

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

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

CASE NO. 25154

EXHIBIT INDEX

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Ruth Pelzel
A-1	Application & Proposed Notice of Hearing
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A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Matthew Pardee
B-1	Location Map
B-2	Subsea Structure Map
B-3	Cross Section Location Map
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Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Notice Letter to All Interested Parties Sent January 22, 2025
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C-4	Affidavit of Publication for January 29, 2025

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25154	APPLICANT'S RESPONSE
Hearing Date: March 13, 2025	
Applicant	PBEX Operations, LLC
Designated Operator & OGRID (affiliation if applicable)	PBEX Operations, LLC (OGRID No. 332544)
Applicant's Counsel:	Hardy McLean LLC
Case Title:	Application of PBEX Operations, LLC for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	None
Well Family	Moonraker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Second Bone Spring and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD as shown on the Lowell Federal #001 (API No. 30-025-31008) well log.
Pool Name and Pool Code:	Tonto; Bone Spring (59475)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	960 acres
Building Blocks:	quarter-quarter
Orientation:	North to South
Description: TRS/County	W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Yes. Applicant seeks to pool uncommitted interests in the Second Bone Spring and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log.
Proximity Tracts: If yes, description	Yes. The Moonraker 15-27 Fed Com 203H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 480-acre standard, overlapping horizontal spacing unit.
Proximity Defining Well: if yes, description	Moonraker 15-27 Fed Com 203H
Applicant's Ownership in Each Tract	Exhibit A-4
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	Moonraker 15-27 Fed Com 201H (API # pending) SHL: 703' FNL & 1,326' FWL (Unit C), Section 15, T19S-R33E BHL: 10' FSL & 330' FWL (Unit M), Section 27, T19S-R33E Completion Target: Second Bone Spring (Approx. TVD: 10,100')
Well #2	Moonraker 15-27 Fed Com 203H (API # pending) SHL: 704' FNL & 1,366' FWL (Unit C), Section 15, T19S-R33E BHL: 10' FSL & 1,310' FWL (Unit M), Section 27, T19S-R33E Completion Target: Second Bone Spring (Approx. TVD: 10,100')

Well #3 <i>Received by OCD: 3/6/2025 4:01:45 PM</i>	Moonraker 15-27 Fed Com 205H (API # pending) SHL: 704' FNL & 1,386' FWL (Unit C), Section 15, T19S-R33E BHL: 10' FSL & 2,310' FWL (Unit N), Section 27, T19S-R33E Completion Target: Second Bone Spring (Approx. TVD: 10,100')
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
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
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	Exhibit A-3
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	Exhibit A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	N/A

Special Provisions/Conditions	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	3/5/2025

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

APPLICATION OF PBEX OPERATIONS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 25154

SELF-AFFIRMED STATEMENT
OF RUTH PELZEL

1. I am a Landman with PBEX Operations, LLC (“PBEX” or “Applicant”). I am over the age of 18, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement.

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

3. I am familiar with the land matters involved in the above-referenced case. Copies of PBEX’s Application and proposed hearing notice are attached as **Exhibit A-1**.

4. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

5. PBEX seeks an order pooling all uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County, New Mexico (“Unit”).

6. The Unit will be dedicated to the following proposed wells (“Wells”):

PBEX Operations, LLC
Case No. 25154
Exhibit A

- b. **Moonraker 15-27 Fed Com 203H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; and
 - c. **Moonraker 15-27 Fed Com 205H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27.
7. The completed intervals of the Wells will be orthodox.
8. The completed interval of the **Moonraker 15-27 Fed Com 203H** well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 960-acre standard horizontal spacing unit.
9. There is a depth severance in the Bone Spring formation within the Unit. Therefore, PBEX seeks to pool the interests in the Second and Third Bone Spring intervals at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log.
10. The Unit will overlap with the spacing units for the following wells, which produce from the Tonto; Bone Spring Pool (Code 59475):
- a. **Malachite 22 Federal #001H** (API No. 30-025-40318), which is located in the W/2 W/2 of Section 22, Township 19 South, Range 33 East;
 - b. **Malachite 22 Federal #002H** (API No. 30-025-40389), which is located in the E/2 W/2 of Section 22, Township 19 South, Range 33 East; and
 - c. **Lowell Federal #001** (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East.

c. Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East.

11. **Exhibit A-2** contains the C-102s for the Wells.

12. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests PBEX seeks to pool highlighted in yellow. The exhibit also shows the overlapping spacing units.

13. PBEX located last known addresses for each party it seeks to pool. To locate these addresses, PBEX conducted a diligent search of all relevant county public records, phone directories and computer databases.

14. **Exhibit A-4** contains a sample well proposal letter and AFE sent to working interest owners in the Wells. The estimated costs reflected on the AFE are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

15. In my opinion, PBEX made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as demonstrated by the chronology of contact provided in **Exhibit A-5**.

16. PBEX requests overhead and administrative rates of \$10,000.00 per month while the Wells are being drilled and \$1,000.00 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by PBEX and other operators in the vicinity.

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

18. In my opinion, the granting of PBEX's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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


Ruth Pelzel


Date

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

**APPLICATION OF PBEX OPERATIONS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25154

AMENDED APPLICATION

In accordance with NMSA 1978, § 70-2-17, PBEX Operations, LLC (“PBEX” or “Applicant”) (OGRID No. 332544) seeks an order pooling uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County, New Mexico (“Unit”). In support of this application, PBEX states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill thereon.
2. Applicant seeks to dedicate the Unit to the following proposed wells (“Wells”):
 - a. **Moonraker 15-27 Fed Com 201H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27;
 - b. **Moonraker 15-27 Fed Com 203H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; and
 - c. **Moonraker 15-27 Fed Com 205H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27.
3. The completed intervals of the Wells will be orthodox.
4. The Moonraker 15-27 Fed Com 203H well will be located within 330’ of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 960-acre standard, overlapping horizontal spacing unit.

**PBEX Operations, LLC
Case No. 25154
Exhibit A-1**

5. The Unit will overlap with the spacing units for the following wells:
 - Malachite 22 Federal #001H (API No. 30-025-40318), which is located in the W/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475);
 - Malachite 22 Federal #002H (API No. 30-025-40389), which is located in the E/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475); and
 - Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475).

6. Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests in the Second Bone Spring and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log.

7. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the interest owners in the Unit.

8. The pooling of interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

9. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the proposed horizontal Wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 13, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the initial wells in the Unit;
- C. Designating Applicant as the operator of the Unit and the horizontal wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 98208623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

Counsel for PBEX Operations, LLC

		<p>23 Fed Com 335H Well, an oil well, to be horizontally drilled from a surface location in Lot 1 of Section 35 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 23; and the Ross Draw 35-26-23 Fed Com 336H Well, an oil well, to be horizontally drilled from a surface location in Lot 1 of Section 35 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 23. The Ross Draw 35-26-23 Fed Com 325H Well is a proximity well and proximity tracts will be utilized. Part of the proposed unit overlaps with the Ross Draw federal Unit. All the proposed wells have orthodox locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located adjacent to the southern state line and approximately 33 miles southeast of Carlsbad, New Mexico.</p> <p>Setting: Hearing by Affidavit Joined with Cases: 25153</p>
<p>19.</p>	<p>25153</p>	<p>Application of WPX Energy Permian, LLC, 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 Wolfcamp formation, designated as a gas pool, underlying a standard 769.91-acre, more or less, spacing unit comprised of the E/2 of Sections 23, 26 and 35, all in Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the Ross Draw 35-26-23 Fed Com 410H Well, a gas well, to be horizontally drilled from a surface location in Lot 2 of Section 35 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 23; Ross Draw 35-26-23 Fed Com 414H Well, a gas well, to be horizontally drilled from a surface location in Lot 2 of Section 35 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 23; Ross Draw 35-26-23 Fed Com 415H Well, a gas well, to be horizontally drilled from a surface location in Lot 1 of Section 35 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 23; Ross Draw 35-26-23 Fed Com 424H Well, a gas well, to be horizontally drilled from a surface location in Lot 2 of Section 35 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 23; Ross Draw 35-26-23 Fed Com 425H Well, a gas well, to be horizontally drilled from a surface location in Lot 1 of Section 35 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 23; Ross Draw 35-26-23 Fed Com 443H Well, a gas well, to be horizontally drilled from a surface location in Lot 2 of Section 35 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 23; the Ross Draw 35-26-23 Fed Com 444H Well, a gas well, to be horizontally drilled from a surface location in Lot 1 of Section 35 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 23; the Ross Draw 35-26-23 Fed Com 453H Well, a gas well, to be horizontally drilled from a surface location in Lot 2 of Section 35 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 23; and the Ross Draw 35-26-23 Fed Com 454H Well, a gas well, to be horizontally drilled from a surface location in Lot 1 of Section 35 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 23. Part of the proposed unit overlaps with the Ross Draw federal Unit. All the proposed wells have unorthodox locations; Applicant will be applying administratively for approval of the non-standard locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located adjacent to the southern state line and approximately 33 miles southeast of Carlsbad, New Mexico.</p> <p>Setting: Hearing by Affidavit Joined with Cases: 25152</p>
<p>20.</p>	<p>25154</p>	<p>Amended Application of PBEX Operations, LLC for Compulsory Pooling, Lea County, New Mexico. PBEX Operations, LLC ("Applicant") seeks an order pooling uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): Moonraker 15-27 Fed Com 201H, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; Moonraker 15-27 Fed Com 203H, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; and Moonraker 15-27 Fed Com 205H, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15</p>

		<p>to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The completed intervals of the Wells will be orthodox. The Moonraker 15-27 Fed Com 203H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 960-acre standard horizontal spacing unit. The Unit will overlap with the spacing units for the following wells: Malachite 22 Federal #001H (API No. 30-025-40318), which is located in the W/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475); Malachite 22 Federal #002H (API No. 30-025-40389), which is located in the E/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475); and Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475). Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 29.8 miles west of Hobbs, New Mexico.</p> <p>Setting: Hearing by Affidavit Joined with Cases: 25155</p>
21.	25155	<p>Amended Application of PBEX Operations, LLC for Compulsory Pooling, Lea County, New Mexico. PBEX Operations, LLC ("Applicant") seeks an order pooling uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): Moonraker 15-27 Fed Com 101H, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; and Moonraker 15-27 Fed Com 102H, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The completed intervals of the Wells will be orthodox. The Moonraker 15-27 Fed Com 101H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 960-acre standard horizontal spacing unit. The Unit will overlap with the spacing units for the following wells: Malachite 22 Federal #001H (API No. 30-025-40318), which is located in the W/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475); Malachite 22 Federal #002H (API No. 30-025-40389), which is located in the E/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475); and Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475). Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests in the First Bone Spring interval of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,115' and 9,244' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 29.8 miles west of Hobbs, New Mexico.</p> <p>Setting: Hearing by Affidavit Joined with Cases: 25154</p>
22.	25156	<p>Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, horizontal spacing unit comprised of the W/2 W/2 of irregular Section 5 and the W/2 W/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Casa Bonita 5-17 State Com 301H well ("Well"), which will produce from a first take point in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a last take point in the SW/4 SW/4 (Unit M) of Section 17. The completed interval of the Well will be orthodox. Due to a</p>

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Exhibit A-2 Revised July 9, 2024 Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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WELL LOCATION INFORMATION

API Number	Pool Code 59475	Pool Name TONTO; BONE SPRING
Property Code	Property Name MOONRAKER 15-27 BS FED	Well Number 201H
OGRID No. 332544	Operator Name PBEX OPERATIONS, LLC	Ground Level Elevation 3,669.10'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	15	19S	33E		703' FNL	1,326' FWL	32.665568°	-103.655159°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	27	19S	33E		10' FSL	330' FWL	32.624001°	-103.658531°	LEA

Dedicated Acres 960	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
C	15	19S	33E		703' FNL	1,326' FWL	32.665568°	-103.655159°	LEA

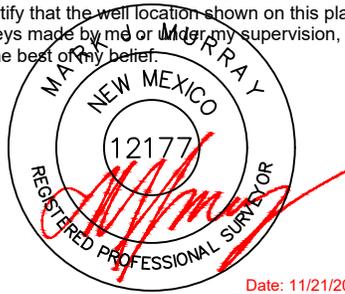
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
D	15	19S	33E		100' FNL	330' FWL	32.667231°	-103.658392°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	27	19S	33E		100' FSL	330' FWL	32.624248°	-103.658530°	LEA

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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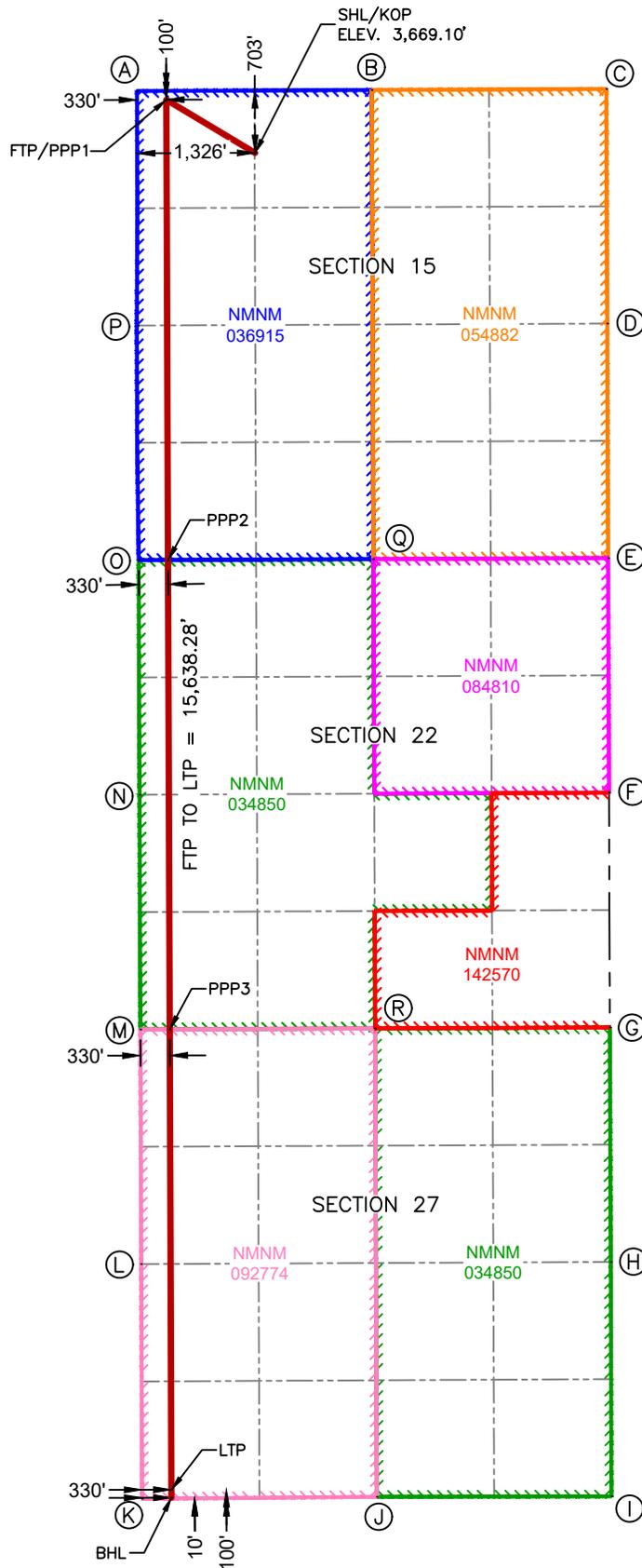
<p>OPERATOR CERTIFICATIONS</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including 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.</p> <p>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.</p> <p style="text-align: right;"><i>Mikah Thomas</i> 11/25/2024</p>	<p>SURVEYOR CERTIFICATIONS</p> <p>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.</p> <div style="text-align: center;">  <p>Date: 11/21/2024</p> </div>	
Signature	Signature and Seal of Professional Surveyor	
Mikah Thomas		
Printed Name	Certificate Number	Date of Survey
mikah@pbex.com	12177	11/21/2024
Email Address		

Note: 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.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



SURFACE HOLE LOCATION & KICK-OFF POINT
 703' FNL & 1,326' FWL
 ELEV. = 3,669.10'
 NAD 83 X = 750,032.78'
 NAD 83 Y = 606,531.29'
 NAD 83 LAT = 32.665568°
 NAD 83 LONG = -103.655159°

FIRST TAKE POINT & PENETRATION POINT 1
 100' FNL & 330' FWL
 NAD 83 X = 749,034.09'
 NAD 83 Y = 607,130.03'
 NAD 83 LAT = 32.667231°
 NAD 83 LONG = -103.658392°

PENETRATION POINT 2
 0' FNL & 330' FWL
 NAD 83 X = 749,053.08'
 NAD 83 Y = 601,951.57'
 NAD 83 LAT = 32.652998°
 NAD 83 LONG = -103.658437°

PENETRATION POINT 3
 0' FNL & 330' FWL
 NAD 83 X = 749,072.31'
 NAD 83 Y = 596,671.69'
 NAD 83 LAT = 32.638485°
 NAD 83 LONG = -103.658483°

LAST TAKE POINT
 100' FSL & 330' FWL
 NAD 83 X = 749,090.87'
 NAD 83 Y = 591,491.86'
 NAD 83 LAT = 32.624248°
 NAD 83 LONG = -103.658530°

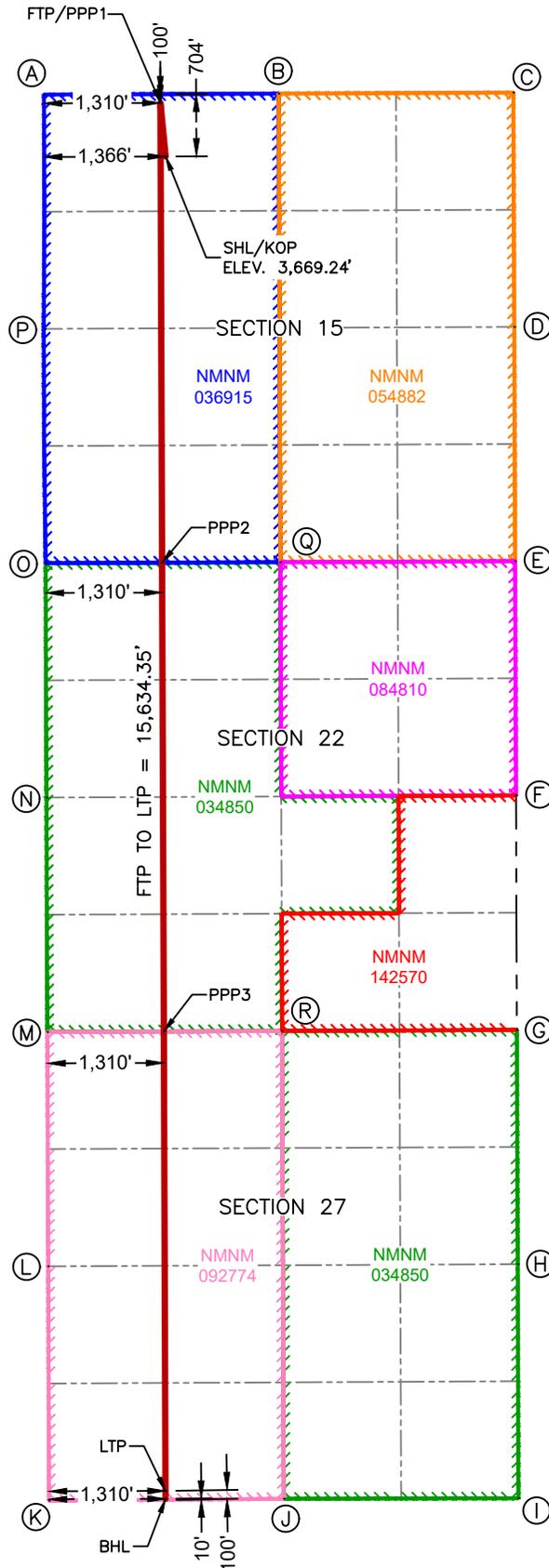
BOTTOM HOLE LOCATION
 10' FSL & 330' FWL
 NAD 83 X = 749,091.19'
 NAD 83 Y = 591,401.86'
 NAD 83 LAT = 32.624001°
 NAD 83 LONG = -103.658531°

CORNER COORDINATES NEW MEXICO EAST - NAD 83	
A	IRON ROD W/BRASS CAP N:607,228.59° E:748,703.71'
B	IRON PIPE W/BRASS CAP N:607,240.12° E:751,344.25'
C	IRON PIPE W/BRASS CAP N:607,251.24° E:753,983.32'
D	IRON PIPE W/BRASS CAP N:604,611.58° E:753,993.30'
E	IRON PIPE W/BRASS CAP N:601,973.38° E:754,002.43'
F	IRON PIPE W/BRASS CAP N:599,333.89° E:754,012.98'
G	IRON PIPE W/BRASS CAP N:596,693.25° E:754,022.46'
H	IRON PIPE W/BRASS CAP N:594,054.11° E:754,032.64'
I	IRON PIPE W/BRASS CAP N:591,416.32° E:754,040.39'
J	IRON PIPE W/BRASS CAP N:591,411.21° E:751,401.67'
K	IRON PIPE W/BRASS CAP N:591,389.09° E:748,761.24'
L	IRON PIPE W/BRASS CAP N:594,029.45° E:748,751.66'
M	IRON PIPE W/BRASS CAP N:596,670.25° E:748,742.32'
N	CALCULATED CORNER N:599,310.18° E:748,732.70'
O	IRON PIPE W/BRASS CAP N:601,950.12° E:748,723.08'
P	IRON PIPE W/BRASS CAP N:604,589.82° E:748,713.64'
Q	CALCULATED CORNER N:601,961.74° E:751,362.75'
R	IRON PIPE W/BRASS CAP N:596,681.86° E:751,381.27'

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



SURFACE HOLE LOCATION & KICK-OFF POINT
 704' FNL & 1,366' FWL
 ELEV. = 3,669.24'
 NAD 83 X = 750,072.78'
 NAD 83 Y = 606,530.86'
 NAD 83 LAT = 32.665566°
 NAD 83 LONG = -103.655029°

FIRST TAKE POINT & PENETRATION POINT 1
 100' FNL & 1,310' FWL
 NAD 83 X = 750,014.08'
 NAD 83 Y = 607,134.31'
 NAD 83 LAT = 32.667226°
 NAD 83 LONG = -103.655207°

PENETRATION POINT 2
 0' FNL & 1,310' FWL
 NAD 83 X = 750,033.07'
 NAD 83 Y = 601,955.89'
 NAD 83 LAT = 32.652992°
 NAD 83 LONG = -103.655253°

PENETRATION POINT 3
 0' FNL & 1,310' FWL
 NAD 83 X = 750,052.30'
 NAD 83 Y = 596,675.96'
 NAD 83 LAT = 32.638480°
 NAD 83 LONG = -103.655300°

LAST TAKE POINT
 100' FSL & 1,310' FWL
 NAD 83 X = 750,070.84'
 NAD 83 Y = 591,500.07'
 NAD 83 LAT = 32.624253°
 NAD 83 LONG = -103.655347°

BOTTOM HOLE LOCATION
 10' FSL & 1,310' FWL
 NAD 83 X = 750,071.17'
 NAD 83 Y = 591,410.07'
 NAD 83 LAT = 32.624006°
 NAD 83 LONG = -103.655348°

CORNER COORDINATES NEW MEXICO EAST - NAD 83	
A	IRON ROD W/BRASS CAP N:607,228.59' E:748,703.71'
B	IRON PIPE W/BRASS CAP N:607,240.12' E:751,344.25'
C	IRON PIPE W/BRASS CAP N:607,251.24' E:753,983.32'
D	IRON PIPE W/BRASS CAP N:604,611.58' E:753,993.30'
E	IRON PIPE W/BRASS CAP N:601,973.38' E:754,002.43'
F	IRON PIPE W/BRASS CAP N:599,333.89' E:754,012.98'
G	IRON PIPE W/BRASS CAP N:596,693.25' E:754,022.46'
H	IRON PIPE W/BRASS CAP N:594,054.11' E:754,032.64'
I	IRON PIPE W/BRASS CAP N:591,416.32' E:754,040.39'
J	IRON PIPE W/BRASS CAP N:591,411.21' E:751,401.67'
K	IRON PIPE W/BRASS CAP N:591,389.09' E:748,761.24'
L	IRON PIPE W/BRASS CAP N:594,029.45' E:748,751.66'
M	IRON PIPE W/BRASS CAP N:596,670.25' E:748,742.32'
N	CALCULATED CORNER N:599,310.18' E:748,732.70'
O	IRON PIPE W/BRASS CAP N:601,950.12' E:748,723.08'
P	IRON PIPE W/BRASS CAP N:604,589.82' E:748,713.64'
Q	CALCULATED CORNER N:601,961.74' E:751,362.75'
R	IRON PIPE W/BRASS CAP N:596,681.86' E:751,381.27'

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 checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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WELL LOCATION INFORMATION

API Number	Pool Code 59475	Pool Name TONTO; BONE SPRING
Property Code	Property Name MOONRAKER 15-27 FED COM	Well Number 205H
OGRID No. 332544	Operator Name PBEX OPERATIONS, LLC	Ground Level Elevation 3,669.60'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	15	19S	33E		704' FNL	1,386' FWL	32.665565°	-103.654964°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	27	19S	33E		10' FSL	2,310' FWL	32.624012°	-103.652100°	LEA

Dedicated Acres 960	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
C	15	19S	33E		704' FNL	1,386' FWL	32.665565°	-103.654964°	LEA

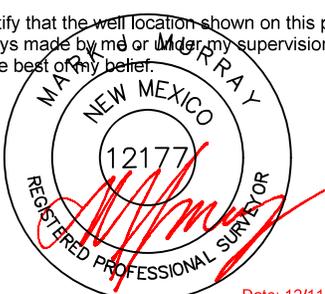
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	15	19S	33E		100' FNL	2,310' FWL	32.667220°	-103.651958°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	27	19S	33E		100' FSL	2,310' FWL	32.624259°	-103.652099°	LEA

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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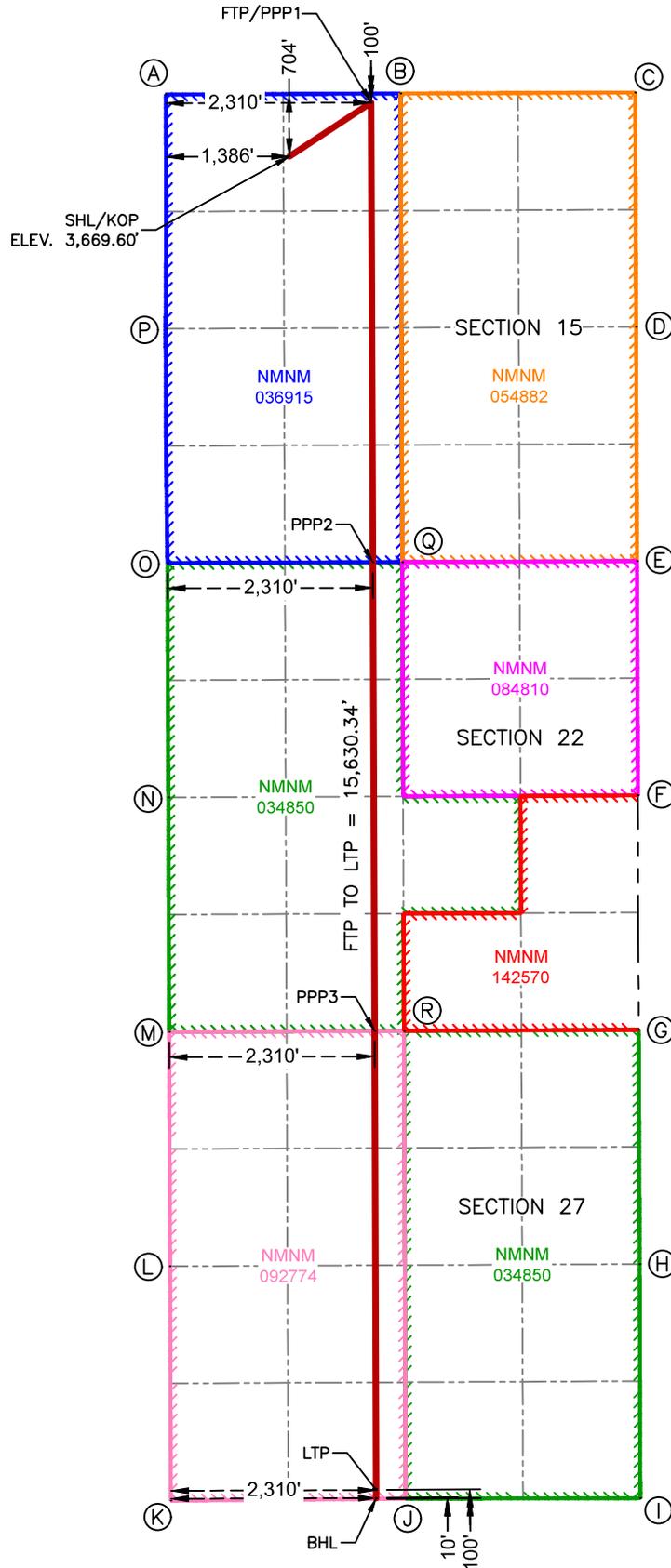
<p>OPERATOR CERTIFICATIONS</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including 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.</p> <p>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.</p> <p style="text-align: right;"><i>Mikah Thomas</i> 12/12/2024</p>	<p>SURVEYOR CERTIFICATIONS</p> <p>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.</p> <div style="text-align: center;">  Date: 12/11/2024 </div>
Signature Mikah Thomas	Signature and Seal of Professional Surveyor
Printed Name mikah@pbex.com	Certificate Number 12177
Email Address	Date of Survey 12/11/2024

Note: 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.

ACREAGE DEDICATION PLATS

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SURFACE HOLE LOCATION & KICK-OFF POINT
 704' FNL & 1,386' FWL
 ELEV. = 3,669.60'
 NAD 83 X = 750,092.78'
 NAD 83 Y = 606,530.64'
 NAD 83 LAT = 32.665565°
 NAD 83 LONG = -103.654964°

FIRST TAKE POINT & PENETRATION POINT 1
 100' FNL & 2,310' FWL
 NAD 83 X = 751,014.07'
 NAD 83 Y = 607,138.68'
 NAD 83 LAT = 32.667220°
 NAD 83 LONG = -103.651958°

PENETRATION POINT 2
 0' FNL & 2,310' FWL
 NAD 83 X = 751,033.06'
 NAD 83 Y = 601,960.29'
 NAD 83 LAT = 32.652987°
 NAD 83 LONG = -103.652004°

PENETRATION POINT 3
 0' FNL & 2,310' FWL
 NAD 83 X = 751,052.30'
 NAD 83 Y = 596,680.31'
 NAD 83 LAT = 32.638474°
 NAD 83 LONG = -103.652051°

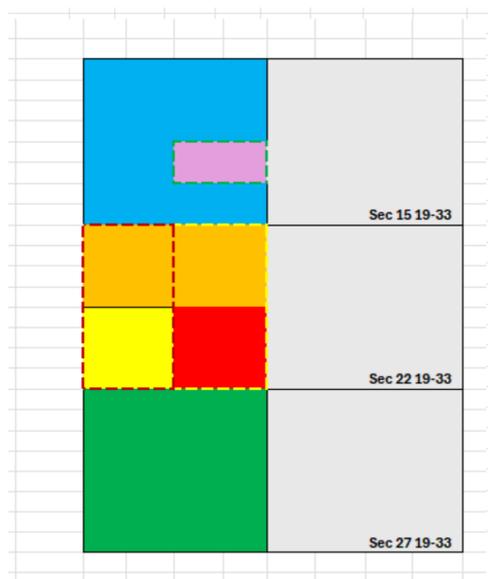
LAST TAKE POINT
 100' FSL & 2,310' FWL
 NAD 83 X = 751,070.82'
 NAD 83 Y = 591,508.44'
 NAD 83 LAT = 32.624259°
 NAD 83 LONG = -103.652099°

BOTTOM HOLE LOCATION
 10' FSL & 2,310' FWL
 NAD 83 X = 751,071.14'
 NAD 83 Y = 591,418.44'
 NAD 83 LAT = 32.624012°
 NAD 83 LONG = -103.652100°

CORNER COORDINATES NEW MEXICO EAST - NAD 83	
A	IRON ROD W/BRASS CAP N:607,228.59' E:748,703.71'
B	IRON PIPE W/BRASS CAP N:607,240.12' E:751,344.25'
C	IRON PIPE W/BRASS CAP N:607,251.24' E:753,983.32'
D	IRON PIPE W/BRASS CAP N:604,611.58' E:753,993.30'
E	IRON PIPE W/BRASS CAP N:601,973.38' E:754,002.43'
F	IRON PIPE W/BRASS CAP N:599,333.89' E:754,012.98'
G	IRON PIPE W/BRASS CAP N:596,693.25' E:754,022.46'
H	IRON PIPE W/BRASS CAP N:594,054.11' E:754,032.64'
I	IRON PIPE W/BRASS CAP N:591,416.32' E:754,040.39'
J	IRON PIPE W/BRASS CAP N:591,411.21' E:751,401.67'
K	IRON PIPE W/BRASS CAP N:591,389.09' E:748,761.24'
L	IRON PIPE W/BRASS CAP N:594,029.45' E:748,751.66'
M	IRON PIPE W/BRASS CAP N:596,670.25' E:748,742.32'
N	CALCULATED CORNER N:599,310.18' E:748,732.70'
O	IRON PIPE W/BRASS CAP N:601,950.12' E:748,723.08'
P	IRON PIPE W/BRASS CAP N:604,589.82' E:748,713.64'
Q	CALCULATED CORNER N:601,961.74' E:751,362.75'
R	IRON PIPE W/BRASS CAP N:596,681.86' E:751,381.27'

Moonraker 201H, 103H,205H

W2 Sections 15,22,27
 T19S-R33E
 Lea County, NM
 2 Bone Spring



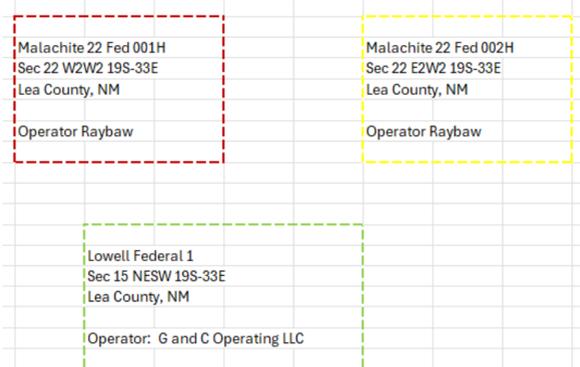
Tract Ownership	
W2SW4 Sec 22 19-33 NMNM 034850	
Occidental Permian Limited Partnership	100%
E2SW4 Sec 22 19-33 NMNM 034850	
PBEX LLC	100%
NW 4 Sec 22 19-33 NMNM 034850	
PBEX LLC	100%
W2 Sec 27 19-33 NMNM 092774	
EOG Resources, Inc	100%
W2W2; E2NW; SESW Sec 15 19-33 NMNM 036915	
Pbex LLC	100%
NE4SW4 Sec 15 19-33 below 9244' NMNM 036915	
Pbex LLC	100.00%

Unit Ownership	
EOG Resources, Inc	33.333333%
Occidental Permian Limited Partnership	16.666667%
Pbex LLC	50.000000%
	100.000000%

PARTIES TO POOL			
WI			
Occidental Permian Limited Partnership	5 Greenway Plaza, Suite 110	Houston, TX	77046

*Parties to Pool are highlighted in yellow.

Overlapping Spacing Units



* Notice of Overlapping Spacing Units sent 11/26/24

DOCUMENTS SENT
Well Proposals - Yes
JOA - Yes
Communitization Agreement - Yes



November 26, 2024

Via Certified Mail, Return Receipt Requested
No.

Re: Moonraker 15-27 Fed Com 201H, 203H, 205H
W2 of Sections 15, 22 & 27, T19S-R33E
Lea County, New Mexico

Dear Sir or Madam:

PBEX Operations, LLC ("PBEX"), hereby proposes the drilling of the Moonraker 15-27 Fed Com 201H, 203H and 205H wells, located in the W2 of Sections 15, 22 & 27, T19S-R33E, Lea County, New Mexico. Any previously dated "Moonraker" proposals from PBEX or EGL Resources, Inc., are hereby rescinded, and the proposals below will supercede and replace them, accordingly. Please review the attached Authority for Expenditure ("AFE") with the gross estimated total cost to drill and complete each of the wells referenced below.

MOONRAKER 15-27 FED COM 201H

W2 Sections 15, 22 & 27, T19S-R33E, Lea Co., NM
SHL: 15-19S-33E, 703' FNL & 1326' FWL, or Unit C
FTP: 15-19S-33E, 100' FNL & 330' FWL, or Unit D
LTP: 27-19S-33E, 100' FSL & 330' FWL, or Unit M
BHL: 27-19S-33E, 10' FSL & 330' FWL, or Unit M
TVD: 10,100'
TMD: 25,880'
Targeted Interval: Second Bone Spring

MOONRAKER 15-27 FED COM 203H

W2 Sections 15, 22 & 27, T19S-R33E, Lea Co., NM
SHL: 15-19S-33E, 704' FNL & 1366' FWL, or Unit C
FTP: 15-19S-33E, 100' FNL & 1320' FWL, or Unit D
LTP: 27-19S-33E, 100' FSL & 1320' FWL, or Unit M
BHL: 27-19S-33E, 10' FSL & 1320' FWL, or Unit M
TVD: 10,100'
TMD: 25,880'
Targeted Interval: Second Bone Spring

MOONRAKER 15-27 FED COM 205H

W2 Sections 15, 22 & 27, T19S-R33E, Lea Co., NM
SHL: 15-19S-33E, 704' FNL & 1386' FWL, or Unit C
FTP: 15-19S-33E, 100' FNL & 2310' FWL, or Unit C
LTP: 27-19S-33E, 100' FSL & 2310' FWL, or Unit N

**PBEX Operations, LLC
Case No. 25154
Exhibit A-4**

November 26, 2024 Page 2
Moonraker 15-27 Fed Com 201H, 203H, 205H

BHL: 27-19S-33E, 10' FSL & 2310' FWL, or Unit N
TVD: 10,100'
TMD: 25,880'
Targeted Interval: Second Bone Spring

PBEX reserves the right to modify the locations and drilling plans described above in order to address topography, environmental concerns, regulatory conflicts, technical advantages, among other reasons. PBEX shall advise of any such modifications.

PBEX is proposing these wells under the terms of a new modified 1989 AAPL form of Operating Agreement, dated January 1, 2025, by and between PBEX Operations, LLC, as Operator, and EOG Resources, Inc., et al, as Non-Operators which will be sent under separate cover. The following provisions are included:

- 100/300 Non-consent Penalty
- \$10,000/\$1000 Overhead Rates
- PBEX Operations, LLC named as Operator.

According to a cursory title review, you could be the owner of a certain working interest in the wells, the amount of which will be subject to title verification. Please indicate your election in the area marked below, sign and return one (1) copy of this letter, along with one (1) signed copy of the enclosed AFE(s) and a copy of your geological well requirements, to my attention at the letterhead address within thirty (30) days of receipt of this notice.

As an alternative to participation, PBEX would be open to discussing Sale/Assignment options, subject to mutually agreeable terms, execution of a mutually acceptable form of Assignment and verification of your interest. If a sale/assignment is the preferred choice, please contact us to discuss the details of this option.

In the interest of time, if we are unable to reach an agreement within thirty (30) days from the date of this letter, PBEX will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a horizontal spacing unit for the proposed wells.

Pursuant to 19.15.15.12 and 19.15.16.15 NMAC, you are being provided notice of our intention to drill and complete the wells described above wholly or partially within a spacing unit containing an existing well or wells in which you own an interest, described below. **Should you wish to object, a written statement must be delivered to E.G.L. Resources, LLC, within 20 days of the date of this notice.**

EXISTING WELLS

Malachite 22 Federal #001H

API No. 30-025-40318
Operated by RAYBAW Operating LLC
Producing Spacing Unit: 19S-33E, Sec 22: W2W2
Producing Formation: Bone Spring

Malachite 22 Federal #002H

API No. 30-025-40389
Operated by RAYBAW Operating LLC
Producing Spacing Unit: 19S-33E, Sec 22: E2W2
Producing Formation: Bone Spring

Lowell Federal #001

API No 30-025-31008
Operated by G and C Operating, LLC

November 26, 2024 Page 3
Moonraker 15-27 Fed Com 201H, 203H, 205H

Producing Spacing Unit: 19S-33E, Sec 15: NESW
Producing Formation: Bone Spring

Should you have any questions or want to discuss any details, please contact me at 432.894.4625 or by email at ruth@pbex.com.

Sincerely,

PBEX Operations, LLC

Ruth Pelzel
Senior Landman

RP:bh
Enc

WELL NAME	Elect TO PARTICIPATE for proportionate share of costs	Elect <u>NOT</u> TO PARTICIPATE for proportionate share of costs
Moonraker 15-27 Fed Com 201H		
Moonraker 15-27 Fed Com 203H		
Moonraker 15-27 Fed Com 205H		

Company: _____

Signed: _____

Name: _____

Title: _____

Date: _____



**PBEX LLC
AUTHORIZATION FOR EXPENDITURE
223 W Wall St.
Midland, TX 79701**

WELL NAME	Moorkraker 15-27 Fed Com 201H	AFE TYPE	Development	AFE NUMBER	
LATERAL LOCATION	Section 15, 22 & 27 of 19S 33E	FIELD	Northern Delaware	PROPERTY NUMBER	
SURFACE LOCATION	15: 703 FNL & 1326 FWL, or Unit C	FORMATION	2BSS	DRILLING DAYS	29
BOTTOM-HOLE LOCATION	27: 10 FSL & 330 FWL, or Unit M	COUNTY	LEA	DEPTH (TVD/TMD)	10100 / 25880
PROJECT DESCRIPTION	Drilling, Completion & Facilities costs for PBEX 3-mile lateral				

ACCT. CODE				DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
IDC	ICC	TDC	TCC		DRILLING	COMPLETIONS	FACILITIES	TOTAL
PREFIX 300	500	PREFIX 400	600	WELL INTANGIBLE COSTS				
301	501			SURVEY/PERMITS/DAMAGES	\$25,000			\$25,000.00
302	502			LOCATION & ROAD	\$43,929			\$43,928.57
303				RIG MOVE	\$57,143			\$57,142.86
304				DRILLING - FOOTAGE				\$0.00
305	505			DRILLING - DAYWORK	\$825,000			\$825,000.00
	506			COMPLETION/WORKOVER RIG				\$0.00
	507			COIL TUBING/SNUBBING UNIT		\$400,000.00		\$400,000.00
	508			SLICKLINE/SWABBING				\$0.00
309	509			BITS	\$120,000			\$120,000.00
310	510			DIRECTIONAL SERVICES	\$279,500			\$279,500.00
311	511			CASING CREW	\$40,000			\$40,000.00
312	512			TOOL & EQUIPMENT RENTAL	\$238,500	\$350,000.00		\$588,500.00
313	513			FUEL & POWER	\$140,700	\$700,000.00		\$840,700.00
314				DIESEL - BASE FOR MUD	\$100,000			\$100,000.00
315	515			MUD LOGGING & GEOLOGIST				\$0.00
316	516			DISPOSAL, RESTORATION & BACKFILL	\$90,000			\$90,000.00
317	517			TRUCKING	\$80,000	\$60,000.00		\$140,000.00
	518			TESTING				\$0.00
319	519			CEMENTING	\$175,000			\$175,000.00
320	520			PERFORATING		\$400,000.00		\$400,000.00
	521			CASED HOLE LOGS				\$0.00
322	522			DOWNHOLE TOOLS & SERVICE	\$40,000	\$100,000.00		\$140,000.00
323	523			SCIENCE & DIAGNOSTICS				\$0.00
	524			FORMATION STIMULATION		\$1,350,000.00		\$1,350,000.00
326	526			CONSULTING SERVICES/SUPERVISION	\$122,000	\$85,000.00		\$207,000.00
327	527			CONTRACT LABOR / SERVICES	\$25,000	\$100,000.00		\$125,000.00
328	528			OTHER LABOR				\$0.00
329	529			OVERHEAD				\$0.00
330	530			WATER - FRESH	\$50,000	\$850,000.00		\$900,000.00
331	531			FLUIDS & CHEMICALS	\$160,000	\$650,000.00		\$810,000.00
332	532			CORING & ANALYSIS				\$0.00
333	533			COMMUNICATIONS	\$10,000	\$10,000.00		\$20,000.00
334	534			BOP TESTING	\$28,000	\$10,000.00		\$38,000.00
335	535			CO2/NITROGEN				\$0.00
336	536			FISHING TOOLS & SERVICES				\$0.00
337	537			INSPECTIONS	\$20,000			\$20,000.00
338				WIRELINE SERVICES				\$0.00
339	539			ENGINEERING & GEOLOGY - FIELD				\$0.00
340	540			ENGINEERING & GEOLOGY - OFFICE				\$0.00
341				MULTISHOT & GYRO				\$0.00
342				RE-ENTRY SERVICES				\$0.00
343	543			CAMPS & TRAILERS	\$67,000	\$40,000.00		\$107,000.00
344	544			SAFETY EQUIPMENT & H2S	\$10,000	\$5,000.00		\$15,000.00
345				CONTINGENCY				\$0.00
346	546			INSURANCE		\$2,000.00		\$2,000.00
347	547			MISCELLANEOUS	\$190,016			\$190,016.00
348	548			OUTSIDE OPERATED				\$0.00
349	549			SAND		\$475,000.00		\$475,000.00
350	550			SAND LOGISTICS		\$475,000.00		\$475,000.00
351	551			VACUUM TRUCK				\$0.00
352	552			WATER - BRINE				\$0.00
	560			FACILITY TRUCKING			\$100,000.00	\$100,000.00
	561			FACILITY VACUUM TRUCK				\$0.00
	562			FACILITY CONSULTING SER./SUPERVISION			\$100,000.00	\$100,000.00
	563			FACILITY CONTRACT LABOR / SER.			\$300,000.00	\$300,000.00
	564			FACILITY SURFACE RENTAL				\$0.00
				SIM-OPS				\$0.00
				TOTAL WELL INTANGIBLE COSTS	\$2,936,787	\$6,062,000.00	\$500,000.00	\$9,498,787.43
				WELL TANGIBLE COSTS				
	401			CASING - CONDUCTOR	\$40,000			\$40,000.00
	402			CASING - SURFACE	\$76,388			\$76,387.50
	403			CASING - SALT STRING	\$0			\$0.00
	404	604		CASING - INTERMEDIATE	\$216,825			\$216,825.00
	405	605		CASING - PRODUCTION / LINER	\$700,000			\$700,000.00
	406	606		SUBSURFACE EQUIPMENT				\$0.00
		607		PRODUCTION TUBING		\$150,000.00		\$150,000.00
		608		SUBSURFACE PUMPING EQUIPMENT				\$0.00
	409	609		WELLHEAD EQUIPMENT	\$80,000			\$80,000.00
		610		FLOWLINES			\$150,000.00	\$150,000.00
		611		SURFACE PUMPING EQUIPMENT				\$0.00
		412	612	LINER HANGER & ASSOC EQUIP				\$0.00
		613		VALVES & FITTINGS			\$200,000.00	\$200,000.00
		614		INSTURMENTATION & ELECTRICAL			\$200,000.00	\$200,000.00
		615		RODS				\$0.00
	417	617		TRUCKING				\$0.00
	420			RE-ENTRY EQUIPMENT				\$0.00
		634		PRODUCTION EQUIPMENT			\$300,000.00	\$300,000.00
	447	647		MISCELLANEOUS				\$0.00
	448	648		OUTSIDE OPERATED				\$0.00
		649		TANGIBLE EQUIP-ACQUISITIONS				\$0.00
				TOTAL TANGIBLE COSTS	\$1,113,213	\$150,000.00	\$850,000.00	\$2,113,212.50
				TOTAL ESTIMATED WELL COST	\$4,050,000	\$6,212,000.00	\$1,350,000.00	\$11,611,999.93

PREPARED BY: Alex Bourland & Aaron Cattley DATE: 6/9/2024

OPERATOR APPROVAL: _____ DATE: _____

OPERATOR APPROVAL: _____ DATE: _____

PARTNER COMPANY NAME: _____ DATE: _____

PARTNER APPROVAL: _____

TITLE: _____



**PBEX LLC
AUTHORIZATION FOR EXPENDITURE
223 W Wall St.
Midland, TX 79701**

WELL NAME	Moorkraker 15-27 Fed Com 203H	AFE TYPE	Development	AFE NUMBER	
LATERAL LOCATION	Section 15, 22 & 27 of 19S 33E	FIELD	Northern Delaware	PROPERTY NUMBER	
SURFACE LOCATION	15: 704 FNL & 1366 FWL, or Unit C	FORMATION	2BSS	DRILLING DAYS	29
BOTTOM-HOLE LOCATION	27: 10 FSL & 1320 FWL, or Unit M	COUNTY	LEA	DEPTH (TVD/TMD)	10100 / 25880
PROJECT DESCRIPTION	Drilling, Completion & Facilities costs for PBEX 3-mile lateral				

ACCT. CODE				DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
IDC	ICC	TDC	TCC		DRILLING	COMPLETIONS	FACILITIES	TOTAL
PREFIX 300	500	PREFIX 400	600	WELL INTANGIBLE COSTS				
301	501			SURVEY/PERMITS/DAMAGES	\$25,000			\$25,000.00
302	502			LOCATION & ROAD	\$43,929			\$43,928.57
303				RIG MOVE	\$57,143			\$57,142.86
304				DRILLING - FOOTAGE				\$0.00
305	505			DRILLING - DAYWORK	\$825,000			\$825,000.00
	506			COMPLETION/WORKOVER RIG				\$0.00
	507			COIL TUBING/SNUBBING UNIT		\$400,000.00		\$400,000.00
	508			SLICKLINE/SWABBING				\$0.00
309	509			BITS	\$120,000			\$120,000.00
310	510			DIRECTIONAL SERVICES	\$279,500			\$279,500.00
311	511			CASING CREW	\$40,000			\$40,000.00
312	512			TOOL & EQUIPMENT RENTAL	\$238,500	\$350,000.00		\$588,500.00
313	513			FUEL & POWER	\$140,700	\$700,000.00		\$840,700.00
314				DIESEL - BASE FOR MUD	\$100,000			\$100,000.00
315	515			MUD LOGGING & GEOLOGIST				\$0.00
316	516			DISPOSAL, RESTORATION & BACKFILL	\$90,000			\$90,000.00
317	517			TRUCKING	\$80,000	\$60,000.00		\$140,000.00
	518			TESTING				\$0.00
319	519			CEMENTING	\$175,000			\$175,000.00
320	520			PERFORATING		\$400,000.00		\$400,000.00
	521			CASED HOLE LOGS				\$0.00
322	522			DOWNHOLE TOOLS & SERVICE	\$40,000	\$100,000.00		\$140,000.00
323	523			SCIENCE & DIAGNOSTICS				\$0.00
	524			FORMATION STIMULATION		\$1,350,000.00		\$1,350,000.00
326	526			CONSULTING SERVICES/SUPERVISION	\$122,000	\$85,000.00		\$207,000.00
327	527			CONTRACT LABOR / SERVICES	\$25,000	\$100,000.00		\$125,000.00
328	528			OTHER LABOR				\$0.00
329	529			OVERHEAD				\$0.00
330	530			WATER - FRESH	\$50,000	\$850,000.00		\$900,000.00
331	531			FLUIDS & CHEMICALS	\$160,000	\$650,000.00		\$810,000.00
332	532			CORING & ANALYSIS				\$0.00
333	533			COMMUNICATIONS	\$10,000	\$10,000.00		\$20,000.00
334	534			BOP TESTING	\$28,000	\$10,000.00		\$38,000.00
335	535			CO2/NITROGEN				\$0.00
336	536			FISHING TOOLS & SERVICES				\$0.00
337	537			INSPECTIONS	\$20,000			\$20,000.00
338				WIRELINE SERVICES				\$0.00
339	539			ENGINEERING & GEOLOGY - FIELD				\$0.00
340	540			ENGINEERING & GEOLOGY - OFFICE				\$0.00
341				MULTISHOT & GYRO				\$0.00
342				RE-ENTRY SERVICES				\$0.00
343	543			CAMPS & TRAILERS	\$67,000	\$40,000.00		\$107,000.00
344	544			SAFETY EQUIPMENT & H2S	\$10,000	\$5,000.00		\$15,000.00
345				CONTINGENCY				\$0.00
346	546			INSURANCE		\$2,000.00		\$2,000.00
347	547			MISCELLANEOUS	\$190,016			\$190,016.00
348	548			OUTSIDE OPERATED				\$0.00
349	549			SAND		\$475,000.00		\$475,000.00
350	550			SAND LOGISTICS		\$475,000.00		\$475,000.00
351	551			VACUUM TRUCK				\$0.00
352	552			WATER - BRINE				\$0.00
	560			FACILITY TRUCKING			\$100,000.00	\$100,000.00
	561			FACILITY VACUUM TRUCK				\$0.00
	562			FACILITY CONSULTING SER./SUPERVISION			\$100,000.00	\$100,000.00
	563			FACILITY CONTRACT LABOR / SER.			\$300,000.00	\$300,000.00
	564			FACILITY SURFACE RENTAL				\$0.00
				SIM-OPS				\$0.00
				TOTAL WELL INTANGIBLE COSTS	\$2,936,787	\$6,062,000.00	\$500,000.00	\$9,498,787.43
				WELL TANGIBLE COSTS				
	401			CASING - CONDUCTOR	\$40,000			\$40,000.00
	402			CASING - SURFACE	\$76,388			\$76,387.50
	403			CASING - SALT STRING	\$0			\$0.00
	404	604		CASING - INTERMEDIATE	\$216,825			\$216,825.00
	405	605		CASING - PRODUCTION / LINER	\$700,000			\$700,000.00
	406	606		SUBSURFACE EQUIPMENT				\$0.00
		607		PRODUCTION TUBING		\$150,000.00		\$150,000.00
		608		SUBSURFACE PUMPING EQUIPMENT				\$0.00
	409	609		WELLHEAD EQUIPMENT	\$80,000			\$80,000.00
		610		FLOWLINES			\$150,000.00	\$150,000.00
		611		SURFACE PUMPING EQUIPMENT				\$0.00
		412	612	LINER HANGER & ASSOC EQUIP				\$0.00
		613		VALVES & FITTINGS			\$200,000.00	\$200,000.00
		614		INSTURMENTATION & ELECTRICAL			\$200,000.00	\$200,000.00
		615		RODS				\$0.00
	417	617		TRUCKING				\$0.00
	420			RE-ENTRY EQUIPMENT				\$0.00
		634		PRODUCTION EQUIPMENT			\$300,000.00	\$300,000.00
	447	647		MISCELLANEOUS				\$0.00
	448	648		OUTSIDE OPERATED				\$0.00
		649		TANGIBLE EQUIP-ACQUISITIONS				\$0.00
				TOTAL TANGIBLE COSTS	\$1,113,213	\$150,000.00	\$850,000.00	\$2,113,212.50
				TOTAL ESTIMATED WELL COST	\$4,050,000	\$6,212,000.00	\$1,350,000.00	\$11,611,999.93

PREPARED BY: Alex Bourland & Aaron Cattley DATE: 6/9/2024

OPERATOR APPROVAL: _____ DATE: _____

OPERATOR APPROVAL: _____ DATE: _____

PARTNER COMPANY NAME: _____ DATE: _____

PARTNER APPROVAL: _____

TITLE: _____



**PBEX LLC
AUTHORIZATION FOR EXPENDITURE
223 W Wall St.
Midland, TX 79701**

WELL NAME	Moorkraker 15-27 Fed Com 205H	AFE TYPE	Development	AFE NUMBER	
LATERAL LOCATION	Section 15, 22 & 27 of 19S 33E	FIELD	Northern Delaware	PROPERTY NUMBER	
SURFACE LOCATION	15: 704 FNL & 1386 FWL, or Unit C	FORMATION	2BSS	DRILLING DAYS	29
BOTTOM-HOLE LOCATION	27: 10 FSL & 2310 FWL, or Unit N	COUNTY	LEA	DEPTH (TVD/TMD)	10100 / 25880
PROJECT DESCRIPTION	Drilling, Completion & Facilities costs for PBEX 3-mile lateral				

ACCT. CODE				DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
IDC	ICC	TDC	TCC		DRILLING	COMPLETIONS	FACILITIES	TOTAL
PREFIX 300	500	PREFIX 400	600	WELL INTANGIBLE COSTS				
301	501			SURVEY/PERMITS/DAMAGES	\$25,000			\$25,000.00
302	502			LOCATION & ROAD	\$43,929			\$43,928.57
303				RIG MOVE	\$57,143			\$57,142.86
304				DRILLING - FOOTAGE				\$0.00
305	505			DRILLING - DAYWORK	\$825,000			\$825,000.00
	506			COMPLETION/WORKOVER RIG				\$0.00
	507			COIL TUBING/SNUBBING UNIT		\$400,000.00		\$400,000.00
	508			SLICKLINE/SWABBING				\$0.00
309	509			BITS	\$120,000			\$120,000.00
310	510			DIRECTIONAL SERVICES	\$279,500			\$279,500.00
311	511			CASING CREW	\$40,000			\$40,000.00
312	512			TOOL & EQUIPMENT RENTAL	\$238,500	\$350,000.00		\$588,500.00
313	513			FUEL & POWER	\$140,700	\$700,000.00		\$840,700.00
314				DIESEL - BASE FOR MUD	\$100,000			\$100,000.00
315	515			MUD LOGGING & GEOLOGIST				\$0.00
316	516			DISPOSAL, RESTORATION & BACKFILL	\$90,000			\$90,000.00
317	517			TRUCKING	\$80,000	\$60,000.00		\$140,000.00
	518			TESTING				\$0.00
319	519			CEMENTING	\$175,000			\$175,000.00
320	520			PERFORATING		\$400,000.00		\$400,000.00
	521			CASED HOLE LOGS				\$0.00
322	522			DOWNHOLE TOOLS & SERVICE	\$40,000	\$100,000.00		\$140,000.00
323	523			SCIENCE & DIAGNOSTICS				\$0.00
	524			FORMATION STIMULATION		\$1,350,000.00		\$1,350,000.00
326	526			CONSULTING SERVICES/SUPERVISION	\$122,000	\$85,000.00		\$207,000.00
327	527			CONTRACT LABOR / SERVICES	\$25,000	\$100,000.00		\$125,000.00
328	528			OTHER LABOR				\$0.00
329	529			OVERHEAD				\$0.00
330	530			WATER - FRESH	\$50,000	\$850,000.00		\$900,000.00
331	531			FLUIDS & CHEMICALS	\$160,000	\$650,000.00		\$810,000.00
332	532			CORING & ANALYSIS				\$0.00
333	533			COMMUNICATIONS	\$10,000	\$10,000.00		\$20,000.00
334	534			BOP TESTING	\$28,000	\$10,000.00		\$38,000.00
335	535			CO2/NITROGEN				\$0.00
336	536			FISHING TOOLS & SERVICES				\$0.00
337	537			INSPECTIONS	\$20,000			\$20,000.00
338				WIRELINE SERVICES				\$0.00
339	539			ENGINEERING & GEOLOGY - FIELD				\$0.00
340	540			ENGINEERING & GEOLOGY - OFFICE				\$0.00
341				MULTISHOT & GYRO				\$0.00
342				RE-ENTRY SERVICES				\$0.00
343	543			CAMPS & TRAILERS	\$67,000	\$40,000.00		\$107,000.00
344	544			SAFETY EQUIPMENT & H2S	\$10,000	\$5,000.00		\$15,000.00
345				CONTINGENCY				\$0.00
346	546			INSURANCE		\$2,000.00		\$2,000.00
347	547			MISCELLANEOUS	\$190,016			\$190,016.00
348	548			OUTSIDE OPERATED				\$0.00
349	549			SAND		\$475,000.00		\$475,000.00
350	550			SAND LOGISTICS		\$475,000.00		\$475,000.00
351	551			VACUUM TRUCK				\$0.00
352	552			WATER - BRINE				\$0.00
	560			FACILITY TRUCKING			\$100,000.00	\$100,000.00
	561			FACILITY VACUUM TRUCK				\$0.00
	562			FACILITY CONSULTING SER./SUPERVISION			\$100,000.00	\$100,000.00
	563			FACILITY CONTRACT LABOR / SER.			\$300,000.00	\$300,000.00
	564			FACILITY SURFACE RENTAL				\$0.00
				SIM-OPS				\$0.00
				TOTAL WELL INTANGIBLE COSTS	\$2,936,787	\$6,062,000.00	\$500,000.00	\$9,498,787.43
				WELL TANGIBLE COSTS				
	401			CASING - CONDUCTOR	\$40,000			\$40,000.00
	402			CASING - SURFACE	\$76,388			\$76,387.50
	403			CASING - SALT STRING	\$0			\$0.00
	404	604		CASING - INTERMEDIATE	\$216,825			\$216,825.00
	405	605		CASING - PRODUCTION / LINER	\$700,000			\$700,000.00
	406	606		SUBSURFACE EQUIPMENT				\$0.00
		607		PRODUCTION TUBING		\$150,000.00		\$150,000.00
		608		SUBSURFACE PUMPING EQUIPMENT				\$0.00
	409	609		WELLHEAD EQUIPMENT	\$80,000			\$80,000.00
		610		FLOWLINES			\$150,000.00	\$150,000.00
		611		SURFACE PUMPING EQUIPMENT				\$0.00
		412	612	LINER HANGER & ASSOC EQUIP				\$0.00
		613		VALVES & FITTINGS			\$200,000.00	\$200,000.00
		614		INSTURMENTATION & ELECTRICAL			\$200,000.00	\$200,000.00
		615		RODS				\$0.00
	417	617		TRUCKING				\$0.00
	420			RE-ENTRY EQUIPMENT				\$0.00
		634		PRODUCTION EQUIPMENT			\$300,000.00	\$300,000.00
	447	647		MISCELLANEOUS				\$0.00
	448	648		OUTSIDE OPERATED				\$0.00
		649		TANGIBLE EQUIP-ACQUISITIONS				\$0.00
				TOTAL TANGIBLE COSTS	\$1,113,213	\$150,000.00	\$850,000.00	\$2,113,212.50
				TOTAL ESTIMATED WELL COST	\$4,050,000	\$6,212,000.00	\$1,350,000.00	\$11,611,999.93

PREPARED BY: Alex Bourland & Aaron Cattley DATE: 6/9/2024

OPERATOR APPROVAL: _____ DATE: _____

OPERATOR APPROVAL: _____ DATE: _____

PARTNER COMPANY NAME: _____ DATE: _____

PARTNER APPROVAL: _____

TITLE: _____

2BSS Chronology of Contact

11/26/2024 Initial Proposals to WI owners mailed out via certified mail.

12/11/2024 Proposal with updated address to Oxy is sent out via certified mail.

12/11/2024 Communicated through email with Oxy about their interests in the wells.

12/11/2024 Phone call with Oxy about interest.

1/15/2025 OA's and Com Agreements are sent to WI owners via certified mail.

1/15/2025 BS Com Agreements are sent to RT owners via certified mail.

1/23/2025 Ratification of BS Com agreements are sent to ORRI via certified mail.

1/30/2025 Email from Oxy explaining they will not sign CA's until the API number is provided.

2/10/2025 Email from Escondido confirming they the signed CA.

McMullen Minerals emailed with deed updating title info to Sidecar et al. Ratifications sent to
2/12/2025 updated parties.

2/27/2025 Emailed Sam at Oxy about status of the OA.

PBEX Operations, LLC
Case No. 25154
Exhibit A-5

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

**APPLICATION OF PBEX OPERATIONS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 25154

**SELF-AFFIRMED STATEMENT
OF MATTHEW PARDEE**

1. I am a geologist at PBEX Operations, LLC (“PBEX”) and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my qualifications as an expert in petroleum geology were accepted by the Division.

2. I am familiar with the geological matters that pertain to the above-referenced case.

3. **Exhibit B-1** is a location map of the proposed horizontal spacing unit (“Unit”) within the Bone Spring formation. The approximate wellbore paths for the proposed **Moonraker 15-27 Fed Com 201H, Moonraker 15-27 Fed Com 203H, and Moonraker 15-27 Fed Com 205H** wells (“Wells”) are represented by light green dashed lines. Existing producing wells in the targeted interval are represented by thin, light blue solid lines.

4. **Exhibit B-2** contains a subsea structure map for the top of the Second Sand Marker in the Bone Spring formation that is representative of a targeted interval within the formation. The data points are indicated by red circles. The approximate wellbore paths for the Wells are depicted by light green dashed lines. The map demonstrates the formation is gently dipping to the southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

**PBEX Operations, LLC
Case No. 25154
Exhibit B**

5. **Exhibit B-3** identifies three wells penetrating the targeted interval that I used to construct a stratigraphic cross-section from A to A'. I used these well logs because they penetrate the targeted interval, are of good quality, and are representative of the geology in the area.

6. **Exhibit B-4** is a stratigraphic cross-section using the representative wells identified on **Exhibit B-3**. It contains gamma ray, resistivity, and porosity logs. The proposed landing zones for the Wells are labeled on the exhibit. This cross-section demonstrated the target interval is continuous across the Unit.

7. In my opinion, a standup orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and slightly dominant stress regime that yields a preferred fracture orientation in this portion of the trend.

8. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.

9. In my opinion, the granting of PBEX's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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

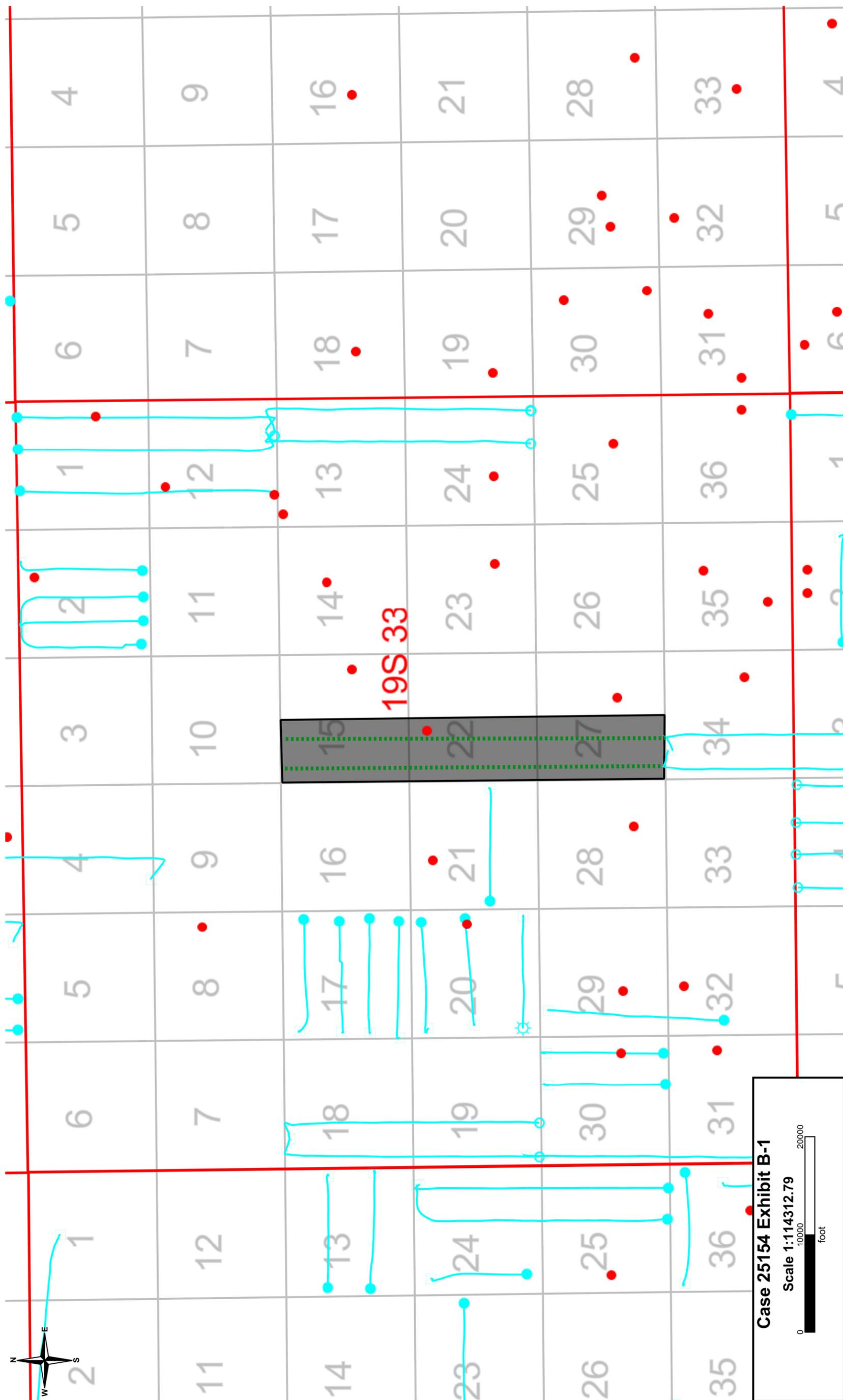
11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.



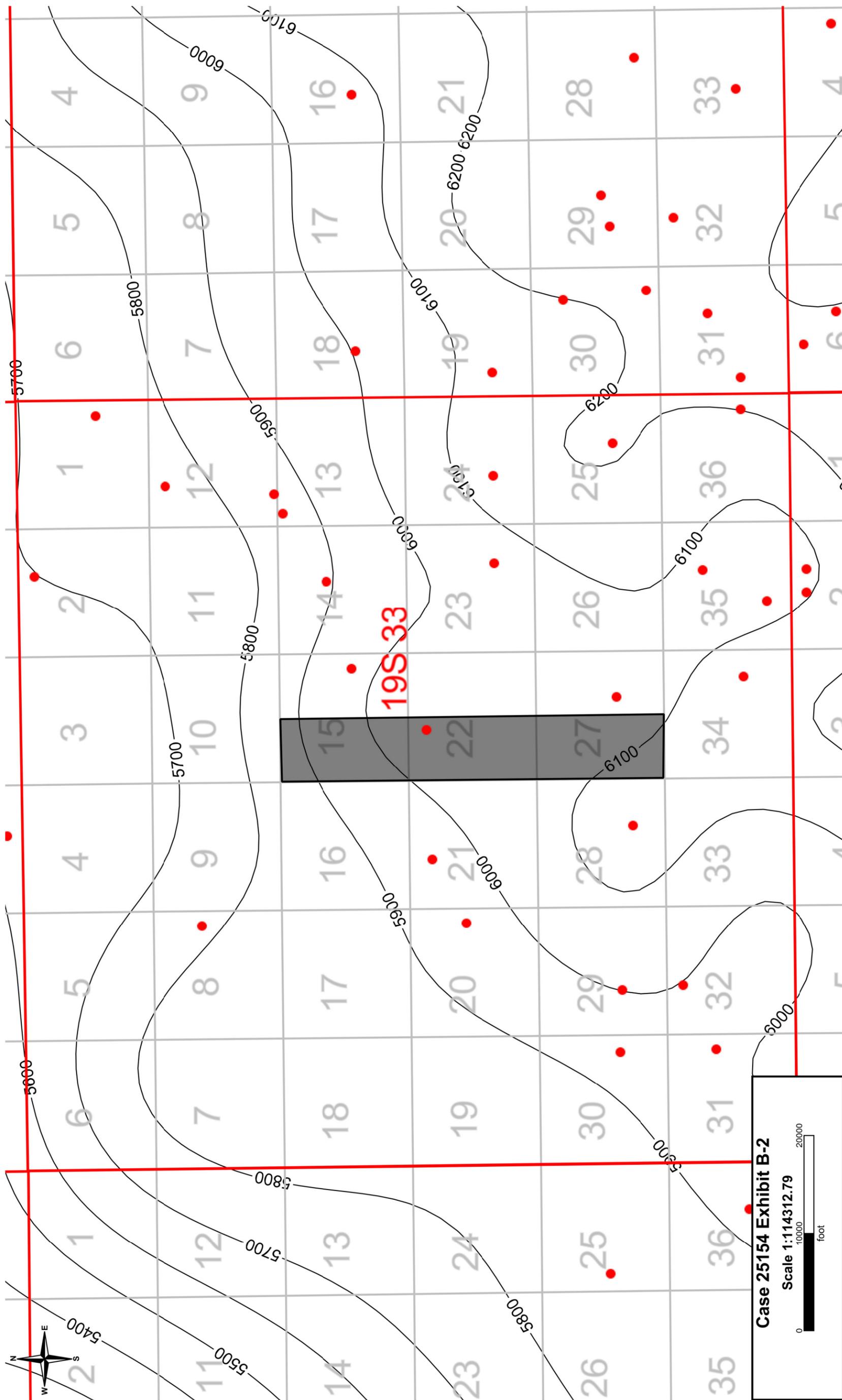
Matthew Pardee

03/05/2025

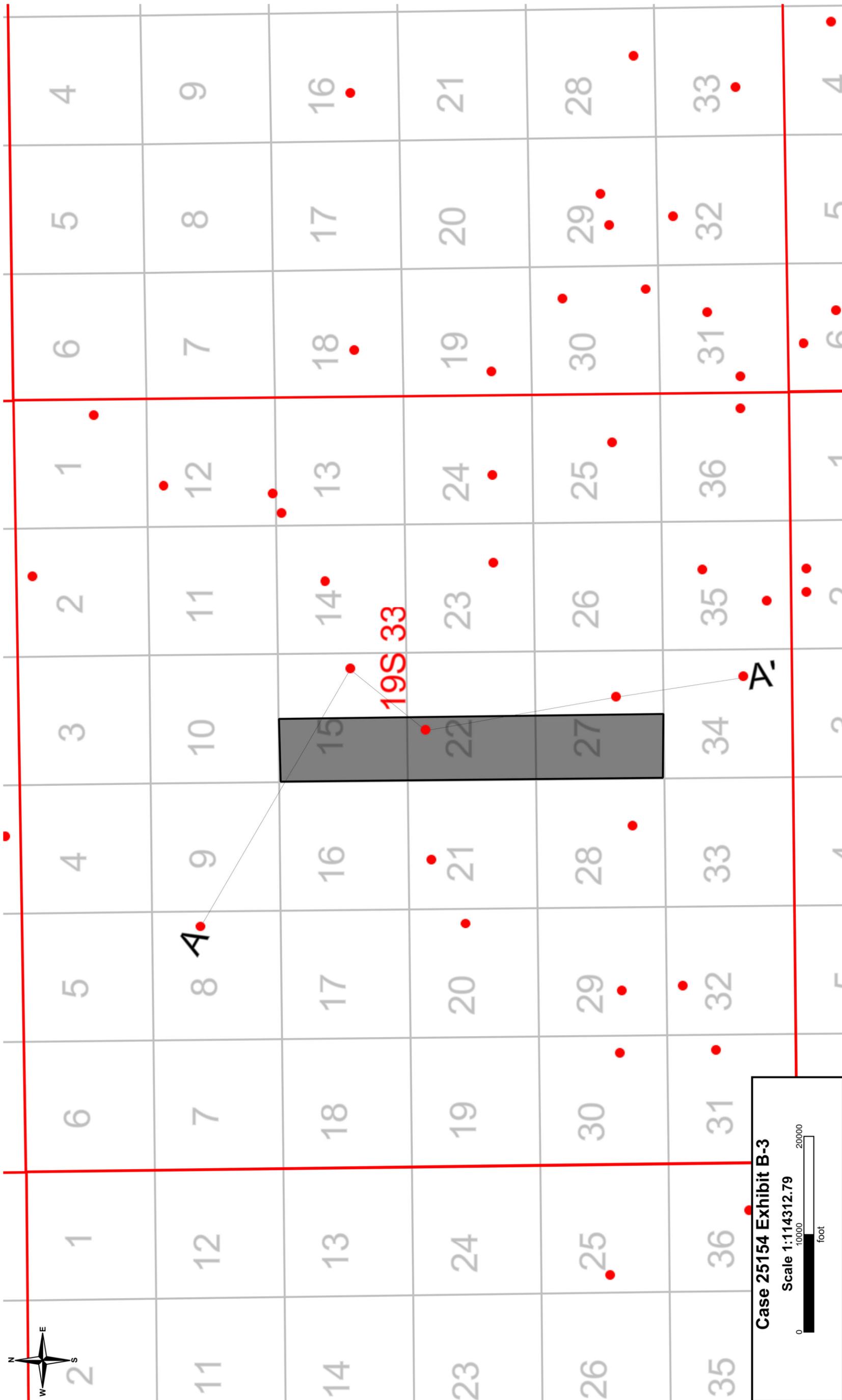
Date

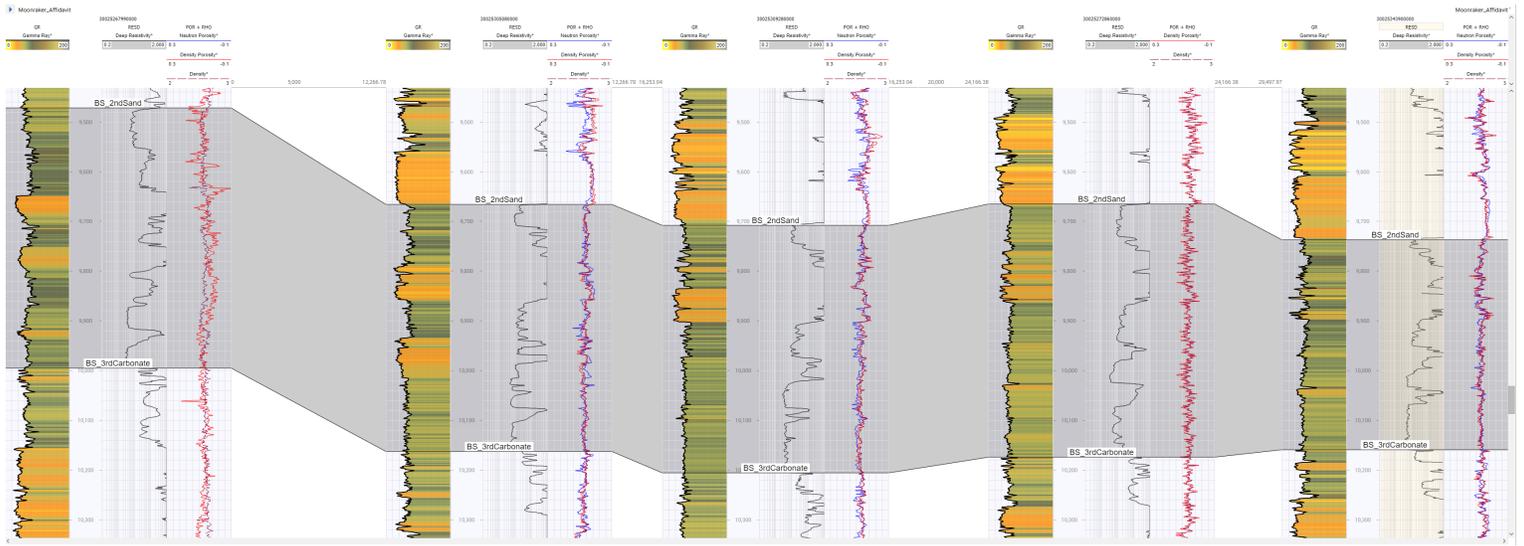


PBEX Operations, LLC
Case No. 25154
Exhibit B-1



PBEX Operations, LLC
Case No. 25154
Exhibit B-2





PBEX Operations, LLC
Case No. 25154
Exhibit B-4

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

**APPLICATION OF PBEX OPERATIONS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25154

**SELF-AFFIRMED STATEMENT
OF DANA S. HARDY**

1. I am attorney in fact and authorized representative of PBEX Operations, LLC, the Applicant herein.

2. I am familiar with the Notice Letters attached as **Exhibit C-1**, and caused the Notice Letters, along with the Applications in this case, to be sent to the parties set out in the Notice Letter Chart attached as **Exhibit C-2**.

3. **Exhibit C-2** also provides the date the Notice Letter was sent out, along with the delivery status of each.

4. The Certified Mail Receipts are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on **Exhibit C-2**.

5. On January 29, 2025, I caused a notice to be published in the Hobbs – News Sun. An Affidavit of Publication from the legal Clerk of the Hobbs News – Sun along with a copy of the Notice Publication, is attached as **Exhibit C-4**.

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

/s/Dana S. Hardy
Dana S. Hardy

March 5, 2025
Date

**PBEX Operations, LLC
Case No. 25154
Exhibit C**



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

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

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

January 22, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 25154 – Application of PBEX Operations, LLC for Compulsory Pooling, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **February 13, 2025**, beginning at 9:00 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/>) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Ruth Pelzel, Landman at PBEX Operations, LLC, via e-mail at ruth@pbex.com.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

PBEX Operations, LLC

Case No. 25154

Exhibit C-1

Enclosure

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

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

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



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

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

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

January 23, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

NOTICE OF OVERLAPPING SPACING UNIT

Re: Notice of Overlapping Spacing Units Regarding Case Nos. 25154 & 25155 – Applications of PBEX Operations, LLC for Compulsory Pooling, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed applications were filed by PBEX Operations, LLC (“PBEX”) with the New Mexico Oil Conservation Division. The hearing will be conducted on **February 13, 2025**, beginning at 9:00 a.m.

The spacing units PBEX seeks to pool in Case Nos. 25154 and 25155 overlap with the spacing units for the following wells, which produce from the Tonto; Bone Spring Pool (Code 59475):

- Malachite 22 Federal #001H (API No. 30-025-40318), which is located in the W/2 W/2 of Section 22, Township 19 South, Range 33 East;
- Malachite 22 Federal #002H (API No. 30-025-40389), which is located in the E/2 W/2 of Section 22, Township 19 South, Range 33 East; and
- Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East.

In accordance with 19.15.15.12(B) NMAC, you have 20 days to notify the undersigned counsel or Ruth Pelzel, Landman at PBEX Operations, LLC (ruth@pbex.com) that you object to the proposed overlapping spacing unit.

Please do not hesitate to contact me if you have any questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

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

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

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

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

**APPLICATION OF PBEX OPERATIONS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25154

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Occidental Permian LP Attn: Sam D'Amico 5 Greenway Plaza, Suite 110 Houston, TX 77046	1-22-2025 9589071052701502392171	1-31-2025

**PBEX Operations, LLC
Case No. 25154
Exhibit C-2**

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

**APPLICATION OF PBEX OPERATIONS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 25154 & 25155

OVERLAPPING SPACING UNIT NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
C&G Operating, LLC PO Box 1618 Artesia, NM 88211	1-23-2025 9589071052701502392263	1-31-2025
Raybaw Operating LLC 2626 Cole Ave Ste. 300 Dallas, TX 75204	1-23-2025 9589071052701502392256	2-10-2025

9589 0710 5270 1502 3921 71

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

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

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee if appropriate)

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

Adult Signature Required \$

Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To Occidental Permian LP
 Street Attn: Sam D'Amico
 5 Greenway Plaza, Suite 110
 City, St Houston, TX 77046
 25154 PBEX Moonraker

PS Form 3890, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Occidental Permian LP
 Attn: Sam D'Amico
 5 Greenway Plaza, Suite 110
 Houston, TX 77046

25154 PBEX Moonraker

9590 9402 9022 4122 7756 03

2. Article Number (Transfer from service label)
 9589 0710 5270 1502 3921 71

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* Agent Addressee

B. Received by (Printed Name) *[Signature]* C. Date of Delivery 1/25/25

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

RECEIVED

JAN 31 2025

3. Service Type Santa Fe Mail Express®
 Adult Signature Registered Mail™
 Adult Signature Restricted Delivery Registered Mail Restricted Delivery
 Certified Mail® Signature Confirmation™
 Certified Mail Restricted Delivery Signature Confirmation Restricted Delivery
 Collect on Delivery Signature Confirmation Restricted Delivery
 Collect on Delivery Restricted Delivery Signature Confirmation Restricted Delivery
 Insured Mail Signature Confirmation Restricted Delivery
 Insured Mail Restricted Delivery (0)

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

PBEX Operations, LLC
 Case No. 25154
 Exhibit C-3

9589 0710 5270 1502 3922 63

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

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

OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To

Street: G & C Operating, LLC
 PO Box 1618
 City, St: Artesia, NM 88211
 25154 25154 PBEX Moonraker OSU

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

Postmark Here
 JAN 23 2025
 SANTA FE, NM

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>
<p>1. Article Addressed to:</p> <p>G & C Operating, LLC PO Box 1618 Artesia, NM 88211 25154 PBEX Moonraker OSU</p> <p>9590 9402 9190 4225 2360 25</p>	<p>RECEIVED JAN 31 2025 Santa Fe, NM 87504</p>
<p>2. Article Number (Transfer from service label) 9589 0710 5270 1502 3922 63</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Registered Mail <input type="checkbox"/> Registered Mail Restricted Delivery (over \$500)</p>
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

9589 0710 5270 1502 3922 56

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

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

OFFICIAL USE

Certified Mail Fee
 \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage
 \$ _____

Total Postage and Fees
 \$ _____

Sent To

Street and A1 Raybaw Operating LLC
 2626 Cole Ave Ste 300
 Dallas, TX 75204

City, State, Z 25155 . 25154 PBEX Moonraker OSU

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Raybaw Operating LLC
 2626 Cole Ave Ste 300
 Dallas, TX 75204

25155 25154 PBEX Moonraker OSU

9590 9402 9190 4225 2360 18

2. Article Number (Transfer from service label)

9589 0710 5270 1502 3922 56

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 Alex Nomichit Agent
 Addressee

B. Received by (Printed Name) Alex Nomichit

C. Date of Delivery 2/3/2025

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

RECEIVED
 FEB 10 2025

3. Service Type
- Adult Signature Priority Mail Express®
- Adult Signature Restricted Delivery Registered Mail™
- Certified Mail® Registered Mail Restricted Delivery
- Certified Mail Restricted Delivery Signature Confirmation™
- Collect on Delivery Signature Confirmation Restricted Delivery
- Collect on Delivery Restricted Delivery Restricted Delivery
- Insured Mail Registered Mail Restricted Delivery (over \$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
January 29, 2025
and ending with the issue dated
January 29, 2025.



Publisher

Sworn and subscribed to before me this
29th day of January 2025.



Business Manager

My commission expires
~~January 29, 2027~~

Seal) **STATE OF NEW MEXICO**
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE
January 29, 2025

This is to notify all interested parties, including; G and C Operating, LLC; Occidental Permian LP; Raybaw Operating LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted by PBEX Operations, LLC ("Applicant") (Case No. 25154). The hearing will be conducted on February 13, 2025, in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. In Case No. 25154, Applicant seeks an order pooling uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): **Moonraker 15-27 Fed Com 201H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; **Moonraker 15-27 Fed Com 203H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; and **Moonraker 15-27 Fed Com 205H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The completed intervals of the Wells will be orthodox. The Moonraker 15-27 Fed Com 203H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 480-acre standard horizontal spacing unit. The Unit will overlap with the spacing units for the following wells, which produce from the Tonto; Bone Spring Pool (Code 59475); Malachite 22 Federal #001H (API No. 30-025-40318), which is located in the W/2 W/2 of Section 22, Township 19 South, Range 33 East; Malachite 22 Federal #002H (API No. 30-025-40389); and Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East. Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 29.8 miles west of Hobbs, New Mexico.
#00297772

02107475

00297772

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

PBEX Operations, LLC
Case No. 25154
Exhibit C-4