

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JANUARY 9, 2025**

**APPLICATION OF V-F PETROLEUM INC.
FOR A COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO**

Case No. 25117:

Rainier 16-15 Fed Com 233H

Consolidated for a Contested Hearing with:

Case Nos. 24994, 24995, 25115 & 25116 (V-F Petroleum Inc. Cases)

Case Nos. 24941-24942 & 25145-25148 (Read & Stevens, Inc. Cases)

V-F PETROLEUM INC.

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TAB 1

Reference for Case No. 25117

Application Case No. 25117: Rainier 16-15 Fed Com 233H

NMOCD Checklist Case No. 25117

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

**APPLICATION OF V-F PETROLEUM INC.
FOR A COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25117

APPLICATION

V-F Petroleum Inc. (“V-F Petroleum”), OGRID No. 24010, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order pooling all uncommitted mineral interests in the Third Bone Spring formation, from the top of the Third Bone Spring, at a depth of 8,914’ beneath the surface, to the base of the Third Bone Spring formation, which has a depth of 9,516’ beneath the surface, as shown in that certain Dual Lateralog, Micro Laterlog, Gamma Ray well log in the Tamano 15 Fed Com #2 well (API # 30-015-33398), located in Sec. 15, Township 18 South, Range 31 East, Eddy County, New Mexico, designated as an oil pool, underlying a standard 320-acre, more or less, spacing unit comprised of the S/2 N/2 of Sections 16 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. In support of its Application, V-F Petroleum states the following:

1. V-F Petroleum is a working interest owner in the proposed horizontal spacing unit (“HSU”) and has a right to drill a well thereon.
2. V-F Petroleum proposes and dedicates to the HSU the **Rainier 16-15 Fed Com #233H Well**, as an initial well, to be drilled to a sufficient depth to test the Third Bone Spring formations.

3. V-F Petroleum proposes the **Rainier 16-15 Fed Com #233H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 16 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15.

4. The well proposed herein is orthodox in its location, and the take points and completed interval complies with setback requirements under the statewide rules.

5. V-F Petroleum has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.

6. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. In this application, V-F Petroleum is pooling only the Third Bone Spring formation because there is a depth severance between the base on the Second Bone Spring and the top of the Third Bone Spring, and importantly, there is a geological barrier between the Second Bone Spring and Third Bone Spring that maintains the integrity of production within the partitioned zone thereby allowing for the partition. V-F Petroleum will provide notice to adjacent owners in the Second Bone Spring formation, above and adjacent to the Third Bone Spring to account for any concerns the vertical offset owners might have.

8. In order to provide for its just and fair share of the oil and gas underlying the subject lands, V-F Petroleum requests that all uncommitted interests in this HSU be pooled and that V-F Petroleum be designated the operator of the proposed horizontal wells and HSU.

WHEREFORE, V-F Petroleum requests that this Application be set for hearing on January 9, 2025, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Third Bone Spring formation, from the top of the Third Bone Spring, at a depth of 8,914' beneath the surface, to the base of the Third Bone Spring formation, which has a depth of 9,516' beneath the surface, as shown in that certain Dual Lateralog, Micro Laterlog, Gamma Ray well log in the Tamano 15 Fed Com #2 well (API # 30-015-33398), located in Sec. 15, Township 18 South, Range 31 East, Eddy County, New Mexico, designated as an oil pool, underlying a standard 320-acre, more or less, spacing unit comprised of the S/2 N/2 of Sections 16 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

B. Approving the **Rainier 16-15 Fed Com #233H Well** as the well for the HSU.

C. Designating V-F Petroleum as operator of this HSU and the horizontal well to be drilled thereon;

D. Authorizing V-F Petroleum to recover its costs of drilling, equipping, and completing the well;

E. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Setting a 200% charge for the risk assumed by V-F Petroleum in drilling and completing the wells in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

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Attorneys for V-F Petroleum, Inc.

Application of V-F Petroleum Inc. for Compulsory Pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Third Bone Spring, at a depth of 8,914' beneath the surface, to the base of the Third Bone Spring formation, which has a depth of 9,516' beneath the surface, as shown in that certain Dual Laterolog, Micro Laterolog, Gamma Ray well log in the Tamano 15 Fed Com #2 well (API # 30-015-33398), located in Sec. 15, Township 18 South, Range 31 East, Eddy County, New Mexico, designated as an oil pool, underlying a standard 320-acre, more or less, spacing unit comprised of the S/2 N/2 of Sections 16 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. The proposed well to be dedicated to the horizontal spacing unit is the **Rainier 16-15 Fed Com #233H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 16 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15. The proposed well will be orthodox, and its take points and completed interval will comply with the setback requirements under statewide rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the wells. The well and lands are located approximately 31 miles southeast of Artesia, New Mexico.

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 25117	APPLICANT'S RESPONSE
Date: January 28, 2025 (Scheduled Hearing)	
Applicant	V-F Petroleum Inc.
Designated Operator & OGRID (affiliation if applicable)	24010
Applicant's Counsel:	Darin C. Savage, Abadie & Schill, P.C.
Case Title:	APPLICATION OF V-F PETROLUEM INC. FOR A COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Read & Stevens, Inc. Permian Resources Operating, LLC
Well Family	Rainier 16-15 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Top of the Third Bone Spring Formation to the base of the Third Bone Spring Formation
Pool Name and Pool Code (Only if NSP is requested):	
Well Location Setback Rules (Only if NSP is Requested):	
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acre, more or less
Building Blocks:	Quarter - Quarter Sections (40 Acre Blocks)
Orientation:	West to East
Description: TRS/County	S/2 N/2 of Sections 16 and 15, all in Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes, Standard Spacing Unit
Other Situations	
Depth Severance: Y/N. If yes, description	No, N/A
Proximity Tracts: If yes, description	No, N/A
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	See Exhibit A-3, breakdown of ownership
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Rainier 16-15 Fed Com 233H Well (API No. Pending), SHL: Unit E, 1592.5' FNL, 728' FWL, Section 16, T18S-R31E; BHL: Unit H, 2085' FNL, 100' FEL, Section 15, T18S-R31E, laydown, standard location

Horizontal Well First and Last Take Points	Rainier 16-15 Fed Com 233H Well: FTP: Unit E, 2085' FNL, 100' FWL, Section 16; LTP: Unit H, 2085' FNL, 100' FEL, Section 15
Completion Target (Formation, TVD and MD)	Rainier 16-15 Fed Com 233H Well: Landing TVD approx. 9,275', Bottom Hole TVD approx. 9,275'; TMD 20,526'; 3rd Bone Spring formation, See Exhibit A
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,500, Exhibit A, A-5
Production Supervision/Month \$	\$850, Exhibit A, A-5
Justification for Supervision Costs	Exhibit A, A-5
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C, C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3, includes Working Interest owners and ORRI owners
Unlocatable Parties to be Pooled	Exhibit A, Para. 10
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A, A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1, B-3
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Exhibit B, B-1, B-3
Target Formation	Exhibit B-2, B-4
HSU Cross Section	Exhibit B-2, B-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	

C-102	Exhibit A-1
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit A-2, A-3
Well Bore Location Map	Exhibit A-1, A-7, B-4
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-1, B-4
Cross Section (including Landing Zone)	Exhibit B-2, B-5
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	/s/ Darin Savage
Date:	1/21/25

TAB 2

- Exhibit A: Self-Affirmed Statement of Jordan Shaw, Landman
- Exhibit A-1: C-102 Forms
- Exhibit A-2: Location Plat Map
- Exhibit A-3: Tract Map and Ownership Breakdown
- Exhibit A-4: Chronology of Contacts with Uncommitted Owners
- Exhibit A-5: Well Proposal Letters and AFEs
- Exhibit A-6: Sample Well Proposal for Rainier 16-15 Fed Com #213H Well
- Exhibit A-7: Aerial View Map of Surrounding Development

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

**APPLICATION OF V-F PETROLEUM, INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25117

SELF-AFFIRMED STATEMENT OF JORDAN SHAW

I, Jordan Shaw, state and affirm the following:

1. I am over the age of eighteen years and have the capacity to execute this Self-Affirmed Statement, which is based on my personal knowledge.

2. I am a Landman/Attorney with V-F Petroleum Inc. (“V-F”), and I am familiar with the subject application and the lands involved.

3. I graduated in 2009 from the Indiana University of Pennsylvania with a bachelor’s degree in Political Science, Pre-Law and graduated in 2013 from Texas Tech University, School of Law with a Juris Doctor and am licensed to practice law in the State of Texas. I have worked at V-F Petroleum Inc. for approximately three years and have been working as a Landman/Attorney for three years. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters and my credentials have been accepted by the Division and made a matter of record.

4. This Self-Affirmed Statement is submitted in connection with the filing by V-F of the above-referenced spacing and compulsory pooling applications pursuant to 19.15.4.12.A(1).

5. V-F seeks an order pooling all uncommitted mineral interest in the Third Bone Spring formation in the Shugart; Bone Spring North, Pool Code 56405, from the top of the Third



Bone Spring, at an approximate depth of 8,914' beneath the surface, to the base of the Third Bone Spring formation, which has an approximate depth of 9,450' beneath the surface, as shown in that certain Dual Laterallog, Micro Laterlog, Gamma Ray well log in the Tamano 15 Fed Com #2 well (API # 30-015-33398), located in Sec. 15, Township 18 South, Range 31 East, Eddy County, New Mexico, underlying a standard 320-acre, more or less, spacing and proration unit comprised of the S/2 N/2 of Sections 16 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

6. Under Case No. 25117, V-F seeks to dedicate the **Rainier 16-15 Fed Com #233H Well**, (API 30-015-pending) as an initial well, to be horizontally drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 16 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15; approximate TVD of 9,275'; approximate TMD of 20,526'; FTP in Section 16: 2,085' FNL, 100' FWL; LTP in Section 15: 2,085' FNL, 100' FEL.

7. The proposed C-102 for each well is attached as **Exhibit A-1**.

8. A general location plat and a plat outlining the units being pooled is attached hereto as **Exhibit A-2**, which show the location of the proposed well within the unit. The location of each well is orthodox, and it meets the Division's offset requirements.

9. The parties being pooled, the nature of their interests, and their last known addresses are listed on **Exhibit A-3** attached hereto. **Exhibit A-3** includes information regarding working interest owners, overriding royalty interest owners and royalty interest owners.

10. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted interest owners shown on **Exhibit A-2**. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information

for parties entitled to notification. All working interest owners were locatable and noticed. Notice to one overriding royalty interest owner, Francis Hill Hudson, Trustee of Lindy's Living Trust, is listed as To Be Returned. V-F published notice in the Carlsbad Current-Argus, a newspaper of general circulation in Eddy County, New Mexico to cover any contingencies regarding notice.

11. There are no depth severances in the Third Bone Spring formation in this acreage.

12. V-F has made a good faith effort to negotiate with the interest owners, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the well or in the commitment of their interests to the well for its development within the proposed horizontal spacing unit. **Exhibit A-4** provides a chronology and history of contacts with the owners.

13. The interest owners being pooled have been contacted regarding the proposed wells but have failed or refused to voluntarily commit their interest in the wells. However, VF-Petroleum has been in ongoing discussions with some of the interest owners to voluntarily enter into a Joint Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between VF-Petroleum and another interest owner or owners, VF-Petroleum requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and protection of correlative rights.

14. **Exhibit A-5** is a sample proposal letter, supplemental proposal letter and the AFEs for each proposed well. The estimated cost of the wells set forth in the AFEs attached as **Exhibit A-5** are fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

15. V-F requests overhead and administrative rates of \$8,500/month for drilling each well and \$850/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. V-F requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

16. V-F requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners.

17. V-F requests that it be designated operator of the units and wells.

18. Additionally, although not technically part of Case No. 25117, but in order for V-F to present this case to the best of its ability so that the Division has an opportunity to see the role Case No. 25117 plays in V-F's future development plans underlying the S/2 N/2 Sec. 16 & 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, I have provided as **Exhibit A-6** a sample well proposal letter and the AFE for the **Rainier 16-15 Fed Com #213H Well**, (API 30-015-pending) that has been proposed to all working interest owners in the First Bone Spring formation.

19. **Exhibit A-7** is an aerial plat outlining the development pattern that has been established in this area by Permian Resources to the immediate south of Section 16 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, and other Operators to the immediate west of Section 16 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. Should the Division grant an order in V-F's favor in this Case, it would make efforts to continue the development pattern that are consistent with, and build upon, what has been successful with other Operators in this area; if V-F's plan is approved, it would not undermine or preempt Permian Resources opportunity for development because their subject lands are unbounded to the east, and Permian Resources could simply develop two mile horizontal

Second Bone Spring and Third Bone Spring wells in Sections 14 and 13, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. V-F's geology in this area that Permian Resources expanding east is feasible, and this in turn would avoid stranding the State of New Mexico's minerals in Section 16, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico to one mile horizontal development in the Bone Spring formation.

20. The Exhibits to this Self-Affirmed Statement were prepared by me or compiled from V-F's company business records under my direct supervision.

21. The granting of this Application is in the best interests of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.

22. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

Signature page of Self-Affirmed Statement of Jordan Shaw:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case No. 25117 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.



Jordan Shaw

01/21/2025

Date Signed

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
	Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code	Pool Name
Property Code	RANIER 16 15 FED COM	
OGRID No.	Operator Name V-F PETROLEUM INC.	Well Number 233H Ground Level Elevation 3665'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
E	16	18-S	31-E	-	1592.5 FNL	728 FWL	32.750359°	103.880748°	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
H	15	18-S	31-E	-	2085 FNL	100 FEL	32.749059°	103.849092°	EDDY

Dedicated Acres	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
E	16	18-S	31-E	-	2085 FNL	50 FWL	32.749002°	103.882951°	EDDY

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
E	16	18-S	31-E	-	2085 FNL	100 FWL	32.749002°	103.882789°	EDDY

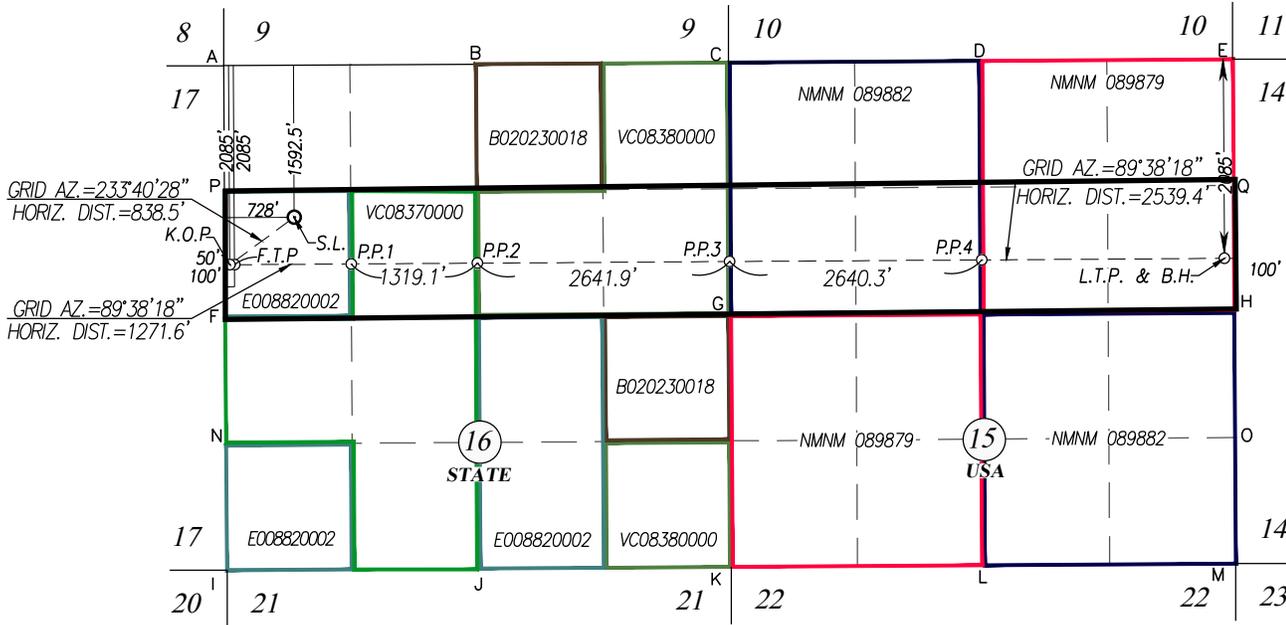
Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
H	15	18-S	31-E	-	2085 FNL	100 FEL	32.749059°	103.849092°	EDDY

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	<p>SURVEYOR CERTIFICATIONS</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: right;">  </div> <p style="text-align: center;"><i>Gary G. Eidson 01/16/2025</i></p> <p>Signature and Seal of Professional Surveyor</p> <p>Gary G. Eidson 12641 SEPTEMBER 30, 2024</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">Certificate Number</td> <td style="width:50%;">Date of Survey</td> </tr> <tr> <td> </td> <td> </td> </tr> </table> <div style="text-align: right; border: 2px solid black; padding: 5px; width: fit-content; margin: 10px auto;"> EXHIBIT A-1 </div>	Certificate Number	Date of Survey		
Certificate Number	Date of Survey				
PAGE 1 OF 2	ACK REL. W.O.:24110354 JWSC W.O.: 25.13.0021				

SCALE: 1"=2000'



SURFACE LOCATION GEODEIC COORDINATES NAD 27 NME	KICK OFF POINT GEODEIC COORDINATES NAD 27 NME	FIRST TAKE POINT GEODEIC COORDINATES NAD 27 NME	PENETRATION POINT 1 GEODEIC COORDINATES NAD 27 NME	PENETRATION POINT 2 GEODEIC COORDINATES NAD 27 NME	PENETRATION POINT 3 GEODEIC COORDINATES NAD 27 NME
Y= 636946.2 N X= 639300.9 E LAT.=32.750240° N LONG.=103.880242° W	Y= 636449.6 N X= 638625.5 E LAT.=32.748883° N LONG.=103.882446° W	Y= 636449.9 N X= 638675.4 E LAT.=32.748883° N LONG.=103.882283° W	Y= 636457.6 N X= 639896.8 E LAT.=32.748890° N LONG.=103.878311° W	Y= 636465.9 N X= 641215.5 E LAT.=32.748897° N LONG.=103.874021° W	Y= 636482.6 N X= 643856.8 E LAT.=32.748911° N LONG.=103.865430° W
1592.5' FNL & 728' FWL SEC. 16	2085' FNL & 50' FWL SEC. 16	2085' FNL & 100' FWL SEC. 16	2084.8' FNL & 1321.6' FWL SEC. 16	2084.6' FNL & 2640.7' FWL SEC. 16	2084.4' FNL SEC. 16 & SEC. 17

SURFACE LOCATION GEODEIC COORDINATES NAD 83 NME	KICK OFF POINT GEODEIC COORDINATES NAD 83 NME	FIRST TAKE POINT GEODEIC COORDINATES NAD 83 NME	PENETRATION POINT 1 GEODEIC COORDINATES NAD 83 NME	PENETRATION POINT 2 GEODEIC COORDINATES NAD 83 NME	PENETRATION POINT 3 GEODEIC COORDINATES NAD 83 NME
Y= 637009.6 N X= 680479.7 E LAT.=32.750359° N LONG.=103.880748° W	Y= 636513.0 N X= 679804.3 E LAT.=32.749002° N LONG.=103.882951° W	Y= 636513.3 N X= 679854.3 E LAT.=32.749002° N LONG.=103.882789° W	Y= 636521.1 N X= 681075.6 E LAT.=32.749009° N LONG.=103.878816° W	Y= 636529.4 N X= 682394.3 E LAT.=32.749016° N LONG.=103.874527° W	Y= 636546.0 N X= 685035.6 E LAT.=32.748940° N LONG.=103.865936° W

**CORNER COORDINATES TABLE
NAD 27 NME**

A - Y= 638533.7 N, X= 638563.9 E
B - Y= 638550.0 N, X= 641202.9 E
C - Y= 638566.4 N, X= 643845.0 E
D - Y= 638583.6 N, X= 646484.5 E
E - Y= 638601.3 N, X= 649123.5 E
F - Y= 635893.2 N, X= 638578.5 E
G - Y= 635925.9 N, X= 643859.9 E
H - Y= 635960.4 N, X= 649138.3 E
I - Y= 633252.0 N, X= 638599.6 E
J - Y= 633268.8 N, X= 641234.9 E
K - Y= 633286.3 N, X= 643875.6 E
L - Y= 633303.7 N, X= 646514.8 E
M - Y= 633321.2 N, X= 649154.0 E
N - Y= 634572.6 N, X= 638589.0 E
O - Y= 634640.8 N, X= 649146.1 E
P - Y= 637213.4 N, X= 638571.2 E
Q - Y= 637280.9 N, X= 649130.9 E

**CORNER COORDINATES TABLE
NAD 83 NME**

A - Y= 638597.2 N, X= 679742.7 E
B - Y= 638613.5 N, X= 682381.7 E
C - Y= 638629.9 N, X= 685023.8 E
D - Y= 638647.2 N, X= 687663.3 E
E - Y= 638664.9 N, X= 690302.3 E
F - Y= 635956.6 N, X= 679757.4 E
G - Y= 635989.4 N, X= 685038.7 E
H - Y= 636023.9 N, X= 690317.1 E
I - Y= 633315.3 N, X= 679778.4 E
J - Y= 633332.2 N, X= 682413.8 E
K - Y= 633349.7 N, X= 685054.5 E
L - Y= 633367.2 N, X= 687693.6 E
M - Y= 633384.6 N, X= 690332.8 E
N - Y= 634636.0 N, X= 679767.9 E
O - Y= 634704.3 N, X= 690324.9 E
P - Y= 637276.9 N, X= 679750.0 E
Q - Y= 637344.4 N, X= 690309.7 E

**PENETRATION POINT 4
GEODEIC COORDINATES
NAD 27 NME**

Y= 636500.0 N
X= 646496.5 E
LAT.=32.748927° N
LONG.=103.856845° W

2084.2' FNL & 2639.4' FEL
SEC. 15

**PENETRATION POINT 4
GEODEIC COORDINATES
NAD 83 NME**

Y= 636563.5 N
X= 687675.2 E
LAT.=32.749046° N
LONG.=103.857350° W

**LAST TAKE POINT & BOTTOM
HOLE LOCATION
GEODEIC COORDINATES
NAD 27 NME**

Y= 636516.2 N
X= 649035.2 E
LAT.=32.748940° N
LONG.=103.848587° W

2085' FNL & 100' FEL
SEC. 15

**LAST TAKE POINT & BOTTOM
HOLE LOCATION
GEODEIC COORDINATES
NAD 83 NME**

Y= 636579.8 N
X= 690214.0 E
LAT.=32.749059° N
LONG.=103.849092° W

RANIER 16 15 FED COM #233H

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name RANIER 16 15 FED COM		Well Number 233H
OGRID No.	Operator Name V-F PETROLEUM INC.		Elevation 3665'

Surface Location

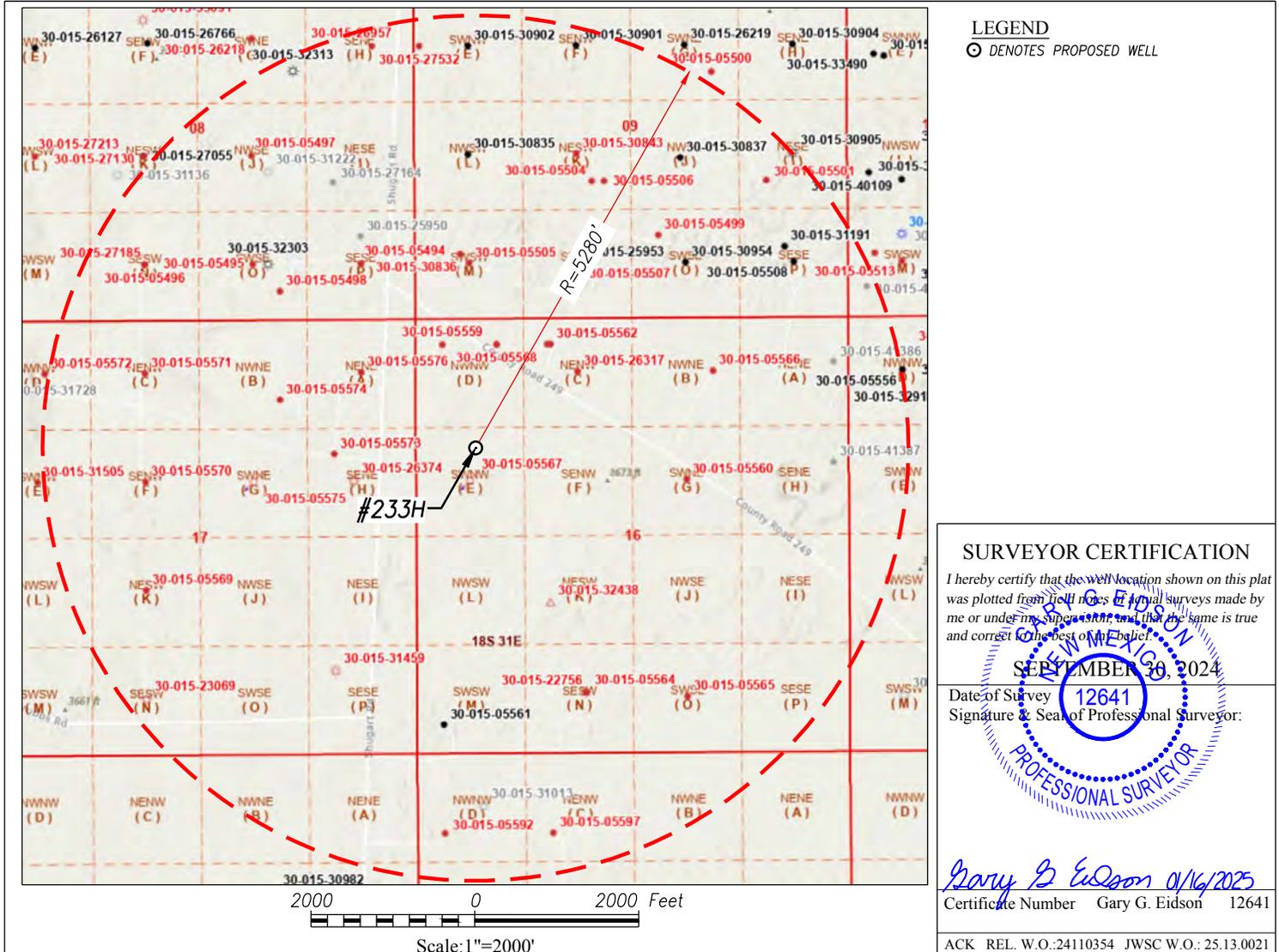
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	16	18-S	31-E		1592.5	NORTH	728	WEST	EDDY

Bottom Hole Location If Different From Surface

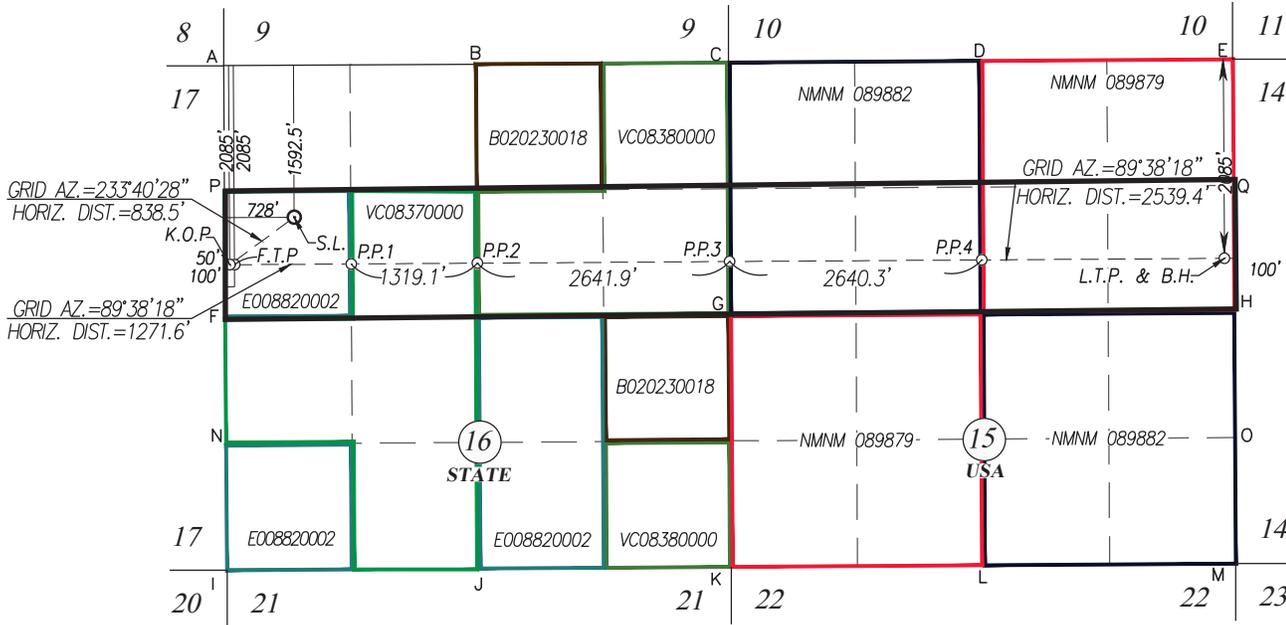
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	15	18-S	31-E		2085	NORTH	100	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



SCALE: 1"=2000'



SURFACE LOCATION GEODETIC COORDINATES NAD 27 NME	KICK OFF POINT GEODETIC COORDINATES NAD 27 NME	FIRST TAKE POINT GEODETIC COORDINATES NAD 27 NME	PENETRATION POINT 1 GEODETIC COORDINATES NAD 27 NME	PENETRATION POINT 2 GEODETIC COORDINATES NAD 27 NME	PENETRATION POINT 3 GEODETIC COORDINATES NAD 27 NME
Y= 636946.2 N X= 639300.9 E LAT.=32.750240° N LONG.=103.880242° W	Y= 636449.6 N X= 638625.5 E LAT.=32.748883° N LONG.=103.882446° W	Y= 636449.9 N X= 638675.4 E LAT.=32.748883° N LONG.=103.882283° W	Y= 636457.6 N X= 639896.8 E LAT.=32.748890° N LONG.=103.878311° W	Y= 636465.9 N X= 641215.5 E LAT.=32.748897° N LONG.=103.874021° W	Y= 636482.6 N X= 643856.8 E LAT.=32.748911° N LONG.=103.865430° W
1592.5' FNL & 728' FWL SEC. 16	2085' FNL & 50' FWL SEC. 16	2085' FNL & 100' FWL SEC. 16	2084.8' FNL & 1321.6' FWL SEC. 16	2084.6' FNL & 2640.7' FWL SEC. 16	2084.4' FNL SEC. 16 & SEC. 17

SURFACE LOCATION GEODETIC COORDINATES NAD 83 NME	KICK OFF POINT GEODETIC COORDINATES NAD 83 NME	FIRST TAKE POINT GEODETIC COORDINATES NAD 83 NME	PENETRATION POINT 1 GEODETIC COORDINATES NAD 83 NME	PENETRATION POINT 2 GEODETIC COORDINATES NAD 83 NME	PENETRATION POINT 3 GEODETIC COORDINATES NAD 83 NME
Y= 637009.6 N X= 680479.7 E LAT.=32.750359° N LONG.=103.880748° W	Y= 636513.0 N X= 679804.3 E LAT.=32.749002° N LONG.=103.882951° W	Y= 636513.3 N X= 679854.3 E LAT.=32.749002° N LONG.=103.882789° W	Y= 636521.1 N X= 681075.6 E LAT.=32.749009° N LONG.=103.878816° W	Y= 636529.4 N X= 682394.3 E LAT.=32.749016° N LONG.=103.874527° W	Y= 636546.0 N X= 685035.6 E LAT.=32.748940° N LONG.=103.865936° W

CORNER COORDINATES TABLE
NAD 27 NME

A - Y= 638533.7 N, X= 638563.9 E
B - Y= 638550.0 N, X= 641202.9 E
C - Y= 638566.4 N, X= 643845.0 E
D - Y= 638583.6 N, X= 646484.5 E
E - Y= 638601.3 N, X= 649123.5 E
F - Y= 635893.2 N, X= 638578.5 E
G - Y= 635925.9 N, X= 643859.9 E
H - Y= 635960.4 N, X= 649138.3 E
I - Y= 633252.0 N, X= 638599.6 E
J - Y= 633268.8 N, X= 641234.9 E
K - Y= 633286.3 N, X= 643875.6 E
L - Y= 633303.7 N, X= 646514.8 E
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P - Y= 637213.4 N, X= 638571.2 E
Q - Y= 637280.9 N, X= 649130.9 E

CORNER COORDINATES TABLE
NAD 83 NME

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H - Y= 636023.9 N, X= 690317.1 E
I - Y= 633315.3 N, X= 679778.4 E
J - Y= 633332.2 N, X= 682413.8 E
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L - Y= 633367.2 N, X= 687693.6 E
M - Y= 633384.6 N, X= 690332.8 E
N - Y= 634636.0 N, X= 679767.9 E
O - Y= 634704.3 N, X= 690324.9 E
P - Y= 637276.9 N, X= 679750.0 E
Q - Y= 637344.4 N, X= 690309.7 E

PENETRATION POINT 4
GEODETIC COORDINATES
NAD 27 NME

Y= 636500.0 N X= 646496.5 E LAT.=32.748927° N LONG.=103.856845° W
--

2084.2' FNL & 2639.4' FEL
SEC. 15

PENETRATION POINT 4
GEODETIC COORDINATES
NAD 83 NME

Y= 636563.5 N X= 687675.2 E LAT.=32.749046° N LONG.=103.857350° W
--

LAST TAKE POINT & BOTTOM
HOLE LOCATION
GEODETIC COORDINATES
NAD 27 NME

Y= 636516.2 N X= 649035.2 E LAT.=32.748940° N LONG.=103.848587° W
--

2085' FNL & 100' FEL
SEC. 15

LAST TAKE POINT & BOTTOM
HOLE LOCATION
GEODETIC COORDINATES
NAD 83 NME

Y= 636579.8 N X= 690214.0 E LAT.=32.749059° N LONG.=103.849092° W
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RANIER 16 15 FED COM #233H

Rainier 16 15 Fed COM #233H (3rd Bone Spring)
 S/2N/2 Sections 16 & 15, T-18-S, R-31-E, N.M.P.M., Eddy Co., NM
 Containing 320 acres, more or less

EXHIBIT A-3

Sec. 16, T-18-S, R-31-E				Sec. 15, T-18-S, R-31-E			
	16			15			

Need to add Lease Info!

SW/4NW/4 Sec. 16 (State Lease E-822)

Working Interest Owner	Decimal
XTO Holdings, LLC	1.00000000
TOTAL	1.00000000

Royalty Interest Owner	Decimal
State of New Mexico	0.12500000

SE/4NW/4 (State Lease VC-837) & S/2NE/4 Sec. 16 (State Lease VC-838)

Working Interest Owner	Decimal
V-F Petroleum Inc.	1.00000000
TOTAL	1.00000000

Overriding Royalty Interest Owners	Decimal
V-F Petroleum Inc.	0.00050000
Gahr Ranch & Investments Partnership, Ltd.	0.02343750
Thomas M. Beall	0.02343750
Jason J. Lodge	0.00125000
Sarah M. Loudenback	0.00125000

**EXHIBIT
A-3**

Rainier 16 15 Fed COM #233H (3rd Bone Spring)
 S/2N/2 Sections 16 & 15, T-18-S, R-31-E, N.M.P.M., Eddy Co., NM
 Containing 320 acres, more or less

EXHIBIT A-3

Mid-Western Energy, L.L.C.	0.00012500
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Royalty Interest Owner	Decimal
State of New Mexico	0.20000000

S/2NW/4 Sec. 15 (Federal Lease NMNM 089882 (Out of NMLC 029388-D))

Working Interest Owners	
V-F Petroleum Inc.	0.09916668
Permian Resources Operating, LLC	0.77687500
Bank of America, N.A., Trustee of the Delmar Hudson Lewis Living Trust created by Trust Agreement dated September 9, 2002	0.07437500
Ard Oil, LTD	0.03718750
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard.	0.01239582
TOTAL	1.00000000

Overriding Royalty Interest Owners	Decimal
Zorro Partners, Ltd.	0.00619790
Javelina Partners	0.00619790
Hudson, Francis Hill, Trustee of Lindy's Living Trust created by Trust Agreement dated July 8, 1994	0.00929688
Moore and Shelton Co. Ltd.	0.00498750
Mewbourne, Curtis W., Trustee	0.02107500
Marathon Oil Permian LLC	0.08125000

Royalty Interest Owner	Decimal
United States of America	0.12500000

SW/4NE/4 Sec. 15 (Federal Lease NMNM 089879)

Working Interest Owner	Decimal
V-F Petroleum Inc.	0.14166666
Permian Resources Operating, LLC	0.18125000
Bank of America, N.A., Trustee of the Delmar Hudson Lewis Living Trust created by Trust Agreement dated September 9, 2002	0.10625000
Ard Oil, LTD	0.05312500

Rainier 16 15 Fed COM #233H (3rd Bone Spring)
S/2N/2 Sections 16 & 15, T-18-S, R-31-E, N.M.P.M., Eddy Co., NM
Containing 320 acres, more or less

EXHIBIT A-3

Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard.	0.01770834
Marathon Oil Permian LLC	0.50000000
TOTAL	1.00000000

Overriding Royalty Interest Owners	Decimal
Zorro Partners, Ltd.	0.00531250
Javelina Partners	0.00531250
Hudson, Francis Hill, Trustee of Lindy's Living Trust created by Trust Agreement dated July 8, 1994	0.00796875
Ralph A. Shugart Jr. Trust dated 5/26/1983	0.05000000
Moore and Shelton Co. Ltd.	0.00337500
Mewbourne, Curtis W., Trustee	0.00225000

Royalty Interest Owner	Decimal
United States of America	0.12500000

SE/4NE/4 Sec. 15 (Federal Lease NMNM 089879)

Working Interest Owner	Decimal
V-F Petroleum Inc.	0.21666667
Permian Resources Operating, LLC	0.10625000
Bank of America, N.A., Trustee of the Delmar Hudson Lewis Living Trust created by Trust Agreement dated September 9, 2002	0.10625000
Ard Oil, LTD	0.05312500
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard.	0.01770833
Marathon Oil Permian LLC	0.50000000

Overriding Royalty Interest Owners	Decimal
Zorro Partners, Ltd.	0.00531251
Javelina Partners	0.00531251
Hudson, Francis Hill, Trustee of Lindy's Living Trust created by Trust Agreement dated July 8, 1994	0.00796875
Ralph A. Shugart Jr. Trust dated 5/26/1983	0.05000000
Moore and Shelton Co. Ltd.	0.00562500

Rainier 16 15 Fed COM #233H (3rd Bone Spring)
S/2N/2 Sections 16 & 15, T-18-S, R-31-E, N.M.P.M., Eddy Co., NM
Containing 320 acres, more or less

EXHIBIT A-3

Royalty Interest Owner	Decimal
United States of America	0.12500000

UNIT RECAPITULATION

Working Interest Owner	Decimal
XTO Holdings, LLC (uncommitted)	0.12500000
V-F Petroleum Inc. (committed)	0.44458334
Permian Resources Operating, LLC (uncommitted)	0.23015625
Bank of America, N.A., Trustee of the Delmar Hudson Lewis Living Trust created by Trust Agreement dated September 9, 2002 (uncommitted)	0.04515625
Ard Oil, LTD (uncommitted)	0.02257813
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard. (uncommitted)	0.00752604
Marathon Oil Permian LLC (uncommitted)	0.12500000

Overriding Royalty Interest Owners	Decimal
V-F Petroleum Inc. (committed)	0.00018750
Zorro Partners, Ltd. (committed)	0.00287760
Javelina Partners (committed)	0.00287760
Hudson, Francis Hill, Trustee of Lindy's Living Trust created by Trust Agreement dated July 8, 1994 (uncommitted)	0.00431641
Gahr Ranch & Investments Partnership, Ltd. (committed)	0.00878906
Thomas M. Beall (committed)	0.00878906
Jason J. Lodge (committed)	0.00046875
Sarah M. Loudenback (committed)	0.00046875
Mid-Western Energy, L.L.C. (committed)	0.00004688
Ralph A. Shugart Jr. Trust dated 5/26/1983 (uncommitted)	0.01250000
Moore and Shelton Co. Ltd. (committed)	0.00237188
Mewbourne, Curtis W., Trustee (uncommitted)	0.00555000
Marathon Oil Permian LLC (uncommitted)	0.02031250

Royalty Interest Owner	Decimal
United States of America	0.06250000
State of New Mexico	0.09062500

Rainier 16 15 Fed COM #233H (3rd Bone Spring)
S/2N/2 Sections 16 & 15, T-18-S, R-31-E, N.M.P.M., Eddy Co., NM
Containing 320 acres, more or less

EXHIBIT A-3

LIST OF ALL UNCOMMITTED WORKING INTEREST OWNERS TO BE POOLED

Working Interest Owner
XTO Holdings, LLC
Permian Resources Operating, LLC
Bank of America, N.A., Trustee of the Delmar Hudson Lewis Living Trust created by Trust Agreement dated September 9, 2002
Ard Oil, LTD
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard.
Marathon Oil Permian LLC

LIST OF ALL UNCOMMITTED ORRI OWNERS TO BE POOLED

Overriding Royalty Interest Owners
Hudson, Francis Hill, Trustee of Lindy's Living Trust created by Trust Agreement dated July 8, 1994
Ralph A. Shugart Jr. Trust dated 5/26/1983
Mewbourne, Curtis W., Trustee
Marathon Oil Permian LLC

Rainier 16 15 Fed COM #233H

Chronological Contracts with Uncommitted Owners

XTO Holdings, LLC

- **9/13/23**: Emailed Chad Smith, Landman and extended an offer extended offer for an Assignment, Bill of Sale for all working interest in Sec. 16;
- **9/20/23**: Received email from Chad Smith requesting additional information and sent requested information that same day;
- **6/27/24**: Received email from Chad Smith requesting certain additional information and Jordan Shaw with V-F called Chad Smith to provide requested information and verbally extended offer to acquire interest by either Term Assignment or Assignment, Bill of Sale for all working interest in Sec. 16;
- **11/15/24**: Proposed Joint Operating Agreement; and
- **1/14/25**: Received a call from Chad Smith requesting certain additional information and parties continue to negotiate.

Permian Resources Operating, LLC

- **8/28/24**: Sent email to Travis Macha, NM Land Lead to see if he was available to discuss Permian's Slim Jim proposals;
- **8/30/24**: Jordan Shaw with V-F met Travis Macha with Permian for lunch and V-F proposed Permian and V-F split Sec. 15 down the middle wherein V-F would drill 1.5 mile wells in Sec. 16 & W/2 Sec. 15 and Permian would drill 1.5 mile wells in Sec. 14 & E/2 Sec. 15;
- **9/5/24**: V-F sent Travis Macha at Permian what V-F owns in the E/2 Sec. 15;
- **9/9/24**: Travis Macha sent Jordan Shaw with V-F an email of potential deal points to consider;
- **9/11/24**: Jumped on a call with Travis to discuss deal points Travis sent on 9/9/24;
- **9/24/24**: Received email stating that reservoir and geology can't justify shortened laterals based on the deal points discussed;
- **11/15/24**: Proposed Joint Operating Agreement by mail;
- **1/17/25**: Jordan Shaw with V-F met Travis Macha with Permian for beers and V-F proposed 3-mile development covering all Sec. 16, 15 & 14; and
- **1/20/25**: V-F sent Permian a Letter Agreement based on proposal extended 1/17/25 and Permian responded with email stating that they are considering the proposal.

Bank of America, N.A., Trustee of the Delmar Hudson Lewis Living Trust created by Trust Agreement dated September 9, 2002

- **9/13/23**: Responded two emails from Jeff Adams, Trustee asking about ownership which V-F answered and V-F extended offer for an Assignment, Bill of Sale for entire interest in Section 15;
- **9/29/23**: V-F extended by email to Jeff Adams a Term Assignment offer;
- **11/1/23**: V-F re-extended by email to Jeff Adams a Term Assignment offer; and
- **11/15/24**: Proposed Joint Operating Agreement.

Ard Oil, LTD

- **9/14/23**: Ried Marley, Landman emailed V-F asking about ownership and V-F responded answering his questions and extended an offer for a Term Assignment; and
- **11/15/24**: Proposed Joint Operating Agreement.



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

- **9/18/23:** Called Brad Ince, Trustee and left message and followed up with an email containing an offer for an Assignment, Bill of Sale for all of Section 15;
- **10/2/23:** Debbie Dorsett, Geologist with Frost reached out and I extended offer verbally to her and added Term Assignment offer;
- **10/31/23:** Email Brad Ince and re-extended both offers;
- **11/15/24:** Proposed Joint Operating Agreement by mail.

Marathon Oil Permian LLC

- **9/8/23:** Emailed Chase Rise, Permian Land Supervisor an offer for an Assignment, Bill of Sale for all of Section 15;
- **9/14/23:** Followed up by email. Chase responded and said Farley Duvall was overseeing this project;
- **9/18/23:** Emailed Farley Duvall and re-extended offer and extended Term Assignment offer;
- **10/2/23:** Followed up by email to see if Marathon would consider either offer; and
- **11/15/24:** Proposed Joint Operating Agreement by mail.

V-F Petroleum Inc.

Physical Address: 500 W. Texas, Suite 350, Midland, Texas, 79701; Phone 432-269-0569;
Mailing Address: P.O. Box 1889, Midland, Texas, 79702; e-mail: jordan@vfpetroleum.com

November 6, 2024

Transmitted Via United States Postal System – Certified Mail – Return Receipt Requested

Marathon Oil Permian LLC
990 Town and Country Boulevard
Houston, Tx. 77024
ATTN: Chase Rice, Permian Land Supervisor

RE: **Horizontal Well Proposals – 2nd & 3rd Bone Spring Formation;
Standard Horizontal Spacing Unit – S/2N/2 Sections 16 & 15, Township 18 South, Range 31 East,
Eddy County, New Mexico**

Rainier 16 15 Fed Com #223H; 2nd Bone Spring

SHL: 1,130 FNL, 90 FWL of Section 16 (Unit D), T-18 South, R-31 East, Eddy County, NM
FTP: 2,085 FNL, 100 FWL of Section 16 (Unit E), T-18 South, R-31 East, Eddy County, NM
BHL/LTP: 2,085 FNL, 100 FEL of Section 15 (Unit H), T-18 South, R-31 East, Eddy County, NM

Rainier 16 15 Fed Com #233H; 3rd Bone Spring

SHL: 1,105 FNL, 90 FWL of Section 16 (Unit D), T-18 South, R-31 East, Eddy County, NM
FTP: 2,085 FNL, 100 FWL of Section 16 (Unit E), T-18 South, R-31 East, Eddy County, NM
BHL/LTP: 2,085 FNL, 100 FEL of Section 15 (Unit H), T-18 South, R-31 East, Eddy County, NM

Ladies and/or Gentlemen:

Please be advised that V-F Petroleum Inc. (“V-F”) hereby proposes to drill, complete and equip each of the above referenced horizontal wells at the locations so indicated, to respectively test the 2nd and 3rd Bone Spring formations as more or less articulated herein.

The projected total vertical depth of the above stated **Rainier 16 15 Fed Com #223H** in order to test the 2nd Bone Spring formation is estimated to be 8,395 feet (TVD) with an approximate total measured depth of 19,415 feet. The costs to drill, complete and equip said well are estimated at **\$8,526,516.00** as indicated on the enclosed AFE.

The projected total vertical depth of the above stated **Rainier 16 15 Fed Com #233H** in order to test the 3rd Bone Spring formation is estimated to be 9,275 feet (TVD) with an approximate total measured depth of 20,325 feet. The costs to drill, complete and equip said well are estimated at **\$9,571,750.00** as indicated on the enclosed AFE.

For those who elect to participate in the captioned horizontal wells, V-F has enclosed an A.A.P.L. Form 610 – 1989 Model Form Operating Agreement, Horizontal Modifications (“Operating Agreement”), designating V-F Petroleum Inc. as Operator, covering the South Half of the North Half (S/2N/2) of Sections 16 & 15, Township 18 South, Range 31 East, Eddy County, New Mexico, containing approximately 320 acres, more or less, covering the Bone Spring formation (“Contract Area”) with the following general provisions:

- 100/300/300 Non-Consenting Penalty;
- \$8,500/\$850 Drilling and Producing Rate; and
- V-F Petroleum Inc. named as Operator.

**EXHIBIT
A-5**

Rainier 16 15 Fed Com #223H & #233H
Marathon Oil Permian LLC
November 6, 2024

In the interest of time, if we do not reach an agreement within 30 days of the date of this letter, V-F will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a standard horizontal spacing unit for the proposed wells.

Please indicate your intention to either **participate or not participate** in the drilling, completion and equipping of each of the above referenced wells by placing an "X" in the appropriate spaces provided below, and return one (1) executed copy of this letter, one (1) executed AFE for each well you have elected **to participate**, one original (1) Joint Operating Agreement body signature page, and one (1) original executed and notarized Memorandum of Operating Agreement signature page. If you should desire not to participate in the drilling and completion of the wells herein proposed, V-F is willing to discuss an alternative proposal to acquire your oil and gas interests in this area. Should you have any questions regarding this matter, please do not hesitate in contacting Jordan Shaw, Landman/Attorney for V-F Petroleum Inc. by phone at (432) 269-0569 or by email at jordan@vfpetroleum.com.

Best Regards,



Jordan Shaw
Landman/Attorney

Enclosures

Elections set forth on the following pages

Rainier 16 15 Fed Com #223H & #233H
Marathon Oil Permian LLC
November 6, 2024

ELECTIONS
Rainier 16 15 Fed Com #223H Well & Rainier 16 15 Fed Com #233H Well

Occidental Permian, LP

_____ Elect **to** Participate in the **Rainier 16 15 Fed Com #223H Well**

_____ Elect **Not to** Participate in the **Rainier 16 15 Fed Com #223H Well**

By: _____ Title: _____ Date: _____

_____ Elect **to** Participate in the **Rainier 16 15 Fed Com #233H Well**

_____ Elect **Not to** Participate in the **Rainier 16 15 Fed Com #233H Well**

By: _____ Title: _____ Date: _____

Released to Imaging: 1/23/2025 3:29:34 PM

Received by: OCD: 1/23/2025 8:12:08 AM

V-F Petroleum Inc. AUTHORIZATION FOR EXPENDITURE October 14, 2024						API No.	
X	Original	Supplement	Revision	Re-Entry		AFE Number	
X	Drill Well	Workover	Facilities	Plug & Abandon		Well Type Third BS Horizontal Oil Well	
Lease Name/Well #		County / State	Formation	Basin	Field or Prospect	Projected TD: 9,275' TVD 20,325' MD	
Ranier 16-15 Federal Com #233H		Eddy NM	3rd Bone Spring	Permian	Shugart; Bone Spring N.	Proposal Two Mile Horizontal Lateral	
						SHL: 1,105' FNL & 90' FWL, Section 16, T-18-S, R-31-E BHL: 2,085' FNL & 100' FEL, Section 15, T-18-S, R-31-E	
Acct Code	INTANGIBLE DESCRIPTION				COST BEFORE CASING POINT	COMPLETION COST	TOTAL WELL COST
501	PERMITS & ENVIROMENTAL SERVICES				\$15,000	\$10,000	\$25,000
516	TITLE OPINION, CURATIVE & POOLING				\$15,000		\$15,000
501	SURVEYING STAKE LOCATION				\$7,500		\$7,500
501	DAMAGES & R-O-W'S				\$15,000		\$15,000
502/711	ROADS, LOCATION, PITS, LINERS, ETC.				\$1,500	\$25,000	\$26,500
503	DRILLING RIG MOBILIZATION COST				\$10,000		\$10,000
503	DRILLING - DAYS 20 days @ \$19,000				\$380,000		\$380,000
503	MUD MOTORS & DIRECTIONAL				\$175,000		\$175,000
517	CLOSED LOOP & DISPOSAL 21 days @ \$5,500				\$115,500		\$115,500
505	MUD & FRAC CHEMICALS				\$125,000	\$350,000	\$475,000
505/716	WATER (Brine & Fresh); FRAC WATER				\$58,000	\$400,000	\$458,000
503	BITS, REAMERS, ETC				\$65,000		\$65,000
503	FUEL 75000 gallons @ \$6				\$450,000		\$450,000
504	CEMENTING SURFACE				\$25,000		\$25,000
504	CEMENTING INTERMEDIATE				\$55,000		\$55,000
701	CEMENTING PRODUCTION					\$165,000	\$165,000
509/705	TUBULAR SERVICES AND TOOLS				\$55,000	\$90,000	\$145,000
509/705	CASING CREWS PU LD MACHINE				\$45,000	\$50,000	\$95,000
513/708	FLOAT EQUIPMENT, CENTRALIZERS, ECPS, DV TOOLS				\$15,000	\$25,000	\$40,000
507	TESTING; COMPLETION, FLOWBACK					\$175,000	\$175,000
508	OPEN HOLE LOGGING						
508	MUD LOGGING 20 days @ \$3,500				\$70,000		\$70,000
509/705	WELDING, HOURLY LABOR, ROUSTABOUT CREWS, SAFETY PAY				\$36,000	\$250,000	
509/713	EQUIPMENT RENTAL				\$42,000	\$125,000	\$167,000
509/714	TRUCKING, TRANSPORTATION, FORKLIFT				\$57,000	\$85,000	\$142,000
715	COMPLETION UNIT, COIL TUBING UNIT					\$600,000	\$600,000
704	FORMATION STIMULATION (60 STAGES)					\$2,435,500	\$2,435,500
702/03	CASED HOLE LOGGING, PERFORATING & FRAC PLUGS					\$280,000	\$280,000
510/11/706	GEOLOGIC / ENGINEERING				\$55,000	\$80,000	\$135,000
509/705	CONTRACT CONSULTANTS 21 days @ \$3,500				\$70,000	\$52,000	\$122,000
514	DRILLING WELL RATE (A/O) 21 days @ \$500				\$10,500	\$5,000	\$15,500
515/705	INSURANCE				\$10,000	\$10,000	\$20,000
509/705	CONTINGENCY (8%)				\$98,000	\$416,000	\$514,000
TOTAL INTANGIBLE ESTIMATED COST					\$2,076,000	\$5,628,500	\$7,704,500
Acct Code	TANGIBLE DESCRIPTION				COST BEFORE CASING POINT	COMPLETION COST	TOTAL WELL COST
620/820	CONDUCTOR				\$42,000		\$42,000
620/820	SURFACE				\$96,000		\$96,000
620/820	INTERMEDIATE				\$120,000		\$120,000
620/820	INTERMEDIATE						
820	PRODUCTION					\$609,750	\$609,750
820	PRODUCTION LINER						
821	TUBING (Coated)					\$128,000	\$128,000
621/824	WELLHEAD EQUIPMENT				\$28,000	\$18,000	\$46,000
825	PRODUCTION FACILITY ENCLOSURE					\$25,000	\$25,000
825	POWER SOURCE					\$25,000	\$25,000
822	RODS AND PUMP (FG & STEEL)						
823	PACKERS, BPS, ESP, DOWNHOLE EQUIPMENT					\$265,000	\$265,000
827	HEATER TREATER, SEPERATOR, FWKO					\$175,000	\$175,000
831	GAS SALES LINE & METER RUN					\$5,500	\$5,500
830	FLOWLINES, VALVES, CONNECTIONS					\$10,000	\$10,000
827	TANKS (WATER AND PRODUCTION)					\$150,000	\$150,000
622/820	CONTINGENCY (10%)				\$29,000	\$141,000	\$170,000
TOTAL TANGIBLE ESTIMATED COST					\$315,000	\$1,552,250	\$1,867,250
941-945	P&A Costs, Rig, Cmt, Cleanup, Misc., Services				\$50,000		
ESTIMATED DRY HOLE COST					\$2,441,000		
TOTAL AFE ESTIMATED COST					\$2,391,000	\$7,180,750	\$9,571,750
APPROVAL AND ACCEPTANCE: WI OWNER _____ W.I. _____ Title _____ Signature _____ Date _____							
IT IS RECOGNIZED THAT AMOUNTS HEREIN ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE OPERATION SPECIFIED, WHETHER MORE OR LESS THAN THE HEREIN SET OUT.							
				Prepared by: Bill Pierce		Date: 10/14/2024	

V-F Petroleum Inc.

Physical Address: 500 W. Texas, Suite 350, Midland, Texas, 79701; Phone 432-269-0569;
Mailing Address: P.O. Box 1889, Midland, Texas, 79702; e-mail: jordan@vfpetroleum.com

January 21, 2025

Transmitted Via United States Postal System – Certified Mail – Return Receipt Requested

Marathon Oil Permian LLC
990 Town and County Boulevard
Houston, Texas 77024

**RE: Supplemental Horizontal Well Proposals – 2nd & 3rd Bone Spring Formation;
Standard Horizontal Spacing Unit – S/2N/2 Sections 16 & 15, Township 18 South, Range 31 East,
Eddy County, New Mexico**

Rainier 16 15 Fed Com #223H; 2nd Bone Spring

SHL: 1,618 FNL, 728 FWL of Section 16 (Unit E), T-18 South, R-31 East, Eddy County, NM
FTP: 2,085 FNL, 100 FWL of Section 16 (Unit E), T-18 South, R-31 East, Eddy County, NM
BHL/LTP: 2,085 FNL, 100 FEL of Section 15 (Unit H), T-18 South, R-31 East, Eddy County, NM

Rainier 16 15 Fed Com #233H; 3rd Bone Spring

SHL: 1,592 FNL, 728 FWL of Section 16 (Unit E), T-18 South, R-31 East, Eddy County, NM
FTP: 2,085 FNL, 100 FWL of Section 16 (Unit E), T-18 South, R-31 East, Eddy County, NM
BHL/LTP: 2,085 FNL, 100 FEL of Section 15 (Unit H), T-18 South, R-31 East, Eddy County, NM

Ladies and/or Gentlemen:

Please be advised that V-F Petroleum Inc. (“V-F”) has moved the surface hole location for the **Rainier 16 15 Fed Com #223H** from 1,130 FNL, 90 FWL of Section 16 to 1,618 FNL, 728 FWL of Section 16 (Unit E) and enclosed for your consideration is the updated AFE containing the new surface hole location and updated lateral length.

Please be advised that V-F Petroleum Inc. (“V-F”) has moved the surface hole location for the **Rainier 16 15 Fed Com #233H** from 1,105 FNL, 90 FWL of Section 16 to 1,592 FNL, 728 FWL of Section 16 (Unit E) and enclosed for your consideration is the updated AFE containing the new surface hole location and updated lateral length.

The rest and the remainder of the Horizontal Well Proposal remains the same and this Supplemental Horizontal Well Proposal and its accompanying AFEs shall be deemed to be retroactively effective for all purposes as of the date the original Horizontal Well Proposal was sent.

Should you have any questions regarding this matter, please do not hesitate in contacting Jordan Shaw, Landman/Attorney for V-F Petroleum Inc. by phone at (432) 269-0569 or by email at jordan@vfpetroleum.com.

Best Regards,


Jordan Shaw
Landman/Attorney

V-F Petroleum Inc.						API No.	
AUTHORIZATION FOR EXPENDITURE						AFE Number	
January 20, 2025						Well Type	
X	Original	Supplement	Revision	Re-Entry	Second BS Horizontal Oil Well		
X	Drill Well	Workover	Facilities	Plug & Abandon	Projected TD: 8,395' TVD 19,631' MD		
Lease Name/Well #			County / State	Formation	Basin	Field or Prospect	
Ranier 16-15 Federal Com #223H			Eddy NM	2nd Bone Spring	Permian	Shugart; Bone Spring N.	
						SHL: 1,618 FNL & 728 FWL, Section 16, T-18-S, R-31-E	
						BHL: 2,085' FNL & 100' FEL, Section 15, T-18-S, R-31-E	
Acct Code	INTANGIBLE DESCRIPTION				COST BEFORE CASING POINT	COMPLETION COST	TOTAL WELL COST
501	PERMITS & ENVIROMENTAL SERVICES				\$15,000	\$10,000	\$25,000
516	TITLE OPINION, CURATIVE & POOLING				\$15,000		\$15,000
501	SURVEYING STAKE LOCATION				\$7,500		\$7,500
501	DAMAGES & R-O-W'S				\$15,000		\$15,000
502/711	ROADS, LOCATION, PITS, LINERS, ETC.				\$60,000	\$25,000	\$85,000
503	DRILLING RIG MOBILIZATION COST				\$10,000		\$10,000
503	DRILLING - DAYS	18 days @	\$19,000		\$342,000		\$342,000
503	MUD MOTORS & DIRECTIONAL				\$150,000		\$150,000
517	CLOSED LOOP & DISPOSAL	19 days @	\$5,500		\$104,500		\$104,500
505	MUD & FRAC CHEMICALS				\$125,000	\$150,000	\$275,000
505/716	WATER (Brine & Fresh); FRAC WATER				\$40,000	\$400,000	\$440,000
503	BITS, REAMERS, ETC.				\$65,000		\$65,000
503	FUEL	65000 gallons @	\$6		\$390,000		\$390,000
504	CEMENTING SURFACE				\$25,000		\$25,000
504	CEMENTING INTERMEDIATE				\$45,000		\$45,000
701	CEMENTING PRODUCTION					\$126,000	\$126,000
509/705	TUBULAR SERVICES AND TOOLS				\$45,000	\$65,000	\$110,000
509/705	CASING CREWS PU LD MACHINE				\$35,000	\$45,000	\$80,000
513/708	FLOAT EQUIPMENT, CENTRALIZERS, ECPS, DV TOOLS				\$10,000	\$18,000	\$28,000
507	TESTING; COMPLETION, FLOWBACK					\$175,000	\$175,000
508	OPEN HOLE LOGGING						
508	MUD LOGGING	18 days @	\$3,500		\$63,000		\$63,000
509/705	WELDING, HOURLY LABOR, ROUSTABOUT CREWS, SAFETY PAY				\$26,000	\$250,000	
509/713	EQUIPMENT RENTAL				\$42,000	\$105,000	\$147,000
509/714	TRUCKING, TRANSPORTATION, FORKLIFT				\$57,000	\$35,000	\$92,000
715	COMPLETION UNIT; COIL TUBING UNIT					\$550,000	\$550,000
704	FORMATION STIMULATION (60 STAGES)					\$2,085,566	\$2,085,566
702/03	CASED HOLE LOGGING, PERFORATING & FRAC PLUGS					\$260,000	\$260,000
510/11/706	GEOLOGIC / ENGINEERING				\$55,000	\$80,000	\$135,000
509/705	CONTRACT CONSULTANTS	18 days @	\$3,500		\$63,000	\$52,000	\$115,000
514	DRILLING WELL RATE (A/O)	18 days @	\$500		\$9,000	\$5,000	\$14,000
515/705	INSURANCE				\$10,000	\$10,000	\$20,000
509/705	CONTINGENCY (8%)				\$91,000	\$355,000	\$446,000
TOTAL INTANGIBLE ESTIMATED COST					\$1,915,000	\$4,801,566	\$6,716,566
Acct Code	TANGIBLE DESCRIPTION				COST BEFORE CASING POINT	COMPLETION COST	TOTAL WELL COST
620/820	CONDUCTOR				\$42,000		\$42,000
620/820	SURFACE				\$96,000		\$96,000
620/820	INTERMEDIATE				\$120,000		\$120,000
620/820	INTERMEDIATE						
820	PRODUCTION					\$582,450	\$582,450
820	PRODUCTION LINER						
821	TUBING (Coated)					\$128,000	\$128,000
621/824	WELLHEAD EQUIPMENT				\$28,000	\$18,000	\$46,000
825	PRODUCTION FACILITY ENCLOSURE					\$25,000	\$25,000
825	POWER SOURCE					\$25,000	\$25,000
822	RODS AND PUMP (FG & STEEL)						
823	PACKERS, BPS, ESP, DOWNHOLE EQUIPMENT					\$265,000	\$265,000
827	HEATER TREATER, SEPERATOR, FWKO					\$175,000	\$175,000
831	GAS SALES LINE & METER RUN					\$5,500	\$5,500
830	FLOWLINES, VALVES, CONNECTIONS					\$10,000	\$10,000
827	TANKS (WATER AND PRODUCTION)					\$150,000	\$150,000
622/820	CONTINGENCY (8%)				\$29,000	\$111,000	\$140,000
TOTAL TANGIBLE ESTIMATED COST					\$315,000	\$1,494,950	\$1,809,950
941-945	P&A Costs, Rig, Cmt, Cleanup, Misc., Services				\$50,000		\$50,000
ESTIMATED DRY HOLE COST					\$2,280,000		\$2,280,000
TOTAL AFE ESTIMATED COST					\$2,230,000	\$6,296,516	\$8,526,516
APPROVAL AND ACCEPTANCE:							
WI OWNER _____				IT IS RECOGNIZED THAT AMOUNTS HEREIN ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE OPERATION SPECIFIED, WHETHER MORE OR LESS THAN THE HEREIN SET OUT.			
W.I. _____							
Title _____							
Signature _____							
Date _____				Prepared by: Bill Pierce		Date: 10/14/2024	

V-F Petroleum Inc.						API No.	
AUTHORIZATION FOR EXPENDITURE						AFE Number	
October 14, 2024						Well Type	
X	Original	Supplement	Revision	Re-Entry	Third BS Horizontal Oil Well		
X	Drill Well	Workover	Facilities	Plug & Abandon	Projected TD:		9,275' TVD 20,325' MD
Lease Name/Well #			County / State	Formation	Basin	Field or Prospect	
Ranier 16-15 Federal Com #233H			Eddy NM	3rd Bone Spring	Permian	Shugart; Bone Spring N.	
						SHL: 1,1592' FNL & 728' FWL, Section 16, T-18-S, R-31-E	
						BHL: 2,085' FNL & 100' FEL, Section 15, T-18-S, R-31-E	
Acct Code	INTANGIBLE DESCRIPTION				COST BEFORE CASING POINT	COMPLETION COST	TOTAL WELL COST
501	PERMITS & ENVIROMENTAL SERVICES				\$15,000	\$10,000	\$25,000
516	TITLE OPINION, CURATIVE & POOLING				\$15,000		\$15,000
501	SURVEYING STAKE LOCATION				\$7,500		\$7,500
501	DAMAGES & R-O-W'S				\$15,000		\$15,000
502/711	ROADS, LOCATION, PITS, LINERS, ETC.				\$1,500	\$25,000	\$26,500
503	DRILLING RIG MOBILIZATION COST				\$10,000		\$10,000
503	DRILLING - DAYS	20 days @	\$19,000	\$380,000		\$380,000	
503	MUD MOTORS & DIRECTIONAL				\$175,000		\$175,000
517	CLOSED LOOP & DISPOSAL	21 days @	\$5,500	\$115,500		\$115,500	
505	MUD & FRAC CHEMICALS				\$125,000	\$350,000	\$475,000
505/716	WATER (Brine & Fresh); FRAC WATER				\$58,000	\$400,000	\$458,000
503	BITS, REAMERS, ETC.				\$65,000		\$65,000
503	FUEL	75000 gallons @	\$6	\$450,000		\$450,000	
504	CEMENTING SURFACE				\$25,000		\$25,000
504	CEMENTING INTERMEDIATE				\$55,000		\$55,000
701	CEMENTING PRODUCTION					\$165,000	\$165,000
509/705	TUBULAR SERVICES AND TOOLS				\$55,000	\$90,000	\$145,000
509/705	CASING CREWS PU LD MACHINE				\$45,000	\$50,000	\$95,000
513/708	FLOAT EQUIPMENT, CENTRALIZERS, ECPS, DV TOOLS				\$15,000	\$25,000	\$40,000
507	TESTING; COMPLETION, FLOWBACK					\$175,000	\$175,000
508	OPEN HOLE LOGGING						
508	MUD LOGGING	20 days @	\$3,500	\$70,000		\$70,000	
509/705	WELDING, HOURLY LABOR, ROUSTABOUT CREWS, SAFETY PAY				\$36,000	\$250,000	
509/713	EQUIPMENT RENTAL				\$42,000	\$125,000	\$167,000
509/714	TRUCKING, TRANSPORTATION, FORKLIFT				\$57,000	\$85,000	\$142,000
715	COMPLETION UNIT; COIL TUBING UNIT					\$600,000	\$600,000
704	FORMATION STIMULATION (60 STAGES)					\$2,435,500	\$2,435,500
702/03	CASED HOLE LOGGING, PERFORATING & FRAC PLUGS					\$280,000	\$280,000
510/11/706	GEOLOGIC / ENGINEERING				\$55,000	\$80,000	\$135,000
509/705	CONTRACT CONSULTANTS	21 days @	\$3,500	\$70,000	\$52,000	\$122,000	
514	DRILLING WELL RATE (A/O)	21 days @	\$500	\$10,500	\$5,000	\$15,500	
515/705	INSURANCE				\$10,000	\$10,000	\$20,000
509/705	CONTINGENCY (8%)				\$98,000	\$416,000	\$514,000
TOTAL INTANGIBLE ESTIMATED COST					\$2,076,000	\$5,628,500	\$7,704,500
Acct Code	TANGIBLE DESCRIPTION				COST BEFORE CASING POINT	COMPLETION COST	TOTAL WELL COST
620/820	CONDUCTOR				\$42,000		\$42,000
620/820	SURFACE				\$96,000		\$96,000
620/820	INTERMEDIATE				\$120,000		\$120,000
620/820	INTERMEDIATE						
820	PRODUCTION					\$609,750	\$609,750
820	PRODUCTION LINER						
821	TUBING (Coated)					\$128,000	\$128,000
621/824	WELLHEAD EQUIPMENT				\$28,000	\$18,000	\$46,000
825	PRODUCTION FACILITY ENCLOSURE					\$25,000	\$25,000
825	POWER SOURCE					\$25,000	\$25,000
822	RODS AND PUMP (FG & STEEL)						
823	PACKERS, BPS, ESP, DOWNHOLE EQUIPMENT					\$265,000	\$265,000
827	HEATER TREATER, SEPERATOR, FWKO					\$175,000	\$175,000
831	GAS SALES LINE & METER RUN					\$5,500	\$5,500
830	FLOWLINES, VALVES, CONNECTIONS					\$10,000	\$10,000
827	TANKS (WATER AND PRODUCTION)					\$150,000	\$150,000
622/820	CONTINGENCY (10%)				\$29,000	\$141,000	\$170,000
TOTAL TANGIBLE ESTIMATED COST					\$315,000	\$1,552,250	\$1,867,250
941-945	P&A Costs, Rig, Cmt, Cleanup, Misc., Services				\$50,000		
ESTIMATED DRY HOLE COST					\$2,441,000		
TOTAL AFE ESTIMATED COST					\$2,391,000	\$7,180,750	\$9,571,750
APPROVAL AND ACCEPTANCE:							
WI OWNER _____				IT IS RECOGNIZED THAT AMOUNTS HEREIN ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE OPERATION SPECIFIED, WHETHER MORE OR LESS THAN THE HEREIN SET OUT.			
W.I. _____							
Title _____							
Signature _____							
Date _____				Prepared by: Bill Pierce		Date: 10/14/2024	

V-F Petroleum Inc.

Physical Address: 500 W. Texas, Suite 350, Midland, Texas, 79701; Phone 432-269-0569;
Mailing Address: P.O. Box 1889, Midland, Texas, 79702; e-mail: jordan@yfpetroleum.com

January 20, 2025

Transmitted Via United States Postal System – Certified Mail – Return Receipt Requested

Marathon Oil Permian LLC
990 Town and Country Boulevard
Houston, Texas 77025

**RE: Horizontal Well Proposals – 1st Bone Spring Formation;
Standard Horizontal Spacing Unit – S/2N/2 Sections 16 & 15, Township 18 South, Range 31 East,
Eddy County, New Mexico**

Rainier 16 15 Fed Com #213H; 1st Bone Spring

SHL: 1,492 FNL, 728 FWL of Section 16 (Unit E), T-18 South, R-31 East, Eddy County, NM
FTP: 2,085 FNL, 100' FWL of Section 16 (Unit E), T-18 South, R-31 East, Eddy County, NM
BHL/LTP: 2,085 FNL, 100 FEL of Section 15 (Unit H), T-18 South, R-31 East, Eddy County, NM

Ladies and/or Gentlemen:

Please be advised that V-F Petroleum Inc. (“V-F”) hereby proposes to drill, complete and equip each of the above referenced horizontal wells at the locations so indicated, to respectively test the 2nd and 3rd Bone Spring formations as more or less articulated herein.

The projected total vertical depth of the above stated **Rainier 16 15 Fed Com #213H** in order to test the 1st Bone Spring formation is estimated to be 7,750 feet (TVD) with an approximate total measured depth of 18,709 feet. The costs to drill, complete and equip said well are estimated at **\$8,024,206.00** as indicated on the enclosed AFE.

For those who elect to participate in the captioned horizontal wells, V-F has enclosed an A.A.P.L. Form 610 – 1989 Model Form Operating Agreement, Horizontal Modifications (“Operating Agreement”), designating V-F Petroleum Inc. as Operator, covering the South Half of the North Half (S/2N/2) of Sections 16 & 15, Township 18 South, Range 31 East, Eddy County, New Mexico, containing approximately 320 acres, more or less, covering the Bone Spring formation (“Contract Area”) with the following general provisions:

- 100/300/300 Non-Consenting Penalty;
- \$8,500/\$850 Drilling and Producing Rate; and
- V-F Petroleum Inc. named as Operator.

In the interest of time, if we do not reach an agreement within 30 days of the date of this letter, V-F will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a standard horizontal spacing unit for the proposed wells.

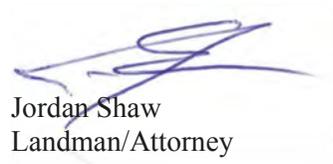
Please indicate your intention to either **participate or not participate** in the drilling, completion and equipping of each of the above referenced wells by placing an “X” in the appropriate spaces provided below, and return one (1) executed copy of this letter, one (1) executed AFE for each well you have elected **to participate**, one original (1) Joint Operating Agreement body signature page, and one (1) executed and notarized Memorandum of Operating Agreement signature page. If you should desire to participate in the drilling and completion of the wells herein proposed, V-F is willing to discuss an alter-

**EXHIBIT
A-6**

Rainier 16 15 Fed Com #213H
Marathon Oil Permian LLC
January 20, 2025

proposal to acquire your oil and gas interests in this area. Should you have any questions regarding this matter, please do not hesitate in contacting Jordan Shaw, Landman/Attorney for V-F Petroleum Inc. by phone at (432) 269-0569 or by email at jordan@vfpetroleum.com.

Best Regards,



Jordan Shaw
Landman/Attorney

Enclosures

Election set forth on the following page

Rainier 16 15 Fed Com #213H
Marathon Oil Permian LLC
January 20, 2025

ELECTION
Rainier 16 15 Fed Com #213H Well

Marathon Oil Permian LLC

_____ Elect **to** Participate in the **Rainier 16 15 Fed Com #213H Well**

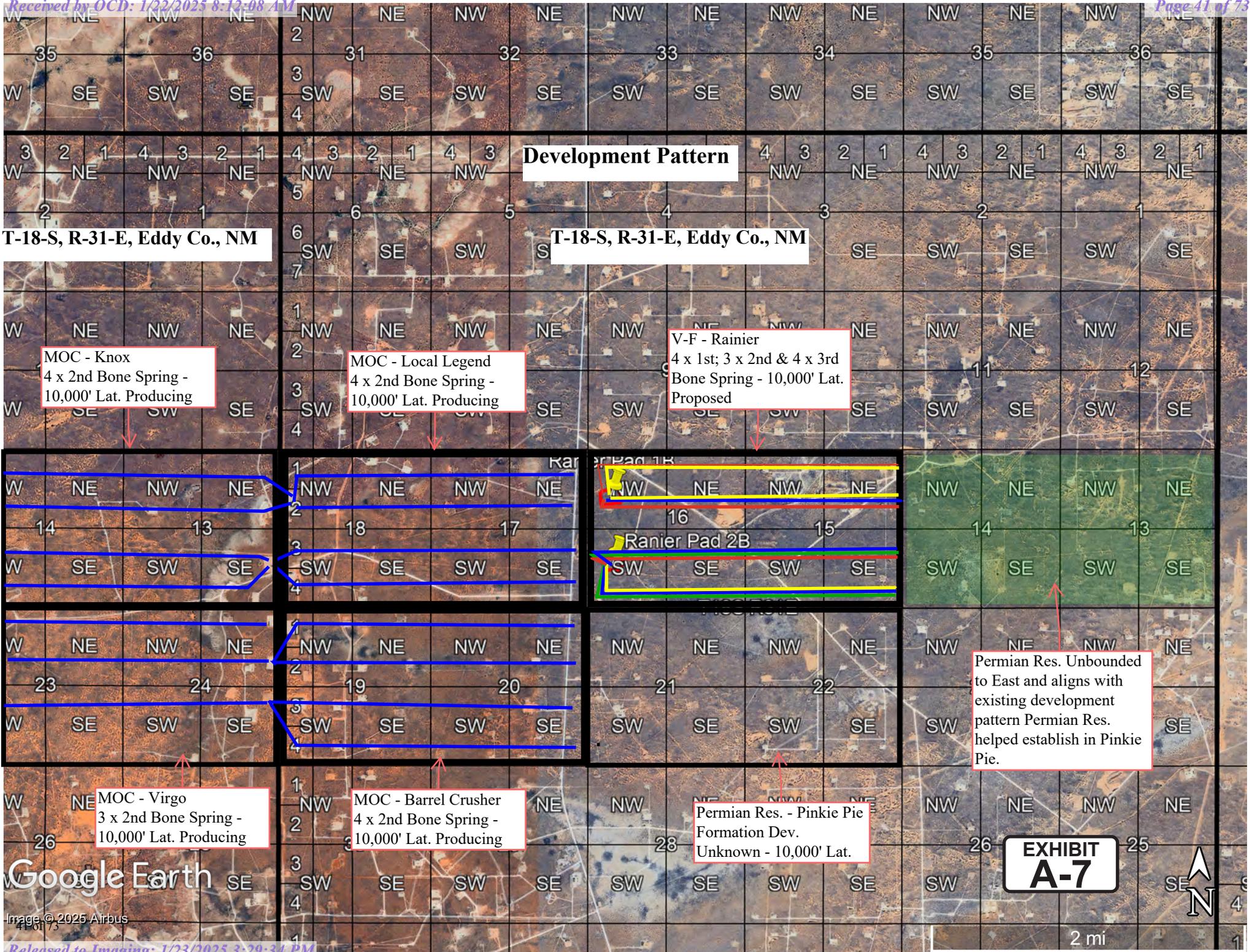
_____ Elect **Not to** Participate in the **Rainier 16 15 Fed Com #213H Well**

By: _____

Title: _____

Date: _____

V-F Petroleum Inc.						API No.	
AUTHORIZATION FOR EXPENDITURE						AFE Number	
October 14, 2024						Well Type	
X	Original	Supplement	Revision	Re-Entry	First BS Horizontal Oil Well		
X	Drill Well	Workover	Facilities	Plug & Abandon	Projected TD: 7,750' TVD 18,709' MD		
Lease Name/Well #			County / State	Formation	Basin	Field or Prospect	
Ranier 16-15 Federal Com #213H			Eddy NM	1st Bone Spring	Permian	Shugart; Bone Spring N.	
						SHL: 1,492 FNL & 728' FWL, Section 16, T-18-S, R-31-E BHL: 2,085 FNL & 100' FEL, Section 15, T-18-S, R-31-E	
Acct Code	INTANGIBLE DESCRIPTION				COST BEFORE CASING POINT	COMPLETION COST	TOTAL WELL COST
501	PERMITS & ENVIROMENTAL SERVICES				\$15,000	\$10,000	\$25,000
516	TITLE OPINION, CURATIVE & POOLING				\$15,000		\$15,000
501	SURVEYING STAKE LOCATION				\$7,500		\$7,500
501	DAMAGES & R-O-W'S				\$15,000		\$15,000
502/711	ROADS, LOCATION, PITS, LINERS, ETC.				\$60,000	\$25,000	\$85,000
503	DRILLING RIG MOBILIZATION COST				\$10,000		\$10,000
503	DRILLING - DAYS 16 days @ \$19,000				\$304,000		\$304,000
503	MUD MOTORS & DIRECTIONAL				\$150,000		\$150,000
517	CLOSED LOOP & DISPOSAL 16 days @ \$5,500				\$88,000		\$88,000
505	MUD & FRAC CHEMICALS				\$125,000	\$150,000	\$275,000
505/716	WATER (Brine & Fresh); FRAC WATER				\$40,000	\$400,000	\$440,000
503	BITS, REAMERS, ETC.				\$65,000		\$65,000
503	FUEL 45000 gallons @ \$6				\$270,000		\$270,000
504	CEMENTING SURFACE				\$25,000		\$25,000
504	CEMENTING INTERMEDIATE				\$45,000		\$45,000
701	CEMENTING PRODUCTION					\$126,000	\$126,000
509/705	TUBULAR SERVICES AND TOOLS				\$45,000	\$65,000	\$110,000
509/705	CASING CREWS PU LD MACHINE				\$35,000	\$45,000	\$80,000
513/708	FLOAT EQUIPMENT, CENTRALIZERS, ECPS, DV TOOLS				\$10,000	\$18,000	\$28,000
507	TESTING; COMPLETION, FLOWBACK					\$175,000	\$175,000
508	OPEN HOLE LOGGING						
508	MUD LOGGING 16 days @ \$3,500				\$56,000		\$56,000
509/705	WELDING, HOURLY LABOR, ROUSTABOUT CREWS, SAFETY PAY				\$26,000	\$250,000	
509/713	EQUIPMENT RENTAL				\$42,000	\$105,000	\$147,000
509/714	TRUCKING, TRANSPORTATION, FORKLIFT				\$57,000	\$35,000	\$92,000
715	COMPLETION UNIT; COIL TUBING UNIT					\$550,000	\$550,000
704	FORMATION STIMULATION (60 STAGES)					\$2,085,566	\$2,085,566
702/03	CASED HOLE LOGGING, PERFORATING & FRAC PLUGS					\$260,000	\$260,000
510/11/706	GEOLOGIC / ENGINEERING				\$55,000	\$80,000	\$135,000
509/705	CONTRACT CONSULTANTS 16 days @ \$3,500				\$56,000	\$52,000	\$108,000
514	DRILLING WELL RATE (A/O) 16 days @ \$500				\$8,000	\$5,000	\$13,000
515/705	INSURANCE				\$10,000	\$10,000	\$20,000
509/705	CONTINGENCY (8%)				\$81,000	\$355,000	\$436,000
TOTAL INTANGIBLE ESTIMATED COST					\$1,715,500	\$4,801,566	\$6,517,066
Acct Code	TANGIBLE DESCRIPTION				COST BEFORE CASING POINT	COMPLETION COST	TOTAL WELL COST
620/820	CONDUCTOR				\$42,000		\$42,000
620/820	SURFACE				\$96,000		\$96,000
620/820	INTERMEDIATE				\$120,000		\$120,000
620/820	INTERMEDIATE						
820	PRODUCTION					\$310,640	\$310,640
820	PRODUCTION LINER						
821	TUBING (Coated)					\$120,000	\$120,000
621/824	WELLHEAD EQUIPMENT				\$28,000	\$18,000	\$46,000
825	PRODUCTION FACILITY ENCLOSURE					\$25,000	\$25,000
825	POWER SOURCE					\$25,000	\$25,000
822	RODS AND PUMP (FG & STEEL)						
823	PACKERS, BPS, ESP, DOWNHOLE EQUIPMENT					\$265,000	\$265,000
827	HEATER TREATER, SEPERATOR, FWKO					\$175,000	\$175,000
831	GAS SALES LINE & METER RUN					\$5,500	\$5,500
830	FLOWLINES, VALVES, CONNECTIONS					\$10,000	\$10,000
827	TANKS (WATER AND PRODUCTION)					\$150,000	\$150,000
622/820	CONTINGENCY (8%)				\$29,000	\$88,000	\$117,000
TOTAL TANGIBLE ESTIMATED COST					\$315,000	\$1,192,140	\$1,507,140
941-945	P&A Costs, Rig, Cmt, Cleanup, Misc., Services				\$50,000		
ESTIMATED DRY HOLE COST					\$2,080,500		
TOTAL AFE ESTIMATED COST					\$2,030,500	\$5,993,706	\$8,024,206
APPROVAL AND ACCEPTANCE:							
WI OWNER _____				IT IS RECOGNIZED THAT AMOUNTS HEREIN ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE OPERATION SPECIFIED, WHETHER MORE OR LESS THAN THE HEREIN SET OUT.			
W.I. _____							
Title _____							
Signature _____							
Date _____				Prepared by: Bill Pierce		Date: 10/14/2024	



Development Pattern

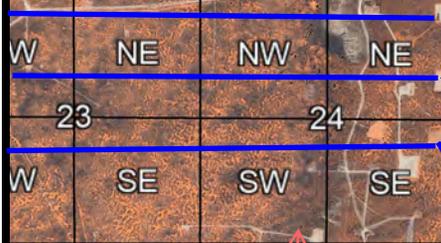
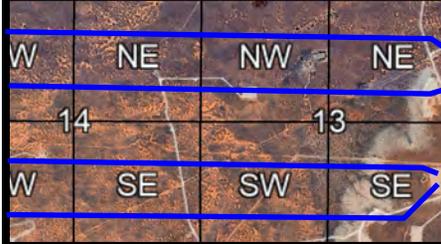
T-18-S, R-31-E, Eddy Co., NM

T-18-S, R-31-E, Eddy Co., NM

MOC - Knox
4 x 2nd Bone Spring -
10,000' Lat. Producing

MOC - Local Legend
4 x 2nd Bone Spring -
10,000' Lat. Producing

V-F - Rainier
4 x 1st; 3 x 2nd & 4 x 3rd
Bone Spring - 10,000' Lat.
Proposed



Permian Res. Unbounded to East and aligns with existing development pattern Permian Res. helped establish in Pinkie Pie.

MOC - Virgo
3 x 2nd Bone Spring -
10,000' Lat. Producing

MOC - Barrel Crusher
4 x 2nd Bone Spring -
10,000' Lat. Producing

Permian Res. - Pinkie Pie
Formation Dev.
Unknown - 10,000' Lat.

**EXHIBIT
A-7**

Google Earth

2 mi



TAB 3

Exhibit B: Self-Affirmed Statement of Stephen Burke, Geologist
Exhibit B-1: Structure Map
Exhibit B-2: Stratigraphic Cross Section
Exhibit B-3: Gross Isopach
Exhibit B-4: Gun Barrel View
Exhibit B-5: Structural Cross-Section

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

**APPLICATION OF V-F PETROLEUM INC.,
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25117

SELF-AFFIRMED STATEMENT OF STEPHEN BURKE

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

1. I am over the age of 18, and I have personal knowledge of the matters stated herein.
2. I am employed as a petroleum geologist for V-F Petroleum Inc., and I am familiar with the subject application and the geology involved.
3. I graduated in 1980 from Stephen F. Austin State University with a bachelor's degree in Geology. I have worked at V-F Petroleum Inc. for under a year, and I have been working in New Mexico for 25 years. My credentials as a petroleum geologist have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
4. This affidavit is submitted in connection with the filing by V-F Petroleum Inc. of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
5. **Exhibit B-1** is a structure map of the top of 3rd Bone Spring Sand with contour interval of 50'. The unit being pooled is outlined by red rectangle. The structure

**EXHIBIT
B**

map shows that there is a regional down-dip to the southeast. I do not observe any faulting, pinchouts, or other geologic impediments to developing this targeted interval

6. **Exhibit B-2** is a stratigraphic cross-section flattened on the top of the 3rd Bone Spring Sand. Each well in the cross-section contains a gamma ray, resistivity, and porosity log. The cross-section demonstrates continuity and slight thinning to north of the target zone. The well logs on the cross-section give a representative sample of the 3rd Bone Spring Sand. The landing zone is highlighted by light, brown shading.

7. **Exhibit B-3** is a gross isopach map of the 3rd Bone Spring Sand, this map demonstrates the continuity of the target zone across this vicinity.

8. **Exhibits B-4** is gun barrel diagram of the unit demonstrating the vertical and lateral location of the wellbore.

9. **Exhibit B-5** is a structural cross section built along the wellbore trajectories. Exhibits B-1 through B-5 are the same for the 3rd Bone Spring Sand's applications in Cases Nos. 2494, 2595 and 2515.

10. I conclude from the attached exhibits that:

- a. The horizontal spacing and proration 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.

11. The preferred well orientation in this area is west to east so that the wells run sub-perpendicular to the inferred orientation of the maximum horizontal stress.

12. The Exhibits to this Affidavit were prepared by me or compiled from V-F Petroleum Inc.'s company business records under my direct supervision.

13. The granting of this Application is in the interests of conservation, the prevention of waste and the drilling of unnecessary wells, and the protection of correlative rights.

14. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

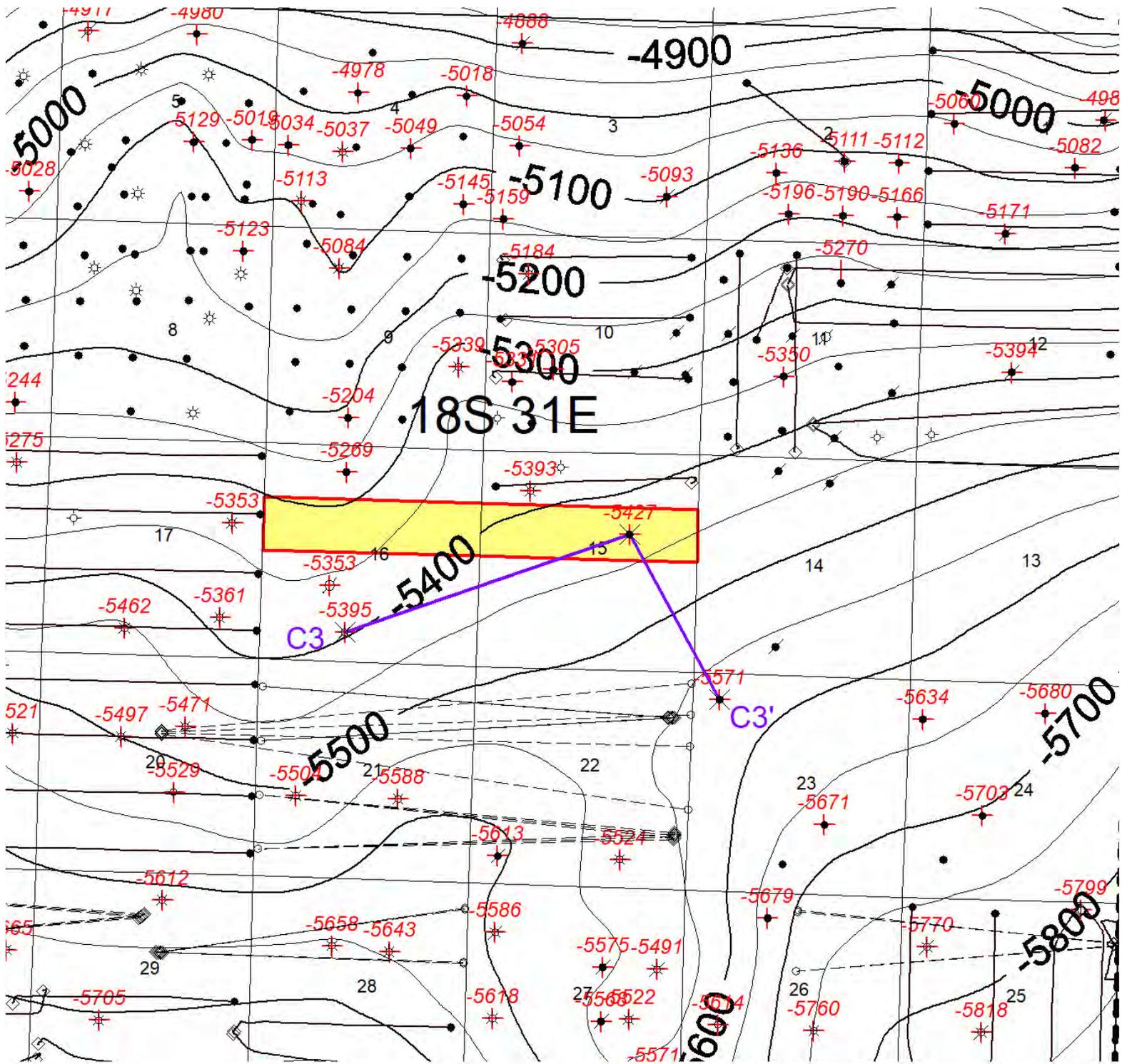
Signature page of Self-Affirmed Statement of Stephen Burke:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case No. 25117 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.



Stephen Burke

1/21/2025
Date Signed



Structure_Tbgs50-MbSmb_El <EddyLea>

Data Point

+ Data Point



1" = 3000'



1:36000

V-F Petroleum, Inc.

Rainier Prospect
3rd Bone Spring Sand – Structure Map
 Sec. 15 & 16 – T18S-R31E
 Eddy Co., New Mexico

Author: mburke	Wells: TD > 8000'	Date: 20 January, 2025
Bubbles: None	Scale: 1' = 3000'	C.I.: 50'

EXHIBIT
B-1

Rainier 16 15 Fed Com Prospect
 Stratigraphic X-Section C3 - C3'
 Datum: 3rd Bone Spring Sand (West - East)
 Bone Spring & Wolfcamp Zones
 S16 & S15 / T18S / R31E; Eddy Co., New Mexico

C3

C3'

West

East

C1

C2

C3

Resistivity Porosity Sonic

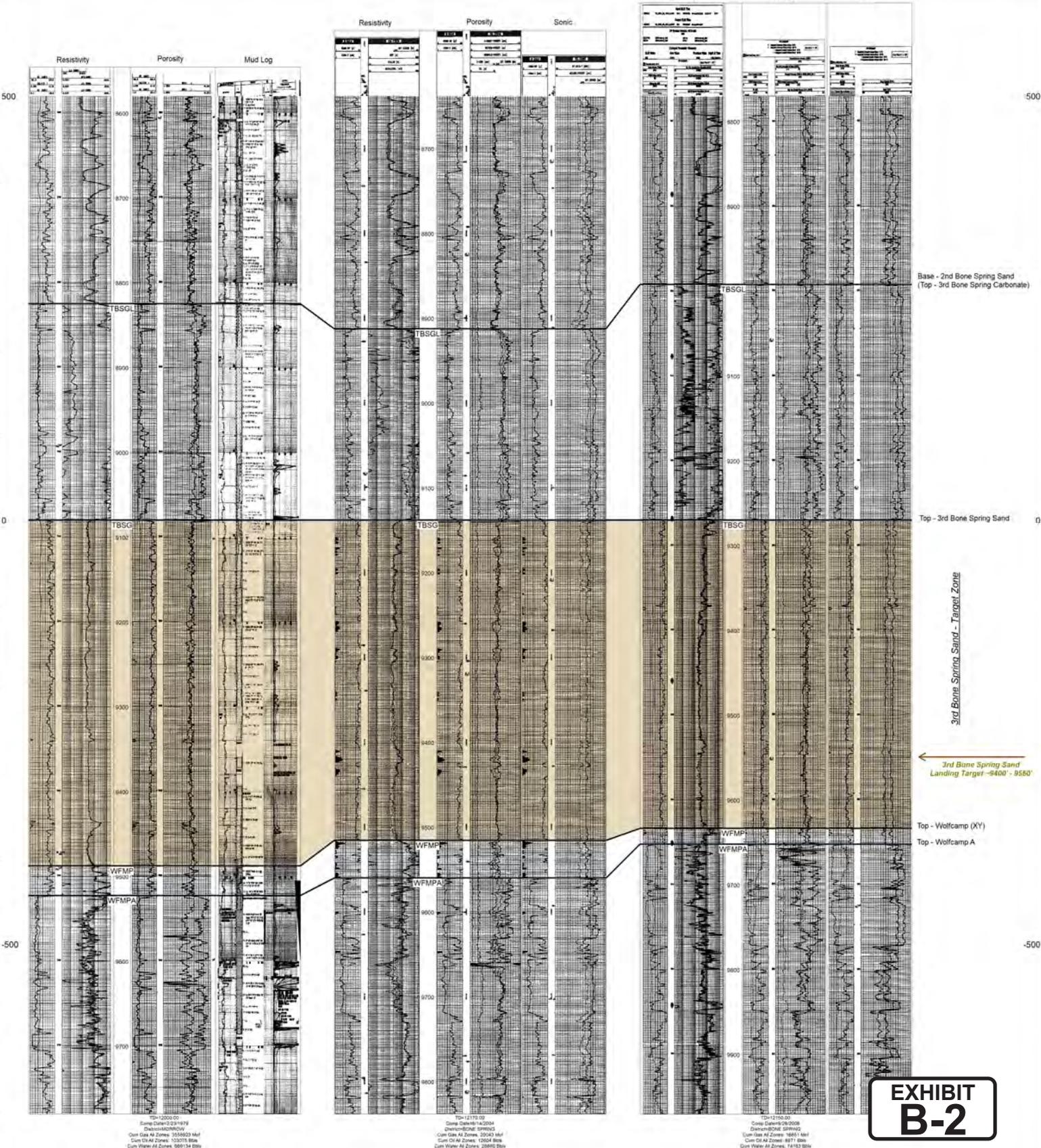
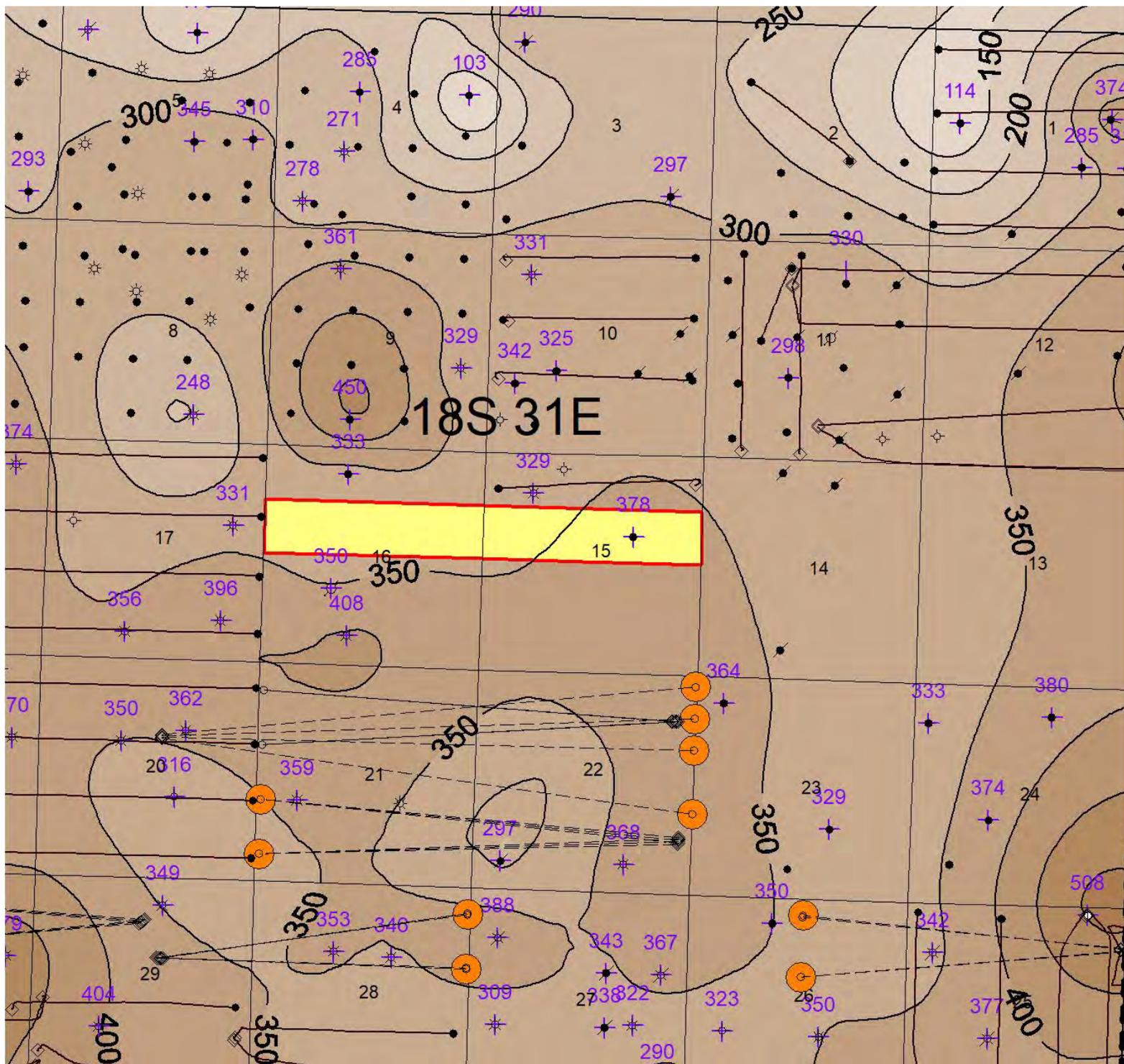


EXHIBIT
B-2



Perfs_TsbgOnly_NoSpot_Survey_Ta <TomanoArea>

Deviated well - Bottom hole location

○ Deviated well - Bottom hole lo

Isopach-GrossH_Tbsg <EddyLea>

Data Point

+ Data Point



1" = 3000'

1:36000

V-F Petroleum, Inc.

Rainier Prospect
3rd Bone Spring Sand – GrossH Isopach Map
 Sec. 15 & 16 – T18S-R31E
 Eddy Co., New Mexico

Author: m Burke	Wells: TD > 8000'	Date: 20 January, 2025
Bubbles: Orange = 3 rd Bspg	Scale: 1' = 3000'	C.I.: 50'

EXHIBIT B-3

V-F Petroleum Inc.

Rainier 16 15 Fed Com #233H

T18S - R32E / Eddy Co., New Mexico

Zone & Vertical Depth	Well & Operator N/2 - N/2 D16 - A15	Well & Operator S/2 - N/2 E16 - H15	Well & Operator N/2 - S/2 L16 - I15	Well & Operator S/2 - S/2 M16 - P16
Bspg1	XXX-MOC	XXX-VF	XXX-VF	XXX-VF
Bspg2	Tomano 1H MOC	Rainier 223H-VF	Rainier 222H-VF	Rainier 221H-VF
Bspg3	Rainier 234H-VF	Rainier 233H-VF	Rainier 232H-VF	Rainier 231H-VF
WfmpXy	XXX-VF	XXX-VF	XXX-VF	XXX-VF
	North		South	

	Range 31 East / Section 16				Range 31 East / Section 15			
Township 18 South	D	C	B	A	D	C	B	A
	E	F	G	H	E	F	G	H
	L	K	J	I	L	K	J	I
	M	N	O	P	M	N	O	P

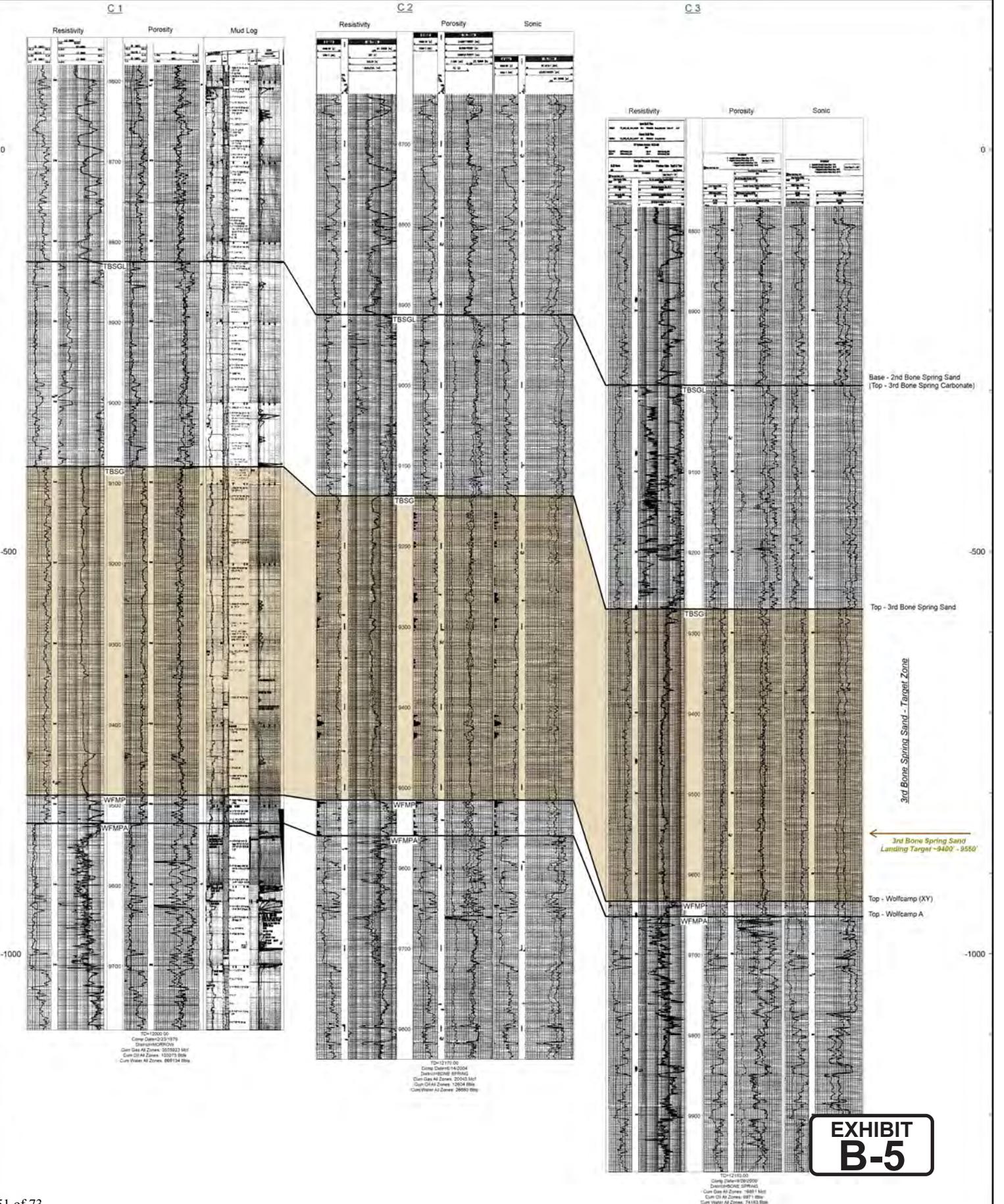
**EXHIBIT
B-4**

C3

C3'

West

East



**EXHIBIT
B-5**

TAB 4

Exhibit C: Self-Affirmed Statement of Notice, Darin C. Savage
Exhibit C-1: Notice Letters
Exhibit C-2: Mailing List
Exhibit C-3: Affidavits of Publication

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

**APPLICATION OF V-F PETROLEUM INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25117

SELF-AFFIRMED STATEMENT OF NOTICE

I, Darin C. Savage, attorney and authorized representative of V-F Petroleum Inc. (“V-F”), the Applicant herein, states and affirms the following:

1. Notice of the application and hearing in the above-referenced case was timely sent by certified mail, return receipt requested, through the United States Postal Service on December 18, 2024, to all uncommitted interest owners sought to be pooled in this proceeding. *See* Exhibit C-2, attached hereto. Copies of the notice letters and evidence of mailing to parties are attached hereto as Exhibits C-1 and C-2.

2. Notice for the above-referenced case was sent to the Carlsbad Current-Argus, a newspaper of general circulation in Eddy County, New Mexico, and timely published in said newspaper on December 21, 2024. *See* Exhibit C-3.



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

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case No. 25117 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.



Darin Savage

1/20/2025

Date Signed



For the Pursuit of Energy

ABADIE | SCHILL PC

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

December 18, 2024

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of V-F Petroleum Inc., for Compulsory Pooling, Eddy
County, New Mexico
Rainier 16-15 Fed Com #233H Well

Case No. 25117:

Dear Interest Owners:

This letter is to advise you that V-F Petroleum Inc., (“V-F” or “Applicant”), has filed the enclosed application, Case No. 25117, with the New Mexico Oil Conservation Division (“Division”) for an order pooling all uncommitted mineral interests in the Third Bone Spring formation, from the top of the Third Bone Spring, at a depth of 8,914’ beneath the surface, to the base of the Third Bone Spring formation, which has a depth of 9,516’ beneath the surface, as shown in that certain Dual Lateralog, Micro Laterlog, Gamma Ray well log in the Tamano 15 Fed Com #2 well (API # 30-015-33398), located in Sec. 15, Township 18 South, Range 31 East, Eddy County, New Mexico, designated as an oil pool, underlying a standard 320-acre, more or less, spacing unit comprised of the S/2 N/2 of Sections 16 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico (“Subject Lands”).

V-F requested that this Application be set for hearing before an Examiner of the Oil Conservation Division on January 9, 2025. The status of the hearing, including any continuances, can be monitored through the Division’s website. Division hearings will commence at 9:00 a.m., in the Wendell Chino Building, Pecos Hall located on the 1st Floor, at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. If so desired, you can attend the hearing in person at Pecos Hall or you can attend virtually through remote online

**EXHIBIT
C-1**

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

access. For information about attending by remote access and reviewing the status of the case, you can visit the Division's website at: <https://www.emnrd.nm.gov/ocd/hearing-info/> or call (505) 476-3441.

You are being notified as an interest owner (subject to title examination) and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Pre-hearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. Mountain Time on the Thursday preceding the scheduled hearing date. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Jordan Shaw at (432) 269-0569 or at jordan@vfpetroleum.com.

Sincerely,



Darin C. Savage

Attorney for V-F Petroleum, Inc.

Mail Activity Report - RAINIER 233H 25117
Mailed 12/18/2024 to 12/18/2024
Generated: 01/20/2025 8:10:17 AM

USPS Article Number	Reference Number	Date Mailed	Name 1	Name 2	Address 1	Address 2	City	State	Zip	Mailing Status	Service Options
9314869904300129539737	4217.10 - Rainier 233H	12/18/24	XTO Holdings, LLC	Delaware Basin Land Manager	22777 Springwoods Village Pkwy.		Spring	TX	77389	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539744	4217.10 - Rainier 233H	12/18/24	Permian Resources Operating, LLC	Delaware Basin Land Department	300 N. Marlenfeld St., Suite 1000		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539751	4217.10 - Rainier 233H	12/18/24	Delmar Hudson Lewis Living Trust	Bank of America, N.A., Trustee	P.O. Box 830308		Dallas	TX	75283-0308	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539768	4217.10 - Rainier 233H	12/18/24	And Oil, LTD	Joel T. Sawyer, Agent	P.O. Box 101027		Fort Worth	TX	76185	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539775	4217.10 - Rainier 233H	12/18/24	Zorro Partners, Ltd.	W.A. Hudson II, Agent	616 Texas Street		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539782	4217.10 - Rainier 233H	12/18/24	Javelina Partners	Edward Hudson, Land Manager	616 Texas Street		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539799	4217.10 - Rainier 233H	12/18/24	Frost Bank,	TTR of Josephine T. Hudson Testamentary Trus	P.O. Box 1600		San Antonio	TX	78296	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539805	4217.10 - Rainier 233H	12/18/24	Marathon Oil Permian LLC	Chase Rice, Permian Land Supervisor	990 Town and Country Boulevard		Houston	TX	77024	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539812	4217.10 - Rainier 233H	12/18/24	Moore & Shelton Company, Ltd.	Michael R. Moore, Agent	P.O. Box 3070		Galveston	TX	77552	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129539829	4217.10 - Rainier 233H	12/18/24	Bureau of Land Management		620 E. Greene Street		Carlsbad	NM	88220-6292	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129557526	4217.10 - Rainier 233H	12/18/24	Curtis W. Newbourn, Trustee		P.O. Box 7698		Tyler	TX	75711	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129557533	4217.10 - Rainier 233H	12/18/24	Hudson, Francis Hill, Trustee	Lindy's Living Trust	4200 South Hulen Street	Suite 302	Fort Worth	TX	76109	To be Returned	Return Receipt - Electronic, Certified Mail
9314869904300129557540	4217.10 - Rainier 233H	12/18/24	Moore and Shelton Co., Ltd.		P.O. Box 3070		Galveston	TX	77552	Delivered	Return Receipt - Electronic, Certified Mail
9314869904300129557557	4217.10 - Rainier 233H	12/18/24	Ralph A. Shugart Jr. Trust	Elizabeth Duncan, Trustee	1960 Forest Parkway		Denver	CO	80220-1337	Delivered	Return Receipt - Electronic, Certified Mail





December 25, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5575 57**.

Item Details

Status:	Delivered, Left with Individual
Status Date / Time:	December 24, 2024, 03:21 p.m.
Location:	DENVER, CO 80220
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	Ralph A Shugart Jr Trust Elizabeth Duncan Tru

Shipment Details

Weight: 3.0oz

Destination Delivery Address

Street Address:	1960 FOREST PKWY
City, State ZIP Code:	DENVER, CO 80220-1337

Recipient Signature

Signature of Recipient:	
Address of Recipient:	

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

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

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

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

Reference Number: 4217.10 - Rainier 233H



December 30, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5575 40.**

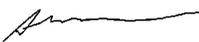
Item Details

Status: Delivered, Individual Picked Up at Post Office
Status Date / Time: December 28, 2024, 11:50 a.m.
Location: GALVESTON, TX 77551
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
 Return Receipt Electronic
Recipient Name: Moore and Shelton Co Ltd

Shipment Details

Weight: 3.0oz

Recipient Signature

Signature of Recipient:	 STEVEN NIELSEN
Address of Recipient:	PO BOX 307C

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

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

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

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

Reference Number: 4217.10 - Rainier 233H



December 24, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5575 26.**

Item Details

Status: Delivered, PO Box
Status Date / Time: December 23, 2024, 12:02 p.m.
Location: TYLER, TX 75711
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
 Return Receipt Electronic
Recipient Name: Curtis W Mewbourne Trustee

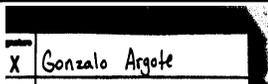
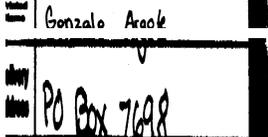
Shipment Details

Weight: 3.0oz

Destination Delivery Address

Street Address: PO BOX 7698
City, State ZIP Code: TYLER, TX 75711-7698

Recipient Signature

Signature of Recipient:	
Address of Recipient:	

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

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

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

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

Reference Number: 4217.10 - Rainier 233H



December 24, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5398 29.**

Item Details

Status: Delivered, Left with Individual
Status Date / Time: December 23, 2024, 01:44 p.m.
Location: CARLSBAD, NM 88220
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
 Return Receipt Electronic
Recipient Name: Bureau of Land Management

Shipment Details

Weight: 3.0oz

Destination Delivery Address

Street Address: 620 E GREENE ST
City, State ZIP Code: CARLSBAD, NM 88220-6292

Recipient Signature

Signature of Recipient:	
Address of Recipient:	

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

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

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

Reference Number: 4217.10 - Rainier 233H



December 30, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5398 12.**

Item Details

Status:	Delivered, Individual Picked Up at Post Office
Status Date / Time:	December 28, 2024, 11:50 a.m.
Location:	GALVESTON, TX 77551
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	Moore Shelton Company Ltd Michael R Moore

Shipment Details

Weight:	3.0oz
----------------	-------

Recipient Signature

Signature of Recipient:	 SHERVON NIELSEN
Address of Recipient:	PO BOX 307C

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475 L'Enfant Plaza SW
Washington, D.C. 20260-0004

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

Reference Number: 4217.10 - Rainier 233H



December 24, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5398 05.**

Item Details

Status:	Delivered, Front Desk/Reception/Mail Room
Status Date / Time:	December 23, 2024, 03:08 p.m.
Location:	HOUSTON, TX 77024
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	Marathon Oil Permian LLC Chase Rice Permian Lan

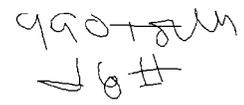
Shipment Details

Weight: 3.0oz

Destination Delivery Address

Street Address:	990 TOWN AND COUNTRY BLVD
City, State ZIP Code:	HOUSTON, TX 77024-2217

Recipient Signature

Signature of Recipient:	
Address of Recipient:	

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

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

Reference Number: 4217.10 - Rainier 233H



December 24, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5397 99.**

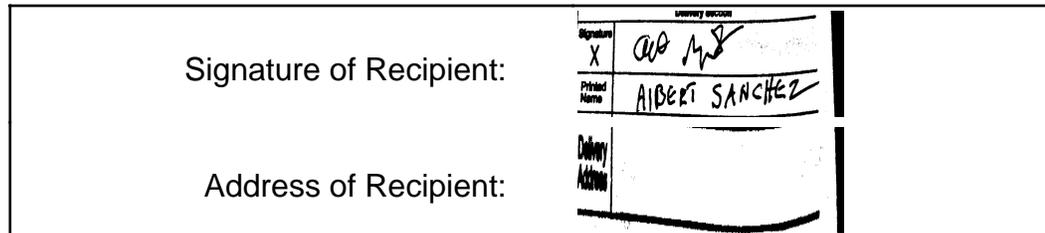
Item Details

Status: Delivered, PO Box
Status Date / Time: December 23, 2024, 11:18 a.m.
Location: SAN ANTONIO, TX 78205
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
 Return Receipt Electronic
Recipient Name: Frost Bank TTR of Josephine T Hudson Testament

Shipment Details

Weight: 3.0oz

Recipient Signature



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Washington, D.C. 20260-0004

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

Reference Number: 4217.10 - Rainier 233H



December 24, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5397 82.**

Item Details

Status:	Delivered, Left with Individual
Status Date / Time:	December 23, 2024, 01:17 p.m.
Location:	FORT WORTH, TX 76102
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	Javelina Partners Edward Hudson Land Manager

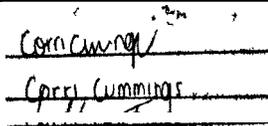
Shipment Details

Weight: 3.0oz

Destination Delivery Address

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

Recipient Signature

Signature of Recipient:	
Address of Recipient:	

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

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Washington, D.C. 20260-0004

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

Reference Number: 4217.10 - Rainier 233H



December 24, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5397 75.**

Item Details

Status:	Delivered, Left with Individual
Status Date / Time:	December 23, 2024, 01:17 p.m.
Location:	FORT WORTH, TX 76102
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	Zorro Partners Ltd W A Hudson II Agent

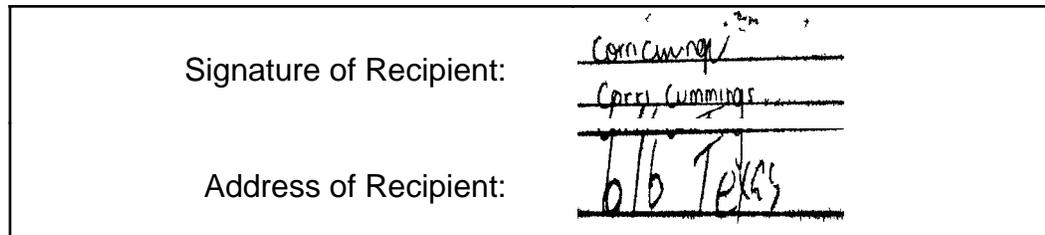
Shipment Details

Weight: 3.0oz

Destination Delivery Address

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

Recipient Signature



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

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Washington, D.C. 20260-0004

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

Reference Number: 4217.10 - Rainier 233H



December 30, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5397 68.**

Item Details

Status:	Delivered, PO Box
Status Date / Time:	December 28, 2024, 10:29 a.m.
Location:	FORT WORTH, TX 76185
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	Ard Oil LTD Joel T Sawyer Agent

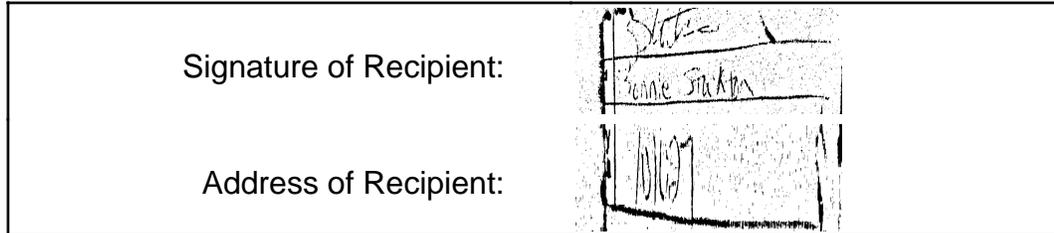
Shipment Details

Weight: 3.0oz

Destination Delivery Address

Street Address:	PO BOX 101027
City, State ZIP Code:	FORT WORTH, TX 76185-1027

Recipient Signature



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Washington, D.C. 20260-0004

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

Reference Number: 4217.10 - Rainier 233H



December 25, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5397 51**.

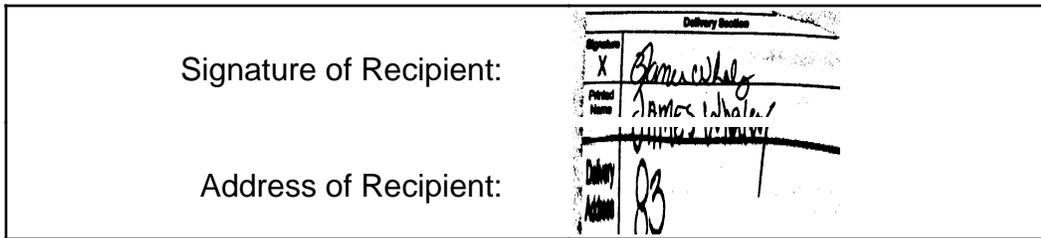
Item Details

Status: Delivered, Individual Picked Up at Postal Facility
Status Date / Time: December 24, 2024, 08:54 a.m.
Location: DALLAS, TX 75260
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
 Return Receipt Electronic
Recipient Name: Delmar Hudson Lewis Living Trust Bank of Americ

Shipment Details

Weight: 3.0oz

Recipient Signature



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

Reference Number: 4217.10 - Rainier 233H



December 24, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5397 44.**

Item Details

Status:	Delivered, Left with Individual
Status Date / Time:	December 23, 2024, 01:18 p.m.
Location:	MIDLAND, TX 79701
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	Permian Resources Operating LLC Delaware Basin

Shipment Details

Weight: 3.0oz

Destination Delivery Address

Street Address:	300 N MARIENFELD ST STE 1000
City, State ZIP Code:	MIDLAND, TX 79701-4688

Recipient Signature

Signature of Recipient:	
Address of Recipient:	

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

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

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

Reference Number: 4217.10 - Rainier 233H



December 30, 2024

Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0129 5397 37**.

Item Details

Status:	Delivered, Left with Individual
Status Date / Time:	December 28, 2024, 09:33 a.m.
Location:	SPRING, TX 77389
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	XTO Holdings LLC Delaware Basin Land Manager

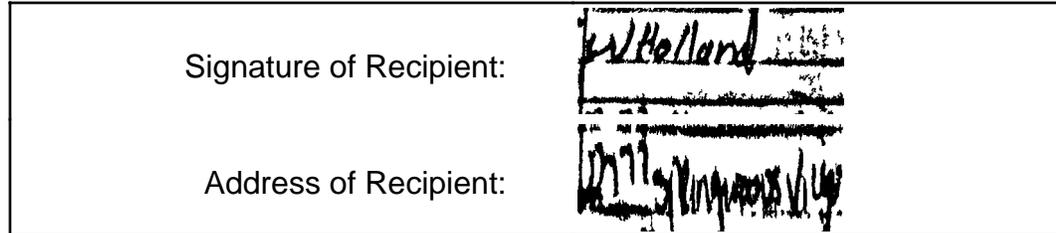
Shipment Details

Weight: 3.0oz

Destination Delivery Address

Street Address:	22777 SPRINGWOODS VILLAGE PKWY
City, State ZIP Code:	SPRING, TX 77389-1425

Recipient Signature



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Washington, D.C. 20260-0004

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

Reference Number: 4217.10 - Rainier 233H



Proof of Acceptance (Electronic)

Date : 12/19/2024

Company Name : Abadie & Schill PC

Certified Mail Article Number 9314869904300129557533 addressed to Hudson, Francis Hill, Trustee Lindy's Living Trust

USPS Event Date/Time	USPS Event Description	USPS Event Location
12/19/2024 10:31 PM	ORIGIN ACCEPTANCE	DURANGO, CO 81301

The article number and United States Postal Service (USPS®) tracking event details provided above is a true extract of information provided by the USPS to CertifiedPro.net, a solution provided by Covius Document Services, LLC.

Recipient Mailing Address:

Hudson, Francis Hill, Trustee
Lindy's Living Trust
4200 South Hulen Street
Suite 302
Fort Worth, TX 76109

The above information is for the sole use of CertifiedPro.net clients and represents information provided by the United States Postal Service.

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS
PO BOX 507
HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS
COUNTY OF EDDY }

Account Number: 1227
Ad Number: 27220
Description: 25117 - S2N2 3rd BS Rainier
Ad Cost: \$146.60

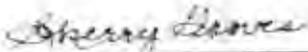
Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

December 21, 2024

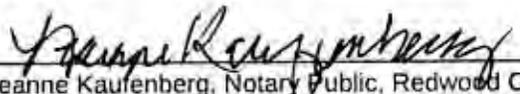
That said newspaper was regularly issued and circulated on those dates.

SIGNED:



Agent

Subscribed to and sworn to me this 21th day of December 2024.



Leanne Kaufenberg, Notary Public, Redwood County
Minnesota

KAIYA TOOP
ABADIE SCHILL
555 RIVERGATE LANE, SUITE B-4-180
DURANGO, CO 81301
kaiya@abadieschill.com

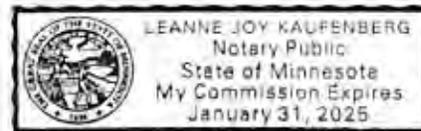


EXHIBIT
C-3

PUBLIC NOTICE

CASE No. 25117: Notice -- to all parties and persons having any right, title, interest or claim in this case, including owners of working interest, overriding royalty interest, and record title, among others, whether such parties or persons are listed herein or not, as well as notice to all known and unknown heirs, devisees, assigns and successors of such affected parties and persons, which based on reasonable diligence include, NTO HOLDINGS, LLC; PERMIAN RESOURCES OPERATING, LLC; DELMAR HUDSON LEWIS LIVING TRUST, BANK OF AMERICA, N.A., TRUSTEE; ARD OIL, LTD.; ZORRO PARTNERS, LTD.; JAVELINA PARTNERS; JOSEPHINE T. HUDSON TESTAMENTARY TRUST FBO J. TERRELL ARD, FRONT BANK, TRUSTEE; MARATHON OIL PERMIAN LLC; CURTIS W. MEWBOURNE, TRUSTEE; HUDSON, FRANCIS HILL, TRUSTEE, LINDY'S LIVING TRUST; MOORE AND SHELTON CO., LTD.; RALPH A. SHUGART JR. TRUST, ELIZABETH DUNCAN, TRUSTEE AND MOORE & SHELTON COMPANY, LTD. - of V-F Petroleum, Inc. application for approval of a compulsory pooling, Eddy County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 9:00 a.m. on January 9, 2025, in the Wendell Chino Building, Pecos Hall located on the 1st Floor, at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You can attend the hearing in person at Pecos Hall or you can attend virtually through remote online access. For information about attending by remote access and reviewing the status of the case, you can visit the Division's website at: <https://www.emnrd.nm.gov/ocd/hearing-info/> or call (505) 476-3441. It is recommended that you check with the Division to determine the best option for attendance. V-F Petroleum Inc., at 550 W. Texas Ave., Suite 300, Midland, TX 79701, seeks an order from the Division pooling all uncommitted mineral interests in the Third Bone Spring, at a depth of 8,914' beneath the surface, to the base of the Third Bone Spring formation, which has a depth of 9,516' beneath the surface, as shown in that certain Dual Lateralog, Micro Laterlog, Gamma Ray well log in the Tamano 15 Fed Com #2 well (API # 30-015-33398), located in Sec. 15, Township 18 South, Range 31 East, Eddy County, New Mexico, designated as an oil pool, underlying a standard 320-acre, more or less, spacing unit comprised of the S/2 N/2 of Sections 16 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. The proposed well to be dedicated to the horizontal spacing unit is the **Rahner 16-15 Fed Com #233H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 16 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15. The proposed well will be orthodox, and its take points and completed interval will comply with the setback requirements under statewide rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the wells. The well and lands are located approximately 31 miles southeast of Artesia, New Mexico.

Published in the Carlsbad Current-Argus December 21, 2024.
#27220