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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 24091

APACHE EXHIBITS

Camacho 25-26 State Com 203H, 303H



Case No. 24091--Camacho 25-26 State Com 203H, 303H

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ALL INFORMATION IN THE APPLICATION MUST BE	SUPPORTED BY SIGNED AFFIDAVITS				
Case: 24091	APPLICANT'S RESPONSE				
Date	January 4, 2024				
Applicant	Apache Corporation				
Designated Operator & OGRID (affiliation if applicable)	Apache Corporation (OGRID 873)				
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.				
Case Title:	Application of Apache Corporation for Compulsory Pooling, Eddy County, New Mexico.				
Entries of Appearance/Intervenors:	Mongoose Minerals LLC/Hinkle Shanor				
Well Family	Camacho 25-26				
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:	Winchester; Bone Spring West Pool (Pool Code 97569)				
Well Location Setback Rules:	State-Wide Rules Apply				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	320-acres				
Building Blocks:	40-acre				
Orientation:	East/West				
Description: TRS/County	N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East NMPM, Eddy 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	N/A				
roximity Tracts: If yes, description	N/A				
roximity Defining Well: if yes, description	N/A				
opplicant's Ownership in Each Tract	Exhibit B.3				

Add wells as needed



Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status

Well(s)

(standard or non-standard)

Received by OCD: 1/2/2024 3:33:52 PM	Page 5 of
Sample Copy of Proposal Letter	Exhibit B.5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.4
Overhead Rates In Proposal Letter	Exhibit B.5
Cost Estimate to Drill and Complete	Exhibit B.6
Cost Estimate to Equip Well	Exhibit B.6
Cost Estimate for Production Facilities	Exhibit B.6
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.1
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.1
Well Orientation (with rationale)	Exhibit C, Paragraph 20.
Target Formation	Exhibit C.3 to C.12
HSU Cross Section	Exhibit C.6-C.7 and C.11-C.12
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibi B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.2
Well Bore Location Map	Exhibit C.2
Structure Contour Map - Subsea Depth	Exhibit C.4 and C.9
Cross Section Location Map (including wells)	Exhibit C.3 and C.8
Cross Section (including Landing Zone)	Exhibit C.6-C.7 and C.11-C.12
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information prov	rided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	New Month
Date:	1/2/2024

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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24091

DECLARATION OF BLAKE JOHNSON

Blake Johnson hereby states and declares as follows:

- 1. I am a landman for Apache Corporation ("Apache"), over the age of 18, and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division ("Division") and I have been qualified by the Division as an expert in petroleum land matters.
- 2. My area of responsibility at Apache includes the area of Eddy County in New Mexico.
- 3. I am familiar with the application filed by Apache in this case, which is attached as **Exhibit B.1**.
 - 4. I am familiar with the status of the lands that are subject to the application.
- 5. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above-referenced compulsory pooling application.
- 6. This case involves a request for orders from the Division for compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Bone Spring formation horizontal spacing unit described below, and in the wells to be drilled in the horizontal spacing unit.

EXHIBIT

B

- 7. Prior to filing its application, Apache made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells. Apache identified all of the working interest, unleased mineral interests, and overriding royalty interest owners from a title opinion. To locate interest owners, Apache conducted a diligent search of the public records in the county where the wells will be located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification. I mailed all working interest owners well proposals and an Authorization for Expenditure, and a form of Operating Agreement upon request.
- 8. No opposition is expected. Prior to filing its application, Apache contacted the interest owners being pooled regarding the proposed wells; the pooled working interest owners have failed or refused to voluntarily commit their interests in the wells. Apache provided all of the working interest owners, any unleased mineral owners, and overriding royalty owners with notice of these application, and none have entered an appearance in opposition to Apache's applications.
- 9. In Case No. 24091, Apache seeks an order from the Division pooling all uncommitted mineral interests within the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 203H and Camacho 25-26 State Com 303H wells, to be horizontally drilled.
 - 10. Attached as **Exhibit B.2** are the proposed C-102s for the wells.
- 11. The C-102s identify the proposed surface hole locations, the first and last take point, and the bottom hole location. The C-102s also identify the pool and pool code.
 - 12. The wells will develop the Winchester; Bone Spring, West Pool, Pool Code 97569.

- 13. This pool is an oil pool with 40-acre building blocks.
- 14. This pool is governed by the state-wide horizontal well rules. The producing intervals for the wells will be orthodox and will comply with the Division's set back requirements, the first and last take points will be no closer than 100' from the proposed unit boundary and the completed lateral will be no closer than 330' from the proposed unit boundary.
 - 15. There are no depth severances within the proposed spacing units.
- 16. **Exhibit B.3** includes a lease tract map outlining the units being pooled. Exhibit 3 also includes the parties being pooled, the nature, and the percent of their interests. Apache owns an interest in the proposed unit and has a right to drill a well thereon.
- 17. In my opinion, Apache has made a good faith effort to obtain voluntary joinder in the proposed wells.
 - 18. **Exhibit B.4** is a summary of my contacts with the various working interest owners.
- 19. **Exhibit B.5** is a sample of the well proposal letter that was sent. The proposal letter identifies the approximate surface and bottom hole locations and approximate TVD/MD for the wells.
- 20. **Exhibit B.6** contains the Authorization for Expenditure for the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable, and is comparable to the costs of other well of similar depths and length drilled in this area of New Mexico.
- 21. Apache requests overhead and administrative rates of \$9000.00/month for drilling a well and \$900.00/month for a producing 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. Apache requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

- 22. Apache requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
 - 23. Apache requests that it be designated operator of the wells.
 - 24. The parties Apache is seeking to pool were notified of this hearing.
- 25. Apache seeks to pool overriding royalty interest owners, and they were provided notice of this hearing.
- 26. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells.
- 27. Based upon my knowledge of the land matters involved in this case, education and training, it is my expert opinion that the granting of Apache's applications in these cases are in the interests of conservation and the prevention of waste.
- 28. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

[Signature page follows]

Pursuant to Rules 1-011 and 23-115 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.

Dated: January 2, 2024

Błake Johnson

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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE	NO.	24091	

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

- 1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Apache seeks to dedicate the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
- 3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The Camacho 25-26 State Com 203H well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit L) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,045' to the Bone Spring formation.
 - b. The Camacho 25-26 State Com 303H well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4



Released to Imaging: 12/5/2023 2:41:53 PM Released to Imaging: 1/2/2024 4:10:31 PM SW/4 (Unit L) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,290' to the Bone Spring formation.

- 4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.
- 5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

- A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- C. Designating Apache as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Pena

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

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Attorneys for Applicant

W4029108.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 203H and Camacho 25-26 State Com 303H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesis, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (305) 334-6178 Fax: (305) 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	г		97569							
4Property Cod	le			CAMACHO 25-26 STATE COM							
7QGRID N	10.			AP	APACHE CORPORATION 9Elevation 3470'						
					¹⁰ Surfa	ce Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	e North/South line	Feet From the	East/West line		County	
I	25	19S	27E		2660	NORTH	750	EAST EDDY			
			11]	Bottom F	Iole Locati	ion If Different Fro	om Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	e North/South line	Feet from the	East/West line		County	
L	26	198	27E		1870	SOUTH	50	WEST EDDY			
12 Dedicated Acres	13 Joint	or Infill 14 (onsolidation	Code 15	Order No.			· · · · · · · · · · · · · · · · · · ·			

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

GFODETIC DATA NAD 83 GRID — NM EAST	CORNER DIT			17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete
CUREACE LOCATION (SL)	<u>Corner Data</u> Nad 83 Grid — NM East	G: FOUND BRASS CAP "	1941"	' " '
SURFACE LOCATION (SL) N: 593344.9 - E: 574278.7		N 595988.5 - E 5750		to the best of my knowledge and belief, and that this organization either
LAT: 32.6311090° N LONG: 104.2263279° W	A: FOUND BRASS CAP "1941" N 590878.6 - E 564448.2	H: FOUND BRASS CAP "	1941"	awns a working interest or unleased mineral interest in the land including
	B: FOUND BRASS CAP "1941"	N 593357.1 - E 5750	28.3	the proposed bottom hole location or has a right to drill this well at this
FIRST TAKE POINT (FTP) 1870' FSL & 100' FEL - SEC 25	N 593529.7 - E 564463.5	I: FOUND BRASS CAP "1		location pursuant to a contruct with an owner of such a mineral or world
N: 592597.9 - E: 574921.2	C: FOUND BRASS CAP "1941"	N 590726.4 - E 5750	03.7	interest, or to a voluntary pooling agreement or a compulsory pooling
LAT: 32.6290538" N LONG: 104.2242432" W	N 596181.5 - E 564479.0	J: FOUND BRASS CAP "		order heretofore entered by the division.
LAST_TAKE_POINT_(LTP)	D: FOUND BRASS CAP "1941"	N 590780.1 - E 5723	65,3	
1870' FSL & 100' FWL - SEC 26	N 596139.7 - E 567124.0	K: FOUND BRASS CAP		Signature Date
N: 592747.2 ~ E: 564558.9 LAT: 32.6294891° N	E: FOUND BRASS CAP "1941"	N 590834.2 — E 5697		Signature
LONG: 104.2579027 W	N 596098.3 - E 569768.4	L: FOUND BRASS CAP ** N 590855.8 - £ 5670		Printed Name
BOTTOM HOLE (BH)	F: FOUND BRASS CAP 1941			
N: 592747.6 — E: 564509.0 LAT: 32.6294903 N	N 596043.6 - E 572411.3	M: FOUND BRASS CAP " N 593484.9 — E 5697		E-mail Address
LONG: 104.2580651" W		6		
N 89°05'34" W 2645.99" N 89°06	14" W 2645,44 © N 88 48 50"	W 2644.11 UN 88 48 24	W 2543.21	© *SURVEYOR CERTIFICATION
	1 3		i	2 I hereby certify that the well location shown on this
i	, 2	i	5	plat was plotted from field notes of actual surveys
1 1	2654		2660'	u made by me or under my supervision, and that the
=		_	_~-	a contract of the contract of
ļ ļ	94,	1		a same is true and correct to the best of my belief.
ļ	00.27			04/28/2021
1 1		. 1		Date of Survey
26		25	750	B Signature and Seal of Protection Surveyage
50° 40 Ac.	<i>\$</i> €	1	S.L.	B Signature and Seal of Professional Surveyore
LTP 40 Ac. 40 Ac.	40 Ac. 40 Ac.	40 Ac. 40 Ac.	40 Ac.	[[[14400]]]
В.Н.	26		FIP	P. (14400) (8)
	1 2			
CALCULATED POINTS 1: N: 590241.7 - E: 575	5015.0 £7.737.8 1737.8			
2: N: 592149.6 — E: 569	737.8	N 00°32'06" E	2631.51	Certificate Number
3: N: 592204.1 — E: 564	455.8 ≥®			(I) WALSONAL SO
N 89'30'23" W 2639.72' N 89'31		EXHIBIT	V 2639.65'	Job No.: [521040398
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	abbies"	0 6		
ed to Imaging: 1/2/2024 4:10	0:31 PM		V.	

District I
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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

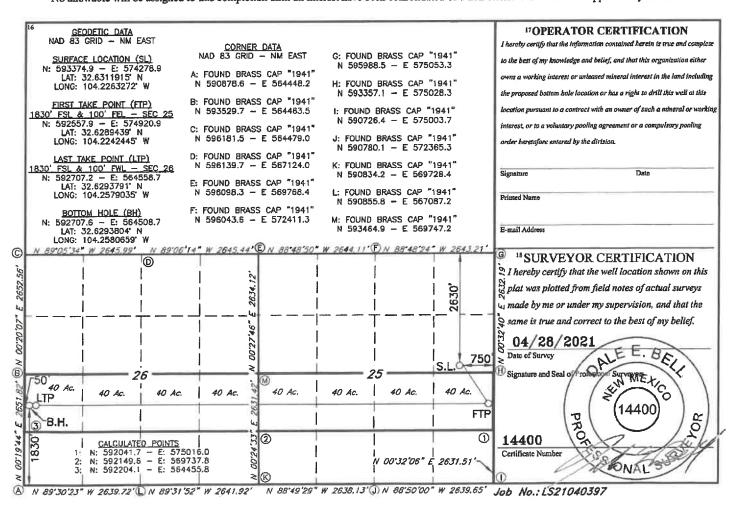
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

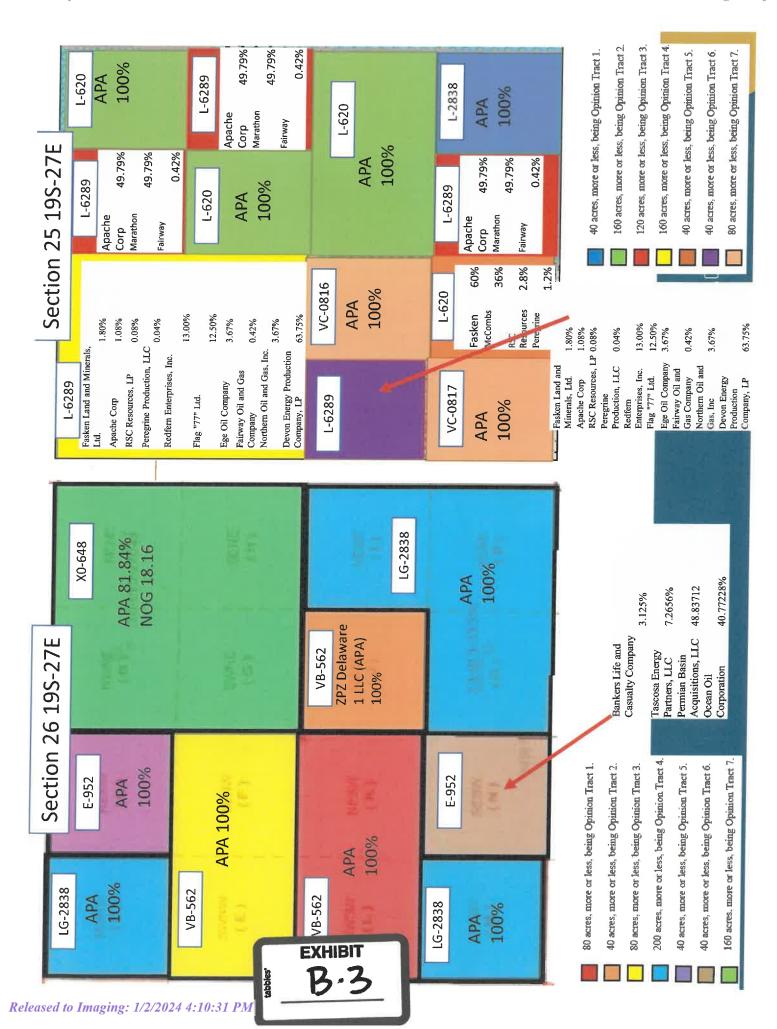
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

- 1	API Number		T	2 Pool Code			3 Pool Nar	ne	
•	VLT MINITOCI	978				WINCHE	STER; BON		3, WEST
4Property Coo	le	Topics The Control of						6 Well Number 303H	
7 OGRID 1	10.		"Operator Fields					⁹ Elevation 3470	
					10 Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
н	25	198	27E		2630	NORTH	750	EAST	EDDY
			11]	Bottom H	lole Location	If Different Fro	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	26	198	27E		1830	SOUTH	50	WEST	EDDY
2 Dedicated Acres	13 Joint	or Infill 14 C	Consolidation	Code 15 C	Order No.	-			

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





APACHE CAMACHO PARTIES BEING POOLED

Working Interest Owners

Marathon Oil Permian, LLC

RSC Resources, LP

Peregrine Production, LLC

Redfern Enterprises, Inc.

Flag "77" Ltd.

Ege Oil Company

E.G.L. Resources

Fairway Oil and Gas Company

Devon Energy Production Company, LP

McCombs Energy, Ltd.

Bankers Life and Casualty Company

Tascosa Energy Partners, LLC

Northern Oil and Gas Inc.

Petrostone Permian LLC

ORRI

Faulconer Resources 1999 Limited Partnership

Hold the Door, LP

RSC Resources, LP

Peregrine Production LLC

V-F Petroleum Inc.

Gahr Ranch and Investments, Partnership, LTD.

Thomas M. Beall

Jason J. Lodge

Sarah M. Loudenback

Hair Family Limited Partnership

Lerwick I LTD

Oxy USA WTP LP

Alline Healy

Alyssa Russell

Anne Momsen

Mark Momsen

Mike Momsen

Patrick Momsen

John David Momsen Special Needs Trust

John Peter Cunninham

Mary Katherine Margi

Margaret Burgess

Arthur Cunningham Estate Trust

Karen L. Recabaren

Leo Momsen III

Virginia Momsen

Clarence L. North Jr.

Will Holt and Wife, Vina Holt

Meredith Jones

Jonell Jones

Marathon Oil Company

Yates Brothers Partnership

Canyon Draw Resources LLC

Mongoose Minerals LLC

Vince Holdings LLC

Tascosa Royalty Company LLC

Summary of Attempted Contacts

- Apache Corporation ("Apache") conducted extensive title work to determine the working interest owners and other interest owners.
- Apache searched public records, phone directory, and various different types of internet searches.
- Apache sent well proposal letters to the working interest owners on or around November 1, 2023.
- Apache proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners and offered to send said form to owners upon request.
- Apache filed an application to force pool parties who had not entered in to an agreement.
- Apache's counsel sent notices of the force pooling application to the addresses of record for the uncommitted interest owners.
- I have had multiple communications with parties including Northern Oil and Gas, PBEX, Fasken Land and Minerals, LTD, Peregrine Production LLC, Permian Basin Acquisitions, LLC, Ocean Oil Corporation. None of these parties have objected to Apache's cases.
- Mongoose Minerals LLC has now withdrawn its entry of appearance and Mongoose Minerals LLC does not object to these cases going forward.
- Apache also published notice in a newspaper of general circulation in the county where the wells will be located.





November 1, 2023

RE: WELL PROPOSALS

Camacho 25-26 State Com 203H Camacho 25-26 State Com 303H Sections 25 and 26, T19S-R27E Eddy County, New Mexico

Dear Working Interest Owner,

Apache Corporation (herein referred to as "Apache") proposes to drill the following wells located in the referenced sections in order to sufficiently and effectively test the 2nd Bone Spring and 3rd Bone Spring formations. Further, the details and specifications of the herein proposed 2nd Bone Spring and 3rd Bone Spring wells are as follows:

Well Name: CAMACHO 25-26 STATE COM 203H
Approx. Surface Location: NE/4 SE/4 (Unit I) - Section 25-19S-27E

Approx. Terminus: NW/4 SW/4 (Unit L)- Section 26-19S-27E

Objective: 2nd Bone Spring

Approx. Total Vertical Depth: 7,045°
Approx. Total Measured Depth: 17,395°
Dry Hole Costs: \$3,723,819
Completed Well Costs: \$3,970,200
Equipping Costs: \$333,800
Total Well Costs: \$7,987,819

Well Name: CAMACHO 25-26 STATE COM 303H

Approx. Surface Location: NE/4 SE/4 (Unit I) - Section 25-19S-27E Approx. Terminus: NW/4 SW/4 (Unit L)- Section 26-19S-27E

Objective: 3rd Bone Spring

Approx. Total Vertical Depth: 8,290'
Approx. Total Measured Depth: 18,640'
Dry Hole Costs: \$4,205,349
Completed Well Costs: \$4,729,500
Equipping Costs: \$340,800
Total Well Costs: \$9,235,649

Also enclosed is an AFE for the facility. The estimated cost of the Camacho 25-26 facility is \$14,745,000. The Camacho 25-26 facility will service eight (8) Bone Spring horizontal wells. Costs for the Camacho 25-26 facility will be shared proportionally by working interest owners in the wells across the sections. An election to participate in the wells will be an election to pafticipate in this facility with your proportionate share of the working interest and this facility AFE is not a separate election.

Apache is proposing the Operations under the Agreement ("JOA") covering the N2S2 Sections following general provisions:



AAPL Model Form Operating y County, New Mexico with the

- 100%/300% Non-consenting penalty
- Drilling and Producing Rate of \$9,000/\$900
- Apache named as Operator

Enclosed, please find in duplicate our detailed AFES for your review. Should you wish to participate in Apache's proposed tests, please signify your acceptance by returning one (1) copy of each executed election ballot and (1) copy of each executed AFE, along with your well information requirement form. If you do not wish to participate in the proposed wells, Apache is willing to discuss an acquisition of your interest, subject to final management approval and contingent on reaching mutually satisfactory terms.

If we do not reach an agreement within thirty (30) days from the date of this letter, Apache will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well(s). Please reach out to me at the email address below if you are interested in this option.

Should you have any further questions, please contact me at blake.johnson@apachecorp.com

Sincerely,

APACHE CORPORATION

Blake Johnson Landman

WELL PROPOSAL ELECTION BALLOT

Camacho 25-26 State Com 203H Sections 25-26 of T19S-R27E Eddy County, New Mexico

Eduly County, New Mexico
Elects to participate in the drilling and completion of the Camacho 25-26 State Com 203H OR
Does <u>NOT</u> elect to participate in the drilling and completion of the Camacho 25-26 State Com 203H
D
By:
Printed Name:
Company Name (if applicable):
Date:
Email Address:

WELL PROPOSAL ELECTION BALLOT

Camacho 25-26 State Com 303H Sections 25-26 of T19S-R27E

	Eddy County, New Mexico
	Elects to participate in the drilling and completion of the Camacho 25-26 State Com 303H
OR	
	Does NOT elect to participate in the drilling and completion of the Camacho 25-26 State Com 303H
Ву:	
Printed	Name:
Compar	ny Name (if applicable):
Date: _	
Email A	address:



Camacho Development Camacho 25-26 State COM 203H AFE

Acct Description Dry Hole Completion Equipping 65506 Drilling/Percentage Overhead \$0	\$189,000 \$303,850 \$38,000 \$38,000
70003 Bits Coreheads and Reamers \$94,000 70004 Casing Crews 43,000 70006 Cement and Cementing Services 189,000 70007 Chemicals \$0 \$273,300 \$22,000 70008 Communications 3,740 70011 Company Supervision 5,000 70012 Company Vehicle and/or Boat 500 70017 Contract Labor 148,750 \$133,100 \$22,000 70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 \$5,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70036 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70035 Formation and Well Stimulation \$0 \$3,700	\$94,000 \$43,000 \$189,000 \$295,300 \$3,740 \$10,000 \$500 \$303,850 \$1,313,200
70004 Casing Crews 43,000 70006 Cement and Cementing Services 189,000 70007 Chemicals \$0 \$273,300 \$22,000 70008 Communications 3,740 70011 Company Supervision 5,000 \$5,000 70012 Company Vehicle and/or Boat 500 70017 Contract Labor 148,750 \$133,100 \$22,000 70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70036 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$3,700	\$43,000 \$189,000 \$295,300 \$3,740 \$10,000 \$500 \$303,850 \$1,313,200
70006 Cement and Cementing Services 189,000 70007 Chemicals \$0 \$273,300 \$22,000 70008 Communications 3,740 70011 Company Supervision 5,000 \$5,000 70012 Company Vehicle and/or Boat 500 70017 Contract Labor 148,750 \$133,100 \$22,000 70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70036 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$189,000 \$295,300 \$3,740 \$10,000 \$500 \$303,850 \$1,313,200
70007 Chemicals \$0 \$273,300 \$22,000 70008 Communications 3,740 \$5,000 70011 Company Supervision 5,000 \$5,000 70012 Company Vehicle and/or Boat 500 \$22,000 70017 Contract Labor 148,750 \$133,100 \$22,000 70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 \$5,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$295,300 \$3,740 \$10,000 \$500 \$303,850 \$1,313,200
70008 Communications 3,740 70011 Company Supervision 5,000 \$5,000 70012 Company Vehicle and/or Boat 500 500 70017 Contract Labor 148,750 \$133,100 \$22,000 70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 \$5,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$3,740 \$10,000 \$500 \$303,850 \$1,313,200
70011 Company Supervision 5,000 \$5,000 70012 Company Vehicle and/or Boat 500 70017 Contract Labor 148,750 \$133,100 \$22,000 70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 \$5,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$10,000 \$500 \$303,850 \$1,313,200
70012 Company Vehicle and/or Boat 500 70017 Contract Labor 148,750 \$133,100 \$22,000 70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 \$5,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$500 \$303,850 \$1,313,200
70017 Contract Labor 148,750 \$133,100 \$22,000 70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 \$5,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$303,850 \$1,313,200
70019 Contract Rigs - Daywork 683,000 \$590,200 \$40,000 70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 0 \$5,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 0 70025 Drilling Fluids 463,000 0 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$1,313,200
70020 CONTRACT RIGS - FOOTAGE/TURNKEY 38,000 70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990	
70021 Contract Supervision 0 \$5,000 70022 Directional Drilling 252,990 252,990 70025 Drilling Fluids 463,000 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$38,000
70022 Directional Drilling 252,990 70025 Drilling Fluids 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	
70025 Drilling Fluids 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$5,000
70025 Drilling Fluids 463,000 70026 Electrical Contract \$0 \$2,500 70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$252,990
70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$463,000
70031 Equipment Rental 91,000 \$88,100 \$1,500 70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$2,500
70034 Formation and Well Stimulation \$0 \$853,500 70035 Formation Testing \$0 \$3,700	\$180,600
70035 Formation Testing \$0 \$3,700	\$853,500
	\$3,700
70037 Fuel 124,000 \$346,700	\$470,700
70046 Land and Site Reclamation 0	\$0
70047 Legal and Curative 20,000	\$20,000
70049 Logging \$0 \$268,500 \$10,000	\$278,500
70054 LOE-Other 16,545	\$16,545
70064 Rig Mobilization 153,694	\$153,694
70065 Road and Site Preparation 35,000 \$12,600 \$2,000	\$49,600
70067 Salt Water Disposal \$0 \$8,900	\$8,900
70069 Coiled Tubing \$0	\$0
70074 Trucking and Hauling 62,100 \$7,000	\$69,100
70076 Tubular Inspection/Testing 55,500 \$2,500	\$58,000
70077 Water 52,000 \$314,100	\$366,100
70078 Wellsite Damages, Loss, Rightof- Way 30,000 \$15,000 \$2,500	\$47,500
70116 Containment Disposal Expense 190,000	\$190,000
70110 Containment Disposar Expense 150,000 \$5,000	\$5,000
70169 Camp Rentals 46,000	\$46,000
70186 Flowback Tester \$0 \$22,400 \$40,000	\$62,400
70187 Pump Truck Service \$0	\$02,400
70198 Sand/Proppant \$0 \$683,900	\$683,900
	\$10,000
70243 Mud Logging 10,000	\$10,000
70255 Water Transfer \$0 \$187,900	\$187,900
	\$187,900
70289 Frac Plugs \$0 \$41,100	\$41,100
70291 Frac Valve / Frac Tree \$0 \$119,300	¢110 200
70529 Safety Case 26,000 Subtotal Intangible Materials Cost \$2,832,819 \$3,962,300 \$167,000	\$119,300 \$26,000

	Total Well Cost	Equipping	Completion	Dry Hole	Description	Acct
	\$0			\$0	Artificial Lift Equipment	71001
		\$5,000			Electrical Materials	71026
)	\$0			\$0	Flow Lines	71012
)	\$0			\$0	Instrumentation	71018
	\$107,000			107,000	Intermediate Casing	71019
	EV	\$70,000		20,000	Other Subsurface Equipment	71032
KHIBIT	I REF	\$35,000			Other Surface Equipment	71033
. 0	Bigg B		\$4,200	\$0	Personnel Safety Systems	71034
10	i g D	\$5,000		\$0	Pipe, Valves, Fittings and Anodes	71036

71040 Production Casing	699,000			\$699,000
71043 Pumps - Surface	\$0			\$0
71050 Surface Casing	19,000			\$19,000
71053 Tubing	\$0		\$51,800	\$51,800
71056 Wellhead Assembly	46,000	\$3,700		\$49,700

 Subtotal
 Tangible Materials Cost
 \$891,000
 \$7,900
 \$166,800
 \$1,025,700

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$2,832,819	\$3,962,300	\$167,000	\$6,962,119
Subtotal Tangible Costs	\$891,000	\$7,900	\$166,800	\$1,025,700
Grand Total	\$3,723,819	\$3,970,200	\$333,800	\$7,987,819

Drilling

MIRU on a 4 well pad. Preset 13 3/8" casing to 450'. Drill 12 1/4" intermediate to \sim 3,420', run 9 5/8" 40# J55 casing. 8 3/4" vertical to KOP, 8 3/4"curve and lateral in the 2nd BSS to \sim 18,000' MD. Run 5 1/2" 20#. 17.0 DO to RR (2.5 days initial mob/skid time per well).

Completions

Plug & perf 2nd Bone Spring frac (2-well zipper) - 10,000 ft lateral DFIT & RCBL included WOR drillout - snubbing expected - low psi expected

Equipping

MIRU workover rig to install tubing and gas-lift equipment downhole. Includes downhole chemical injection and gauge equipment/cables/capillary tubing. Includes surface chemical treatment totes, pumps, and first fill. Includes production tree and autochoke.

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mar Cianatura	
ner Signature:	
:	



Camacho Development Camacho 25-26 State COM 303H AFE

	Intangible	Development Co:	sts		
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65!	Drilling/Percentage Overhead	\$0			\$0
700	003 Bits Coreheads and Reamers	\$122,000			\$122,000
700	004 Casing Crews	43,000			\$43,000
700	OO6 Cement and Cementing Services	194,000			\$194,000
700	007 Chemicals	\$0	\$343,500	\$22,000	\$365,500
700	008 Communications	5,060			\$5,060
700	011 Company Supervision	5,000		\$5,000	\$10,000
700	012 Company Vehicle and/or Boat	500			\$500
700	017 Contract Labor	183,250	\$139,100	\$22,000	\$344,350
700)19 Contract Rigs - Daywork	924,000	\$590,200	\$40,000	\$1,554,200
	20 CONTRACT RIGS - FOOTAGE/TURNKEY	38,000			\$38,000
700	021 Contract Supervision	0		\$5,000	\$5,000
700	022 Directional Drilling	258,140			\$258,140
700	25 Drilling Fluids	546,000			\$546,000
700	26 Electrical Contract	\$0		\$2,500	\$2,500
700	31 Equipment Rental	110,000	\$90,900	\$1,500	\$202,400
700	34 Formation and Well Stimulation	\$0	\$1,106,100		\$1,106,100
700	35 Formation Testing	\$0	\$3,700		\$3,700
	37 Fuel	167,000	\$447,400		\$614,400
700	46 Land and Site Reclamation	2,500			\$2,500
700	47 Legal and Curative	20,000			\$20,000
	49 Logging	\$0	\$276,100	\$10,000	\$286,100
	54 LOE-Other	18,855			\$18,855
	64 Rig Mobilization	153,694			\$153,694
	65 Road and Site Preparation	35,000	\$12,600	\$2,000	\$49,600
	67 Salt Water Disposal	\$0	\$9,500		\$9,500
	69 Coiled Tubing	\$0			\$0
	74 Trucking and Hauling	50,000		\$7,000	\$57,000
	76 Tubular Inspection/Testing	55,500		\$2,500	\$58,000
	77 Water	52,000	\$409,100	7.7.	\$461,100
	78 Wellsite Damages, Loss, Rightof- Way	30,000	\$15,000	\$2,500	\$47,500
	16 Containment Disposal Expense	190,000	,,	, , , , , ,	\$190,000
	21 Automation Labor	\$0		\$5,000	\$5,000
	69 Camp Rentals	61,000		+ 5,000	\$61,000
	86 Flowback Tester	\$0	\$22,700	\$40,000	\$62,700
	87 Pump Truck Service	\$0	,,	,,	\$0
	98 Sand/Proppant	\$0	\$893,200		\$893,200
	43 Mud Logging	15,850	, , , , , , ,		\$15,850
	55 Drilling Operations Center	\$0			\$0
	85 Water Transfer	\$0	\$198,400		\$198,400
	86 Water Treatment	\$0	Ţ220, 100		\$0
	39 Frac Plugs	\$0	\$41,100		\$41,100
	31 Frac Valve / Frac Tree	\$0	\$122,800		\$122,800
	29 Safety Case	34,000	+===,000		\$34,000
Subtotal	Intangible Materials Cost	\$3,314,349	\$4,721,400	\$167,000	\$8,202,749

	Tangib	le Development Cost	ts		
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0			\$0
71026	Electrical Materials			\$5,000	
71012	Flow Lines	\$0			\$0
71018	Instrumentation	\$0			\$0
71019	Intermediate Casing	107,000			\$107,000
71032	Other Subsurface Equipment	20,000		\$70,000	\$90,000
71033	Other Surface Equipment			\$35,000	
71034	Personnel Safety Systems	\$0	\$4,400		\$4,400
71036	Pipe, Valves, Fittings and Anodes	\$0		\$5,000	\$5,000

71040	Production Casing	699,000			\$699,000
71043	Pumps - Surface	\$0			\$0
71050	Surface Casing	19,000			\$19,000
71053	Tubing	\$0		\$58,800	\$58,800
71056	Wellhead Assembly	46,000	\$3,700		\$49,700

Subtotal Tangible Materials Cost \$891,000 \$8,100 \$173,800 \$1,032,900

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$3,314,349	\$4,721,400	\$167,000	\$8,202,749
Subtotal Tangible Costs	\$891,000	\$8,100	\$173,800	\$1,032,900
Grand Total	\$4,205,349	\$4,729,500	\$340,800	\$9,235,649

Drilling

MIRU on a 4 well pad. Preset 13 3/8" casing to 450'. Drill 12 1/4" intermediate to \sim 3,420', run 9 5/8" 40# J55 casing. 8 3/4" vertical to KOP, 8 3/4"curve and lateral in the 3rd BSS to \sim 18,000' MD. Run 5 1/2" 20#. 20.5 DO to RR (2.5 days initial mob/skid time per well).

Completions

Plug & perf 3rd Bone Spring frac (2-well zipper) - 10,000 ft lateral DFIT & RCBL included WOR drillout - snubbing expected - low psi expected

Equipping

MIRU workover rig to install tubing and gas-lift equipment downhole. Includes downhole chemical injection and gauge equipment/cables/capillary tubing. Includes surface chemical treatment totes, pumps, and first fill. Includes production tree and autochoke.

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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24091

DECLARATION OF DREW CHENOWETH

Drew Chenoweth hereby states and declares as follows:

- 1. I am over the age of 18, I am a geologist for Apache Corporation ("Apache"), and have personal knowledge of the matters stated herein.
- 2. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum geologist were accepted by the Division as a matter of record.
- 3. My area of responsibility at Apache includes the area of Eddy County in New Mexico.
- 4. I conducted a geological study of the area that encompasses the horizontal spacing units that are the subject of Apache's applications in these cases and am familiar with the geological matters involved in these cases.
- 5. **Exhibit C.1** is a Gunbarrel/Lateral Trajectory Diagram. This diagram identifies the Camacho 25-26 development plan, which includes the eight Camacho 25-26 State Com wells, consisting of four Second Bone Spring wells and four Third Bone Spring wells that are located within the four Bone Spring horizontal spacing units that are the subject of Apache's Camacho well applications.
- 6. **Exhibit C.2** is a Location Map identifying the Camacho 25-26 project area, in proximity to the Capitan Reef, and the cities of Artesia and Carlsbad.

- 7. **Exhibits C.3 C.7** are the geologic maps and cross sections from my study of the Second Bone Spring formation, which apply to the Camacho 25-26 State Com 203H well.
- 8. **Exhibit C.3** is a Cross-Section Locator Map. This map identifies the cross-section as the blue line running from A-A' and intersecting/running in proximity to the Second Bone Spring Proposed Wells. The cross-section wells, offset wells and the Second Bone Spring Proposed Wells are identified by well name.
- 9. **Exhibit C.4** is a structure map of the top of the Third Bone Spring Lime. This map shows that the structure dips to the southeast.
- 10. **Exhibit C.5** is a Second Bone Spring Sand Gross Interval Isochore Map. It shows that the gross thickness of the 2nd Bone Springs Sand ranges from 150' to 260' and thickens to the south in Camacho 26.
- 11. **Exhibit C.6** is a Stratigraphic Cross Section hung on the top of the Third Bone Spring Lime formation. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand formation in the area. The target zone is the base of the Second Bone Spring Sand and is identified by the yellow highlighted area outlined with a blue dashed line. That zone is consistent across the unit.
- 12. **Exhibit C.7** is a detailed view of the same stratigraphic cross section focused on the target zone and hung on the top of the Third Bone Spring Lime. As stated, the target zone for the wells is the base of the Second Bone Spring Sand and is identified by the yellow highlighted area outlined with a blue dashed line.
- 13. **Exhibits C.8 C.12** are the geologic maps and cross sections from my study of the Third Bone Spring formation, which apply to the Camacho 25-26 State Com 303H well.

- 14. **Exhibit C.8** is a Cross-Section Locator Map. This map identifies the cross-section as the blue line running from A-A' and intersecting/running in proximity to the Third Bone Spring Proposed Wells. The cross-section wells, offset wells and the Third Bone Spring Proposed Wells are identified by well name.
- 15. **Exhibit C.9** is a structure map of the top of the Wolfcamp. This map shows that the structure dips to the southeast.
- 16. **Exhibit C.10** is a Third Bone Spring Sand Gross Interval Isochore Map. It shows that the gross thickness of the Third Bone Springs Sand ranges from 350' to 450' and thickens to the south in Camacho 25 and 26.
- 17. **Exhibit C.11** is a Stratigraphic Cross Section hung on the top of the Wolfcamp formation. The well logs on the cross-section give a representative sample of the Third Bone Spring Sandstone in the area. The target zone is the middle of the Third Bone Spring Sandstone and is identified in the light green highlighted area outlined with a blue dashed line. That zone is consistent across the unit.
- 18. **Exhibit C.12** is a detailed view of the same stratigraphic cross section focused on the target zone and hung on the top of the Wolfcamp Formation. As stated, the target zone is the middle of the Third Bone Spring Sandstone and is identified in the light green highlighted area outlined with a blue dashed line.
- 19. Based upon my study as illustrated in these exhibits, knowledge of the geology in this area, and education and training, it is my expert opinion that:
 - a. The horizontal spacing unit is justified from a geologic standpoint.
 - b. There are no structural impediments or faulting that will interfere with horizontal development.

- c. Each quarter quarter section in the unit will contribute more or less equally to production.
- 20. The preferred well orientation in this area is E-W. This is due to the fact that regional max horizontal stress orientation in this area is ranges from approximately N5W to N10E, as reported by Snee and Zoback (2018).
- 21. The producing interval for each of these wells will be orthodox and will comply with the Division's set back requirements.
- 22. The exhibits attached to this declaration were prepared by me or under my supervision or compiled from company business records.

[Signature page follows]

Pursuant to Rules 1-011 and 23-115 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.

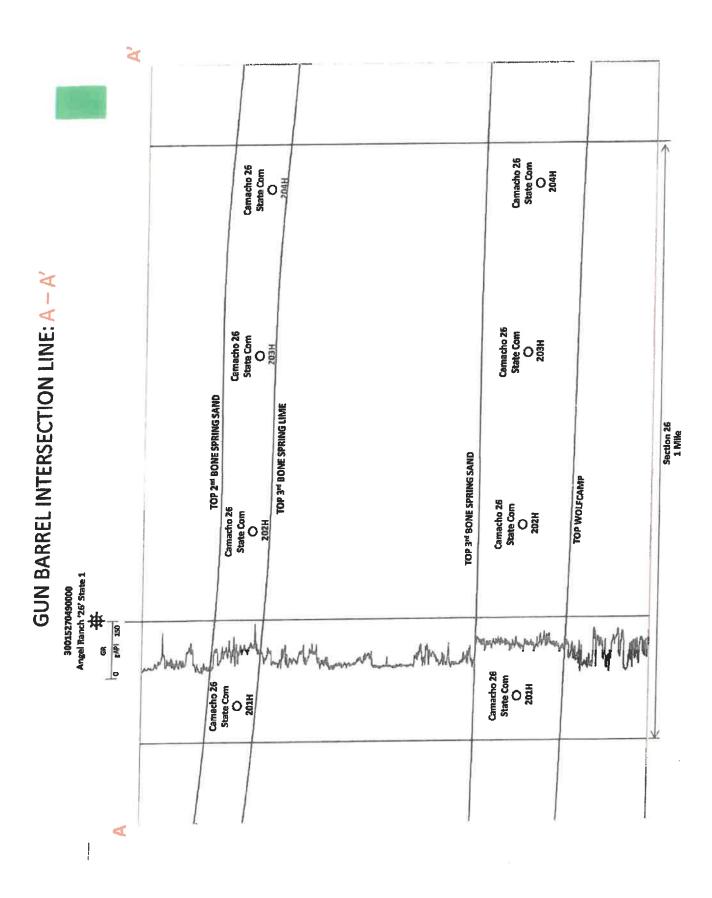
Dated: January 2, 2024.

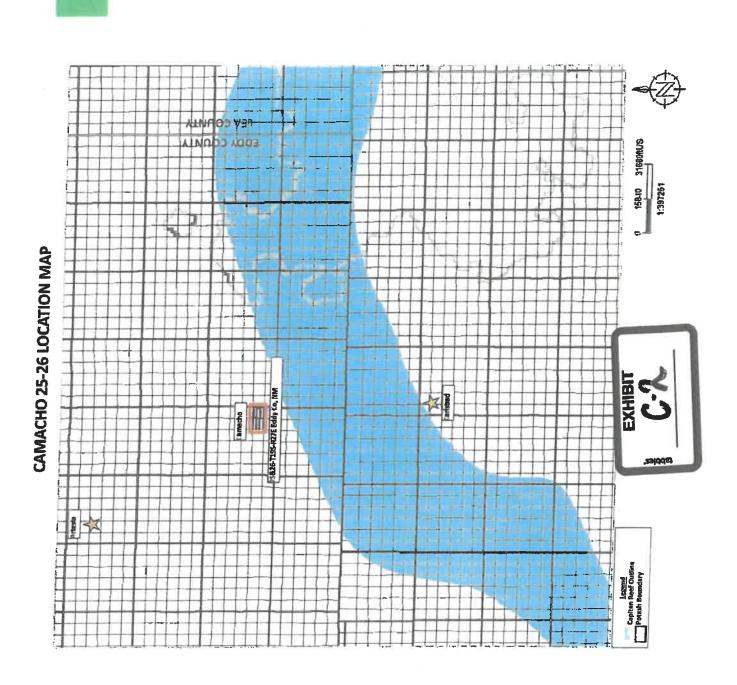
Drew Chenoweth

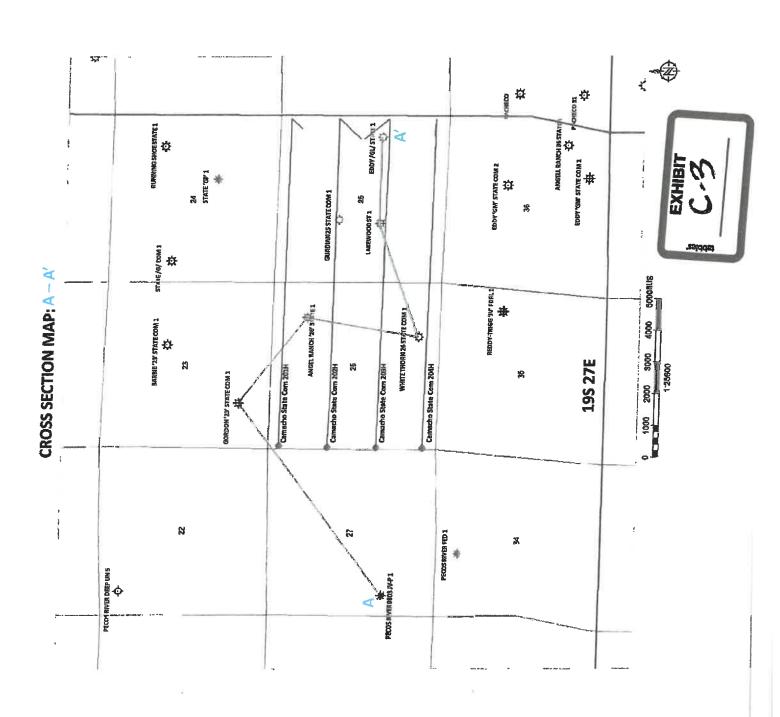
GUN BARREL INTERSECTION MAP: A – A'

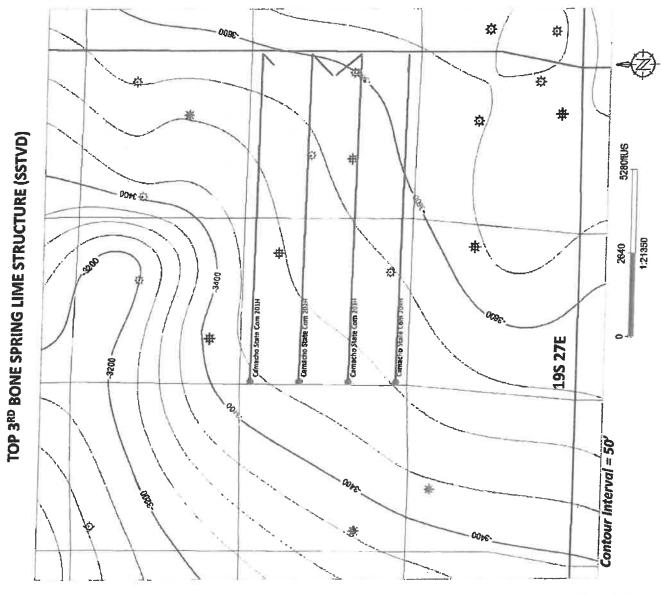








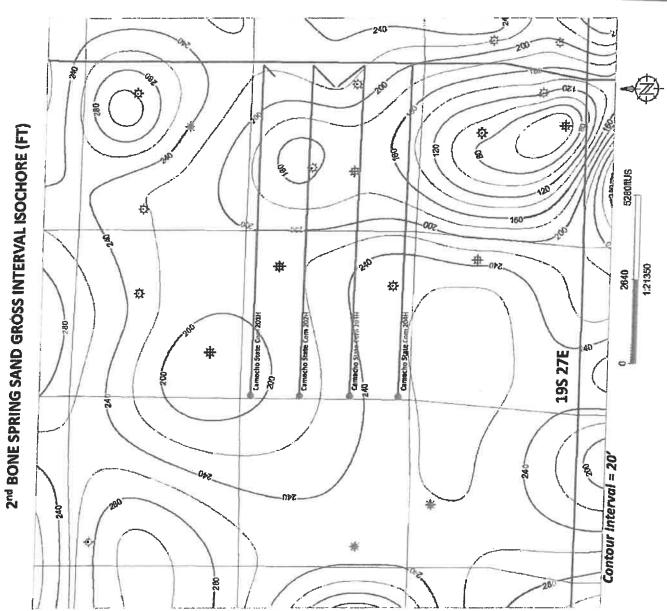


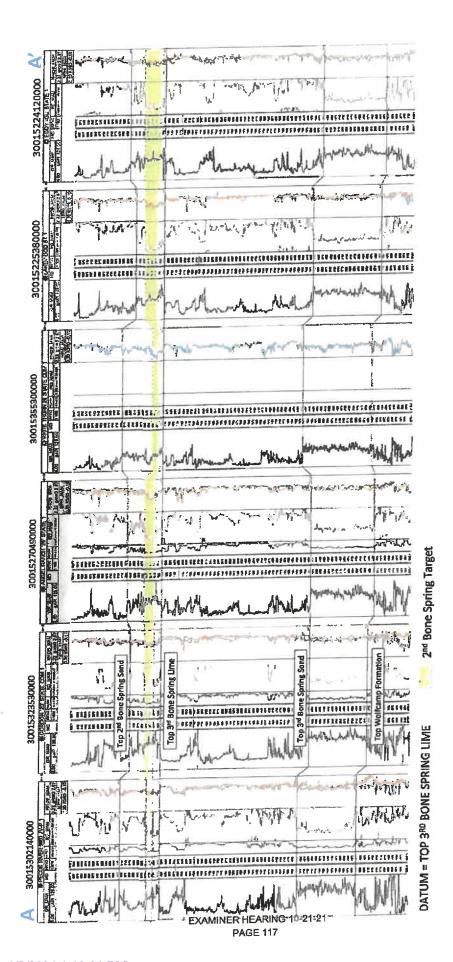


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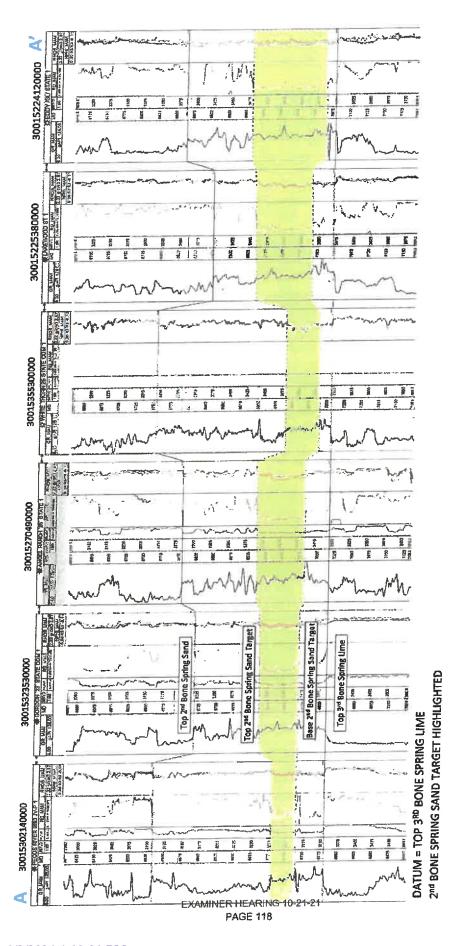




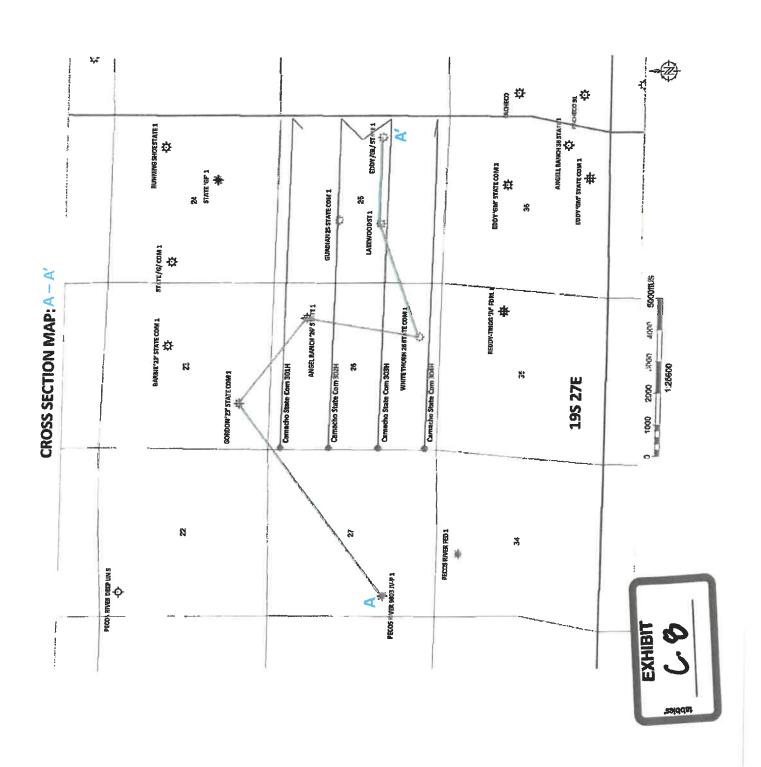


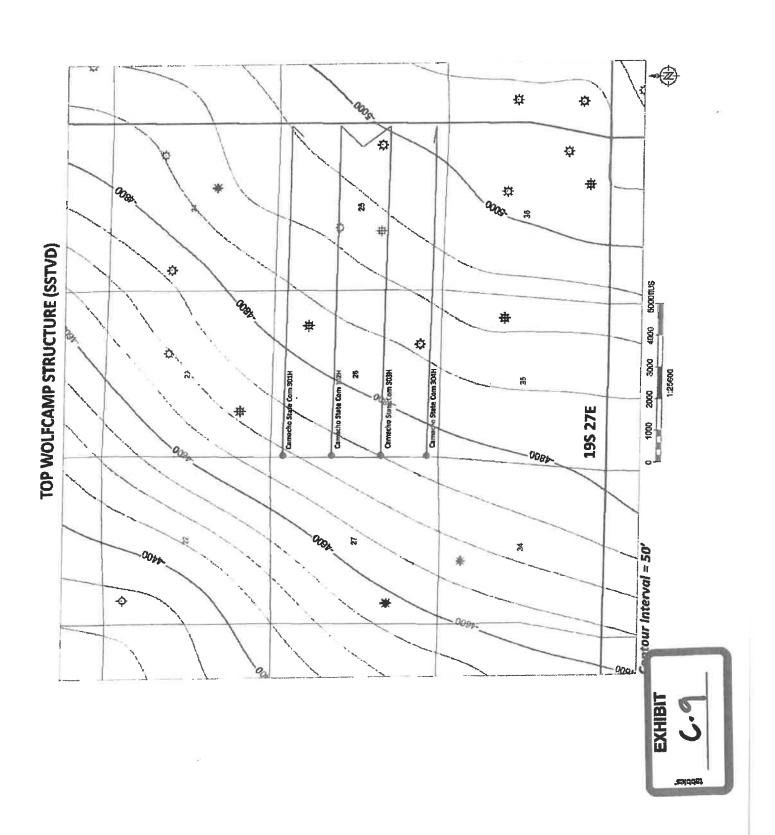


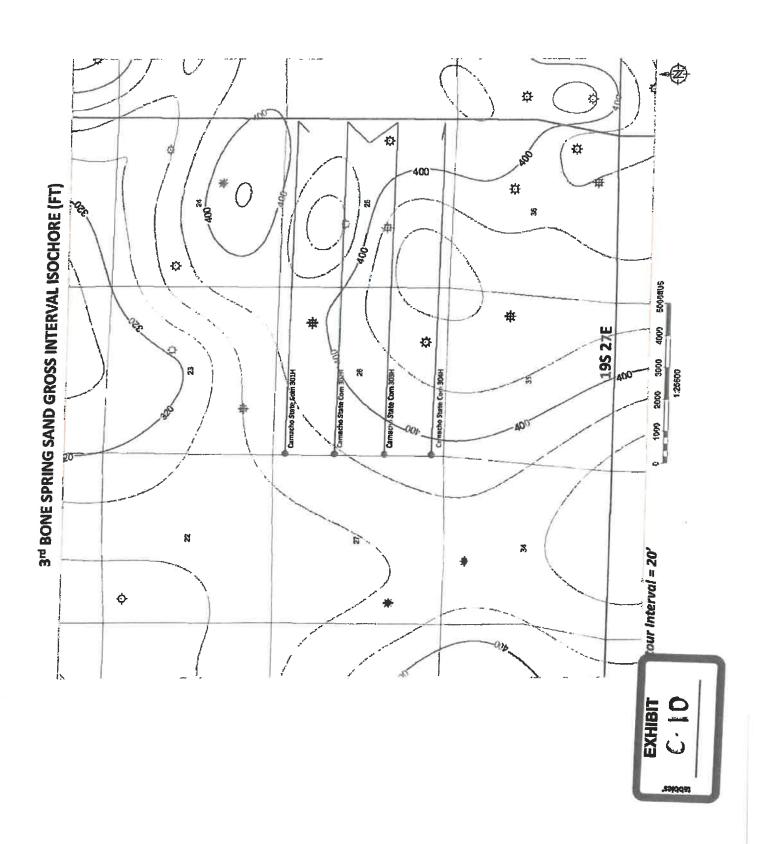
STRATIGRAPHIC CROSS-SECTION: A - A'



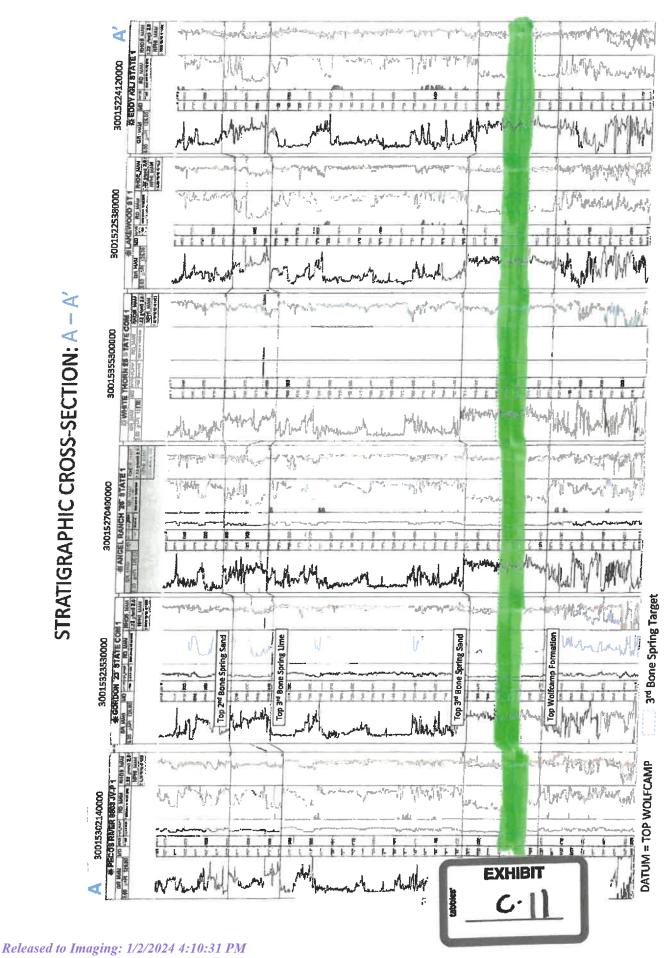


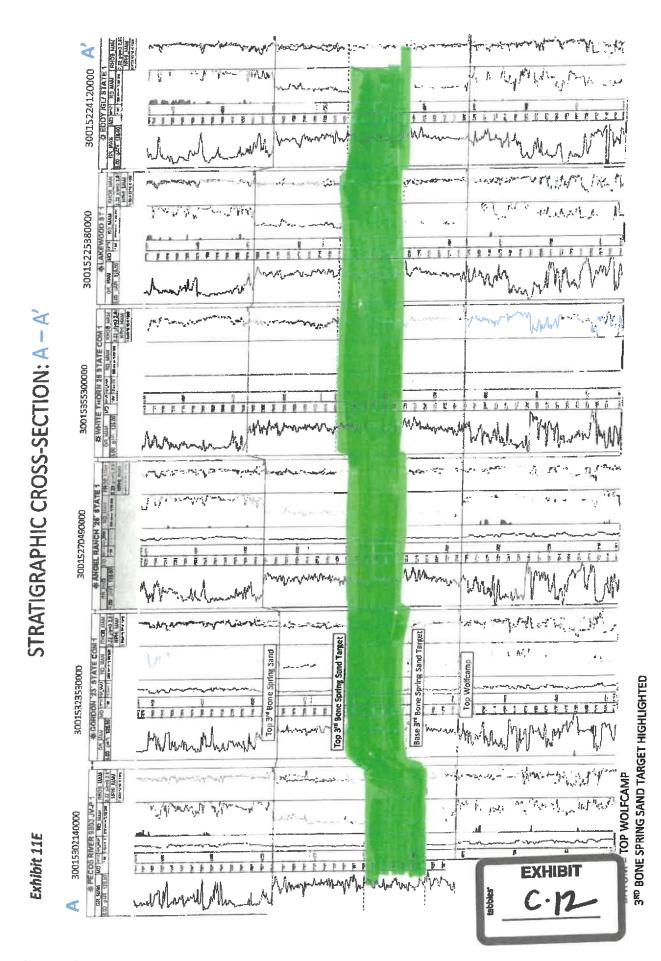






STRATIGRAPHIC CROSS-SECTION: A - A





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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24089

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24090

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24091

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24092

SELF-AFFIRMED DECLARATION OF EARL E. DEBRINE, JR.

Earl E. DeBrine Jr., attorney in fact and authorized representative of Apache Corporation, the Applicant herein, declares as follows:

- 1) The above-referenced applications were provided under a notice letter, dated December 15, 2023, and attached hereto, as Exhibit D.1.
- 2) Exhibit D.2 is the mailing list, which shows the notice letter was delivered to the USPS for mailing on December 15, 2023.
- Exhibit D.3 is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. This spreadsheet shows the names and addresses of the parties to whom notice was sent and the status of the mailing.



4) Attached as Exhibit D.4 are the Affidavits of Publication from the Carlsbad Current Argus, confirming that notice of the January 4, 2024 hearing was published on December 14, 2023.

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: January 2, 2024

W4937985.DOCX



December 15, 2023

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

This letter is to advise you that Apache Corporation has filed the enclosed applications with the New Mexico Oil Conservation Division:

Case No. 24089: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 201H and Camacho 25-26 State Com 301H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

Case No. 24090: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 202H and Camacho 25-26 State Com 302H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as

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Apache / Camacho 25-26 State Com 201H-204H, 301H-304H wells December 15, 2023 Page 2

well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

Case No. 24091: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 203H and Camacho 25-26 State Com 303H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

Case No. 24092: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 204H and Camacho 25-26 State Com 304H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

These applications have been set for hearing before a Division Examiner at 8:15 a.m. on January 4, 2024. Information about accessing the electronic hearing is posted at "OCD NOTICES" at https://www.emnrd.nm.gov/ocd/hearing-info/.

AFFECTED PARTIES
Apache / Camacho 25-26 State Com 201H-204H, 301H-304H wells
December 15, 2023
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This hearing is subject to continuance by the Division to a subsequent docket date. As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely.

Part E. DeBrine, Jr.

EED/kta/W4925090.DOCX Enclosures Received by OCD: 12/5/2023 2:25:29 PM

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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 24089

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

- Apache is an interest owner in the subject lands and has a right to drill a well thereon.
- Apache seeks to dedicate the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
- 3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The Camacho 25-26 State Com 201H well is a horizontal well with a surface location in the NE/4 NE/4 (Unit A) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 NW/4 (Unit D) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,030' to the Bone Spring formation.
 - b. The Camacho 25-26 State Com 301H well is a horizontal well with a surface location in the NE/4 NE/4 (Unit A) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the

NW/4 NW/4 (Unit D) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,310' to the Bone Spring formation.

- 4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.
- 5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

- A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- C. Designating Apache as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

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Page 3 of 4

- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A

By:

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Pena

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Attorneys for Applicant

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Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 201H and Camacho 25-26 State Com 301H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 24090

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

- 1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
- Apache seeks to dedicate the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
- 3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The Camacho 25-26 State Com 202H well is a horizontal well with a surface location in the SE/4 NE/4 (Unit H) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 NW/4 (Unit E) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,045' to the Bone Spring formation.
 - b. The Camacho 25-26 State Com 302H well is a horizontal well with a surface location in the SE/4 NE/4 (Unit H) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the

SW/4 NW/4 (Unit E) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,310' to the Bone Spring formation.

- 4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.
- 5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

- A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- C. Designating Apache as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

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- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A

Bv:

Ear E BeBrine, Jr.

Deana M. Bennett

Yarithza Pena

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Attorneys for Applicant

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Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 202H and Camacho 25-26 State Com 302H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO.	24091
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<u>APPLICATION</u>

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

- 1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
- Apache seeks to dedicate the N/2 S/2 of Sections 25 and 26, Township 19 South,
 Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
- 3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The Camacho 25-26 State Com 203H well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit L) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,045' to the Bone Spring formation.
 - b. The Camacho 25-26 State Com 303H well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4

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SW/4 (Unit L) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,290' to the Bone Spring formation.

- 4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.
- 5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

- A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- C. Designating Apache as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

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- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:

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Yarithza Pena

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Attorneys for Applicant

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Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 203H and Camacho 25-26 State Com 303H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 24092

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

- 1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Apache seeks to dedicate the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
- 3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The Camacho 25-26 State Com 204H well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,095° to the Bone Spring formation.
 - b. The Camacho 25-26 State Com 304H well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4

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SW/4 (Unit M) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,350' to the Bone Spring formation.

- 4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.
- 5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on January 5, 2024, and after notice and hearing as required by law, the Division enter its order:

- A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;
- C. Designating Apache as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

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Page 3 of 4

- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A

Bv:

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Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 204H and Camacho 25-26 State Com 304H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

Firm Mailing Book ID: 257474

Exhibit D.2 Page 1 2023 Walz CertifiedPro.net

PS Form 3877

Type of Mailing: CERTIFIED MAIL 12/15/2023

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Reference Contents	13454,0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice
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Rest.Del.Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0,00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6.00	\$0.00
RR Fee	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20
Service Fee	\$4.35	84.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35
Postage	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83
Name, Street, City, State, Zip	Alline Healy 305 Palmetto Drive Georgetown TX 78633	Alyssa Russell 2704 Deer Hallow Dr Little Elm TX 75068	Anne Momsen 6081 Rivet Place El Paso TX 79932	Arthur Cunningham Estate Trust 15822 N 48th Drive Glendale AZ 85306	Bankers Life and Casualty Company 222 Merchandise Mart Plaza Chicago IL 60654-1103	Bankers Life and Casualty Company 111 E. Wacker Dr., Suite 2100 Chicago IL, 60601-4508									 Gahr Ranch and Investments, Partnership, LTD. P.O Box 1889 Midland TX 79702
USPS Article Number	9314 8699 0430 0115 1999 14	9314 8699 0430 0115 1999 21	9314 8699 0430 0115 1999 38	9314 8699 0430 0115 1999 45	9314 8699 0430 0115 1999 52	9314 8699 0430 0115 1999 69	9314 8699 0430 0115 1999 76	9314 8699 0430 0115 1999 83	9314 8699 0430 0115 1999 90	9314 8699 0430 0115 2000 09	9314 8699 0430 0115 2000 16	9314 8699 0430 0115 2000 23	9314 8699 0430 0115 2000 30	9314 8699 0430 0115 2000 47	9314 8699 0430 0115 2000 54
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Karlene Schuman Modrall Speriling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102

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Type of Mailing: CERTIFIED MAIL 12/15/2023

Firm Mailing Book ID: 257474	Reference Contents	13454,0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454,0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice	13454.0171 Notice
Firm Maili	Rest. Del. Fee	\$0.00	\$0.00	80.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	RR Fee	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20
	Service Fee RR Fee	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35
023	Postage	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83	\$1.83
12/15/2023	Name, Street, City, State, Zip	Hair Family Limited Partnership P.O Box 8122 Midland TX 79708	Hold the Door, LP 6824 Island Circle Midland TX 79707	Jason J. Lodge 4904 Stoneleigh Drive Midland TX 79705	John David Momsen Special Needs Trust 305 Palmetto Drive Georgetown TX 78633	John Peter Cunninham 5227 E Calle Redonda #6026 Phoenix AZ 85018	Jonell Jones 4413 Skyview Dr New Orleans LA 70126		Leo Momsen III 5928 Volunteer Pl Rockwall TX 75032		Marathon Oil Company 990 Town and Counity Blvd Houston TX 77024	Marathon Oil Permian, LLC PO BOX 732312 Dallas TX 75373-2312		Mark Momsen 744 Villa Flores Dr El Paso TX 79912	Mary Katherine Margi 7346 E Wingspan Way Scottsdale AZ 85255	McCombs Energy, Ltd. 750 E. Mulberry Ave., Suite 403 San Antonio TX 78212
201 O XIII AD A 201 O XIII AD	USPS Article Number	9314 8699 0430 0115 2000 61	9314 8699 0430 0115 2000 78	9314 8699 0430 0115 2000 85	9314 8699 0430 0115 2000 92	9314 8699 0430 0115 2001 08	9314 8699 0430 0115 2001 15	9314 8699 0430 0115 2001 22	9314 8699 0430 0115 2001 39	9314 8699 0430 0115 2001 46	9314 8699 0430 0115 2001 53	9314 8699 0430 0115 2001 60	9314 8699 0430 0115 2001 77	9314 8699 0430 0115 2001 84	9314 8699 0430 0115 2001 91	9314 8699 0430 0115 2002 07
	Line	16	17	18	19	20	21	22	23	24	25	56	27	28	53	30

Karlenc Schuman Modrall Sperling Rochl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102 Firm Mailing Book ID: 257474

Page 3 2023 Watz CertifiedPro.net

PS Form 3877

Karlene Schuman Modrall Sperling Rochl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102

Type of Mailing: CERTIFIED MAIL 12/15/2023

Firm Mailing Book ID: 257474

PS Form 3877

Type of Mailing: CERTIFIED MAIL 12/15/2023

2122	USFS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Contents
9314	9314 8699 0430 0115 2003 68	RSC Resources, LP 9740 W. FM 2147 Suire 8329 Horseshoe Bay TX 78657-8329	\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2003 75	RSC Resources, LP 306 W. Wall Street Midland, TX, 79701	\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2003 82	Sarah M. Loudenback 121 Copper Ridge Drive La Vemia TX 78247	\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2003 99	State of New Mexico, by and through Commissioner of Public Lands PO BOX 1148 SANTA FE NM 87504	\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2004 05	Tascosa Energy Partners, LLC 901 W. Missouri Ave. Midland TX 79701-6629	\$1.83	\$4.35	\$2.20	\$0.00	1354.0171 Notice
9314	9314 8699 0430 0115 2004 12	Tascosa Royalty Company LLC 901 W. Missouri Ave Midland TX 79701	\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2004 29	Thomas M. Beall P.O Box 3098 Midland TX 79702	\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2004 36	United States Department of the Interior Bureau of Land Managemeng 301 DINOSAUR TRIAL SANTA FE NM 87508	\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2004 43		\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2004 50	Vince Holdings LLC P.O. Box 65318 Lubbock TX 79464	\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2004 67		\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 0115 2004 74		\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
9314	9314 8699 0430 01.15 2004 81		\$1.83	\$4.35	\$2.20	\$0.00	13454.0171 Notice
			Totals: \$106.14	\$252.30 Gran	0 \$127.60 Grand Total:	\$486.04	

Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102

		The state of the s									
2023-12-15 9-24 AM 13454:0171	Yates Brothers Partner	7 20020	Artocio	NIN.	11000	NOTICE IN		Film MeilBook	(D MATTINE STATUT	Sarvice Options	Batch ID Mail Delivery Date
2023-12-15 9:24 AM 13454.0171	Will Holt and Wife, Vina Holt		El Paso	ž	79912	1.83	6.25	25/4/4	Newsed	Return Receipt - Electronic, Certified Mall	273494 2023-12-22 10:15 AM
2023-12-15 9;24 AM 13454,0171	Virginia Momsen		Stamford	ե	06902	1.83	6.55	257474	To he Bettimed	Return Receipt - Electronic, Certified Mail	2/3494
2023-12-15 9:24 AM 13454,0171	Vince Holdings LLC		Lubbock	¥	79464	1.83	5.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	273494 2023-12-19 1:94 PM
2023-12-15 9:24 AM 13454,01/1	V-F Petroleum Inc.	;	Midland	ř	79702	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	
2023-12-15 9:24 AM 13454.0171	Thomas M. Beall	por eau of Land Managemeng	Midland	Z X	87508	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Cartifled Mail	273494 2023-12-18 1:45 PM
2023-12-15 9:24 AM 13454.0171	Tascosa Royalty Company LLC		Midland	: 2	79701	1.83	35.00	252474	Deliver ed	Potential Receipt - Electronic, Certified Mail	273494 2023-12-2010;42 AM
2023-12-15 9:24 AM 1354.0171	Tascosa Energy Partners, LLC		Midland	ž	79701-6629	1.83	6.55	257474	Mailed	Return Receipt - electronic, certified Mall	273494
2023-12-15 9:24 AM 13454.0171	State of New Mexico, by and through	Commissioner of Public Lands	SANTA FE	έN	87504	1.83	6,55	257474	Mailed	Return Receipt - Electronic, Certified Mail	273494
2023-12-15 9:24 AM 13454.0171	Sarah M. Loudenback		La Vernia	ĭ	78247	1.83	6.55	257474	Mailed	Return Receipt - Electronic, Certifled Mail	273494
2023-12-15-9:24 AM 13454.0171	RSC Resources, LP		Midland	X	79701	1.83	6.55	257474	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	273494
2023-12-15 9:24 AM 13454.0171	RSC Resources, LP		Horseshoe Bay	×	78557-8329	1.83	6.55	257474	Malled	Return Receipt - Electronic, Certified Mail	273494
2023-12-13 9:24 AW 13454:01/1	Rediern Enterprises, Inc.		Dallas	X	75230-5147	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	273494 2023-12-18 12:15 PM
2023-12-13 3-24 MW 13454-01/1	Sadon Enterprises, inc.		Midland	Υį	79701-5708	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mall	273494 2023-12-18 12:28 PM
2023-12-15 9:24 AM 13454 0171	Region Enterprises, Inc.		Midland	ž i	79701-5147	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Cartifled Mail	273494 2023-12-19 1:48 PM
2023-12-15 9:24 AM 13454.0171	Potrostone Permiso IIC		Midland	¥ }	79702-2127	1,83	6.55	257474	Deivered	Return Receipt - Electronic, Certified Mail	
2023-12-15 9:24 AM 13454.0171	Permian Basin Annufettions 110		Canas	≚ {	75244	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mall	
2023-12-15 9:24 AM 13454 0171	Persection Production 11		Sereenwood Village	3 8	11108	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	~
2023-12-15 9:24 AM 13454.0171	Patrick Monreso		Midland	× 8	78710	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	
2029-12-15 9:24 AM 13454.0171	Oxy USA WTP UP		Loos bay	5 2	97420	1.83	5.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	273494 2023-12-20 11:21 AM
2023-12-15 9:24 AM 13454,0171	Ocean Oil Corporation		Greenwood Village	≤ €	00111	1.63	ח נ	25/4/4	Oalivered	Return Receipt - Electronic, Certified Mail	
2023-12-15 9:24 AM 13454,0171	Northern Oil and Gas Inc		Minntpok		80111		מים נ	257474	Delivered	Return Receipt - Electronic, Certified Mail	
2023-12-15 9:24 AM 13454.0171	NAME?		End Worth	2	75185-0031	00:1	0 0	23/9/4	Delivered	Return Receipt - Electronic, Certified Mail	273494 2023-12-21 12:00 AM
2023-12-15 9:24 AM 13454.0171	Mongoose Minerals LLC		Midland	×	79701		200	257777	Delivered	Neturn Receipt - Electronic, Certified Mail	
2023-12-15 9:24 AM 13454,0171	Mike Momsen		Georgetown	¥	78533	1.83	6.55	257474	Delivered	Getting Pecelist - Electronic, Certified Mail	Z/3494 2023-12-19 7:41 AM
2023-12-15 9:24 AM 13454.0171	Meredith Jones		Artesia	N	88211	1.83	6.55	257474	To be Returned	Return Receipt - Electronic Certified Mall	MY 81:112-21-6205 Perc/2
2023-12-15 9:24 AM 13454.0171	McCombs Energy, Ltd.		San Antonio	¥	78212	1.83	6.55	257474	Mailed	Return Receipt - Electronic, Certified Mail	273494
2023-12-13 9:24 AM 13454-0171	Mary Katherine Margi		Scottsdale	7	85255	1.83	6.55	257474	Mailed	Return Receipt - Electronic, Certifled Mail	273494
2025-12-13 5:24 AM 13454,0171	Mark Morrisen		El Paso	Ž.	79912	1.83	6.55	257474	Mailed	Return Receipt - Electronic, Certified Mail	273494
2028-12-15 9:24 AM 19454 0171	Marathon Oil bermin 110		Scottsdale	2	85257		6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	273494 2023-12-18 11:25 AM
2023-12-15 9:24 AM 13454.0171	Marathon Oil Company		Dallas	K }	733/3-2312		5.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	
2023-12-15 9:24 AM 13454.0171	Lerwick LTD		Ashandila	¥ ¥	7,024	20.1	5,55	257474	Delivered	Return Receipt - Electronic, Certiffed Mail	
2023-12-15 9:24 AM 13454:0171	Leo Momsen III		Borkwall	2 2	75033	1,83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	
2023-12-15 9:24 AM 13454,0171	Karen L. Recabaren		Alpine	<u> </u>	91901	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	P4
2023-12-15 9:24 AM 13454:0171	Jonell Jones		New Orleans	٨	70126	1.83	5.55	257474	Dalla	Return Bornint - Cleannoin Contidod Mail	2/3494 2023-12-22 3:20 PM
2023-12-15 9:24 AM 13454.0171	John Peter Cunninham		Phoenix	AZ	85018	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	273494 202-12-18 7-58 DM
2023-12-15 9:24 AM 13454.0171	John David Momsen Special Needs Trust		Georgetown	ř	78633	1.83	6.55	257474	Mailed	Return Receipt - Electronic Certified Mail	
2023-12-15 9:24 AM 13454,0171	Jason J. Lodge		Midland	ř	79705	1.83	6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	273494 2023-12-21 4:51 PM
2020-12-12-12-12-12-12-12-12-12-12-12-12-12-	Hold the Door, LP		Midland	ĭ	79707	1.83	6.55	257474	Undelivered - Forwarded	Return Recelpt - Electronic, Certified Mail	273494
2023-12-15 9:24 AM 13454.0171	Gabr Sanch and Investments Destroyable 170		Midland	¥ i	79708	1.83	6.55	257474	Mailed	Return Receipt - Electronic, Certified Mail	273494
2023-12-15 9:24 AM 13454.0171	Faulconer Resources 1999 Limited Partnership		Tuler	<u> </u>	75713	1.83	5.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	rv
2028-12-15 9:24 AM 13454.0171	Fasken Land and Minerals, Ltd.		Midland	٤ ٢	79707-1631		22.0	257474	Daily areas	Hetum Receipt - Electronic, Certifled Mail	273494 2023-12-20 1;20 PM
2023-12-15 9:24 AM 13454.0171	Fairway Oil and Gas Company		Midland	ž	79710-0890		6.55	257474	Malled	Return Receipt - Electronic, Certified Mail	273494
2023-12-15 9:24 AM 13454.D171	Fairway Oll and Gas Company		Chandler	ĭ	75758		6.55	257474	Malled	Return Receipt - Floctroom Certified Mani	273454
2023-12-15 9:24 AM 13454.0171	E. G. L. Resources, Inc.		Midland	¥	79702-7886		6.55	257474	Delivered	Return Receipt - Flectronic Certified Mail	ANA 92-9 DC-C1-PCOC APACC
2023-12-15 9:24 AM 13454,0171	Devon Energy Production Company, LP		Dallas	Ĕ	75284-3559		6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	
2023-12-15-9:24 AM 13454,01/1	Clarence L. North Jr.		Mesa	ΑZ	85205	1.93	6,55	257474	Undelivered - To Be Returned	Return Receipt - Electronic, Certifled Maii	
2023-12-15 9:24 AM 13454,01/1	Canyon Draw Resources LLC		Dallas	ř	75219		6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	273494 2023-12-18 11:15 AM
2023-12-15 9:24 AM 13454 0171	Bankers Life and County Company		Chicago	₽:	60601-4508		6.55	257474	Delivered	Return Receipt - Electronic, Certified Mail	273494 2023-12-19 5:19 PM
2023-12-15 9:24 AM 13454:0171	Arthur Cuminaham Estate Trust		Chicago	<u>.</u> ;	60654-1103		6.55	257474	Mailed	Return Receipt - Electronic, Cartified Mail	
2023-12-15 9:24 AM 13454.0171	Anne Momsen		El Paso	¥ ¥	79932	1.83	6,55	257474	Delivered	Return Receipt - Electronic, Certified Mall	
2023-12-15 9:24 AM 13454.0171											
	Alyssa Russell		(ittle Flm	×	75068	1 83	0	257.74	Dally Block	שביחוו שביבות בוביו מווכי כפי וווופס ואומוו	MH 8616 97-71-6707 1161677



CASE NO. 24089: Notice to all affected parties, as well as their heirs and devisees, of New Mexico State Land Office; United States of America, Bureau of Land Management; Alline Healy; Alyssa Russell; Anne Momsen; Arthur Cunningham Estate Trust; Bankers Life and Casualty Company; Canyon Draw Resources LLC; Clarence L. North Jr.; Devon Energy Production Company, LP; E. G. L. Resources, Inc.; Ege Oil Company; Fairway Oil and Gas Company; Fasken Land and Minerals, Ltd.; Faulconer Resources 1999 Limited Partnership; Flag "77" Ltd.; Gahr Ranch and Investments, Partnership, LTD.; Hair Family Limited Partnership; Hold the Door, LP; Jason J. Lodge; John David Momsen Special Needs Trust; John Peter Cunninham; Jonell Jones; Karen L. Recabaren; Leo Momsen II; Lerwick I LTD; Marathon Oil Company; Marathon Oil Permian, LLC; Margaret Burgess; Mark Momsen; Mary Katherine Margi; McCombs Energy, Ltd.; Meredith Jones; Mike Momsen; Mongoose Minerals LLC; Northern Oil and Gas Inc.; Ocean Oil Corporation; Oxy USA WTP LP; Patrick Momsen; Peregrine Production LLC; Permian Basin Acquisitions LLC; Petrostone Permian LLC; Redfern Enterprises, Inc.; RSC Resources, LP; Sarah M. Loudenback; Tascosa Energy Partners, LLC; Tascosa Royalty Company LLC; Thomas M. Beall; V-F Petroleum Inc.; Vince Holdings LLC; Virginia Momsen; Will Holt and Wife, Vina Holt; Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling. Eddy County. New

Holt: Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will con-

tion Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on January 4, 2024 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at https://www.emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 201H wells, to be hori-

201H and Camacho 25-26 State Com 301H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges

for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast

of Artesia, New Mexico. #5866157, Current Argus, December 14, 2023

Affidavit of Publication Ad # 0005866157 This is not an invoice

MODRALL SPERLING POBOX 2168

ALBUQUERQUE, NM 87103

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/14/2023

Legal Clerk

Subscribed and sworn before me this December 14,

2023

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005866157 PO #: CASE NO. 24089 # of Affidavits1

This is not an invoice

Exhibit D.4

CASE NO. 24090: Notice to all affected parties, as well as their heirs and devisees, of New Mexico State Land Office; United States of America, Bureau of Land Management; Alline Healy; Alyssa Russell; Anne Momsen; Arthur Cunningham Estate Trust; Bankers Life and Casualty Company; Canyon Draw Resources LLC; Clarence L. North Jr.; Devon Energy Production Company, LP; E. G. L. Resources, Inc.; Ego Oil Company; Fairway Oil and Gas Company; Fasken Land and Minerals, Ltd.; Faulconer Resources 1999 Limited Partnership; Flag "77" Ltd.; Gahr Ranch and Investments, Partnership; Flag "77" Ltd.; Gahr Ranch and Investments, Partnership, ITD.; Hair Family Limited Partnership; Hold the Door, LP; Jason J. Lodge; John David Momsen Special Needs Trust; John Peter Cunninham; Jonell Jones; Karen L. Recabaren; Leo Momsen II; Lerwick I LTD; Marathon Oil Company; Marathon Oil Permian, LLC; Margaret Burgess; Mark Momsen; Mary Katherine Margi; McCombs Energy, Ltd.; Meredith Jones; Mike Momsen; Mongoose Minerals LLC; Northern Oil and Gas Inc.; Ocean Oil Corporation; Oxy USA WTP LP; Patrick Momsen; Peregrine Production LLC; Permian Basin Acquisitions LLC; Petrostone Permian LLC; Redfern Enterprises, Inc.; RSC Resources, LP; Sarah M. Loudenback; Tascosa Energy Partners, LLC; Tascosa Royalty Company LLC; Uriginia Momsen; Will Holt and Wife, Vina Holt; Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on January 4, 2024 to con-

tion Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on January 4, 2024 to consider this application. Information about accessing the elec-

tronic hearing is posted at "OCD NOTICES" at http://www. emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to

continuance by the Division to a subsequent docket date. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2)

pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com

202H and Camacho 25-26 State Com 302H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drill-

ing, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast

#5866160, Current Argus, December 14, 2023

of Artesia, New Mexico.

Affidavit of Publication Ad # 0005866160 This is not an invoice

MODRALL SPERLING **POBOX 2168**

ALBUQUERQUE, NM 87103

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/14/2023

Legal Clerk

Subscribed and sworn before me this December 14,

2023:

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

Ad # 0005866160 PO#: CASE NO. 24090 # of Affidavits1

This is not an invoice

Released to Imaging: 1/2/2024 4:10:31 PM

KATHLEEN ALLEN **Notary Public** State of Wisconsin

Affidavit of Publication Ad # 0005866161 This is not an invoice

MODRALL SPERLING **POBOX 2168**

ALBUQUERQUE, NM 87103

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/14/2023

Subscribed and sworn before me this December 14.

2023:

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

CASE NO. 24091: Notice to all affected parties, as well as their heirs and devisees, of New Mexico State Land Office; their heirs and devisees, of New Mexico State Land Office; United States of America, Bureau of Land Management; Alline Healy; Alyssa Russell; Anne Momsen; Arthur Cunningham Estate Trust; Bankers Life and Casualty Company; Canyon Draw Resources LLC; Clarence L. North Jr.; Devon Energy Production Company, LP; E. G. L. Resources, Inc.; Ege Oil Company; Fairway Oil and Gas Company; Fasken Land and Minerals, Ltd.; Faulconer Resources 1999 Limited Partnership; Flag "77" Ltd.; Gahr Ranch and Investments, Partnership, LTD.; Hair Family Limited Partnership; Hold the Door, LP; Jason J. Lodge; John David Momsen Special Needs Trust; John Peter Cunninham; Jonell Jones; Karen L. nersnip, LID.; Hair Family Limited Partnership; Hold the Door, LP; Jason J. Lodge; John David Momsen Special Needs Trust; John Peter Cunninham; Jonell Jones; Karen L. Recabaren; Leo Momsen II; Lerwick I LTD; Marathon Oil Company; Marathon Oil Permian, LLC; Margaret Burgess; Mark Momsen; Mary Katherine Margi; McCombs Energy, Ltd.; Meredith Jones; Mike Momsen; Mongoose Minerals LLC; Northern Oil and Gas Inc.; Ocean Oil Corporation; Oxy USA WTP LP; Patrick Momsen; Peregrine Production LLC; Permian Basin Acquisitions LLC; Petrostone Permian LLC; Redfern Enterprises, Inc.; RSC Resources, LP; Sarah M. Loudenback; Tascosa Energy Partners, LLC; Tascosa Royalty Company LLC; Thomas M. Beall; V-F Petroleum Inc.; Vince Holdings LLC; Virginia Momsen; Will Holt and Wife, Vina Holt; Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on January 4, 2024 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at https://www.emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less Bone Spring standard horizontal spraing unit; and (2) Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 203H and Camacho 25-26 State Com 303H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico. #5866161, Current Argus, December 14, 2023

Ad # 0005866161 PO#: CASE NO. 24091 # of Affidavits 1

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KATHLEEN ALLEN Notary Public State of Wisconsin

Affidavit of Publication Ad # 0005866163 This is not an invoice

MODRALL SPERLING POBOX 2168

ALBUQUERQUE, NM 87103

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/14/2023

Legal Cork

Subscribed and sworn before me this December 14,

2023:

State of WI, County of Brown NOTARY PUBLIC

1-7-55

My commission expires

CASE NO. 24092: Notice to all affected parties, as well as their heirs and devisees, of New Mexico State Land Office; United States of America, Bureau of Land Management; Alline Healy; Alyssa Russell; Anne Momsen; Arthur Cunningham Estate Trust; Bankers Life and Casualty Company; Canyon Draw Resources LLC; Clarence L. North Jr.; Devon Energy Production Company, Lp; E. G. L. Resources, Inc.; Ego Oil Company; Fairway Oil and Gas Company; Fasken Land and Minerals, Ltd.; Faulconer Resources 1999 Limited Partnership; LTD.; Hair Family Limited Partnership; Hold the Door, LP; Jason J. Lodge; John David Momsen Special Needs Trust; John Peter Cunninham; Jonell Jones; Karen L. Recabaren; Leo Momsen II; Lerwick I LTD; Marathon Oil Company; Marathon Oil Permian, LLC; Margaret Burgess; Mark Momsen; Mary Katherine Margi; McCombs Energy, Ltd.; Meredith Jones; Mike Momsen; Mongoose Minerals LLC; Northern Oil and Gas Inc.; Ocean Oil Corporation; Oxy USA WTP LP; Patrick Momsen; Peregrine Production LLC; Redfern Enterprises, Inc.; RSC Resources, LP; Sarah M. Loudenback; Tascosa Energy Partners, LLC; Tascosa Royalty Company LLC; Virginia Momsen; Will Holt and Wife, Vina Holt; Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on January 4, 2024 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at https://www.emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com

KATHLEEN ALLEN
Notary Public
State of Wisconsin

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