,136		
17 High Pressure Pump Truck		<u>·</u>	123,274		123,274
18 Completion Unit, Swab, C	10	-	146,484	-	146,484
20 Mud Circulation System		105,209		-	105,209
21 Mud Logging	atlan	17,529	V 720	-	17,529
22 Logging / Formation Evalu	IALIUII	7,270	8,339	· • • • • • • • • • • • • • • • • • • •	15,609
23 Mud & Chemicals		361,835	438,185	10,000	810,020
24 Water		43,459	661,625	300,000	1,005,083
25 Stimulation	N		814,033		814,033
26 Stimulation Flowback & D	-		121,606	150,000	2/1,606
28 Mud / Wastewater Disposa		193,104	61,151		254,254
30 Rig Supervision / Engineer		121,196	133,420	21,667	276,283
32 Drig & Completion Overh	ead	10,423	-	-	10,423
35 Labor		153,358	69,489	101,667	324,514
54 Proppant		-	1,255,227		1,255,227
95 Insurance		14,660	•	•	14,660
97 Contingency			24,421	3,833	28,254
99 Plugging & Abandonment	l .		•		•
	TOTAL INTANGIBLES >	3,516,419	5,367,000	772,167	9,655,585
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE CO	OSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing		122,234			\$ 122,234
61 Intermediate Casing		344,284			344,284
62 Drilling Liner					
63 Production Casing		687,039		-	687,039
64 Production Liner					•
65 Tubing				140,000	140,000
66 Wellhead		64,820		40,000	104,820
67 Packers, Liner Hangers		14,/32		20,000	34,732
68 Tanks		14,/32		45,833	45,833
69 Production Vessels				126,667	126,667
			-	·	
70 Flow Lines		-		66,667	66,667
71 Rod string			<u> </u>		
72 Artificial Lift Equipment			<u> </u>	90,000	90,000
73 Compressor		<u> </u>		5,833	5,833
74 Installation Costs				•	
75 Surface Pumps		•		61,667	61,667
76 Downhole Pumps					
77 Measurement & Meter Ins		·		116,667	116,667
78 Gas Conditioning / Dehyd		·	•	•	-
79 Interconnecting Facility Pi	ping			20,000	20,000
80 Gathering / Bulk Lines			-	•	
81 Valves, Dumps, Controller			•	108,333	108,333
82 Tank / Facility Containmen	nt			43,333	43,333
83 Flare Stack		•		16,667	16,667
84 Electrical / Grounding			•	50,000	50,000
85 Communications / SCADA	L		•	36,667	36,667
86 Instrumentation / Safety			•	833	833
	TOTAL TANGIBLES >	1,233,109	0	989,167	2,222,276
	TOTAL COSTS >	4,749,528	5,367,000	1,761,334	11,877,862
	.0		0,001,000		,0.,,000
EPARED BY Permian Reso	urces Operating, LLC:				
	<u> </u>				
Drilling Engineer:	: PS				
Completions Engineer:					
Production Engineer					
1 rocaction Engineer				· .	
mian Resources Operating	, LLC APPROVAL:				
Co-CEO		Co-(EO	VP - Oper	
	WH		JW		CRM
VP - Land & Legal	1	VP - Geoscies	nces		
	BG		50		
	~		∞		
NI OPERATING TARRET	D A DDD CVAT				
ON OPERATING PARTNE	R APPKUVAL:				
Company Name:			Working Interest (%):	т	ax ID:
+Fany + .ame	· · · · · · · · · · · · · · · · · · ·		• •••		
· Signed by:	1		Date:		
Title:	!		Approval:	Yes	No (mark one)
ate on this AFE are entireates only and may not be one		and of the period. Tubing installation are		or after the well has been completed. In constitu	or this AEE the Posticional access to year to

300 N. Marlenfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

ESTIMATE OF COSTS A	ND AUTHORIZATION F	FOR EXPENDITURE
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DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com	203H		FIELD:	Tonto; Wolfcamp
LOCATION:	Section 5, T20S-R34E			MD/TVD:	21,191' / 10,906'
COUNTY/STATE:	Lea County, New Mexi	ico		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	WCXY			COMPLETION DAYS:	19
REMARKS:	Drill a horizontal WCX AL install cost	Y well and complete wit	th 44 stages. AFE includ	les drilling, completions,	lowback and Initial
INTANGIBLE	COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
1 Land/ Legal/ Regulatory		\$ 59,066	•	37,500	\$ 96,566
2 Location, Surveys & Dama	ges	288,079	18,067	2,500	308,647
4 Freight / Transportation		47,628	43,778	25,000	116,406
5 Kental - Suriace Equipmen 6 Kental - Downhole Equipn		124,327 205,424	215,417 59,805	105,000	265,229
7 Kental - Living Quarters	ient	48,083	54,480		102,562
10 Directional Drilling, Surv	evs	429,543			429,543
11 Urilling	•	753,820	-	•	753,820
12 Drill Bits		100,176	-	•	100,170
13 Fuet & Power		188,935 243,296	725,061		913,990
14 Cementing & Float Equip 15 Completion Unit, Swab, G		243,290		15,000	15,000
le Pertorating, Wireline, Slie			393,136		393,130
17 High Pressure Pump Truc		-	123,274	•	123,274
18 Completion Unit, Swab, C	.TU		146,484	-	146,48
20 Mud Circulation System		105,209		•	105,20
21 Mud Logging	ustion.	17,529	9 720	•	17,52
22 Logging/Formation Eval 23 Mud & Chemicals	MALIUN	7,270 361,835	8,339 438,185	10,000	15,609
23 Mud & Chemicals 24 Water		43,459	661,625	300,000	1,005,08
25 Stimulation			814,033		814,03
26 Stimulation Flowback & i			121,606	150,000	271,60
28 Mud/Wastewater Dispos		193,104	61,151	•	254,25
30 Kig Supervision / Engine		121,196	133,420	21,667	2/6,28.
32 Drig & Completion Overl	read	10,423		-	10,42
15 Labor 14 Proppant		153,358	69,489	101,667	324,514 1,255,22
95 Insurance		14,660	1,235,227		14,660
77 Contingency			24,421	3,833	28,254
ሃሃ Plugging & Abandonmen	t	•	-	•	•
	TOTAL INTANGIBLES	> 3,516,419	5,367,000	772,167	9,655,58
TANGIBLE O	OSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
0 Surface Casing		\$ 122,234			\$ 122,234
51 Intermediate Casing		344,284	-	-	344,284
62 Drilling Liner 63 Production Casing		- 70777711	•	•	
64 Production Casing		687,039			687,039
55 Tubing				140,000	140,000
66 Weilhead		64,820		40,000	104,820
7 Packers, Liner Hangers		14,732	•	20,000	34,732
8 Tanks		-	-	45,833	45,833
9 Production Vessels			-	126,667	126,667
70 Flow Lines		-	-	66,667	66,667
71 Kod string 72 Artiticial Litt Equipment				90.000	90.000
73 Compressor				5,833	5,833
4 Installation Costs				•	
75 Surtace Pumps		•		61,667	61,667
6 Downhole Pumps		-		-	-
7 Measurement & Meter Ins		-		116,667	116,667
'8 Gas Conditioning/Dehyo '9 Interconnecting Facility P			•		201700
0 Gathering / Bulk Lines	huig			20,000	20,000
1 Valves, Dumps, Controlle	rs			108,333	108,333
2 Tank / Facility Containme				43,333	43,333
3 Flare Stack				16,667	16,667
4 Electrical / Grounding		-	-	50,000	50,000
S Communications/SCADA Instrumentation/Safety	١	-		36,667	36,667
o msuumemanon/ sarety	TOTAL TANCIBLES	1 222 100		833	833
	TOTAL TANGIBLES TOTAL COSTS		5,367,000	989,167	2,222,27
		- 4,/47,328	5,307,000	1,761,334	11,877,86
PARED BY Permian Reso Drilling Engineer	<u> </u>				
Completions Engineer					
Production Engineer					
. rousenon Engineer			<u> </u>		
ian Resources Operating	, LLC APPROVAL:				
Co-CEC		Co-CI		VP - Opera	
VP - Land & Lega		VP - Geoscieno	ces		CRM
OPERATING BARTAIR	R APPROVAL:				
OPERATING PARTNE		· 			
			Working Interest /9 \.		v iD∙
Company Name			Working Interest (%):	Ta	x ID:
Company Name	:		Working Interest (%):	Ta	x ID:
Company Name	:			Ta	x ID:

Permian Resources Operating, LLC 300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

	ESTIMATE	OF COSTS AND AUT	HORIZATION FOR EXPE	NDITURE	
DATE:	2.17.2023			AFE NO.:	1
WELL NAME:	Joker 5-8 Federal Com 2	04H		FIELD:	Tonto; Wolfcamp
LOCATION:	Section 5, T20S-R34E			MD/TVD:	21,181' / 10,896'
COUNTY/STATE:	Lea County, New Mexic	20		LATERAL LENGTH:	10,000'
Permian WI:				DRILLING DAYS:	19.6
GEOLOGIC TARGET:	WCXY			COMPLETION DAYS:	19
00000010111100111		/ wall and complete	with 44 stages AFF inclu	ides drilling, completions,	
REMARKS:	AL install cost	wen and complete	with 11 stages. Hi L meit	ides diffinitg, completions,	110 W DUCK WING 11 III III
KEMANO.	712 Histain Cost				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	COSTS
T Land / Legal / Regulatory	3	59,066	•	37,500	\$ 96,566
2 Location, Surveys & Damag	ges	288,079	18,067	2,500	308,647
4 Freight / Transportation		47,628	43,778	25,000	116,406
5 Kental - Surface Equipmen 6 Kental - Downhole Equipm		124,327 205,424	215,417 59,805	105,000	444,744 265,229
7 Kental - Living Quarters	.c.iii	48,083	54,480		102,562
10 Directional Drilling, Surv	eys	429,543		•	429,543
11 Drilling		753,820			753,820
12 Drill Bits		100,176	-		100,176
13 Fuel & Power 14 Cementing & Float Equip		188,935	725,061	•	913,996 243,296
15 Completion Unit, Swab, C				15,000	15,000
16 Perforating, Wireline, Slic			393,136	•	393,136
17 High Pressure Pump Truc			123,274	•	123,274
18 Completion Unit, Swab, C	TU		146,484		146,484
20 Mud Circulation System		105,209	<u>-</u>	<u>-</u>	105,209
21 Mud Logging 22 Logging / Formation Evalu	uation	7,270	8,339		15,609
23 Mud & Chemicals		361,835	438,185	10,000	810,020
24 Water		43,459	661,625	300,000	1,005,083
25 Stimulation			814,033	-	814,033
26 Stimulation Flowback & 1	•		121,606	150,000	2/1,606
28 Mud / Wastewater Dispos 30 Rig Supervision / Enginee		193,104	61,151	21,667	254,254 276,283
32 Drig & Completion Overh		10,423	100/120		10,423
35 Labor		153,358	69,489	101,66/	324,514
54 Proppant			1,255,227		1,255,227
95 Insurance		14,660			14,660
97 Contingency 99 Plugging & Abandonmen	•		24,421	3,833	28,254
77 I lugging & Abandonmen	TOTAL INTANGIBLES >	3,516,419	5,367,000	772,167	9,655,585
-	TOTAL INTANGIBLES			·	
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE C	OSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing 61 Intermediate Casing	3	344,284			\$ 122,234 344,284
62 Drilling Liner			<u>-</u>		
63 Production Casing		687,039		•	687,039
64 Production Liner		-	-	•	•
65 Tubing			-	140,000	140,000
66 Wellhead		64,820	•	40,000	104,820
67 Packers, Liner Hangers 68 Tanks		14,732		20,000	34,732 45,833
69 Production Vessels				126,667	126,667
70 Flow Lines				66,667	66,667
71 Kod string					•
72 Artificial Lift Equipment				90,000	90,000
73 Compressor 74 Installation Costs				5,833	5,833
75 Surface Pumps				61,667	61,667
76 Downhole Pumps				-	
77 Measurement & Meter ins				116,667	116,667
78 Gas Conditioning / Dehyo		•	-	20,000	20,000
79 Interconnecting Facility Pl 80 Gathering / Bulk Lines	ihniR		.	20,000	20,000
81 Vaives, Dumps, Controlle	rs			108,333	108,333
82 Tank / Facility Containme	ent			43,333	43,333
83 Flare Stack			-	16,667	16,667
84 Electrical / Grounding 85 Communications / SCAD	A			36,66/	36,667
86 Instrumentation / Safety	•			833	833
· · · · · · · · · · · · · · · · · · ·	TOTAL TANGIBLES >	1,233,109		989,167	2,222,276
	TOTAL COSTS >	4,749,528	5,367,000	1,761,334	11,877,862
EPARED BY Permian Reso	ources Operating, LLC:				
Drilling Engineer					+
Completions Engineer					
Production Engineer	. DC				
mian Resources Operating	, LLC APPROVAL:	-			
			GTO.	11D C	
Co-CEC		C	o-CEO	VP - Oper	CRM
VP Land follows	****	VP Cons	•••		CKM
VP - Land & Lega	BG	VP - Geosc	SO		
	20		30		
ON OPERATING PARTNE	IR APPROVAL:			···········	
			107-12 2		- ID
Company Name	:		working Interest (%):	т	ax ID:
Signed by	•		Date:		
Title		**	Approval:	☐ Yes	No (mark one)
	·		· · · · · · · · · · · · · · · · · · ·		<u> </u>

TAB 3

Case No. 23448-23451

Exhibit B:	Self-Affirmed Statement of Staci Mueller, Geologist
Exhibit B-1:	Locator Map & Stress Direction
Exhibit B-2:	Permit Status
Exhibit B-3:	Gun Barrel View
Exhibit B-4:	Development Plan Comparison
Exhibit B-5:	Subsea Structure Map
Exhibit B-6:	3 rd bone Spring Isopach Map
Exhibit B-7:	Structural Cross Section
Exhibit B-8:	3 rd Bone Spring Producers vs. all Wolfcamp Producers
Exhibit B-9:	All 3 rd Bone Spring and Wolfcamp Producers
Exhibit B-10:	Comparing 3 rd Sand to Wolfcamp Reservoir (SoPhiH)
Exhibit B-11:	2 nd Bone Spring Structure Map
Exhibit B-12:	2 nd Bone Spring Sand Isopach
Exhibit B-13:	2 nd Bone Spring Sand Cross Section
Exhibit B-14:	2 nd Bone Spring Sand vs. 3 rd Bone Spring Carbonate Producers
Exhibit B-15:	PhilH L 2 nd Sand vs. 3 rd Carbonate
Exhibit B-16:	1st Bone Spring Sand Structure
Exhibit B-17:	1st Bone Spring Sand Isopach
Exhibit B-18:	1 st Bone Spring Structural Cross Section
Exhibit B-19:	Wolfcamp Structure Map (Subsea TVD)
Exhibit B-20:	Wolfcamp XY Isopach
Exhibit B-21.	Wolfcamn XV West to Fast Cross Section

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

APPLICATIONS OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23448 – 23451 (Mighty Pheasant; Bone Spring)

APPLICATIONS OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23594 – 23597 (Mighty Pheasant; Wolfcamp)

APPLICATIONS OF CIMAREX ENERGY CO.
FOR A HORIZONTAL SPACING UNIT AND
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23452 – 23455 (Loosey Goosey; Bone Spring)

APPLICATIONS OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23598 – 23601 (Loosey Goosey; Wolfcamp)

SELF-AFFIRMED STATEMENT OF STACI MUELLER

- I, being duly sworn on oath, state the following:
- 1. I am over the age of 18, and I have personal knowledge of the matters stated herein.
- 2. I am employed as a petroleum geologist for Cimarex Energy Co. ("Cimarex"), and I am familiar with the subject application and the geology involved.
- 3. This testimony is submitted in connection with the filing by Cimarex in the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.



- 4. I have testified previously by affidavit before the Oil Conservation Division ("Division") as an expert petroleum geologist; my credentials have been made a matter of record, and I have been qualified as an expert by the Division.
 - a. I have a Bachelor of Science Degree in Geophysical Engineering from Colorado School of Mines, and a Master of Science Degree in Geophysics from Colorado School of Mines.
 - b. I have worked on New Mexico Oil and Gas matters since July 2018.
- 5. Cimarex is an established operator in the Quail Ridge area, with 35 horizontal wells drilled within the basal 3rd Bone Spring Sand starting in 2010 through 2022. In most of the 3rd Sand developments, Triple Combo logs were taken to further the reservoir characterization of both the Bone Spring and Wolfcamp formations. From these extensive mapping efforts along with offset production analyses, Cimarex has verified that the 3rd Sand is the most economic target at the Mighty Pheasant and Loosey Goosey proposed development.
- 6. **Exhibit B-1** shows a map made by Jens-Erik Lund Snee and Mark D. Zoback from Stanford University, which depicts the maximum horizontal stress direction throughout the Delaware and Midland Basins. The map on the right is a zoomed in portion of the regional map (red outline), where the blue lines represent the digitized version of the same stress directions. Based on the regional trend observed by Lund Snee and Zoback, the estimated stress direction at Mighty Pheasant and Loosey Goosey is approximately N70E, which means the favorable well orientation is north-south instead of east-west. Both Cimarex and Permian Resources plan to drill in the north-south orientation.
- 7. **Exhibit B-2** is a table summarizing the permit status for the Mighty Pheasant and Loosey Goosey developments. Highlighted in yellow are the wells that Cimarex has submitted to the BLM,

and each well has "AFMSS-Accepted" noted to show that these wells are high enough on Cimarex's priority list for the BLM to be currently working on them. Ten permits were submitted between February and March 2022 for a 3rd Bone Spring Sand development (tier 1 target in area) plus a 1st Sand or 2nd Sand well to de-risk the sections in more highly channelized reservoirs.

- 8. **Exhibit B-3** is a gun barrel view of Cimarex's development plan across both Mighty Pheasant (Sections 5 & 8) and Loosey Goosey (Sections 4 & 9). Cimarex plans to develop the 1st, 2nd, and 3rd Bone Spring Sands at 4 wells per section spacing. The 1st Sand target is the high porosity, clean sand in the upper half of the interval. The 2nd Sand target is the basal siltstone/sandstone interval, and the 3rd Sand target is the basal clean sand lobe, which is also the established target across several townships.
- 9. **Exhibit B-4** is a gun barrel view of Cimarex's plan (left side) versus Permian Resources (right side). Permian Resources plans to include 3 additional landing zones in their full section development: the Upper 2nd Bone Spring Sand, the 3rd Carbonate, and the Wolfcamp XY Sands. This is a risky development scenario, because the 3rd Sand & Wolfcamop XY vertical spacing is about 95 ft, which is not considered a true stagger and subsequently treated as a flat development. Therefore, Permian Resource plans to develop the 3rd Sand & Wolfcamp XY combined reservoir tank at 8 wells per section, which is over-spaced for this area, where almost every operator has developed the 3rd Sand with 4 wells per section. Permian Resources' 3rd Carbonate target is approximately 135 ft vertical distance from their proposed Lower 2nd Sand target, which is also very tight vertical spacing when there is no frac baffle in between (no tight carbonates). The Lower 2nd Sand is the established target across several townships, while there has only been one well landed in the 3rd Carbonate (with no 2nd Sand above). The Upper 2nd Sand is a target that Cimarex has investigated and determined to be too risky to drill before collecting data.

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within black and red box).

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10. **Exhibit B-5** is a structure map (Subsea TVD) of the top of the Wolfcamp, which is about 50 ft below the 3rd Bone Spring Sand Target, as noted by the type log located at the blue star. The contour interval is 100 ft, well control points are displayed, and structure is dipping to the south. From the first take point to the last take point of the Mighty Pheasant and Loosey Goosey wells

(located within black and red box), there is approximately 100 ft of relief.

11. **Exhibit B-6** is an isopach map of the 3rd Bone Spring Sand, as noted by the type log located at the blue star. The contour interval is 20 ft, well control points are displayed, and the 3rd Sand is consistently between 260-280 ft at the Mighty Pheasant and Loosey Goosey development (located

12. **Exhibit B-7** is a structural cross section from west to east on the northern end of the Mighty Pheasant and Loosey Goosey sections. Gamma Ray is displayed in the first log track, on a scale from 0 to 150 API, shaded to the right with blue representing low Gamma Ray, brown representing high Gamma Ray, and yellow in between. The second track is deep resistivity (RDEEP), on a scale from 2 to 2000 Ohms, with RDEEP less than 20 Ohms shaded solid red to represent the Bone Spring Sand reservoirs. The third track is the photoelectric log (PEF) which is shaded blue and purple for higher values and yellow for lower values. The fourth track is neutron and density porosity (NPHI and DPHI). NPHI is shown in red, while DPHI is blue, and when DPHI crosses to the left of NPHI, the space in between the two curves is shaded yellow. Otherwise, it is shaded grey. The basal 3rd Sand target is often characterized by the yellow crossover shading in the NPHI and DPHI track, Gamma Ray around 50-70 API, and RDEEP below 20 Ohms. Cimarex's target is the standard basal 3rd Bone Spring Sand target across the area (a few townships), which is shown as a green stick in all three logs. Frac baffles are shown in red and white striped boxes within the depth track, and there are only a couple frac baffles present within the 3rd Bone Spring Carbonate.

These baffles are characterized by low Gamma Ray <50 API, indicating carbonate, along with high resistivity, and low neutron and density porosities (0-4%). There are no indications of any major geomechanical changes/frac baffles in between Cimarex's 3rd Sand target and Permian Resources' Wolfcamp Sands target, indicating that these two intervals are most likely one shared reservoir tank.

- 13. **Exhibit B-8** is showing a map with all the producing 3rd Bone Spring Sand wells across almost three townships (left), versus all of the Wolfcamp producers across the area (right). This Exhibit highlights the fact that the 3rd Sand is the established target in the area surrounding the Mighty Pheasant and Loosey Goosey sections (black and red box), while there have only been two Wolfcamp developments plus some parent well tests. Cimarex is also an established operator in this area, with 36 wells drilled including a Wolfcamp test.
- 14. **Exhibit B-9** shows all of the 3rd Bone Spring Sand producing wells with blue diamonds, and all of the Wolfcamp Sands producing wells with orange diamonds. Mighty Pheasant and Loosey Goosey are located within the black and red box which lies among almost all 3rd Sand wells. There are a couple of Wolfcamp development tests two miles to the south, but the majority of Wolfcamp and 3rd Sand co-development occurs 3 townships to the south, where the total 3rd Sand and Wolfcamp Sands reservoir tank is much thicker and deeper into the basin.
- 15. **Exhibit B-10** shows the PhiH (porosity*height) of the 3rd Bone Spring Sand (left) versus the Wolfcamp X and Y Sands (right) as shown by the type log located at the blue star. PhiH is one of the most common reservoir maps to identify ideal target areas within the Bone Spring Sands because it represents total pore space, and more pore space means more room for hydrocarbon storage. Both maps have the same color scale, with a contour interval of 2 pore-ft. The Mighty Pheasant and Loosey Goosey sections are shown in the black and red box, and the well control

points are displayed, along with the values of the closest control points to the subject development. Higher PhiH values are indicated in yellow and red, while lower values are shown in blue. The average PhiH within the 3rd Sand, based on the closest control points, is 26.75 pore-ft. While the average PhiH within the Wolfcamp X and Y Sands is 10 pore-ft, which means that the 3rd Sand is at least 72.8% of the total reservoir, while the Wolfcamp Sands are 27.2% of the total reservoir. However, because there are no frac baffles separating the 3rd Sand and Wolfcamp Sands, and because the two Permian Resource targets would have about 95 ft of vertical separation, their Wolfcamp wells would drain a significant portion of the 3rd Sand reservoir that the four 3rd Sand wells would already be targeting.

- 16. **Exhibit B-11** is a structure map (Subsea TVD) of the top of the 3rd Bone Spring Carbonate, which is about 40 ft below the 2nd Bone Spring Sand Target, as noted by the type log located at the blue star. The contour interval is 100 ft, well control points are displayed, and structure is dipping to the south. From the first take point to the last take point of the Mighty Pheasant and Loosey Goosey wells (located within black and red box), there is approximately 200 ft of relief on the eastern edge of the proposed development, and about 100 ft of relief on the western edge.
- 17. **Exhibit B-12** is an isopach map of the 2nd Bone Spring Sand, as noted by the type log located at the blue star. The contour interval is 20 ft, well control points are displayed, and the 2nd Sand is consistently between 420-440 ft at the Mighty Pheasant and Loosey Goosey development (located within black and red box).
- 18. **Exhibit B-13** is a structural cross section from west to east on the northern end of the Mighty Pheasant and Loosey Goosey sections. Gamma Ray is displayed in the first log track, on a scale from 0 to 150 API, shaded to the right with blue representing low Gamma Ray, brown representing high Gamma Ray, and yellow in between. The second track is deep resistivity

(RDEEP), on a scale from 2 to 2000 Ohms, with RDEEP less than 20 Ohms shaded solid red to represent the Bone Spring Sand reservoirs. The third track is the photoelectric log (PEF) which is shaded blue and purple for higher values and yellow for lower values. The fourth track is neutron and density porosity (NPHI and DPHI). NPHI is shown in red, while DPHI is blue, and when DPHI crosses to the left of NPHI, the space in between the two curves is shaded yellow. Otherwise, it is shaded grey. The Lower 2nd Sand target is often characterized by the yellow crossover shading in the NPHI and DPHI track, Gamma Ray around 50-70 API, and RDEEP below 200 Ohms (not as low as basal 3rd Sand target). Cimarex's target is the standard Lower 2nd Bone Spring Sand target across the area (a few townships), which is shown as a green stick in all three logs. Frac baffles are shown in red and white striped boxes within the depth track, and there are only a couple frac baffles present within the 2nd Bone Spring Carbonate and in the middle of the 2nd Sand. These baffles are characterized by low Gamma Ray <50 API, indicating carbonate, along with high resistivity, and low neutron and density porosities (0-4%). These frac baffles within the 2nd Sand, plus the vertical distance of approximately 400 ft, indicate that there may be another target within the Upper 2nd Sand (similar log characteristics as the Lower Sand target). However, this would be a several mile step-out test, so Cimarex is planning advanced logging/data collection through this interval to de-risk it while drilling the 3rd Sand wells.

19. **Exhibit B-14** is showing a map with all the producing Lower 2nd Bone Spring Sand wells across almost nine townships (left), versus all of the 3rd Bone Spring Carbonate producers across the area (right). This Exhibit highlights the fact that the Lower 2nd Sand is the established target in the area surrounding the Mighty Pheasant and Loosey Goosey sections (black and red box), while there has only been one well landed in the 3rd Carbonate, with no 2nd Sand development above.

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20. **Exhibit B-15** shows the PhiH (porosity*height) of the 2nd Bone Spring Sand (left) versus the 3rd Bone Spring Carbonate (right) as shown by the type log located at the blue star. PhiH is one of the most common reservoir maps to identify ideal target areas within the Bone Spring Sands because it represents total pore space, and more pore space means more room for hydrocarbon storage. Both maps have the same color scale, with a contour interval of 2 pore-ft. The Mighty Pheasant and Loosey Goosey sections are shown in the black and red box, and the well control points are displayed. Higher PhiH values are indicated in yellow and red, while lower values are shown in blue. The average PhiH within the 2nd Sand, based on the closest control points, is 30 pore-ft. While the average PhiH within the 3rd Carbonate is 20 pore-ft, which means that the 2nd Sand is at least 60% of the total reservoir, while the 3rd Carbonate is 40% of the total reservoir. However, because there are no frac baffles separating the 2nd Sand and 3rd Carbonate, and because the two Permian Resource targets would have about 135 ft of vertical separation, their 3rd Carbonate wells would drain a significant portion of the 2nd Sand reservoir that the four 2nd Sand wells would already be targeting.

21. **Exhibit B-16** is a structure map (Subsea TVD) of the top of the 1st Bone Spring Sand, which is about 40 ft above the 1st Bone Spring Sand Target, as noted by the type log located at the blue star. The contour interval is 100 ft, well control points are displayed, and structure is dipping to the south. From the first take point to the last take point of the Mighty Pheasant and Loosey Goosey wells (located within black and red box), there is approximately 85 ft of relief.

22. **Exhibit B-17** is an isopach map of the 1st Bone Spring Sand, as noted by the type log located at the blue star. The contour interval is 20 ft, well control points are displayed, and the 1st Sand is consistently between 280-300 ft at the Mighty Pheasant and Loosey Goosey development (located within black and red box).

23. Exhibit B-18 is a structural cross section from west to east on the northern end of the Mighty Pheasant and Loosey Goosey sections. Gamma Ray is displayed in the first log track, on a scale from 0 to 150 API, shaded to the right with blue representing low Gamma Ray, brown representing high Gamma Ray, and yellow in between. The second track is deep resistivity (RDEEP), on a scale from 2 to 2000 Ohms, with RDEEP less than 20 Ohms shaded solid red to represent the Bone Spring Sand reservoirs. The third track is the photoelectric log (PEF) which is shaded blue and purple for higher values and yellow for lower values. The fourth track is neutron and density porosity (NPHI and DPHI). NPHI is shown in red, while DPHI is blue, and when DPHI crosses to the left of NPHI, the space in between the two curves is shaded yellow. Otherwise, it is shaded grey. The 1st Sand target is often characterized by the yellow crossover shading in the NPHI and DPHI track, Gamma Ray around 50-70 API, and RDEEP below 20 Ohms. Cimarex's target is the standard 1st Bone Spring Sand target across the area (a few townships), which is shown as a green stick in all three logs.

WOLFCAMP STATEMENT

(See Cimarex's Motion for an Order to Prohibit the Drilling of Wells in the Upper Wolfcamp in Order to Protect Correlative Rights and Optimize Production of the Subject Lands, filed as an Exhibit in Cases 23594 – 23597 and Cases 23598 - 23601)

- 24. **Exhibit B-19** is a structure map (Subsea TVD) of the top of the Wolfcamp, which is about 50 ft below the 3rd Bone Spring Sand Target, as noted by the type log located at the blue star. The contour interval is 100 ft, well control points are displayed, and structure is dipping to the south. From the first take point to the last take point of the Mighty Pheasant and Loosey Goosey wells (located within black and red box), there is approximately 100 ft of relief.
- 25. **Exhibit B-20** is an isopach map of the Wolfcamp X and Y Sands, as noted by the type log located at the blue star. The contour interval is 20 ft, well control points are displayed, and the

Wolfcamp X and Y Sands are consistently about 100 ft at the Mighty Pheasant and Loosey Goosey development (located within black and red box).

26. Exhibit B-21 is a structural cross section from west to east on the northern end of the Mighty Pheasant and Loosey Goosey sections. Gamma Ray is displayed in the first log track, on a scale from 0 to 150 API, shaded to the right with blue representing low Gamma Ray, brown representing high Gamma Ray, and yellow in between. The second track is deep resistivity (RDEEP), on a scale from 2 to 2000 Ohms, with RDEEP less than 20 Ohms shaded solid red to represent the Bone Spring Sand reservoirs. The third track is the photoelectric log (PEF) which is shaded blue and purple for higher values and yellow for lower values. The fourth track is neutron and density porosity (NPHI and DPHI). NPHI is shown in red, while DPHI is blue, and when DPHI crosses to the left of NPHI, the space in between the two curves is shaded yellow. Otherwise, it is shaded grey. The basal 3rd Sand target is often characterized by the yellow crossover shading in the NPHI and DPHI track, Gamma Ray around 50-70 API, and RDEEP below 20 Ohms. Cimarex's target is the standard basal 3rd Bone Spring Sand target across the area (a few townships), which is located above the Wolfcamp X & Y Sands (highlighted yellow on the left side). Frac baffles are shown in red and white striped boxes within the depth track, and there are only a couple frac baffles present within the 3rd Bone Spring Carbonate. These baffles are characterized by low Gamma Ray <50 API, indicating carbonate, along with high resistivity, and low neutron and density porosities (0-4%). There are no indications of any major geomechanical changes/frac baffles in between Cimarex's 3rd Sand target and Permian Resources' Wolfcamp Sands target, indicating that these two intervals are most likely one shared reservoir tank; therefore, Permian Resources' Wolfcamp XY Sands target will primarily produce from the 3rd Bone Spring Sand.

- 27. The Exhibits to this Affidavit were prepared by me or compiled from Cimarex's company business records under my supervision.
- 28. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.
 - 29. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

Signature page of Self-Affirmed Statement of Staci Mueller:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case Nos. 23448-23455 and 23594 – 23601 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.

STACI MUELLER

7/11/2023

Date Signed

Geology Exhibits



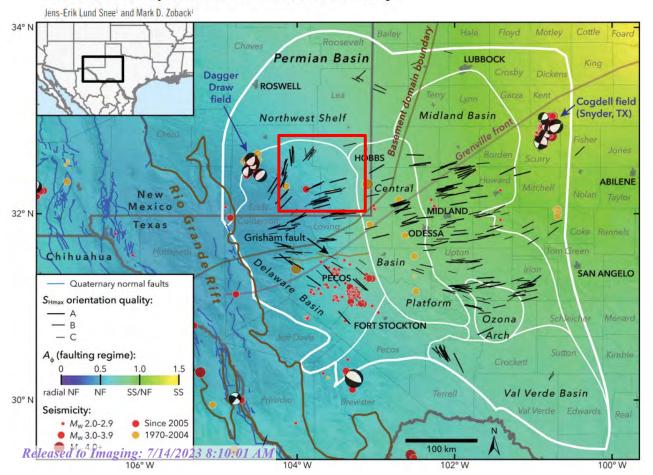
Locator Mup & Stress Direction

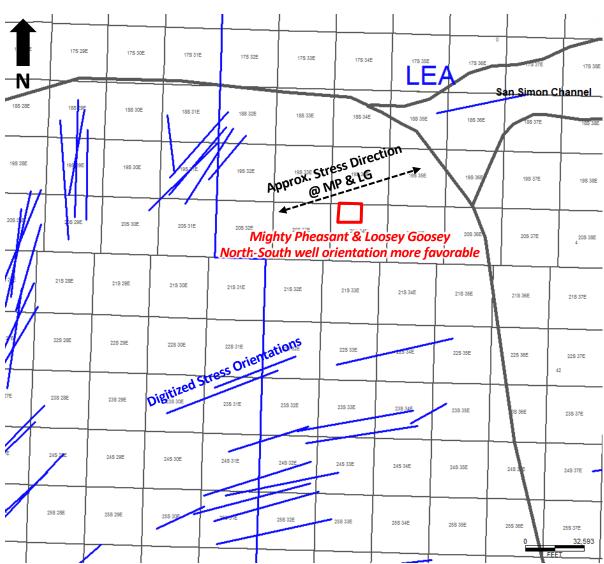
Coterra plans to develop Sections 4-9 and 5-8 with 2-mile laterals

- 1. 8 Lower 3rd Bone Spring Sand
- 2. 8 2nd Bone Spring Sand
- 3. 8 1st Bone Spring Sand

The wells will be drilled north to south from 2 pads/ Section

State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity

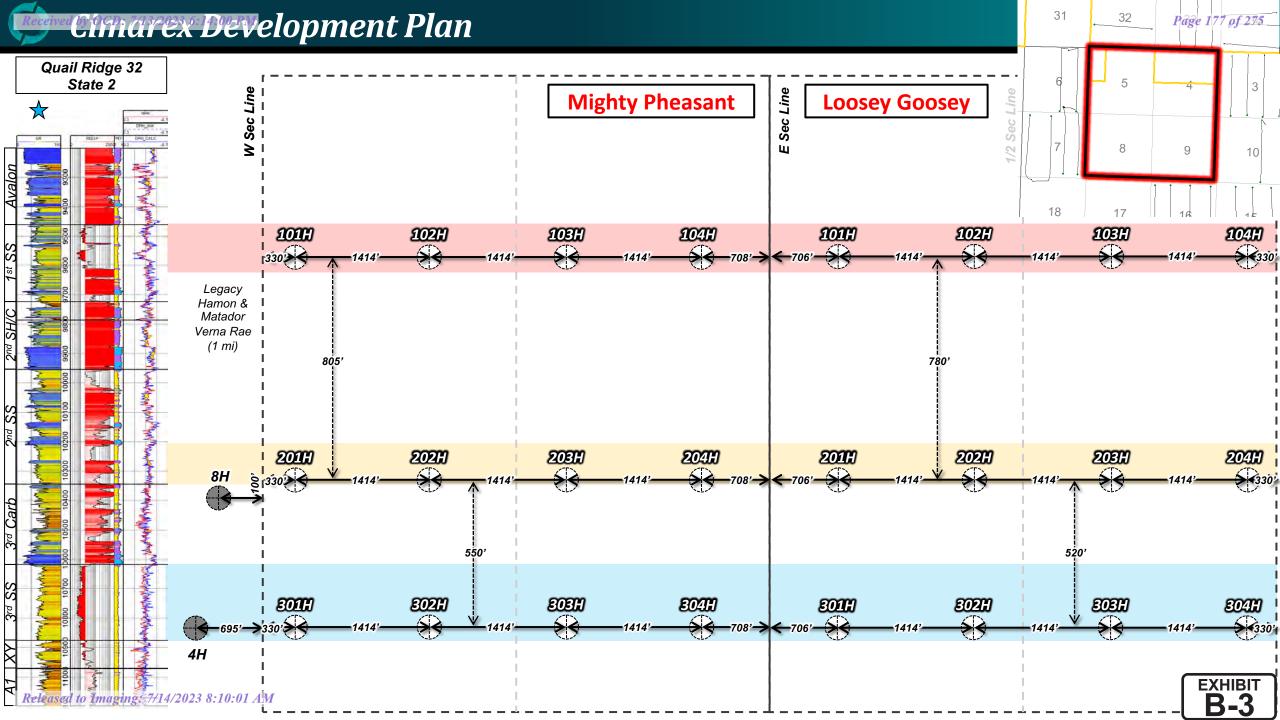


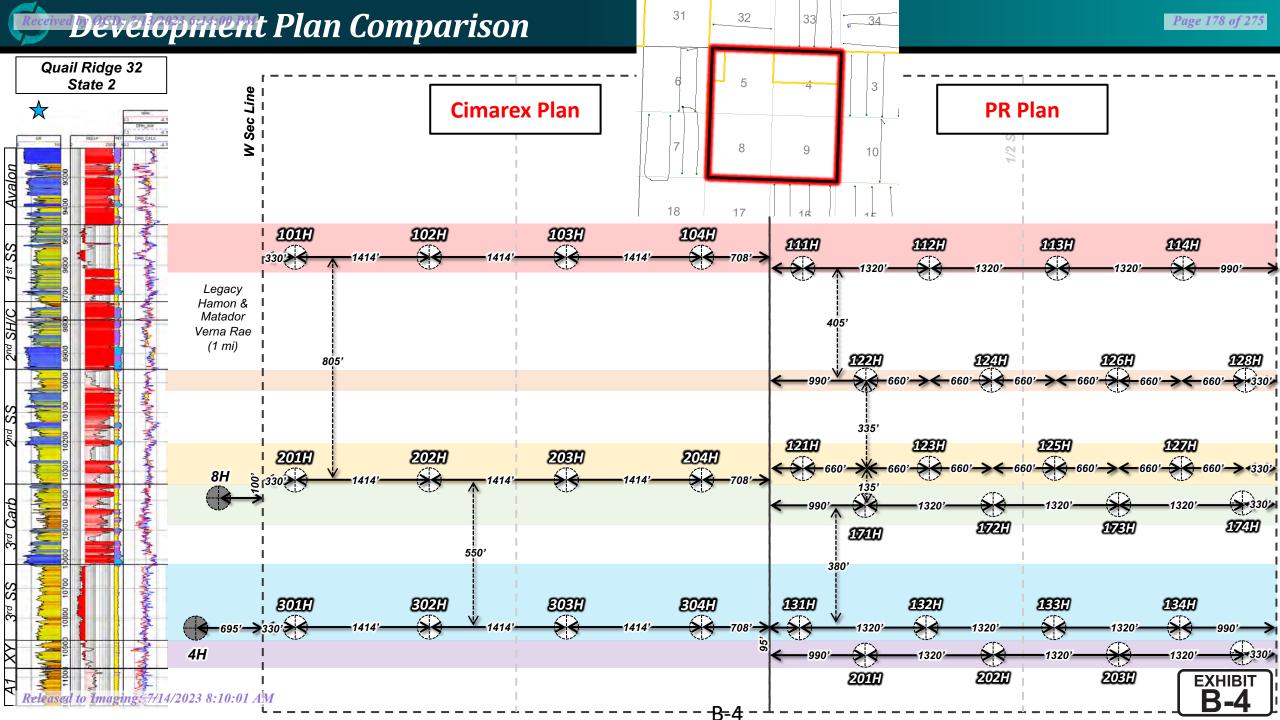




	State	County	Well Name & Number	Permit Status	Permit Submission Due Date	Permit Submitted Date	10-Day Letter Date	10-Day Letter Due
	NM	Lea	Mighty Pheasant 5-8 Fed Com 101H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 102H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 103H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 104H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 201H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 202H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 203H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 204H	AFMSS-Accepted	2/14/2022	2/14/2022	6/2/2023	7/17/2023
	NM	Lea	Mighty Pheasant 5-8 Fed Com 301H	AFMSS-Accepted	3/1/2022	3/1/2022		
┥╵	NM	Lea	Mighty Pheasant 5-8 Fed Com 302H	AFMSS-Accepted	3/2/2022	3/2/2022		
	NM	Lea	Mighty Pheasant 5-8 Fed Com 303H	AFMSS-Accepted	2/14/2022	2/14/2022	6/2/2023	7/17/2023
	NM	Lea	Mighty Pheasant 5-8 Fed Com 304H	AFMSS-Accepted	3/1/2022	3/1/2022	6/2/2023	7/17/2023
	NM	Lea	Loosey Goosey 4-9 Fed Com 101H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 102H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 103H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 104H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 201H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 202H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 203H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 204H	AFMSS-Accepted	3/15/2022	3/15/2022		
	NM	Lea	Loosey Goosey 4-9 Fed Com 301H	AFMSS-Accepted	3/9/2022	3/9/2022		
┨│	NM	Lea	Loosey Goosey 4-9 Fed Com 302H	AFMSS-Accepted	3/9/2022	3/9/2022		
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	NM	Lea	Loosey Goosey 4-9 Fed Com 304H	AFMSS-Accepted	3/15/2022	3/15/2022		

Submitted permits for 3rd Sand development & 1st Sand/2nd Sand test BLM is currently working on these

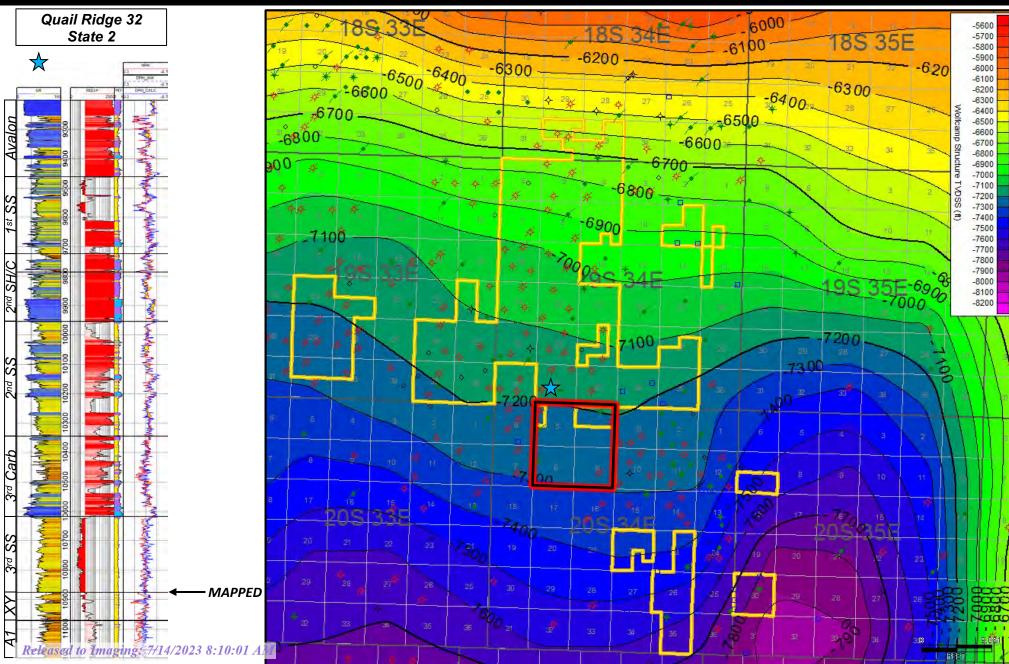




3rd Bone Spring Sand

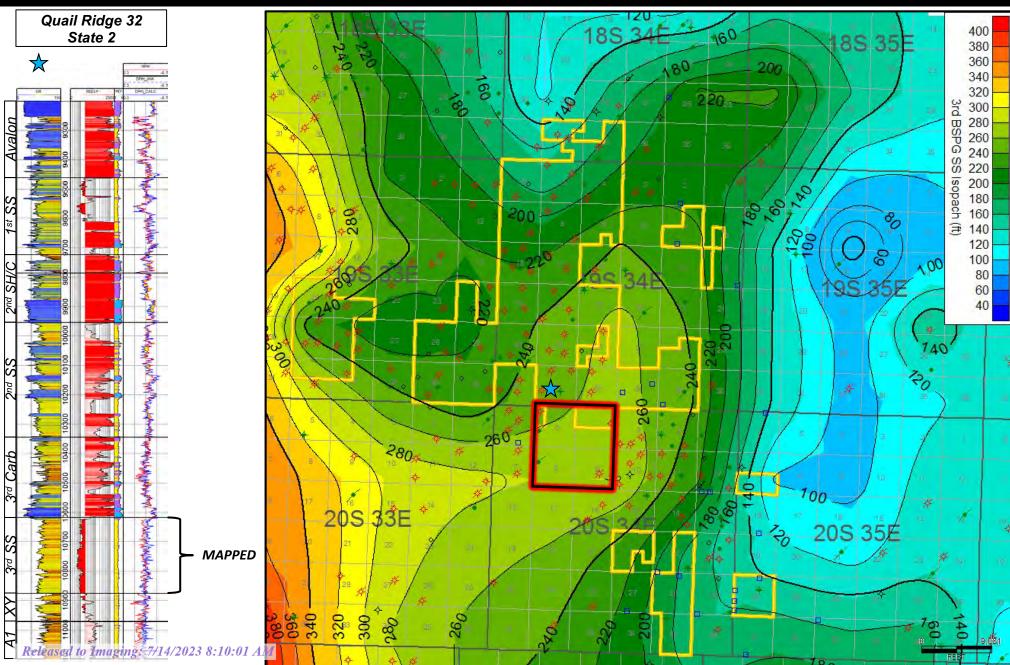


3rd Bone Spring Sand Structure

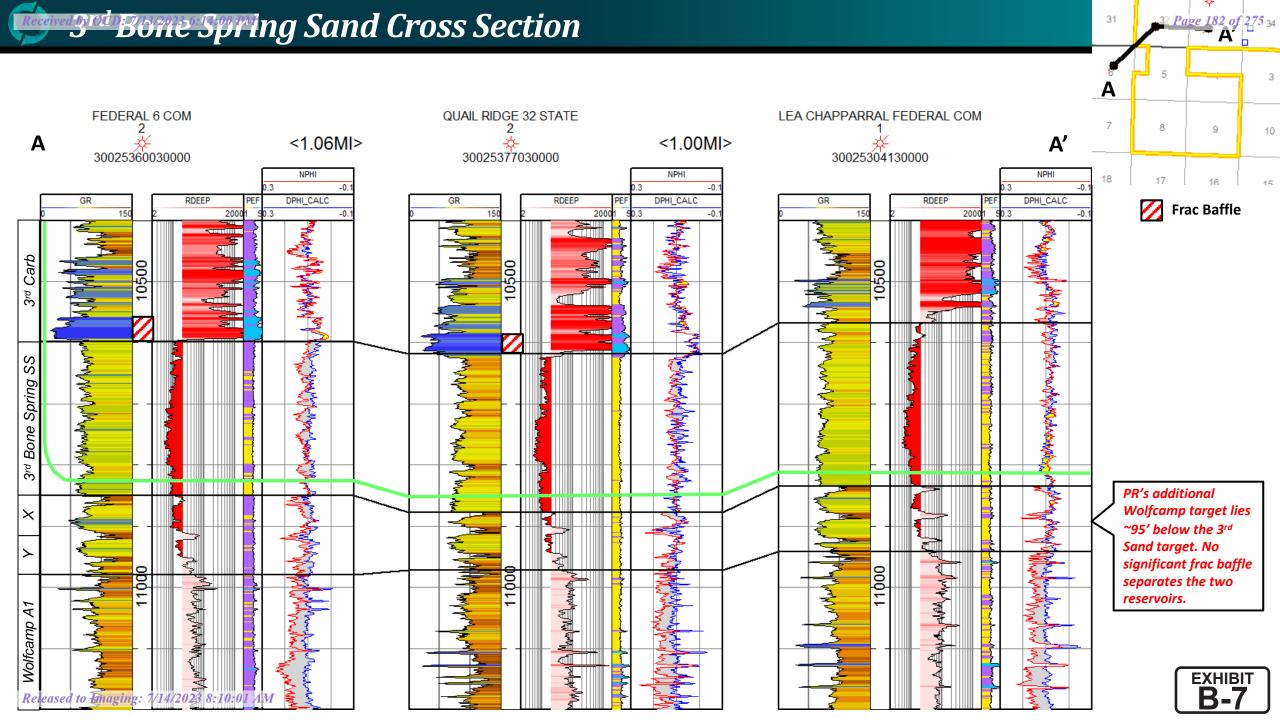




3rd Bone Spring Sand Isopach



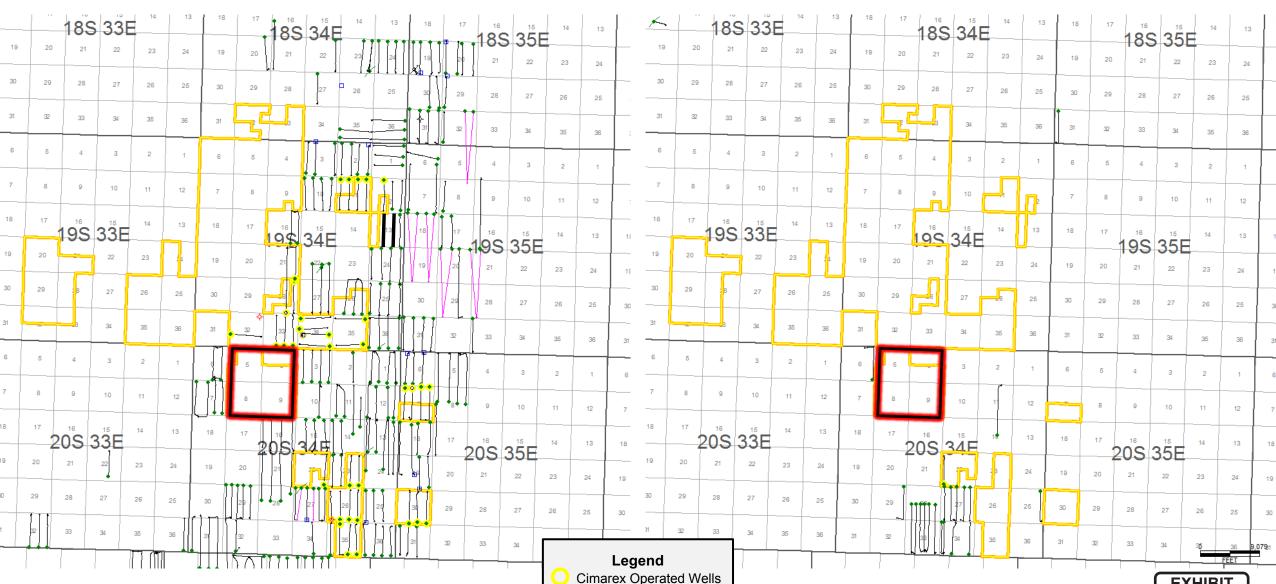




3rd Bone Spring Sand is Established Target

3rd Bone Spring Sand Producers

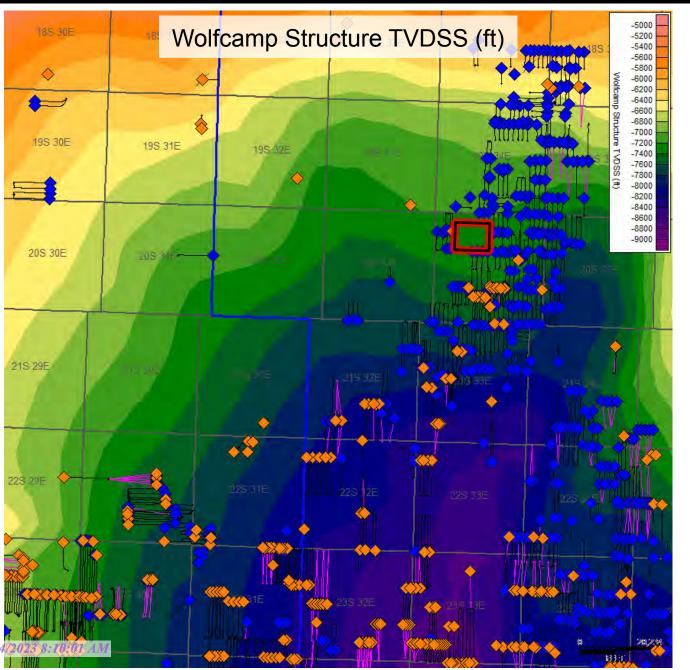
Wolfcamp Producers



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B-8

Co-Wolfcamp SS/3rd SS Development Begins Further South

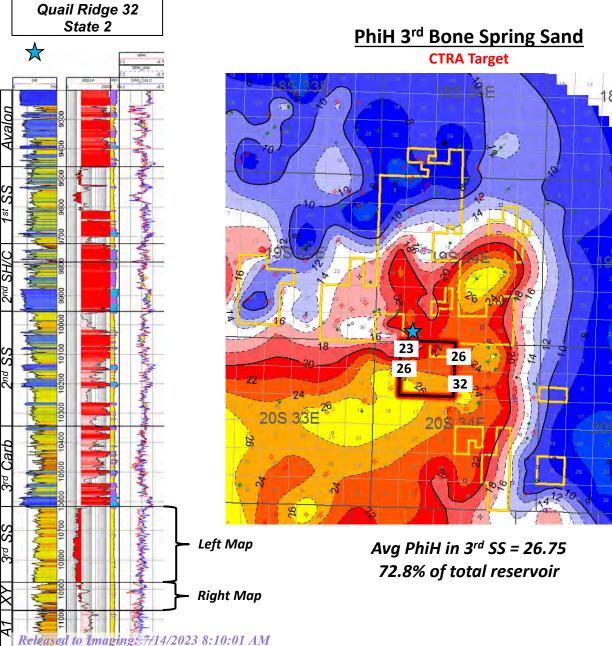


- 3rd Bone Spring Sand
- Wolfcamp Sands

B-9

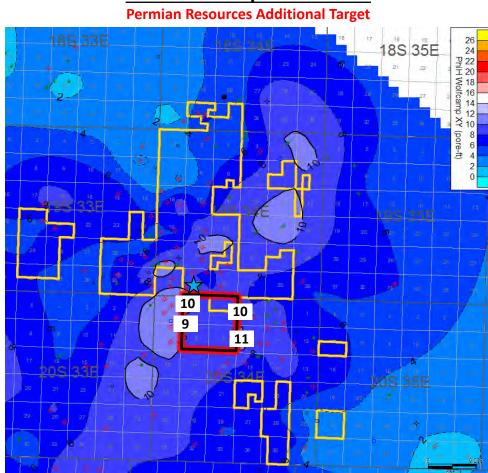
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Comparing 3rd Sand to Wolfcamp Reservoir (SoPhiH)



Bone Spring Sand PhiH Wolfcamp X & Y Sands

Ph 22 II 20

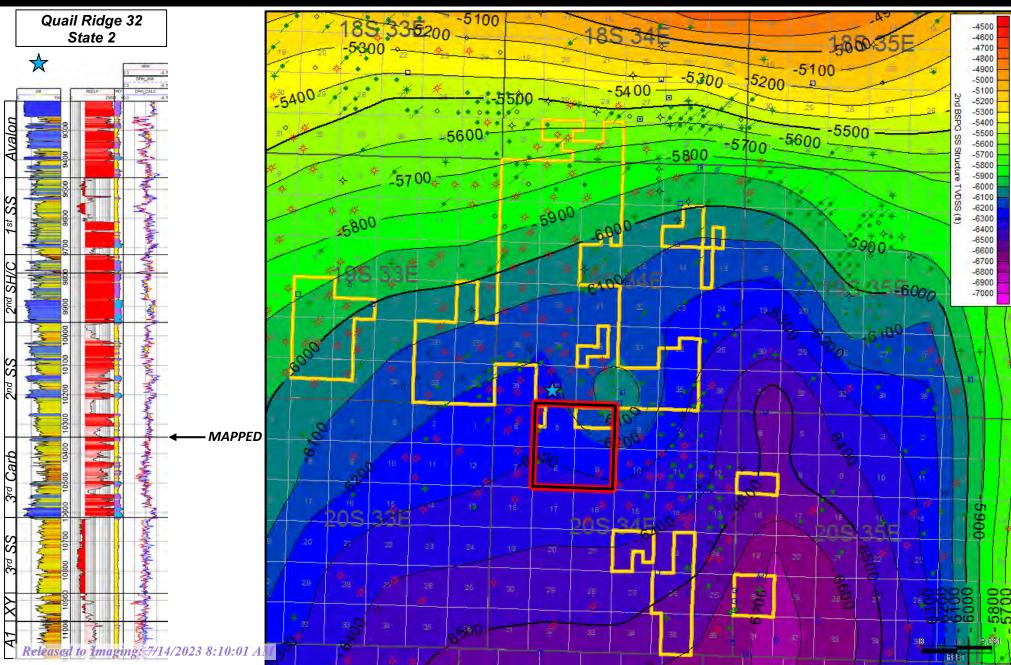


Avg PhiH in WFMP XY = 10 27.2% of total reservoir

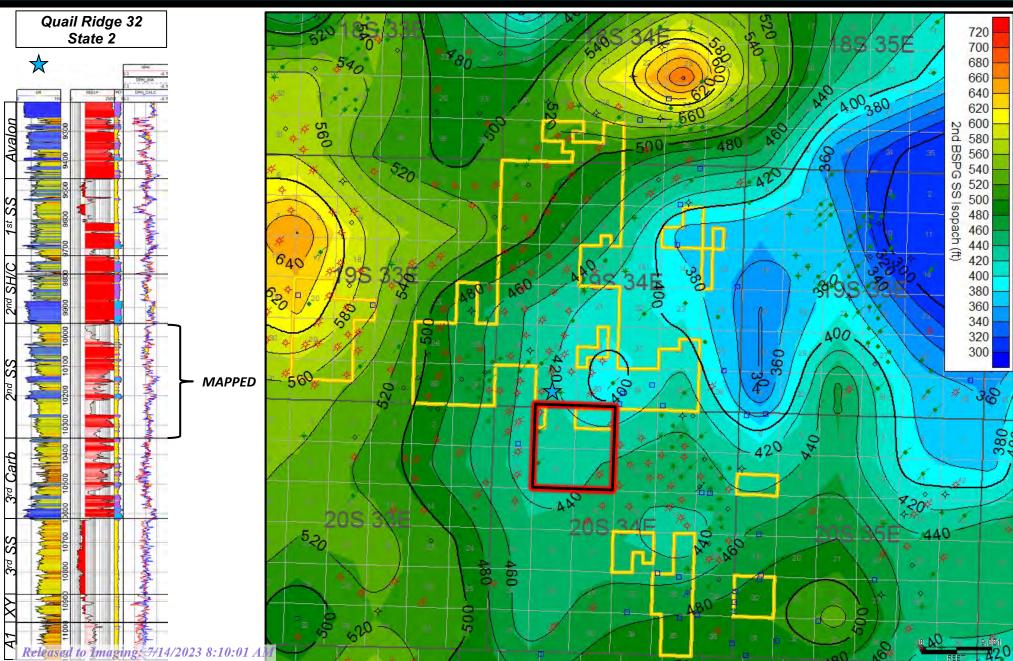
2nd Bone Spring Sand

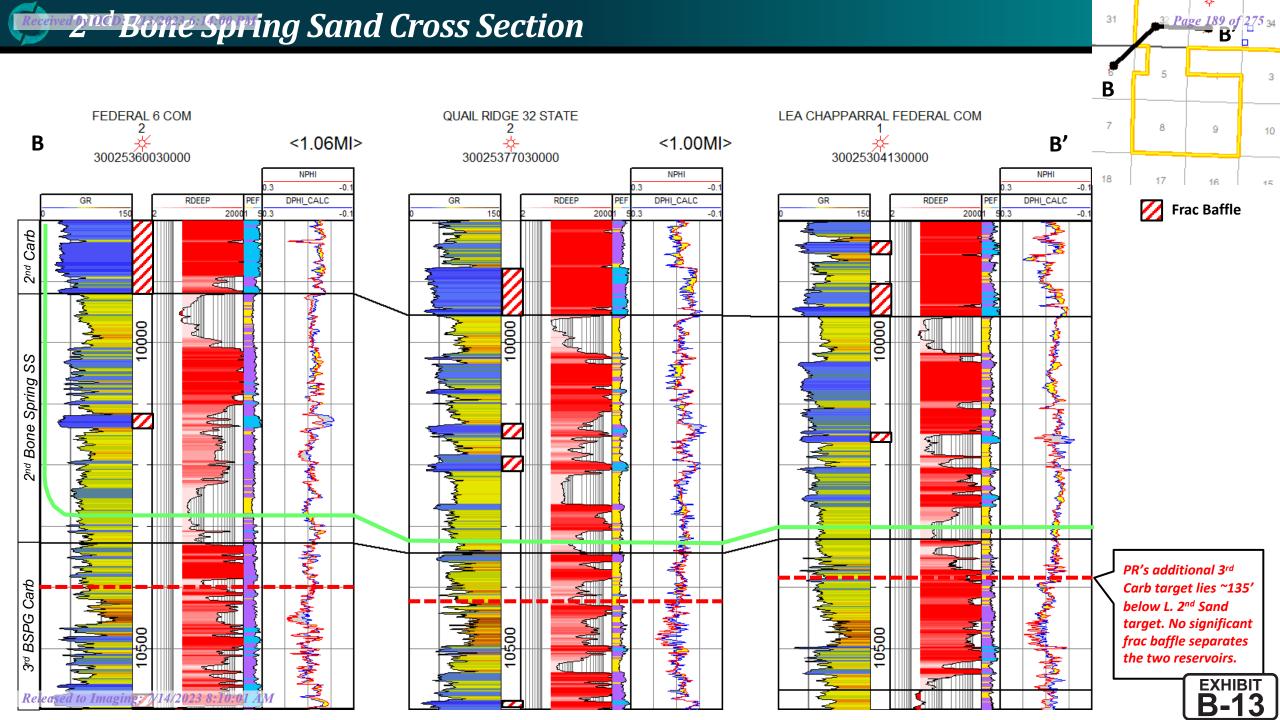


2nd Bone Spring Sand Structure

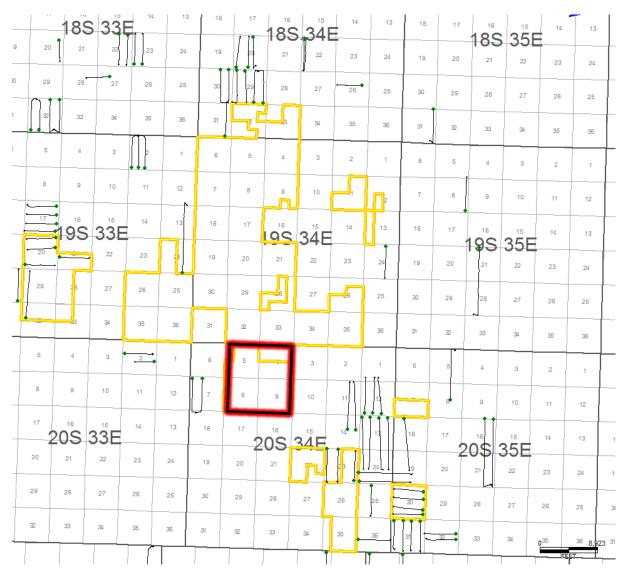


2nd Bone Spring Sand Isopach

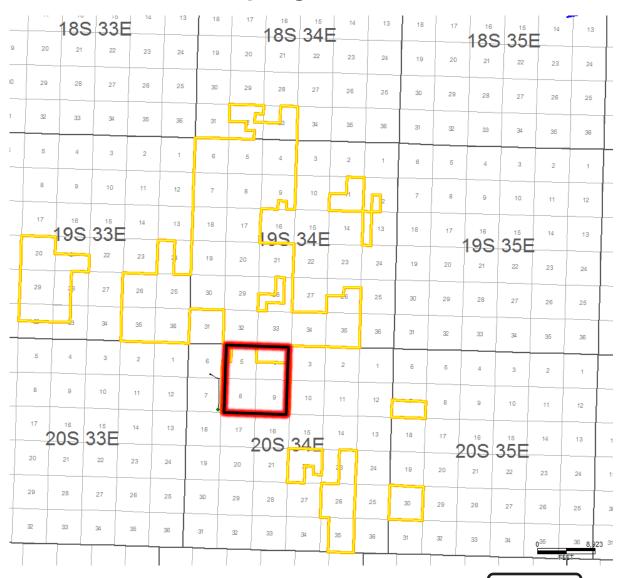




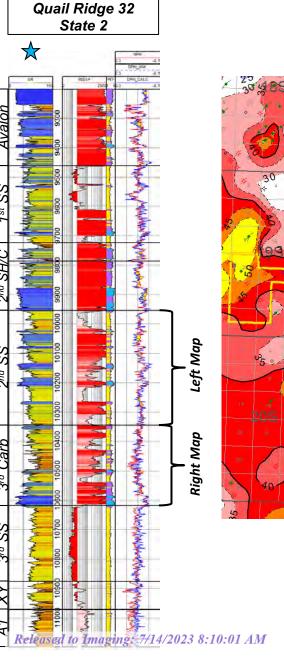
Lower 2nd Bone Spring Sand Producers



3rd Bone Spring Carb Producers

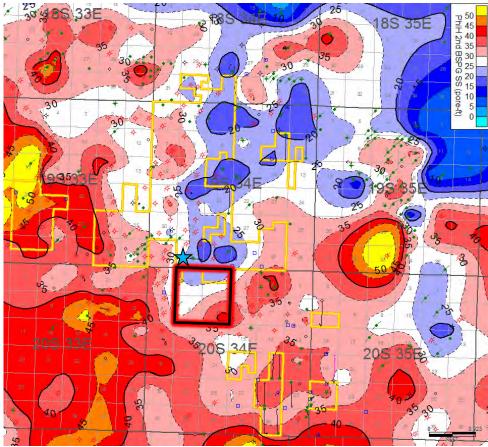


PhiH L 2nd Sand vs. 3rd Carb



PhiH 2nd Bone Spring Sand

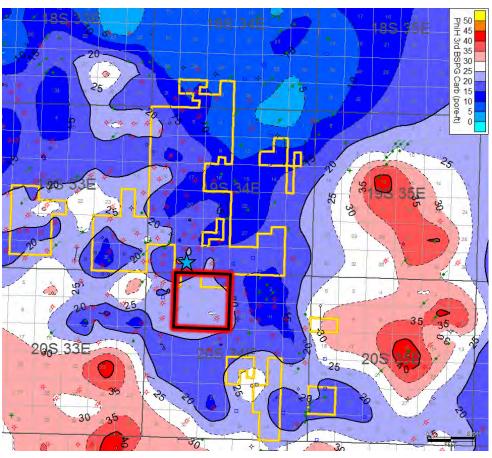
CTRA Target



Avg PhiH in 3rd SS = 30 60% of total reservoir

PhiH 3rd Bone Spring Carb

Permian Resources Additional Target

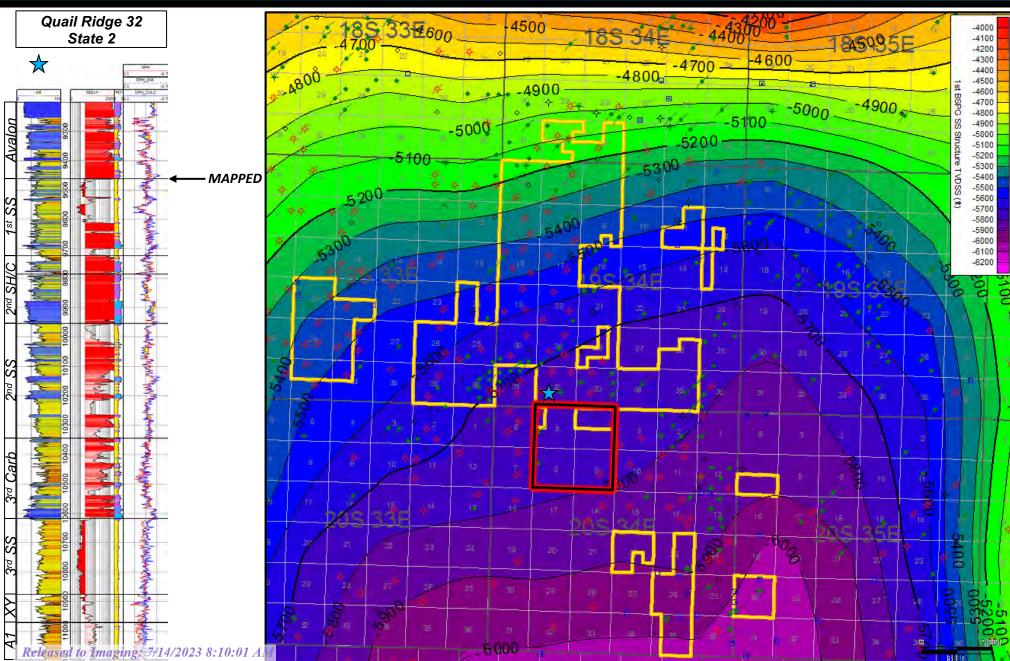


Avg PhiH in WFMP XY = 20 40% of total reservoir

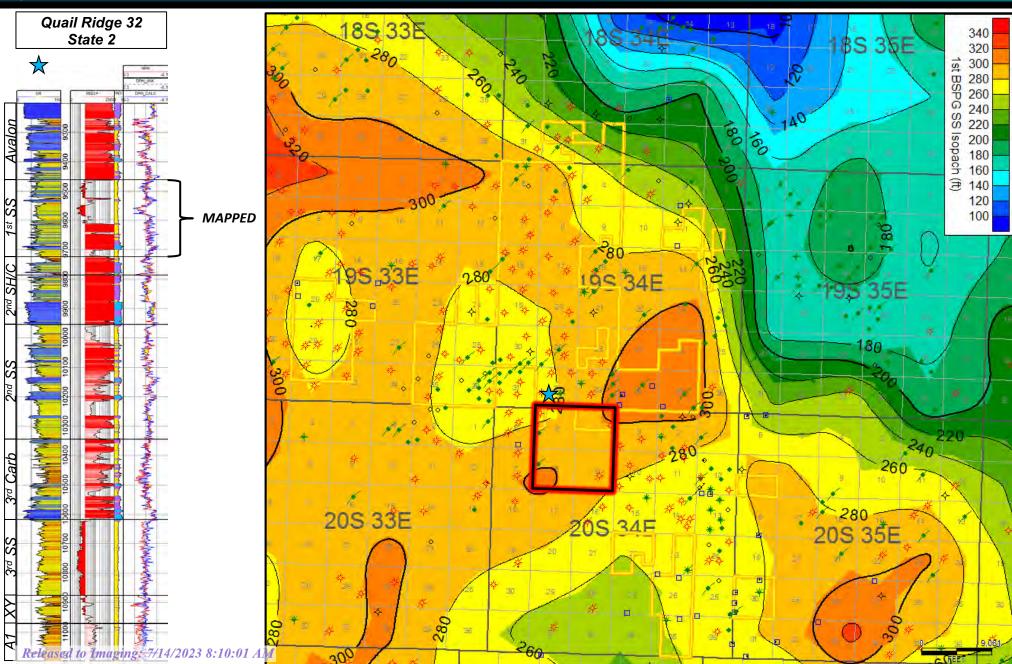
1st Bone Spring Sand

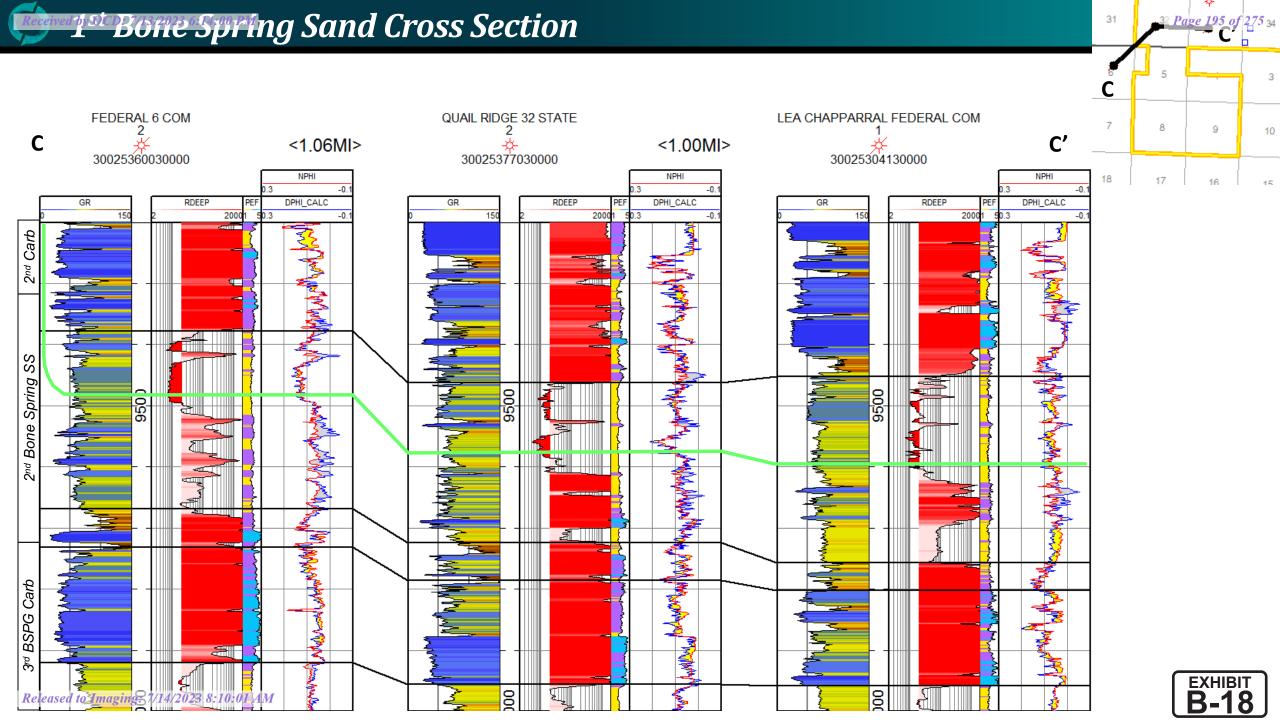


1st Bone Spring Sand Structure



📁 1st Bone Spring Sand Isopach

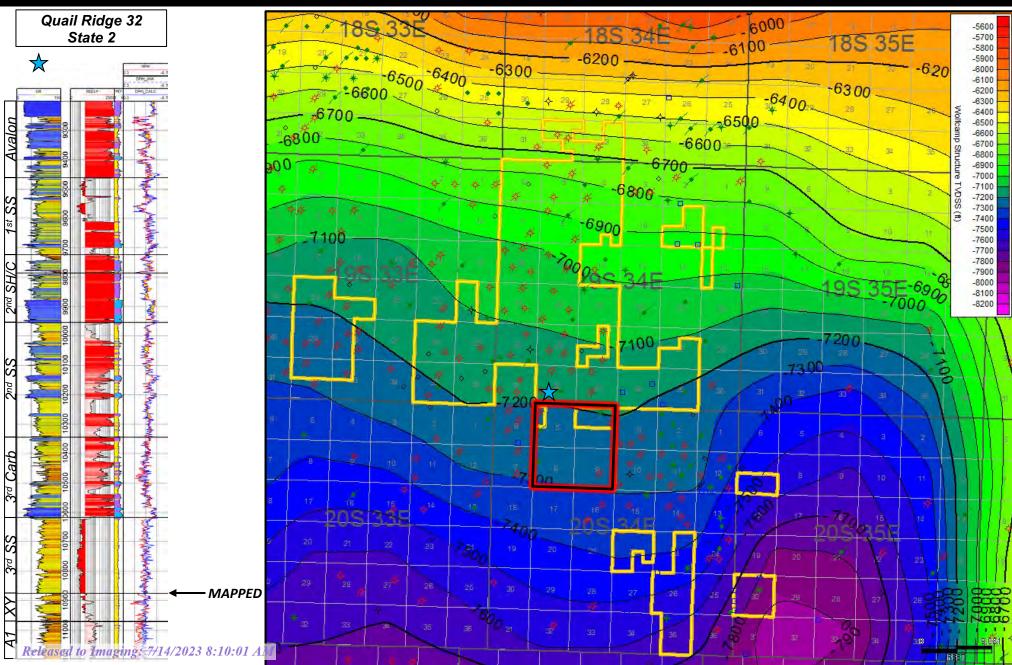




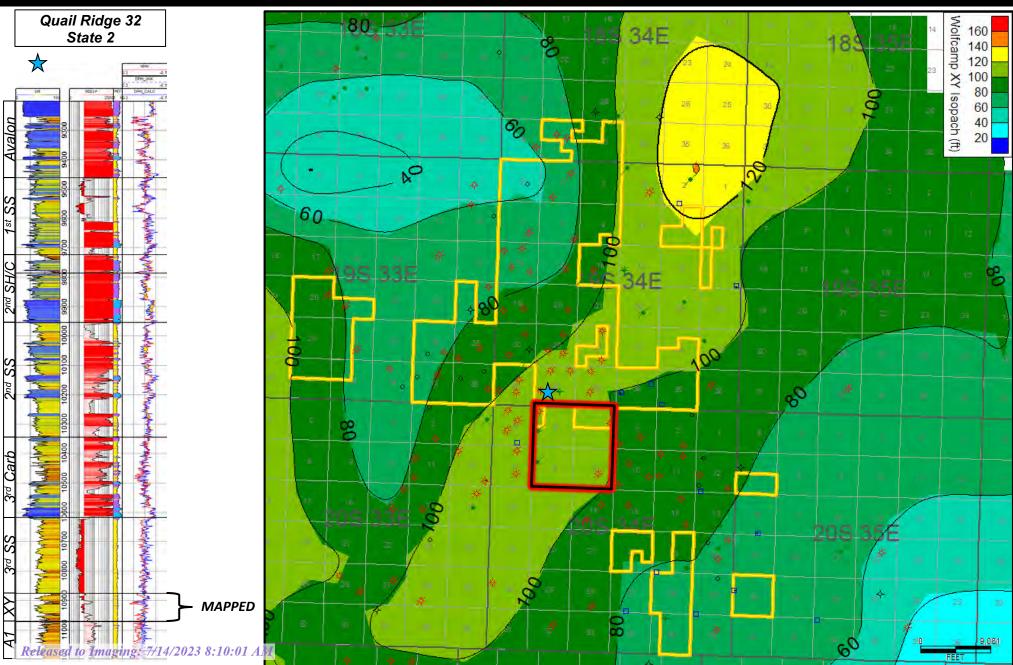
Wolfcamp XY



Wolfcamp XY Structure



Wolfcamp XY Isopach



Wolfcamp XY Cross Section 32 Page 199 of 275 34 FEDERAL 6 COM **QUAIL RIDGE 32 STATE** LEA CHAPPARRAL FEDERAL COM D <1.06MI> <1.00MI> D' 30025360030000 30025377030000 30025304130000 NPHI NPHI DPHI_CALC DPHI_CALC GR RDEEP DPHI_CALC Frac Baffle 2000 20001 20001 The Wall of the Wall of the Company 3rd Carb 10500 10500 3rd Bone Spring SS からなりとなるとうできます PR's additional Wolfcamp target lies ~95' below the 3rd Sand target. No significant frac baffle separates the two reservoirs. Wolfcamp A1 **EXHIBIT**

TAB 4

Case No. 23448-23451

Exhibit C:	Self-Affirmed Statement of Eddie Behm, Petroleum Engineer			
Exhibit C-1:	Mighty Pheasant Loosey Goosey Development Plan			
Exhibit C-2:	Capital Plan Comparison Cimarex vs. Permian			
Exhibit C-3:	Map of 3 rd Bone Spring Sand Producers			
Exhibit C-4:	3 rd Sand Well Count by Landing and Operators			
Exhibit C-5:	Black and Tan 3 rd Sand Composite Forecast 6 wells			
	(Before WC completion)			
Exhibit C-6:	Black and Tan 3 rd Sand Composite Forecast 6 Wells Post			
	Wolfcamp Frac			
Exhibit C-7:	Black and Tan Wolfcamp Composite Forecast 5 wells			
Exhibit C-8:	Lessons Learned from the Black and Tan Development			
Exhibit C-9:	Diagram of Staggered Landing Wolfcamp 3 rd SS Vs. 3 rd SS Flat			
Exhibit C-10:	Black and Tan Analog comparison to MP/LG			
Exhibit C-11:	Landing Zone Matters; Five Years Ago, Cimarex's Perry Test			
	Confirmed 3 rd SS Landing as Best Target			
Exhibit C-12:	Dataset Identifying all Wells in Area of Interest			

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

APPLICATIONS OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23448 – 23451 (Mighty Pheasant; Bone Spring; Secs. 5 & 8)

APPLICATIONS OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23594 – 23597 (Mighty Pheasant; Wolfcamp; Secs. 5 & 8)

APPLICATIONS OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

> Case Nos. 23452 – 23455 (Loosey Goosey; Bone Spring; Secs. 4 & 9)

APPLICATIONS OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23598 – 23601 (Loosey Goosey; Wolfcamp; Secs. 4 & 9)

SELF-AFFIRMED STATEMENT OF EDDIE BEHM

- I, being duly sworn on oath, state the following:
- 1. I am over the age of 18 and have the capacity to provide this Statement; I am a Reservoir Engineer for Cimarex Energy Co. ("Cimarex") and have personal knowledge of the matters stated herein.
- 2. I attended the University of Tulsa and graduated with a bachelor's in petroleum engineering in 2011. I have worked for Occidental, California Resources prior to working for Cimarex Energy



Co. ("Cimarex") and have been employed as a Production and Reservoir engineer for Cimarex for the last 6 years, working in the Delaware Basin with a primary focus on Lea County, New Mexico. I am familiar with the subject applications filed in the above-referenced Cases and the engineering involved.

- 3. I have previously testified before the Oil Conservation Division ("Division") as an expert reservoir engineer, and my credentials have been accepted of record by the Division.
- 4. This testimony is submitted in connection with the filing by Cimarex in the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
- 5. I am also thoroughly familiar with the competing applications filed by Read & Stevens, Inc. who designated Permian Resources Operating, LLC as the Operator (Read & Stevens and Permian Resources collectively referred to herein as "Permian" or "Permian Resources") in Case Nos. 23508 through 23523. This Statement provides a description and overview of Cimarex's development plan in comparison to Permian's development plans.
- 6. Exhibit C-1, Slide 2: Mighty Pheasant Loosey Goosey Development Plan. Cimarex's development plan includes the Mighty Pheasant Wells in Sections 5 and 8, Township 20 South, Range 34 East; and the Loosey Goosey Wells in Sections 4 and 9, Township 20 South, Range 34 East, all in Lea County, and Cimarex plans to develop the entire 2880 acres of the proposed units with only 33.9 acres of disturbance to the surface, thus substantially minimizing environmental impact (resulting in only a minimal 1.17% disturbance). Once the four drill pads and bulk gathering lines are installed, Cimarex will be able to rotate back to these existing drill pads for all activities and operations, thus requiring no further disturbance to the lands; by minimizing dirt work in this way, Cimarex will reduce potential air pollution and preserve native vegetation and natural habitat. Furthermore, Cimarex will develop this area with best-in-class gas

capture technology and operations and has already initiated this approach by securing proposals for oil, water, and gas takeaway and submitting load requests to power surface equipment to develop the acreage. As a company we permit zero (0) routine flaring and build tankless facilities that offer superior capture rates of low-pressure gas (>=90% low pressure capture) for new developments which will be utilized in our proposed development plan.

- 7. Exhibit C-2, Slide 3: Capital Plan Comparison of Mighty Pheasant vs. Joker (1280-acre Capital comparison is shown for Sections 5 & 8) to Highlight:
 - a) The \$92.7MM in Capital waste that results from the extra wells proposed by Permian Resources; public data show that Permian's extra wells will be non-additive to EUR and PV10
 - b) The \$31.6 MM in extra well cost driven by the wasteful execution of Permian Resources' plan.
 - c) Permian's unnecessary expenditure of \$11 MM on one additional 2nd Sand well in comparison to Cimarex's plan which avoids such waste.
 - d) At the time of its proposal, Permian Resources will spend \$270MM more than Cimarex to develop all 4 sections, thus in comparison, Permian would create financial waste that excessively burdens, undermines, and harms the correlative rights of working interest owners.
- 8. Exhibit C-3, slide 6: 3rd Bone Spring Sand is the Established Single Bench Target at 4 Wells Per Section (WPS) Within the Area of Interest (AOI). The map of 3rd Bone Spring Sand Producers shows significant single bench development of the 3rd Sand at 4 wells per section spacing. The Map of Wolfcamp producers shows that the Wolfcamp is not primarily targeted with 3rd Sand development. Furthermore, where Wolfcamp is developed, it is

predominantly drilled and developed without the 3rd Sand because the reservoir is adequately captured with a single landing within the flow unit. There is only one development plan within the entire AOI similar to the plan Permian has proposed for the 3rd Sand. This plan, similar to Permian's plan, is located just 2 miles south of the subject lands, and it was based on similar well drainage assumptions that utilized outdated completion height assumptions. The Black and Tan Development Plan is the best analog and example that demonstrates the likely outcome of Permian Resources' proposal when both the 3rd Sand and Wolfcamp are developed as if they were separate and equal targets. A summary of the production results at **Exhibit C-10 (Slide 14)** herein speaks for itself, demonstrating what happened with the Black and Tan Development Plan, and therefore showing the substantial underproduction and waste that would likely result from Permian's approach, which is based on the same underlying assumptions. Cimarex's plan would avoid such an outcome.

- 9. **Exhibit C-4, Slide 7: Well Count by Landing and Operators Shows 3rd Sand is the Consensus Landing**. Ninety-seven percent of wells drilled in this area, that is, 236 out of 244 wells, are executed as single bench, non-staggered developments. This means it is not just Cimarex's idiosyncratic opinion that the best development plan for the Subject Lands requires a single landing target, but this is a consensus shared by all companies active within the area and directly supported by the data. Furthermore, 222 wells out of 244 total wells within the AOI land in the 3rd Sand supporting Cimarex's assessment of 3rd Sand as the optimum landing. Cimarex has executed 36 wells within the AOI, 15% of all wells, and has development experience specific to this area and its landing requirements.
- 10. Exhibit C-5, Slide 9: Black and Tan 3rd Sand Composite Forecast 6 wells (Before WC completion) This Forecast shows the aggregate well performance of 6 wells prior to

underlying Wolfcamp development. Significant reserves (that of 2.5MM barrels of oil) and rates (that being 3356 BOPD IP30) were accessed by these 1-mile wells supporting 3rd Sand as a proven landing for optimal production.

- Wolfcamp Frac. This Forecast shows the aggregate well performance of 3rd Bone Spring Sand wells after underlying Wolfcamp development. Unfavorable results included elevated water cut, rapid GOR Incline, and steep oil decline which are signatures of interference between the five Wolfcamp wells drilled below these six 3rd Sand wells. After the Wolfcamp wells were drilled and produced, overall reserves appear to have fallen to 1.63 MM barrels of oil with steep decline profile. This highlights the degradation a 2nd landing causes within the AOI.
- 12. **Exhibit C-7, Slide 11: Black and Tan Wolfcamp Composite Forecast 5 wells.** This plot shows the aggregate performance and forecast to the five Wolfcamp wells completed below the six 3rd Sand wells shown on exhibits C-4 and C-5. Data clearly shows that vertical interference occurs in staggered developments, causing these 5 wells to add only 885MBO oil reserves and 500 BOPD IP in the aggregate. Elevated water cut and rapid GOR incline are evidence of interference with 3rd sand wells above.
- Exhibit C-8, Slide 12: Lessons Learned from the Black and Tan Development. Exhibit C-8 table 1.0 shows some simple forecast metrics highlighting the fact that only a negligible rate and a negligible amount of EUR were detectible from drilling the five extra, not to mention expensive, Wolfcamp wells. It is noteworthy and significant how little benefit the five wells added and how much they negatively impacted 3rd sand production. The aggregate rate change is so small it is essentially zero (0) which does not support or justify as effective capital stewardship the drilling of the 8 additional \$11MM dollar wells proposed by Permian Resources.

Table 1.1 shows the pore space distribution, 3rd Sand has 268% more PHIH than the upper Wolfcamp and is clearly the predominant contributing reservoir. The hypothesis that landing in 3rd Sand with 268% more porosity and height combined with better flow properties is the best way to access all the bbls becomes unarguable with production data from Black And Tan where the addition of Wolfcamp landings added no reserves and only negatively impacted the 3rd Sand raising aggregate section OpEx. The lesson learned from this data is that drilling into the Upper Wolfcamp itself is financially wasteful and jeopardizes optimal 3rd Sand production. A setback from 3rd sand is in the best interest of efficient low risk recovery of the area reserves.

SS Flat. This exhibit C-9, Slide 13: Diagram of Staggered Landing Wolfcamp 3rd SS Vs. 3rd SS Flat. This exhibit shows what Cimarex believes happened in the Black and Tan analog example which reflects the nature of Permian Resources' proposal and therefore Permian's likely outcome. The Majority of Stimulated Rock Volume accessed by 3rd Sand well's landed flat must be very similar to the Stimulated rock volume accessed by staggered Wolfcamp and 3rd landings. If this were not true, the sum of Wolfcamp and 3rd sand production out of the Black and Tan development would be significantly higher once the 2nd bench was added instead of about the same. Where appropriate geologically, Cimarex executes as many as 9 landings within the same section in Lea County. Due to the location of barriers and target reservoir height executing two landings within the contested acreage in the 3rd Sand Wolfcamp target or the lower 2nd Sand 3rd Shale target serves only to double development CapEx. Cimarex has proprietary data from South Lea County developments in thicker pay that support the accuracy of how we have assessed the vertical interference and is confident additional landings serve only to dilute sweet spot landing production. Not everyone has access to the same data but there is a wealth of public data available from the

Hydraulic Fracture Test Site 2 DOE and industry partnership that would lead to the same conclusion.

- Pheasant and Loosey Goosey have a similar pore space distribution as the Black and Tan Development with slightly higher porosity. The extra porosity is more likely to correlate to better permeability and allow a single landing to capture proven 3rd sand reserves even more efficiently. Sensitivities run vs. reserves (table 1.3) and P50 expectations (table 1.4) show the PV 10 degradation and how much uplift would be needed to break even on the additional wells proposed by Permian. Given Black and Tan's added negligible bbls and rate, close to 0%, in similar rock two miles away, the public data simply does not support the 30% to 40% EUR and rate improvement needed to even break even on the extra incremental CapEx proposed by Permian resources well count. Furthermore, due to optimum well count Cimarex's plan is self-funding with payout in < 1 year. This is important for follow up benches that Cimarex will be able to rapidly develop out of lease cashflow, whereas Permian resources would require debt to fund an annual drilling program and would be significantly more exposed to commodity pricing jeopardizing timely development of subsequent benches.
- Perry Test Confirmed 3rd SS Landing as Best Target. Cimarex confirmed 3rd sand as best landing zone 5 years ago in 2018 with the Perry 4H 1 mile South of the contested acreage block. Over the life of the well, we see the old conventional 3rd Sand landing outperform other landings. Fracs evolved over time to modern slick water completions. Today most companies pump between 2000#/ft and 3000#/ft and 38 bbl/ft up to 60 bbl/ft with 6 to 14 clusters per stage depending on the target. It is highly unusual for a legacy frac, that is, one more conventional (i.e., <2016 with low

cluster count, long stages, and unfocused frac energy), to better access reservoir than a modern frac (>2016 vintage with high cluster count, short stages, very focused frac energy). The best explanation for 478#/ft 3rd Sand frac outperforming 5 to 6 times the frac energy pumped in the Wolfcamp test well is that the vast majority of oil reserves and best rock fabric flow properties are located within the 3rd Sand, and not in the Upper Wolfcamp. Thus, drilling into the Upper Wolfcamp is a waste of resources.

- 17. The dataset that identifies all the wells in the Area of Interest that I used in my analysis and that played a role in my conclusions is attached hereto as **Exhibit C-12**.
- 18. The Exhibits to this Self-Affirmed Statement were prepared by me or compiled from Cimarex's company business records under my supervision.
- 19. As explained by the foregoing, the granting of Cimarex's Applications are in the best interests of conservation, the prevention of waste, and the protection of correlative rights.
 - 20. The foregoing is correct and complete to the best of my knowledge and belief.

 [Signature page follows]

Signature page of Self-Affirmed Statement of Eddie Behm:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case Nos. 23448-23455 and 23594 – 23601 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.

Eddie Behm

Date Signed

7/11/2023

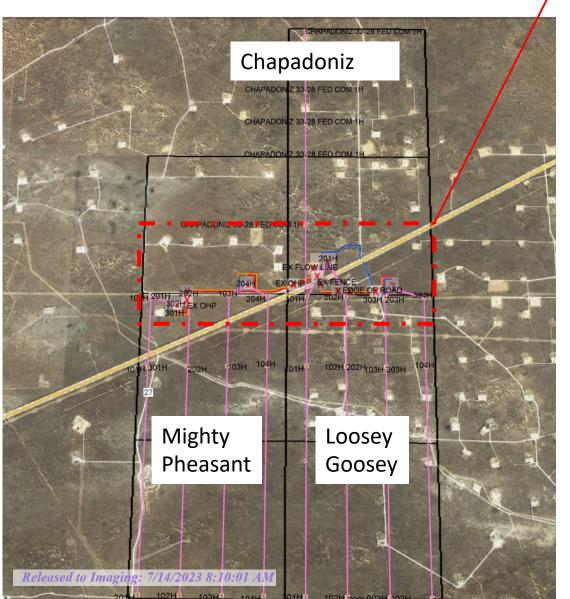
Development Strategy





Mighty Pheasant Loosey Goosey Development Plan

1 mile





Single Battery develops – 27 to 34 planned wells

- Oil water gas power ROW connects 4 drilling pads with on pad separation to Battery
- Single battery eliminates 2 additional batteries worth of disturbance and high-risk emissions devices.
- Cimarex permits 0 routine flaring, and our design has >=90% low pressure vapor capture
- Roads (2.33) acres, pads (25.25 acres) and battery (6.31 acres) create ~33.9 acres of disturbance allowing for full development of ~2880 acres, 1.17% disturbance.
- Pipelines are onetime construction; follow-up wells will use existing gathering off pad which is installed the first time a well is drilled off a drill pad. All future wells create no new disturbance off drill pads minimizing environmental impact

Cupital Plan Comparison Mighty Pheasant vs. Joker

Mighty Pheasant						
Res	Well	AFE CapEx	June Current Cost	AFE Bench Total		
1st	101H	\$8,570,695	\$9,651,993			
1st	102h	\$9,450,693	\$9,651,993	ćac 000 774		
1st	103H	\$9,450,693	\$9,651,993	\$36,922,774		
1st	104H	\$9,450,693	\$9,651,993			
upper 2 nd *	NA	\$8,570,695	\$9,651,993			
upper 2 nd *	NA	\$8,570,695	\$9,651,993	\$25,712,085		
upper 2 nd *	NA	\$8,570,695	\$9,651,993			
2nd	201H	\$8,570,695	\$9,651,993			
2nd	202H	\$8,570,695	\$9,651,993	¢24 202 700		
2nd	203H	\$8,570,695	\$9,651,993	\$34,282,780		
2nd	204H	\$8,570,695	\$9,651,993			
3rd	301H	\$9,428,854	\$10,621,993			
3rd	302H	\$9,428,854	\$10,621,993	\$37,675,408		
3rd	303H	\$9,408,850	\$10,621,993			
3rd	304H	\$9,408,850	\$10,621,993			
Total Gross CapEx		\$134.593.047	\$148.659.895	\$134.593.047		

*Note: we have planned for upper 2nd, acquiring data on 3rd sand wells to confirm adequate flow, saturation, and in place in this ~60-foot target and will execute if viable.

Permian Resources - Joker						
Res	Well	AFE CapEx	June Current Cost	AFE Bench Total		
1st	111	\$10,724,193				
1st	112	\$10,724,193		¢42 006 772		
1st	113	\$10,724,193		\$42,896,772		
1st	114	\$10,724,193				
uppr 2nd	122	\$11,020,308				
uppr 2nd	124	\$11,020,308		\$44,081,232		
uppr 2nd	126	\$11,020,308		344,001,232		
uppr 2nd	128	\$11,020,308				
2nd	121	\$11,020,308				
2nd	123	\$11,020,308		¢44.001.222		
2nd	125	\$11,020,308		\$44,081,232		
2nd	127	\$11,020,308				
3rd bs	131H	\$11,535,757				
3rd bs	132H	\$11,535,757		\$46,143,028		
3rd bs	133H	\$11,535,757		340,143,026		
3rd bs	134H	\$11,535,757				
3rd bs	171H	\$11,308,013				
3rd bs	172H	\$11,308,013				
3rd bs	173H	\$11,308,013				
3rd bs	174H	\$11,308,013		¢02.742.500		
WC	201H	\$11,877,862		\$92,743,500		
WC	202H	\$11,877,862				
WC	203H	\$11,877,862				
WC	204H	\$11,877,862				
Total Gro	ss CapEx	\$269,945,764	?	\$269,945,764		

Permian plan is \$135MM more / 1280 acres with proposal Capex, ~100% more CapEx, bad for WI owners:

- \$ 92.7 MM, shown in red, Cimarex models as uneconomic non additive wells with reserves best captured by single landing.
- \$ 31.6 MM, where well counts are ~= Permian costs are \$ 2.1 MM to \$2.4MM higher/well at time of proposal
- \$ 11 MM, one additional 2nd sand well vs. Cimarex Proven spacing.
- Repetition Resources Contracts, practices, and development plan is >= \$121MM of waste driven by Frac cost and Well Count

	State	County	Well Name & Number	Permit Status	Permit Submission Due Date	Permit Submitted Date	10-Day Letter Date	10-Day Letter Due
	NM	Lea	Mighty Pheasant 5-8 Fed Com 101H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 102H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 103H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 104H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 201H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 202H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 203H	To be permitted				
	NM	Lea	Mighty Pheasant 5-8 Fed Com 204H	AFMSS-Accepted	2/14/2022	2/14/2022	6/2/2023	7/17/2023
	NM	Lea	Mighty Pheasant 5-8 Fed Com 301H	AFMSS-Accepted	3/1/2022	3/1/2022		
┨┃	NM	Lea	Mighty Pheasant 5-8 Fed Com 302H	AFMSS-Accepted	3/2/2022	3/2/2022		
	NM	Lea	Mighty Pheasant 5-8 Fed Com 303H	AFMSS-Accepted	2/14/2022	2/14/2022	6/2/2023	7/17/2023
	NM	Lea	Mighty Pheasant 5-8 Fed Com 304H	AFMSS-Accepted	3/1/2022	3/1/2022	6/2/2023	7/17/2023
	NM	Lea	Loosey Goosey 4-9 Fed Com 101H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 102H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 103H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 104H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 201H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 202H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 203H	To be permitted				
	NM	Lea	Loosey Goosey 4-9 Fed Com 204H	AFMSS-Accepted	3/15/2022	3/15/2022		
	NM	Lea	Loosey Goosey 4-9 Fed Com 301H	AFMSS-Accepted	3/9/2022	3/9/2022		
┨┃	NM	Lea	Loosey Goosey 4-9 Fed Com 302H	AFMSS-Accepted	3/9/2022	3/9/2022		
	NM	Lea	Loosey Goosey 4-9 Fed Com 303H	AFMSS-Accepted	3/15/2022	3/15/2022		
	NM	Lea	Loosey Goosey 4-9 Fed Com 304H	AFMSS-Accepted	3/15/2022	3/15/2022		

Submitted permits for 3rd Sand development & 1st Sand/2nd Sand test BLM is currently working on these

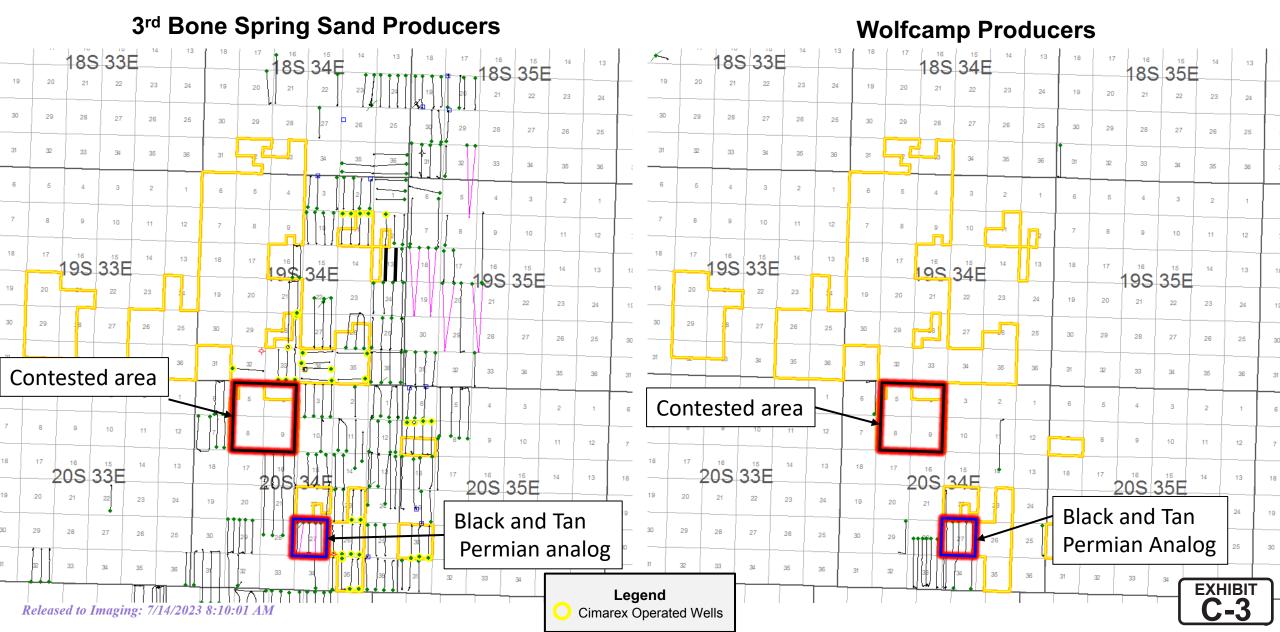
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3rd Bone Spring Sand



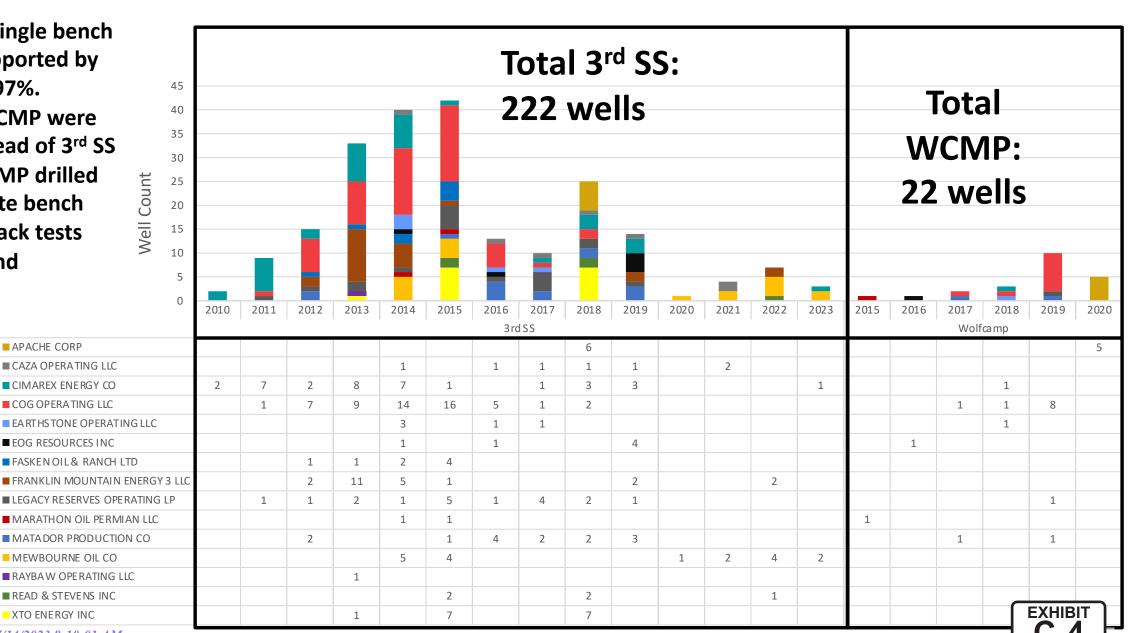
🔛 3rd Bone Spring Sand is the Established Single Bench Target at 4 WPS within AOP

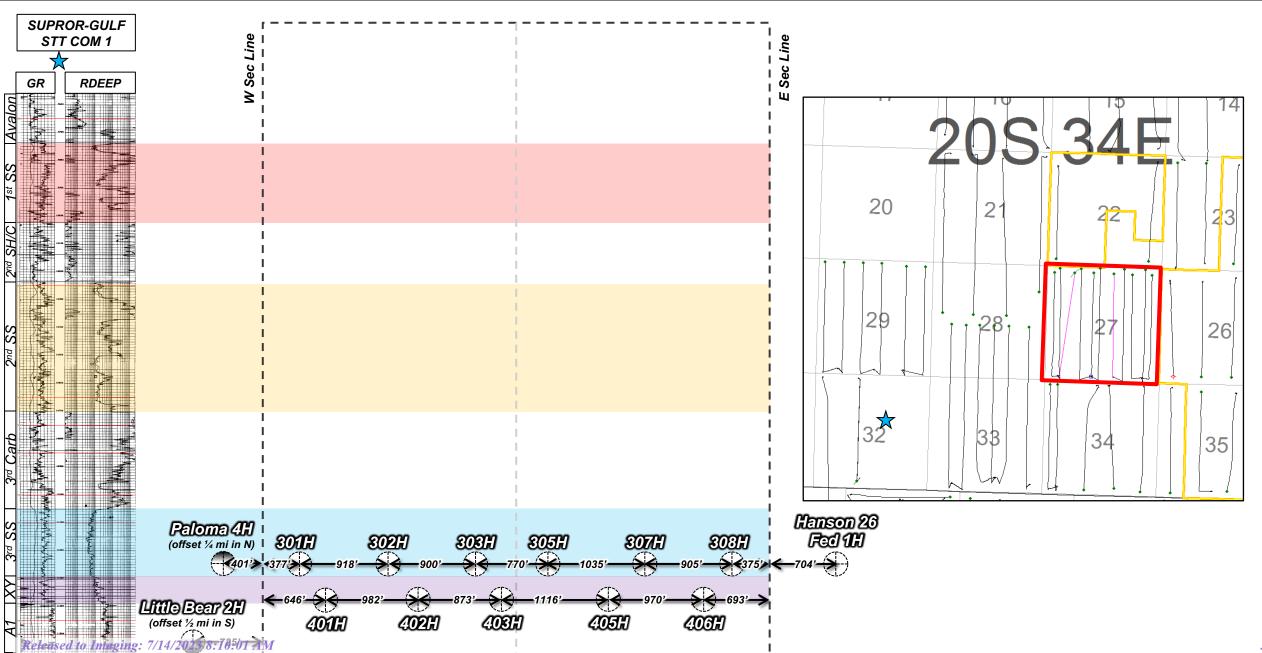
42,650 acres developed with more than 1 well, all but one development, 98.5% of sections similar to Cimarex proposal



Well Count by Landing and Operators Shows 3rd Sand is the Consensus Landing

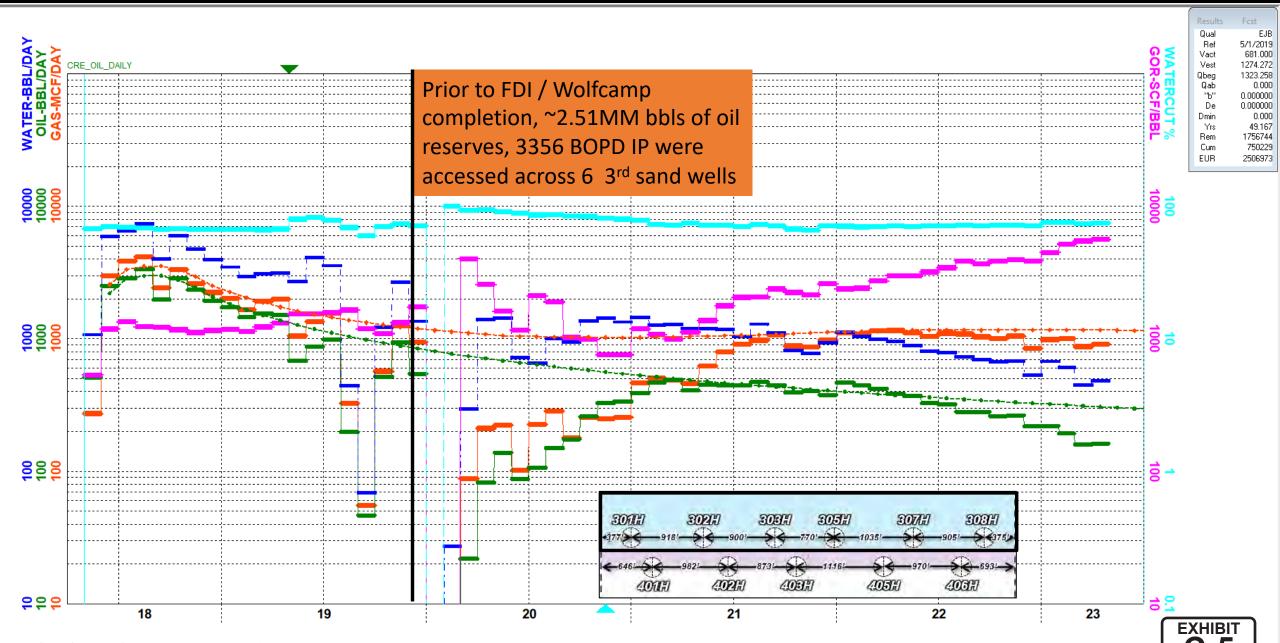
- 3rd Sand / single bench landing supported by 236 wells, 97%.
- 13 of 22 WCMP were drilled instead of 3rd SS
- 5 of 22 WCMP drilled as a separate bench
- 3 WCMP stack tests with 3rd Sand





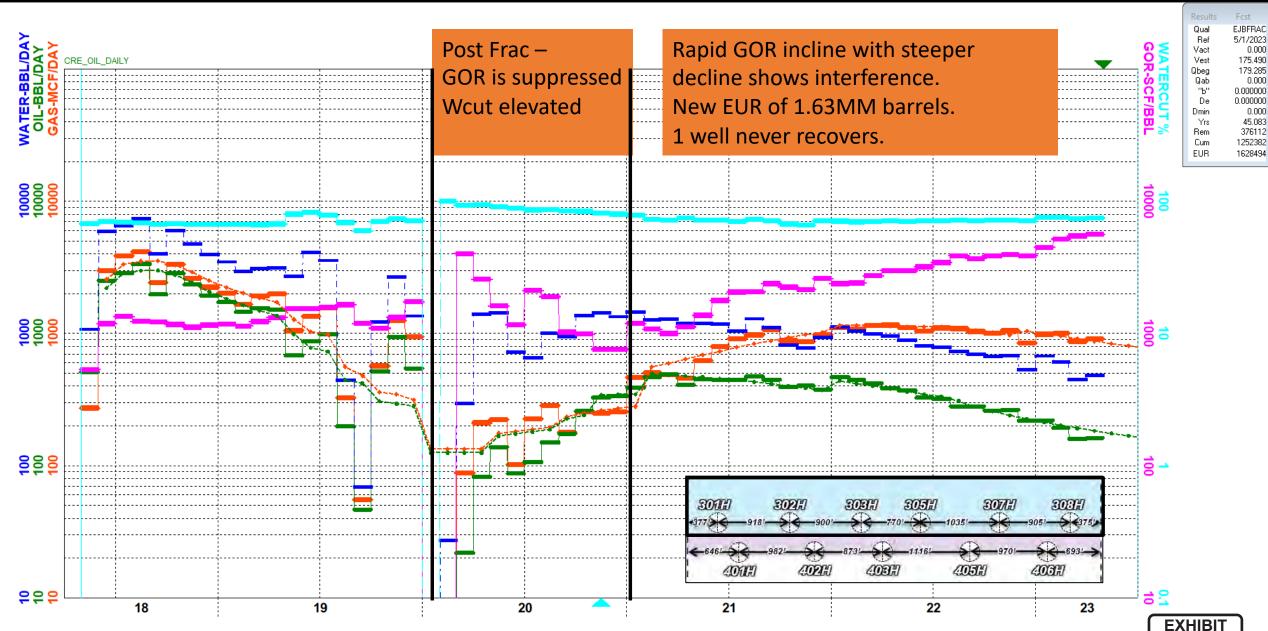


Black and Tan 3rd Sand Composite Forecast 6 Wells (Before WC completion) (Before WC completion)



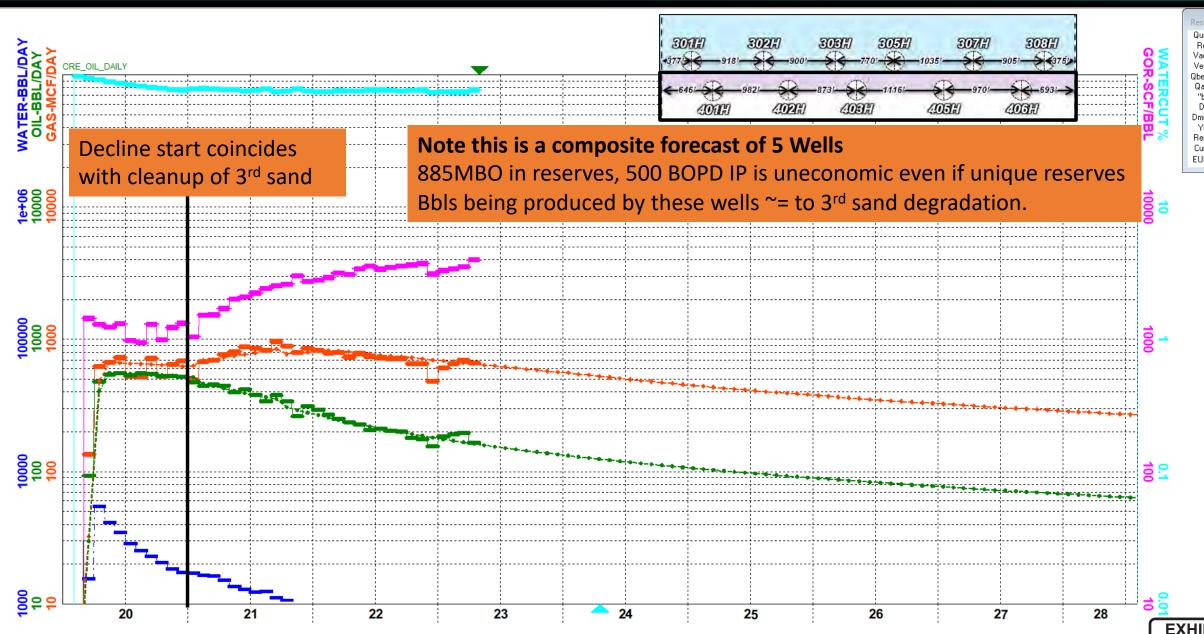


Black and Tan 3rd Sand Composite Forecast 6 Wells Post Wolfcamp Frac



5/1/2023 0.000 158.504

Black and Tan Wolfcamp Composite Forecast 5 Wells





Lessons Learned from the Black and Tan Development

PROJECT = Black & Tan 27 - ♦ 30025461240000 BLACK & TAN 27 FEDERAL COM #405H BLACK & TAN 27 FEDERAL COM WOLFCAMP A APACHE CORP LEA 4583 09/01/2019 02/26/2020 0EF33AE781 - ♦ 30025460720000 BLACK & TAN 27 FEDERAL COM #401H BLACK & TAN 27 FEDERAL COM WOLFCAMP A APACHE CORP LEA 4666 10/19/2019 01/22/2020 AFD8F0925C - ♦ 30025460730000 BLACK & TAN 27 FEDERAL COM #402H BLACK & TAN 27 FEDERAL COM WOLFCAMP SANDS XY SAND APACHE CORP LEA 4561 08/17/2019 02/26/2020 84C53386* - ♦ 30025461230000 BLACK & TAN 27 FEDERAL COM #403H BLACK & TAN 27 FEDERAL COM WOLFCAMP SANDS XY SAND APACHE CORP LEA 4629 09/08/2019 02/26/2020 607292AC- - ♦ 30025460750000 BLACK & TAN 27 FEDERAL COM #406H BLACK & TAN 27 FEDERAL COM WOLFCAMP SANDS XY SAND APACHE CORP LEA 4694 09/29/2019 02/26/2020 F44F2545*	Completed 2nd
■ 30025440180000 BLACK & TAN 27 FEDERAL COM #302H BLACK & TAN 27 FEDERAL COM 3RD BONE SPRING SAND APACHE CORP LEA 4416 12/11/2017 06/01/2018 163AC020E2 ■ 30025440170000 BLACK & TAN 27 FEDERAL COM #301H BLACK & TAN 27 FEDERAL COM 3RD BONE SPRING SAND APACHE CORP LEA 4526 11/15/2017 06/01/2018 40288A1B23 ■ 30025439210100 BLACK & TAN 27 FEDERAL COM #303H BLACK & TAN 27 FEDERAL COM 3RD BONE SPRING SAND APACHE CORP LEA 4360 10/24/2017 05/18/2018 748D250B4E ■ 30025439400000 BLACK & TAN 27 FEDERAL COM #305H BLACK & TAN 27 FEDERAL COM 3RD BONE SPRING SAND APACHE CORP LEA 4524 03/17/2018 05/23/2018 A635466807 ■ 30025440440000 BLACK & TAN 27 FEDERAL COM #307H BLACK & TAN 27 FEDERAL COM 3RD BONE SPRING SAND APACHE CORP LEA 4303 01/07/2018 05/16/2018 CF72E02929 ■ 30025440450000 BLACK AND TAN 27 FEDERAL COM #308H BLACK AND TAN 27 FEDERAL COM 3RD BONE SPRING SAND APACHE CORP LEA 4340 01/30/2018 05/05/2018 A7CD7;	Completed 1st

WC vs. 3rd sand comparison shows stagger is capital waste

- 3rd sand IP is > 6 X Wolfcamp
- Wolfcamp oil rate ~= to 3rd sand rate decrease
- Wolfcamp reserves ~= to 3rd sand EUR decrease
- 5 Wolfcamp wells added ~ 0 additional bbls

Table 1.0 Comparison	3rd Sand				(Wolfcamp - 3rd Sand
Table 1.0 Comparison	3rd Bone	3rd Bone Post	3rd Sand Delta	Wolfcamp	Delta) = value added
of 3rd sand to Wolfcamp	Spring	frac	3rd Sand Deita		from 5 wells
IP30 BOPD	3,356	NA	NA	555	NA
Pre vs. Post frac oil rate					
BOPD	950	500	-450	+555	105
EUR MMBO	2.51	1.63	-0.88	+0.89	0.01

3rd sand is the landing for this single bench target

- 268% Phi H vs. Wolfcamp
- 3rd sand delta compounded by being cleaner with better flow property's than the Wolfcamp

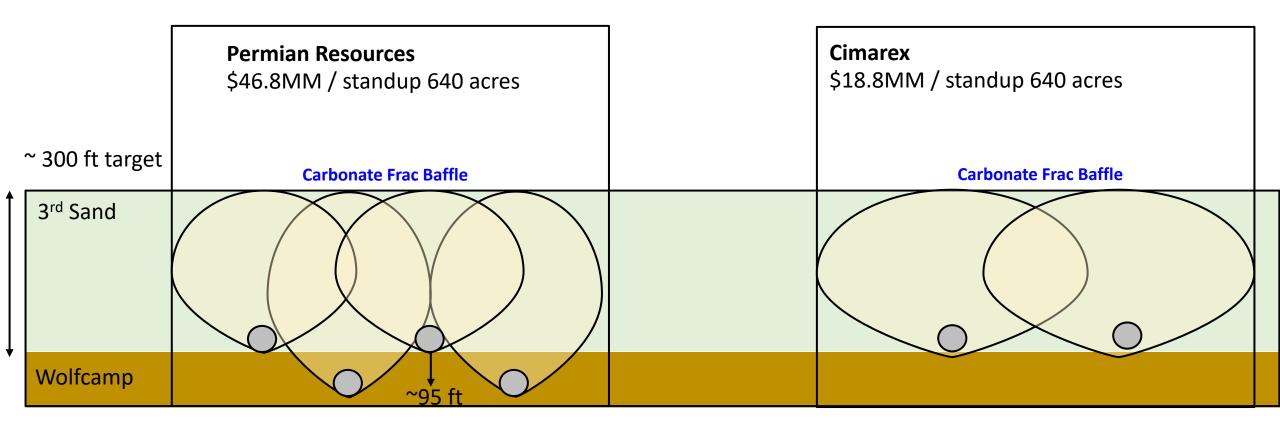
Table 1.1 Analog Comparison	3rd Sand	Wolfcamp	3 rd SS % of total	3rd / Wolfcamp Comparison %
PHIH	26.75	10	72.8	268

C-8

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Diagram of Staggered Landing Wolfcamp + 3rd SS vs. 3rd SS Flat



- Cimarex has experience developing as many as 8 landings within a DSU successfully in Lea county with 9th drilling now, 35 to 38 wells / section. The difference is the combination of geology (barriers, reservoir height, and flow units) don't support the proposed staggers at Mighty Pheasant Loosey Goosey as demonstrated by area developments like Black and Tan.
- 3rd and Wolfcamp landed this close together are equivalent to 8 WPS flat in the 3rd Sand, double the AOI proven density.
- A wealth of data from the DOE and industry funded Hydraulic Fracture Test Site 2 supports an upper Wolfcamp buffer zone in this specific location to protect proven 3rd Sand correlative rights and prevent capital waste.

Black and Tan Analog Comparison To MP/LG

Table 1.2	Black and Tan			Mighty	y Pheasant Loosey Goo	osey
Analog Comparison	3rd Sand	Wolfcamp	3 rd SS % of total	3rd Sand	Wolfcamp	3 rd SS % of total
PHIH	22	7	76	27	10	73

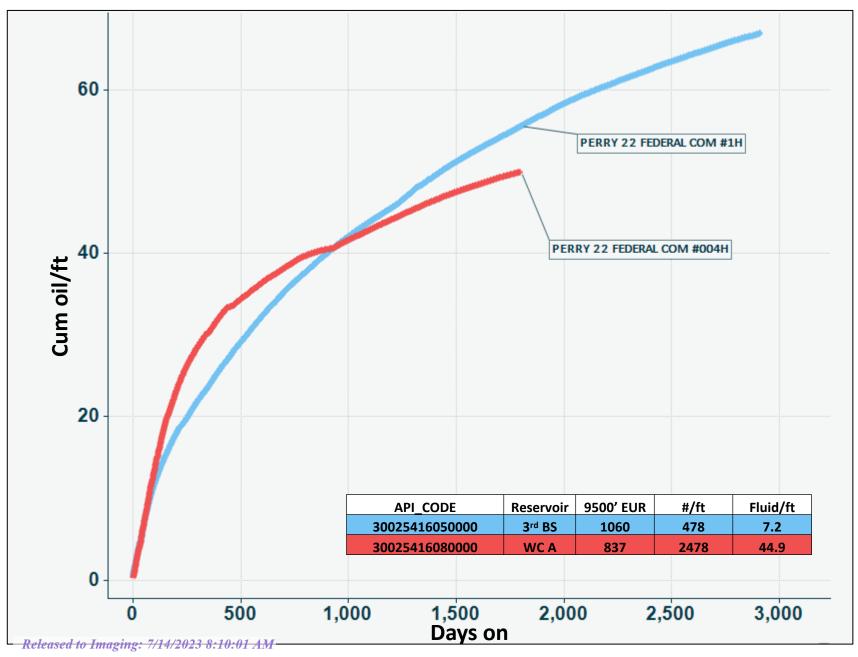
- Contested acreage is expected to outperform Black and Tan 2.5MMbo / 640-acre Technical EUR by ~20%
- Over performance driven by improved PHIH of 3^{rd} sand. 27/22 = 122%.
- Sensitivities highlight impact of capital waste given 0% uplift on Black and Tan Wolfcamp 3rd SS analog
 - Table 1.3 Wolfcamp must add ~40% reserves to break even vs Cimarex Development at P90 reserves case
 - Table 1.4 Wolfcamp must add ~31% reserves to break even vs. Cimarex Development at SM business case
 - Neither Table 1.3 or 1.4 increase in performance is reasonable to expect given public data

Table 1.3 Reserves Economic Comparison 10MM Technical EUR DSU						
\$65 flat analy	ysis at Cim	arex WI & NRI	F	Permian	(Cimarex
Reserves	IP	Economic EUR MBO PV10 Payout months PV10 Payou		Payout months		
100%	14,738	8,860	14.7	43	41.8	12
110% expected	16,212	9,820	21.4	33		
120% expected	17,685	10,780	28.2	26		
130% expected	19,159	11,740	34.9	23		
140% expected	20,633	12,700	41.5	21		

Table 1.4 Development Comparison 12MM Technical EUR DSU							
\$65 flat analy	\$65 flat analysis at Cimarex WI & NRI			Permian		Cimarex	
12 MM EUR	IP	Economic EUR MBO	PV10 \$MM	Payout months	onths PV10 Payout		
100%	18,897	11,026	34.8	23	61.9	10	
110% expected	20,787	12,987	43.6	20			
120% expected	22,676	14,233	52.3	18			
Reteased to Imaging:	7/24/5662	15,480	61	16			
140% expected	26,456	16,727	69.7	15			

- In order to create equivalent PV10, Wolfcamp landings must add ~40% more reserves vs reserves estimate (table 1.3) and 31% more reserves vs. P50 expectation (table 1.4). This outcome is unrealistic vs. observed results.
- Cimarex lower terminal fixed OpEx + less well degradation results in 9.1MM EUR vs. Permian 8.9MM EUR at 100% reserves expectation.
- The Cimarex plan self-funds annual drilling after first batch of wells supporting rapid development C-10
- Permian plan supports slower development speed





Note: 5 to 6 x the frac energy is not as important as the right landing zone.

- The Perry 1H 2014 vintage 3rd sand well outperforms modern 2018 Perry 4H Wolfcamp completion in the same section at better oil cut 1 mile south of contested development area.
- The best flow properties and majority of bbls are best accessed from the 3rd sand where they are located

Exhibit C12 API list						
UWI (APINum)	Well Label	Operator	Formation			
30025024240100	LEA UNIT 4H	LEGACY RESERVES OPERATING LP	3rd SS			
30025328180000	MALLON `34` FEDERAL 16	CIMAREX ENERGY CO	3rd SS			
30025393820100	MALLON 35 FEDERAL 4H	CIMAREX ENERGY CO	3rd SS			
30025395550000	TUSK FEDERAL 2H	COG OPERATING LLC	3rd SS			
30025397630100	MALLON 34 FEDERAL 18H	CIMAREX ENERGY CO	3rd SS			
30025398940100	MALLON 34 FEDERAL 19	CIMAREX ENERGY CO	3rd SS			
30025400350000	AIRCOBRA 12 STATE 002H	COG OPERATING LLC	3rd SS			
30025400400000	QUAIL RIDGE 32 STATE 3H	CIMAREX ENERGY CO	3rd SS			
30025400860000	MALLON 35 FEDERAL 7H	CIMAREX ENERGY CO	3rd SS			
30025401150000	LYNCH 23 FEDERAL 1H	CIMAREX ENERGY CO	3rd SS			
30025401230000	LYNCH 23 FEDERAL 2H	CIMAREX ENERGY CO	3rd SS			
30025401350000	MALLON 34 FEDERAL 20	CIMAREX ENERGY CO	3rd SS			
30025402530100	CHAPARRAL 33 FEDERAL 3H	CIMAREX ENERGY CO	3rd SS			
30025403270000	HANSON 26 FEDERAL 1H	CIMAREX ENERGY CO	3rd SS			
30025403280000	CHAPARRAL 33 FEDERAL COM 4	CIMAREX ENERGY CO	3rd SS			
30025403300000	EAGLE `2` STATE 006H	MATADOR PRODUCTION CO	3rd SS			
	QUAIL `16` STATE COM 003H	FASKEN OIL & RANCH LTD	3rd SS			
	KING COBRA 2 STATE 1H	COG OPERATING LLC	3rd SS			
	AIRSTRIP 6 STATE COM 2H	COG OPERATING LLC	3rd SS			
	WILD COBRA 1 STATE 2H	COG OPERATING LLC	3rd SS			
	PLAYA 2 STATE 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	WEST PEARL 36 STATE 002H	COG OPERATING LLC	3rd SS			
	TIGER `11` FEDERAL 1H	COG OPERATING LLC	3rd SS			
	QUAIL `16` STATE 004H	FASKEN OIL & RANCH LTD	3rd SS			
	PLAYA 2 STATE 002H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	IGLOO 19 STATE 2H	CAZA OPERATING LLC	3rd SS			
	IRONHOUSE 20 STATE 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	BUTTER CUP 35 STATE COM 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	HANSON 26 FEDERAL 3H	CIMAREX ENERGY CO	3rd SS			
	BUTTER CUP 36 STATE COM 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	BUTTER CUP 36 STATE COM 002H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	BUTTER CUP 35 STATE COM 002H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	IRONHOUSE 19 STATE COM 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	LAGUNA 23 FEDERAL COM 002H	EARTHSTONE OPERATING LLC	3rd SS			
30025406980100		LEGACY RESERVES OPERATING LP	3rd SS			
30025406990100		LEGACY RESERVES OPERATING LP	3rd SS			
	OUTLAW `22` FEDERAL COM 1H	COG OPERATING LLC	3rd SS			
	MONGOOSE FEE 001H LAGUNA 23 FEDERAL COM 1H	MATADOR PRODUCTION CO EARTHSTONE OPERATING LLC	3rd SS			
			3rd SS			
	IRONHOUSE 20 STATE COM 002H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
30025407500000	PRICKLY PEAR 6 FEDERAL 4H	COC OPERATING LLC	3rd SS			
		COG OPERATING LLC	3rd SS			
	HANSON 26 FEDERAL 4H	CIMAREX ENERGY CO	3rd SS			
	CONDOR STATE 001H	COG OPERATING LLC	3rd SS			
	HANSON 26 FEDERAL 2H	CIMAREX ENERGY CO	3rd SS			
	LYNCH 35 FEE 1H	CIMAREX ENERGY CO	3rd SS			
	MERIT 32 DM STATE COM 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS			
	QUAIL 11 STATE COM 1H	CIMAREX ENERGY CO	3rd SS			
	QUAIL 11 STATE COM 2H	CIMAREX ENERGY CO	3rd SS			
30025408750000	AIRCOBRA 12 STATE 1H	COG OPERATING LLC	3rd SS			

2222542224222	LASSIE C SU CELES COLA COLU	Issuer and the second s	To 100
	MERIT 6 EH STATE COM 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
	QUAIL `16` STATE 007H	FASKEN OIL & RANCH LTD	3rd SS
	STRATOJET 31 STATE COM 2H	COG OPERATING LLC	3rd SS
	TRES PRIMOS 3 STATE 1H	COG OPERATING LLC	3rd SS
	MARATHON ROAD 14 NC FEDERAL 1H	MEWBOURNE OIL CO	3rd SS
	CONDOR STATE 2H	COG OPERATING LLC	3rd SS
	IRONHOUSE 19 STATE COM 003H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
	KING COBRA 2 STATE 2H	COG OPERATING LLC	3rd SS
	IRONHOUSE 19 STATE COM 002H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
	GOOSE STATE 001H	COG OPERATING LLC	3rd SS
	WILD COBRA 1 STATE 1H	COG OPERATING LLC	3rd SS
	PERLA NEGRA FEDERAL COM 1H	XTO ENERGY INC	3rd SS
	QUAIL 11 STATE COM 3H	CIMAREX ENERGY CO	3rd SS
30025411480100	CAPROCK 27 STATE FEDERAL COM 1H	RAYBAW OPERATING LLC	3rd SS
30025411520000	AIRSTRIP FEE COM 1H	COG OPERATING LLC	3rd SS
30025411630000	IRONHOUSE 24 STATE COM 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
30025412010000	GOOSE STATE COM 2H	COG OPERATING LLC	3rd SS
30025412100100	QUAIL 11 STATE COM 4H	CIMAREX ENERGY CO	3rd SS
30025412150000	MARATHON ROAD 14 MD FEDERAL 1H	MEWBOURNE OIL CO	3rd SS
30025412450200	IRONHOUSE `19` STATE COM 004H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
30025413050100	HAMON A FEDERAL COM 3H	LEGACY RESERVES OPERATING LP	3rd SS
30025413580100	TUSK FEDERAL 4H	COG OPERATING LLC	3rd SS
30025413660000	QUAIL `16` STATE 8H	FASKEN OIL & RANCH LTD	3rd SS
30025413670100	LEA SOUTH 25 FEDERAL COM 5H	EARTHSTONE OPERATING LLC	3rd SS
30025415190100	NIGHTHAWK STATE COM 1H	MARATHON OIL PERMIAN LLC	3rd SS
30025415320000	SCHARB 10 PA STATE 1H	MEWBOURNE OIL CO	3rd SS
30025415440000	ALBATROSS STATE COM 2H	COG OPERATING LLC	3rd SS
30025415620000	TANGO BTP STATE COM 004H	EOG RESOURCES INC	3rd SS
30025415720100	PRICKLY PEAR 6 FEDERAL 2H	COG OPERATING LLC	3rd SS
30025415730000	TUSK FEDERAL 3H	COG OPERATING LLC	3rd SS
30025415740000	TUSK FEDERAL 5H	COG OPERATING LLC	3rd SS
30025415750000	MARATHON ROAD 15 PA FEDERAL 1H	MEWBOURNE OIL CO	3rd SS
30025415950000	IRONHOUSE 24 STATE COM 002H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
30025416050000	PERRY 22 FEDERAL COM 1H	CIMAREX ENERGY CO	3rd SS
30025416120100	ORIOLE STATE 1H	COG OPERATING LLC	3rd SS
30025416170000	HAMON A FEDERAL COM 4H	LEGACY RESERVES OPERATING LP	3rd SS
30025416290000	PRICKLY PEAR 6 FEDERAL 3H	COG OPERATING LLC	3rd SS
30025416300100	HAMON FEDERAL COM A 2H	LEGACY RESERVES OPERATING LP	3rd SS
	LYNCH 35 FED COM 3H	CIMAREX ENERGY CO	3rd SS
	IRONHOUSE 24 STATE COM 003H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
	IRONHOUSE 24 STATE COM 004H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
30025417140000	TOMCAT FEE 1H	COG OPERATING LLC	3rd SS
	CUATRO HIJOS FEE 4H	COG OPERATING LLC	3rd SS
30025417750000	SCHARB 10 B3OB STATE 1H	MEWBOURNE OIL CO	3rd SS
	MALLON 27 FEDERAL COM 003H	MATADOR PRODUCTION CO	3rd SS
	ALBATROSS STATE COM 1H	COG OPERATING LLC	3rd SS
	TIGER 11 FEDERAL 2H	COG OPERATING LLC	3rd SS
	CORDONIZ 28 FEDERAL COM 4H	CIMAREX ENERGY CO	3rd SS
	KINGFISHER STATE COM 1H	COG OPERATING LLC	3rd SS
	KINGFISHER STATE COM 2H	COG OPERATING LLC	3rd SS
30025418360000			
	TEAL 12 STATE 2H	CIMAREX ENERGY CO	3rd SS

20025440620000	DEDLA VEDDE 24 CTATE 00211	VTO ENERGY INC	2 d CC
	PERLA VERDE 31 STATE 003H	XTO ENERGY INC	3rd SS
	PERLA VERDE 31 STATE 4H	XTO ENERGY INC	3rd SS
	CHAPARRAL 33 FEDERAL COM 5H	CIMAREX ENERGY CO	3rd SS
	LEA SOUTH 25 FEDERAL COM 6H	EARTHSTONE OPERATING LLC	3rd SS
	MARATHON ROAD 15 B30B FEDERAL 1H	MEWBOURNE OIL CO	3rd SS
	PALOMA 21 FEDERAL COM 4H	FASKEN OIL & RANCH LTD	3rd SS
	SCHARB 10 B3NC STATE 1H	MEWBOURNE OIL CO	3rd SS
	SUPER COBRA STATE COM 1H	COG OPERATING LLC	3rd SS
	PALOMA 21 FEDERAL COM 1H	FASKEN OIL & RANCH LTD	3rd SS
	PALOMA 21 FEDERAL COM 2H	FASKEN OIL & RANCH LTD	3rd SS
	PALOMA 21 FEDERAL COM 3H	FASKEN OIL & RANCH LTD	3rd SS
	STRATOSPHERE 36 STATE COM 3H	COG OPERATING LLC	3rd SS
	STRATOSPHERE 36 STATE COM 4H	COG OPERATING LLC	3rd SS
30025420360000	STRATOSPHERE 36 STATE COM 5H	COG OPERATING LLC	3rd SS
30025420370000	STRATOSPHERE 36 STATE COM 6H	COG OPERATING LLC	3rd SS
30025420630000	PERLA VERDE 31 STATE 001H	XTO ENERGY INC	3rd SS
30025420800000	NORTH LEA `3` FEDERAL COM 001H	READ & STEVENS INC	3rd SS
30025421290000	TRES PRIMOS 3 STATE 2H	COG OPERATING LLC	3rd SS
30025421410000	PEARL WEST 36 STATE COM 6H	COG OPERATING LLC	3rd SS
30025421450000	WEST PEARL 36 STATE COM 003H	COG OPERATING LLC	3rd SS
30025421460000	PEARL WEST 36 STATE COM 4H	COG OPERATING LLC	3rd SS
30025421470000	WEST PEARL 36 STATE COM 005H	COG OPERATING LLC	3rd SS
30025421730000	RAPTOR WEST 3 STATE 004H	MARATHON OIL PERMIAN LLC	3rd SS
30025422010000	MARATHON ROAD 15 NC FEDERAL 1H	MEWBOURNE OIL CO	3rd SS
30025422120000	MALLON 27 FEDERAL COM 001H	MATADOR PRODUCTION CO	3rd SS
30025422270000	NORTH LEA 3 FEDERAL COM 002H	READ & STEVENS INC	3rd SS
30025422280000	NORTH LEA '3' FEDERAL COM 003H	READ & STEVENS INC	3rd SS
30025422680000	LEA 7 FEDERAL COM 1H	CIMAREX ENERGY CO	3rd SS
30025422760000	CUATRO HIJOS FEE 3H	COG OPERATING LLC	3rd SS
30025422920000	BLACK PEARL 1 FEDERAL COM 1H	COG OPERATING LLC	3rd SS
	BLACK PEARL 1 FEDERAL 002H	COG OPERATING LLC	3rd SS
	BLACK PEARL 1 FEDERAL 3H	COG OPERATING LLC	3rd SS
	BLACK PEARL 1 FEDERAL 4H	COG OPERATING LLC	3rd SS
	MALLON 27 FEDERAL COM 2H	MATADOR PRODUCTION CO	3rd SS
	BLUE JAY FEDERAL 001H	COG OPERATING LLC	3rd SS
30025423420000		LEGACY RESERVES OPERATING LP	3rd SS
30025423430000		LEGACY RESERVES OPERATING LP	3rd SS
30025423440000		LEGACY RESERVES OPERATING LP	3rd SS
	CIMARRON 16-19-34 RN STATE 134H	MATADOR PRODUCTION CO	3rd SS
	IGLOO `19` STATE 3H	CAZA OPERATING LLC	3rd SS
	BUTTER CUP 36 STATE COM 003H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
	IGGLES STATE COM 001H	COG OPERATING LLC	3rd SS
	STRATOJET 31 STATE COM 8H	COG OPERATING LLC	3rd SS
	KINGFISHER STATE COM 5H	COG OPERATING LLC	3rd SS
	PICKARD 20 18 34 RN STATE 124H	MATADOR PRODUCTION CO	3rd SS
	SCHARB 10 B3MD STATE 1H	MEWBOURNE OIL CO	3rd SS
	PERLA NEGRA FEDERAL COM 4H	CIMAREX ENERGY CO	3rd SS
		XTO ENERGY INC	3rd SS
	NORTH LEA '3' FEDERAL COM 004H	READ & STEVENS INC	3rd SS
	PERLA NEGRA FEDERAL COM 2H	XTO ENERGY INC	3rd SS
	PERLA NEGRA FEDERAL COM 3H	XTO ENERGY INC	3rd SS
30025428850000	LEA UNII 44H	LEGACY RESERVES OPERATING LP	3rd SS

20025420400000	LEA LINITEAL	LECACY DESERVES OPERATING LD	Jand CC
30025429490000	MAS FEDERAL 3H	COG OPERATING LLC	3rd SS
		LEGACY RESERVES OPERATING LP	3rd SS
30025429580000			3rd SS
	DESERT ROSE 17-8 FEDERAL COM 001	CAZA OPERATING LLC	3rd SS
	CIMARRON 16 19S 34E RN STATE COM	MATADOR PRODUCTION CO	3rd SS
	EAGLECLAW FEDERAL 001H	CAZA OPERATING LLC	3rd SS
	LEA SOUTH 25 FEDERAL COM 3BS 007	EARTHSTONE OPERATING LLC	3rd SS
30025430350000		LEGACY RESERVES OPERATING LP	3rd SS
	DELLA 29 FEDERAL COM 602H	EOG RESOURCES INC	3rd SS
30025430770000		LEGACY RESERVES OPERATING LP	3rd SS
30025432470100		LEGACY RESERVES OPERATING LP	3rd SS
	HAMON A FED COM 009H	LEGACY RESERVES OPERATING LP	3rd SS
	SEVERUS 31 FEDERAL COM 001H	XTO ENERGY INC	3rd SS
	SEVERUS 31 FEDERAL COM 002H	XTO ENERGY INC	3rd SS
	SEVERUS 31 FEDERAL COM 003H	XTO ENERGY INC	3rd SS
30025434180000	SEVERUS 31 FEDERAL COM 004H	XTO ENERGY INC	3rd SS
30025434680100	CHIEF 30 STATE 7H	CIMAREX ENERGY CO	3rd SS
30025435330000	BLUE JAY FEDERAL COM 002H	COG OPERATING LLC	3rd SS
30025436800000	NORTH LEA 10 FEDERAL 002H	READ & STEVENS INC	3rd SS
30025437410000	ESPEJO FEDERAL COM 001H	XTO ENERGY INC	3rd SS
30025437420000	ESPEJO FEDERAL COM 002H	XTO ENERGY INC	3rd SS
30025437770000	ESPEJO FEDERAL COM 003H	XTO ENERGY INC	3rd SS
30025437920000	STRATOJET 31 STATE COM 007H	COG OPERATING LLC	3rd SS
30025438160100	AIRSTRIP 31 18 35 RN STATE COM #132H	MATADOR PRODUCTION CO	3rd SS
30025439210100	BLACK & TAN 27 FEDERAL COM 303H	APACHE CORP	3rd SS
30025439400000	BLACK & TAN 27 FEDERAL COM 305H	APACHE CORP	3rd SS
30025440170000	BLACK & TAN 27 FEDERAL COM 301H	APACHE CORP	3rd SS
30025440180000	BLACK & TAN 27 FEDERAL COM 302H	APACHE CORP	3rd SS
30025440440000	BLACK & TAN 27 FEDERAL COM 307H	APACHE CORP	3rd SS
30025440450000	BLACK AND TAN 27 FEDERAL COM 308	APACHE CORP	3rd SS
30025440920000	MAS FEDERAL COM 001H	COG OPERATING LLC	3rd SS
30025442130000	CHIEF 30 STATE 8H	CIMAREX ENERGY CO	3rd SS
30025443230000	AIRSTRIP 31-18-35 RN STATE COM 1	MATADOR PRODUCTION CO	3rd SS
30025443410000	VERNA RAE FEDERAL COM 133H	MATADOR PRODUCTION CO	3rd SS
	VERNA RAE FEDERAL COM 134H	MATADOR PRODUCTION CO	3rd SS
	DELLA 29 FEDERAL COM 603H	EOG RESOURCES INC	3rd SS
	DELLA 29 FEDERAL 604H	EOG RESOURCES INC	3rd SS
	DELLA 29 FEDERAL 605H	EOG RESOURCES INC	3rd SS
	DELLA 29 FEDERAL 606H	EOG RESOURCES INC	3rd SS
	EAGLECLAW FEDERAL COM 002H	CAZA OPERATING LLC	3rd SS
	AIRSTRIP 31-18-35 RN STATE COM 1	MATADOR PRODUCTION CO	3rd SS
	CHIEF 30 STATE 9H	CIMAREX ENERGY CO	3rd SS
	MESCALERO RIDGE 21 FEDERAL 1H	CIMAREX ENERGY CO	3rd SS
30025451540000		LEGACY RESERVES OPERATING LP	3rd SS
	LEA 7 FEDERAL COM 29H	CIMAREX ENERGY CO	3rd SS
	LEA 7 FEDERAL COM 30H	CIMAREX ENERGY CO	3rd SS
30025452100000		LEGACY RESERVES OPERATING LP	3rd SS
	AIRSTRIP 31-18S-35E RN STATE COM	MATADOR PRODUCTION CO	3rd SS
	ANCHOR 19 35 33 STATE 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
	CABLE 19 35 9 STATE COM 001H	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
	HEREFORD 29-20 W10B FED COM 001H	MEWBOURNE OIL CO	3rd SS
		MEWBOURNE OIL CO	
30023468030000	SANTA VACA 19-18 B3MD STATE COM	INIEMBOUKINE OIL CO	3rd SS

		_	1
30025474570000	TALON 5-8 FEDERAL 001H	CAZA OPERATING LLC	3rd SS
30025474830000	HEREFORD 29-20 W1MD STATE COM 00	MEWBOURNE OIL CO	3rd SS
30025474840000	HEREFORD 29-20 W1NC STATE COM 00	MEWBOURNE OIL CO	3rd SS
30025474860000	TALON 5-8 FEDERAL 005H	CAZA OPERATING LLC	3rd SS
30025491550000	SANTA VACA 19 18 B3NC STATE COM	MEWBOURNE OIL CO	3rd SS
30025499040000	CHAROLAIS 28 21 W1MD STATE COM 0	MEWBOURNE OIL CO	3rd SS
30025499350000	HEREFORD 29 20 W1PA STATE COM 00	MEWBOURNE OIL CO	3rd SS
30025501680000	FOXTAIL E2 05 32 W1 STATE COM 00	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
30025501690000	FOXTAIL E2 05 32 W1 STATE COM 00	FRANKLIN MOUNTAIN ENERGY 3 LLC	3rd SS
30025502420000	SANTA VACA 19-18 B3OB FEE 001H	MEWBOURNE OIL CO	3rd SS
30025503260000	SANTA VACA 19-18 B3PA FEE 001H	MEWBOURNE OIL CO	3rd SS
30025507240000	MESCALERO RIDGE 21-28 FED COM 2H	CIMAREX ENERGY CO	3rd SS
30025416080000	PERRY 22 FEDERAL COM 4H	CIMAREX ENERGY CO	Wolfcamp
30025419500000	NIGHTHAWK STATE COM 003H	MARATHON OIL PERMIAN LLC	Wolfcamp
30025430530000	DELLA 29 FEDERAL COM 701H	EOG RESOURCES INC	Wolfcamp
30025431100000	LEA SOUTH 25 FEDERAL COM WCA 012	EARTHSTONE OPERATING LLC	Wolfcamp
30025433950000	AIRSTRIP 31 18 35 RN STATE COM 2	MATADOR PRODUCTION CO	Wolfcamp
30025434820000	MAS FEDERAL 4H	COG OPERATING LLC	Wolfcamp
30025442140100	MAS FEDERAL COM 002H	COG OPERATING LLC	Wolfcamp
30025444940000	VERNA RAE FEDERAL COM 204H	MATADOR PRODUCTION CO	Wolfcamp
30025450980100	LITTLE BEAR FEDERAL COM 001H	COG OPERATING LLC	Wolfcamp
30025450990000	LITTLE BEAR FEDERAL COM 003H	COG OPERATING LLC	Wolfcamp
30025451000000	LITTLE BEAR FEDERAL COM 004H	COG OPERATING LLC	Wolfcamp
30025451020000	LITTLE BEAR FEDERAL COM 006H	COG OPERATING LLC	Wolfcamp
30025451030000	LITTLE BEAR FEDERAL COM 007H	COG OPERATING LLC	Wolfcamp
30025451040000	LITTLE BEAR FEDERAL COM 008H	COG OPERATING LLC	Wolfcamp
30025451050000	LITTLE BEAR FEDERAL COM 009H	COG OPERATING LLC	Wolfcamp
30025451490000	LITTLE BEAR FEDERAL COM 002H	COG OPERATING LLC	Wolfcamp
30025452110100	LEA UNIT 100H	LEGACY RESERVES OPERATING LP	Wolfcamp
30025460720000	BLACK & TAN 27 FEDERAL COM 401H	APACHE CORP	Wolfcamp
30025460730000	BLACK & TAN 27 FEDERAL COM 402H	APACHE CORP	Wolfcamp
30025460750000	BLACK & TAN 27 FEDERAL COM 406H	APACHE CORP	Wolfcamp
30025461230000	BLACK & TAN 27 FEDERAL COM 403H	APACHE CORP	Wolfcamp
00020.0220000	TELLER & TAN 27 TELLINE CONT-0311	7 II THEFTE COTT	Woncamp

TAB 5

Case No. 23448-23451

Self-Affirmed Statement of Notice, Darin C. Savage Exhibit D:

Exhibit D-1: Notice Letter Exhibit D-2: Mailing List Exhibit D-3: Affidavits of Publication

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

APPLICATION OF CIMAREX ENERGY CO. FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 23448-23451

SELF-AFFIRMED STATEMENT OF NOTICE

STATE OF NEW MEXICO)	
)	SS
COUNTY OF SANTA FE)	

- I, Darin C. Savage, attorney and authorized representative of Cimarex Energy Co. ("Cimarex"), the Applicant herein, being first duly sworn, upon oath, states the following:
- 1. Notice of the applications and hearing in the above-reference cases was timely sent by certified mail, return receipt requested, through the United States Postal Service on March 15, 2023, to all uncommitted interest owners sought to be pooled in this proceeding. See Exhibit D-2, attached hereto. Copies of notice letters and evidence of mailing to parties are attached hereto as Exhibits D-1 and D-2.
- 2. Notice was sent to the Hobbs News-Sun, a newspaper of general circulation in Lea County, New Mexico, and timely published in said newspaper on March 17, 2023. See Exhibit D-3.
- 3. It is my understanding that Cimarex has made a reasonably diligent effort to find the names and addresses for the interest owners entitled to receive notice of the application and case herein.



Signature page of Self-Affirmed Statement of Darin C. Savage:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case Nos. 23448-23451 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.

Darin Savage

7-13-2023

Date Signed



ABADIE I SCHILL PC

Colorado New Mexico
Louisiana Texas
Nebraska Kansas
Montana Wyoming
Oklahoma California
North Dakota

March 15, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Cimarex Energy Co., for a horizontal spacing unit and

compulsory pooling, Lea County, New Mexico

Mighty Pheasant 5-8 Fed Com 204H Well (Case No. 23448) Mighty Pheasant 5-8 Fed Com 304H Well (Case No. 23448)

Case No. 23448:

Dear Interest Owners:

This letter is to advise you that Cimarex Energy Co. ("Cimarex") has filed the enclosed application, Case No. 23448, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units within the interval of the Bone Spring formation, as described in the application.

In Case No. 23448, Cimarex seeks to establish a standard 320.09-acre, more or less, horizontal spacing and proration unit comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, Lea County, NMPM, New Mexico, pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. The unit will be dedicated to the above-referenced wells.

A hearing has been requested before a Division Examiner on April 6, 2023, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O: 970.385.4401 • F: 970.385.4901

EXHIBIT D-1

However, under current Division policies, the hearing will be conducted remotely online. For information about remote access and status of the case, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441.

You are being notified as an interest owner (subject to title examination) and 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 NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. 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 John Coffman at (432) 571-7883 or at john.coffman@coterra.com.

Sincerely,

Darin C. Savage

Attorney for Cimarex Energy Production Company, L.P.



ABADIE I SCHILL PC

Colorado New Mexico
Louisiana Texas
Nebraska Kansas
Montana Wyoming
Oklahoma California
North Dakota

March 15, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Cimarex Energy Co., for a horizontal spacing unit and

compulsory pooling, Lea County, New Mexico

Mighty Pheasant 5-8 Fed Com 301H Well (Case No. 23449)

Case No. 23449:

Dear Interest Owners:

This letter is to advise you that Cimarex Energy Co. ("Cimarex") has filed the enclosed application, Case No. 23449, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units within the interval of the Bone Spring formation, as described in the application.

In Case No. 23449, Cimarex seeks to establish a standard 320.01-acre, more or less, horizontal spacing and proration unit comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. The unit will be dedicated to the above-referenced well.

A hearing has been requested before a Division Examiner on April 6, 2023, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505.

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However, under current Division policies, the hearing will be conducted remotely online. For information about remote access and status of the case, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441.

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Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. 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 John Coffman at (432) 571-7883 or at john.coffman@coterra.com.

Sincerely,

Darin C. Savage

Attorney for Cimarex Energy Co.



ABADIE I SCHILL PC

Colorado New Mexico
Louisiana Texas
Nebraska Kansas
Montana Wyoming
Oklahoma California
North Dakota

March 15, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Cimarex Energy Co., for a horizontal spacing unit and

compulsory pooling, Lea County, New Mexico

Mighty Pheasant 5-8 Fed Com 302H Well (Case No. 23450)

Case No. 23450:

Dear Interest Owners:

This letter is to advise you that Cimarex Energy Co. ("Cimarex") has filed the enclosed application, Case No. 23450, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units within the interval of the Bone Spring formation, as described in the application.

In Case No. 23450, Cimarex seeks to create a standard 320.04-acre, more or less, horizontal spacing and proration unit comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. The unit will be dedicated to the above-referenced well.

A hearing has been requested before a Division Examiner on April 6, 2023, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505.

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O: 970.385.4401 • F: 970.385.4901

However, under current Division policies, the hearing will be conducted remotely online. For information about remote access and status of the case, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441.

You are being notified as an interest owner (subject to title examination) and 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 NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. 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 John Coffman at (432) 571-7883 or at john.coffman@coterra.com.

Sincerely,

Darin C. Savage

Attorney for Cimarex Energy Co.



ABADIE I SCHILL PC

Colorado New Mexico
Louisiana Texas
Nebraska Kansas
Montana Wyoming
Oklahoma California
North Dakota

March 15, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Cimarex Energy Co., for a horizontal spacing unit and

compulsory pooling, Lea County, New Mexico

Mighty Pheasant 5-8 Fed Com 303H Well (Case No. 23451)

Case No. 23451:

Dear Interest Owners:

This letter is to advise you that Cimarex Energy Co. ("Cimarex") has filed the enclosed application, Case No. 23451, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units within the interval of the Bone Spring formation, as described in the application.

In Case No. 23451, Cimarex seeks to establish a standard 320.06-acre, more or less, horizontal spacing and proration unit comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. The unit will be dedicated to the above-referenced well.

A hearing has been requested before a Division Examiner on April 6, 2023, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505.

abadieschill.com

However, under current Division policies, the hearing will be conducted remotely online. For information about remote access and status of the case, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441.

You are being notified as an interest owner (subject to title examination) and 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 NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. 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 John Coffman at (432) 571-7883 or at john.coffman@coterra.com.

Sincerely,

Darin C. Savage

Attorney for Cimarex Energy Co.

Mailing (E2E2 23448)

ReferenceNumber	TYPE	Name1	Name2	Address1	Address2	Address3 City	State	Zip
4207.25	RI	Bureau of Land Management		414 W Taylor St		Hobbs	NM	88240
4207.25	WI	Moore & Shelton Co., Ltd		PO Box 3070		Galveston	TX	77552
4207.25	WI	HOG Partnership, LP		5950 Cedar Springs Rd.		Dallas	TX	75235
4207.25	WI	Challenger Crude, Ltd.		400 West Illinois Ave.	Suite 1210	Midland	TX	79701
4207.25	WI	Read & Stevens, Inc.		300 N. Marienfeld St.	Suite 1000	Midland	TX	79701
4207.25	WI	First Century Oil, Inc.		300 N. Marienfeld St.	Suite 1000	Midland	TX	79701
		Francis Hill Hudson, Trustee of Lindy's Livin	ng					
4207.25	WI	Trust		4200 S. Hulen St.	Suite 302	Fort Worth	TX	76109
		Bank of America, N.A., Successor Trustee of	•					
4207.25	WI	the Delmar Hudson Lewis Living Trust		301 Commerce St.	Suite 2400	Fort Worth	TX	76102
4207.25	WI	Magnum Hunter Production		600 N. Marienfeld St.	Suite 600	Midland	TX	79701
4207.25	WI	Zorro Partners, Ltd.		616 Texas St.		Fort Worth	TX	76102
4207.25	WI	Frost Bank, Trustee of the Josephine T.		640 Taylor Street	17th floor	Fort Worth	TX	76102
4207.25	WI	Ard Oil, LTD		PO Box 101027		Fort Worth	TX	76185
4207.25	WI	Chase Oil Corporation		PO Box 1767		Artesia	NM	88211
4207.25	WI	Avalon Energy Corporation		310 West Wall St.	Suite 305	Midland	TX	79701
4207.25	WI	Wilbanks Reserve Corporation		450 E. 17th Ave	Suite 220	Denver	CO	80203
		Prime Rock Resources AgentCo, Inc., as						
		nominee for the benefit of Prime Rock						
4207.25	WI	Resources, LLC		203 W. Wall Street	Suite 1000	Midland	TX	79701
4207.25	WI	Marks Oil, Inc.		1775 Sherman St.	Suite 2990	Denver	CO	80203
4207.25	WI	Javelina Partners		616 Texas St.		Fort Worth	TX	76102
4207.25	WI	William A. Hudson, II		616 Texas St.		Fort Worth	TX	76102
4207.25	WI	Union Hill Oil & Gas Co. Inc.		7712 Glenshannon Circle	е	Dallas	TX	75225



Mailing (W2W2 23449)

ReferenceNumber	TYPE	Name1	Name2	Address1	Address2	Address3	City	State	Zip
4207.25	RI	Bureau of Land Management		414 W Taylor St			Hobbs	NM	88240
4207.25	WI	Moore & Shelton Co., Ltd		PO Box 3070			Galveston	TX	77552
4207.25	WI	HOG Partnership, LP		5950 Cedar Springs Rd.			Dallas	TX	75235
4207.25	WI	Challenger Crude, Ltd.		400 West Illinois Ave.	Suite 1210		Midland	TX	79701
4207.25	WI	Read & Stevens, Inc.		300 N. Marienfeld St.	Suite 1000		Midland	TX	79701
4207.25	WI	First Century Oil, Inc.		300 N. Marienfeld St.	Suite 1000		Midland	TX	79701
4207.25	WI	Francis Hill Hudson, Trustee of Lindy's Living Trust		4200 S. Hulen St.	Suite 302		Fort Worth	TX	76109
4207.25	WI	Bank of America, N.A., Successor Trustee of the Delmar Hudson Lewis Living Trust		301 Commerce St.	Suite 2400		Fort Worth	TX	76102
4207.25	WI	Magnum Hunter Production		600 N. Marienfeld St.	Suite 600		Midland	TX	79701
4207.25	WI	Zorro Partners, Ltd.		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Arc	l	640 Taylor Street	17th floor		Fort Worth	TX	76102
4207.25	WI	Ard Oil, LTD		PO Box 101027			Fort Worth	TX	76185
4207.25	WI	Chase Oil Corporation		PO Box 1767			Artesia	NM	88211
4207.25	WI	Avalon Energy Corporation		310 West Wall St.	Suite 305		Midland	TX	79701
4207.25	WI	Wilbanks Reserve Corporation		450 E. 17th Ave	Suite 220		Denver	CO	80203
		Prime Rock Resources AgentCo, Inc., as nominee for the benefit of Prime Rock							
4207.25	WI	Resources, LLC		203 W. Wall Street	Suite 1000		Midland	TX	79701
4207.25	WI	Marks Oil, Inc.		1775 Sherman St.	Suite 2990		Denver	CO	80203
4207.25	WI	Javelina Partners		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	William A. Hudson, II		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	Union Hill Oil & Gas Co. Inc.		7712 Glenshannon Circle	•		Dallas	TX	75225
4207.25	WI	Highland (Texas) Energy Company		11886 Greenville Ave	Suite 106		Dallas	TX	75243
4207.25	WI	Richardson Oil Company, LLC		11886 Greenville Ave	Suite 106		Dallas	TX	75243
4207.25	WI	Carolyn R. Beall		PO Box 3098			Midland	TX	79702
4207.25	WI	Diamond Star Production Co., LLC		331 G St, SW			Ardmore	OK	73401
4207.25	WI	Tierra Encantada, LLC		P.O. Box 811			Roswell	NM	88202
4207.25	WI	David Luna		P.O. Box 1518			Roswell	NM	88202

Mailing (E2W2 23450)

ReferenceNumber	TYPE	Name1	Name2	Address1	Address2	Address3	City	State	Zip
4207.25	RI	Bureau of Land Management		414 W Taylor St			Hobbs	NM	88240
4207.25	WI	Moore & Shelton Co., Ltd		PO Box 3070			Galveston	TX	77552
4207.25	WI	HOG Partnership, LP		5950 Cedar Springs Rd.			Dallas	TX	75235
4207.25	WI	Challenger Crude, Ltd.		400 West Illinois Ave.	Suite 1210		Midland	TX	79701
4207.25	WI	Read & Stevens, Inc.		300 N. Marienfeld St.	Suite 1000		Midland	TX	79701
4207.25	WI	First Century Oil, Inc.		300 N. Marienfeld St.	Suite 1000		Midland	TX	79701
4207.25	WI	Francis Hill Hudson, Trustee of Lindy's Living Trust		4200 S. Hulen St.	Suite 302		Fort Worth	TX	76109
4207.25	WI	Bank of America, N.A., Successor Trustee of the Delmar Hudson Lewis Living Trust		301 Commerce St.	Suite 2400		Fort Worth	TX	76102
4207.25	WI	Magnum Hunter Production		600 N. Marienfeld St.	Suite 600		Midland	TX	79701
4207.25	WI	Zorro Partners, Ltd.		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ar	d	640 Taylor Street	17th floor		Fort Worth	TX	76102
4207.25	WI	Ard Oil, LTD		PO Box 101027			Fort Worth	TX	76185
4207.25	WI	Chase Oil Corporation		PO Box 1767			Artesia	NM	88211
4207.25	WI	Avalon Energy Corporation		310 West Wall St.	Suite 305		Midland	TX	79701
4207.25	WI	Wilbanks Reserve Corporation		450 E. 17th Ave	Suite 220		Denver	CO	80203
		Prime Rock Resources AgentCo, Inc., as nominee for the benefit of Prime Rock							
4207.25	WI	Resources, LLC		203 W. Wall Street	Suite 1000		Midland	TX	79701
4207.25	WI	Marks Oil, Inc.		1775 Sherman St.	Suite 2990		Denver	CO	80203
4207.25	WI	Javelina Partners		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	William A. Hudson, II		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	Union Hill Oil & Gas Co. Inc.		7712 Glenshannon Circle)		Dallas	TX	75225
4207.25	WI	MRC Permian Company		5400 LBJ Freeway	Suite 1500		Dallas	TX	75240
4207.25	WI	CM Resources II, LLC		300 N. Marienfeld St.	Suite 1000		Midland	TX	79701
4207.25	WI	CBR Oil Properties, LLC		400 N. Pennsylvania	Suite 1080		Roswell	NM	88201
4207.25	WI	Laura K. Read, LLC		P.O. Box 1090			Roswell	NM	88202

Mailing (W2E2 23451)

ReferenceNumber	TYPE	Name1	Name2	Address1	Address2	Address3	City	State	Zip
4207.25	RI	Bureau of Land Management		414 W Taylor St			Hobbs	NM	88240
4207.25	WI	Moore & Shelton Co., Ltd		PO Box 3070			Galveston	TX	77552
4207.25	WI	HOG Partnership, LP		5950 Cedar Springs Rd.			Dallas	TX	75235
4207.25	WI	Challenger Crude, Ltd.		400 West Illinois Ave.	Suite 1210		Midland	TX	79701
4207.25	WI	Read & Stevens, Inc.		300 N. Marienfeld St.	Suite 1000		Midland	TX	79701
4207.25	WI	First Century Oil, Inc.		300 N. Marienfeld St.	Suite 1000		Midland	TX	79701
4207.25	WI	Francis Hill Hudson, Trustee of Lindy's Living Trust		4200 S. Hulen St.	Suite 302		Fort Worth	TX	76109
4207.25	WI	Bank of America, N.A., Successor Trustee of the Delmar Hudson Lewis Living Trust		301 Commerce St.	Suite 2400		Fort Worth	TX	76102
4207.25	WI	Magnum Hunter Production		600 N. Marienfeld St.	Suite 600		Midland	TX	79701
4207.25	WI	Zorro Partners, Ltd.		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard		640 Taylor Street	17th floor		Fort Worth	TX	76102
4207.25	WI	Ard Oil, LTD		PO Box 101027			Fort Worth	TX	76185
4207.25	WI	Chase Oil Corporation		PO Box 1767			Artesia	NM	88211
4207.25	WI	Avalon Energy Corporation		310 West Wall St.	Suite 305		Midland	TX	79701
4207.25	WI	Wilbanks Reserve Corporation		450 E. 17th Ave	Suite 220		Denver	CO	80203
		Prime Rock Resources AgentCo, Inc., as nominee for the benefit of Prime Rock							
4207.25	WI	Resources, LLC		203 W. Wall Street	Suite 1000		Midland	TX	79701
4207.25	WI	Marks Oil, Inc.		1775 Sherman St.	Suite 2990		Denver	CO	80203
4207.25	WI	Javelina Partners		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	William A. Hudson, II		616 Texas St.			Fort Worth	TX	76102
4207.25	WI	Union Hill Oil & Gas Co. Inc.		7712 Glenshannon Circle			Dallas	TX	75225

Mail Activity Report - CertifiedPro.net Mailed from 3/1/2023 to 3/31/2023 User Name: abadieschill Generated: 7/12/2023 12:52:26 PM

USPS Article Number	Date Mailed	Name 1	Name 2	Address 1	Address 2	City	State	Zip	Mailing Status	
9314869904300105478180		Bureau of Land Management		414 W Taylor St		Hobbs	NM	88240	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478197		Moore & Shelton Co., Ltd		PO Box 3070		Galveston	TX	77552	Mailed	Return Receipt - Electronic, Certified Mail
9314869904300105478203		HOG Partnership, LP		5950 Cedar Springs Rd.		Dallas	TX	75235	Mailed	Return Receipt - Electronic, Certified Mail
9314869904300105478210		Challenger Crude, Ltd.		400 West Illinois Ave.	Suite 1210	Midland	TX	79701	Mailed	Return Receipt - Electronic, Certified Mail
9314869904300105478227		Read & Stevens, Inc.		300 N. Marienfeld St.	Suite 1000	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478234	· · , · · ,	First Century Oil, Inc.		300 N. Marienfeld St.	Suite 1000	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478241		Francis Hill Hudson	Trustee of Lindy's Living Trust	4200 S. Hulen St.	Suite 302	Fort Worth		76109	Mailed	Return Receipt - Electronic, Certified Mail
9314869904300105478258		Bank of America, N.A., Successor Trustee	of Delmar Hudson Lewis Living Trust	301 Commerce St.	Suite 2400	Fort Worth		76102	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478265		Magnum Hunter Production		600 N. Marienfeld St.	Suite 600	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478272	, -, -	Zorro Partners, Ltd.		616 Texas St.		Fort Worth		76102	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478289		Frost Bank, Trustee of the Josephine T.	Hudson Testamentary Trust FBO J. Terrell Ard	640 Taylor Street	17th floor	Fort Worth		76102	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478296	03/15/2023	•		PO Box 101027		Fort Worth		76185	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478302		Chase Oil Corporation		PO Box 1767		Artesia	NM	88211	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478319		Avalon Energy Corporation		310 West Wall St.	Suite 305	Midland	TX	79701	Mailed	Return Receipt - Electronic, Certified Mail
9314869904300105478326	03/15/2023	Wilbanks Reserve Corporation		450 E. 17th Ave	Suite 220	Denver	CO	80203	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478333		Prime Rock Resources AgentCo, Inc., as nominee		203 W. Wall Street	Suite 1000	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478340		Marks Oil, Inc.		1775 Sherman St.	Suite 2990		CO	80203	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478357	03/15/2023	Javelina Partners		616 Texas St.		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478364	· · , · · ,	William A. Hudson, II		616 Texas St.		Fort Worth		76102	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478371		Union Hill Oil & Gas Co. Inc.		7712 Glenshannon Circle		Dallas	TX	75225	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478388		MRC Permian Company		5400 LBJ Freeway		Dallas	TX	75240	Mailed	Return Receipt - Electronic, Certified Mail
9314869904300105478395	03/15/2023	CM Resources II, LLC		300 N. Marienfeld St.	Suite 1000	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478401	03/15/2023	CBR Oil Properties, LLC		400 N. Pennsylvania	Suite 1080	Roswell	NM	88201	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478418	03/15/2023	Laura K. Read, LLC		P.O. Box 1090		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478425	03/15/2023	Highland (Texas) Energy Company		11886 Greenville Ave	Suite 106	Dallas	TX	75243	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478432	03/15/2023	Richardson Oil Company, LLC		11886 Greenville Ave	Suite 106	Dallas	TX	75243	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478449	03/15/2023	Carolyn R. Beall		PO Box 3098		Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478456	03/15/2023	Diamond Star Production Co., LLC		331 G St, SW		Ardmore	OK	73401	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478463	03/15/2023	Tierra Encantada, LLC		P.O. Box 811		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300105478470	03/15/2023	David Luna		P.O. Box 1518		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail



Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4784 70.

Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time:March 20, 2023, 09:18 a.m.Location:ROSWELL, NM 88201

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: David Luna

Shipment Details

Weight: 2.0oz

Recipient Signature

Signature of Recipient:

m Navah

M. NOVAR

Address of Recipient:

15/8

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4784 63.

Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: March 20, 2023, 02:15 p.m. Location: ROSWELL, NM 88201

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Tierra Encantada LLC

Shipment Details

Weight: 2.0oz

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4784 56.

Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: March 20, 2023, 09:58 a.m. Location: ARDMORE, OK 73401

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Diamond Star Production Co LLC

Shipment Details

Weight: 2.0oz

Destination Delivery Address

Street Address: 331 G ST SW

City, State ZIP Code: ARDMORE, OK 73401-4956

Recipient Signature

Signature of Recipient:

Frans B Rent

Address of Recipient:

ARDMORE, OK 73401-4956

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Information in this section provided by Covius Document Services, LLC.



March 22, 2023

Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4784 49.

Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: March 21, 2023, 03:19 p.m.

Location:MIDLAND, TX 79701Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

Recipient Name: Carolyn R Beall

Shipment Details

Weight: 2.0oz

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Information in this section provided by Covius Document Services, LLC.



Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4784 32.

Item Details

Status: Delivered to Agent for Final Delivery

Status Date / Time: March 20, 2023, 02:00 p.m.

Location:DALLAS, TX 75243Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

Recipient Name: Richardson Oil Company LLC

Shipment Details

Weight: 2.0oz

Recipient Signature

Signature of Recipient: (Authorized Agent)

Address of Recipient:

1100 (Grootable)

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

Information in this section provided by Covius Document Services, LLC.



Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0105 4784 25**.

Item Details

Status: Delivered to Agent for Final Delivery

Status Date / Time: March 20, 2023, 02:00 p.m.

Location:DALLAS, TX 75243Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

Recipient Name: Highland Texas Energy Company

Shipment Details

Weight: 2.0oz

Recipient Signature

Signature of Recipient: (Authorized Agent)

Address of Recipient:

11886 Grooming 1

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

Information in this section provided by Covius Document Services, LLC.



March 23, 2023

Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4784 18.

Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: March 22, 2023, 01:22 p.m.
Location: ROSWELL, NM 88201

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Laura K Read LLC

Shipment Details

Weight: 2.0oz

Recipient Signature

Signature of Recipient:

What the

PO BOX 1090

Address of Recipient:

ROSWELL, NM 88202-1090

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Information in this section provided by Covius Document Services, LLC.



Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4784 01.

Item Details

Status: Delivered, Front Desk/Reception/Mail Room

Status Date / Time: March 20, 2023, 11:16 a.m.
Location: ROSWELL, NM 88201

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: CBR Oil Properties LLC

Shipment Details

Weight: 2.0oz

Destination Delivery Address

Street Address: 400 N PENNSYLVANIA AVE STE 1080

City, State ZIP Code: ROSWELL, NM 88201-4715

Recipient Signature

Signature of Recipient:

Rezus

Reliebsters

400 N PENNSYLVANIA AVE STE 1000, ROSWELL, NM

Address of Recipient: 88201

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

Information in this section provided by Covius Document Services, LLC.



March 20, 2023

Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4783 95.

Item Details

Status: Delivered, Left with Individual

Status Date / Time: March 18, 2023, 11:17 a.m.

Location: MIDLAND, TX 79701

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: CM Resources II LLC

Shipment Details

Weight: 2.0oz

Destination Delivery Address

Street Address: 300 N MARIENFELD ST STE 1000

City, State ZIP Code: MIDLAND, TX 79701-4688

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Information in this section provided by Covius Document Services, LLC.



March 20, 2023

Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4783 71.

Item Details

Status: Delivered, Left with Individual Status Date / Time: March 18, 2023, 02:45 p.m.

Location:DALLAS, TX 75225Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

Recipient Name: Union Hill Oil Gas Co Inc

Shipment Details

Weight: 8.0oz

Destination Delivery Address

Street Address:7712 GLENSHANNON CIRCity, State ZIP Code:DALLAS, TX 75225-2054

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0105 4783 64**.

Item Details Status: Delivered, Left with Individual Status Date / Time: March 20, 2023, 03:22 p.m. Location: FORT WORTH, TX 76102 **Postal Product:** First-Class Mail® **Extra Services:** Certified Mail™ Return Receipt Electronic **Recipient Name:** William A Hudson II Shipment Details Weight: 8.0oz **Destination Delivery Address** City, State ZIP Code: FORT WORTH, TX 76102-4662 Recipient Signature Signature of Recipient: Address of Recipient:

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4783 57.

Item Details

Status:Delivered, Left with IndividualStatus Date / Time:March 20, 2023, 03:22 p.m.Location:FORT WORTH, TX 76102

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Javelina Partners

Shipment Details

Weight: 8.0oz

Destination Delivery Address

City, State ZIP Code: FORT WORTH, TX 76102-4662

Recipient Signature

Signature of Recipient:

(or en

Address of Recipient:

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Information in this section provided by Covius Document Services, LLC.



Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0105 4783 40**.

Item Details Status: Delivered to Agent for Final Delivery Status Date / Time: March 20, 2023, 04:38 p.m. Location: **DENVER, CO 80203 Postal Product:** First-Class Mail® **Extra Services:** Certified Mail™ Return Receipt Electronic **Recipient Name:** Marks Oil Inc Shipment Details Weight: 8.0oz

Recipient Signature

Signature of Recipient: (Authorized Agent)

Address of Recipient:

1775 Shorman -2015

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Information in this section provided by Covius Document Services, LLC.



Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4783 33.

Item Details

Status: Delivered, Left with Individual

Status Date / Time: March 20, 2023, 04:37 p.m.

Location: MIDLAND, TX 79701 **Postal Product:** First-Class Mail®

Return Receipt Electronic

Certified Mail™

Recipient Name: Prime Rock Resources AgentCo Inc as nominee f

Shipment Details

Extra Services:

Weight: 8.0oz

Destination Delivery Address

Street Address: 203 W WALL ST STE 1000
City, State ZIP Code: MIDLAND, TX 79701-4525

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Information in this section provided by Covius Document Services, LLC.



Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4783 26.

Item Details

Status: Delivered, Front Desk/Reception/Mail Room

Status Date / Time: March 20, 2023, 03:39 p.m.

Location: DENVER, CO 80203

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Wilbanks Reserve Corporation

Shipment Details

Weight: 8.0oz

Destination Delivery Address

Street Address: 450 E 17TH AVE UNIT 220 City, State ZIP Code: DENVER, CO 80203-1254

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Information in this section provided by Covius Document Services, LLC.



Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0105 4783 02**.

Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: March 20, 2023, 11:20 a.m.

Location: ARTESIA, NM 88210

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Chase Oil Corporation

Shipment Details

Weight: 8.0oz

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0105 4782 96**.

Item Details

Status: Delivered

Status Date / Time: March 20, 2023, 06:53 a.m. **Location:** FORT WORTH, TX 76185

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Ard Oil LTD

Shipment Details

Weight: 8.0oz

Destination Delivery Address

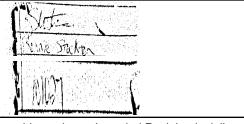
Street Address: PO BOX 101027

City, State ZIP Code: FORT WORTH, TX 76185-1027

Recipient Signature

Signature of Recipient:

Address of Recipient:



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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4782 89.

Item Details

Status:Delivered, Left with IndividualStatus Date / Time:March 20, 2023, 01:05 p.m.Location:FORT WORTH, TX 76102

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Frost Bank Trustee of the Josephine T Hudson T

Shipment Details

Weight: 8.0oz

Destination Delivery Address

Street Address: 640 TAYLOR ST

City, State ZIP Code: FORT WORTH, TX 76102-4809

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4782 72.

Item Details Status: Delivered, Left with Individual Status Date / Time: March 20, 2023, 03:22 p.m. Location: FORT WORTH, TX 76102 **Postal Product:** First-Class Mail® **Extra Services:** Certified Mail™ Return Receipt Electronic **Recipient Name:** Zorro Partners Ltd Shipment Details Weight: 8.0oz **Destination Delivery Address** City, State ZIP Code: FORT WORTH, TX 76102-4662 Recipient Signature Signature of Recipient: Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0105 4782 65**.

Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: March 20, 2023, 01:10 p.m.

Location:MIDLAND, TX 79701Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

Recipient Name: Magnum Hunter Production

Shipment Details

Weight: 8.0oz

Destination Delivery Address

Street Address: 600 N MARIENFELD ST STE 600

City, State ZIP Code: MIDLAND, TX 79701-4405

Recipient Signature

Signature of Recipient:

Address of Recipient:

MAINING YELD

Pam Waldow

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Information in this section provided by Covius Document Services, LLC.



March 24, 2023

Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4782 58.

Item Details

Status:Delivered, Left with IndividualStatus Date / Time:March 23, 2023, 11:16 a.m.Location:FORT WORTH, TX 76102

Postal Product: First-Class Mail® Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: Bank of America N A Successor Trustee of Delm

Shipment Details

Weight: 8.0oz

Destination Delivery Address

Street Address: 301 COMMERCE ST STE 2400
City, State ZIP Code: FORT WORTH, TX 76102-4124

Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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March 20, 2023

Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4782 34.

Item Details

Status: Delivered, Left with Individual

Status Date / Time: March 18, 2023, 11:17 a.m.

Location: MIDLAND, TX 79701

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Recipient Name: First Century Oil Inc

Shipment Details

Weight: 8.0oz

Destination Delivery Address

Street Address: 300 N MARIENFELD ST STE 1000

City, State ZIP Code: MIDLAND, TX 79701-4688

Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

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March 20, 2023

Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4782 27.

Item Details

Delivered, Left with Individual Status:

Status Date / Time: March 18, 2023, 11:17 a.m.

Location: MIDLAND, TX 79701 **Postal Product:** First-Class Mail® **Extra Services:**

Return Receipt Electronic

Certified Mail™

Recipient Name: Read Stevens Inc

Shipment Details

Weight: 8.0oz

Destination Delivery Address

Street Address: 300 N MARIENFELD ST STE 1000

City, State ZIP Code: MIDLAND, TX 79701-4688

Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Dear WALZ GROUP:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0105 4781 80.

Item Details

Status: Delivered, Left with Individual Status Date / Time: March 20, 2023, 11:33 a.m.

Location:HOBBS, NM 88240Postal Product:First-Class Mail®Extra Services:Certified Mail™

Return Receipt Electronic

Recipient Name: Bureau of Land Management

Shipment Details

Weight: 8.0oz

Destination Delivery Address

Street Address: 414 W TAYLOR ST

City, State ZIP Code: HOBBS, NM 88240-6054

Recipient Signature

Signature of Recipient:

Address of Recipient:

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Information in this section provided by Covius Document Services, LLC.

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 17, 2023 and ending with the issue dated March 17, 2023.

Publisher

Sworn and subscribed to before me this 17th day of March 2023.

Business Manager

My commission expires

January 29, 2027

(Seal)

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

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

LEGAL NOTICE March 17, 2023

CASE No. 23448: Notice — to all parties and persons having any right, title, interest or claim in this case, including owners of working interest, overriding royalty interest, and record title, among others, whether such parties or persons are listed herein or not, as well as notice to all known and unknown heirs, devisees, assigns and successors of such affected parties and persons, which based on reasonable diligence include MOORE & SHELTON CO., LTD; HOG PARTNERSHIP, LP; CHALLENGER CRUDE, LTD.; READ & STEVENS, INC.; FIRST CENTURY OIL, INC.; FRANCIS HILL HUDSON, TRUSTEE OF LINDY'S LIVING TRUST; BANK OF AMERICA, N.A., SUCCESSOR TRUSTEE OF THE DELMAR HUDSON LEWIS LIVING TRUST MAGNUM HUNTER PRODUCTION; ZORRO PARTNERS, LTD.; FROST BANK, TRUSTEE OF THE JOSEPHINE T. HUDSON TESTAMENTARY TRUST FBO J. TERRELL ARD; ARD OIL, LTD; CHASE OIL CORPORATION; AVALON ENERGY CORPORATION; WILBANKS RESERVE CORPORATION; PRIME ROCK RESOURCES AGENTCO, INC., AS NOMINEE FOR THE BENEFIT OF PRIME ROCK RESOURCES, LLC; MARKS OIL, INC.; JAVELINA PARTNERS; WILLIAM A. HUDSON, II and UNION HILL OIL & GAS CO. INC., of Cimarex Energy Co's application for approval of a spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on April 6, 2023, traditionally held at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. However, under current Division policies, the hearing will be conducted remotely online. For information about remote access and the status of the case, you can visit the Division's website at: https://www.emrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441. Cimarex Energy Co. (operational office at 600 N. Marienfeld St. Sulte For information about remote access and the status of the case, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441. Cimarex Energy Co. (operational office at 600 N. Marienfeld St. Suite 600, 79701; HQ office at 1700 Lincoin Street, Suite 3700, Denver CO 80203) seeks an order from the Division: (1) establishing a standard 320.09-acre, more or less, horizontal spacing and proration unit comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a depth of 9,373 leet (top of first Bone Spring) in the Ouail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oil pool, underlying the unit. Section 5 is an irregular section containing correction lots. The proposed wells to be dedicated to the horizontal spacing unit are the Mighty Pheasant 5-8 Fed Com 204H Well and the Mighty Pheasant 5-8 Fed Com 204H Well and the Mighty Pheasant 5-8 Fed Com 304H Well, both oil wells, to be horizontally drilled from surface locations in the SW/4 SE/4 (Unit 0) of Section 32, Township 19 South, Range 34 East, NMPM, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 8, Township 20 South, Range 34 East, NMPM. The wells will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Onerator of the wells and unit and a 2004 charges for the Applicant as Onerator of the wells and the allocation for the Applicant as Onerator of the wells and the allocation of the designation of the Applicant as Onerator of the applicant as operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 40 miles northeast of Carisbad, New Mexico.

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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 17, 2023 and ending with the issue dated March 17, 2023.

Publisher

Sworn and subscribed to before me this 17th day of March 2023.

Business Manager

My commission expires

January 29, 2027

(Seal)

STATE OF NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK **COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

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

LEGAL NOTICE March 17, 2023

CASE No. 23449: Notice — to all parties and persons having any right, title, interest or claim in this case, including owners of working interest, overriding royalty interest, and record title, among others, whether such parties or persons are listed herein or not, as well as notice to all known and unknown heirs, devisees, assigns and successors of such affected parties and persons, which based on reasonable diligence include MOORE & SHELTON CO., LTD; HOG PARTNERSHIP, LP; CHALLENGER CRUDE, LTD.; READ & STEVENS, INC.; FIRST CENTURY OIL, INC.; FRANCIS HILL HUDSON, TRUSTEE OF LINDY'S LIVING TRUST; BANK OF AMERICA, N.A., SUCCESSOR TRUSTEE OF THE DELMAR HUDSON LEWIS LIVING TRUST; MAGNUM HUNTER PRODUCTION; ZORRO PARTNERS, LTD.; FROST BANK, TRUSTEE OF THE JOSEPHINE T. HUDSON TESTAMENTARY TRUST FBO J. TERRELL ARD; ARD OIL, LTD; CHASE OIL CORPORATION; AVALON ENERGY CORPORATION; WILBANKS RESERVE CORPORATION; PRIME ROCK RESOURCES AGENTCO, INC., AS NOMINEE FOR THE BENEFIT OF PRIME ROCK RESOURCES, LLC; MARKS OIL, INC.; JAVELINA PARTNERS; WILLIAM A. HUDSON, II; UNION HILL OIL & GAS CO, INC.; HIGHLAND (TEXAS) ENERGY COMPANY; RICHARDSON OIL COMPANY, LLC; CAROLYN R. BEALL; DIAMOND STAR PRODUCTION CO., LLC; TIERRA ENCANTADA, LLC AND DAVID LUNA, of Cimarex Energy Co.'s application for approval of a spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on April 6, 2023, traditionally held at 1220 S. St. Francis, Santa Fe, New Mexico, 87505 However, under current Division policies, the hearing will be conducted remotely online. For information about remote access and the status of the case, you can visit the Division policies the hearing will be conducted remotely online. For information about remote access and the status of the case, you can visit the Division policies. New Mexico, 87505. However, under current Division policies, the hearing will be conducted remotely online. For information about remote access and the status of the case, you can visit the Division's website at https://www.emprd.nm.gov/ocd/hearing-info/ or call (505) 476-3441. Cimarex Energy Co. (operational office at 600 N. Marienteld St. Suite 600, 79701; HQ office at 1700 Lincoln Street, Suite 3700, Denver CO 80203) seeks an order from the Division: (1) establishing a standard 320.01-acre, more or less, horizontal spacing and proration unit comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, in Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests from a depth of 9,373 feet (top of first Bone Spring) in the Quail Ridge; Bone Spring formation [Pool Code 50460], to a depth of 10,845 feet, that being the base of said Bone Spring, designated as an oll pool, underlying the unit. Section 5 is an irregular section containing correction lots. The proposed well to be dedicated to the horizontal spacing unit is the Mighty Pheasant 5-8 Fed Com 301H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 40 miles northeast of Carlsbad, New Mexico.

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STATE OF NEW MEXICO COUNTY OF LEA

1, 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 17, 2023 and ending with the issue dated March 17, 2023.

Publisher

Sworn and subscribed to before me this 17th day of March 2023.

Business Manager

My commission expires

January 29, 2027

STATE OF NEW MEXICO (Seal) NOTARY PUBLIC **GUSSIE RUTH BLACK COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

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

LEGAL NOTICE March 17, 2023

CASE No. 23450: Notice -- to all parties and persons having any right, title, interest or claim in this case, including owners of working interest, overriding royally interest, and record title, among others, whether such parties or persons are listed herein or not, as well as notice to all known and unknown heirs, devisees, assigns and successors of such affected parties and persons, which based on reasonable dilligence include MOORE & SHELTON CO., LTD; HOG PARTNERSHIP, LP; CHALLENGER CRUDE, LTD.; READ & STEVENS, INC.; FIRST CENTURY OIL, INC.; FRANCIS HILL HUDSON, TRUSTEE OF LINDY'S LIVING TRUST; BANK OF AMERICA, N.A., SUCCESSOR TRUSTEE OF THE DELMAR HUDSON LEWIS LIVING TRUST; MAGNUM HUNTER PRODUCTION; ZORRO PARTNERS, LTD.; FROST BANK, TRUSTEE OF THE JOSEPHINE T. HUDSON TESTAMENTARY TRUST FBO J. TERRELL ARD; ARD OIL, LTD; CHASE OIL CORPORATION; AVALON ENERGY CORPORATION; WILBANKS, RESERVE CORPORATION; NEMPORERY LLC; MARKS OIL, INC.; JAVELINA PARTNERS; WILLIAM A. HUDSON, II; JUNION HILL OIL & GAS CO. INC.; MRC PERMIAN COMPANY; CM RESOURCES II, LLC; CBR OIL PROPERTIES, LLC AND LAURA K. READ, LLC, of Cimarex Energy Co. is application for approval of a spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Exminer will conduct a public hearing at 8:15 a.m. on April 6, 2023, traditionally held at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. However, under current Division policies, the hearing will be conducted remotely orline. For information about remote access and the status of the case, you can visit the Division's website at https://www.emnrd.mm.gov/ocd/hearing-info/ or call (505) 476-3441. Clmarex Energy Co. (operational office at 600 N. Marienfeld St. Suite 600, 79701; operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 40 miles not be a considered to the costs of Carlsbad, New Mexico. #00276730

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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 17, 2023 and ending with the issue dated March 17, 2023.

Publisher

Sworn and subscribed to before me this 17th day of March 2023.

maces

Business Manager

My commission expires

(Seal)

STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

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

LEGAL NOTICE March 17, 2023

CASE No. 23451: Notice -- to all parties and persons having any right, title, interest or claim in this case, including owners of working interest, overriding royalty interest, and record title, among others, whether such CASE No. 23451. Notice — to all parties and persons having any right, title, interest or claim in this case, including owners of working interest, overriding royalty interest, and record title, among others, whether such parties or persons are listed herein or not, as well as notice to all known and unknown heirs, devisees, assigns and successors of such affected parties and persons, which based on reasonable diligence include MOOHE & SHELTON CO., LTD; HOG PARTNERSHIP, LP; CHALLENGER CRUDE, LTD.; READ & STEVENS, INC.; FIRST CENTURY OIL, INC.; FRANCIS HILL HUDSON, TRUSTEE OF LINDY'S LIVING TRUST; BANK OF AMERICA, N.A., SUCCESSOR TRUSTEE OF THE DEL MAR HUDSON LEWIS LIVING TRUST; MAGNUM HUNTER PRODUCTION; ZORRO PARTNERS, LTD.; FROST BANK, TRUSTEE OF THE JOSEPHINE T. HUDSON TESTAMENTARY TRUST FBO J. TERRELL ARD; ARD OIL, LTD; CHASE OIL CORPORATION; AVALON ENERGY CORPORATION; WILBANKS RESERVE CORPORATION; PRIME ROCK RESOURCES AGENTCO, INC., AS NOMINEE FOR THE BENEFIT OF PRIME ROCK RESOURCES, LLC; MARKS OIL, INC.; AVELINA PARTNERS; WILLIAM A. HUDSON, II and UNION HILL OIL & GAS CO. INC., of Cimarex Energy Co.'s application for approval of a spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on April 6, 2023, traditionally held at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. However, under current Division policies, the hearing will be conducted remotely online. For Intomation about remote access and the status of the case, you can visit the Division's website at: https://www.emmfd.nm.gov/cod/hearing-info/ or call (505) 476-3441. Cimarex Energy Co. (operational office at 800 N. Marienfeld St. Suite 600, 79701; HO office at 1700 Lincoln Street, Suite 3700, Denver CO 80203) seeks an order from the Division: (1) establishing a standard 320.06-acre, more or less, horizontal spacing and prorotation unit comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE

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TAB 6

Case No. 23448-23451

Exhibit E: Resume of Facilities Engineer: Calvin Boyle

Expert Facilities Witness Available for Questions and Consultation

Calvin Thomas Boyle

6001 Deauville Blvd. Suite 300N Midland, TX 79706 | (918)-891-1095 | calvin.boyle@coterra.com

Education

Master of Business Administration

Concentration: Energy Business
Oklahoma State University – Stillwater, OK

Graduated August 2018; GPA: 4.00

Bachelor of Science in Petroleum Engineering

University of Oklahoma – Norman, OK Graduated May 2016; GPA: 3.71

Work Experience

Coterra Energy (Formerly Cimarex Energy) – Facility Engineer

Midland, TX (April 2021-present)

- Plan, supervise, and design capital projects to minimize environmental impact
- Efficiently allocate capital to optimize production facilities
- Manage \$74MM capital construction budget
- Implement Vapor Recovery Unit life plan to effectively decrease emissions
- Coordinate with field personnel and executive management for successful project execution
- Software proficiencies: Promax, ARIES, Carte, XSPOC, Spotfire, Google Earth, and various

Coterra Energy (Formerly Cimarex Energy) – Production Engineer

Midland, TX (March 2020-April 2021)

- Monitor production of more than 200 oil and gas wells in Lea and Eddy County New Mexico (Gas Lift, ESP, flowing, and pumping wells)
- Proposed, oversaw, and executed the divestiture of a 30 well asset
- Design and implement workovers (Rod Lift, ESP, Plunger, Acid Stimulation)
- Implemented the XSPOC system which decreased downtime by 12%

Coterra Energy (Formerly Cimarex Energy) – Field Engineer

Jal, NM (March 2019 to March 2020)

- Managed production of 31 oil wells (Gas lift, pumping, plunger, and flowing)
- Optimized the wells to increase production and decrease LOE
- Monitored flare pilot and VRUs to prevent methane emissions from flares and tanks
- Maintained production facilities

Halliburton Energy Services – Technical Professional, Cement

El Reno, OK (June 2017 to March 2019)

- Manage and design the cementing program for all of XTO's drilling rigs in the Mid-Continent; designing the cement programs in order to meet or exceed all of the XTO's specifications on each well drilled
- Design cement slurries for thickening time, compressive strength, rheological properties, and fluid loss; proactively tailoring cement slurries to achieve desired properties and alleviate risk for both my customers and Halliburton
- Run foam cement jobs on location; monitoring multiple variables and pumping nitrogen to ensure a successful job

