

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING AUGUST 3, 2023**

CASE NO. 23683

TEA OLIVE FED COM 25-36-33 118H
TEA OLIVE FED COM 25-36-33 128H

LEA COUNTY, NEW MEXICO



AmeredeV II, LLC

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

**APPLICATION OF AMEREDEV
OPERATING, LLC FOR
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 23683

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23683	APPLICANT'S RESPONSE
Date	August 3, 2023
Applicant	Ameredev Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Ameredev Operating, LLC (OGRID No. 372224)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF AMEREDEV OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Tea Olive
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Jal; Wolfcamp, West
Well Location Setback Rules:	33813
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks:	40 acres
Orientation:	South to North
Description: TRS/County	E/2 E/2 Sections 28 and 33 and the W/2 W/2 of Sections 27 and 34, Township 25 South, Range 36 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 application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes; the <u>Tea Olive Fed Com 25 36 33 128H</u> well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.
Proximity Defining Well: if yes, description	See above
Applicant's Ownership in Each Tract	Exhibit C-2
Well(s)	

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

Submitted by: Ameredev Operating, LLC
Hearing Date: August 3, 2023
Case No. 23683

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	Tea Olive Fed Com 25 36 33 118H FTP: 100' FSL, 740' FEL (Unit P) of Section 33 LTP: 100' FNL, 740' FEL (Unit A) of Section 28 Target: Wolfcamp (oil) Orientation: South to North Completion: Standard Location
Well #2	Tea Olive Fed Com 25 36 33 128H FTP: 100' FSL, 95' FEL (Unit P) of Section 33 LTP: 100' FNL, 95' FEL (Unit A) of Section 28 Target: Wolfcamp (oil) Orientation: South to North Completion: Proximity Well
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	N/A
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-2
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4

Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-4
HSU Cross Section	Exhibit D-3, D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	8/1/2023

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

APPLICATION OF AMEREDEV
OPERATING, LLC FOR
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. _____

APPLICATION

Ameredev Operating, LLC (“Ameredev” or “Applicant”) (OGRID No. 372224), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral owners in a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E/2 E/2 Section 28 and Section 33 and the W/2 W/2 of Section 27 and Section 34, all in Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Ameredev states:

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

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

- **Tea Olive Fed Com 25 36 33 118H** well (API No. 30-025-50884) and **Tea Olive Fed Com 25 36 33 128H** well (API No. 30-025-50886), to be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 4, Township 26 south, Range 36 East, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 36 East.

3. The completed interval of the **Tea Olive Fed Com 25 36 33 128H** well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.

4. Ameredev has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners and unleased mineral interest owners in the subject spacing unit.

5. The pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 3, 2023, and, after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,

HOLLAND & HART LLP

By  _____

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR AMEREDEV OPERATING, LLC

CASE ____:

Application of Ameredev Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E/2 E/2 Section 28 and Section 33 and the W/2 W/2 of Section 27 and Section 34, all in Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev proposes to dedicate the above-referenced spacing unit to the proposed initial following wells:

- **Tea Olive Fed Com 25 36 33 118H** well (API No. 30-025-50884) and **Tea Olive Fed Com 25 36 33 128H** well (API No. 30-025-50886), to be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 4, Township 26 south, Range 36 East, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 36 East.

The completed interval of the **Fed Com 25 36 33 128H** well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Ameredev Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 5 miles southwest of Jal, New Mexico.

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

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

CASE NOS. 23682 & 23683

SELF-AFFIRMED STATEMENT OF LIZZY LAUFER

1. My name is Lizzy Laufer. I work for Ameredev Operating, LLC (“Ameredev”) as a Senior Landman.

2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. I am familiar with the applications filed by Ameredev in these cases, and I am familiar with the status of the lands in the subject area.

4. None of the uncommitted parties in these cases have indicated opposition to proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.

5. Under these consolidated cases, Ameredev seeks orders pooling all uncommitted mineral interests in the Wolfcamp formation underlying the referenced acreage all in Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, as follows:

- Under **Case No. 23682**, Ameredev seeks to pool a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E/2 W/2 and W/2 E/2 of Sections 28 and 33 and initially dedicate this spacing unit to the proposed **Tea Olive Fed Com 25 36 33 104H** well (API No. 30-025-50739) and

Tea Olive Fed Com 25 36 33 124H well (API No. 30-025-50745), both to be horizontally drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 4, Township 26 south, Range 36 East, to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 36 East; and **Tea Olive Fed Com 25 36 33 105H** well (API No. 30-025-50740) and the **Tea Olive Fed Com 25 36 33 115H** well (API No. 30-025-50742), both to be horizontally drilled from surface locations in the NW/4 NE/4 (Lot 2) of Section 4, Township 26 south, Range 36 East, to bottom hole locations in the NW/4 NE/4 (Unit B) of Section 28, Township 25 South, Range 36 East.

- Under **Case No. 23683**, Ameredev seeks to pool a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E/2 E/2 Section 28 and Section 33 and the W/2 W/2 of Section 27 and Section 34 and initially dedicate this spacing unit to the proposed **Tea Olive Fed Com 25 36 33 118H** well (API No. 30-025-50884) and **Tea Olive Fed Com 25 36 33 128H** well (API No. 30-025-50886), both to be horizontally drilled from surface locations in the NE/4 NE/4 (Lot 1) of Section 4, Township 26 south, Range 36 East, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 36 East.

6. The completed interval for the wells will meet the statewide setbacks for oil wells; however, the completed interval of the **Tea Olive Fed Com 25 36 33 124H** well and **Tea Olive Fed Com 25 36 33 128H** well are expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.

Ameredev has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners and unleased mineral interest owners in the subject acreage.

7. **Ameredev Exhibit C-1** contains the C-102s for the proposed wells. The exhibit shows that the wells will be assigned to the Jal; Wolfcamp, West Pool (Pool Code 33813).

8. **Ameredev Exhibit C-2** is an exhibit prepared by me that identifies the tracts of land comprising the proposed horizontal spacing units in these cases. The proposed spacing units include federal and fee land in Case No. 23682 and federal land in Case No. 23683. This exhibit shows the interest owners and the percentage of their interest by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing units, is also included in the exhibit. Ameredev is seeking to pool the uncommitted interest owners highlighted in yellow.

9. There are no depth severances in the Wolfcamp formation.

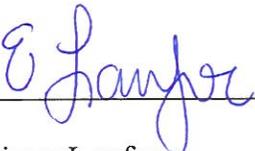
10. **Ameredev Exhibit C-3** is a sample of the well proposal letter and AFEs sent to all working interest and a sample of the proposal letter and AFEs, plus a lease offer, sent to the unleased mineral interest owners. The costs reflected in the AFEs are consistent with what Ameredev and other operators have incurred for drilling similar horizontal wells in the area. Additionally, Ameredev requests overhead and administrative rates of \$10,000 per month for drilling and \$1,000 per month for a producing well. These rates are consistent with the rates charged by Ameredev and other operators for wells of this type in this area.

11. **Ameredev Exhibit C-4** contains a general summary of the contacts with the uncommitted interest owners. As indicated in the exhibit, Ameredev has made a good faith effort to locate and has had communications with all of the parties that it seeks to pool in these cases in an effort to reach voluntary joinder. In my opinion, Ameredev has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

12. Ameredev has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Ameredev seeks to pool and instructed that they be notified of this hearing. Ameredev has conducted a diligent search of all public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.

13. **Ameredev Exhibits C-1 through C-4** were either prepared by me or compiled under my direction and supervision.

14. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in these cases. This statement is made on the date next to my signature below.



Lizzy Laufer

7/26/23
Date

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

Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: Ameredeve Operating, LLC
Hearing Date: August 3, 2023
Case No. 23683

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-50884		² Pool Code 33813		³ Pool Name JAL; WOLFCAMP, WEST	
⁴ Property Code 333387		⁵ Property Name TEA OLIVE FED COM 25 36 33			⁶ Well Number 118H
⁷ OGRID No. 372224		⁸ Operator Name AMEREDEV OPERATING, LLC.			⁹ Elevation 2991'

¹⁰Surface Location

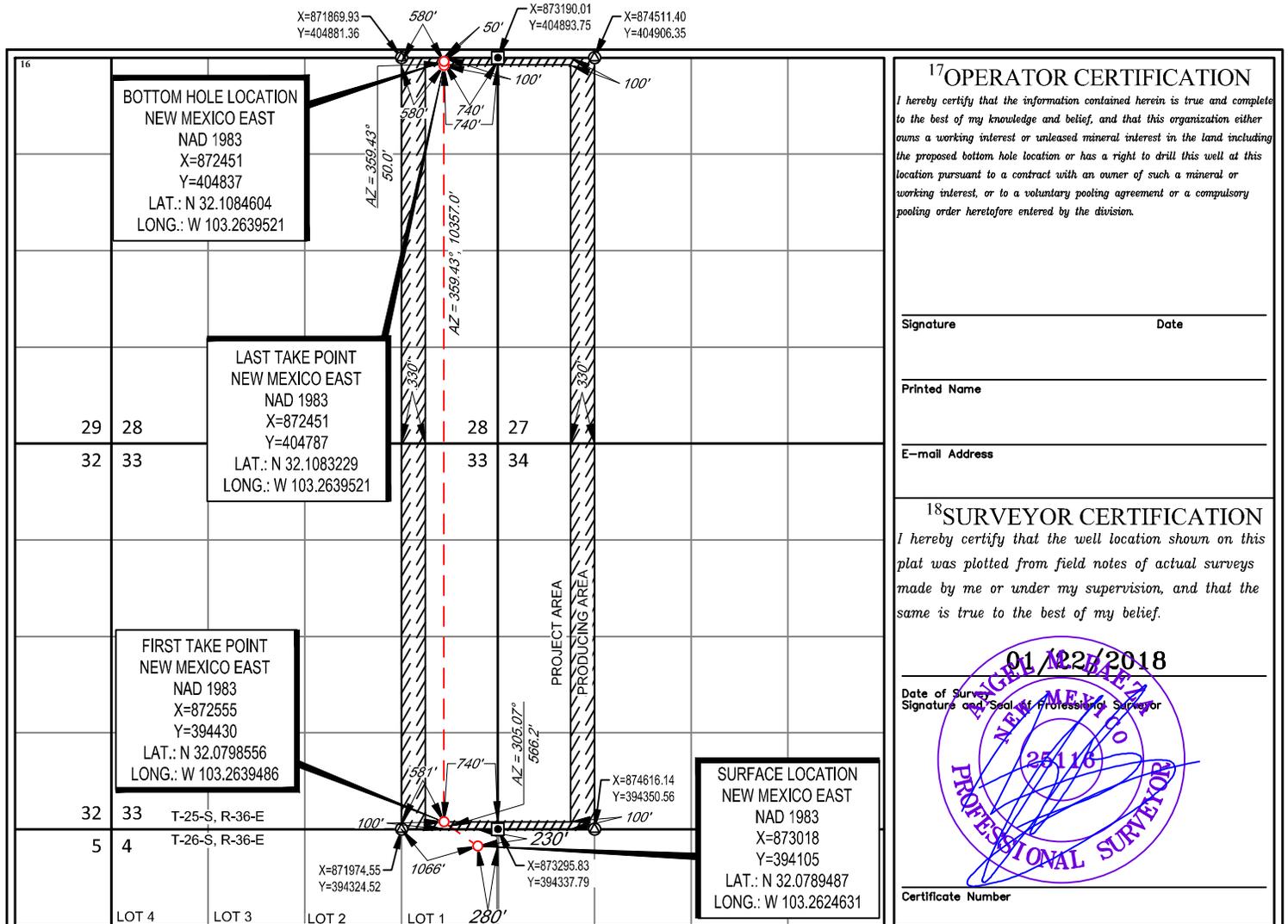
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	4	26-S	36-E	-	230'	NORTH	280'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	25-S	36-E	-	50'	NORTH	740'	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

Signature _____ Date _____

Printed Name _____

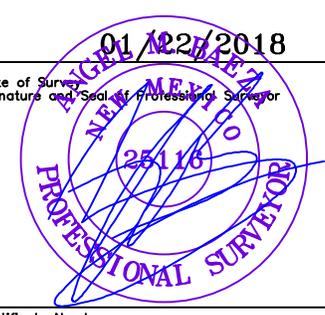
E-mail Address _____

¹⁸SURVEYOR 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 to the best of my belief.

Date of Survey: 01/22/2018
Signature and Seal of Professional Surveyor

Certificate Number _____



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-50886		² Pool Code 33813		³ Pool Name JAL; WOLFCAMP, WEST	
⁴ Property Code 333387		⁵ Property Name TEA OLIVE FED COM 25 36 33			⁶ Well Number 128H
⁷ OGRID No. 372224		⁸ Operator Name AMEREDEV OPERATING, LLC.			⁹ Elevation 2991'

¹⁰Surface Location

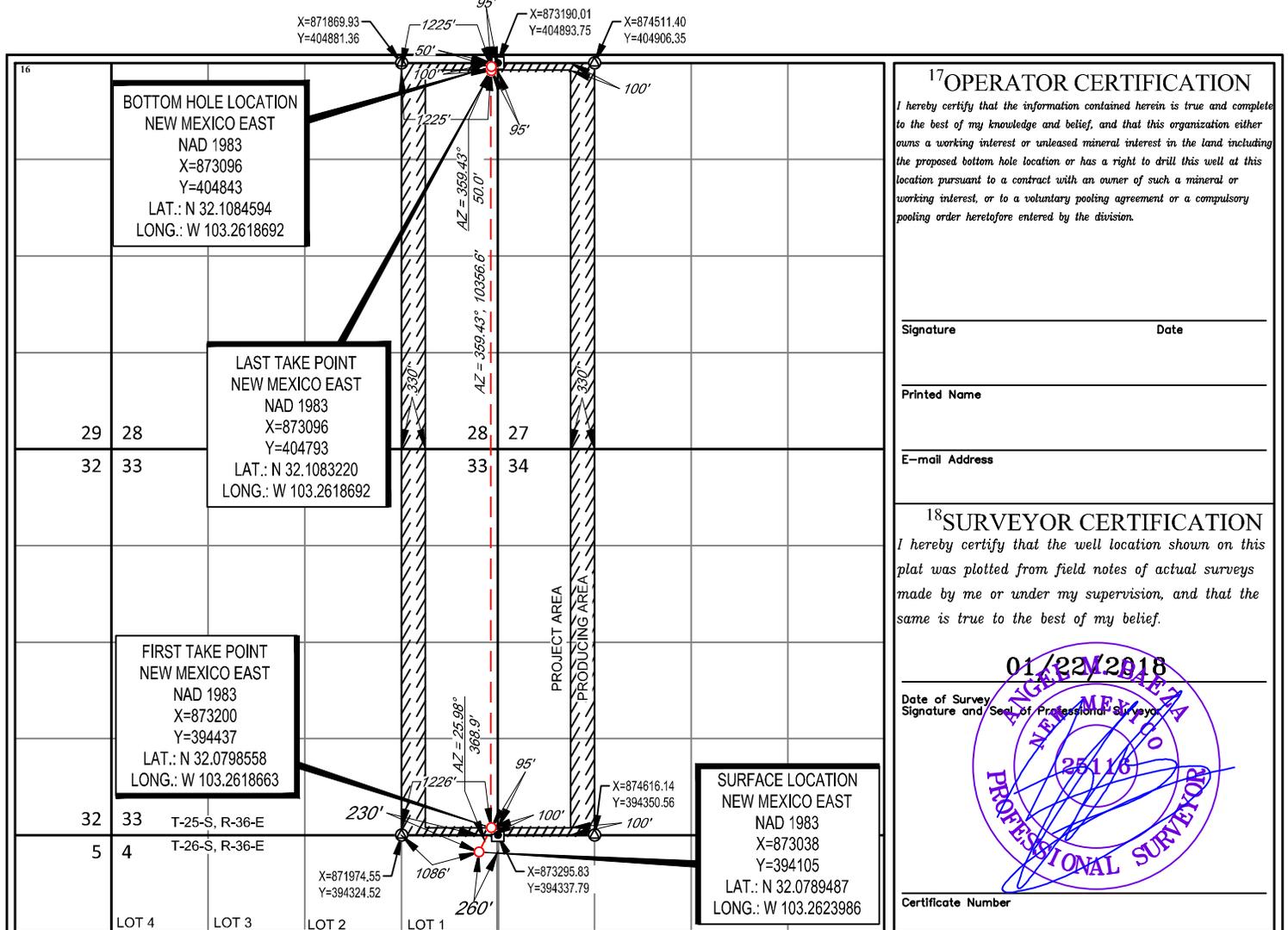
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	4	26-S	36-E	-	230'	NORTH	260'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	25-S	36-E	-	50'	NORTH	95'	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

Signature _____ Date _____

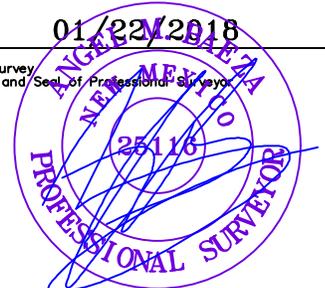
Printed Name _____

E-mail Address _____

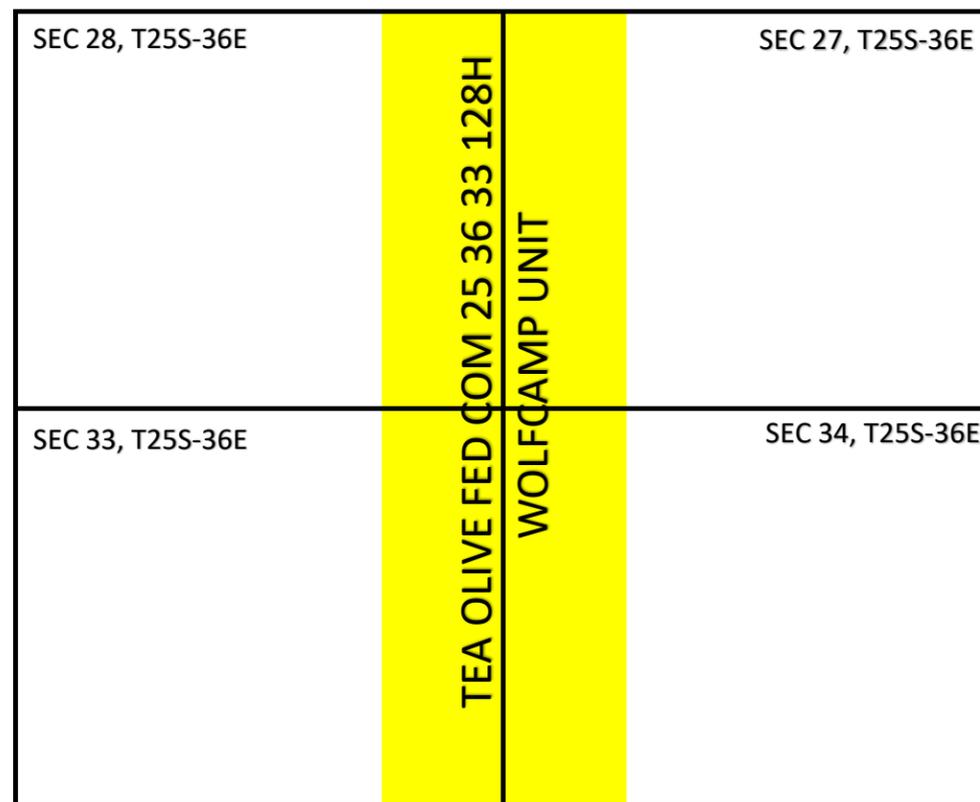
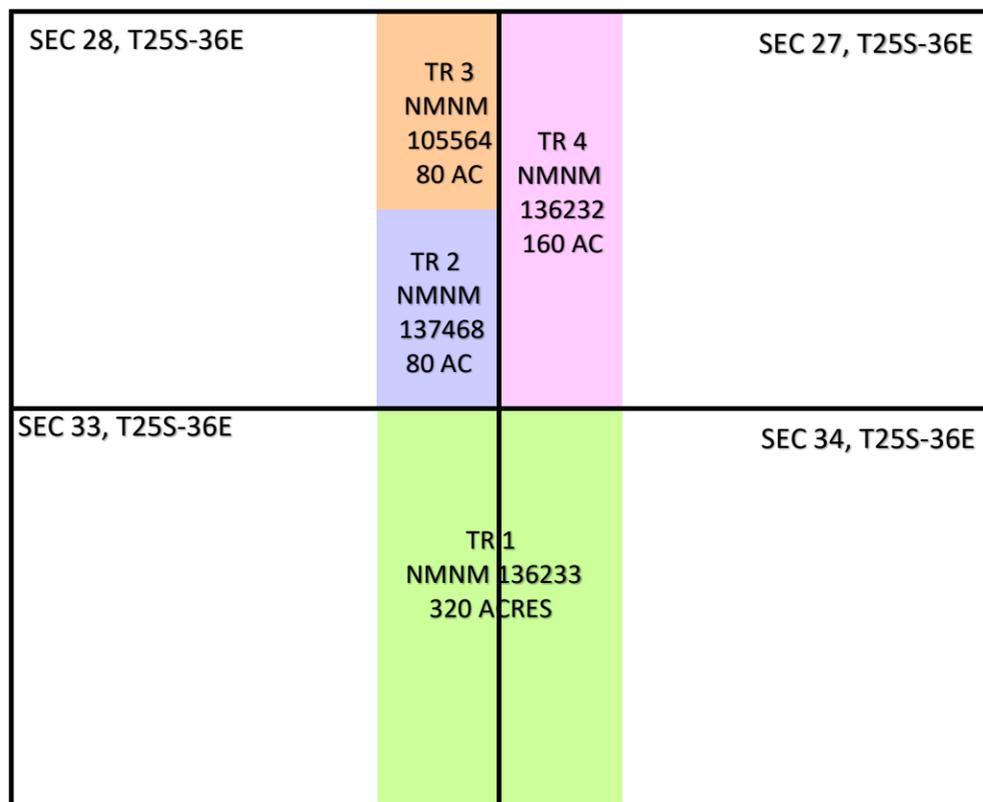
¹⁸SURVEYOR CERTIFICATION

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 to the best of my belief.

Date of Survey 01/22/2018
Signature and Seal of Professional Surveyor _____



Certificate Number _____



TEA OLIVE FED COM 25 36 33 128H - WOLFCAMP UNIT
 E2E2 OF SECTIONS 28 & 33, AND W2W2 OF SECTIONS 27 & 34, T25S-R36E, LEA COUNTY, NM
 WELLS INCLUDED IN UNIT: TEA OLIVE FED COM 25 36 33 118H & 128H

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. C-2
 Submitted by: Ameredev Operating, LLC
 Hearing Date: August 3, 2023
 Case No. 23683

**LEASEHOLD OWNERSHIP IN TEA OLIVE FED COM 25 36 33 128H- WOLFCAMP UNIT
E2E2 OF SECTIONS 28 &33 AND W2W2 OF SECTIONS 27 & 34, T25S-R36E, LEA COUNTY, NM**

LEASEHOLD OWNER	TR 1	TR 2	TR 3	TR 4	UNIT RECAP
AMEREDEV NEW MEXICO, LLC	0.50000000	0.12500000	0.07900000	0.25000000	0.95400000
OXY Y-1 COMPANY	-	-	0.04000000	-	0.04000000
WEST PECOS TRADING COMPANY, LLC	-	-	0.00600000	-	0.00600000
					1.00000000

PARTIES TO POOL	INTEREST TYPE
OXY Y-1 COMPANY 5 Greenway Plaza, Suite 110 Houston, TX 77046	WI

Key: Pooled parties highlighted in yellow

Ameredev II, LLC
2901 Via Fortune, Suite 600
Austin, Texas 78746



May 30, 2023

Via Certified Return Receipt Mail Tracking No.
7021 2720 0001 2621 5053

OXY Y-1 Company
5 Greenway Plaza Suite 110
Houston, TX 77046

RE: Tea Olive Fed Com 25-36-33 118H and 128H Well Proposal
E2E2 of Sections 28 & 33, and W2W2 of Sections 27 and 34
Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico

Dear Owner:

Ameredev Operating, LLC (“Ameredev”), as Operator, hereby proposes to commence to drill and complete the following horizontal wells, testing the Wolfcamp formation at applicable off lease surface locations in Section 4, T26S-36E with bottom hole locations in Section 28, T25S-R36E, Lea County, New Mexico (collectively, the “Operation”). The proposed wells will fall within a 640.00-acre spacing unit limited to the E2E2 of Sections 28 & 33, and W2W2 of Sections 27 & 34, T25S-R36E, Lea County, New Mexico.

Proposed Wells:

- 1) **Tea Olive Fed Com 25 36 33 118H (API: 30-025-50884)** to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 10,955 feet and a measured depth of 22,091 feet. The surface location for this well is proposed at a legal location in Lot 1 (UL A) of Section 4, T26S, R36-E and a bottom hole location at a legal location in unit letter A of Section 28, T25S-36E. The estimated cost to drill and complete said well is \$13,453,445.41, as shown on the attached authority for expenditure (“AFE”).
- 2) **Tea Olive Fed Com 25 36 33 128H (API: 30-025-50886)** to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 10,955 feet and a measured depth of 22,091 feet. The surface location for this well is proposed at a legal location in Lot 1 (UL A) of Section 4, T26S, R36-E and a bottom hole location at a legal location in unit letter A of Section 28, T25S-36E. The estimated cost to drill and complete said well is \$13,281,376.66 as shown on the attached authority for expenditure (“AFE”).

Ameredev is proposing the above wells under the 2015 Horizontal AAPL Form 610 Operating Agreement (“OA”) with the following terms:

- Contract Area consisting of E2E2 of Sections 28 & 33, and W2W2 of Sections 27 & 34, T25S-R36E, Lea County, New Mexico, with Ameredev listed as the Operator (“Contract Area”)
- 100%/300%/300% non-consent risk penalties
- \$10,000/\$1,000 drilling and producing overhead rates

The AFE is only an estimate and may not represent the actual costs. The actual depth and lateral length may change due to unexpected conditions encountered during drilling operations. Each participating party shall be obligated to bear its proportionate share of actual drilling and completion expenses.

In the interest of time, if we do not reach an agreement within thirty (30) days of the date of this letter, Ameredev will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a horizontal spacing unit for the proposed Operation.

If you elect to participate in the drilling and completion of the proposed wells, please indicate in the space below and return an executed copy of this letter along with signed copies of the enclosed AFEs to my attention at the letterhead address.

If you do not wish to participate in the Operation, Ameredev would be interested in acquiring your leasehold interest for a mutually acceptable offer.

Thank you for your consideration of our proposal. If you have any questions, please contact me at 737-444-2997 or LLaufer@ameredev.com. Ameredev looks forward to working with you on this matter.

Sincerely,



Lizzy Laufer
737-444-2997

Please indicate your election below:

Election Ballot for the Tea Olive Fed Com 25 36 33 118H Well Proposal (AFE# 2022-079)

_____ OXY Y-1 Companyelects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2022-079.

_____ OXY Y-1 Companyelects to not participate in the proposed Operation.

Executed this _____ day of _____, 2023.

OXY Y-1 Company

By:

Its:

Election Ballot for the Tea Olive Fed Com 25 36 33 128H Well Proposal (AFE# 2022-080)

_____ OXY Y-1 Companyelects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2022-080.

_____ OXY Y-1 Companyelects to not participate in the proposed Operation.

Executed this _____ day of _____, 2023.

OXY Y-1 Company

By:

Its:



Lea County, NM

Tea Olive Fed Com 25-36-33 118H

2022-079
Single Well Project
5/25/2023

Amerdev Operating, LLC
2901 Via Fortuna Suite 600, Austin, TX 78746



Amerdev II, LLC

Company Entity
Amerdev Operating, LLC

Date Prepared
May 25, 2023

AFE Type	Project	Field Name	Cost Center	AFE No.
Capital	Tea Olive Fed Com 25-36-33 118H	Delaware	40178	2022-079

Location	County	State	Well Type	
SHL: Sec. 04 26S-36E 230'FNL & 280'FEL BHL: Sec. 28 25S-36E 50'FSL & 740'FEL	Lea	NM	Oil	Prod

Estimate Type	Start Date	Completion Date	Formation	MD
Original	April 3, 2023	July 2, 2023	Wolfcamp XY	22,091'
				TVD
				10,955'

Project Description
 Drill 10,000 ft Wolfcamp XY Lateral. Complete with 2000 PPF; 1550 GPF Frac; 234' per stage. Drill out plugs and run 3.5" tubing with gas lift. Tie in to the Firethorn Central Tank Battery. This well will also go through the 7S satellite. This

Total Cost	\$13,453,445.41
-------------------	------------------------

Comments on Associated Costs
 Included costs for satellite pad if well goes through a satellite. This is split respectively on the number of wells that are going through the satellite.

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.

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.
 Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$250,000 (100% W.I.) retention.

Marketing Election
 Amerdev 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 Amerdev, you will be subject to all of the terms of such contracts. Upon written request to Amerdev, we will share with you the terms and conditions pursuant to which gas will be sold.

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

Joint Interest Approval

Company	Approved By	Date



Single Well Project

Tea Olive Fed Com 25-36-33 118H Delaware

Intangibles	Code	Dry Hole Cost	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	4	\$ 46,924.56	\$ -	\$ 46,924.56
ROAD / LOCATION PREP / RESTORATION	8	\$ -	\$ 109,571.78	\$ 109,571.78
DRILLING RIG	10	\$ 817,000.00	\$ 44,400.00	\$ 861,400.00
COIL TUBING	12	\$ -	\$ 165,306.75	\$ 165,306.75
FUEL	16	\$ 223,443.30	\$ 649,204.80	\$ 872,648.10
TRAILER, CAMP, AND CATERING	18	\$ 55,000.00	\$ 15,276.66	\$ 70,276.66
SURFACE RENTALS	24	\$ 118,294.64	\$ 82,739.33	\$ 201,033.97
DRILL BITS	28	\$ 93,149.08	\$ 3,500.00	\$ 96,649.08
DOWNHOLE RENTALS	30	\$ 31,588.24	\$ 56,000.00	\$ 87,588.24
DIRECTIONAL DRILLING	32	\$ 205,992.78	\$ -	\$ 205,992.78
COMPOSITE PLUGS	34	\$ -	\$ 37,400.00	\$ 37,400.00
TUBING & BHA INSPECT & REPAIR	42	\$ 60,912.88	\$ -	\$ 60,912.88
RENTAL TUBING	46	\$ 54,178.62	\$ -	\$ 54,178.62
WELL CONTROL EQUIP / SERVICES	48	\$ 48,399.23	\$ 252,454.26	\$ 300,853.49
PUMP TRUCK / PRESSURE TESTING	54	\$ 8,000.00	\$ -	\$ 8,000.00
MISC SUPPLIES & MATERIALS	56	\$ 8,433.21	\$ -	\$ 8,433.21
MUD, ADDITIVES, AND CHEMICALS	60	\$ 164,956.82	\$ 282,950.37	\$ 447,907.19
FRAC PUMPING CHARGES	61	\$ -	\$ 2,695,159.04	\$ 2,695,159.04
WATER RIGHTS / TRANSFER / STORAGE	62	\$ 45,597.14	\$ 658,307.10	\$ 703,904.24
SOLIDS CONTROL EQUIP / SERVICES	66	\$ 95,896.00	\$ -	\$ 95,896.00
MUD / FLUIDS DISPOSAL CHARGES	68	\$ 152,214.88	\$ 33,365.27	\$ 185,580.15
CASING CREWS	70	\$ 52,026.89	\$ -	\$ 52,026.89
CEMENTING	72	\$ 290,085.39	\$ -	\$ 290,085.39
MOBILIZE & DEMOBILIZE	86	\$ 111,380.01	\$ -	\$ 111,380.01
SUPERVISION / COMPANY	92	\$ 1,045.22	\$ -	\$ 1,045.22
SUPERVISION / CONTRACT	94	\$ 83,600.00	\$ 98,569.29	\$ 182,169.29
ENGINEERING / CONSULTANT	102	\$ 59,333.27	\$ 1,607.14	\$ 60,940.41
CONTRACT ROUSTABOUT	103	\$ 2,400.21	\$ -	\$ 2,400.21
CONTRACT LANDWORK / SURVEY	114	\$ -	\$ 14,000.00	\$ 14,000.00
NONDESTRUCTIVE WELD TESTING	118	\$ -	\$ 7,684.00	\$ 7,684.00
CONSTRUCTION LABOR	120	\$ -	\$ 21,330.00	\$ 21,330.00
REGULTRY / ENVIRON CONSULTANT	122	\$ -	\$ 3,900.00	\$ 3,900.00
SAFETY AND EMERGENCY RESPONSE	124	\$ 1,700.00	\$ 102,395.01	\$ 104,095.01
PAINTING / INSULATION	128	\$ -	\$ 13,336.00	\$ 13,336.00
WELDING & MATERIALS	138	\$ 769.20	\$ 11,044.00	\$ 11,813.20
GASLIFT / FLOW LINE CONSTRUCTION	144	\$ -	\$ 46,183.73	\$ 46,183.73
ENVIRONMENTAL / PERMITTING	172	\$ 10,500.00	\$ -	\$ 10,500.00
LEGAL / REGULATORY	182	\$ 2,307.09	\$ -	\$ 2,307.09
FLOW TESTING / EQUIP	194	\$ -	\$ 66,706.46	\$ 66,706.46
MUD LOGGING	198	\$ 23,560.00	\$ -	\$ 23,560.00
WIRELINE / PERF / PUMPDOWN COSTS	200	\$ -	\$ 429,755.54	\$ 429,755.54
SECONDARY CONTAINMENT	254	\$ -	\$ 9,500.00	\$ 9,500.00
FACILITY ELECTRIC & AUTOMATION	258	\$ -	\$ 187,803.20	\$ 187,803.20
ELECTRICAL	296	\$ -	\$ 51,800.00	\$ 51,800.00
TRANSPORTATION	326	\$ 70,000.00	\$ 15,772.86	\$ 85,772.86
VACUUM TRUCK	328	\$ 7,831.74	\$ 27,255.19	\$ 35,086.93
TRANSPORTATION / GATHERING EXP	378	\$ -	\$ 240.94	\$ 240.94
Contingency	3.00%	\$ 88,395.61	\$ 186,353.54	\$ 274,749.16
Tax	6.25%	\$ 184,157.52	\$ 388,236.55	\$ 572,394.07
Total Intangible Cost		\$ 3,219,073.53	\$ 6,786,374.86	\$ 10,005,448.39
Tangibles - Well Equipment	Code	Dry Hole Cost	After Casing Point Cost	Total Cost
CASING / LINER / FLOAT EQUIPMENT	74	\$ 64,500.00	\$ -	\$ 64,500.00
SURFACE CASING	210	\$ 107,500.00	\$ -	\$ 107,500.00
INTERMEDIATE CASING	212	\$ 737,313.08	\$ -	\$ 737,313.08
PRODUCTION CASING	216	\$ 1,332,554.05	\$ -	\$ 1,332,554.05
TUBING	217	\$ -	\$ 313,076.47	\$ 313,076.47
WELLHEAD / TREE / CHOKES	218	\$ 108,079.30	\$ 190,705.77	\$ 298,785.07
ISOLATION PACKER	222	\$ -	\$ 13,959.09	\$ 13,959.09
DOWNHOLE LIFT EQUIPMENT	234	\$ -	\$ 12,000.00	\$ 12,000.00

TANK BATT / PROCESS EQUIP / MAINT	236	\$ -	\$ 122,000.00	\$ 122,000.00
LINE PIPE	238	\$ -	\$ 6,632.00	\$ 6,632.00
FLOW LINE (PIPE WH TO FACILITY)	266	\$ -	\$ 39,996.39	\$ 39,996.39
PIPELINE TO SALES	270	\$ -	\$ 9,110.71	\$ 9,110.71
METERS AND METERING EQUIPMENT	274	\$ -	\$ 26,552.19	\$ 26,552.19
VALVES, FITTINGS, PROD INSTRUM	282	\$ -	\$ 72,082.28	\$ 72,082.28
Contingency	3.00%	\$ 70,498.39	\$ 24,183.45	\$ 94,681.84
Tax	6.25%	\$ 142,840.40	\$ 50,382.18	\$ 197,253.83
Total Tangible Cost		\$ 2,563,285.23	\$ 880,680.53	\$ 3,447,997.01
TOTAL		\$ 5,782,358.77	\$ 7,667,055.39	\$ 13,453,445.41



Lea County, NM

Tea Olive Fed Com 25-36-33 128H

**2022-080
Single Well Project
5/22/2023**

Ameredev Operating, LLC
2901 Via Fortuna Suite 600, Austin, TX 78746



Amerdev II, LLC

Company Entity
Amerdev Operating, LLC

Date Prepared
May 22, 2023

AFE Type	Project	Field Name	Cost Center	AFE No.
Capital	Tea Olive Fed Com 25-36-33 128H	Delaware	40179	2022-080

Location	County	State	Well Type	
SHL: Sec. 04 26S-36E 230'FNL & 260'FEL BHL: Sec. 28 25S-36E 50'FSL & 95'FEL	Lea	NM	Oil	Prod

Estimate Type	Start Date	Completion Date	Formation	MD
Original	April 3, 2023	July 2, 2023	Wolfcamp A	22,091'
				TVD
				10,955'

Project Description
 Drill 10,000 ft Wolfcamp A Lateral. Complete with 2000 PPF; 1550 GPF Frac; 234' per stage. Drill out plugs and run 3.5" tubing with gas lift. Tie in to the Firethorn Central Tank Battery. This well will also go through the 7S satellite.

Total Cost	\$13,281,376.66
-------------------	------------------------

Comments on Associated Costs
 Included costs for satellite pad if well goes through a satellite. This is split respectively on the number of wells that are going through the satellite.

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.

Well Control Insurance
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I elect to take my gas in kind.
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Joint Interest Approval

Company	Approved By	Date



Single Well Project

Tea Olive Fed Com 25-36-33 128H Delaware

Intangibles	Code	Dry Hole Cost	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	4	\$ 46,924.56	\$ -	\$ 46,924.56
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INTERMEDIATE CASING	212	\$ 579,813.08	\$ -	\$ 579,813.08
PRODUCTION CASING	216	\$ 1,332,554.05	\$ -	\$ 1,332,554.05
TUBING	217	\$ -	\$ 313,076.47	\$ 313,076.47
WELLHEAD / TREE / CHOKES	218	\$ 108,079.30	\$ 190,705.77	\$ 298,785.07
ISOLATION PACKER	222	\$ -	\$ 13,959.09	\$ 13,959.09
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LINE PIPE	238	\$ -	\$ 6,632.00	\$ 6,632.00
FLOW LINE (PIPE WH TO FACILITY)	266	\$ -	\$ 39,996.39	\$ 39,996.39
PIPELINE TO SALES	270	\$ -	\$ 9,110.71	\$ 9,110.71
METERS AND METERING EQUIPMENT	274	\$ -	\$ 26,552.19	\$ 26,552.19
VALVES, FITTINGS, PROD INSTRUM	282	\$ -	\$ 72,082.28	\$ 72,082.28
Contingency	3.00%	\$ 65,773.39	\$ 24,183.45	\$ 89,956.84
Tax	6.25%	\$ 132,996.65	\$ 50,382.18	\$ 187,410.08
Total Tangible Cost		\$ 2,391,216.48	\$ 880,680.53	\$ 3,275,928.26
TOTAL		\$ 5,610,290.02	\$ 7,667,055.39	\$ 13,281,376.66

Chronology Efforts:

5/30/2023 & 5/31/2023: Well proposals, AFE's and proposed JOA sent via certified mail and email to Oxy Y-1 Company and West Pecos Trading Company, LLC

6/1/2023- Present: Email correspondence with Oxy Y-1 regarding development plan. Answered technical and development questions.

6/5/2023-Present: email correspondence with West Pecos Trading Company, LLC regarding development plan and JOA negotiations.

6/15/23: Received executed AFES, elections to participate and executed JOA from West Pecos Trading Company, LLC.

7/13/2023: Mailed Federal Communitization Agreement for execution to operating rights owners via CMRRR.

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

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

CASE NOS. 23682 & 23683

SELF-AFFIRMED STATEMENT OF PARKER FOY

1. My name is Parker Foy. I work for Ameredev Operating, LLC (“Ameredev”) as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum geology matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Ameredev in these cases, and I have conducted a geologic study of the lands in the subject area.
4. **Ameredev Exhibit D-1** is a locator map that shows Ameredev’s acreage in yellow and the path of the proposed wellbores. Nearby wells that are producing in the target formation are marked with green dots. This map also shows the location of the Capitan Reef Complex.
5. **Ameredev Exhibit D-2** is a subsea structure map that I prepared for the targeted interval within the Wolfcamp formation, with a contour interval of 50 feet. The structure map shows the Wolfcamp gently dipping to the southwest. The Wolfcamp structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontally drilling the wells proposed in these spacing units.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Ameredev Operating, LLC
Hearing Date: August 3, 2023
Case No. 23682 & 23683

6. **Ameredev Exhibit D-3** shows a line of cross-section in red consisting of wells penetrating the Wolfcamp formation that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.

7. **Ameredev Exhibit D-4** contains the stratigraphic cross-sections that I prepared displaying open-hole logs run over the target formations from three representative wells denoted from A to A'. For each well in the cross-sections, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The targeted interval is labeled and marked on the left side of the cross-sections. The logs in the cross-section demonstrate that the interval is continuous across the entire spacing unit.

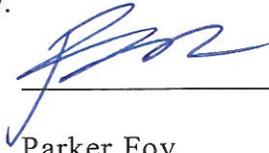
8. In my opinion, standup orientation of the proposed wells is the appropriate orientation for horizontal well development in this area because it is near perpendicular to the maximum horizontal stress of the area.

9. Based on my geologic study, the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing units will contribute more-or-less equally to the production from the wellbores. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing units proposed.

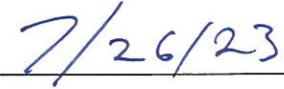
10. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving Ameredev's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

11. **Ameredev's Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.

12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in these cases. This statement is made on the date next to my signature below.



Parker Foy



Date

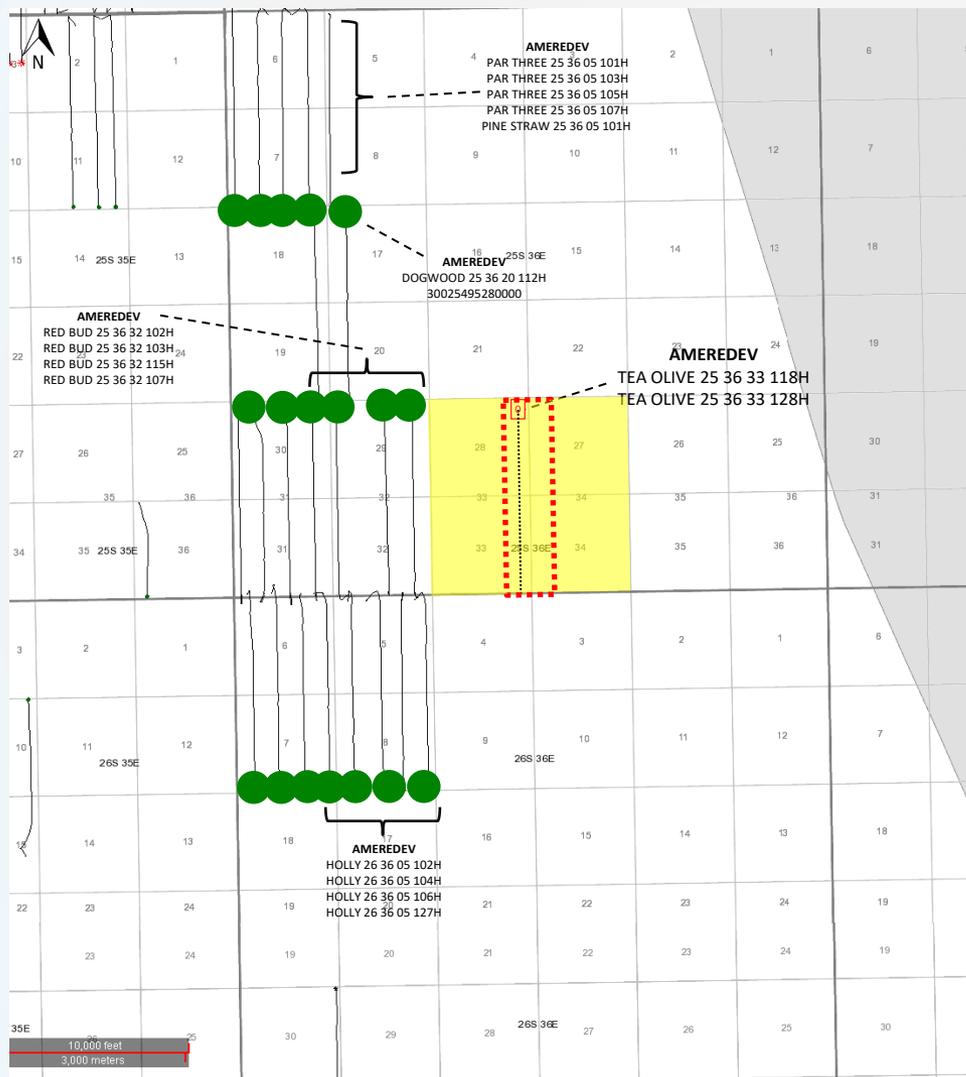
The logo for AMEREDEV features the word in a bold, italicized, sans-serif font. The letters are white and set against a background that is red on the left and dark blue on the right, separated by a diagonal line.

Ameredev II, LLC

**TEA OLIVE FED COM 25 36 33 118H & 128H
WOLFCAMP POOLING**

AMEREDEV OPERATIONS

Wolfcamp Pool – Tea Olive Fed Com 25 36 33 118H & 128H

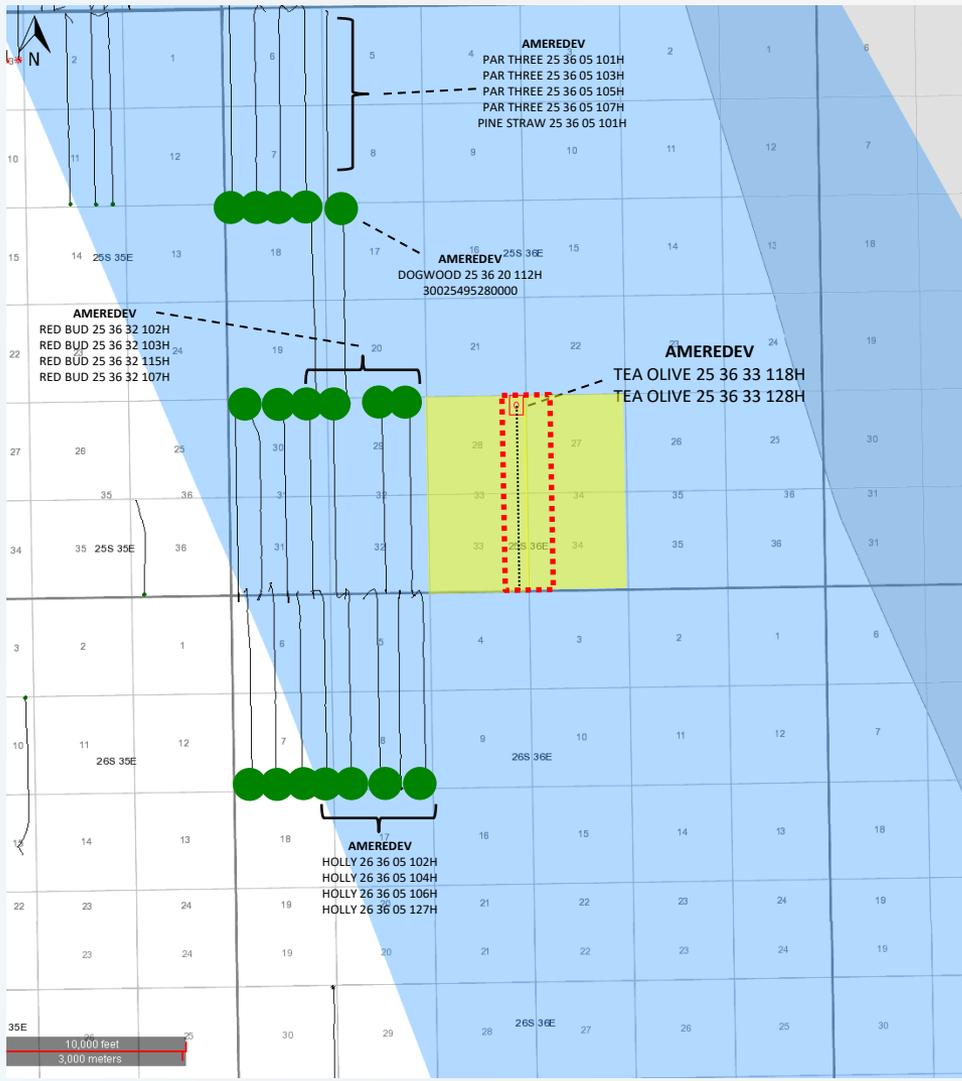


Map Legend

BHL	SHL	
		Ameredeve WFMP Horizontal Locations
		Producing WFMP Wells
		Ameredeve Acreage

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-1
 Submitted by: Ameredeve Operating, LLC
 Hearing Date: August 3, 2023
 Case No. 23683

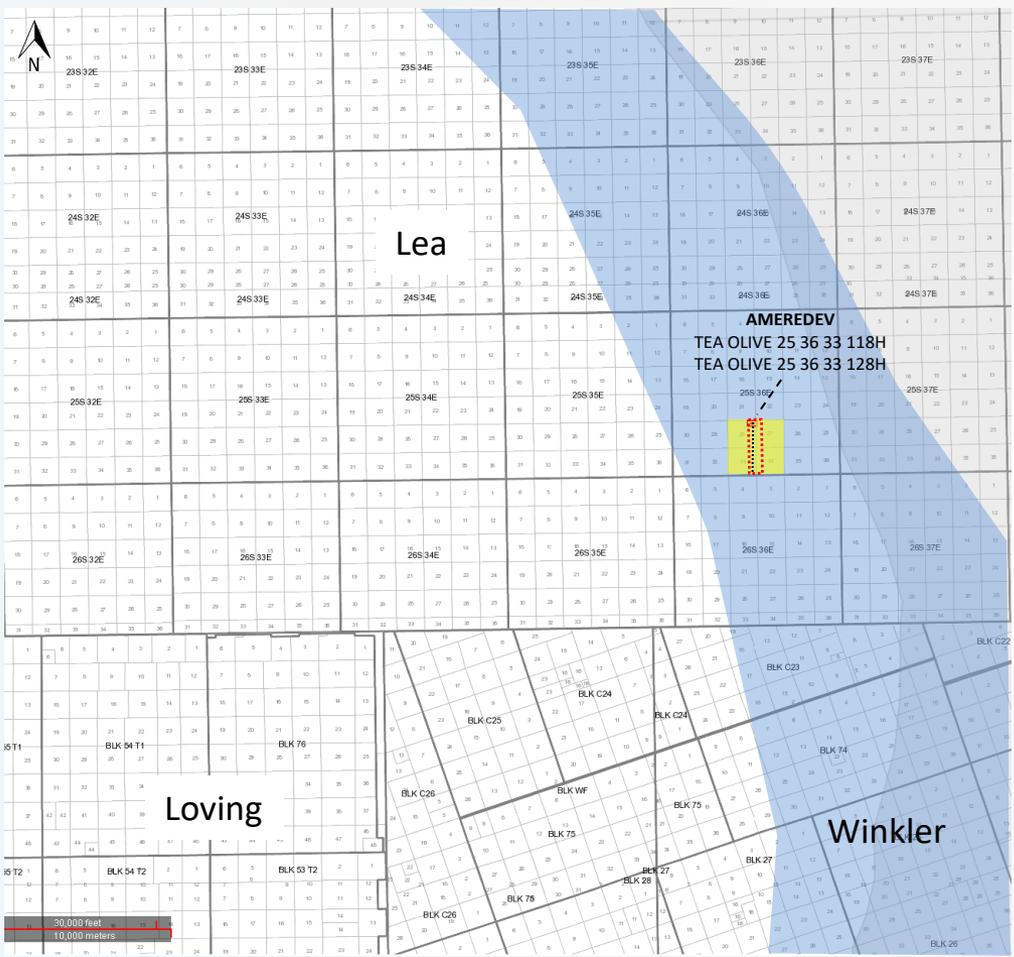
Wolfcamp Pool – Capitan Reef Complex



Map Legend

BHL	SHL	
		Amerdev WFMP Horizontal Locations
		Producing WFMP Wells
		Amerdev Acreage
		Capitan Reef Complex

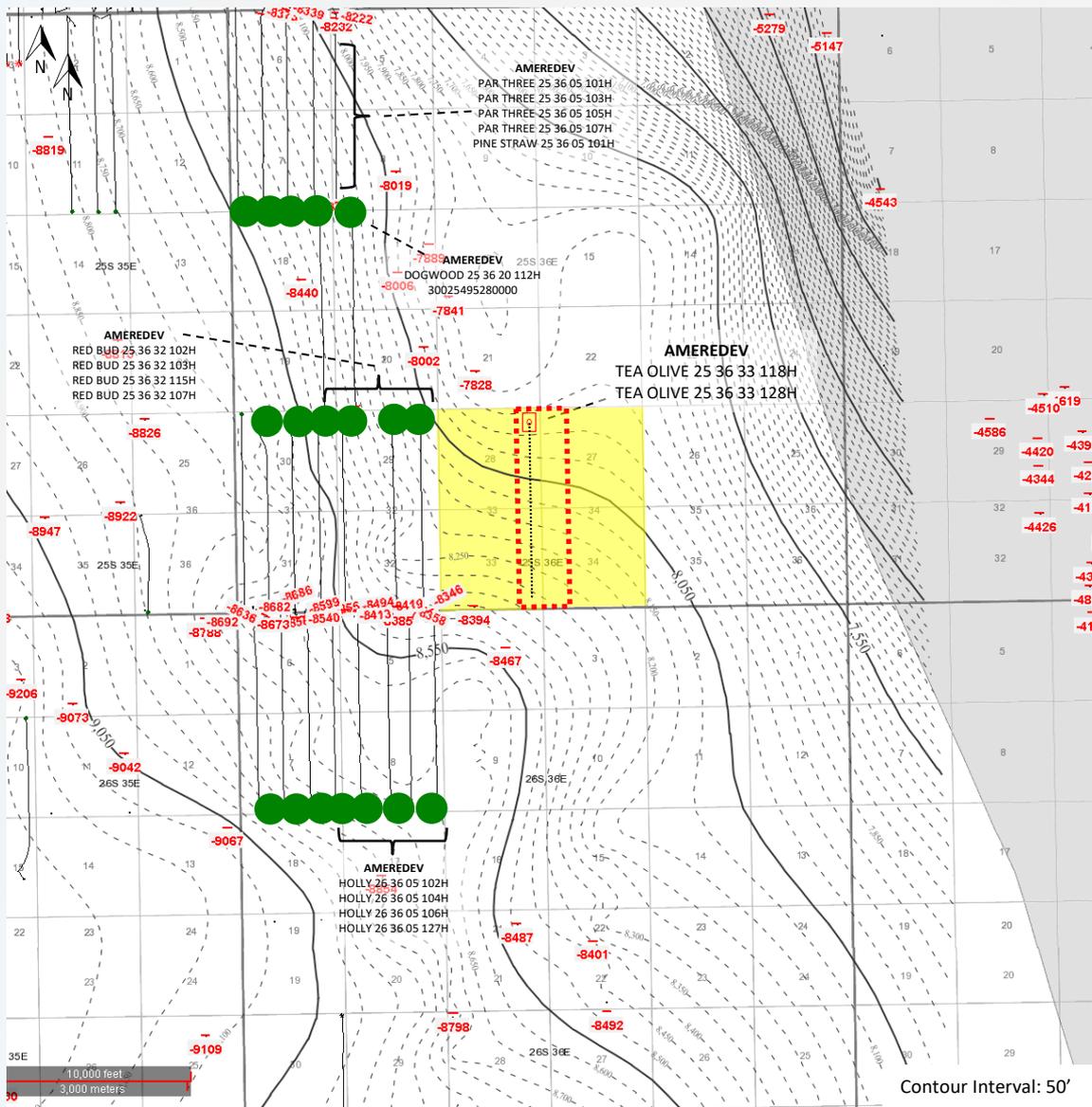
Wolfcamp Pool – Capitan Reef Complex



Map Legend

BHL	SHL	
		Ameredev WFMP Horizontal Locations
		Producing WFMP Wells
		Ameredev Acreage
		Capitan Reef Complex

Wolfcamp Pool – WFMP Structure Map (Subsea Depth)



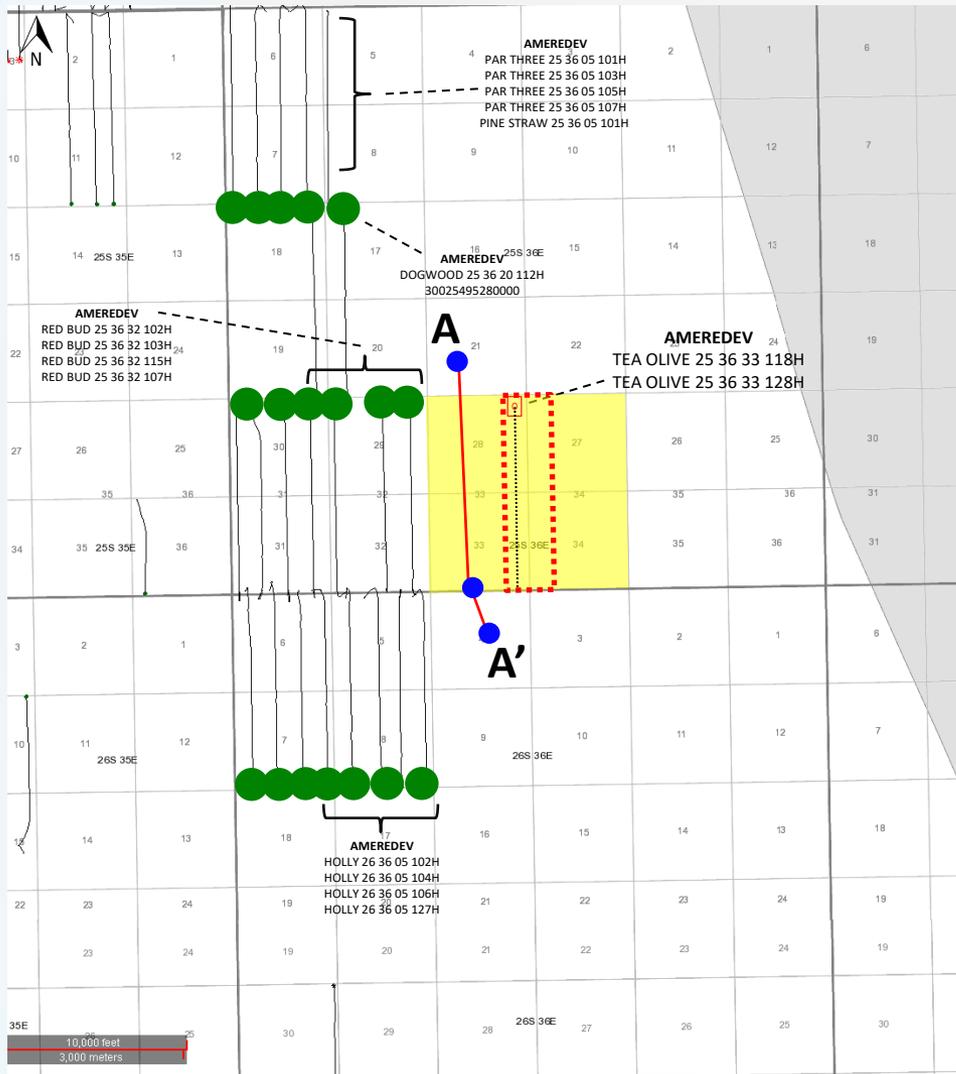
Map Legend

BHL SHL

- Ameredeve WFMP Horizontal Locations
- Producing WFMP Wells
- Ameredeve Acreage

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-2
 Submitted by: Ameredeve Operating, LLC
 Hearing Date: August 3, 2023
 Case No. 23683

Wolfcamp Pool – Cross Section Map



Map Legend

BHL	SHL	Description
		Amerdev WFMP Horizontal Locations
		Producing WFMP Wells
		Cross Section Wells & Transect
		Amerdev Acreage

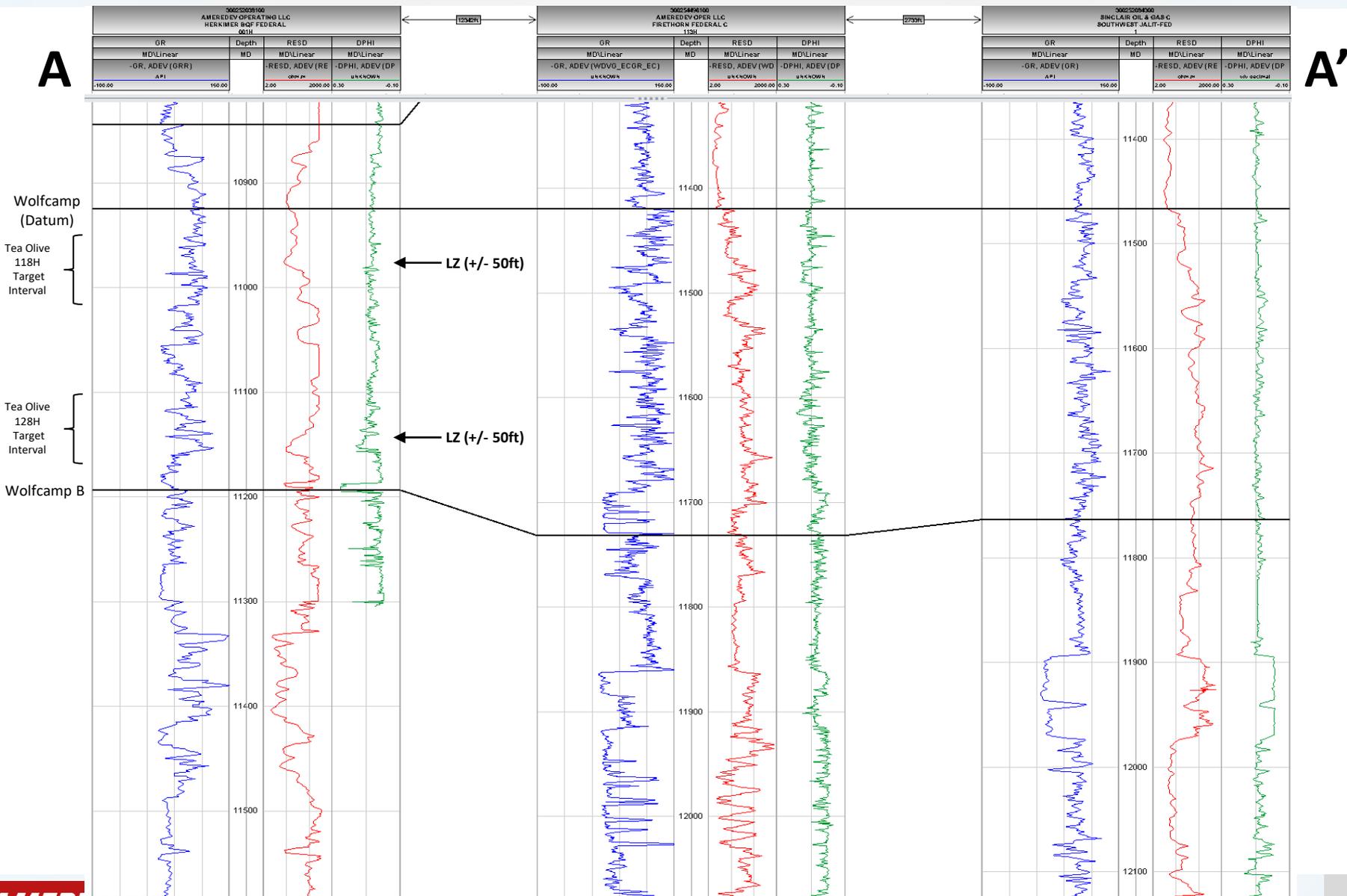
BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-3
 Submitted by: Amerdev Operating, LLC
 Hearing Date: August 3, 2023
 Case No. 23683

Wolfcamp Pool - Stratigraphic Cross Section

Submitted by: Amerdev Operating, LLC

Hearing Date: August 3, 2023

Case No. 23683



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

APPLICATION OF AMEREDEV
OPERATING, LLC FOR
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 23683

SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE

1. I am attorney in fact and authorized representative of Ameredev Operating, LLC (“Ameredev”), the Applicant herein. I have personal knowledge of the matters addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of July 28, 2023.

5. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Paula M. Vance

8/1/2023

Date

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Ameredev Operating, LLC
Hearing Date: August 3, 2023
Case No. 23683



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

July 14, 2023

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Ameredev Operating, LLC for compulsory pooling, Lea County, New Mexico: Tea Olive Fed Com 25 36 33 118H & 128H Wells

Ladies & Gentlemen:

This letter is to advise you that Ameredev Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on August 3, 2023, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/ocd/>.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Lizzy Laufer at (737) 444-2997 or llauffer@ameredev.com.

Sincerely,

Adam G. Rankin
ATTORNEY FOR AMEREDEV OPERATING, LLC

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

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

Ameredev - Tea Oliv 118H 128H Wells Case No. 23683
Postal Delivery Report

9414811898765414078199	OXY Y-1 Company	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on July 19, 2023 at 9:16 am.
9414811898765414078137	West Pecos Trading Company, LLC	8849 Larston St	Houston	TX	77055-4723	Your item was delivered to an individual at the address at 6:09 pm on July 21, 2023 in HOUSTON, TX 77055.