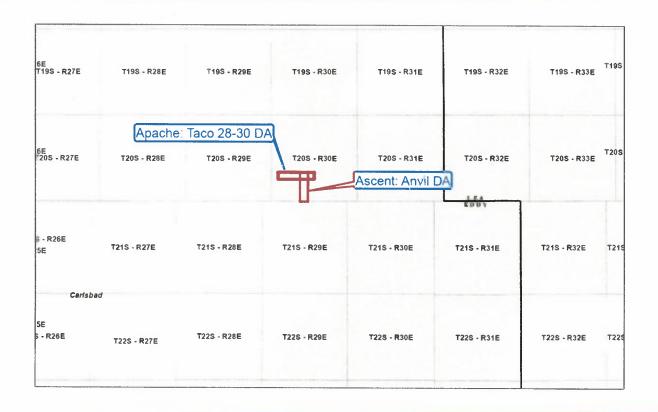


## **PROXIMITY MAP: APACHE AND ASCENT**



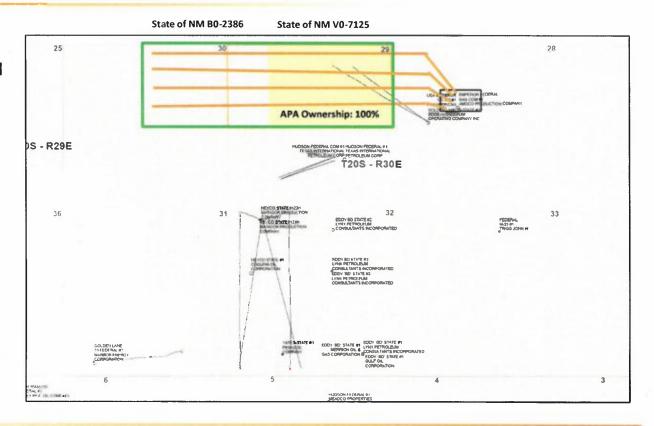
Apache.

### TACO 29 – INITIAL PLAN

### APRIL/MAY 2018

### **Lease Status**

- 2 state leases currently HBP
- Golden Lane well is the only well holding the lease covering the NE/4 and E/2NW/4
- Compulsory pooling will be required most likely
- Wells successfully staked in May 2018 and well pad expansion approved
- NE/4 of Sec. 30 added for extended laterals
  - Oxy claims to own 100% working interest
  - Allows for development of Section 30 (otherwise stranded)





From: Rutley, James [mailto:jrutley@blm.gov]

Sent: Monday, May 21, 2018 2:18 PM

To: Stretcher, Laci < Laci. Stretcher@apachecorp.com > Cc: Dollins, Rick < Rick. Dollins@apachecorp.com >

Subject: Re: [EXTERNAL] Apache/Ascent Collaboration Proposal

Laci.

It's an informal process still but with as many protests that have been occurring of late, we may need to formalize the protest process.

After the 30 day notification period expires, and a formal protest has not been rescinded, we ask the "protesting party" to request a 30 day, 45 day or 60 day extension. After that extension period expires and there is still no resolve, we bring all parties that are involved in the protest to BLM for a meeting with BLM managers. There are a lot of moving parts with every development area and sometimes our "talk it out" process with managers finds a solution. If still no resolution, the protest goes before OCD. Until recently, we have not had any of the meetings progress to that point, but in the last six months, I believe at least 3, maybe 4 have gone to hearing.

In your protest letter, explain the reason for your protest and ask for an extension. Copy the proponent (Ascent) with your protest to us.

Thanks

Jim

James & Rutley

Geologist (Potash Specialist)

Carlsbad Field Office

Bureau of Land Management

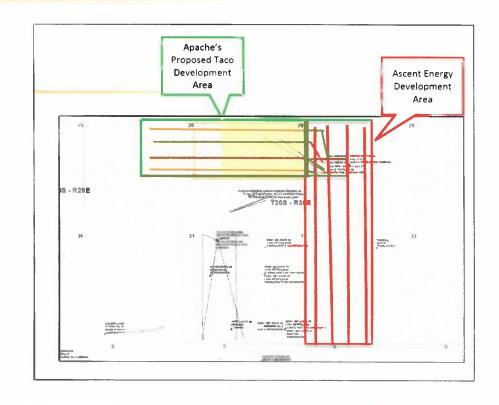
(575) 234-5904

Warning: This message is intended only for use of the individual or entity to which it is addressed, and may contain information that is privileged or confidential, and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient or the employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender immediately by return letter/fax/email.

### TACO 29 AND ANVIL DEVELOPMENT AREA CONFLICT

### **IDENTIFIED APRIL 2018**

- Significant collision issues are possible in a dual development scenario due to less well control at the end of a lateral
- According to NM OCD website, Ascent is not an experienced driller
- Ascent drilled 4 wells in 2019 according to NM OCD website
- Requested collaboration with Ascent and BLM on 4/3/2018



Spache



April 3, 2018

### Sent Certified Mail

Bureau of Land Management Attn: Jim Rutley 620 East Green St. Carlsbad, NM 88220

Re: Request for Collaboration on Anvil Development Area

Township 20 South, Range 30 East Eddy County, New Mexico

Dear Mr. Rutley:

Apache received notice of Ascent Energy's proposal in the Anvil Development Area, Township 20 South, Range 30 East, of Eddy County, New Mexico. Apache currently operates the Golden Lane 29 State #1Y (API 30-015-34295) that begins in Section 28-20S-30E and produces from the Morrow formation in Section 29-20S-30E.

Apache plans to further develop its Bone Spring rights in Section 29-20S-30E subject to permitting and surface location approval from the BLM. We are scheduled for an on-site with the BLM on April 23<sup>rd</sup> to establish if the existing well pad can be enlarged. According to email correspondence with the BLM, Apache should be able to develop its acreage in the area.

Please allow this letter to serve as an official request for collaboration between the BLM, Ascent, and Apache to develop acreage in the area. I've attached Ascent's map with Apache's planned wells in green, subject to BLM approval. The wells we propose would begin on the existing pad and extend across the NW/4 of Section 28-20S-30E and into the N/2 of Section 29-20S-30E. The producing interval would be solely in Section 29-20S-30E. Apache will know more after the on-site on April 23rd, and we would like to begin conversations now for mutually beneficial solutions.

Sincerely,

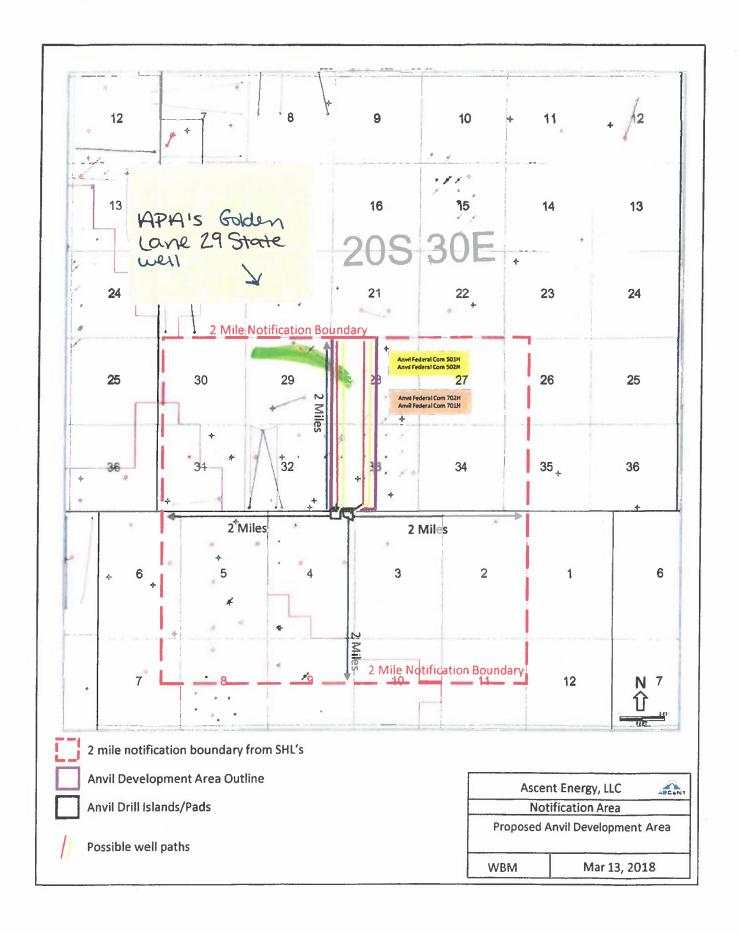
APACHE CORPORATION

Laci Stretcher Landman

Laci.Stretcher@apachecorp.com

Phone: 432-818-1846

CC: Lee Zink, Ascent Energy





### Sent Certified Mail and Electronic Mail

Bureau of Land Management Attn: Jim Rutley 620 East Green St. Carlsbad, NM 88220

Re: Formal Protest of Anvil Development Area

Township 20 South, Range 30 East Eddy County, New Mexico

Dear Mr. Rutley:

Apache received notice of Ascent Energy's ("Ascent") proposal in the Anvil Development Area, Township 20 South, Range 30 East, of Eddy County, New Mexico. Apache currently operates the Golden Lane 29 State #1Y (API 30-015-34295) that begins in Section 28-20S-30E and produces from the Morrow formation in Section 29-20S-30E.

Apache plans to further develop its Bone Spring rights in Section 29-20S-30E subject to permitting and surface location approval from the BLM. We successfully staked 8 well pad locations on April 23<sup>rd</sup> with the BLM. Apache originally requested collaboration with Ascent on April 3, 2018, so that we could discuss mutual development in the area. As part of those efforts, Apache sent over all C-102s related to its staked Taco 29 wells on Monday 14, 2018. Ascent promised to send over C-102s, but nothing has been provided as of today's date.

After reviewing the perpendicular plans by Apache and Ascent, our drilling engineer concluded that the projects, specifically in the W/2NW/4 of Sec. 28-20S-30E, pose a significant collision possibility. Ascent's proposed wells would be nearing the end of the lateral, and well location certainty will be reduced. Even if Apache wanted to steer around Ascent's wells, the possibility of collision is too great of a risk for mutual development.

In the spirit of collaboration, Apache sent an email to Lee Zink with Ascent on Friday, May 18, 2018, requesting that Apache produce and operate the W/2NW/4 of Sec. 28-20S-30E as part of its Taco 29 wells. Ascent would drill 1.5 mile laterals in the W/2W/2 of Sections 33 and 28-20S-30E, and its originally planned 2 mile laterals in the E/2W/2 of Sections 33 and 28-20S-30E. Apache would drill 1.25 mile laterals from its approved drill island going west into Section 29-20S-30E, and both operators could be assured of a safe and efficient drilling program that produces federal and state minerals in an otherwise difficult area for development. This plan would also protect Ascent from any potential risk in drilling through an area with Apache's producing Golden Lane well.

Apache's email to Ascent included several options for the operator, including participation in the 1.25 mile Taco 28/29 wells, trade possibilities, and potential for an outright acquisition of the



acreage. Ascent responded back with a no to Apache's alternative drilling plan and rejected any possibility of collaboration.

Apache learned this week that Ascent is marketing its acreage in the area via a firm called Petrie Partners out of Denver. The marketing materials include the leasehold currently at issue. We believe Ascent's marketing efforts will undermine any collaboration with Apache that may have otherwise been possible with an operator who intended on drilling the acreage themselves. Why would Ascent worry about collision issues if they will not drill the acreage? Why would they wish to divest of any acreage to Apache that has already been included in their divestiture package to prospective buyers?

Ascent provided a potential buyout of Apache's acreage in the area, but at this time Apache is interested in developing its leasehold. Our team is even considering the addition of the NE/4 of Sec. 30-20S-30E to the Taco wells so that Oxy, the majority working interest owner in the tract, could produce its leasehold in an otherwise inaccessible location. We feel that our proposed solution will allow for the prevention of waste and the successful development of Apache, Ascent, Oxy, and other leasehold owner acreage.

Please allow this letter to serve as an official protest of the Anvil Development Area for the reasons listed above. We request a 60 day extension to further negotiate with Ascent and the BLM. Please see the attached map indicating the current dilemma and Apache's proposed solution.

Sincerely,

APACHE CORPORATION

Laci Stretcher Landman

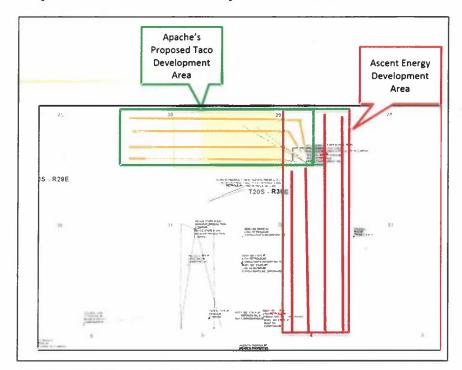
Laci.Stretcher@apachecorp.com

Phone: 432-818-1846

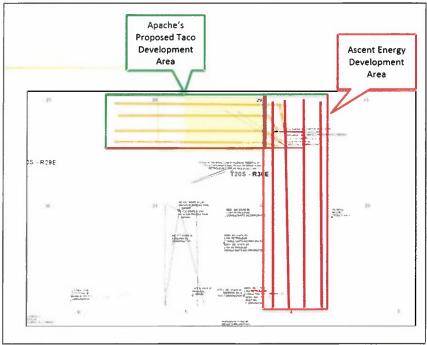
CC: Lee Zink, Ascent Energy

## **Apache**

### Proposed Collaboration between Apache and Ascent\*:



### Current Well Plans with Collision Issues\*:



<sup>\*</sup>Landman drawing only and intended to show the various development options.

## **APACHE'S FINAL PLAN: TACO 28-30**

**SEPT. - DEC. 2018** 

- 2.5 Mile Taco 28-30 Development Area
  - · Apache will control collision issues
  - Wells will be drilled E/W, the best orientation
  - NE/4 of Section 28 and 29 will be developed (otherwise stranded)
  - · Collaboration with other operators, BLM
  - BLM recommended this layout as a good compromise for both APA and Ascent
- 2<sup>nd</sup> Meeting (Oct. 2018) with BLM cancelled by mutual agreement
  - Division intervention required as per BLM process
- APA sent Taco 28-30 Development Area notices to parties on 10/29/2018
- APA staked new locations and received BLM approval for islands in Nov. 2018
  - Ascent has protested development area







Re:

October 23, 2018

TO: Affected Parties of the

TACO 28-30 Federal Com (see attached address list)

Designation of the Taco 28-30 Federal Drill Island

Section 28-T20S-R30E, NMPM Eddy County, New Mexico

To Whom It May Concern:

Apache Corporation ("Apache") has proposed a Development Area that a portion of which falls within the Secretary's Potash Area in the above described lands that may affect your leasehold and/or surface estate/permit. Please see the enclosed map for the location of the BLM proposed Taco 28-30 Federal Drill Island, Apache's proposed Development Area, and Apache's initial development wells.

This letter serves as notice of the proposed action. You have thirty (30) calendar days from receipt of this letter to contact the BLM if you would like to express interest in collaborating with the proposal or protesting the proposal. If you would like to collaborate with or protest the establishment of the Taco 28-30 Federal Development Area, please respond to James Rutley (<u>jrutley@blm.gov</u>) at the BLM, Carlsbad Field Office, 620 E. Greene Street, Carlsbad, NM 88220.

Please be aware that once a Development Area has been established it could affect your operating rights. Therefore, your timely participation in this process is required. If you have any questions or concerns please contact me at (432) 818-1808 or <u>rodney.reeder@apachecorp.com</u>.

Respectfully,

Rodney Reeder

Landman

Apache Corporation - Permian Region

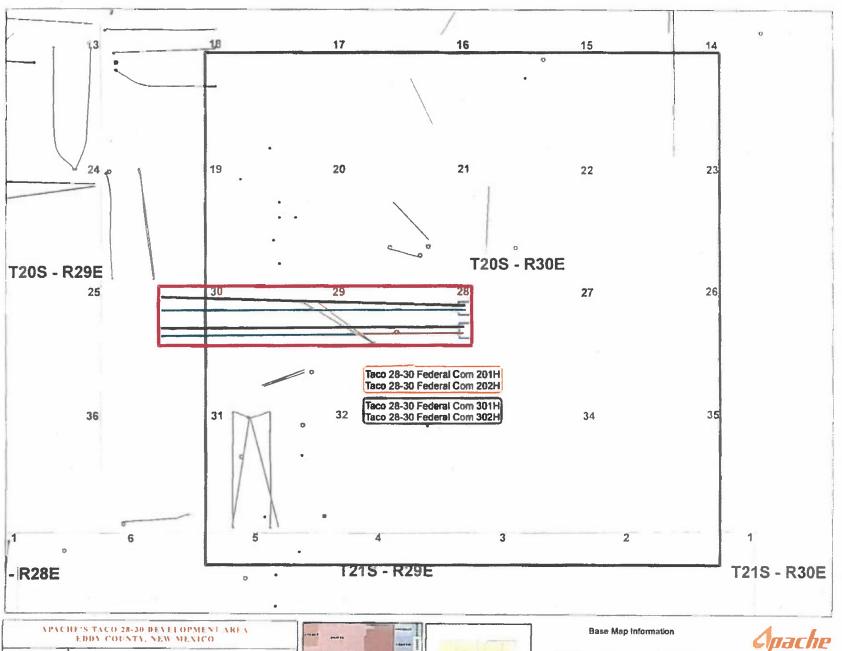
Sent Certified Mail

### Apache's Development Plan

Based upon the development activity to date and the available technical data, it appears that additional development potential exists within the Taco 28-30 Federal Development Area. Apache is in the process of preparing APD's for four (4) Bone Spring horizontal wells to develop the N/2 of Sections 28, 29 and 30, Township 20 South, Range 30 East, Eddy County, New Mexico (see attached map). Apache plans on developing its leasehold as soon as possible, depending on rig/equipment availability.

The initial four (4) Bone Spring horizontal wells to be drilled from the Taco 28-30 Federal Drill Island have surface hole location(s) in Section 28 with the bottom hole location(s) being in Section 30, Township 20 South, Range 30 East, Eddy County, New Mexico.

The first of the initial wells is scheduled to be spud on or before November 1, 2019, depending on the permit approval process. Based on future results of the initial wells, Apache has identified additional Bone Spring and Wolfcamp targets within the Taco 28-30 Federal Development Area. As activity increases in the area and Apache collects additional technical data, potential horizontal development in other horizons is also anticipated.

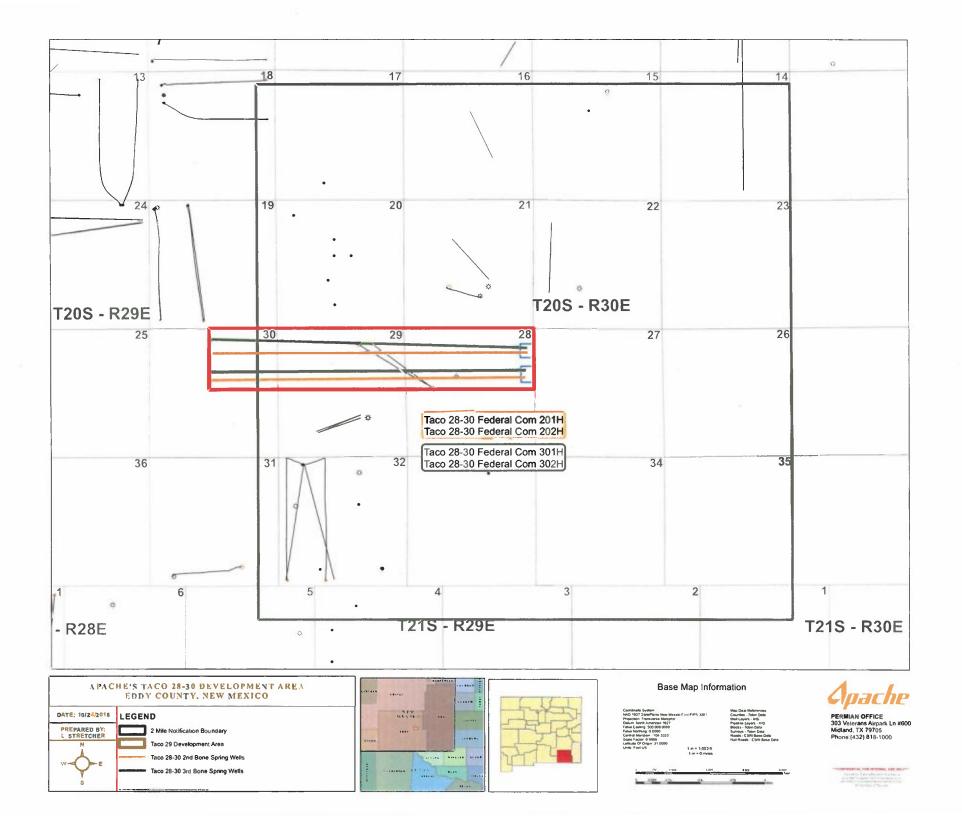




# Committee Subtree. Commit

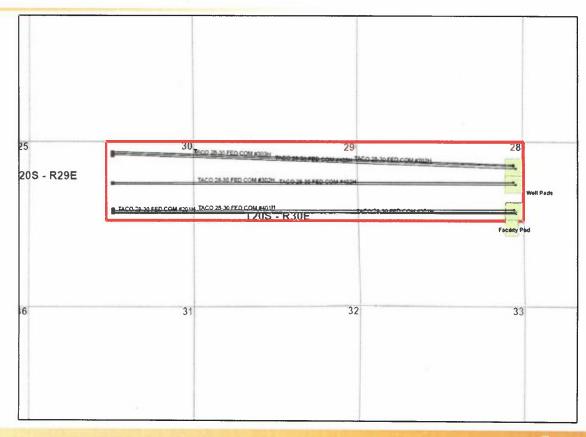


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## **TACO 28-30 DEVELOPMENT AREA PREPARATION**

- Well proposals and AFEs on 2<sup>nd</sup> Bone Spring, 3<sup>rd</sup> Bone Spring, and Wolfcamp formations sent to partners 12/13/2018
- Technical team continues to review area for optimal development plan
- Facility and flow line placement finalized, SWD, etc.
- Multiple parties expressed an interest in participating in wells
  - JOA is on hold
  - Oxy, Centennial, and Worrall Investments, Moore and Shelton, Zorro Partners, J Hudson Trust, Ard Energy, and Javelina Partners support APA as operator
- Recreational trail and grazing fence move is on hold



Apache

8

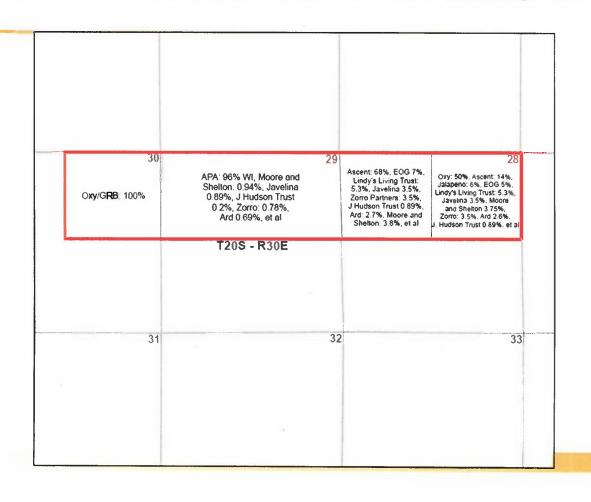
## INVESTMENT BY APACHE IN TACO DA

- Over \$120,000 in title money spent
- 242 field hours spent on location review with BLM
- 94 landman hours spent on preparing for development
- 154 technical hours (geology, reservoir, drilling, production, facility)
- At least 3 offers to sell acreage to Apache from existing Taco working interest owners (all on hold)



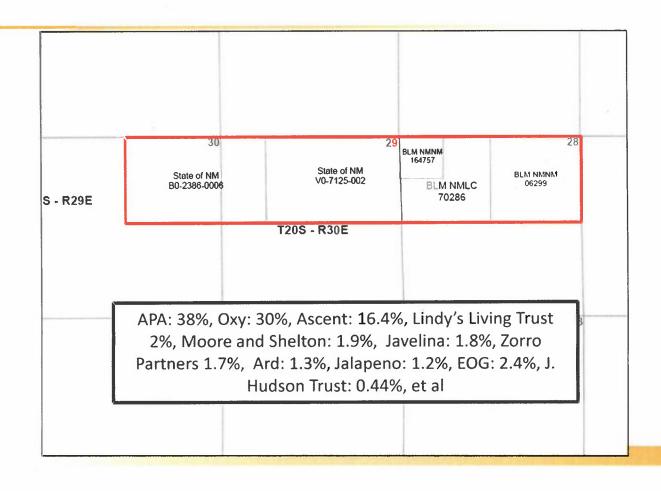
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## **TACO 28-30 DEVELOPMENT AREA OWNERSHIP BY TRACT**



Apache

### **TACO 28-30 DEVELOPMENT AREA OWNERSHIP**



Apache

6.0

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

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

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

☐ AMENDED REPORT

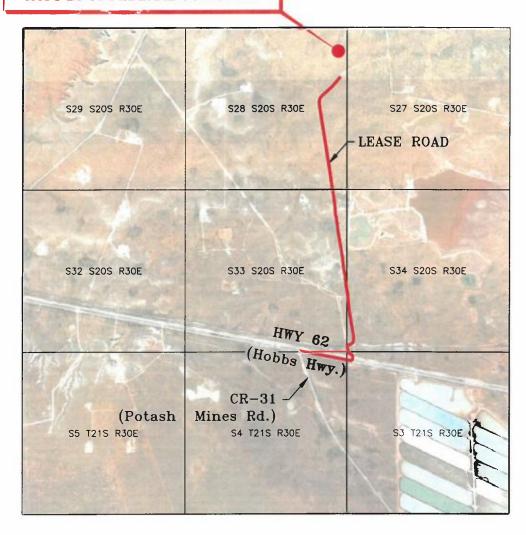
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number				<sup>2</sup> Pool Co	de	<sup>3</sup> Pool Name				
4Property Code				TAC	TACO 28-30 FEDERAL COM				6 Well Number 303H	
<sup>7</sup> OGRID 1			A	8 Operator Name APACHE CORPORATION				9Elevation 3342'		
					<sup>10</sup> Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County	
A	28	20S	30E		761	NORTH	343	EAST	EDDY	
			11 ]	Bottom	Hole Location	If Different Fr	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
В	30	20S	30E		330	NORTH	2590	EAST	EDDY	
12 Dedicated Acres	13 Joint	or Infill	4 Consolidation	Code 1	Order No.					

2			
GEODETIC DATA  NAD 83 GRID - NM EAST	CORNER DATA NAD 83 GRID – NM EAST	K: FOUND BRASS CAP "1943" N 559296.7 - E 653747.1	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete
SURFACE LOCATION (S.L.)	A: FOUND BRASS CAP "1918" N 559282.6 - E 637898.7	L: FOUND BRASS CAP "1943" N 559300.5 - E 651103.6	to the best of my knowledge and belief, and that this organization either
N 563812.6 - E 653384.5 LAT: 32.5494518' N LONG: 103.9696934' W	B: FOUND BRASS CAP T-POST N 561917.5 - E 637893.2	M: FOUND BRASS CAP "1943" N 559300.7 - E 648450.5	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
LAST TAKE POINT (L.T.P.)	C: FOUND BRASS CAP "1918" N 564545.9 - E 637893.4	N: FOUND BRASS CAP "1943" N 559290.7 - E 645810.1	location pursuant to a contract with an owner of such a mineral or working
N 564224.5 - E 640605.5 LAT: 32.5506971" N LONG: 104.0111619" W	D: FOUND BRASS CAP "1943" N 564554.1 - E 640500.6	O: FOUND BRASS CAP "1943" N 559282.1 - E 643169.6	interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
BOTTOM HOLE (B.H.)	E. FOUND BRASS CAP "1943" N 564561.5 - E 643143.3	P: FOUND BRASS CAP "1943" N 559280.6 - E 640538.1	Signature Date
N 564224.3 – E 640555.5 LAT: 32.5506972' N LONG: 104.0113241' W	F: FOUND BRASS CAP "1943" N 564575.7 - E 645785.1	Q: FOUND BRASS CAP "1943" N 561918.6 ~ E 643156.2	Printed Name
DETAIL "A"	G: FOUND BRASS CAP "1943" N 564594.9 - E 648426.6	R: FOUND BRASS CAP "1943" N 561946.7 - E 648438.3	
3333.6' _ <i>675'</i> _ 3318.2'	H: FOUND BRASS CAP "1943" N 564582.6 - E 651074.6	CALCULATED POINTS  1: N 563236.1 - E 640510.0	E-mail Address
735.	FOUND BRASS CAP "1943" N 564571.7 - E 653723.7	2: N 563240.0 - E 643149.8 3: N 563270.8 - E 648432.4 4: N 563251.6 - E 653730.2	18 SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this
3336.3' J 3336.3' J	J: FOUND BRASS CAP "1943" N 561931.6 - E 653736.6		plat was plotted from field notes of actual surveys
S 89'49'10" W S 89'50'24" W	\$ 89'41'29" W \$ 89'35'03" W \$ 2642.49' F) 2642.12' G	N 89'44'05" W N 89'45'48" W 2648.63' H) 2649.82' (1)	made by me or under my supervision, and that the same is true and correct to the best of my belief.
330'LTP & BH   2590'BH & 2540'LTP		761 in	11-13-2017
40 Ac. 40 Ac.	40 Ac. 40 Ac. 40 Ac. 40 Ac.	40 Ac. 40 Ac. 40 Ac. S.L. 40Ac.	Date of Survey
200 2 1 1 1 80 2 2 1 1 1 1 80 2 2 1 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2	9	3   4	Signature and Seal of Inferional Services
B	9	28	Jester & Stanston
	37.20		10034 Certificate Number
100 8 2 LOT 4	26 26	.00	© Certificate Number
A N 89'57'23" W S 89'58'08" W 2640.08' P 2632.08'	\$ 89.48.42" W \$ 89.47.00" W 2641.17" N 2641.06" M	N 89"59"42" W   N 89"55"07" W W 2653.69" () 2644.10"	Job No.: LS18111250

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #303H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Apache Corporation LOCATION: 761' FNL & 343' FEL LEASE: Taco 28-30 Federal Com ELEVATION: 3342' WELL NO.: 303H

Copyright 2018 - All Rights Reserved

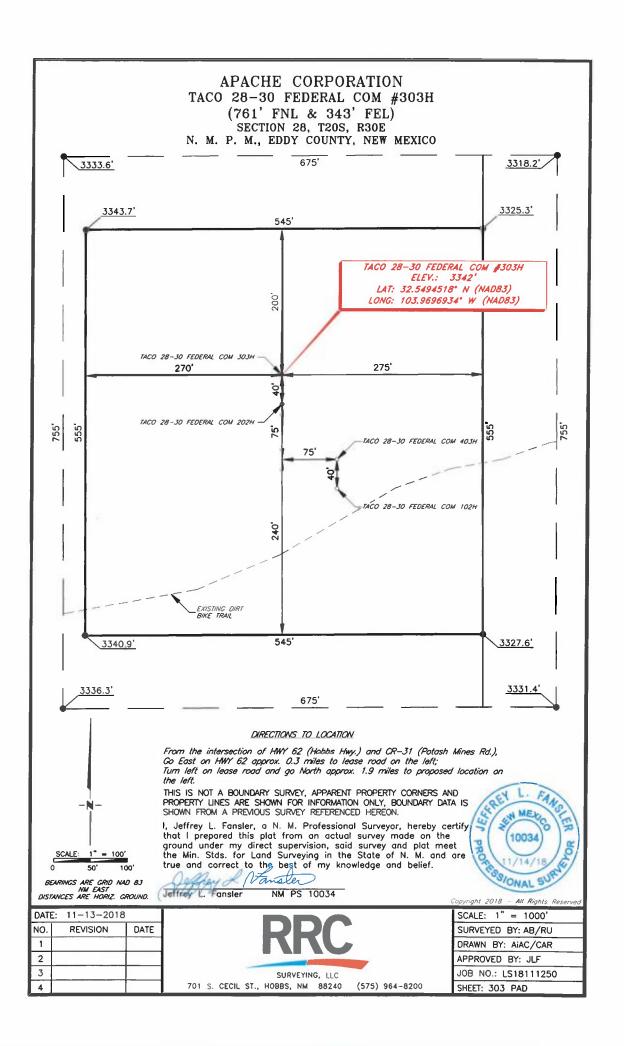
DAT	E: 11-12-2018	
NO.	REVISION	DATE
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2		
3		
4		



SURVEYING, LLC

701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

_	777 9 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
1	SCALE: 1" = 3000'
	SURVEYED BY: AB/RU
	DRAWN BY: AIAC/CAR
	APPROVED BY: JLF
ı	JOB NO.: LS18111250
	SHEET: 303 VM



District 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 2 Pool Code 3 Pool Name

4 Property Code TACO 28-30 FEDERAL COM 202H

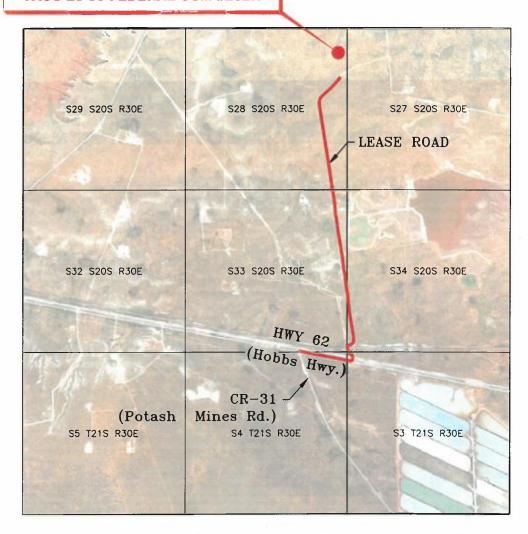
7 OGRID NO. 8 Operator Name 9 Elevation APACHE CORPORATION 3341'

UL or lot no. Section Township Lot Idn Feet from the North/South line Range Feet From the East/West line County 28 **20S** 30E 801 NORTH Α 343 **EAST EDDY** 11 Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Idn Feet from the North/South line Feet from the Range East/West line County В 30 **20S** 30E 380 NORTH 2590 **EAST EDDY** 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.

GEODETIC DATA  NAD 83 GRID – NM EAST	CORNER DATA NAD 83 GRID — NM EAST	K: FOUND BRASS CAP "1943" N 559296.7 - E 653747.1	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete
SURFACE LOCATION (S.L.)	A: FOUND BRASS CAP "1918" N 559282.6 - E 637898.7	L: FOUND BRASS CAP "1943" N 559300.5 - E 651103.6	to the best of my knowledge and belief, and that this organization either
N 563772.6 - E 653384.5 LAT: 32.5493420 N	B: FOUND BRASS CAP T-POST N 561917.5 - E 637893.2	M: FOUND BRASS CAP "1943"	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
LONG: 103.9696938° W	C: FOUND BRASS CAP "1918"	N 559300.7 - E 648450.5 N: FOUND BRASS CAP "1943"	location pursuant to a contract with an owner of such a mineral or working
N 564174.5 - E 640605.8	N 564545.9 - E 637893.4	N 559290.7 - E 645810.1	interest, or to a voluntary pooling agreement or a compulsory pooling
LAT: 32.5505597 N LONG: 104.0111616 W	D: FOUND BRASS CAP "1943" N 564554.1 — E 640500.6	O: FOUND BRASS CAP "1943" N 559282.1 - E 643169.6	order heretofore entered by the division.
BOTTOM HOLE (B.H.)	E: FOUND BRASS CAP "1943" N 564561.5 - E 643143.3	P: FOUND BRASS CAP "1943" N 559280.6 E 640538.1	Signature Date
N 564174.3 - E 640555.8 LAT: 32.5505598' N LONG: 104.0113238' W	F: FOUND BRASS CAP "1943" N 564575.7 - E 645785.1	Q: FOUND BRASS CAP "1943"	Printed Name
LONG: 104.0113236 W	G: FOUND BRASS CAP "1943"	N 561918.6 - E 643156.2 R: FOUND BRASS CAP "1943"	PTIMOD Name
DETAIL "A"	N 564594.9 - E 648426.6	N 561946.7 - E 648438.3	E-mail Address
3333.6' _ <i>675'</i> _ 3318.2'	H: FOUND BRASS CAP "1943" N 564582.6 - E 651074.6	<u>CALCULATED POINTS</u> 1: N 563236.1 - E 640510.0	
125.	I: FOUND BRASS CAP "1943" N 564571.7 - E 653723.7	2: N 563240.0 - E 643149.8 3: N 563270.8 - E 648432.4 4: N 563251.6 - E 653730.2	<sup>18</sup> SURVEYOR CERTIFICATION
S. L.	J: FOUND BRASS CAP "1943"	4. N 303237.0 - E 033730.2	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys
3336.3' 3331.4'	N 561931.6 - E 653736.6		made by me or under my supervision, and that the
S 89'49'10" W S 89'50'24" W 2607.88' D 2643.31'	S 89'41'29" W S 89'35'03" W G	N 89'44'05" W N 89'45'48" W 1 2649.82'	same is true and correct to the best of my belief.
380'LTP <u>&amp; BH</u> 2590'8H & 2540'LTP LT.P.		40Ac.	11-13-2017
40 40 40 40	40 Ac. 40 Ac. 40 Ac. 40 Ac.	40 Ac. 40 Ac. 40 Ac. S.L.	Date of Survey
107 2 1	(51.0)	3 4	Signature and Seal of Interional Surveyor
0	0	30	8 (10034)
LOT 3	29	1 1 3	Destroy & Sansto
2.50	2.20		10034
LOT 4	2633.	1 1 1	Certificate Number
N 89'57'23" W S 89'58'08" W	S 89'48'42" W S 89'47'00" W	N 89:59'42" W N 89:55'07" W K	
2640.08' P 2632.06'	) 2641.17 N 2641.06 M	2653.69' ( 2644.10'	Job No.: LS18111250

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #202H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Apache Corporation LEASE: Taco 28-30 Federal Com ELEVATION: 3341'

WELL NO.: 202H

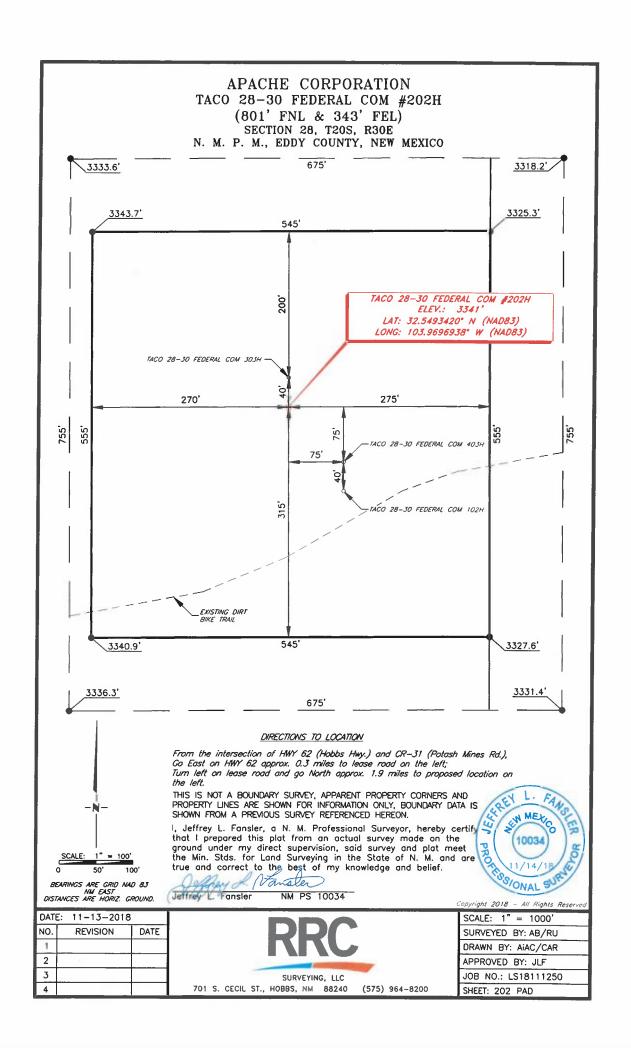
LOCATION: 801' FNL & 343' FEL

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DATE:	11-12-2018	
NO.	REVISION	DATE
1		
2		
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4		

SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

_	opyright 2010 All Hights Heserved
	SCALE: 1" = 3000'
	SURVEYED BY: AB/RU
	DRAWN BY: AIAC/CAR
	APPROVED BY: JLF
	JOB NO.: LS18111250
1	SHEET: 202 VM



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

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

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

☐ AMENDED REPORT

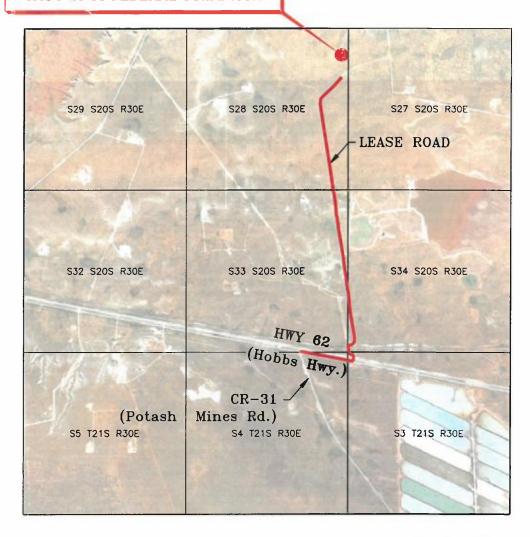
WELL LOCATION AND ACREAGE DEDIC	CATION PLAT
---------------------------------	-------------

<sup>1</sup> API Number				<sup>2</sup> Pool Code		<sup>3</sup> Pool Name				
4Property Code				TACO	<sup>5</sup> Property N 28-30 F]	ame EDERAL COM				6 Well Number 403H
7 OGRID NO.		777		*Operator Name APACHE CORPORATION			9Elevation 3331'			
	•				<sup>10</sup> Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/We	st line	County
A	28	20S	30E		876	NORTH	269	EAST		EDDY
			11 ]	Bottom H	lole Location	If Different Fr	om Surface		2/-2	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
В	30	20S	30E		430	NORTH	2590	EAST		EDDY
12 Dedicated Acres	13 Joint	or Infill 14	Consolidation	Code 15 (	Order No.		· · · · · · · · · · · · · · · · · · ·			

GEODETIC DATA  NAD 83 GRID — NM EAST	<u>CORNER DATA</u> NAD 83 GRID — NM EAST	K: FOUND BRASS CAP "1943" N 559296.7 - E 653747.1	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete
SURFACE LOCATION (S.L.)	A: FOUND BRASS CAP "1918" N 559282.6 - E 637898.7	L: FOUND BRASS CAP "1943" N 559300.5 - E 651103.6	to the best of my knowledge and belief, and that this organization either
N 563697.4 E 653459.3 LAT: 32.5491347 N LONG: 103.9694516 W	B: FOUND BRASS CAP T-POST N 561917.5 - E 637893.2	M: FOUND BRASS CAP "1943" N 559300.7 - E 648450.5	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
LAST TAKE POINT (L.T.P.)	C: FOUND BRASS CAP "1918" N 564545.9 - E 637893.4	N: FOUND BRASS CAP "1943"	location pursuant to a contract with an owner of such a mineral or working
N 564124.5 - E 640606.0 LAT: 32.5504223' N	D: FOUND BRASS CAP "1943"	N 559290.7 - E 645810.1 O: FOUND BRASS CAP "1943"	interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
LONG: 104.0111613' W  BOTTOM HOLE (B.H.)	N 564554.1 - E 640500.6 E: FOUND BRASS CAP "1943"	N 559282.1 - E 643169.6 P: FOUND BRASS CAP "1943"	
N 564124.3 - E 640556.0	N 564561.5 - E 643143.3 F: FOUND BRASS CAP "1943"	N 559280.6 - E 640538.1	Signature Date
LAT: 32.5504224° N LONG: 104.0113235° W	N 564575.7 - E 645785.1	Q: FOUND BRASS CAP "1943" N 561918.6 - E 643156.2	Printed Name
DETAIL "A"	G: FOUND BRASS CAP "1943" N 564594.9 - E 648426.6	R: FOUND BRASS CAP "1943" N 561946.7 - E 648438.3	E-mail Address
3333.6' _ <i>675'</i> _ 3318.2'	H: FOUND BRASS CAP "1943" N 564582.6 - E 651074.6	CALCULATED POINTS  1: N 563236.1 - E 640510.0	
0 0	I: FOUND BRASS CAP "1943" N 564571.7 - E 653723.7	2: N 563240.0 - E 643149.8 3: N 563270.8 - E 648432.4 4: N 563251.6 - E 653730.2	18 SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this
S. L	J: FOUND BRASS CAP "1943"	4. N 303231.0 - E 033730.2	plat was plotted from field notes of actual surveys
3336.3' 3331.4'	N 561931.6 - E 653736.6		made by me or under my supervision, and that the
5 89°49'10" W 5 89°50'24" W 2643.31'	5 89°41'29" W 5 89°35'03" W 2642.49' (F) 2642.12'	N 89'44'05" W N 89'45'48" W 2649.82' (1)	same is true and correct to the best of my belief.
430'LTP & BH 2590'BH & 2540'LTP LOT 1 B.H. L.T.P.		876 g	11-13-2017 L F
40 Ac. 40 Ac.	40 Ac. 40 Ac. 40 Ac. 40 Ac.	40 Ac. 40 Ac. 40 Ac. S.L.	East of Survey
LOT 2	286	5,00	0 2 2 0 2
30		® 28 J	10034
* LOT 3   **	20'	(S)	10034
2852	2637.	2646.	Certificate Number
LOT 4   S 89'58'08"	\$ 89'48'42" W \$ 89'47'00" W	N 89'59'42" W N 89'55'07" W ®	
2640.08 (P) 2632.06	) 2641.17 (N) 2641.06 (A	2653.69 ( 2644.10	Job No.: LS18111250

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #403H



## SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Apache Corporation LOCATION: 876' FNL & 269' FEL LEASE: Taco 28-30 Federal Com ELEVATION: 3331'
WELL NO.: 403H

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DATE	E: 11-12-2018	
NO.	REVISION	DATE
1		
2		
3		
4		



SURVEYING, LLC

701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

73 3
SCALE: 1" = 3000'
SURVEYED BY: AB/RU
DRAWN BY: AIAC/CAR
APPROVED BY: JLF
JOB NO.: LS18111250
SHEET: 403 VM

### APACHE CORPORATION TACO 28-30 FEDERAL COM #403H (876' FNL & 269' FEL) SECTION 28, T20S, R30E N. M. P. M., EDDY COUNTY, NEW MEXICO 675' 3333.6 3318.2 3325.3' 3343.7' 545' TACO 28-30 FEDERAL COM 303H TACO 28-30 FEDERAL COM 202H 755 75, 75' 270' 200' TACO 28-30 FEDERAL COM 102H TACO 28-30 FEDERAL COM #403H ELEV.: 3331 LAT: 32.5491347° N (NAD83) 200 LONG: 103.9694516° W (NAD83) EXISTING DIRT BIKE TRAIL 545' 3340.9 3327.6 3331.4 3336.3 675' DIRECTIONS TO LOCATION From the intersection of HWY 62 (Hobbs Hwy.) and CR-31 (Potash Mines Rd.), Co East on HWY 62 approx. 0.3 miles to lease road on the left; Turn left on lease road and go North approx. 1.9 miles to proposed location on THIS IS NOT A BOUNDARY SURVEY, APPARENT PROPERTY CORNERS AND PROPERTY LINES ARE SHOWN FOR INFORMATION ONLY, BOUNDARY DATA IS SHOWN FROM A PREVIOUS SURVEY REFERENCED HEREON. I, Jeffrey L. Fansler, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief. 10034 50 SS/ONAL SUR (Vanster) BEARINGS ARE GRID NAD 83 NM EAST DISTANCES ARE HORIZ. GROUND. Jeffrey L Fansler NM PS 10034 Copyright 2018 - All Rights Reserved 11-13-2018 DATE: SCALE: 1" = 1000' NO. REVISION DATE SURVEYED BY: AB/RU DRAWN BY: AIAC/CAR 2 APPROVED BY: JLF 3 JOB NO.: LS18111250 SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200 SHEET: 403 PAD

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
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District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

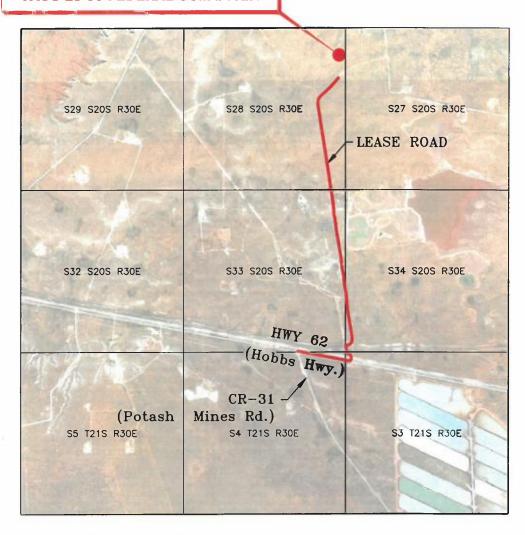
☐ AMENDED REPORT

			WEL	L LOCA	TION AND	ACREAGE DEDI	CATION PLA	T		
1	API Numbe	r		2 Poo	l Code		<sup>3</sup> Pool Na	me	·	
4Property Code					S Property Name ACO 28-30 FEDERAL COM				6 Well Number 102H	
7 OGRID NO. 8 Operator Name APACHE CORPORAT										Blevation 3330'
					10 Surf	ace Location				-
UL or lot no.	Section	Towns	hip Ra	ange Lot	idn Feet from	the North/South line	Feet From the	East/Wes	st line	County
A	28	208	30	DE	916	NORTH	269	EAS	T	EDDY
11 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		st line	County					
В	30	20S	30	E	480	NORTH	2590	EAS	T	EDDY
12 Dedicated Acres	13 Joint	or Infill	14 Consoli	lidation Code	15 Order No.				,	

- 1	1/			
	GEODETIC DATA NAO 83 GRID – NM EAST	<u>CORNER DATA</u> NAD 83 GRID — NM EAST	K: FOUND BRASS CAP "1943" N 559296.7 - E 653747.1	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete
	SURFACE LOCATION (S.L.)	A: FOUND BRASS CAP "1918" N 559282.6 - E 637898.7	L: FOUND BRASS CAP "1943" N 559300.5 - E 651103.6	to the best of my knowledge and belief, and that this organization either
	N 563657.4 - E 653459.3 LAT: 32.5490247 N	B: FOUND BRASS CAP T-POST	M: FOUND BRASS CAP "1943"	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
	LONG: 103.9694521° W	N 561917.5 - E 637893.2	N 559300.7 - E 648450.5	location pursuant to a contract with an owner of such a mineral or working
	LAST TAKE POINT (L.T.P.)	C: FOUND BRASS CAP "1918" N 564545.9 E 637893.4	N: FOUND BRASS CAP "1943" N 559290.7 - E 645810.1	interest, or to a voluntary pooling agreement or a compulsory pooling
	N 564074.5 - E 640606.2 LAT: 32.5502849' N LONG: 104.0111610' W	D: FOUND BRASS CAP "1943" N 564554,1 - E 640500.6	O: FOUND BRASS CAP "1943"	order heretofore entered by the division.
١			N 559282.1 - E 643169.6	
	BOTTOM HOLE (B.H.)	E: FOUND BRASS CAP "1943" N 564561.5 — E 643143.3	P: FOUND BRASS CAP "1943" N 559280.6 - E 640538.1	Signature Date
-1	N 564074.4 - E 640556.3 LAT: 32.5502850° N	F: FOUND BRASS CAP "1943"	Q: FOUND BRASS CAP "1943"	
-	LONG: 104.0113232° W	N 564575.7 - E 645785.1	N 561918.6 - E 643156.2	Printed Name
ı		G: FOUND BRASS CAP "1943"	R: FOUND BRASS CAP "1943"	
-1	DETAIL "A"	N 564594.9 - E 648426.6	N 561946.7 - E 648438.3	E-mail Address
ı	3333 <u>.6</u> ' _ <i>6<u>7</u>5'</i> _ 3 <u>3</u> 18.2'	H: FOUND BRASS CAP "1943" N 564582.6 - E 651074.6	CALCULATED POINTS	
	1		1: N 563236.1 - E 640510.0 2: N 563240.0 - E 643149.8	18 SURVEYOR CERTIFICATION
1	0 135	L FOUND BRASS CAP "1943" N 564571.7 - E 653723.7	3. N 563270.8 - E 648432.4 4. N 563251.6 - E 653730.2	I hereby certify that the well location shown on this
١	`i s. L i L J	J: FOUND BRASS CAP "1943"		plat was plotted from field notes of actual surveys
١	3336.3' 3331.4'	N 561931.6 - E 653736.6		made by me or under my supervision, and that the
8	S 89°49'10" W S 89°50'24" W 2607.88' Q 2643.31'	E) S 89'41'29" W S 89'35'03" W C 2642.12'	N 89'44'05" W N 89'45'48" W 2648.63' H 2649.82' (1)	same is true and correct to the best of my belief.
y)	480'LTP & BH 2590'BH & 2540'LTP		40Ac.	§ 11-13-2017
5	LOT 1 B.H L.T.P. 40 Ac. 40 Ac.	40 Ac. 40 Ac. 40 Ac. 40 Ac.	40 Ac. 40 Ac. 40 Ac. S.L.	Date of Survey
00.00		52 1	9 3	Signature and Seal of Profesional Surveyor
ž	107 2	8 ! ! \$	8	15/2/10/20
B		9	® 28	8 (10034)
2	107 3			Jeffer X. Atanstop
01,	5 1 1 %			10034
70.0	8	15	8	10034 Certificate Number
8	LOT 4			
	N 89'57'23" W S 89'58'08" W	S 89'48'42" W S 89'47'00" W	N 89 59 42" W N 89 55 07" W K	
	2640.08 P 2632.06	0 2641.17 N 2641.06 M	2653.69" ( ) 2644.10"	Job No.: LS18111250

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #102H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Apache Corporation LOCATION: 916' FNL & 269' FEL LEASE: Taco 28-30 Federal Com ELEVATION: 3330' WELL NO.: 102H

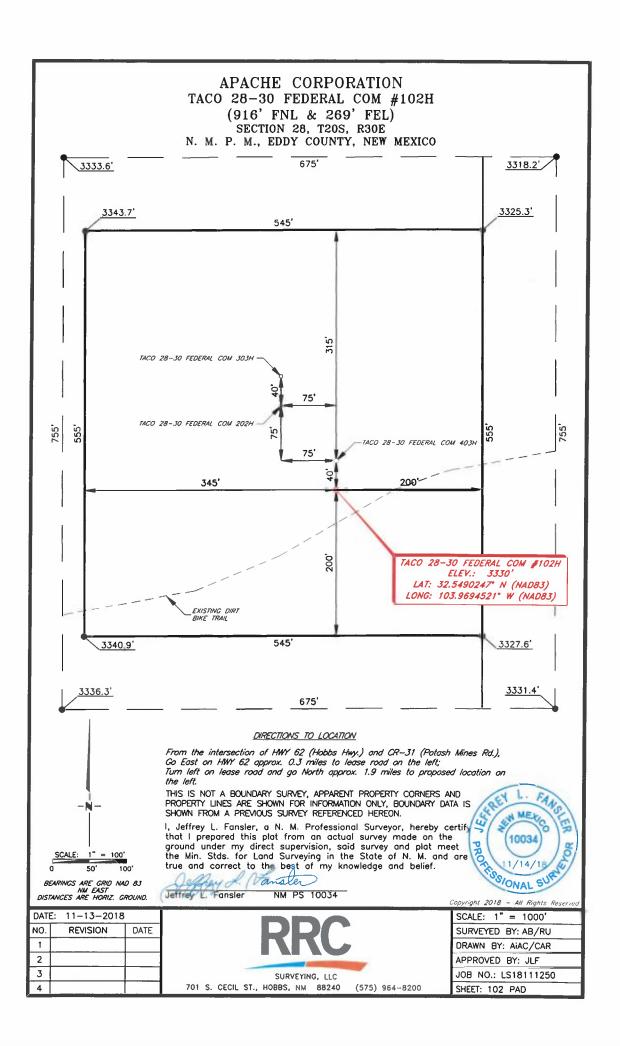
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DATE	E: 11-12-2018	3
NO.	REVISION	DATE
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4		



SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 3000	,
SURVEYED BY: AB/R	:U
DRAWN BY: AIAC/CA	ıR
APPROVED BY: JLF	
JOB NO.: LS181112	50
SHEET: 102 VM	



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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Phone: (575) 748-1283 Fax: (575) 748-9720
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## State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

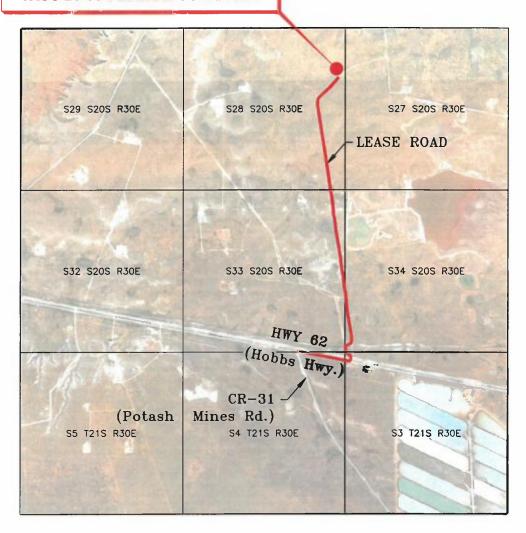
☐ AMENDED REPORT

			WE	LL L	OCA	TION AND	ACR	EAGE DEDIC	CATION PLA	$T_{\perp}$			
1			<sup>2</sup> Pool	Code	<sup>3</sup> Pool Name								
								<u> </u>					
4Property Co	de				m		perty Na				•	6 Well Number	
					17	100 28-3	UFE	DERAL COM				302H	
7 OGRID 1	10.						8 Operator Name 9 Elevation						
						APACHE (	CORP	ORATION				3339'	
						10 Sur	face I	Location					
UL or lot no.	Section	Townsl	hip	Range	Lot I	dn Feet from	n the	North/South line	Feet From the	East/Wes	t line	County	
H	28	20S	3	30E		132	0	NORTH	346	EAS	T	EDDY	
" Bottom Hole Location If Different From Surface													
UL or lot no.	Section	Townsl	hip	Range	Lot I	dn Feet from	n the	North/South line	Feet from the	East/Wes	t line	County	
G	30	20S	3	30E		132	0	NORTH	2590	EAS	T	EDDY	
12 Dedicated Acres	13 Joint	o <del>r</del> Infill	14 Cons	solidation	Code	15 Order No.							

1.4			# II	
16	GEODETIC DATA	CORNER DATA	K: FOUND BRASS CAP "1943"	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete
	NAD 83 GRID - NM EAST	NAD 83 GRID - NM EAST	N 559296.7 - E 653747.1	
	SURFACE LOCATION (S.L.)	A: FOUND BRASS CAP "1918" N 559282.6 - E 637898.7	L: FOUND BRASS CAP "1943" N 559300.5 - E 651103.6	to the best of my knowledge and belief, and that this organization either
	N 563252.7 - E 653384.5	B: FOUND BRASS CAP T-POST		owns a working interest or unleased mineral interest in the land including
	LAT: 32.5479129* N LONG: 103.9696995* W	N 561917.5 - E 637893.2	M: FOUND BRASS CAP "1943" N 559300.7 - E 648450.5	the proposed bottom hole location or has a right to drill this well at this
	LAST TAKE POINT (L.T.P.)	C: FOUND BRASS CAP "1918"	N: FOUND BRASS CAP "1943"	location pursuant to a contract with an owner of such a mineral or working
	N 563234.7 - E 640610.3	N 564545.9 - E 637893.4	N 559290.7 - E 645810.1	interest, or to a voluntary pooling agreement or a compulsory pooling
	LAT: 32.5479765° N LONG: 104.0111559° W	D: FOUND BRASS CAP "1943" N 564554.1 - E 640500.6	O: FOUND BRASS CAP "1943"	order heretofore entered by the division.
1		E: FOUND BRASS CAP "1943"	N 559282.1 - E 643169.6	
	BOTTOM HOLE (B.H.)	N 564561.5 - E 643143.3	P: FOUND BRASS CAP "1943" N 559280.6 — E 640538.1	Signature Date
	N 563234.6 - E 640560.4 LAT: 32.5479766 N	F: FOUND BRASS CAP "1943"	Q: FOUND BRASS CAP "1943"	
	LONG: 104.0113181° W	N 564575.7 - E 645785.1	N 561918.6 - E 643156.2	Printed Name
		G: FOUND BRASS CAP "1943"	R: FOUND BRASS CAP "1943"	
	DETAIL "A"	N 564594.9 - E 648426.6	N 561946.7 - E 648438.3	E-mail Address
1	3351 <u>.6</u> ' _ <i>675'</i> _ 3 <u>3</u> 27.2'	H. FOUND BRASS CAP "1943" N 564582.6 - E 651074.6	<u>CALCULATED POINTS</u> 1: N 563236.1 - E 640510.0	
	i i	I: FOUND BRASS CAP "1943"	2: N 563240.0 - E 643149.8 3: N 563270.8 - E 648432.4	"SURVEYOR CERTIFICATION
	8. L	N 564571.7 - E 653723.7	4: N 563251.6 - E 653730.2 5: N 561918.0 - E 640519.4	I hereby certify that the well location shown on this
	1 3. 6. 1	J. FOUND BRASS CAP "1943"	3. N 301910.0 - E 040319.4	plat was plotted from field notes of actual surveys
	3342.3' 3361.4'	N 561931.6 - E 653736.6		made by me or under my supervision, and that the
s	89°49'10" W S 89°50'24" W (E	S 89'41'29" W S 89'35'03" W 2642.12'	N 89°44'05" W N 89°45'48" W 1 2649.82'	same is true and correct to the best of my belief.
9	1320'LTP & BH			§ 11-13-2017
LOT	7 2590'BH & 2540'LTP	3	1320'	Date of Survey
2007 -	- L - B.H. LT.P.	(2)	8.L. 8	14 (4)
S LOT	40.4- 40.4-80	8 40 Ac. 40 Ac. 40 Ac. 40 Ac.	40 Ac. 40 Ac. 40 Ac. 40 Ac.	Signature and Seal of Inflational Sulvence
1 201		o i i i	R	8 (10034)
B)	30	29	28	2 Days & And
LOT		<u> </u>	*	Villa Transfer
25 25		8 ! !	[36	10034
263	1 7.30	7.263	264	Certificate Number
≥ LOT			*	
N	89°57'23" W   S 89°58'08" W   2640.08" P 2632.06"	S 89°48'42" W   S 89°47'00" W   2641.06"	N 89'59'42" W N 89'55'07" W N 2653.69' C 2644.10'	/-t- N /C10444054
	0			Job No.: LS18111251

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #302H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Apache Corporation LOCATION: 1320' FNL & 346' FEL LEASE: Taco 28-30 Federal Com ELEVATION: 3339' WELL NO.: 302H

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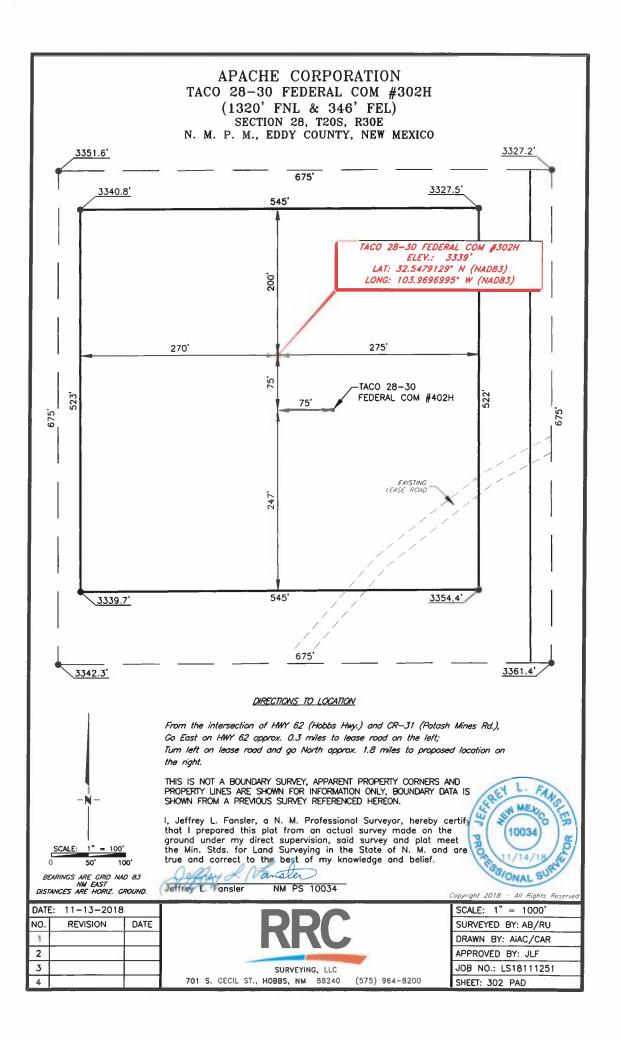
DATE	E: 11-12-2018	3
NO.	REVISION	DATE
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SURVEYING, LLC

701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 3000'
SURVEYED BY: AB/RU
DRAWN BY: AIAC/CAR
APPROVED BY: JLF
JOB NO.: LS18111251
SHEET: 302 VM



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Phone: (505) 476-3460 Fax: (505) 476-3462

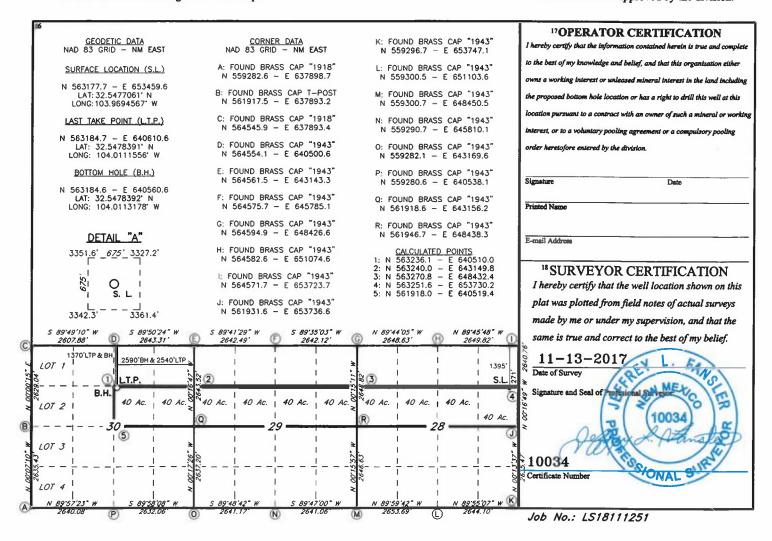
## State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

■ AMENDED REPORT

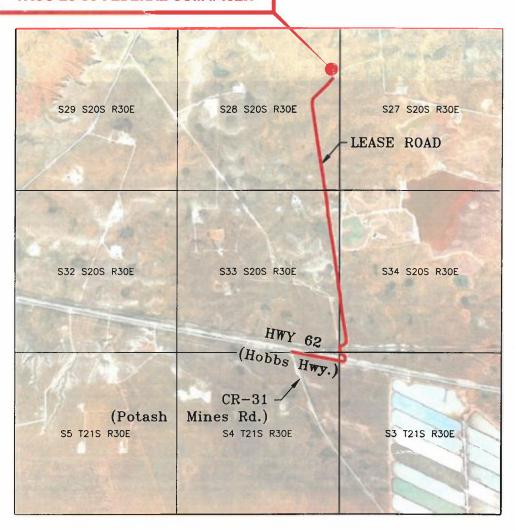
#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number				<sup>2</sup> Pool Code			<sup>3</sup> Pool Nar	ne		
4Property Co	de			TACO 28-30 FEDERAL COM					6 Well Number 402H	
7OGRID			AP	*Operator N ACHE CORI				9Elevation 3345'		
					<sup>10</sup> Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County	
H	28	20S	30E		1395	NORTH	271	EAST	EDDY	
			11 ]	Bottom F	Iole Location	If Different Fr	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
G	30	20S	30E		1370	NORTH	2590	EAST	EDDY	
12 Dedicated Acre	13 Joint	or Infill 14	Consolidation	Code 15 (	Order No.	•	<u></u>			



NOT TO SCALE

#### TACO 28-30 FEDERAL COM #402H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR:Apache CorporationLOCATION:1395' FNL & 271' FELLEASE:Taco 28-30 Federal ComELEVATION:3345'

WELL NO.: 402H

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DAT	E: 11-12-2018	3
NO.	REVISION	DATE
1		
2		
3		
4		

SURVEYING, LLC

701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 3000'
SURVEYED BY: AB/RU
DRAWN BY: AIAC/CAR
APPROVED BY: JLF
JOB NO.: LS18111251
SHFFT: 402 VM

#### APACHE CORPORATION TACO 28-30 FEDERAL COM #402H (1395' FNL & 271' FEL) SECTION 28, T20S, R30E N. M. P. M., EDDY COUNTY, NEW MEXICO 3327.2 3351.6° 675 3327.5' 3340.8 546' TACO 28-30 FEDERAL COM #302H-75° 200 270 TACO 28-30 FEDERAL COM #402H ELEV.: 3345' EXISTING LAT: 32.5477061° N (NAD83) LONG: 103.9694567° W (NAD83) 545' 3354.4 3339.7 675 3361.4' 3342.3 DIRECTIONS TO LOCATION From the intersection of HWY 62 (Hobbs Hwy.) and CR-31 (Potash Mines Rd.), Go East on HWY 62 approx. 0.3 miles to lease road on the left; Turn left on lease road and go North approx. 1.8 miles to proposed location on the right. THIS IS NOT A BOUNDARY SURVEY, APPARENT PROPERTY CORNERS AND PROPERTY LINES ARE SHOWN FOR INFORMATION ONLY, BOUNDARY DATA IS SHOWN FROM A PREVIOUS SURVEY REFERENCED HEREON. SEN MET I, Jeffrey L. Fansler, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief. Rights Rights Jeffrey L. Fansler Vanster BEARINGS ARE GRID NAD 83 NM EAST DISTANCES ARE HORIZ. GROUND. NM PS 10034 SCALE: 1" = 1000" DATE: 11-13-2018 REVISION DATE SURVEYED BY: AB/RU NO. DRAWN BY: AiAC/CAR 2 APPROVED BY: JLF 3 JOB NO.: L\$18111251 SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200 SHEET: 402 PAD

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

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

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

☐ AMENDED REPORT

WEI	TT	OCA	TION	AND	ACREAGE	DEDICATI	ONIDIAT
WEL	.1 . 1	LIL P		ANI	ALKEALTE	DEDIK AT	CINPLAI

<sup>1</sup> API Number				<sup>2</sup> Pool Code		<sup>3</sup> Pool Name			
4Property Co			TACO 28-30 FEDERAL COM					6 Well Number 101H	
<sup>7</sup> OGRID NO.				8 Operator Name APACHE CORPORATION				9Elevation 3367'	
					10 Surface	Location	-		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
H	28	20S	30E		2156	NORTH	345	EAST	EDDY
•			11	Bottom H	ole Location	If Different Fro	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	30	20S	30E		2160	NORTH	2590	EAST	EDDY
12 Dedicated Acres	13 Joint	or Infill 14 (	Consolidation	Code 15 C	order No.				<u> </u>

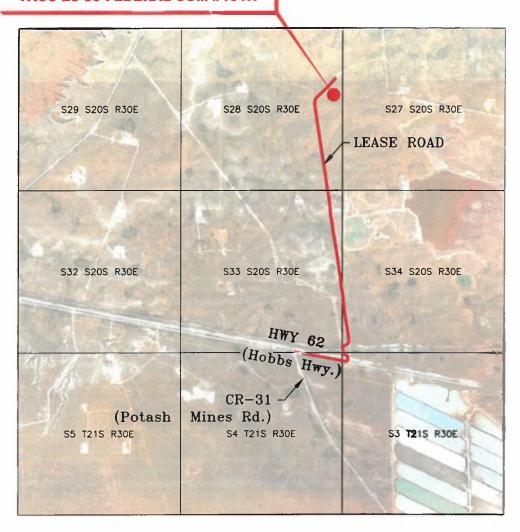
No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

GEODETIC DATA	CORNER DATA	K: FOUND BRASS CAP "1943"	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete
NAD 83 GRID - NM EAST SURFACE LOCATION (S.L.)	NAD 83 GRID NM EAST  A: FOUND BRASS CAP "1918"	N 559296.7 - E 653747.1 L: FOUND BRASS CAP "1943"	to the best of my knowledge and belief, and that this organization either
	N 559282.6 - E 637898.7	N 559300.5 - E 651103.6	owns a working interest or unleased mineral interest in the land including
N 562417.8 – E 653389.4 LAT: 32.5456180' N LONG: 103.9696929' W	B: FOUND BRASS CAP T-POST N 561917.5 - E 637893.2	M: FOUND BRASS CAP "1943" N 559300.7 - E 648450.5	the proposed bottom hole location or has a right to drill this well at this
LAST TAKE POINT (L.T.P.)	C: FOUND BRASS CAP "1918" N 564545.9 - E 637893.4	N: FOUND BRASS CAP "1943" N 559290.7 - E 645810.1	location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling
N 562394.9 - E 640614.4 LAT: 32.5456681" N LONG: 104.0111508" W	D: FOUND BRASS CAP "1943" N 564554.1 - E 640500.6	O: FOUND BRASS CAP "1943" N 559282.1 - E 643169.6	order heretofore entered by the division.
BOTTOM HOLE (B.H.)	E: FOUND BRASS CAP "1943" N 564561.5 - E 643143.3	P: FOUND BRASS CAP "1943" N 559280.6 - E 640538.1	Signature Date
N 562394.8 - E 640564.5 LAT: 32.5456682' N LONG: 104.0113131' W	F: FOUND BRASS CAP "1943" N 564575.7 — E 645785.1	Q: FOUND BRASS CAP "1943" N 561918.6 - E 643156.2	Printed Name
DETAIL "A"	G: FOUND BRASS CAP "1943" N 564594.9 - E 648426.6	R: FOUND BRASS CAP "1943" N 561946.7 - E 648438.3	E-mail Address
3350.3' _ <i>675'</i> _ 3357.6'	H: FOUND BRASS CAP "1943" N 564582.6 - E 651074.6	CALCULATED POINTS  1: N 563236.1 - E 640510.0  2: N 563240.0 - E 643149.8	
S. L.	I: FOUND BRASS CAP "1943" N 564571.7 - E 653723.7	3: N 563270.8 - E 648432.4 4: N 563251.6 - E 653730.2 5: N 561918.0 - E 640519.4	<sup>18</sup> SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this
3378.8'	J. FOUND BRASS CAP "1943" N 561931.6 - E 653736.6	9,,,,	plat was plotted from field notes of actual surveys made by me or under my supervision, and that the
S 89'49'10" W S 89'50'24" W 2607.88' D 2643.31'	5 89'41'29" W 5 89'35'03" W 2642.49' F 2642.12'	© 189°44′05° W № 89°45′48° W № 2649.82′ ①	same is true and correct to the best of my belief.
LOT 1		2156	\$ 11-13-2017 L
2160'LTP & BH	(2) & 40 Ac.   40 Ac.   40 Ac.   40 Ac.	8 3 (4) Ac.   40 Ac.   40 Ac.   40 Ac.	Date of Survey  Signature and Seal of Interional Salveyor
≥ LOT 2   B.H. 2590'BH & 2540'LTP ≥	1 1 1		5 2 0 2
B 30	29	28 S.L.	8 2 (10034)
± LOT 3		83. # S	10034
25.00 × 207.4	7637	312	© Certificate Number
N 89'57'23" W S 89'58'08" W	S 89'48'42" W   S 89'47'00" W	N 89'59'42" W N 89'55'07" W K	
2640.08 P 2632.06	2641.17 N 2641.06	M 2653.69 ( ) 2644.10	Job No.: LS18111249

## VICINITY MAP

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #101H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR:	Apache	Corporat	ion	 LOC
LEASE: Taco	28-30	Federal	Com	ELE

WELL NO.: 101H

LOCATION: 2156' FNL & 345' FEL

ELEVATION: 3667'

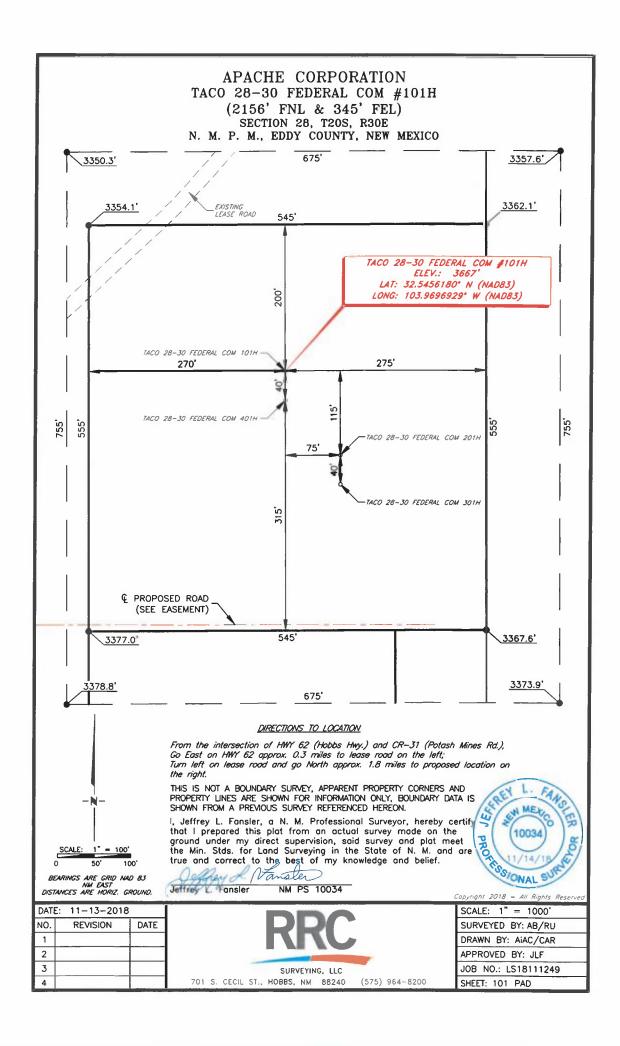
Copyright 2018 - All Rights Reserved

DATE:	11-12-2018				
NO.	REVISION	DATE			
1					
2					
3					
4					

RRC

SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 3000'
SURVEYED BY: AB/RU
DRAWN BY: AIAC/CAR
APPROVED BY: JLF
JOB NO.: LS18111249
SHEET: 101 VM



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	r		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name				
4Property Co			5 Property Name TACO 28-30 FEDERAL COM					6 Well Number 401H	
7 OGRID NO.				8 Operator Name APACHE CORPORATION				9 Elevation 3368'	
					<sup>10</sup> Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
H	28	20S	30E		2196	NORTH	345	EAST	EDDY
			11 ]	Bottom H	ole Location	If Different Fro	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	30	20S	30E		2210	NORTH	2590	EAST	EDDY
12 Dedicated Acres	13 Joint	or Infill 14	Consolidation	Code 15 (	Order No.				

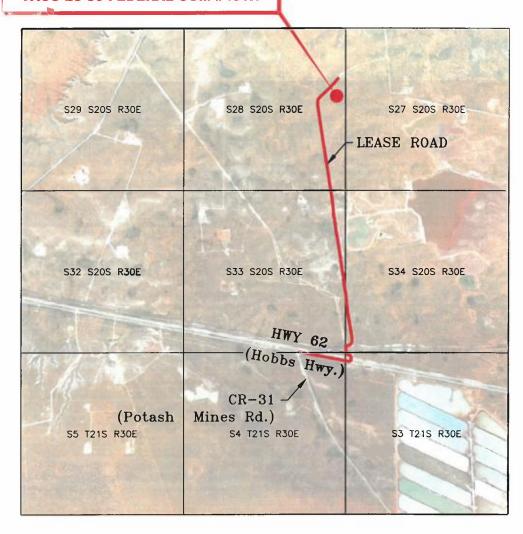
No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

	· · · · · · · · · · · · · · · · · · ·		
GEODETIC DATA  NAD 83 GRID — NM EAST	CORNER DATA  NAD 83 GRID - NM EAST  A: FOUND BRASS CAP "1918"	K: FOUND BRASS CAP "1943" N 559296.7 - E 653747.1	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either
SURFACE LOCATION (S.L.)	N 559282.6 - E 637898.7	L: FOUND BRASS CAP "1943" N 559300.5 - E 651103.6	
N 562377.8 - E 653389.6 LAT: 32.5455081° N LONG: 103.9696927° W	8: FOUND BRASS CAP T-POST N 561917.5 - E 637893.2	M: FOUND BRASS CAP "1943" N 559300.7 - E 648450.5	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
LAST TAKE POINT (L.T.P.)	C: FOUND BRASS CAP "1918" N 564545.9 - E 637893.4	N: FOUND BRASS CAP "1943" N 559290.7 - E 645810.1	location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling
N 562344.9 E 640614.7 LAT: 32.5455307 N LONG: 104.0111505 W	D; FOUND BRASS CAP "1943" N 564554.1 — E 640500.6	O: FOUND BRASS CAP "1943" N 559282.1 - E 643169.6	order heretofore entered by the division.
<u>BOTTOM HOLE (B.H.)</u> N 562344.8 - E 640564.7	E: FOUND BRASS CAP "1943" N 564561.5 - E 643143.3	P: FOUND BRASS CAP "1943" N 559280.6 - E 640538.1	Signature Date
LAT: 32.5455308* N LONG: 104.0113128* W	F: FOUND BRASS CAP "1943" N 564575.7 - E 645785.1	Q: FOUND BRASS CAP "1943" N 561918.6 - £ 643156.2	Printed Name
DETAIL "A"	G: FOUND BRASS CAP "1943" N 564594.9 — E 648426.6	R: FOUND BRASS CAP "1943" N 561946.7 - E 648438.3	E-mail Address
3350 <u>.3</u> ' _ <i>675'</i> _ 3 <u>3</u> 57.6'	H: FOUND BRASS CAP "1943"	CALCULATED POINTS	
	N 564582.6 - E 651074.6	1: N 563236.1 - E 640510.0 2: N 563240.0 - E 643149.8	18 SURVEYOR CERTIFICATION
\$ 0	l: FOUND BRASS CAP "1943" N 564571.7 - E 653723.7	3: N 563270.8 - E 648432.4 4: N 563251.6 - E 653730.2	I hereby certify that the well location shown on this
S. L I		5: N 561918.0 - E 640519.4	
	J. FOUND BRASS CAP "1943" N 561931.6 - E 653736.6		plat was plotted from field notes of actual surveys
3378.8' 3373.9'	N 381337.0 = E 033730.0		made by me or under my supervision, and that the
S 89°49'10" W S 89°50'24" W 2607.88' D 2643.31'	E 2642.49' F 2642.12'	N 89'44'05" W N 89'45'48" W 2649.82' (1)	same is true and correct to the best of my belief.
LOT 1	¥	2196	§ 11-13-2017 L. Date of Survey
40 Ac.   40 Ac.	9' ' 9	40 Ac.   40 Ac.   40 Ac.   40 Ac.	Signature and Seal of Profesional Surveyor
B.H. 2590'BH & 2540'LTF	>	S.C	8 (10034)
B 30	(a) 29	R 28 J	2 0 00 000
LOT 3   1   5	¥		The Hangley
\$\frac{1}{8} \frac{1}{7}	27.2	g <del>-</del> <del>-</del>	10034
LOT 4	38.	90.1	Certificate Number
	S 89'48'42" W   S 89'47'00" W	N 89'59'42" W N 89'55'07" W K	
A N 89°57'23" W   S 89°58'08" W   2640'08" P 2632'06"	O 2641.17 N 2641.06 N		Job No.: LS18111249

## VICINITY MAP

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #401H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Apache Corporation LEASE: Taco 28-30 Federal Com ELEVATION: 3368'

WELL NO.: 401H

LOCATION: 2196' FNL & 345' FEL

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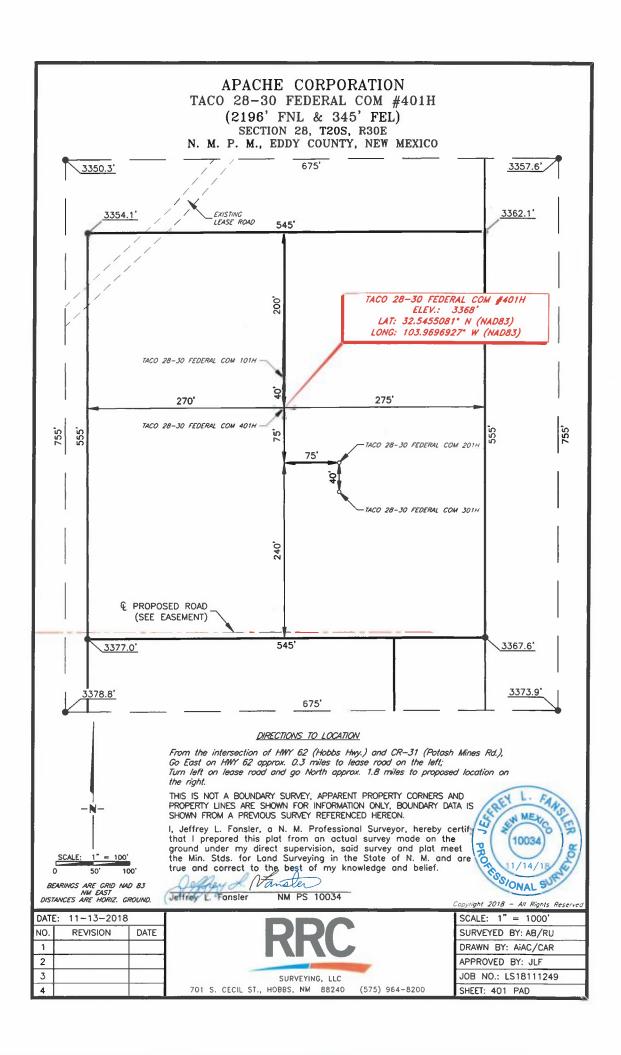
DATE:	11-12-2018				
NO.	REVISION	DATE			
1					
2					
3					
4					

SURVEYING, LLC

701 S. CECIL ST., HOBBS, NM 88240

(575) 964-8200

SCALE: 1" = 3000'
SURVEYED BY: AB/RU
DRAWN BY: AIAC/CAR
APPROVED BY: JLF
JOB NO.: LS18111249
SHEET: 401 VM



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

		V	VELL L	OCATIO	N AND ACE	REAGE DEDIC	ATION PLA	T		
1 API Number 2Pool							<sup>3</sup> Pool Nar	ne	·	
4Property Code				TACC	SProperty Name ACO 28-30 FEDERAL COM			6 Well Number 201H		
7 OGRID NO.					8 Operator Name APACHE CORPORATION				9Elevation 3365'	
					<sup>10</sup> Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/We	est line	County
H	28	20S	30E		2271	NORTH	270	EAS	ST	EDDY
			11 ]	Bottom H	Iole Location	If Different Fro	om Surface			
UL or lot no.	Section	Township Range Lot Idn Feet from the North/South line Feet from the East/West line		County						
G	30	20S	30E		2260	NORTH	2590	EAST EDDY		
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.										

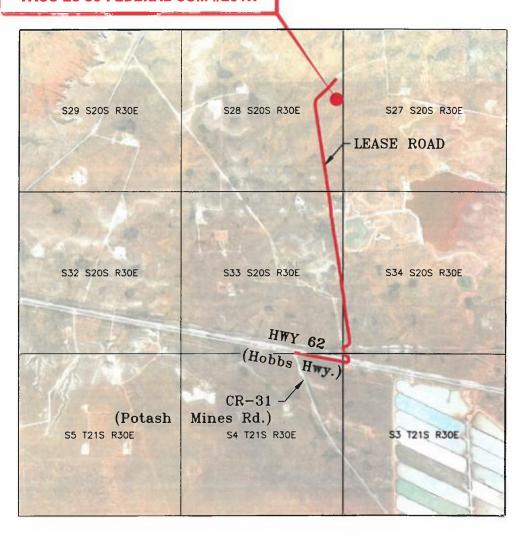
No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

16			17OPERATOR CERTIFICATION
<u>GEODETIC DATA</u> NAD 83 GRID — NM EAST	CORNER DATA NAD 83 GRID — NM EAST	K: FOUND BRASS CAP "1943" N 559296.7 - E 653747.1	I hereby certify that the information contained herein is true and complete
SURFACE LOCATION (S.L.)	A: FOUND BRASS CAP "1918" N 559282.6 - E 637898.7	L: FOUND BRASS CAP "1943"	to the best of my knowledge and belief, and that this organization either
N 562302.7 - E 653464.8		N 559300.5 - E 651103.6	owns a working interest or unleased mineral interest in the land including
LAT: 32.5453008° N LONG: 103.9694494° W	B: FOUND BRASS CAP T-POST N 561917.5 - E 637893.2	M: FOUND BRASS CAP "1943" N 559300.7 - E 648450.5	the proposed bottom hole location or has a right to drill this well at this
LAST TAKE POINT (L.T.P.)	C. FOUND BRASS CAP "1918"	N: FOUND BRASS CAP "1943"	location pursuant to a contract with an owner of such a mineral or workin
N 562294.9 - E 640614.9	N 564545.9 - E 637893.4	N 559290.7 - E 645810.1	interest, or to a voluntary pooling agreement or a compulsory pooling
LAT: 32.5453933' N LONG: 104.0111502' W	D: FOUND BRASS CAP "1943" N 564554.1 - E 640500.6	O: FOUND BRASS CAP "1943" N 559282.1 - E 643169.6	order heretofore entered by the division.
BOTTOM HOLE (B.H.)	E. FOUND BRASS CAP "1943"	P: FOUND BRASS CAP "1943"	
N 562294.8 - E 640564.9	N 564561.5 - E 643143.3	N 559280.6 - E 640538.1	Signature Date
LAT: 32.5453934° N LONG: 104.0113125° W	F: FOUND BRASS CAP "1943" N 564575.7 - E 645785.1	Q: FOUND BRASS CAP "1943" N 561918.6 - E 643156.2	Printed Name
	G: FOUND BRASS CAP "1943"		
DETAIL "A"	N 564594.9 - E 648426.6	R: FOUND BRASS CAP "1943" N 561946.7 - E 648438.3	
3350.3' <i>675</i> ' 3357.6'	H: FOUND BRASS CAP "1943"	CALCULATED POINTS	E-mail Address
3330.5 _8.5 _ 337.0	N 564582.6 - E 651074.6	1: N 563236.1 - E 640510.0	19 OV TO VICE OF THE PARTY OF T
0 -	I. FOUND BRASS CAP "1943"	2: N 563240.0 - E 643149.8 3: N 563270.8 - E 648432.4	18 SURVEYOR CERTIFICATION
	N 564571.7 - E 653723.7	4: N 563251.6 - E 653730.2 5: N 561918.0 - E 640519.4	I hereby certify that the well location shown on this
	J: FOUND BRASS CAP "1943" N 561931.6 - E 653736.6		plat was plotted from field notes of actual surveys
3378.8' 3373.9'	N 301937.0 - E 033730.0		made by me or under my supervision, and that the
\$ 89'49'10" W \$ 89'50'24" W 2607.88' D 2643.31'	E 2642.49' E 5 89'35'03" W 2642.12'	N 89'44'05" W N 89'45'48" W 2648.63' H 2649.82'	same is true and correct to the best of my belief.
			§ 11-13-2017
LOT 1 2260'LTP & BH		2271 & ③	Date of Survey
§	55(2)	3	5. Signature and Seal of profesional Survey
107.01	8 40 Ac.   40 Ac.   40 Ac.   40 Ac. 8	8 40 Ac.   40 Ac.   40 Ac.   40 Ac.	18/8/8/9
B.H. D 2590 BH & 2540 CIP	(0)	(R) 5.L	8 (10034)
30 <u></u>	29	28	0000 204 400
LOT 3	<u>.</u>		VIII Transfer
		88	10034
	2853	7946	Certificate Number
LOT 4	2	×	
N 89'57'23" W S 89'58'08" W	5 89'48'42" W 5 89'47'00" W	N 89'59'42" W N 89'55'07" W K	
2640.08° P 2632.06°	O 2641.17 N 2641.06 N	2653.69" ( 2644.10"	Job No.: L518111249

## VICINITY MAP

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #201H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Apache Corporation LOCATION: 2271' FNL & 270' FEL LEASE: <u>Taco 28–30 Federal Com</u> ELEVATION: <u>3365'</u>

WELL NO .: 201H

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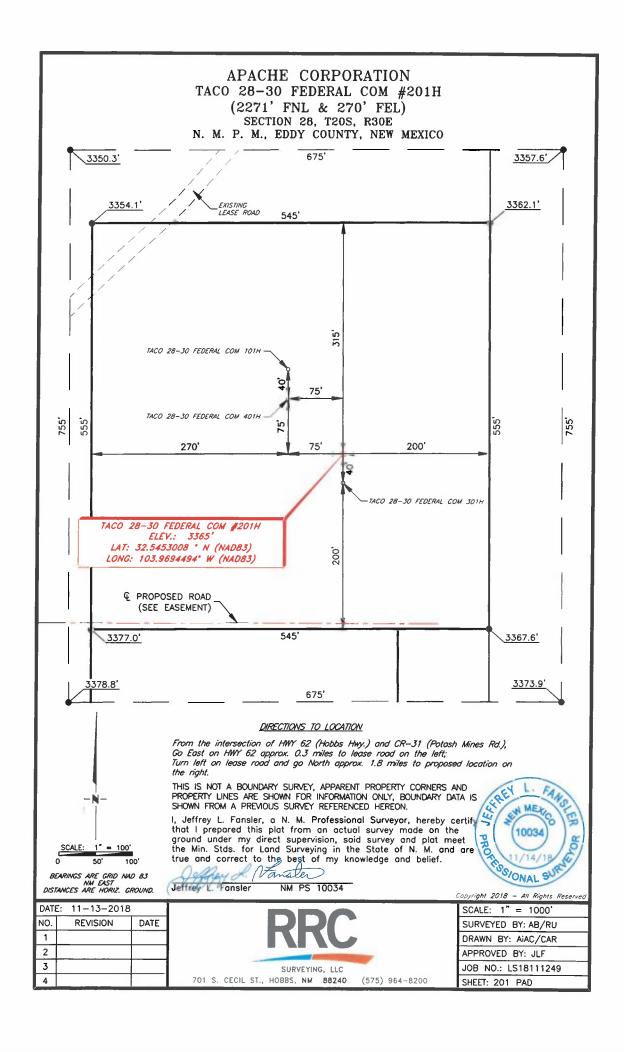
DATE: 11-12-2018 NO. **REVISION** DATE 1 2 3



SURVEYING, LLC

701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

П	SCALE: 1" = 3000'
	SURVEYED BY: AB/RU
	DRAWN BY: AIAC/CAR
	APPROVED BY: JLF
	JOB NO.: LS18111249
	SHEET: 201 VM



District I
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Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Pic. Physics Page Actio

District III
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Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

		V	VELL L	OCATIO	N AND ACE	REAGE DEDIC	ATION PLA	T		
<sup>1</sup> API Number 2Pool (			<sup>2</sup> Pool Code			<sup>3</sup> Pool Nar	ne			
4Property Code			!	TACC	SProperty Name ACO 28-30 FEDERAL COM			6 Well Number 301H		
<sup>7</sup> OGRID NO.				AP	8 Operator N ACHE CORI					9Elevation 3366'
					<sup>10</sup> Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/We	st line	County
H	28	20S	30E		2311	NORTH	270	EAS	ST	EDDY
			11 ]	Bottom F	Iole Location	If Different Fro	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
G	30	20S	30E		2310	NORTH	2590	EAS	ST	EDDY
12 Dedicated Acre	8 13 Joint	or Infill 14	Consolidation	Code 15 (	Order No.				_	

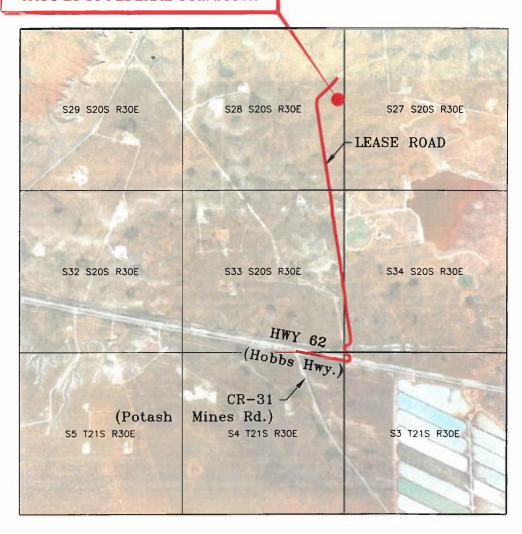
No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

The state of the s			
GEODETIC DATA  NAD 83 GRID - NM EAST	CORNER DATA NAD 83 GRID — NM EAST	K: FOUND BRASS CAP "1943" N 559296.7 - E 653747.1	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete
SURFACE LOCATION (S.L.)	A: FOUND BRASS CAP "1918" N 559282.6 - E 637898.7	L: FOUND BRASS CAP "1943" N 559300.5 - E 651103.6	to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including
N 562262.7 - E 653465.0 LAT: 32.5451909' N	B: FOUND BRASS CAP 1-POST N 561917.5 - E 637893.2	M: FOUND BRASS CAP "1943"	the proposed bottom hole location or has a right to drill this well at this
LONG: 103.9694491° W	C. FOUND BRASS CAP "1918"	N 559300.7 - E 648450.5 N: FOUND BRASS CAP "1943"	location pursuant to a contract with an owner of such a mineral or working
N 562244.9 - E 640615.2	N 564545.9 - E 637893.4	N 559290.7 - E 645810.1	interest, or to a voluntary pooling agreement or a compulsory pooling
LAT: 32.5452559" N LONG: 104.0111499" W	D: FOUND BRASS CAP "1943" N 564554.1 - E 640500.6	O: FOUND BRASS CAP "1943" N 559282.1 - E 643169.6	order heretofore entered by the division.
BOTTOM HOLE (B.H.)	E: FOUND BRASS CAP "1943" N 564561.5 E 643143.3	P: FOUND BRASS CAP "1943" N 559280.6 - E 640538.1	Signature Date
N 562244.8 - E 640565.2 LAT: 32.5452560 N LONG: 104.0113122 W	F: FOUND BRASS CAP "1943" N 564575.7 - E 645785.1	Q: FOUND BRASS CAP "1943" N 561918.6 - E 643156.2	Printed Name
DETAIL "A"	G: FOUND BRASS CAP "1943" N 564594.9 - E 648426.6	R: FOUND BRASS CAP "1943" N 561946.7 — E 648438.3	B-mail Address
3350.3' _ <i>675'</i> _ 3357.6'	H: FOUND BRASS CAP "1943" N 564582.6 - E 651074.6	CALCULATED POINTS  1: N 563236.1 - E 640510.0	
725.	E FOUND BRASS CAP "1943"	2: N 563240.0 - E 643149.8 3: N 563270.8 - E 648432.4	18 SURVEYOR CERTIFICATION
S. L.	N 564571.7 - E 653723.7	4: N 563251.6 - E 653730.2 5: N 561918.0 - E 640519.4	I hereby certify that the well location shown on this
3378.8' 3373.9'	J: FOUND BRASS CAP "1943" N 561931.6 - E 653736.6		plat was plotted from field notes of actual surveys
S 89°49'10" W S 89°50'24" W	S 89'41'29" W S 89'35'03" W	N 89'44'05" W N 89'45'48" W	made by me or under my supervision, and that the same is true and correct to the best of my belief.
C 2607.88' D 2643.31'	2642.49' (1) 2642.12'	2648.63' H) 2649.82' U	, i
LOT 1	*	2311'	\( \frac{11 - 13 - 2017}{\text{Date of Survey}} \)
2310'LTP & BH   100 Ac.   40 Ac.   40 Ac.	95	83	b, Signature and Seal of Protestonal Surveyor
107 2 1	, ,	\$ 40 Ac.   40 Ac.   40 Ac.   40 Ac.	5 3 0 2
B.H. 2590'BH & 2540'LTP	29	28 S.L <sup>©</sup>	8 (10034)
. 6	ž (0)	®	Jegge X. Janator
	7.20		10034
20 LOT 4	263	264	Certificate Number
N 89'57'23" W 5 89'58'08" W	S 89'48'42" W   S 89'47'00" W	N 89'59'42" W N 89'55'07" W K	
2640.08 P 2632.06	O 2641.17 N 2641.06	D 2653.69' D 2644.10'	Job No.: LS18111249

### VICINITY MAP

NOT TO SCALE

#### TACO 28-30 FEDERAL COM #301H



SECTION 28, TWP. 20 SOUTH, RGE. 30 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Apache Corporation LOCATION: 2311' FNL & 270' FEL LEASE: Taco 28-30 Federal Com ELEVATION: 3366'

WELL NO.: 301H

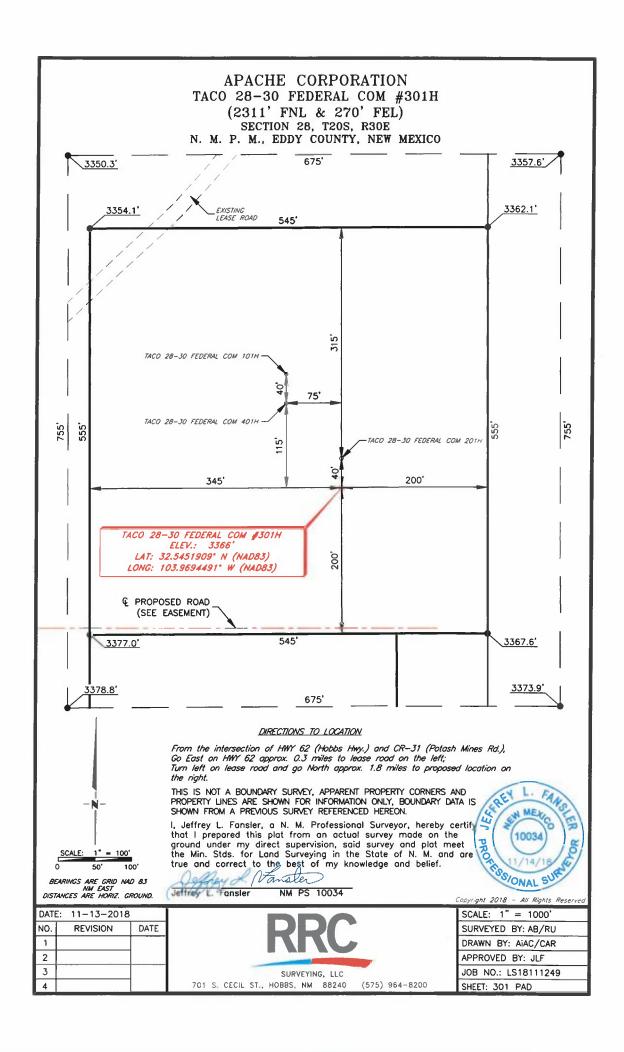
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SURVEYING, LLC

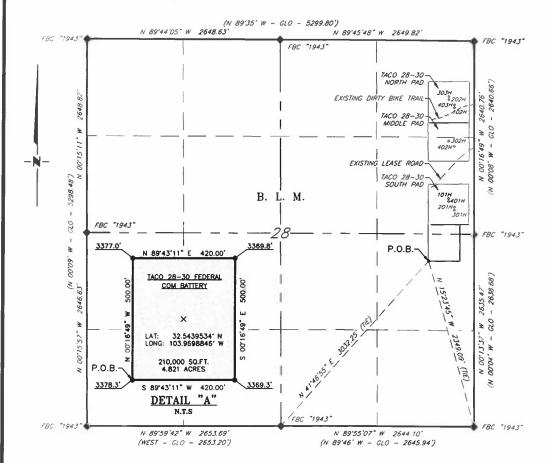
701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

SCALE: 1" = 3000'
SURVEYED BY: AB/RU
DRAWN BY: AIAC/CAR
APPROVED BY: JLF
JOB NO.: LS18111249
SHEET: 301 VM



SURVEY FOR THE PROPOSED TACO 28-30 FEDERAL COM BATTERY SECTION 28, T20S, R30E

N. M. P. M., EDDY COUNTY, NEW MEXICO



#### DESCRIPTION

A tract of land situated within the East half of Section 28, Township 20 South, Range 60 East, N. M. P. M., Lea/Eddy County, New Mexico, across State of New Mexico/B. L. M. land and being more particularly described by metes and bounds as follows:

BEGINNING at a point, which bears, N 41°46′55″ E, 3,032.25 feet from a brass cap, stamped "1943", found for the South quarter corner of Section 28, and bears, N 15°23′45″ W, 2,349.09 feet from a brass cap, stamped "1943", found for the Southeast corner of Section 28;

Thence N 00'16'49" W, 500.00 feet, to a point;

Thence N 89'43'11" E, 420.00 feet, to a point;

Thence S 00°16'49" E, 500.00 feet, to a point;

Thence S 89'43'11" W, 420.00 feet, to the Point of Beginning.

Said tract of land contains 210,000 square feet or 4.821 acres, more or less, and is allocated by forties as:

SCALE: 1" = 1000'

SE 1/4 NE 1/4 NE 1/4 SE 1/4 55,020 Sq. Ft. 154,980 Sq. Ft.

I, Jeffrey L. Fansler, a N. M. Professional Surveyor, hereby

1.263 Acres 3.558 Acres

BEARINGS ARE GRID NAD 83 NM EAST DISTANCES ARE HORIZ. GROUND.

NM EAST NCES ARE HORIZ. GROUND.

RECORD DATA - GLO
FOUND MONUMENT AS NOTED

certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

FOUND MONUMENT AS NOTED Vanaler
PROPOSED ACCESS ROAD JETTING I. Fonsler NM PS 10034

TOSTONAL SUR

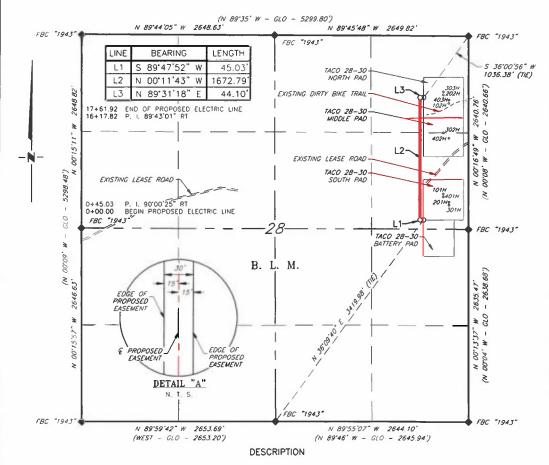
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SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200 SCALE: 1" = 1000'
SURVEYED BY: AB/RU
DRAWN BY: CAR
APPROVED BY: JLF
JOB NO.: LS18111249
SHEET: BAT

PROPOSED ELECTRIC LINE FOR THE TACO 28-30 FEDERAL COM SECTION 28, T20S, R30E

N. M. P. M., EDDY COUNTY, NEW MEXICO



A strip of land 30 feet wide, being 1,761.92 feet or 106.783 rods in length, lying in Section 28, Township 20 South, Range 30 East, N. M. P. M., Eddy County, New Mexico, being 15 feet left and 15 feet right of the following described survey of a centerline across B. L. M. land:

BEGINNING at Engr. Sta. 0+00, a point in the Northeast quarter of Section 28, which bears, N 36\*09'40" E, 3,419.98 feet from a brass cap, stamped "1943", found for the South quarter corner of Section 28;

Thence, S  $89^{\circ}47^{\circ}52^{\circ}$  W, 45.03 feet, to Engr. Sta. 0+45.03, a P. I. of  $90^{\circ}00^{\circ}25^{\circ}$  right; Thence, N  $00^{\circ}11^{\circ}43^{\circ}$  W, 1,672.79 feet, to Engr. Sta. 17+17.82, a P. I. of  $89^{\circ}43^{\circ}01^{\circ}$  right;

Thence, N 89°31′18″ E, 44.10 feet, to Engr. Sta. 17+61.92, the End of Survey, a point in the Northeast quarter of Section 28, which bears, S 36°00′56″ W, 1,036.38 feet from a brass cap, stamped "1943", found for the Northeast corner of Section 28.

Said strip of land contains 1.213 Acres, more or less, and is allocated by forties as follows:

SCALE: 1" = 1000'

SE 1/4 NE 1/4 NE 1/4 NE 1/4 75.055 Rods 31.728 Rods 0.853 Acres 0.360 Acres

BEARINGS ARE GRID NAD 83 NM EAST DISTANCES ARE HORIZ, GROUND.

> LEGENO RECORD DATA - GLO

I, Jeffrey L. Fansler, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

FOUND MONUMENT AS NOTED

PROPOSED ELECTRIC LINE Jeffrey L Fansler

Fansler NM PS 10034

SCALE: 1" = 1000'
SURVEYED BY: AB/RU
DRAWN BY: CAR

10034

11/27/18

S/ONAL SUR

DRAWN BY: CAR

APPROVED BY: JLF

JOB NO.: LS18111249

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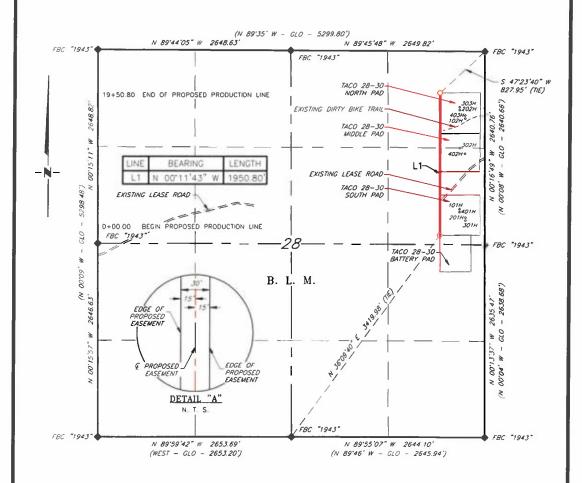


Vanster

SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

PROPOSED PRODUCTION LINE FOR THE TACO 28-30 FEDERAL COM SECTION 28, T20S, R30E

N. M. P. M., EDDY COUNTY, NEW MEXICO



#### DESCRIPTION

A strip of land 30 feet wide, being 1,950.80 feet or 118.230 rods in length, lying in Section 28, Township 20 South, Range 30 East, N. M. P. M., Eddy County, New Mexico, being 15 feet left and 15 feet right of the following described survey of a centerline across B. L. M. land:

BEGINNING at Engr. Sta. 0+00, a point in the Northeast quarter of Section 28, which bears, N 36\*09'40" E, 3,419.98 feet from a brass cap, stamped "1943", found for the South quarter corner of Section 28;

Thence, N 00°11'43" W, 1,950.80 feet, to Engr. Sta. 19+50.80, the End of Survey, a point in the Northeast quarter of Section 28, which bears, S  $47^{\circ}23'40$ " W, 827.95 feet from a brass cap, stamped "1943", found for the Northeast corner of Section 28.

Said strip of land contains 1.344 Acres, more or less, and is allocated by forties as follows:

1" = 1000" 1000 500'

SE 1/4 NE 1/4 NE 1/4 NE 1/4

72.306 Rods 45.924 Rods 0.822 Acres 0.522 Acres

BEARINGS ARE GRID NAD 83 NM EAST DISTANCES ARE HORIZ. GROUND.

LEGEND

I, Jeffrey L. Fansler, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

RECORD DATA - GLO

Vanster FOUND MONUMENT AS NOTED PROPOSED PRODUCTION LINE Jeffrey L. Fansler NM PS 10034

DATE: 11-13-2018 REVISION DATE

NO. 1 2 3 4



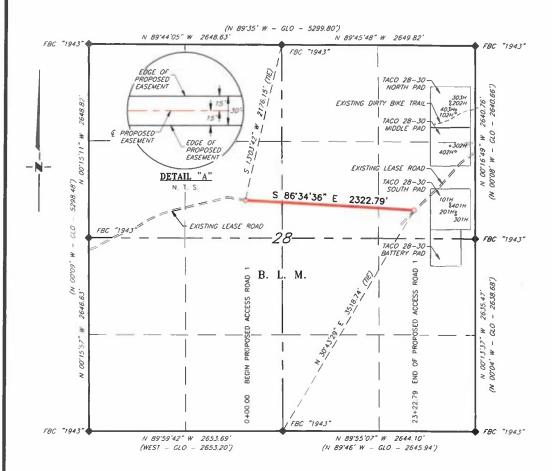
SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200 Copyright 2018 - All Rights Reserved SCALE: 1" = 1000" SURVEYED BY: AB/RU DRAWN BY: CAR APPROVED BY: JLF JOB NO.: LS18111249 SHEET: PL

10034

YONAL SUR

PROPOSED ACCESS ROAD FOR THE TACO 28-30 FEDERAL COM SECTION 28, T20S, R30E

N. M. P. M., EDDY COUNTY, NEW MEXICO



#### DESCRIPTION

A strip of land 30 feet wide, being 2,322.79 feet or 140.775 rods in length, lying in Section 28, Township 20 South, Range 30 East, N. M. P. M., Eddy County, New Mexico, being 15 feet left and 15 feet right of the following described survey of a centerline across B. L. M. land:

BEGINNING at Engr. Sta. 0+00, a point in the Northwest quarter of Section 28, which bears, S 13'03'42" W, 2,176.15'feet from a brass cap, stamped "1943", found for the North quarter corner of Section 28;

Thence, S  $86^{\circ}34^{\circ}36^{\circ}$  E, 2.322.79 feet, to Engr. Sta. 23+22.79, the End of Survey, a point in the Northeast quarter of Section 28, which bears, N  $30^{\circ}43^{\circ}29^{\circ}$  E, 3.518.74 feet from a brass cap, stamped "1943", found for the South quarter corner of Section 28.

Said strip of land contains 1.600 acres, more or less, and is allocated by forties as follows:

SE 1/4 NW 1/4 SW 1/4 NE 1/4

SE 1/4 NE 1/4

500' 1000

BEARINGS ARE GRID NAD 83 NM EAST DISTANCES ARE HORIZ. GROUND.

LEGEND RECORD DATA - GLO

FOUND MONUMENT AS NOTED Jeffrey L. Fansler

PROPOSED ACCESS ROAD

Vanster

SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

I, Jeffrey L. Fansler, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

NM PS 10034

30.578 Rods

80.424 Rods

29.773 Rods

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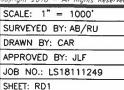
SSIONAL SUR

EREY

0.348 Acres

0.914 Acres

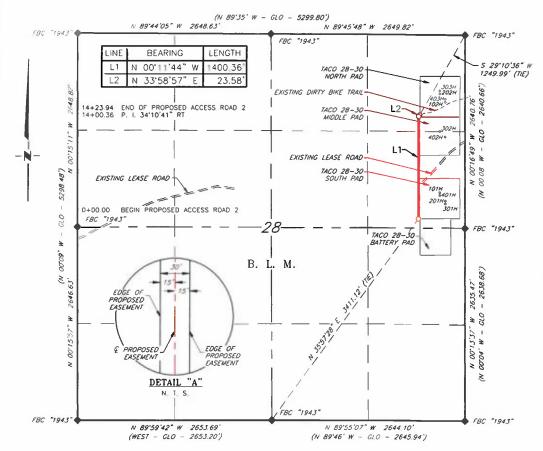
0.338 Acres



DATE: 11-13-2018 REVISION NO. DATE 1 2 3

#### PROPOSED ACCESS ROAD FOR THE TACO 28-30 FEDERAL COM SECTION 28, T20S, R30E

N. M. P. M., EDDY COUNTY, NEW MEXICO



#### DESCRIPTION

A strip of land 30 feet wide, being 1,423.94 feet or 86.299 rods in length, lying in Section 28, Township 20 South, Range 30 East, N. M. P. M., Eddy County, New Mexico, being 15 feet left and 15 feet right of the following described survey of a centerline across B. L. M. land:

BEGINNING at Engr. Sta. 0+00, a point in the Northeast quarter of Section 28, which bears, N 35°57'28" E, 3,411.12 feet from a brass cap, stamped "1943", found for the South quarter corner of Section 28;

Thence, N 00"11'44" W, 1,400.36 feet, to Engr. Sta. 14+00.36, a P. I. of 34"10'41" right;

Thence, N 33'58'57" E, 23.58 feet, to Engr. Sta. 14+23.94, the End of Survey, a point in the Northeast quarter of Section 28, which bears, S 29'10'36" W, 1,249.99 feet from a brass cap, stamped "1943", found for the Northeast corner of Section 28.

Said strip of land contains 0.981 acres, more or less, and is allocated by forties as follows:

1" = 1000" 500' 1000'

SE 1/4 NE 1/4 NE 1/4 NE 1/4 72.311 Rods 13.988 Rods

0.822 Acres 0.159 Acres

BEARINGS ARE GRID NAD 83 NM EAST DISTANCES ARE HORIZ. GROUND.

RECORD DATA - GLO

I, Jeffrey L. Fansler, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plot meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

NM PS 10034

FOUND MONUMENT AS NOTED Jeffrey L. Fansler

PROPOSED ACCESS ROAD

(	Copyright 2018 - All Rights Reserved
٦	SCALE: 1" = 1000'
	SURVEYED BY: AB/RU
	DRAWN BY: CAR
	APPROVED BY: JLF
	JOB NO.: LS18111249
	SHEET: RD2

SEN METO

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DATI	E: 11-13-2018	
NO.	REVISION	DATE
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Vanster

SURVEYING, LLC 701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200



December 13, 2018

Ascent Energy, LLC 1125 17th Street, Suite 410 Denver, CO 80202

RE:

Taco 28-30 Fed Com Well and Facility Proposals N/2 of Section 28 and 29; NE/4 of Section 30-20S-30E

Eddy County, New Mexico

Dear Working Interest Owner,

Apache Corporation ("Apache"), proposes the drilling of the following wells located in the N/2 of Section 28 and 29 and NE/4 of Section 30, Township 20 South, Range 30 East, Eddy County, New Mexico to be drilled from the surface pad locations ("Operations") as shown on the attached Exhibit "A".

1)

#### Taco 28-30 Program

Well Name	Legal Description	Formation	TVD	TMD	AFE
Taco 28-30 Fed Com #201H	SHL: 2271' FNL, 270' FEL in Sec. 28-20S-30E BHL: 2260' FNL, 2590' FEL in Sec. 30-20S-30E S/2N/2 of Sec. 28, 29 and S/2NE/4 of 30-20S-30E	2nd Bone Spring Sand	8670'	21500'	\$10,637,009
Taco 28-30 Fed Com #202H	SHL: 801' FNL, 343' FEL in Sec. 28-20S-30E BHL: 380' FNL, 2590' FEL in Sec. 30-20S-30E N/2N/2 of Sec. 28, 29 and N/2NE of 30-20S-30E	2nd Bone Spring Sand	8670'	21600'	\$10,637,009
Taco 28-30 Fed Com #301H	SHL: 2311' FNL, 270' FEL in Sec. 28-20S-30E BHL: 2310' FNL, 2590' FEL in Sec. 30-20S-30E S/2N/2 of Sec. 28, 29 and S/2NE/4 of 30-20S-30E	3rd Bone Spring Sand	9700'	22600'	\$10,802,009
Taco 28-30 Fed Com #302H	SHL: 1320' FNL, 346' FEL in Sec. 28-20S-30E BHL: 1320' FNL, 2590' FEL in Sec. 30-20S-30E N/2N/2 of Sec. 28, 29 and N/2NE of 30-20S-30E	3rd Bone Spring Sand	9560'	22600'	\$10,802,009
Taco 28-30 Fed Com #303H	SHL: 761' FNL, 343' FEL in Sec. 28-20S-30E BHL: 330' FNL, 2590' FEL in Sec. 30-20S-30E N/2N/2 of Sec. 28, 29 and N/2NE of 30-20S-30E	3rd Bone Spring Sand	9570'	22500'	\$10,802,009
Taco 28-30 Fed Com #401H	SHL: 2196' FNL, 345' FEL in Sec. 28-20S-30E BHL: 2210' FNL, 2590' FEL in Sec. 30-20S-30E S/2N/2 of Sec. 28, 29 and S/2NE/4 of 30-20S-30E	Wolfcamp	10030'	22900'	\$10,905,009
Taco 28-30 Fed Com #402H	SHL: 1395' FNL, 271' FEL in Sec. 28-20S-30E BHL: 1370' FNL, 2590' FEL in Sec. 30-20S-30E N/2N/2 of Sec. 28, 29 and N/2NE of 30-20S-30E	Wolfcamp	10030'	22900'	\$10,905,009
aco 28-30 Fed Com #403H	SHL: 876' FNL, 269' FEL in Sec. 28-20S-30E BHL: 430' FNL, 2590' FEL in Sec. 30-20S-30E N/2N/2 of Sec. 28, 29 and N/2NE of 30-20S-30E	Wolfcamp	10000'	22800'	\$10,905,009

2) Also enclosed is an AFE for the facility. The estimated cost of the Taco 28-30 facility is \$3,500,000. The Taco 28-30 facility will service five (5) Bone Spring horizontal wells with the

Taco 28-30 Fed Com #201H, #202H, #301H, #302H, #303H, #401H, #402H, #403H, and Facility December 13, 2018
Page 2 of 4

ability to accommodate additional Wolfcamp development. Costs for the Taco 28-30 facility will be shared proportionally by working interest owners in the wells across the sections. We ask that you sign this AFE at the same time you sign the drilling, completion, and equipping AFE as the facility AFE is not a separate election; it is a separate AFE for internal administrative purposes.

Apache is proposing the Operations under the terms of a modified 1989 AAPL Model Form Operating Agreement ("JOA") covering the N/2 of Section 28 and 29 and NE/4 of Section 30-20S-30E with the following general provisions:

- 100%/300% Non-consenting penalty
- Drilling and Producing Rate of \$7,000/\$700
- Apache named as Operator

If you wish to participate in the Operations, please sign and return the elections and the AFEs in the enclosed yellow return envelope. Due to the large amount of working interest owners and the approximate 80 pages in a JOA, Apache would prefer to email the JOA if at all possible. Please indicate your email below or reach out to me directly via email to receive a copy.

Your working interest in the 800 acre spacing unit is highlighted on the ownership table attached as Exhibit B. If you do not wish to participate in the Operations, Apache is willing to discuss an acquisition of your interest, subject to final management approval and contingent on reaching mutually satisfactory terms. Please reach out to me at the email address below if you are interested in this option.

If we do not reach an agreement within thirty (30) days from the date of this letter, Apache will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well(s).

Should you have any further questions, please contact me at 432-818-1846 or at laci.stretcher@apachecorp.com.

Sincerely,

Laci Stretcher Landman

**Apache Corporation** 

Taco 28-30 Fed Com #201H, #202H, #301H, #302H, #303H, #401H, #402H, #403H, and Facility December 13, 2018 Page 3 of 4

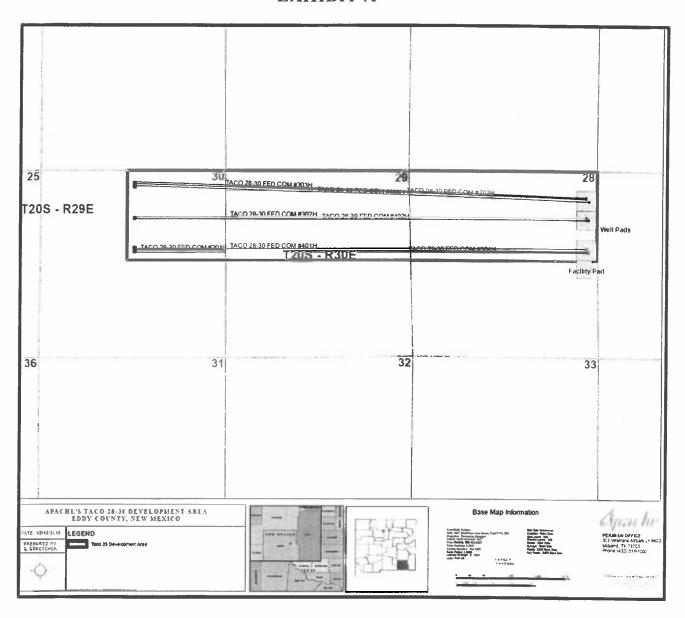
Please indicate your response to our proposals by placing an "x" in the appropriate box.

### Taco 28-30 Fed Com Program

Well Name	YES to Participation (Drilling, Equipping, Completing, and Facility)	NO to Participation
Taco 28-30 Fed Com #201H		
Taco 28-30 Fed Com #202H		
Taco 28-30 Fed Com #301H		
Taco 28-30 Fed Com #302H		
Taco 28-30 Fed Com #303H		
Taco 28-30 Fed Com #401H		
Taco 28-30 Fed Com #402H		
Taco 28-30 Fed Com #403H		

By:	
Printed Name:	
Company Name (if applicable):	
Date:	
Email Address:	

#### **EXHIBIT A**



### **Exhibit B**

# Taco 28-30 Federal Com Development Area N/2 of Section 28 and 29, NE/4 of Sec. 30-20S-30E Eddy County, NM

Working Interest Owners	WI
Apache Corporation	30.0000000%
303 Veterans Airpark Lane	
Suite 1000	
Midland, TX 79705	
GRB Properties, Inc (potentially Oxy)	22.0000000%
PO Box 10201	
Midland, TX 79702	
Occidental Permian Limited Partnership	12.5000000%
Attn: Jonathan Gonzalez	
PO Box 27570	
Houston, TX 77046	
Ascent Energy, LLC	8.2485550%
1621 18th Street, Suite 200	
Denver, CO 80202	
MRC Delaware Resources, LLC	5.7085076%
5400 LBJ Freeway, Suite 1500	
Ft. Worth, TX 75240	
Patrick Petroleum	1.9285714%
P.O. Box 747	
Jackson, Michigan 49204	i de la companya de l
Francis Hill Hudson, Trustee of Lindy's Living Trust	1.8593750%
6300 Ridglea Place, Suite 1005-A	
Fort Worth, TX 76116	
Delmar Hudson Lewis Living Trust	1.8593750%
6300 Ridglea Place, Suite 1005-A	
Fort Worth, TX 76116	
EOG Y Resources, Inc.	1.3971912%
EOG Y Resources Inc.	
105 South 4th Street	
Artesia, NM 88210	
Zorro Partners, Ltd	1.2395835%
616 Texas Street	
Ft. Worth, TX 76102	
Javelina Partners	1.2395831%
616 Texas Street	
Ft. Worth, TX 76102	

JTD Resources, LLC	1.232142
P.O. Box 3422	
Midland, TX 79702	
Gahr Energy Company	1.207500
P.O. Box 1889	
Midland, TX 79702	
Fuel Products, Inc.	1.207500
P.O. Box 1889	
Midland, TX 79702	
Jalapeno Corporation	1.199706
1429 Central Ave. NW, Ste. 3	
Albuquerque, NM 87104	
Providence Oil and Gas Corporation	1.142857
7160 S. College Avenue	
Tulsa, OK 74136	
Yates Energy Corporation	0.9460396
EOG Y Resources Inc.	
105 South 4th Street	
Artesia, NM 88210	
Ard Oil, Ltd	0.9296875
222 West 4th Street, PH-5	
Fort Worth, TX 76102	
Moore and Shelton Company, Ltd.	0.5625000
4320 Ave. P	
Galveston, TX 77550	
Hutchings Oil Company	0.4359828
P.O. Box 1216	
Albuquerque, New Mexico 87103	
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o	0.3098960
J. Terrell Ard	
P.O. Box 1600	
San Antonio, TX 78296	
William A. Hudson	0.2656250
616 Texas Street	
Fort Worth, TX 76102	
Francis H. Hudson, Executrix of the Estate of Roxie E. Hudson	0.2656250
616 Texas Street	
Fort Worth, TX 76102	
First Hutchings-Sealy National Bank of Galveston, Trustee of the Frances	0.2250000
B. Moore Trust	
Scott-Winn, LLC	0.1978619
215 West 3rd Street	
Roswell, New Mexico 88201	
B. D. Moore Jr.	0.1425000
David W. Moore	0.1425000

Edward R. Hudson Trust 1	0.1328125%
616 Texas Street	
Fort Worth, TX 76102	
Edward R. Hudson Trust 2	0.1328125%
616 Texas Street	
Fort Worth, TX 76102	
Edward R. Hudson Trust 3	0.1328125%
616 Texas Street	
Fort Worth, TX 76102	
Edward R. Hudson Trust 4	0.1328125%
616 Texas Street	
Fort Worth, TX 76102	
Centennial, LLC	0.1307948%
P.O. Box 1837	
Roswell, New Mexico 88202	
Worrall Investment Corporation	0.1187171%
215 West 3rd Street	
Roswell, New Mexico 88201	
V-F Petroleum, Inc.	0.0928840%
P.O. Box 1889	
Midland, TX 79702	
Long, LLC	0.0871966%
275 E. South Temple, Suite 250	
Salt Lake, Utah 84111	
Bane Bigbie, Inc.	0.0871966%
P.O. Box 998	
Ardmore, OK 73402	
Norton, LLC	0.0871966%
60 Beach Avenue - Bay View	
S. Dartmouth, Massachusetts 02748	
Anita G. Moore	0.0712500%
John Knox Hutchings Moore	0.0478125%
The First National Bank of Roswell, Roswell New Mexico, Ancillary	0.0478125%
Guardian of the Estate of Donald Bartlett Moore, Minor	
Carol Pauls Moore	0.0468750%
Ted James	0.0435982%
708 East Vista Parkway	0.0.13330278
Roswell, New Mexico 88201	
Andrew Malcolm Shelton	0.0356250%
Arthur Holt Shelton II	0.0356250%
Frances Knox Shelton Howell	0.0356250%
Kenneth R. Shelton Jr.	0.0356250%
Anita Moore Doyle	0.0142500%
Charles H. Moore III	0.0142500%
Kilburn G. Moore	0.0142500%
Paul Cook Moore	0.0142500%
. 44. 444. (100.4	0.014230076

Bartlett G. Moore	0.0142500%
	100.0000000%

# Taco 28-30 Fed Com #201H 2nd Bone Spring Well AFE

		1			
A	-	evelopment (		Carrierie	Total W-U.C.
Acct	Description  Desiling (Percentage Overhead	Dry Hole	Completion \$0		Total Well Cost
	Drilling/Percentage Overhead  Bits Coreheads and Reamers	\$10,500	\$3,800	\$0	\$10,500 \$93,800
	<del> </del>		\$3,800	\$0	
	Casing Crews	\$70,000	\$0	\$0	\$70,000 \$270,000
	70006 Cement and Cementing Services 70007 Chemicals 70008 Communications 70011 Company Supervision 70012 Company Vehicle and/or Boat 70017 Contract Labor 70019 Contract Rigs - Daywork 70021 Contract Supervision 70022 Directional Drilling 70025 Drilling Fluids 70026 Electrical Contract 70031 Equipment Rental 70034 Formation and Well Stimulation 70035 Formation Testing 70037 Fuel 70046 Land and Site Reclamation 70047 Legal and Curative 70049 Logging 70054 LOE-Other 70064 Rig Mobilization	\$270,000	\$277,194	\$0	\$270,000
		\$8,000	\$277,134	\$0	
		\$4,000	\$24,581	\$15,000	\$8,000
		\$1,000	\$1,527	\$13,000	\$2,527
		\$65,000	\$1,327	\$50,000	\$115,000
		\$620,000	\$100	\$30,000	\$650,100
		\$100,000	\$161,195	\$15,000	\$276,195
	<del></del>	\$378,000	\$101,133	\$13,000	\$378,000
	<del></del>	\$424,000	\$0	\$0	\$424,000
		\$0	\$0	\$20,000	\$20,000
	<del> </del>	\$136,500	\$75,635	\$15,000	\$227,135
		\$0	\$1,717,481	\$0	\$1,717,481
	<del></del>	\$0	\$56,270	\$0	\$56,270
		\$112,000	\$625,412	\$0	\$737,412
	<del> </del>	\$5,000	\$0	\$0	\$5,000
	<del></del>	\$10,000	\$0	\$0	\$10,000
		\$0	\$593,156	\$0	\$593,156
	1	\$30,000	\$0	\$0	\$30,000
		\$275,000	\$0	\$0	\$275,000
	Road and Site Preparation	\$100,000	\$9,619	\$0	\$109,619
	Salt Water Disposal	\$0	\$5,478	\$0	\$5,478
70069	Coiled Tubing	\$0	\$240,488	\$0	\$240,488
	Trucking and Hauling	\$60,000	\$0 \$0	\$25,000 \$0	\$85,000
70076	Tubular Inspection/Testing	\$30,000			\$30,00
70077	Water	\$70,000	\$743,682	\$0	\$813,682
70078	Wellsite Damages, Loss, Rightof- Way	\$10,000	\$0	\$0	\$10,00
70116	Containment Disposal Expense	\$245,000	\$0	\$0	\$245,000
70169	Camp Rentals	\$60,000	\$0	\$0	\$60,000
70186	Flowback Tester	\$0	\$47,000	\$35,000	\$82,000
70198	Sand/Proppant	\$0	\$1,475,579	\$0	\$1,475,579
70243	Mud Logging	\$20,000	\$0	\$0	\$20,000
	Drilling Operations Center	\$8,000	\$0	\$0	\$8,000
70285	Water Transfer	\$0	\$108,478	\$0	\$108,478
70286	Water Treatment	\$0	\$66,976	\$0	\$66,976
	Frac Plugs	\$0	\$74,813	\$0	\$74,813
	Frac Valve / Frac Tree	\$0	\$61,263	\$0	\$61,263
	Safety Case	\$2,000	\$0	\$0	\$2,000
Subtotal	Intangible Materials Cost	\$3,214,000	\$6,369,726	\$205,000	\$9,788,726
	Tangible De	velopment Co	sts		
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
	Flow Lines	\$0	\$0	\$50,000	\$50,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
	Intermediate Casing	\$115,000	\$0	\$0	\$115,000
	Other Subsurface Equipment	\$35,000	\$0	\$15,000	\$50,000
71034	Personnel Safety Systems	\$0	\$8,283	\$0	\$8,283
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$15,000	\$15,000
	Production Casing	\$380,000	\$0	\$0	\$380,000
71050	Surface Casing	\$20,000	\$0	\$0	\$20,000
	Tubing	\$0	\$0	\$70,000	\$70,000
	Wellhead Assembly	\$45,000	\$0	\$35,000	\$80,000
Subtotal	Tangible Materials Cost	\$595,000	\$8,283	\$245,000	\$848,283
	Description	Dry Hole	Completion	Fauinning	Total Well Cost
	Description	DI Y HOIE	Completion	rdoibhing	TOTAL WELL COST

\$3,214,000 \$6,369,726 \$205,000

Subtotal Intangible Costs

\$9,788,726

 Subtotal Tangible Costs	\$595,000	\$8,283	\$245,000	\$848,28
 Grand Total	\$3,809,000	\$6,378,009	\$450,000	\$10,637,00
 Drilling				
Drill a horizontal well to produce t	he 2nd Bone Spri	ng Sand form	ation as follo	ows: Preset 17-
1/2" hole to 475' with spudder rig		-		
12-1/4" hole to 4050'. Run 9-5/8"	•	•		
with 2 stage cement job. Drill an 8			•	
and land at ~8900' MD, 8500' TVD				•
8500' TVD. Set and cmt 5-1/2" 20#				
·				timated time is
days MIRU + 19 Days to Drill + 4 da	ays ID-KK. Kig Kat	e = \$25K per	day.	
 Completions				
70 Stage P&P complete 12500 ft. I	ateral @ 180 ft/st	g 2000 #/ft. C	% RC 48 bbl	/ft Water @ 1.
\$/bbl.				_
			i	
Equipping				
This AFE will provide funds to equi	p and produce a l	norizontal we	ll in the Taco	o development.
The funds requested will be used t	o purchase and ir	stall headers	for product	ion flowlines
and gas injection flowline for the p				
wellhead automation, and product		,		
The state of the s				
			T I	
				<del></del>
	Partner Signa	ture:		
	Date:			

# Taco 28-30 Fed Com #202H 2nd Bone Spring Well AFE

	2nd Bone S	Spring We	II AFE		
		evelopment (		7	1
Acct	Description	Dry Hole			Total Well Cost
	6 Drilling/Percentage Overhead	\$10,500	\$0	\$0	\$10,500
	3 Bits Coreheads and Reamers	\$90,000	\$3,800	\$0	\$93,80
	4 Casing Crews	\$70,000	\$0	\$0	\$70,00
	6 Cement and Cementing Services	\$270,000	\$0	\$0	\$270,000
7000	7 Chemicals	\$0	\$277,194	\$0	\$277,194
7000	8 Communications	\$8,000	\$0	\$0	\$8,000
	1 Company Supervision	\$4,000	\$24,581	\$15,000	\$43,581
7001	2 Company Vehicle and/or Boat	\$1,000	\$1,527	\$0	\$2,527
7001	7 Contract Labor	\$65,000	\$0	\$50,000	\$115,000
7001	9 Contract Rigs - Daywork	\$620,000	\$100	\$30,000	\$650,100
7002	1 Contract Supervision	\$100,000	\$161,195	\$15,000	\$276,19
7002	2 Directional Drilling	\$378,000	\$0	\$0	\$378,000
7002	5 Drilling Fluids	\$424,000	\$0	\$0	\$424,000
7002	6 Electrical Contract	\$0	\$0	\$20,000	\$20,000
7003	1 Equipment Rental	\$136,500	\$75,635	\$15,000	\$227,13
	4 Formation and Well Stimulation	\$0	\$1,717,481	\$0	\$1,717,481
	5 Formation Testing	\$0	\$56,270	\$0	\$56,270
	7 Fuel	\$112,000	\$625,412	\$0	\$737,412
	6 Land and Site Reclamation	\$5,000	\$0	\$0	\$5,000
	7 Legal and Curative	\$10,000	\$0	\$0	\$10,000
	9 Logging	\$10,000	\$593,156	\$0	\$593,156
	4 LOE-Other	\$30,000	\$0	\$0	\$30,000
	4 Rig Mobilization	\$275,000	\$0	\$0	\$275,000
	5 Road and Site Preparation	\$100,000	\$9,619	\$0	\$109,619
			\$5,478		
	7 Salt Water Disposal	\$0 \$0		\$0 \$0	\$5,478
	9 Coiled Tubing		\$240,488		\$240,488
	4 Trucking and Hauling	\$60,000	\$0	\$25,000	\$85,000
	6 Tubular Inspection/Testing	\$30,000	\$0	\$0	\$30,000
	7 Water	\$70,000	\$743,682	\$0	\$813,682
	B Wellsite Damages, Loss, Rightof- Way	\$10,000	\$0	\$0	\$10,000
	6 Containment Disposal Expense	\$245,000	\$0	\$0	\$245,000
	Camp Rentals	\$60,000	\$0	\$0	\$60,000
	Flowback Tester	\$0	\$47,000	\$35,000	\$82,000
	Sand/Proppant	\$0	\$1,475,579	\$0	\$1,475,579
	Mud Logging	\$20,000	\$0	\$0	\$20,000
	Drilling Operations Center	\$8,000	\$0	\$0	\$8,000
7028	Water Transfer	\$0	\$108,478	\$0	\$108,478
7028	Water Treatment	\$0	\$66,976	\$0	\$66,976
	Frac Plugs	\$0	\$74,813	\$0	\$74,813
7029	Frac Valve / Frac Tree	\$0	\$61,263	\$0	\$61,263
7052	Safety Case	\$2,000	\$0	\$0	\$2,000
ubtotal	Intangible Materials Cost	\$3,214,000	\$6,369,726	\$205,000	\$9,788,726
	T	velopment Co			
cct	Description	Dry Hole	Completion	Equipping	Total Well Cost
7100	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
	Flow Lines	\$0	\$0	\$50,000	\$50,000
	Instrumentation	\$0	\$0	\$30,000	\$30,000
	Intermediate Casing	\$115,000	\$0	\$0	\$115,000
	Other Subsurface Equipment	\$35,000	\$0	\$15,000	\$50,000
7103	Personnel Safety Systems	\$0	\$8,283	\$0	\$8,283
7103	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$15,000	\$15,000
	Production Casing	\$380,000	\$0	\$0	\$380,000
	Surface Casing	\$20,000	\$0	\$0	\$20,000
	Tubing	\$0	\$0	\$70,000	\$70,000
	Wellhead Assembly	\$45,000	\$0	\$35,000	\$80,000
ubtotal	Tangible Materials Cost	\$595,000	\$8,283	\$245,000	\$848,283
		+333,000	72,203	,,555	¥040,283
	Description	Dry Hole	Completion	Equipping	Total Well Cost

Subtotal Tangible Costs	\$595,000	\$8,283	\$245,000	\$848,283					
 Grand Total	\$3,809,000	\$6,378,009	\$450,000	\$10,637,009					
Drilling									
Drill a horizontal well to produce the 2nd Bone Spring Sand formation as follows: Preset 17-									
1/2" hole to 475' with spudder rig. 5 12-1/4" hole to 4050'. Run 9-5/8" 40									
with 2 stage cement job. Drill an 8-3									
and land at ~8900' MD, 8500' TVD.									
8500' TVD. Set and cmt 5-1/2" 20# (				stimated time is					
 days MIRU + 19 Days to Drill + 4 day	'S ID-KK. KIG KAT	e = \$25K per	day.						
 Completions									
 Completions	0 100 6/-	- 2000 ### .	00, 00, 40, 11	1/0.14 . 0.4.4					
 70 Stage P&P complete 12500 ft. lat \$/bbl.	erai@ 180 π/st	g 2000 #/π. υ	J% KC 48 DD	1/π Water @ 1.1					
 Equipping									
This AFE will provide funds to equip and produce a horizontal well in the Taco developmen.  The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks.									
wellhead automation, and production	on tree.								
		.0							
 		<u> </u>							
	Partner Signa	nture:							
	Partner Signa	iture:							

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#### Taco 28-30 Fed Com #301H 3rd Bone Spring Well AFE

- 14 R E	3rd Bone S	pring We	II AFE			
			<u> </u>			
		evelopment (		le	E	
Acct	Description	Dry Hole			Total Well Cost	
	Drilling/Percentage Overhead	\$11,500	\$0	\$0	\$11,500	
	Bits Coreheads and Reamers	\$90,000	\$3,800	\$0	\$93,800	
	Casing Crews	\$72,000	\$0	\$0	\$72,000	
	Cement and Cementing Services	\$280,000	\$0	\$0	\$280,000	
-	Chemicals	\$0	\$277,194	\$0	\$277,194	
	Communications	\$9,000	\$0	\$0	\$9,000	
	Company Supervision	\$4,000	\$24,581	\$15,000	\$43,581	
	Company Vehicle and/or Boat	\$1,000	\$1,527	\$0	\$2,527	
	Contract Labor	\$65,000	\$0		\$110,000	
	Contract Rigs - Daywork	\$670,000	\$100	\$30,000	\$700,100	
70021	Contract Supervision	\$107,000	\$161,195	\$15,000	\$283,195	
70022	Directional Drilling	\$386,000	\$0	\$0	\$386,000	
70025	Drilling Fluids	\$452,000	\$0	\$0	\$452,000	
70026	Electrical Contract	\$0	\$0	\$20,000	\$20,000	-
70031	Equipment Rental	\$148,000	\$75,635	\$15,000	\$238,635	
70034	Formation and Well Stimulation	\$0	\$1,717,481	\$0	\$1,717,481	
70035	Formation Testing	\$0	\$56,270	\$0	\$56,270	
70037		\$121,000	\$625,412	\$0	\$746,412	
70046	Land and Site Reclamation	\$5,000	\$0	\$0	\$5,000	
	Legal and Curative	\$10,000	\$0	\$0	\$10,000	
	Logging	\$0	\$593,156	\$0	\$593,156	
	LOE-Other	\$30,000	\$0	\$0	\$30,000	
	Rig Mobilization	\$275,000	\$0	\$0	\$275,000	
	Road and Site Preparation	\$100,000	\$9,619	\$0	\$109,619	
	Salt Water Disposal	\$100,000	\$5,478	\$0	\$5,478	
	Coiled Tubing	\$0	\$240,488	\$0	\$240,488	
	Trucking and Hauling	\$60,000	\$240,488	\$25,000	\$85,000	
		\$30,000	\$0	\$23,000	\$30,000	
	Tubular Inspection/Testing	\$75,000	\$743,682	\$0		
	Water			\$0	\$818,682	
	Wellsite Damages, Loss, Rightof- Way	\$10,000	\$0		\$10,000	
	Containment Disposal Expense	\$255,000	\$0	\$0	\$255,000	
	Camp Rentals	\$60,000	\$0	\$0	\$60,000	
	Flowback Tester	\$0	\$47,000	\$37,000	\$84,000	
	Sand/Proppant	\$0		\$0	\$1,475,579	
	Mud Logging	\$22,000	\$0	\$0	\$22,000	
	Drilling Operations Center	\$8,500	\$0	\$0	\$8,500	
	Water Transfer	\$0	\$108,478	\$0	\$108,478	
	Water Treatment	\$0	\$66,976	\$0	\$66,976	
	Frac Plugs	\$0	\$74,813	\$0	\$74,813	
70291	Frac Valve / Frac Tree	\$0	\$61,263	\$0	\$61,263	
70529	Safety Case	\$2,000	\$0	\$0	\$2,000	
Subtotal	Intangible Materials Cost	\$3,359,000	\$6,369,726	\$202,000	\$9,930,726	
	Tangible De	velopment Co	sts			
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost	
	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000	
	Flow Lines	\$0	\$0	\$50,000	\$50,000	
	Instrumentation	\$0	\$0	\$30,000	\$30,000	
	Intermediate Casing	\$115,000	\$0	\$0	\$115,000	
	Other Subsurface Equipment	\$35,000	\$0	\$18,000	\$53,000	
	Personnel Safety Systems	\$0	\$8,283	\$0	\$8,283	
	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$15,000	\$15,000	
	Production Casing	\$400,000	\$0	\$0	\$400,000	
	Surface Casing	\$20,000	\$0	\$0	\$20,000	
	Tubing	\$20,000	\$0	\$70,000	\$70,000	
	Wellhead Assembly	\$45,000	\$0	\$35,000	\$80,000	
	Tangible Materials Cost	\$615,000	\$8,283	\$248,000	\$871,283	
Juniolai	Tangine Materials Cost	2013,000	70,203	\$2.70,000	₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩ ₩	
					<b>———</b>	

	Description	Dry Hole	Completion	Equipping	Total Well Cost	
	Subtotal Intangible Costs	\$3,359,000	\$6,369,726	\$202,000	\$9,930,726	
	Subtotal Tangible Costs	\$615,000	\$8,283	\$248,000	\$871,283	
-	Grand Total	\$3,974,000	\$6,378,009	\$450,000	\$10,802,009	
	Drilling					
	Drill a horizontal well to produc 475' with spudder rig. Set 13-3/ Run 9-5/8" 40# J-55 BTC interm 3/4" depth of ~8900'. Drill an 8- ~12200, 8-1/2" lateral section to casing string to 22100'. Estimate per day.	8" 48# H-40 casing a ediate casing and co 3/4" curve at 10 DE o TD of ~22100' MD	and cement t ement to surf G/100' and la , 9500' TVD. S	o surface. D ace with 2 s and at ~9900 set and cmt	rill a 12-1/4" hole tage cement job. I 0' MD, 9500' TVD. 5-1/2" 20# CYP-11	to 4050'. Drill an 8- Drill a .0 GB-CD
	Completions					
	70 Stage P&P complete 12500 f \$/bbl.	t. lateral @ 180 ft/s	tg 2000 #/ft.	0% RC 48 bł	ol/ft Water @ 1.1	
	Equipping				<u></u>	
	This AFE will provide funds to educated will be used to purch flowline for the pad, installation production tree.	ase and install head	lers for produ	ction flowli	nes and gas injecti	on
		Partner Sign	ature:			
		Date:				

10.	Taco 28-30 3rd Bone S					
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	Intangible D	evelopment (	Costs			
cct	Description	Dry Hole		Equipping	Total Well Cost	
65506	Drilling/Percentage Overhead	\$11,500	\$0	\$0	\$11,500	
	Bits Coreheads and Reamers	\$90,000	\$3,800	\$0	\$93,800	
	Casing Crews	\$72,000	\$0	\$0	\$72,000	
	Cement and Cementing Services	\$280,000	\$0	\$0	\$280,000	
	Chemicals	\$0	\$277,194	\$0	\$277,194	
	Communications	\$9,000	\$0 \$24,581	\$0 \$15,000	\$9,000	
	Company Supervision Company Vehicle and/or Boat	\$1,000	\$1,527	\$13,000	\$43,581 \$2,527	
	Contract Labor	\$65,000	\$1,327	\$45,000	\$110,000	
	Contract Rigs - Daywork	\$670,000	\$100	\$30,000	\$700,100	
	Contract Supervision	\$107,000	\$161,195	\$15,000	\$283,195	-
	Directional Drilling	\$386,000	\$0	\$0	\$386,000	
	Drilling Fluids	\$452,000	\$0	\$0	\$452,000	
	Electrical Contract	\$0	\$0	\$20,000	\$20,000	
	Equipment Rental	\$148,000	\$75,635	\$15,000	\$238,635	-
	Formation and Well Stimulation	\$0	\$1,717,481	\$0	\$1,717,481	
70035	Formation Testing	\$0	\$56,270	\$0	\$56,270	
70037	Fuel	\$121,000	\$625,412	\$0	\$746,412	
	Land and Site Reclamation	\$5,000	\$0	\$0	\$5,000	
70047	Legal and Curative	\$10,000	\$0	\$0	\$10,000	
70049	Logging	\$0	\$593,156	\$0	\$593,156	
70054	LOE-Other	\$30,000	\$0	\$0	\$30,000	
	Rig Mobilization	\$275,000	\$0	\$0	\$275,000	
	Road and Site Preparation	\$100,000	\$9,619	\$0	\$109,619	
	Salt Water Disposal	\$0	\$5,478	\$0	\$5,478	
	Coiled Tubing	\$0	\$240,488	\$0	\$240,488	
	Trucking and Hauling	\$60,000	\$0	\$25,000	\$85,000	
	Tubular Inspection/Testing	\$30,000	\$0	\$0	\$30,000	
	Water	\$75,000	\$743,682 \$0	\$0 \$0	\$818,682	
	Wellsite Damages, Loss, Rightof- Way Containment Disposal Expense	\$10,000 \$255,000	\$0	\$0	\$10,000 \$255,000	
	Camp Rentals	\$60,000	\$0	\$0	\$60,000	
	Flowback Tester	\$0	\$47,000	\$37,000	\$84,000	
	Sand/Proppant	\$0	\$1,475,579	\$0	\$1,475,579	
	Mud Logging	\$22,000	\$0	\$0	\$22,000	
	Drilling Operations Center	\$8,500	\$0	\$0	\$8,500	
	Water Transfer	\$0	\$108,478	\$0	\$108,478	
	Water Treatment	\$0	\$66,976	\$0	\$66,976	
	Frac Plugs	\$0	\$74,813	\$0	\$74,813	
	Frac Valve / Frac Tree	\$0	\$61,263	\$0	\$61,263	
70529	Safety Case	\$2,000	\$0	\$0	\$2,000	
btotal	Intangible Materials Cost	\$3,359,000	\$6,369,726	\$202,000	\$9,930,726	
	Tangible De	velopment Co	ests			
ct	Description	Dry Hole	Completion	Equipping	Total Well Cost	
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000	
	Flow Lines	\$0	\$0	\$50,000	\$50,000	
	Instrumentation	\$0	\$0	\$30,000	\$30,000	
	Intermediate Casing	\$115,000	\$0	\$0	\$115,000	
	Other Subsurface Equipment	\$35,000	\$0	\$18,000	\$53,000	
	Personnel Safety Systems	\$0	\$8,283	\$0	\$8,283	
	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$15,000	\$15,000	
	Production Casing	\$400,000	\$0	\$0	\$400,000	
	Surface Casing	\$20,000	\$0	\$0	\$20,000	
	Tubing	\$0	\$0	\$70,000	\$70,000	
	Wellhead Assembly	\$45,000	\$0	\$35,000	\$80,000	
btotal	Tangible Materials Cost	\$615,000	\$8,283	\$248,000	\$871,283	

Description	Dry Hole	Completion	Equipping	Total Well Cost			
Subtotal Intangible Costs	\$3,359,000	\$6,369,726	\$202,000	\$9,930,726			
Subtotal Tangible Costs	\$615,000	\$8,283	\$248,000	\$871,283			
Grand Total	\$3,974,000	\$6,378,009	\$450,000	\$10,802,009			
Drilling							
475' with spudder rig. Set 13-3/4 Run 9-5/8" 40# J-55 BTC interme 3/4" depth of ~8900'. Drill an 8- ~12200, 8-1/2" lateral section to	B" 48# H-40 casing a ediate casing and ce 3/4" curve at 10 DE o TD of ~22100' MD	and cement to ment to surfa G/100' and la , 9500' TVD. S	o surface. D ace with 2 s nd at ~9900 et and cmt	rill a 12-1/4" hole t tage cement job. [ 0' MD, 9500' TVD. [ 5-1/2" 20# CYP-11	:0 4050'. Prill an 8- Prill a O GB-CD		
Completions							
70 Stage P&P complete 12500 ft. lateral @ 180 ft/stg 2000 #/ft. 0% RC 48 bbl/ft Water @ 1.1 \$/bbl.							
Equipping					-		
This AFE will provide funds to equip and produce a horizontal well in the Taco development. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.							
	Partner Signa	ature:					
	Subtotal Intangible Costs  Subtotal Tangible Costs  Grand Total  Drilling  Drill a horizontal well to produce 475' with spudder rig. Set 13-3/8 Run 9-5/8" 40# J-55 BTC interme 3/4" depth of ~8900'. Drill an 8-~12200, 8-1/2" lateral section to casing string to 22100'. Estimate per day.  Completions  70 Stage P&P complete 12500 ft \$/bbl.  Equipping  This AFE will provide funds to exprequested will be used to purchaflowline for the pad, installation	Subtotal Intangible Costs \$3,359,000  Subtotal Tangible Costs \$615,000  Grand Total \$3,974,000  Drilling  Drill a horizontal well to produce the 3rd Bone Spring 475' with spudder rig. Set 13-3/8" 48# H-40 casing and cestion and cestion and cestion and cestion are supported by the specific of the speci	Subtotal Intangible Costs \$3,359,000 \$6,369,726 Subtotal Tangible Costs \$615,000 \$8,283  Grand Total \$3,974,000 \$6,378,009  Drilling  Drill a horizontal well to produce the 3rd Bone Spring Sand form: 475' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to Run 9-5/8" 40# J-55 BTC intermediate casing and cement to surf: 3/4" depth of ~8900'. Drill an 8-3/4" curve at 10 DEG/100' and la ~12200, 8-1/2" lateral section to TD of ~22100' MD, 9500' TVD. S casing string to 22100'. Estimated time is 3 days MIRU + 21 Days per day.  Completions  70 Stage P&P complete 12500 ft. lateral @ 180 ft/stg 2000 #/ft. 0 \$/bbl.  Equipping  This AFE will provide funds to equip and produce a horizontal we requested will be used to purchase and install headers for produflowline for the pad, installation of artificial lift, flow back for two	Subtotal Intangible Costs \$3,359,000 \$6,369,726 \$202,000  Subtotal Tangible Costs \$615,000 \$8,283 \$248,000  Grand Total \$3,974,000 \$6,378,009 \$450,000  Drilling  Drill a horizontal well to produce the 3rd Bone Spring Sand formation as foll 475' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. D Run 9-5/8" 40# J-55 BTC intermediate casing and cement to surface with 2 s 3/4" depth of ~8900'. Drill an 8-3/4" curve at 10 DEG/100' and land at ~9900 ~12200, 8-1/2" lateral section to TD of ~22100' MD, 9500' TVD. Set and cmt casing string to 22100'. Estimated time is 3 days MIRU + 21 Days to Drill + 4 per day.  Completions  70 Stage P&P complete 12500 ft. lateral @ 180 ft/stg 2000 #/ft. 0% RC 48 bt \$/bbl.  Equipping  This AFE will provide funds to equip and produce a horizontal well in the Tac requested will be used to purchase and install headers for production flowling flowline for the pad, installation of artificial lift, flow back for two weeks, we production tree.	Subtotal Intangible Costs \$3,359,000 \$6,369,726 \$202,000 \$9,930,726 Subtotal Tangible Costs \$615,000 \$8,283 \$248,000 \$871,283 Grand Total \$3,974,000 \$6,378,009 \$450,000 \$10,802,009  Drilling  Drilling  Drill a horizontal well to produce the 3rd Bone Spring Sand formation as follows: Preset 17-1/2 475' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to Run 9-5/8" 40# J-55 BTC intermediate casing and cement to surface with 2 stage cement job. Drill and 4 regood rough and an an area of the stage cement job. Drill and 5-1/2" lateral section to TD of regood rough and land at regood rough roug		

Spache

#### Taco 28-30 Fed Com #303H 3rd Bone Spring Well AFE

100	ALEE.	3rd Bone S	pring We	II AFE			
		Intangible D	evelopment C				
Acct		Description	Dry Hole	Completion	Equipping	Total Well Cost	
	65506	Drilling/Percentage Overhead	\$11,500	\$0	\$0	\$11,500	
	70003	Bits Coreheads and Reamers	\$90,000	\$3,800	\$0	\$93,800	
	70004	Casing Crews	\$72,000	\$0	\$0	\$72,000	
	70006	Cement and Cementing Services	\$280,000	\$0	\$0	\$280,000	
	70007	Chemicals	\$0	\$277,194	\$0	\$277,194	
	70008	Communications	\$9,000	\$0	\$0	\$9,000	
	70011	Company Supervision	\$4,000	\$24,581	\$15,000	\$43,581	
	70012	Company Vehicle and/or Boat	\$1,000	\$1,527	\$0	\$2,527	
	70017	Contract Labor	\$65,000	\$0	\$45,000	\$110,000	
	70019	Contract Rigs - Daywork	\$670,000	\$100	\$30,000	\$700,100	
		Contract Supervision	\$107,000	\$161,195	\$15,000	\$283,195	
		Directional Drilling	\$386,000	\$0	\$0	\$386,000	
		Drilling Fluids	\$452,000	\$0	\$0	\$452,000	
		Electrical Contract	\$0	\$0	\$20,000	\$20,000	
		Equipment Rental	\$148,000	\$75,635	\$15,000	\$238,635	
		Formation and Well Stimulation	\$0		\$0	\$1,717,481	
		Formation Testing	\$0	\$56,270	\$0	\$56,270	
	70037		\$121,000	\$625,412	\$0	\$746,412	
		Land and Site Reclamation	\$5,000	\$023,412	\$0	\$5,000	
		Legal and Curative	\$10,000	\$0	\$0	\$10,000	
		Logging	\$10,000	\$593,156	\$0	\$593,156	
		LOE-Other	\$30,000	\$393,130	\$0		
	_			<del></del>		\$30,000	
		Rig Mobilization	\$275,000	\$0	\$0 \$0	\$275,000	
	_	Road and Site Preparation	\$100,000	\$9,619	-	\$109,619	
		Salt Water Disposal	\$0	\$5,478	\$0	\$5,478	
	$\overline{}$	Coiled Tubing	\$0	\$240,488	\$0	\$240,488	
		Trucking and Hauling	\$60,000	\$0	\$25,000	\$85,000	
		Tubular Inspection/Testing	\$30,000	\$0	\$0	\$30,000	1111
	$\overline{}$	Water	\$75,000	\$743,682	\$0	\$818,682	
		Wellsite Damages, Loss, Rightof- Way	\$10,000	\$0	\$0	\$10,000	
	_	Containment Disposal Expense	\$255,000	\$0	\$0	\$255,000	
		Camp Rentals	\$60,000	\$0	\$0	\$60,000	
		Flowback Tester	\$0	\$47,000	\$37,000	\$84,000	
		Sand/Proppant	\$0		\$0	\$1,475,579	
		Mud Logging	\$22,000	\$0	\$0	\$22,000	
		Drilling Operations Center	\$8,500	\$0	\$0	\$8,500	
	70285	Water Transfer	\$0	\$108,478	\$0	\$108,478	
-	70286	Water Treatment	\$0	\$66,976	\$0	\$66,976	
		Frac Plugs	\$0	\$74,813	\$0	\$74,813	
	70291	Frac Valve / Frac Tree	\$0	\$61,263	\$0	\$61,263	
	70529	Safety Case	\$2,000	\$0	\$0	\$2,000	
btot	al	Intangible Materials Cost	\$3,359,000	\$6,369,726	\$202,000	\$9,930,726	
		Tangible De	velopment Co	osts			
ct		Description	Dry Hole	Completion		Total Well Cost	
7	71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000	
		Flow Lines	\$0	\$0	\$50,000	\$50,000	
7	71018	Instrumentation	\$0	\$0	\$30,000	\$30,000	
		Intermediate Casing	\$115,000	\$0	\$0	\$115,000	
	$\rightarrow$	Other Subsurface Equipment	\$35,000	\$0	\$18,000	\$53,000	
		Personnel Safety Systems	\$0	\$8,283	\$0	\$8,283	
		Pipe, Valves, Fittings and Anodes	\$0	\$0	\$15,000	\$15,000	
		Production Casing	\$400,000	\$0	\$0	\$400,000	
		Surface Casing	\$20,000	\$0	\$0	\$20,000	
		Tubing	\$0	\$0	\$70,000	\$70,000	
			\$45,000	\$0	\$35,000	\$80,000	
	710561						
		Wellhead Assembly Tangible Materials Cost	\$615,000	\$8,283	\$248,000	\$871,283	

Description	Dry Hole	Completion	Equipping	Total Well Cost					
Subtotal Intangible Costs	\$3,359,000	\$6,369,726	\$202,000	\$9,930,726					
Subtotal Tangible Costs	\$615,000	\$8,283	\$248,000	\$871,283	1				
Grand Total	\$3,974,000	\$6,378,009	\$450,000	\$10,802,009					
Drilling									
	Drill a horizontal well to produce the 3rd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 475' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 4050'								
Run 9-5/8" 40# J-55 BTC interm	•								
3/4" depth of ~8900'. Drill an 8-	•								
~12200, 8-1/2" lateral section t	•••								
casing string to 22100'. Estimat				•					
per day.				,	, , ,				
					1				
Completions			10						
 70 Stage P&P complete 12500 ft. lateral @ 180 ft/stg 2000 #/ft. 0% RC 48 bbl/ft Water @ 1.1									
 \$/bbl.									
Equipping									
This AFE will provide funds to equip and produce a horizontal well in the Taco development. The fund requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.									
	Partner Sign	ature:							
	Date:								
					<del></del>				

Acct		Intangible D	np Well A		T	
Acct		<del></del>	ovolonment (			
Acct		Description	evelopment c			
			Dry Hole			Total Well Cost
	70003	Drilling/Percentage Overhead	\$12,000	\$0	\$0	\$12,000
		Bits Coreheads and Reamers	\$106,000	\$3,800	\$0	\$109,800
		Casing Crews	\$75,000	\$0	\$0	\$75,000
		Cement and Cementing Services	\$290,000	\$0	\$0	\$290,000
		Chemicals	\$0	\$277,194	\$0	\$277,194
		Communications	\$9,000	\$0	\$0	\$9,000
		Company Supervision	\$4,000	\$24,581	\$15,000	\$43,583
		Company Vehicle and/or Boat	\$1,000	\$1,527	\$0	\$2,52
		Contract Labor	\$65,000	\$0 \$100	\$45,000	\$110,000
		Contract Rigs - Daywork	\$695,000	\$161,195	\$15,000	\$725,100
		Contract Supervision	\$111,000	\$101,193	\$13,000	\$287,199
		Directional Drilling Drilling Fluids	\$389,000 \$465,000	\$0	\$0	\$389,000
		Electrical Contract	\$465,000	\$0	\$20,000	\$20,000
		Equipment Rental	\$157,000	\$75,635	\$15,000	\$20,000
		Formation and Well Stimulation	\$157,000		\$13,000	\$1,717,481
		Formation Testing	\$0	\$56,270	\$0	\$56,270
	70037		\$125,000	\$625,412	\$0	\$750,412
		Land and Site Reclamation	\$5,000	\$025,412	\$0	\$5,000
		Legal and Curative	\$10,000	\$0	\$0	\$10,000
	_	Logging	\$0	\$593,156	\$0	\$593,156
100		LOE-Other	\$30,000	\$0	\$0	\$30,000
		Rig Mobilization	\$275,000	\$0	\$0	\$275,000
		Road and Site Preparation	\$100,000	\$9,619	\$0	\$109,619
_		Salt Water Disposal	\$0	\$5,478	\$0	\$5,478
		Coiled Tubing	\$0	\$240,488	\$0	\$240,488
		Trucking and Hauling	\$60,000	\$0	\$25,000	\$85,000
		Tubular Inspection/Testing	\$30,000	\$0	\$0	\$30,000
	70077		\$75,000	\$743,682	\$0	\$818,682
	70078	Wellsite Damages, Loss, Rightof- Way	\$10,000	\$0	\$0	\$10,000
	70116	Containment Disposal Expense	\$260,000	\$0	\$0	\$260,000
	70169	Camp Rentals	\$60,000	\$0	\$0	\$60,000
	70186	Flowback Tester	\$0	\$47,000	\$37,000	\$84,000
	70198	Sand/Proppant	\$0	\$1,475,579	\$0	\$1,475,579
		Mud Logging	\$25,000	\$0	\$0	\$25,000
		Drilling Operations Center	\$9,000	\$0	\$0	\$9,000
	70285	Water Transfer	\$0	\$108,478	\$0	\$108,478
	-	Water Treatment	\$0	\$66,976	\$0	\$66,976
		Frac Plugs	\$0	\$74,813	\$0	\$74,813
	$\overline{}$	Frac Valve / Frac Tree	\$0	\$61,263	\$0	\$61,263
		Safety Case	\$2,000	\$0	\$0	\$2,000
ubtot	tal	Intangible Materials Cost	\$3,455,000	\$6,369,726	\$202,000	\$10,026,726
		Tangible De	velopment Co	sts		
cct		Description	Dry Hole			Total Well Cost
		Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
		Flow Lines	\$0	\$0	\$50,000	\$50,000
		Instrumentation	\$0	\$0	\$30,000	\$30,000
		Intermediate Casing	\$115,000	\$0	\$0	\$115,000
		Other Subsurface Equipment	\$35,000	\$0	\$18,000	\$53,000
		Personnel Safety Systems	\$0	\$8,283	\$0	\$8,283
		Pipe, Valves, Fittings and Anodes	\$0	\$0	\$15,000	\$15,000
		Production Casing	\$407,000	\$0	\$0	\$407,000
		Surface Casing	\$20,000	\$0	\$0	\$20,000
		Tubing	\$0	\$0	\$70,000	\$70,000
ubtot		Wellhead Assembly Tangible Materials Cost	\$45,000 \$622,000	\$0 \$8,283	\$35,000 \$248,000	\$80,000 \$878,283
untot	.01	rangible iviaterials COSC	2022,000	20,403	7270,000	30/8,283

	Description	Dry Hole	Completion	Equipping	Total Well Cost
	Subtotal Intangible Costs	\$3,455,000	\$6,369,726	\$202,000	\$10,026,726
	Subtotal Tangible Costs	\$622,000	\$8,283	\$248,000	\$878,283
	Grand Total	\$4,077,000	\$6,378,009	\$450,000	\$10,905,009
Drilling					
spudder rij 40# J-55 B` ~9350'. Dri lateral sect	zontal well to produce the Wolfcam g. Set 13-3/8" 48# H-40 casing and c TC intermediate casing and cement ill an 8-3/4" curve at 10 DEG/100' ar tion to TD of ~22550' MD, 9950' TVC timated time is 3 days MIRU + 22 Da	tement to surface. to surface with 2 s nd land at ~10350' ). Set and cmt 5-1/	Drill a 12-1/4 tage cement MD, 9950' TV 2" 20# CYP-1	" hole to 40 job. Drill an /D. Drill a ~1 10 GB-CD ca	50'. Run 9-5/8" 8-3/4" depth of .2200, 8-1/2" asing string to
Completion	ns				
70 Stage P	&P complete 12500 ft. lateral @ 180	Oft/stg 2000 #/ft. 0	% RC 48 bbi/	ft Water @	1.1 \$/bbl.
Equipping		-			
requested	ill provide funds to equip and produ will be used to purchase and install I, installation of artificial lift, flow ba	headers for produ	ction flowline	s and gas in	jection flowline
					•
		Partner Signa	ature:		

1	Taco 28	-30 Fed Com	#402H		
e-1/1	Wol	lfcamp Well A	FE		
		ible Development C			
Acct	Description	Dry Hole	† · · · · · · · · · · · · · · · · · · ·		Total Well Cos
	506 Drilling/Percentage Overhead	\$12,000	\$0	\$0	\$12,0
	003 Bits Coreheads and Reamers	\$106,000	\$3,800	\$0	\$109,8
	004 Casing Crews	\$75,000	\$0	\$0	\$75,0
	006 Cement and Cementing Service		\$0	\$0	\$290,0
	007 Chemicals	\$0	\$277,194	\$0	\$277,1
	008 Communications	\$9,000	\$0	\$0	\$9,0
	011 Company Supervision	\$4,000	\$24,581	\$15,000	\$43,5
	012 Company Vehicle and/or Boat	\$1,000	\$1,527	\$0	\$2,5
$\overline{}$	017 Contract Labor	\$65,000	\$0	\$45,000	\$110,0
	019 Contract Rigs - Daywork	\$695,000	\$100	\$30,000	\$725,1
	021 Contract Supervision	\$111,000	\$161,195	\$15,000	\$287,1
	D22 Directional Drilling	\$389,000	\$0	\$0	\$389,0
	D25 Drilling Fluids D26 Electrical Contract	\$465,000	\$0	\$0	\$465,0
	031 Equipment Rental	\$0	\$0	\$20,000	\$20,0
	034 Formation and Well Stimulation	\$157,000	\$75,635	\$15,000	\$247,6
		\$0	\$1,717,481	\$0 \$0	\$1,717,4
	035 Formation Testing	\$125,000	\$56,270 \$625,412	\$0	\$56,2
	046 Land and Site Reclamation	\$123,000	\$023,412	\$0	\$750,4
	047 Legal and Curative	\$10,000	\$0	\$0	\$5,0
	049 Logging	\$10,000	\$593,156	\$0	\$10,0
_	054 LOE-Other	\$30,000	\$393,130	\$0	\$593,1 \$30,0
	064 Rig Mobilization	\$275,000	\$0	\$0	\$30,0
	065 Road and Site Preparation	\$100,000	\$9,619	\$0	\$109,6
	067 Salt Water Disposal	\$100,000	\$5,478	\$0	\$109,0
	069 Coiled Tubing	\$0	\$240,488	\$0	\$240,4
	74 Trucking and Hauling	\$60,000	\$240,488	\$25,000	\$85,0
	76 Tubular Inspection/Testing	\$30,000	\$0	\$0	\$30,0
	77 Water	\$75,000	\$743,682	\$0	\$818,6
	78 Wellsite Damages, Loss, Rightof	<del></del>	\$0	\$0	\$10,0
	16 Containment Disposal Expense	\$260,000	\$0	\$0	\$260,0
	69 Camp Rentals	\$60,000	\$0	\$0	\$60,0
	86 Flowback Tester	\$0	\$47,000	\$37,000	\$84,0
	98 Sand/Proppant	\$0	\$1,475,579	\$0	\$1,475,5
	43 Mud Logging	\$25,000	\$0	\$0	\$25,0
	55 Drilling Operations Center	\$9,000	\$0	\$0	\$9,0
	85 Water Transfer	\$0	\$108,478	\$0	\$108,4
	86 Water Treatment	\$0	\$66,976	\$0	\$66,9
	89 Frac Plugs	\$0	\$74,813	\$0	\$74,8
	91 Frac Valve / Frac Tree	\$0	\$61,263	\$0	\$61,2
	29 Safety Case	\$2,000	\$0	\$0	\$2,0
btotal	Intangible Materials Cost	\$3,455,000	\$6,369,726	\$202,000	\$10,026,7
ct	Tangit Description	ole Development Co	sts Completion	Equipping	Total Well Cos
	01 Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,00
	12 Flow Lines	\$0	\$0	\$50,000	\$50,00
	18 Instrumentation	\$0	\$0	\$30,000	\$30,00
_	19 Intermediate Casing	\$115,000	\$0	\$30,000	\$115,00
	32 Other Subsurface Equipment	\$115,000	\$0	\$18,000	
	34 Personnel Safety Systems	\$35,000	\$8,283	\$18,000	\$53,00 \$8,2
	36 Pipe, Valves, Fittings and Anode		\$0,263	\$15,000	\$15,00
/ 10	<del></del> † · · · · · · · <del>- · · · · · · · · · · · </del>		\$0	\$13,000	
	40 Production Casing	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\			
710	40 Production Casing	\$407,000			
710 710	40 Production Casing 50 Surface Casing 53 Tubing	\$20,000	\$0 \$0	\$0 \$70,000	\$407,00 \$20,00 \$70,00

\$0 \$70,000 \$0 \$35,000

\$8,283 \$248,000

\$80,000

\$878,283

\$0 \$45,000 \$622,000

Subtotal

71056 Wellhead Assembly

Tangible Materials Cost

	Description	Dry Hole	Completion	Equipping	Total Well Cost
	Subtotal Intangible Costs	\$3,455,000	\$6,369,726	\$202,000	\$10,026,726
	Subtotal Tangible Costs	\$622,000	\$8,283	\$248,000	\$878,283
	Grand Total	\$4,077,000	\$6,378,009	\$450,000	\$10,905,009
Drilling					
spudder rij 40# J-55 8' ~9350'. Dr lateral sec	izontal well to produce the Wolfcar g. Set 13-3/8" 48# H-40 casing and TC intermediate casing and cement ill an 8-3/4" curve at 10 DEG/100' a tion to TD of ~22550' MD, 9950' TV timated time is 3 days MIRU + 22 D	cement to surface. It to surface with 2 s and land at ~10350' D. Set and cmt 5-1/	Drill a 12-1/4 tage cement   MD, 9950' TV '2" 20# CYP-1	" hole to 40 job. Drill an /D. Drill a ~1 10 GB-CD ca	50'. Run 9-5/8" 8-3/4" depth of .2200, 8-1/2" asing string to
Completio					
70 Stage P	&P complete 12500 ft. lateral @ 18	30 ft/stg 2000 #/ft. (	0% RC 48 bbl/	ft Water @	1.1 \$/bbl.
Equipping					
requested	rill provide funds to equip and prod will be used to purchase and instal d, installation of artificial lift, flow b	l headers for produ	ction flowline	s and gas in	jection flowline
		Partner Signs	ature:	1	

Apache

#### Taco 28-30 Fed Com #403H Wolfcamp Well AFE

77.	Wolfcar	np Well A	I-E		
		<u> </u>			
		evelopment (		,	
Acct	Description	Dry Hole		•	Total Well Cost
	Drilling/Percentage Overhead	\$12,000	\$0	\$0	\$12,000
	Bits Coreheads and Reamers	\$106,000	\$3,800	\$0	\$109,800
	Casing Crews	\$75,000	\$0	\$0	\$75,000
	Cement and Cementing Services	\$290,000	\$0	\$0	\$290,000
	Chemicals	\$0	\$277,194	\$0	\$277,194
	Communications	\$9,000	\$0	\$0	\$9,000
	Company Supervision	\$4,000	\$24,581	\$15,000	\$43,581
	Company Vehicle and/or Boat	\$1,000	\$1,527	\$0	\$2,527
	Contract Labor	\$65,000	\$0	\$45,000	\$110,000
	Contract Rigs - Daywork	\$695,000	\$100	\$30,000	\$725,100
	Contract Supervision	\$111,000	\$161,195	\$15,000	\$287,195
	Directional Drilling	\$389,000	\$0	\$0	\$389,000
	Drilling Fluids	\$465,000	\$0	\$0	\$465,000
	Electrical Contract	\$0	\$0	\$20,000	\$20,000
	Equipment Rental	\$157,000	\$75,635	\$15,000	\$247,635
70034	Formation and Well Stimulation	\$0	\$1,717,481	\$0	\$1,717,481
	Formation Testing	\$0	\$56,270	\$0	\$56,270
70037		\$125,000	\$625,412	\$0	\$750,412
	Land and Site Reclamation	\$5,000	\$0	\$0	\$5,000
	Legal and Curative	\$10,000	\$0	\$0	\$10,000
	Logging	\$0	\$593,156	\$0	\$593,156
	LOE-Other	\$30,000	\$0	\$0	\$30,000
	Rig Mobilization	\$275,000	\$0	\$0	\$275,000
	Road and Site Preparation	\$100,000	\$9,619	\$0	\$109,619
	Salt Water Disposal	\$0	\$5,478	\$0	\$5,478
70069	Coiled Tubing	\$0	\$240,488	\$0	\$240,488
70074	Trucking and Hauling	\$60,000	\$0_	\$25,000	\$85,000
	Tubular Inspection/Testing	\$30,000	\$0	\$0	\$30,000
	Water	\$75,000	\$743,682	\$0	\$818,682
70078	Wellsite Damages, Loss, Rightof- Way	\$10,000	\$0	\$0	\$10,000
70116	Containment Disposal Expense	\$260,000	\$0	\$0	\$260,000
70169	Camp Rentals	\$60,000	\$0	\$0	\$60,000
70186	Flowback Tester	\$0	\$47,000	\$37,000	\$84,000
70198	Sand/Proppant	\$0	\$1,475,579	\$0	\$1,475,579
70243	Mud Logging	\$25,000	\$0	\$0	\$25,000
70255	Drilling Operations Center	\$9,000	\$0	\$0	\$9,000
70285	Water Transfer	\$0	\$108,478	\$0	\$108,478
	Water Treatment	\$0	\$66,976	\$0	\$66,976
	Frac Plugs	\$0	\$74,813	\$0	\$74,813
70291	Frac Valve / Frac Tree	\$0	\$61,263	\$0	\$61,263
	Safety Case	\$2,000	\$0	\$0	\$2,000
Subtotal	Intangible Materials Cost	\$3,455,000	\$6,369,726	\$202,000	\$10,026,726
	Tangible De	velopment Co			
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$50,000	\$50,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
	Intermediate Casing	\$115,000	\$0	\$0	\$115,000
71032	Other Subsurface Equipment	\$35,000	\$0	\$18,000	\$53,000
71034	Personnel Safety Systems	\$0	\$8,283	\$0	\$8,283
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$15,000	\$15,000
	Production Casing	\$407,000	\$0	\$0	\$407,000
71050	Surface Casing	\$20,000	\$0	\$0	\$20,000
71053	Tubing	\$0	\$0	\$70,000	\$70,000
	Wellhead Assembly	\$45,000	\$0	\$35,000	\$80,000
ubtotal	Tangible Materials Cost	\$622,000	\$8,283	\$248,000	\$878,283

	Description	Dry Hole	Completion	Equipping	<b>Total Well Cost</b>
	Subtotal Intangible Costs	\$3,455,000	\$6,369,726	\$202,000	\$10,026,726
	Subtotal Tangible Costs	\$622,000	\$8,283	\$248,000	\$878,283
	Grand Total	\$4,077,000	\$6,378,009	\$450,000	\$10,905,009
Drilling					
40# J-55 B1 ~9350'. Dri lateral sect	g. Set 13-3/8" 48# H-40 casing and IC intermediate casing and cement II an 8-3/4" curve at 10 DEG/100' a ion to TD of ~22550' MD, 9950' TV imated time is 3 days MIRU + 22 D	t to surface with 2 s and land at ~10350' 'D. Set and cmt 5-1/	tage cement MD, 9950' TV 2" 20# CYP-1	job. Drill an /D. Drill a ~1 10 GB-CD ca	8-3/4" depth of 2200, 8-1/2" sing string to
22350 . 130		dys to billi : 4 ddys		j	ci day.
Completion	75				
70 Stage P	&P complete 12500 ft. lateral @ 18	30 ft/stg 2000 #/ft. 0	% RC 48 bbl/	ft Water @	1.1 \$/bbl.
Equipping					
requested	Il provide funds to equip and prod will be used to purchase and instal , installation of artificial lift, flow b	l headers for produ	ction flowline	s and gas in	jection flowline
		Partner Sign	ature:		
		Date:		70	

	Taco 28 20 Fod Com	
6/11/	Taco 28-30 Fed Com	
	FACILITY AFE	
	Intangible Development Costs	
ACCT	Description	Total Cost
70013	Company Supervision	\$30,000
70012	Company Vehicle and/or Boat	\$5,000
70016	Construction	\$826,000
70026	Electrical Contract	\$20,000
70027	Engineering Design and Drafting	\$10,000
70030	Environmental/Safety Remediation	\$5,000
70031	Equipment Rental	\$25,000
70065	Road and Site Preparation	\$140,000
70067	Salt Water Disposal	\$20,000
70078	Wellsite Damages, Loss, Right-of-Way	\$10,000
70091	Compressor Rental-Labor & Materials	\$170,000
70121	Automation	\$55,000
Sub-Total	Intangible Costs	\$1,316,000
	Tangible Development Costs	
ACCT	Tangible Development Costs Description	Total Cost
	,	
71012	Description	\$500,000
71012 71018	Description Flow Lines	\$500,000 \$180,000
71012 71018 71026	Description Flow Lines Instrumentation	\$500,000 \$180,000 \$45,000
71012 71018 71026 71027	Description Flow Lines Instrumentation Electrical Materials	\$500,000 \$180,000 \$45,000
71012 71018 71026 71027 71033	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment	\$500,000 \$180,000 \$45,000 \$160,000
71012 71018 71026 71027 71033 71036	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000
71012 71018 71026 71027 71033 71036 71043	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment Pipe, Valves, Fittings and Anodes	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000 \$495,000
71012 71018 71026 71027 71033 71036 71043	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment Pipe, Valves, Fittings and Anodes Pumps	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000 \$495,000
71012 71018 71026 71027 71033 71036 71043 71046 71051	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment Pipe, Valves, Fittings and Anodes Pumps Separators	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000 \$495,000 \$50,000
71012 71018 71026 71027 71033 71036 71043 71046 71051	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment Pipe, Valves, Fittings and Anodes Pumps Separators Tanks	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000 \$495,000 \$50,000 \$264,000 \$315,000
71012 71018 71026 71027 71033 71036 71043 71046 71051	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment Pipe, Valves, Fittings and Anodes Pumps Separators Tanks Treaters	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000 \$495,000 \$50,000 \$264,000 \$315,000
71012 71018 71026 71027 71033 71036 71043 71046 71051	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment Pipe, Valves, Fittings and Anodes Pumps Separators Tanks Treaters	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000 \$495,000 \$50,000 \$264,000 \$315,000
71012 71018 71026 71027 71033 71036 71043 71046 71051	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment Pipe, Valves, Fittings and Anodes Pumps Separators Tanks Treaters Tangible Material Costs	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000 \$50,000 \$264,000 \$315,000 \$90,000 \$2,184,000
71012 71018 71026 71027 71033 71036 71043 71046 71051	Description Flow Lines Instrumentation Electrical Materials Measurement or Metering Equipment Other Surface Equipment Pipe, Valves, Fittings and Anodes Pumps Separators Tanks Treaters Tangible Material Costs  Description	\$500,000 \$180,000 \$45,000 \$160,000 \$85,000 \$50,000 \$264,000 \$315,000 \$90,000 \$2,184,000

#### Facility AFE

This AFE will provide funds to build a battery, install primary power, and install a water disposal system to service the Taco development acrea in New Mexico. Funds included in this AFE will be used to construct a battery pad, purchase and install production equipment, set up measurement and metering devices for oil and gas sales, set up systems for oil and gas marketing, install electronics and automation, provide primary power into the lease, install a pipeline for water disposal, and install regulatory compliance equipment for gas emissions capturing and removal. Planned equipment for this site is 6-6'x16' test separators, 1-8'x20' heater treater, 1-30"x10' gas scrubber, 1-1500 BBL gunbarrel, 4-1000 BBL tanks, flare system, VRU system, and fluid movers. This battery will be designed to handle future expansion projects with minimal downtime.

Partner Signature:	
Date:	

# Ard Energy, LLC & Ard Oil Ltd. P. O. Box 101027 Fort Worth, TX 76185 817-882-9377

August 15, 2019

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

RE: Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Ard Oil Ltd. owns Working Interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

Ard Oil Ltd. also owns leasehold, working, mineral and overriding royalty interests in thousands of gross acres in Eddy & Lea Co., and we, or our precursor entities, have been participating as working interest owners in the drilling of wells in these two counties since the late 1930s.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely,

President Ard Oil Ltd.

### Apache Corp.

DEC 26 2018

Permian Land Dept.

300 West Second Roswell, NM 88201

P.O. Box 1837 Roswell, NM 88202-183

dmfedric@fedric.com

ontennial, LLC

Oil & Gas Investments

(575) 622-2700 Office
(575) 626-5627 Cell

December 20, 2018

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

Re:

Case # 16481, # 16482 Proposed January 10, 2019 Hearing Apache Taco 28-30 and Anvil Development Area Hearing

Ladies and Gentleman,

Centennial, LLC is a small oil and gas investments business. We are a proposed working interest owner in Apache's captioned Project. We have reviewed geologist, John Worrall's December 18, 2018 letter to the NMOCD and agree with his study and conclusion that Apache is the appropriate and desired Operator for this area.

Thank you for your attention.

Sincerely,

Don M. Fedric President

Centennial, LLC

BCC: Apache Corporation c/o Laci Stretcher

n Jechie

## Worrall Investment Corporation

P.O. Box 1834, Roswell, NM 88202-1834 | 575-623-1996

December 18, 2018

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

Re:

Case # 16481, # 16482 Proposed January 10, 2019 Hearing Apache Taco 28-30 and Anvil Development Area Hearing

Ladies and Gentleman,

I'm writing you on behalf of Worrall Investment Corporation, in support of Apache's proposal to develop the Taco 28-30 Area in Section 28-30. My participation is minor, coming from a small interest in Section 29. As a geologist who has worked SENM for 30 years, I suggest you take into consideration Apache's application for three reasons:

- 1. Any reasonable production study shows Bone Spring wells in this western Eddy County area of (18-20S, R28E-30E) should be drilled E-W not N-S. It makes a 50% difference in production. It is due to the direction of induced fractures (IDF) being more N-S in this area. The IDF rotates to more E-W over in 19S-20S, R34E (Lea County), where wells should be (and are) drilled N-S. In between, along the Eddy/Lea county line area, the induced fracture direction is more N45E-S45W, so wells can be drilled E-W or N-S with little production difference.
- 2. A quick study on Drilling Info reveals that in the last 18 months, 759 new horizontal Bone Spring and Wolfcamp wells have been completed and produced in SENM. Apache has completed eleven of these horizontal Bone Spring and Wolfcamp wells. I do not know Ascent Energy but I know they did not complete a since new horizontal well during this time. I have a lot more faith that Apache will actually drill these wells, and that is ultimately good for the State of New Mexico. Also there is a learning curve to drilling these wells that Apache has already experienced.

3. I believe there is risk/reward benefit shown to drilling the longer laterals. (2.5 miles versus 1, 1.5 or 2 mile laterals).

Thank you for considering this letter.

Sincerely,

Worrall Investment Corporation

John G. Worrall

President

Cc: Bane Bigbie, JTD Resources, Centennial, LLC, Scott-Winn, LLC, Apache c/o Laci Stretcher, Norton, LLC, Ted James

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

RE: Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells

Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Frost Bank, Trustee for the Josephine T. Hudson Testamentary Trust FBO Terrell Ard Trust #5 owns Working Interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

Frost Bank, Trustee for the Josephine T. Hudson Testamentary Trust FBO Terrell Ard Trust #5 also owns leasehold, working, mineral and overriding royalty interests in thousands of gross acres in Eddy & Lea Co., and we, or our precursor entities, have been participating as working interest owners in the drilling of wells in these two counties since the late 1930s.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely,

**Brad Ince** 

Senior Vice President - Frost Bank / Trust Oil & Gas

640 Taylor Street, 17th Floor Fort Worth, Texas 76102

Office: (817) 420-5231 Brad.Ince@frostbank.com

#### JAVELINA PARTNERS

616 TEXAS STREET

#### FORT WORTH, TEXAS 76102-4612

EDWARD R. HUDSON, JR.
E. RANDALL HUDSON III
MANAGING PARTNERS

August 15, 2019

ANN F. HUDSON FRASHER H.PERGANDE

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

RE:

Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Javelina Partners owns working interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

In addition, we own working interest in the NE/4 of section 28 and the N/2 of section 29, which are included in the proposed unit for Apache's Taco wells, and the SW/4 of section 28, which is included in the proposed unit for Ascent's Anvil wells.

Javelina Partners owns leasehold, working, mineral and overriding royalty interests in approximately 80,000 gross acres in Eddy & Lea Co. In the last ten years or so, Javelina Partners has participated in, as a working interest owner, the drilling of over 60 horizontal wells in Eddy & Lea Co., with a variety of different operators.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely,

Suzanne Box

**CFO** 

#### FRANCIS H. HUDSON, TRUSTEE LINDY'S LIVING TRUST 4200 S. HULEN, SUITE 302 FORT WORTH, TEXAS 76109 (817) 738-8999 Fax (817) 738-9002

August 19, 2019

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

RE: Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Lindy's Living Trust owns Working Interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

Lindy's Living Trust also owns leasehold, working, mineral and overriding royalty interests in thousands of gross acres in Eddy & Lea Co., and we, or our successor entities, have been participating as working interest owners in the drilling of wells in these two counties since the late 1930s.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Francis H. Judson

Sincerely,

Francis H. Hudson, Trustee

Lindy's Living Trust

# Moore & Shelton Company, Ltd. Post Office Box 3070 Galveston, Texas 77552

August 15, 2019

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

RE: Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Moore & Shelton Company, Ltd. owns Working Interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

Moore & Shelton Company, Ltd. also owns leasehold, working, mineral and overriding royalty interests in thousands of gross acres in Eddy & Lea Co., and we, or our precursor entities, have been participating as working interest owners in the drilling of wells in these two counties since the late 1930s.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely,

Ann Moore Winkelmann

General Partner, Moore & Shelton, Ltd.

Shelton Oil & Mineral Management LLC, General Partner of Moore & Shelton, Ltd.

by Kenneth Shelton, Chairman of

Shelton Oil & Mineral Management LLC

Paul Moore (via electronic signature) General Partner, Moore & Shelton, Ltd.

#### ZORRO PARTNERS, LTD. 616 IEXAS STREET FORT WORTH, TX 76102

(817) 336-7109

Fax (817) 334-0442

August 15, 2019

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

RE:

Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Zorro Partners, Ltd owns working interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

In addition, we own working interest in the NE/4 of section 28 and the N/2 of section 29, which are included in the proposed unit for Apache's Taco wells, and the SW/4 of section 28, which is included in the proposed unit for Ascent's Anvil wells.

Zorro Partners, Ltd owns leasehold, working, mineral and overriding royalty interests in approximately 75,000 gross acres in Eddy & Lea Co. In the last ten years or so, Zorro Partners, Ltd has participated in, as a working interest owner, the drilling of over 50 horizontal wells in Eddy & Lea Co., with a variety of different operators.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

enna Nables

Sincerely,

Donna Nobles

Manager

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16481

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16482

IN THE MATTER OF THE AMENDED APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING AND APPROVAL OF A HORIZONTAL SPACING UNIT AND POTASH DEVELOPMENT AREA, EDDY COUNTY, NEW MEXICO

Case No. 20171

IN THE MATTER OF THE AMENDED APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING AND APPROVAL OF A HORIZONTAL SPACING UNIT AND POTASH DEVELOPMENT AREA, EDDY COUNTY, NEW MEXICO

Case No. 20202

#### PRE-HEARING STATEMENT

Occidental Permian Limited Partnership ("Occidental") files this pre-hearing statement in accordance with section 19.15.4.13.B NMAC.

#### **APPEARANCES**

APPLICANT IN 20171 AND 20202

OPPONENT TOASCENT APPLICATIONS

Apache Corporation

Earl E. DeBrine, Jr.
MODRALL, SPERLING, ROEHL,
HARRIS SISK, P.A.
P.O. Box 2168

Albuquerque, New Mexico 87103-2168

Phone: (505) 848-1800 Fax: (505) 848-1891 edebrine@modrall.com

**ATTORNEY** 

**APPLICANT IN 16481 AND 16482/** 

**OPPONENT TOAPACHE'S APPLICATIONS:** 

Ascent Energy

**ATTORNEY**:

James Bruce

James Garrett Bruce Attorney at Law

P.O. Box 1056

Santa Fe, NM 87504 Phone: (505) 982-2043 jamesbruc@aol.com

OTHER PARTIES:

Occidental Permian Limited Partnership

Dalva L. Moellenberg Gallagher & Kennedy, P.A. 1239 Paseo de Peralta Santa Fe, NM 87501 (505) 989-7278 dlm@gknet.com

EOG Resources, Inc

Ernest L. Padilla Padilla Law Firm, P.A.

P.O. Box 2523 Santa Fe, NM 87504 (505) 988-7577

padillalaw@qwestoffice.net

Mewbourne Oil Company

Gary Larson Hinkle Shanor LLP P.O Box 2068 Santa Fe, NM 87504 (505) 982-4554

glarson@hinklelawfirm.com

#### STATEMENT OF THE CASES

The above four cases, two filed by Ascent Energy, LLC ("Ascent") and two filed by Apache Corporation ("Apache"), have been consolidated for hearing. The primary purpose of the hearing will be to consider the relative merits of Ascent's plan of development, which calls for wells oriented in a north/south alignment versus Apache's plan of development, which calls for wells oriented in an east/west alignment.

#### **Applicant Ascent**

Case No. 16481: Applicant Ascent seeks an order pooling all mineral interests underlying a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the W/2W/2 of Section 28 and the W/2W/2 of Section 33, Township 20 South, Range 30 East, NMPM. The unit will be dedicated to the Anvil Fed. Corn. Well No. 401H, Anvil Fed. Corn. Well No. 501H, and Anvil Fed. Corn. Well No. 601H, horizontal Bone Spring wells with first take points in the SW/4SW/4 of Section 33 and final take points in the NW/4NW/4 of Section 28.

Case No. 16482: Applicant Ascent seeks an order pooling all mineral interests underlying a 320-acre horizontal spacing unit in the Wolfcamp formation comprised of the W/2W/2 of Section 28 and the W/2W/2 of Section 33, Township 20 South, Range 30 East, NMPM. The unit will be dedicated to the Anvil Fed. Com. Well No. 701H and Anvil Fed. Com. Well No. 702H, horizontal Wolfcamp wells with first take points in the SW/4SW/4 of Section 33 and final take points in the NW/4NW/4 of Section 28.

#### **Applicant Apache**

Case No. 20171: Applicant Apache seeks an order approving the creation of a horizontal spacing unit, a potash development area, and the pooling of all uncommitted mineral interests within a horizontal spacing unit underlying the N/2 of Sections 28 and 29 and the NE/4 of Section 30 of Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Apache has proposed five wells to test to the Bone Spring formation: Taco 28-30 Fed Com #201H; Taco 28-30 Fed Com #202H; Taco 28-30 Fed Com #303H.

Case No. 20202: Applicant Apache seeks an order approving the creation of a horizontal spacing unit, a potash development area, and the pooling of all uncommitted mineral interests within a horizontal spacing unit underlying the N/2 of Sections 28 and 29 and the NE/4 of Section 30 of Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Apache has proposed three wells in the Wolfcamp formation: Taco 28-30 Fed Com #401H; Taco 28-30 Fed Com #402H; and Taco 28-30 Fed Com #403H.

#### Occidental Permian Limited Partnership

Occidental Permian Limited Partnership ("Oxy") holds material working interests in the NE/4 of Section 30 (100% working interest) and the W/2 NW/4 of Section 29 (100% working interest) within the area that would be developed under the Apache proposal. Oxy supports approval of Apache's applications for the Taco 28-30 development area and prefers those plans over the Ascent applications. First, Oxy believes that the east/west orientation of Apache's plan of development is superior to Ascent's proposed north/south orientation because this will maximize drainage of the reservoir and best protect the correlative rights of the parties. Apache

also has superior expertise and financial resources to fully carry out its plan of development. Lastly, Oxy favors Apache's plan of development because Oxy believes that there are cost efficiencies associated with the drilling 2.5-mile horizontal wells, as proposed by Apache, over 2.0-mile horizontal wells, as proposed by Ascent. Oxy supports Apache's offer to withdraw its request for forced pooling, so long as applicant Ascent also removes its request for forced pooling in Case No. 16481 and 16482.

#### PROPOSED EVIDENCE

Oxy does not intend to present technical evidence as such would likely duplicate the technical evidence to be presented by Apache in support of its development plan.

#### PROCEDURAL MATTERS

Oxy understands that the hearing on these cases will be combined for hearing on a special docket on August 20, 2019 carrying over to August 21, 2019 as needed. The Hearing Examiners have denied EOG's Motion to Dismiss filed in the Apache cases (Case No. 16481 and 16482) and Ascent withdrew a similar motion that it had filed. Although both Ascent and Apache have filed APDs with the Bureau of Land Management ("BLM"), and the parties and the Hearing Examiners agree that BLM normally has primacy to consider development plans within the potash area, the Hearing Examiner has ruled that OCD will proceed with a hearing on the competing development plans since the BLM has deferred to the OCD on hearing the matter.

Respectfully submitted,

Dalva L. Moellenberg GALLAGHER & KENNEDY, PA 1239 Paseo de Peralta Santa Fe, NM 87501-2758 Phone: (505) 982-9523

Fax: (505) 983-8160 dlm@gknet.com

Attorney for Occidental Permian Limited Partnership

#### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 12 day of August, 2019 via e-mail:

Earl E. DeBrine, Jr.
MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.
P.O. Box 2168
Albuquerque, New Mexico 87103-2168
Phone: (505) 848-1800
Fax: (505) 848-1891
edebrine@modrall.com

James Bruce
JAMES GARRETT BRUCE ATTORNEY AT LAW
P.O. Box 1056
Santa Fe, New Mexico 87504
Phone: (505) 982-2043
Fax: (505) 982-2151
jamesbruc@aol.com

Gary W. Larson
Hinkle Shanor LLP
PO Box 2068
Santa Fe, NM 87504-2068
505-982-4554
glarson@hinklelawfirm.com

Ernest L. Padilla
Padilla Law Firm, P.A.
P.O. Box 2523
Santa Fe, NM 87504
(505) 988-7577
padillalaw@qwestoffice.net

Dalva L. Moellenberg

# Ard Energy, LLC & Ard Oil Ltd. P. O. Box 101027 Fort Worth, TX 76185 817-882-9377

August 15, 2019

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

RE: Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Ard Oil Ltd. owns Working Interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

Ard Oil Ltd. also owns leasehold, working, mineral and overriding royalty interests in thousands of gross acres in Eddy & Lea Co., and we, or our precursor entities, have been participating as working interest owners in the drilling of wells in these two counties since the late 1930s.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely,

President Ard Oil Ltd.

## Apache Corp.

DEC 26 2018

Permian Land Dept.

300 West Second Roswell, NM 88201

P.O. Box 1837 Roswell, NM 88202-183

dmfedric@fedric.com

December 20, 2018

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

ntennial, LLC

Oil & Gas Investments

(575) 626-5627 Cell

(575) 622-2700 Office

Re:

Case # 16481, # 16482 Proposed January 10, 2019 Hearing Apache Taco 28-30 and Anvil

Development Area Hearing

Ladies and Gentleman,

Centennial, LLC is a small oil and gas investments business. We are a proposed working interest owner in Apache's captioned Project. We have reviewed geologist, John Worrall's December 18, 2018 letter to the NMOCD and agree with his study and conclusion that Apache is the appropriate and desired Operator for this area.

Thank you for your attention.

Sincerely,

Don M. Fedric President

Centennial, LLC

BCC: Apache Corporation c/o Laci Stretcher

ofedi-

### Worrall Investment Corporation

P.O. Box 1834, Roswell, NM 88202-1834 | 575-623-1996

December 18, 2018

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

Re:

Case # 16481, # 16482 Proposed January 10, 2019 Hearing Apache Taco 28-30 and Anvil Development Area Hearing

Ladies and Gentleman.

I'm writing you on behalf of Worrall Investment Corporation, in support of Apache's proposal to develop the Taco 28-30 Area in Section 28-30. My participation is minor, coming from a small interest in Section 29. As a geologist who has worked SENM for 30 years, I suggest you take into consideration Apache's application for three reasons:

- Any reasonable production study shows Bone Spring wells in this western Eddy County area
  of (18-20S, R28E-30E) should be drilled E-W not N-S. It makes a 50% difference in
  production. It is due to the direction of induced fractures (IDF) being more N-S in this area.
  The IDF rotates to more E-W over in 19S-20S, R34E (Lea County), where wells should be (and
  are) drilled N-S. In between, along the Eddy/Lea county line area, the induced fracture
  direction is more N45E-S45W, so wells can be drilled E-W or N-S with little production
  difference.
- 2. A quick study on Drilling Info reveals that in the last 18 months, 759 new horizontal Bone Spring and Wolfcamp wells have been completed and produced in SENM. Apache has completed eleven of these horizontal Bone Spring and Wolfcamp wells. I do not know Ascent Energy but I know they did not complete a since new horizontal well during this time. I have a lot more faith that Apache will actually drill these wells, and that is ultimately good for the State of New Mexico. Also there is a learning curve to drilling these wells that Apache has already experienced.

3. I believe there is risk/reward benefit shown to drilling the longer laterals. (2.5 miles versus 1, 1.5 or 2 mile laterals).

Thank you for considering this letter.

Sincerely.

Worrall Investment Corporation

John G. Worrall President

Cc: Bane Bigbie, JTD Resources, Centennial, LLC, Scott-Winn, LLC, Apache c/o Laci Stretcher, Norton, LLC, Ted James

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

RE: Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells

Development Area Hearing Scheduled for August 20, 2019

Ladies and Gentlemen:

Frost Bank, Trustee for the Josephine T. Hudson Testamentary Trust FBO Terrell Ard Trust #5 owns Working Interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

Frost Bank, Trustee for the Josephine T. Hudson Testamentary Trust FBO Terrell Ard Trust #5 also owns leasehold, working, mineral and overriding royalty interests in thousands of gross acres in Eddy & Lea Co., and we, or our precursor entities, have been participating as working interest owners in the drilling of wells in these two counties since the late 1930s.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely,

**Brad Ince** 

Senior Vice President - Frost Bank / Trust Oil & Gas

640 Taylor Street, 17th Floor

Fort Worth, Texas 76102 Office: (817) 420-5231

Brad.Ince@frostbank.com

#### JAVELINA PARTNERS

616 TEXAS STREET

#### FORT WORTH, TEXAS 76102-4612

EDWARD R. HUDSON, JR.
E. RANDALL HUDSON III
MANAGING PARTNERS

August 15, 2019

ANN F. HUDSON FRASHER H.PERGANDE

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

RE:

Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Javelina Partners owns working interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

In addition, we own working interest in the NE/4 of section 28 and the N/2 of section 29, which are included in the proposed unit for Apache's Taco wells, and the SW/4 of section 28, which is included in the proposed unit for Ascent's Anvil wells.

Javelina Partners owns leasehold, working, mineral and overriding royalty interests in approximately 80,000 gross acres in Eddy & Lea Co. In the last ten years or so, Javelina Partners has participated in, as a working interest owner, the drilling of over 60 horizontal wells in Eddy & Lea Co., with a variety of different operators.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely,

Suzanne Box

**CFO** 

FRANCIS H. HUDSON, TRUSTEE LINDY'S LIVING TRUST **4200 S. HULEN. SUITE 302** FORT WORTH, TEXAS 76109 (817) 738-8999 Fax (817) 738-9002

August 19, 2019

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

RE:

Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Lindy's Living Trust owns Working Interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

Lindy's Living Trust also owns leasehold, working, mineral and overriding royalty interests in thousands of gross acres in Eddy & Lea Co., and we, or our successor entities, have been participating as working interest owners in the drilling of wells in these two counties since the late 1930s.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely.

Francis H. Hudson, Trustee

Lindy's Living Trust

## Moore & Shelton Company, Ltd. Post Office Box 3070 Galveston, Texas 77552

August 15, 2019

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

RE: Case No: 16481 16482 20171 20202

Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

#### Ladies and Gentlemen:

Moore & Shelton Company, Ltd. owns Working Interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

Moore & Shelton Company, Ltd. also owns leasehold, working, mineral and overriding royalty interests in thousands of gross acres in Eddy & Lea Co., and we, or our precursor entities, have been participating as working interest owners in the drilling of wells in these two counties since the late 1930s.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

Sincerely,

Ann Moore Winkelmann

General Partner, Moore & Shelton, Ltd.

Shelton Oil & Mineral Management LLC,

General Partner of Moore & Shelton, Ltd.

by Kenneth Shelton, Chairman of

Shelton Oil & Mineral Management LLC

Paul Moore (via electronic signature)
General Partner, Moore & Shelton, Ltd.

#### ZORRO PARTNERS, LTD. 616 IEXAS STREET FORT WORTH, TX 76102

(817) 336-7109

Fax (817) 334-0442

August 15, 2019

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

RE:

Case No: 16481 16482 20171 20202 Apache proposed Taco Wells & Ascent proposed Anvil Wells Development Area Hearing Scheduled for August 20, 2019

Ladies and Gentlemen:

Zorro Partners, Ltd owns working interest in the NW/4 of section 28, T20S-R30E, Eddy Co., NM, which is included in the proposed units for both Apache's Taco wells and Ascent's Anvil wells.

In addition, we own working interest in the NE/4 of section 28 and the N/2 of section 29, which are included in the proposed unit for Apache's Taco wells, and the SW/4 of section 28, which is included in the proposed unit for Ascent's Anvil wells.

Zorro Partners, Ltd owns leasehold, working, mineral and overriding royalty interests in approximately 75,000 gross acres in Eddy & Lea Co. In the last ten years or so, Zorro Partners, Ltd has participated in, as a working interest owner, the drilling of over 50 horizontal wells in Eddy & Lea Co., with a variety of different operators.

Based on such experience, we ask that you please grant Apache the right to drill its Taco wells as proposed.

Thank you for your consideration of our request.

ma Nables

Sincerely,

Donna Nobles

Manager

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16481

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16482

IN THE MATTER OF THE AMENDED APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING AND APPROVAL OF A HORIZONTAL SPACING UNIT AND POTASH DEVELOPMENT AREA, EDDY COUNTY, NEW MEXICO

Case No. 20171

IN THE MATTER OF THE AMENDED APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING AND APPROVAL OF A HORIZONTAL SPACING UNIT AND POTASH DEVELOPMENT AREA, EDDY COUNTY, NEW MEXICO

Case No. 20202

#### PRE-HEARING STATEMENT

Occidental Permian Limited Partnership ("Occidental") files this pre-hearing statement in

accordance with section 19.15.4.13.B NMAC.

#### **APPEARANCES**

APPLICANT IN 20171 AND 20202

OPPONENT TOASCENT APPLICATIONS

Apache Corporation

ATTORNEY
Earl E. DeBrine, Jr.
MODRALL, SPERLING, ROEHL,
HARRIS SISK, P.A.
P.O. Box 2168
Albuquerque, New Mexico 87103-2168
Phone: (505) 848-1800
Fax: (505) 848-1891
edebrine@modrall.com

**APPLICANT IN 16481 AND 16482/** 

**OPPONENT TOAPACHE'S APPLICATIONS:** 

Ascent Energy

**ATTORNEY**:

James Bruce

James Garrett Bruce Attorney at Law

P.O. Box 1056 Santa Fe, NM 87504 Phone: (505) 982-2043 jamesbruc@aol.com

OTHER PARTIES:

Occidental Permian Limited Partnership

Dalva L. Moellenberg Gallagher & Kennedy, P.A. 1239 Paseo de Peralta Santa Fe, NM 87501 (505) 989-7278 dlm@gknet.com

EOG Resources, Inc

Ernest L. Padilla Padilla Law Firm, P.A.

P.O. Box 2523 Santa Fe, NM 87504 (505) 988-7577

padillalaw@qwestoffice.net

Mewbourne Oil Company

Gary Larson

Hinkle Shanor LLP P.O Box 2068 Santa Fe, NM 87504 (505) 982-4554

glarson@hinklelawfirm.com

#### STATEMENT OF THE CASES

The above four cases, two filed by Ascent Energy, LLC ("Ascent") and two filed by Apache Corporation ("Apache"), have been consolidated for hearing. The primary purpose of the hearing will be to consider the relative merits of Ascent's plan of development, which calls for wells oriented in a north/south alignment versus Apache's plan of development, which calls for wells oriented in an east/west alignment.

#### **Applicant Ascent**

Case No. 16481: Applicant Ascent seeks an order pooling all mineral interests underlying a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the W/2W/2 of Section 28 and the W/2W/2 of Section 33, Township 20 South, Range 30 East, NMPM. The unit will be dedicated to the Anvil Fed. Corn. Well No. 401H, Anvil Fed. Corn. Well No. 501H, and Anvil Fed. Corn. Well No. 601H, horizontal Bone Spring wells with first take points in the SW/4SW/4 of Section 33 and final take points in the NW/4NW/4 of Section 28.

Case No. 16482: Applicant Ascent seeks an order pooling all mineral interests underlying a 320-acre horizontal spacing unit in the Wolfcamp formation comprised of the W/2W/2 of Section 28 and the W/2W/2 of Section 33, Township 20 South, Range 30 East, NMPM. The unit will be dedicated to the Anvil Fed. Com. Well No. 701H and Anvil Fed. Corn. Well No. 702H, horizontal Wolfcamp wells with first take points in the SW/4SW/4 of Section 33 and final take points in the NW/4NW/4 of Section 28.

#### **Applicant Apache**

Case No. 20171: Applicant Apache seeks an order approving the creation of a horizontal spacing unit, a potash development area, and the pooling of all uncommitted mineral interests within a horizontal spacing unit underlying the N/2 of Sections 28 and 29 and the NE/4 of Section 30 of Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Apache has proposed five wells to test to the Bone Spring formation: Taco 28-30 Fed Com #201H; Taco 28-30 Fed Com #202H; Taco 28-30 Fed Com #303H.

Case No. 20202: Applicant Apache seeks an order approving the creation of a horizontal spacing unit, a potash development area, and the pooling of all uncommitted mineral interests within a horizontal spacing unit underlying the N/2 of Sections 28 and 29 and the NE/4 of Section 30 of Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Apache has proposed three wells in the Wolfcamp formation: Taco 28-30 Fed Com #401H; Taco 28-30 Fed Com #402H; and Taco 28-30 Fed Com #403H.

#### Occidental Permian Limited Partnership

Occidental Permian Limited Partnership ("Oxy") holds material working interests in the NE/4 of Section 30 (100% working interest) and the W/2 NW/4 of Section 29 (100% working interest) within the area that would be developed under the Apache proposal. Oxy supports approval of Apache's applications for the Taco 28-30 development area and prefers those plans over the Ascent applications. First, Oxy believes that the east/west orientation of Apache's plan of development is superior to Ascent's proposed north/south orientation because this will maximize drainage of the reservoir and best protect the correlative rights of the parties. Apache

also has superior expertise and financial resources to fully carry out its plan of development. Lastly, Oxy favors Apache's plan of development because Oxy believes that there are cost efficiencies associated with the drilling 2.5-mile horizontal wells, as proposed by Apache, over 2.0-mile horizontal wells, as proposed by Ascent. Oxy supports Apache's offer to withdraw its request for forced pooling, so long as applicant Ascent also removes its request for forced pooling in Case No. 16481 and 16482.

#### PROPOSED EVIDENCE

Oxy does not intend to present technical evidence as such would likely duplicate the technical evidence to be presented by Apache in support of its development plan.

#### PROCEDURAL MATTERS

Oxy understands that the hearing on these cases will be combined for hearing on a special docket on August 20, 2019 carrying over to August 21, 2019 as needed. The Hearing Examiners have denied EOG's Motion to Dismiss filed in the Apache cases (Case No. 16481 and 16482) and Ascent withdrew a similar motion that it had filed. Although both Ascent and Apache have filed APDs with the Bureau of Land Management ("BLM"), and the parties and the Hearing Examiners agree that BLM normally has primacy to consider development plans within the potash area, the Hearing Examiner has ruled that OCD will proceed with a hearing on the competing development plans since the BLM has deferred to the OCD on hearing the matter.

Respectfully submitted,

Dalva L. Mellenberg

GALLAGHER & KENNEDY, PA

1239 Paseo de Peralta

Santa Fe, NM 87501-2758

Phone: (505) 982-9523 Fax: (505) 983-8160

dlm@gknet.com

Attorney for Occidental Permian Limited

Partnership

#### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 12 day of August, 2019 via e-mail:

Earl E. DeBrine, Jr.
MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.
P.O. Box 2168
Albuquerque, New Mexico 87103-2168
Phone: (505) 848-1800

Fax: (505) 848-1891 edebrine@modrall.com

James Bruce
JAMES GARRETT BRUCE ATTORNEY AT LAW
P.O. Box 1056
Santa Fe, New Mexico 87504
Phone: (505) 982-2043
Fax: (505) 982-2151
jamesbruc@aol.com

Gary W. Larson Hinkle Shanor LLP PO Box 2068 Santa Fe, NM 87504-2068 505-982-4554 glarson@hinklelawfirm.com

Ernest L. Padilla
Padilla Law Firm, P.A.
P.O. Box 2523
Santa Fe, NM 87504
(505) 988-7577
padillalaw@qwestoffice.net

Dalva L. Mpellenberg

On Jun 20, 2018, at 9:21 AM, Sam Pryor < <a href="mailto:spryor@matadorresources.com">spryor@matadorresources.com</a> wrote:

Laci,

Thank you for reaching out regarding the proposed and protested Anvil Development area. Matador wishes to see East - West development in this area as opposed to Ascent Energy's proposed north-south development. MRC does own acreage in section 28 and I would be interested in discussing what options are available in Apache's proposed development.

I am expecting to be in Midland tomorrow for several meetings at 12:00 and 3:00. Would you be available for a late afternoon meeting round 4:30 or 5:00 PM? I apologize for the late notice but believe it would be beneficial for both parties.

Thanks and I look forward to hearing from you.

Sam

Sam Pryor Area Land Manager – Delaware Basın & Federal Lands

Matador Resources Company One Lincoln Centre 5400 LBJ Freeway Suite 1500 Dallas, Texas 75240

Phone: 972-371-5241 Fax: 972-371-5201 Cell 214-435-5918

spryor@matadorresources.com

On Jun 13, 2018, at 6:02 PM, Stretcher, Laci < Laci.Stretcher@apachecorp.com > wrote:

\*\*EXTERNAL EMAIL\*\*

Hello,

I noted that Matador is protesting Ascent Energy's Anvil development area in 20S-30E, and I was curious what direction Matador was planning to drill wells. Apache has some proposed solutions if your acreage is in Section 28-20S-30E. Please see Apache's protest letter to the BLM, and let me know if we can work with Matador on any solutions.

Thanks,

Laci Stretcher, RPL

LANDMAN

Permian West Region – New Mexico direct 432-818-1846 | mobile 325-338-7407 | office Room Number 3116A

#### APACHE CORPORATION

303 Veterans Airpark Lane, Suite 1000 Midland, TX 79705 U.S.A.

<u>ApacheCorp.com</u> | <u>LinkedIn</u> | <u>Facebook</u> | <u>Twitter</u> | <u>StockTwits</u> | <u>YouTube</u>

#### <Protest Letter to BLM Ascent Anvil Development Area.pdf>

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### **CONFLICT RESOLUTION ATTEMPTS**

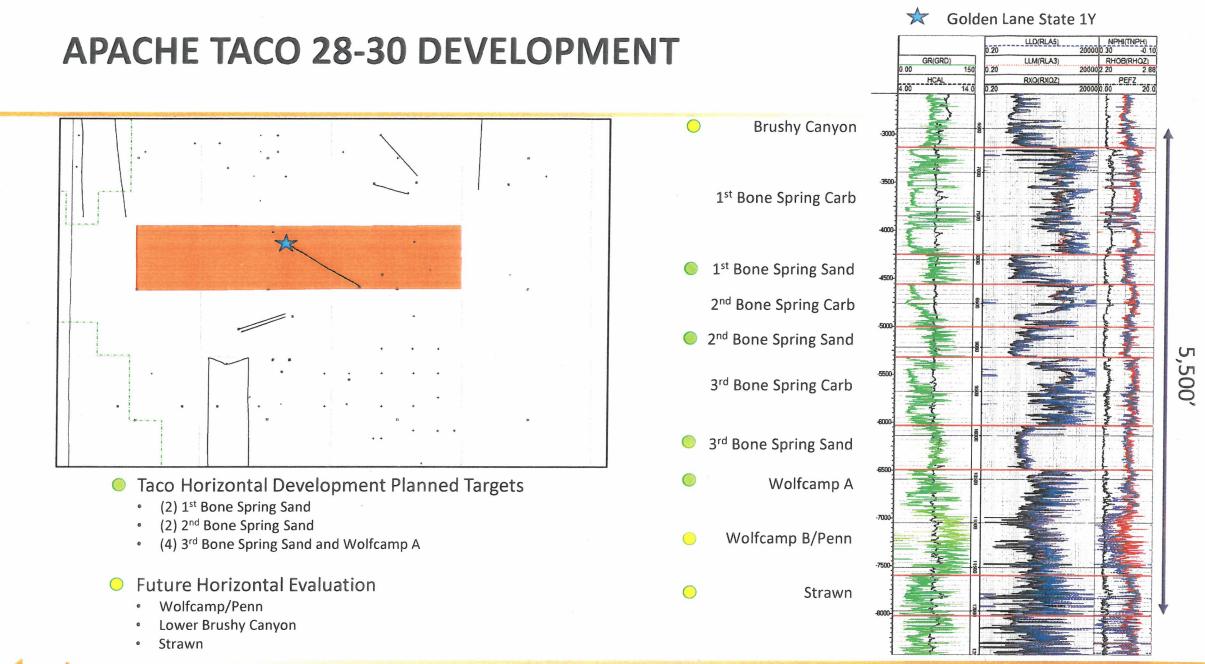
- Meeting with BLM in June 2018
- Teleconference with Ascent 5/24/2018
- 3 in-person meetings with Ascent
- Ascent offered to buy APA acreage: offer too low
- Ascent's estimated price/acre in an APA purchase scenario too high: over 2.5x higher than their offer to APA
- Numerous emails with trade ideas (at least 5) to Ascent: all rejected



### WHY CHOOSE THIS COMPROMISE

- APA has a proven track record as a successful operator in New Mexico and the Delaware Basin
  - Drilled 873 wells in the last 10 years in New Mexico
  - Experience in DB and potash area
- This solution allows joint development of both Development Areas
  - Ascent's acreage in the N/2 of Sec. 28 would be as a non-op with Apache as operator
- Oxy and Apache's acreage would not be stranded.
- APA would develop these wells as soon as the Division designates us as operator.
- Over **79**% of the working interest owners in APA's DA support this plan

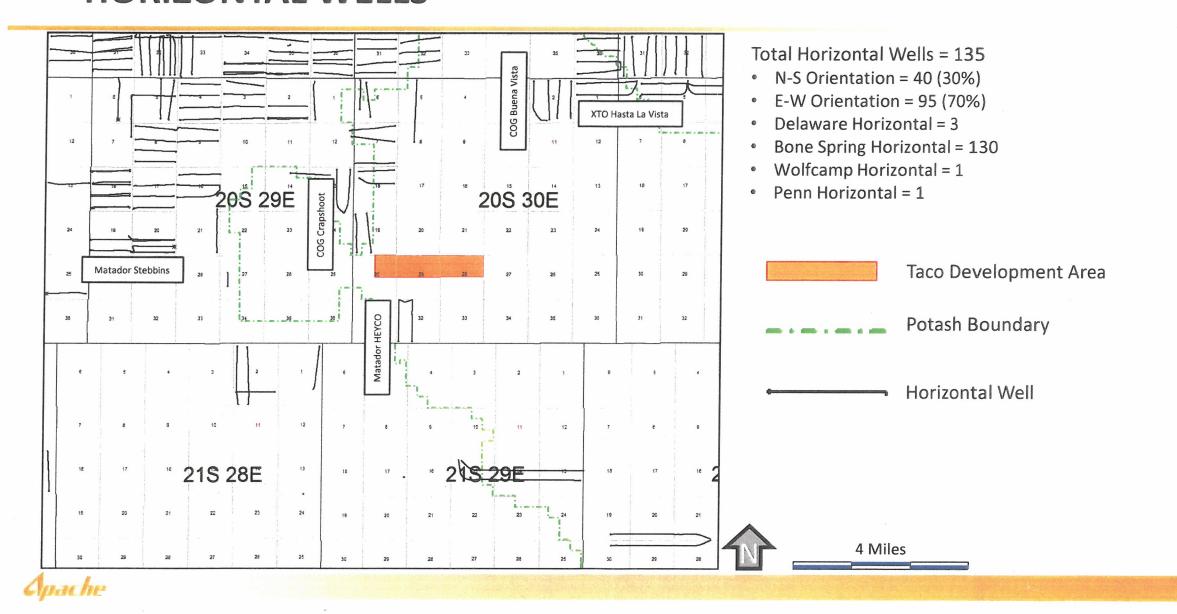




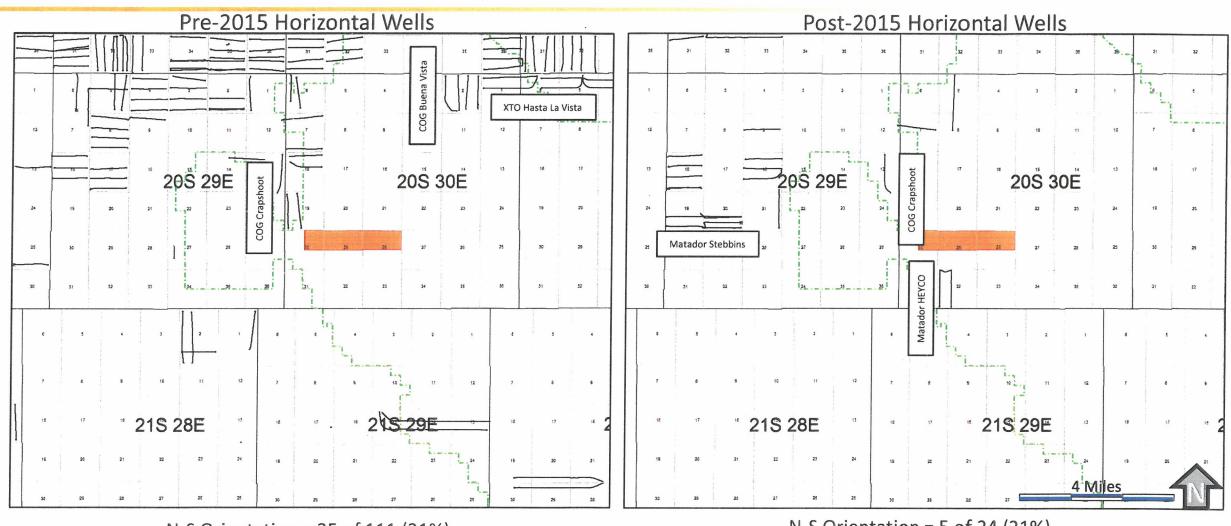
Spache

T

# SURROUNDING DELAWARE/BONE SPRING/ WOLFCAMP HORIZONTAL WELLS



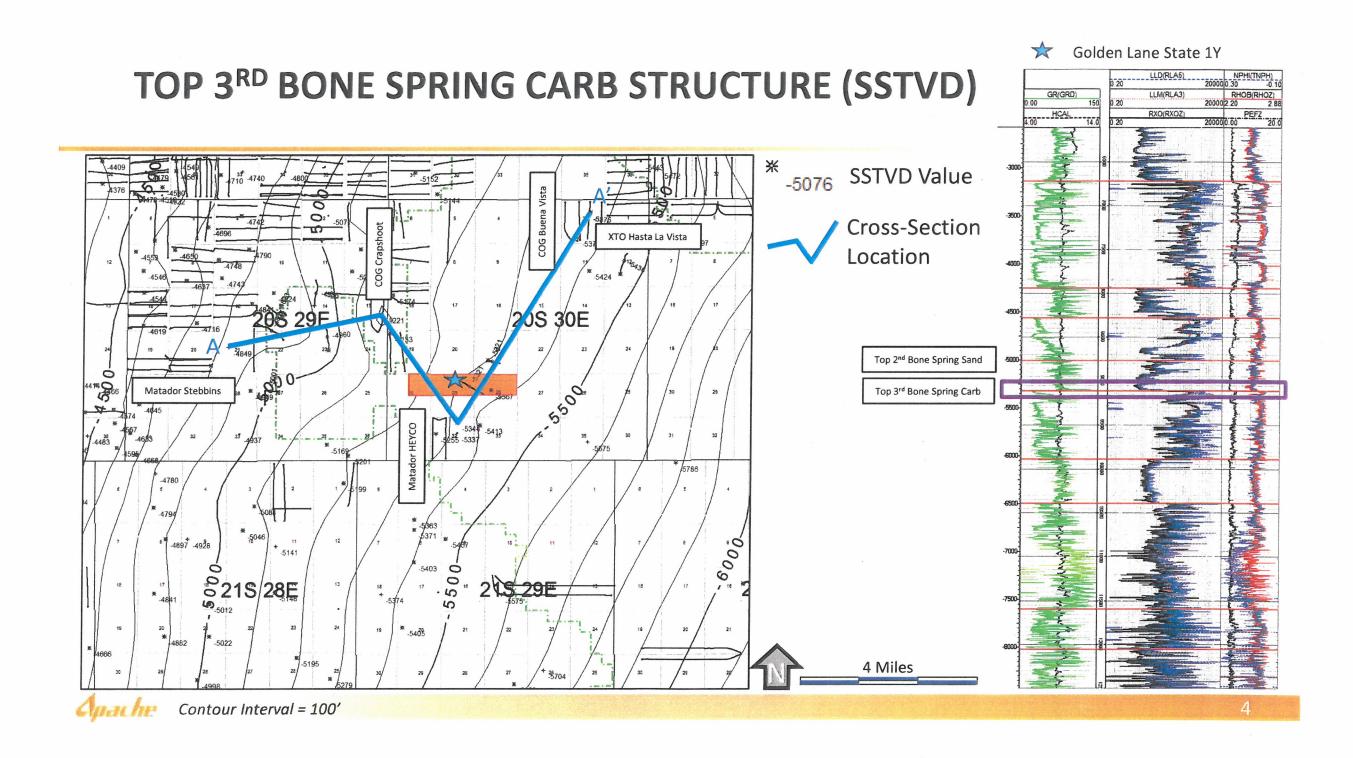
# PRE-2015 VERSUS POST-2015 HORIZONTAL WELLS

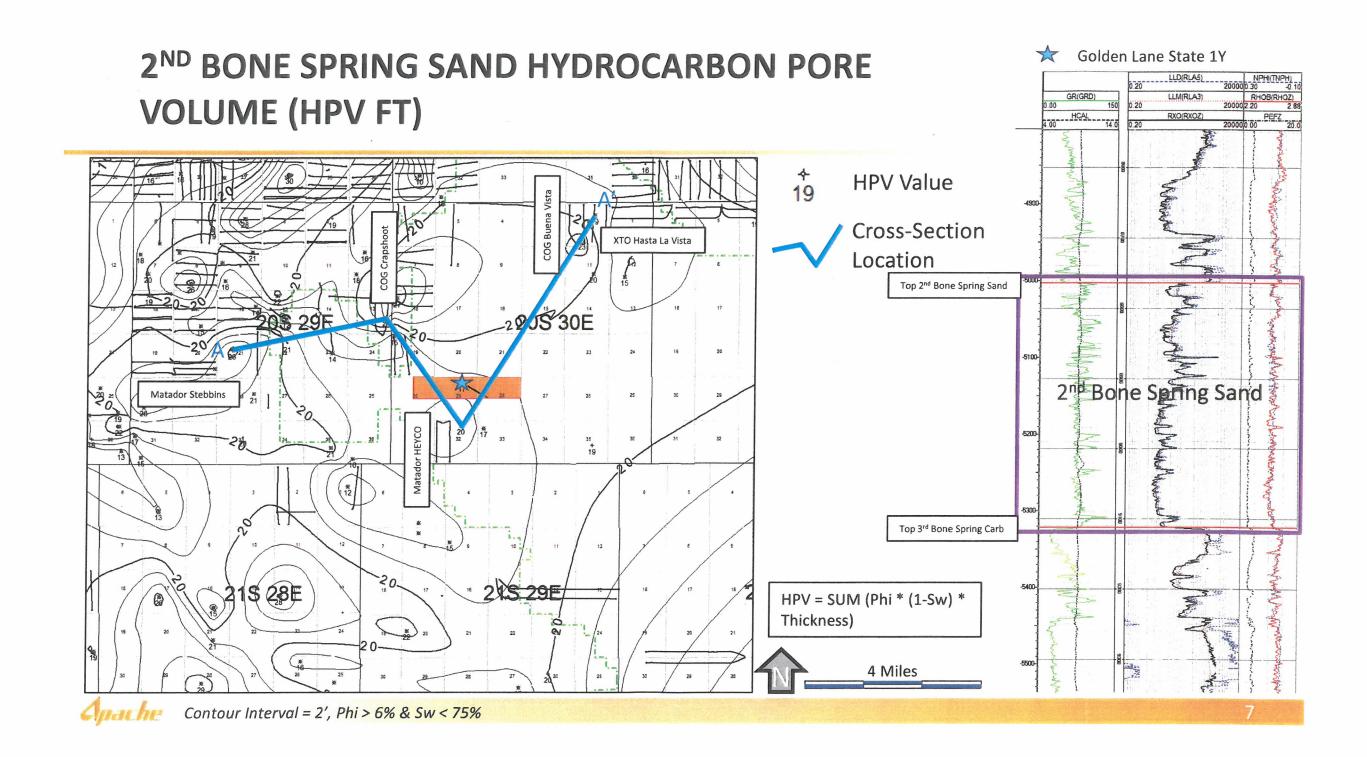


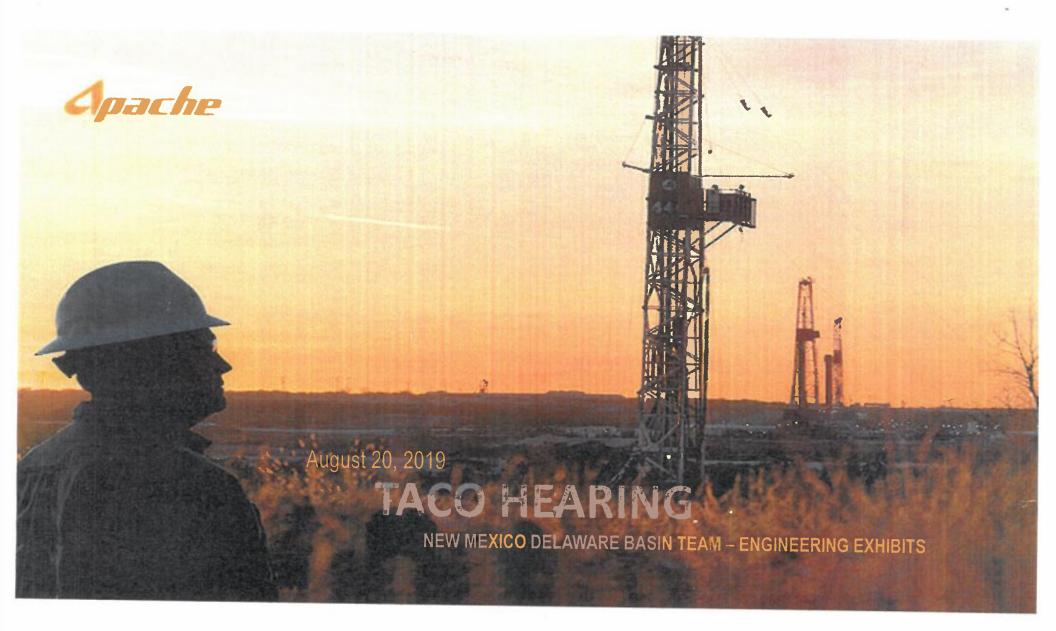
N-S Orientation = 35 of 111 (31%)

N-S Orientation = 5 of 24 (21%)

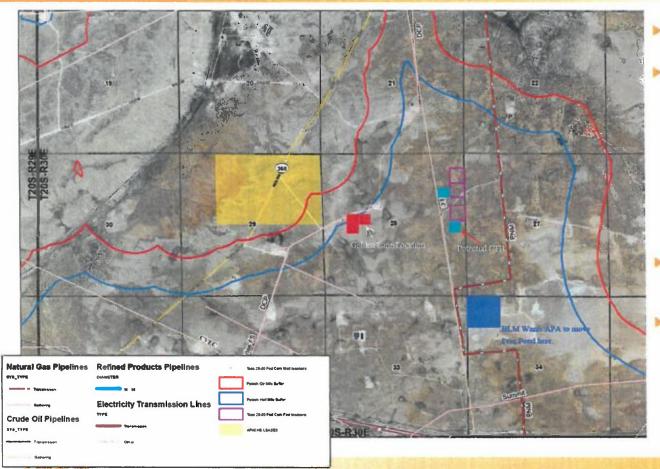
Apache







#### BRECCIA HAMMER DRILL ISLANDS VS GOLDEN LANE WELLSITE

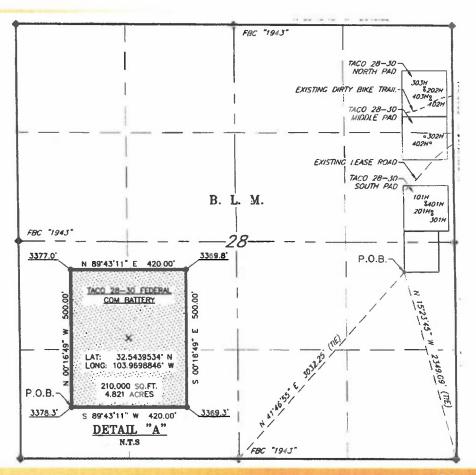


- Golden Lane location on the border of the Potash half mile buffer
- Apache initially tried to fit drill pad & facility next to existing Golden Land well
  - BLM advised that Apache might have to move their battery in the future if another operator needs that for drilling
  - Ascent's proposals would cross Apache's wellbore trajectories resulting in severe collision risk
  - Apache's well pads would not be expandable to accommodate any additional future landing zones
- BLM cleared corridor for 27/28 section line development and recommended APA use Breccia Hammer drill islands
- Allows space for 3 pads to drill at least 10 wells in N/2 of sections 28, 29, and E/2 30 at correct azimuth

F-1

#### APACHE DEVELOPMENT PLANS

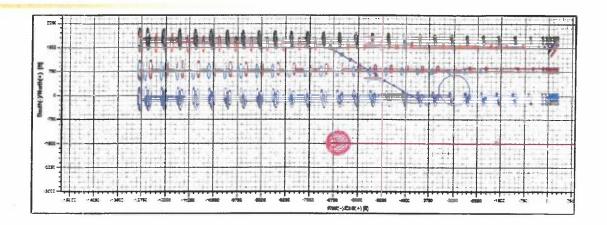
- 4 Landing Zones Planned
  - 1st Bone Spring Sand
  - 2<sup>nd</sup> Bone Spring Sand (first target)
  - 3<sup>rd</sup> Bone Spring Sand
  - Wolfcamp A
- 1 central tank battery with expandability if necessary
- 2 drilling rows with 75' separation to allow for sim-ops on first 2 landing zones
  - Existing wells can produce while the other wells are drilling/completing
  - Design has ability to add additional wells without increasing footprint
  - Apache testing subsurface wellheads at other developments to allow for sim-ops during all phases of development

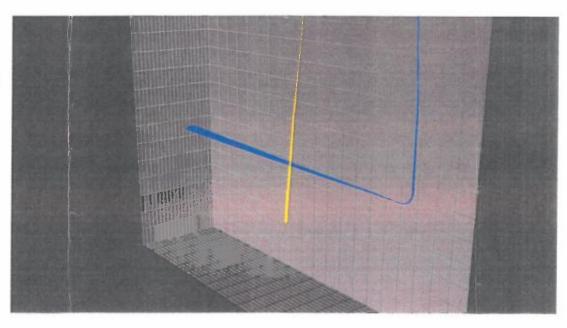


Apache

### **APACHE DEVELOPMENT PLANS**

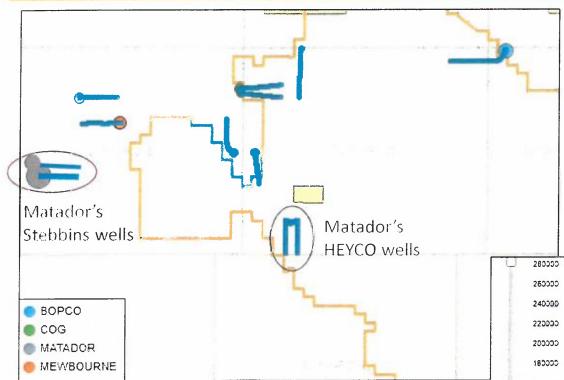
- Timing & Aptitude:
  - Apache is running 2 rigs in New Mexico currently with plans to have 2-3 rigs in the area for the next 3+ years
  - Apache has drilled over 2700 horizontal wells in the Permian Basin
  - Apache has drilled 11 extended reach horizontal NM Delaware Basin wells in the past 2 years (no sidetracks, all in zone)
- Apache has done all the requirements to submit federal permits
  - Staked wells, reviewed plats
  - Completed geo-progs, directional plans (steering around existing Morrow wells) for 10 wells at Taco
  - Reviewed all plans to make sure they meet or exceed environmental/regulatory requirements
- Apache has sent well proposals and corresponded with potential partners and offset operators (Oxy, XTO, Matador, Mewbourne, Hudson) for collaboration
- Apache has already discussed SWD options with Solaris to minimize trucking and sharing a frac pond with XTO to minimize surface footprint





Apache

# 2<sup>ND</sup> BONE SPRING SAND **EFFECTS OF AZIMUTH**



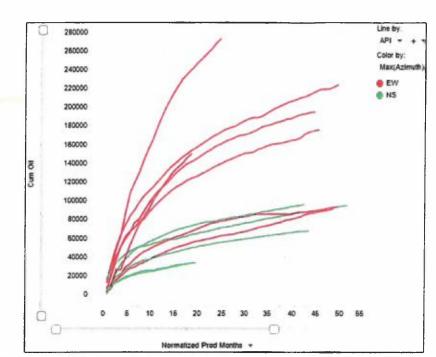
- 2015 2018
- More modern completions
- Mixed azimuth
- Best wells (EW) bracket acreage

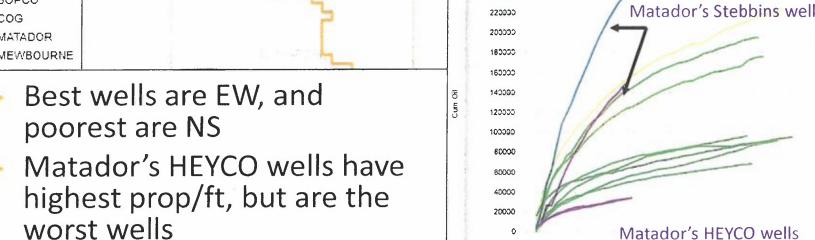
Matador's HEYCO wells

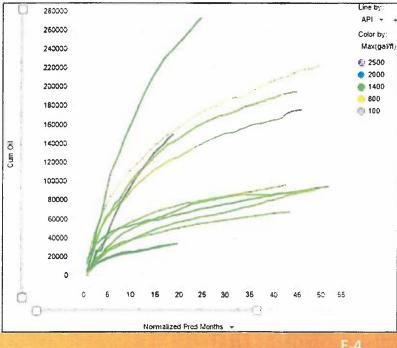
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Apache

All production normalized to 4500'

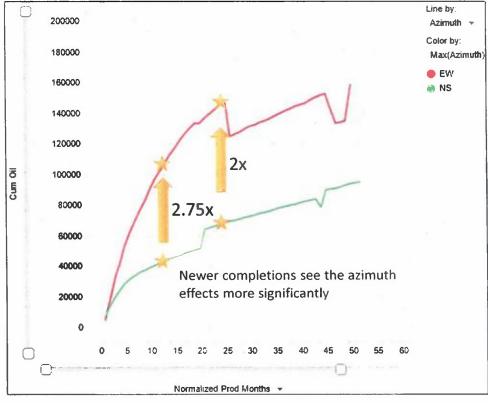
Apache Nos. 20171, 20202

**EXHIBIT E-4** 

# 2<sup>ND</sup> BONE SPRING SAND EFFECTS OF AZIMUTH

- Clear trend in outperformance of wells drilled EW vs NS
  - ▶ 12 month cum: 2.75x
  - 2 yr cum: 2x
- Rule of thumb: EUR is ~3x first year's cum
  - 2x reserves exploited by drilling the correct azimuth
  - 2x revenue from royalty

Well production binned (rates averaged) depending on azimuth

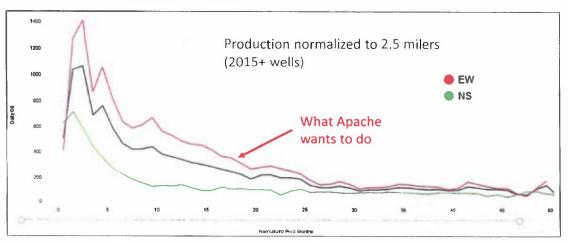




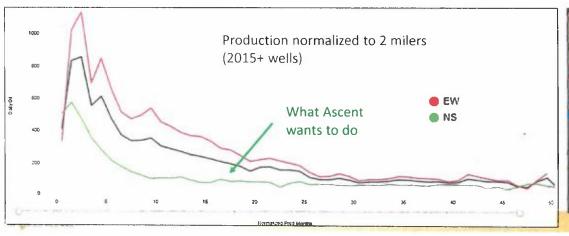
All production normalized to 4500'

E-3

#### POTENTIAL ECONOMIC INFLUENCE



- Apache 2.5 mile E/W wells
  - ▶ IP: 1400 bopd
  - ► EUR: 917 MBO
- Ascent 2 mile N/S wells
  - ▶ IP: 550 bopd
  - ▶ EUR: 267 MBO





APA Drains: 183 MBO Ascent Drains: 67 MBO

116 MBO left behind

\$50 oil, 12.5% royalty = \$870,000/well

Ex

#### **BEST VALUE FOR EVERYONE**

- Apache drill 2.5 mile E/W wells
  - Optimal azimuth
- Ascent participate in N/2 28
  - Increase reserves & revenue 270% in 160 acres
- Ascent will have higher value and more reserves by participating in E/W wells

\*Ascent

WI/NRI

50 / 37.5

50 / 37.5

10 / 7.5

Per Well

Gross

EUR

267 MBO

200 MBO

917 MBO

Net

**75 MBO** 

68.8 MBO

\$3.44 MM



\$7.2 MM vs \$5 MM

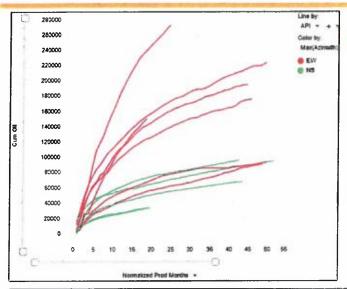
\*WI/NRI assumed for comparison purposes

2 Mile N/S

1.5 Mile N/S

2.5 Mile E/W

# 2<sup>ND</sup> BONE SPRING 2015+ COMPLETION WELL LIST



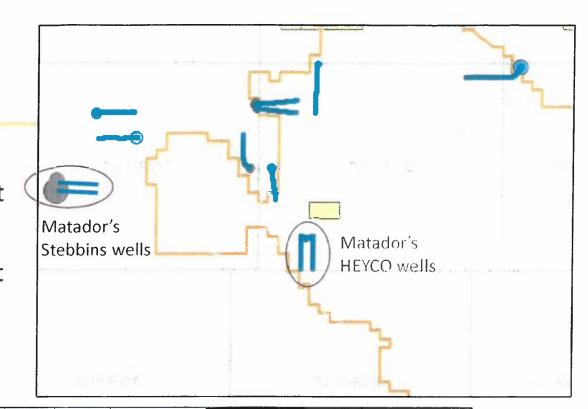
E/W: 7 wells

Avg: 1661 lbs/ft, 1247 gal/ft

N/S: 5 wells

Avg: 2101 lbs/ft, 1390 gal/ft

Normalized to 4500' LL

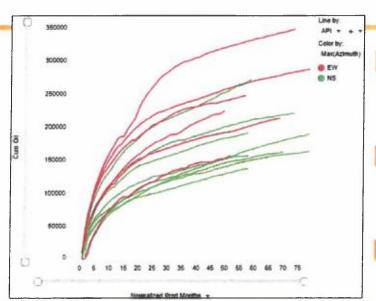


Name	API	On Stream	LL	Proppant (lbs)	Fluid (bbl)	Completion Type	lbs/ft	gal/ft	Avg TVD	Landing <b>Zone</b>	Azimuth	Township Range	Section	Operator
DARTHROW STATE 4H	30015427190000	1/1/2015	3996	6334000	130795	PERF	1585	1375	8423	2nd BS Sand	NS	20S 30E	19	CONCHO
HASTA LA VISTA 1 DI FED COM 2Y	30015427050000	2/1/2015	7060	5024000	76221	PERF	712	453	8751	2nd BS Sand	EW	205 31E	1	ВОРСО
MOSSY FEDERAL 2H	30015427360000	3/1/2015	4462	6759772	141300	PERF	1515	1330	8439	2nd BS Sand	EW	20S 29E	7	CONCHO
MOSSY FEDERAL 1H	30015427350000	4/1/2015	4413	6750767	136558	PERF	1530	1300	8407	2nd BS Sand	EW	20S 29E	7	CONCHO
GLOCK 16 B2AD FEDERAL 1H	30015429910000	7/1/2015	4430	6316000	130467	PERF	1426	1237	7916	2nd BS Sand	EW	20S 29E	16	MEWBOURNE
PERAZZI 9 B2EH FEDERAL 1H	30015429700000	8/1/2015	4280	6306000	131179	PERF	1473	1287	7972	2nd BS Sand	EW	20S 29E	9	MEWBOURNE
SOLUTION FEDERAL COM 3H	30015432270000	9/1/2015	6966	10379466	208292	PERF	1490	1256	8428	2nd BS Sand	NS	20S 30E	5	CONCHO
CRAPSHOOT 13 FEDERAL COM 2H	30015431580000	10/1/2015	4555	6765597	135181	PERF	1485	1246	8411	2nd BS Sand	NS	20S 29E	13	CONCHO
STEBBINS 20 FEDERAL 123H	30015432010100	4/1/2017	4310	8572000	153169	PERF	1989	1493	8000	2nd BS Sand	EW	20S 29E	20	MATADOR
HEYCO STATE 121H	30015440830000	9/1/2017	4402	13150000	160000	PERF	2987	1527	8639	2nd BS Sand	NS	20S 30E	32	MATADOR
HEYCO STATE 122H	30015440990000	9/1/2017	4300	12722000	158227	PERF	2959	1545	8615	2nd BS Sand	NS	20S 30E	32	MATADOR
STEBBINS 20 FEDERAL 124H	30015441850000	10/1/2017	4300	12830000	166462	PERF	2984	1626	8006	2nd BS Sand	EW	20S 29E	20	MATADOR

Closest modern fracs

Apache

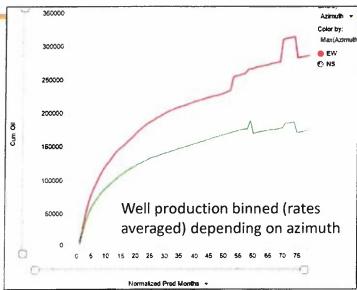
E-9



- ► E/W: 6 wells
  - ▶ 1 larger completion
- ► N/S: 8 wells
  - ▶ 3 larger completions
  - Normalized to 4500' LL

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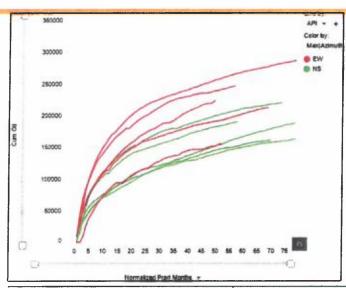
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				Proppant	Fluid	Completion			Avg			Township				
Name	API	On Stream	LL	(lbs)	(bbl)	Type	lbs/ft	gal/ft	TVD	Landing Zone	Azimuth	Range	Section	Operator	-	
MARAUDER FEDERAL 1H	30015382440100	1/1/2011	4181	2942000	60143	PERF	704	604	8791	2nd BS Sand	NS	19S 31E	31	COG		
BUENA VISTA 2 STATE COM 3H	30015392450000	10/1/2011	4249	3024000	58098	PERF	712	574	8509	2nd BS Sand	NS	20S 30E	2	COG		
SALADA VISTA 36 STATE 2H	30015402530000	10/1/2012	4560	3376000	69975	PERF	740	645	8754	2nd BS Sand	EW	19S 30E	36	COG		
SALADA VISTA 36 STATE 4H	30015409330000	3/1/2013	4390	6942000	105182	PERF	1581	1006	8758	2nd BS Sand	EW	19S 30E	36	COG		
BUENA VISTA 2 STATE 1H	30015407890000	3/1/2013	4068	3016000	58079	PERF	741	600	8601	2nd BS Sand	NS	20S 30E	2	COG		
BUENA VISTA 2 STATE COM 2H	30015412900000	7/1/2013	4012	3054000	56482	PERF	761	591	8512	2nd BS Sand	NS	20S 30E	2	COG		
SALADA VISTA 36 STATE 3H	30015411570000	8/1/2013	4538	3422000	63771	PERF	754	590	8753	2nd BS Sand	EW	19S 30E	36	COG		
BUENA VISTA 2 STATE 4H	30015418290000	6/1/2014	4248	6018000	111044	PERF	1417	1098	8532	2nd BS Sand	NS	20S 30E	2	COG		
MARAUDER 31 FEDERAL 2H	30015418100000	7/1/2014	4175	6385494	131497	PERF	1529	1323	8954	2nd BS Sand	NS	19S 31E	31	COG		
MARAUDER 31 FEDERAL 3H	30015415690000	7/1/2014	4087	6227755	127152	PERF	1524	1307	8901	2nd BS Sand	NS	19S 31E	31	COG		
MARAUDER 31 FEDERAL 4H	30015418110000	7/1/2014	4160	4060965	83650	PERF	976	845	8808	2nd BS Sand	NS	19S 31E	31	COG		
SALADA VISTA 36 STATE 5H	30015418300000	8/1/2014	4482	3258000	63912	PERF	727	599	8738	2nd BS Sand	EW	19S 30E	36	COG		
HASTA LA VISTA 1 DI FED COM 1H	30015425330000	12/1/2014	7540	5028000	71141	PERF	667	396	8787	2nd BS Sand	EW	20S 31E	1	ВОРСО		
HASTA LA VISTA 1 DI FED COM 2Y	30015427050000	2/1/2015	7060	5024000	76221	PERF	712	453	8751	2nd BS Sand	EW	20S 31E	1	ВОРСО	E	10



- ► E/W: 6 wells
  - ▶ 1 larger completion
- N/S: 8 wells
  - 3 larger completions
- Normalized to 4500' LL

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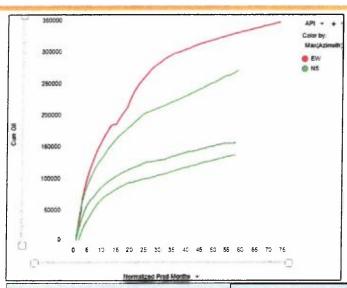
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				Proppant	Fluid	Completion	green a		Avg			Township				
Name	API	On Stream	LL	(lbs)	(bbl)	Туре	lbs/ft	gal/ft	TVD	Landing Zone	Azimuth	Range	Section	Operator	-	<u> </u>
MARAUDER FEDERAL 1H	30015382440100	1/1/2011	4181	2942000	60143	PERF	704	604	8791	2nd BS Sand	NS	19S 31E	31	COG		
BUENA VISTA 2 STATE COM 3H	30015392450000	10/1/2011	4249	3024000	58098	PERF	712	574	8509	2nd BS Sand	NS	20S 30E	2	COG		
SALADA VISTA 36 STATE 2H	30015402530000	10/1/2012	4560	3376000	69975	PERF	740	645	8754	2nd BS Sand	EW	19S 30E	36	COG		
SALADA VISTA 36 STATE 4H	30015409330000	3/1/2013	4390	6942000	105182	PERF	1581	1006	8758	2nd BS Sand	EW	19S 30E	36	COG		
BUENA VISTA 2 STATE 1H	30015407890000	3/1/2013	4068	3016000	58079	PERF	741	600	8601	2nd BS Sand	NS	20S 30E	2	COG		
BUENA VISTA 2 STATE COM 2H	30015412900000	7/1/2013	4012	3054000	56482	PERF	761	591	8512	2nd BS Sand	NS	20S 30E	2	COG		
SALADA VISTA 36 STATE 3H	30015411570000	8/1/2013	4538	3422000	63771	PERF	754	590	8753	2nd BS Sand	EW	19S 30E	36	COG		
BUENA VISTA 2 STATE 4H	30015418290000	6/1/2014	4248	6018000	111044	PERF	1417	1098	8532	2nd BS Sand	NS	20S 30E	2	COG		
MARAUDER 31 FEDERAL 2H	30015418100000	7/1/2014	4175	6385494	131497	PERF	1529	1323	8954	2nd BS Sand	NS	19S 31E	31	COG		
MARAUDER 31 FEDERAL 3H	30015415690000	7/1/2014	4087	6227755	127152	PERF	1524	1307	8901	2nd BS Sand	NS	19S 31E	31	COG		
MARAUDER 31 FEDERAL 4H	30015418110000	7/1/2014	4160	4060965	83650	PERF	976	845	8808	2nd BS Sand	NS	19S 31E	31	COG		
SALADA VISTA 36 STATE 5H	30015418300000	8/1/2014	4482	3258000	63912	PERF	727	599	8738	2nd BS Sand	EW	19S 30E	36	COG		
HASTA LA VISTA 1 DI FED COM 1H	30015425330000	12/1/2014	7540	5028000	71141	PERF	667	396	8787	2nd BS Sand	EW	20S 31E	1	ВОРСО		
HASTA LA VISTA 1 DI FED COM 2Y	30015427050000	2/1/2015	7060	5024000	76221	PERF	712	453	8751	2nd BS Sand	EW	20S 31E	1	ВОРСО	E	11



- Smaller completions only
- ► E/W: 5 wells
  - Avg 720 lbs/ft, 537 gal/ft
- N/S: 5 wells
  - Avg 779 lbs/ft, 643 gal/ft
- Normalized to 4500' LL

OCTUBER TORSE						
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			e dans	Proppant		Completion			Avg			Township			
Name	API	On Stream	LL	(lbs)	(bbl)	Type	lbs/ft	gal/ft	TVD	Landing Zone	Azimuth	Range	Section	Operator	+
MARAUDER FEDERAL 1H	30015382440100	1/1/2011	4181	2942000	60143	PERF	704	604	8791	2nd BS Sand	NS	19S 31E	31	COG	
BUENA VISTA 2 STATE COM 3H	30015392450000	10/1/2011	4249	3024000	58098	PERF	712	574	8509	2nd BS Sand	NS	20S 30E	2	COG	
SALADA VISTA 36 STATE 2H	30015402530000	10/1/2012	4560	3376000	69975	PERF	740	645	8754	2nd BS Sand	EW	19S 30E	36	COG	
SALADA VISTA 36 STATE 4H	30015409330000	-3/1/2013	4330	6942000	105182	PERF	1501	1006	0756	2nd DS Sand	EW	195 30E	- 36	<del></del>	
BUENA VISTA 2 STATE 1H	30015407890000	3/1/2013	4068	3016000	58079	PERF	741	600	8601	2nd BS Sand	NS	20S 30E	2	COG	
BUENA VISTA 2 STATE COM 2H	30015412900000	7/1/2013	4012	3054000	56482	PERF	761	591	8512	2nd BS Sand	NS	20S 30E	2	COG	
SALADA VISTA 36 STATE 3H	30015411570000	8/1/2013	4538	3422000	63771	PERF	754	590	8753	2nd BS Sand	EW	19S 30E	36	COG	
BUENA VISTA 2 STATE 4H	30015418290000	6/1/2014	4248	6018000	111044	PERF	1417	1038	8532	2nd BS Sand	NS	205 <b>30</b> E	2	288	
MARAUDER 31 FEDERAL 2H	30015418100000	7/1/2014	4175	6385454	131497	PERF	1529	1323	8954	2nd DS Sand	NS NS	195 31E	31	<del></del>	
WARAUDER 31 FEDERAL SH	30013415690000	7/1/2014	4087	6227755	127132	FERF	1324	1307	8901	2nd B3 3and	N3	193 312	- 16	- 200	
MARAUDER 31 FEDERAL 4H	30015418110000	7/1/2014	4160	4060965	83650	PERF	976	845	8808	2nd BS Sand	NS	19S 31E	31	COG	
SALADA VISTA 36 STATE 5H	30015418300000	8/1/2014	4482	3258000	63912	PERF	727	599	8738	2nd BS Sand	EW	19S 30E	36	COG	
HASTA LA VISTA 1 DI FED COM 1H	30015425330000	12/1/2014	7540	5028000	71141	PERF	667	396	8787	2nd BS Sand	EW	20S 31E	1	ВОРСО	
HASTA LA VISTA 1 DI FED COM 2Y	30015427050000	2/1/2015	7060	5024000	76221	PERF	712	453	8751	2nd BS Sand	EW	20S 31E	1	ворсо	E-12

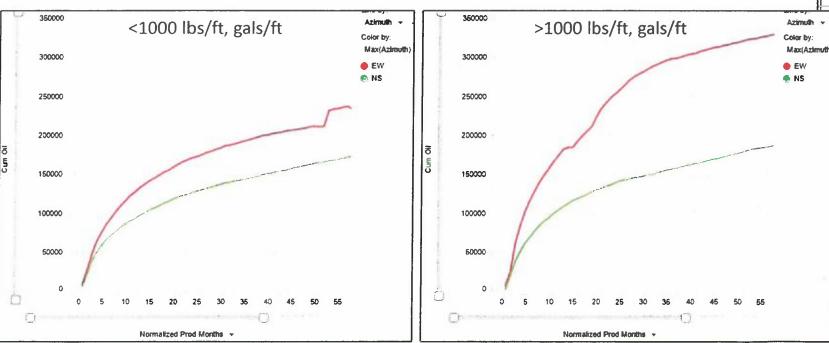


- Larger completions only
- ► E/W: 1 wells
  - ▶ 1581 lbs/ft, 1006 gal/ft
- N/S: 3 wells
  - Avg 1490 lbs/ft, 1242 gal/ft
- Normalized to 4500' LL

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Hormstred Pred Months •										38 # 84	4 III 1+42	+ + + +	34	28.	34	21
	TANGET IN THE SECOND			Proppant	Fluid	Completion			Avg			Township				
Name	API	On Stream	LL	(lbs)	(bbl)	Type	lbs/ft	gal/ft	TVD	Landing Zone	Azimuth	Range	Seqtion	Operator		
MARAUDER FEDERAL 111	30015382440100	1/1/2011	4101	2942000	60143	PERF	794	<del>- 604</del>	8791	2nd BS Sand	NS	495 31E-	31	- COC -		
BUENA VISTA 2-STATE COM 3H	30015392450000	10/1/2011	4249	3024000		PERF	712	574	8509	2nd BS Sand	NS	- 205 30E	2	<del></del>		
DALADA VIDTA 36 STATE ZIT	30015402330000	10/1/2012	4300	3576600	03575	FERN	740	645	675	2nd BS Sund	CVV	155 50E	36	200		
SALADA VISTA 36 STATE 4H	30015409330000	3/1/2013	4390	6942000	105182	PERF	1581	1006	8758	2nd BS Sand	EW	19S 30E	36	COG		
BUENA VISTA 2 STATE 111	30015407030000	3/1/2013	1008	3010000		PERF	742	600	0601	2nd DC Cand	NG	205 30E	2	cos		
DUENA VISTA 2 STATE COM 2H	30015412900000	7/1/2013		3054000		PERF	761	501	8512	2nd BS Sand	NC	20S 30E	2	- coc-		
SALABA VISTA 36 STATE 311	30015411570000	0/1/2013		3422000		PERF	754	530	0753	2nd DS Sand	EW	100 300	36	- 606		
BUENA VISTA 2 STATE 4H	30015418290000	6/1/2014	4248	6018000	111044	PERF	1417	1098	8532	2nd BS Sand	NS	20S 30E	2	COG		
MARAUDER 31 FEDERAL 2H	30015418100000	7/1/2014	4175	6385494	131497	PERF	1529	1323	8954	2nd BS Sand	NS	19S 31E	31	COG		
MARAUDER 31 FEDERAL 3H	30015415690000	7/1/2014	4087	6227755	127152	PERF	1524	1307	8901	2nd BS Sand	NS	19S 31E	31	COG		
MARAUDER 31 FEDERAL 4H	30015418110000	7/1/2014	4160	4060965		PERF	976	845	8888	2nd BS Sand	NS	199 31E	31	- cog-		
SALADA VISTA 30 STATE SH	30013418300000	8/1/2014	4482	3258000	63912	PERF	727	303	8735	2nd BS Sand	CW	133 382	36	203		
ASTA LA VISTA I DITED CON IN	30013425330000	12/1/2014	merc	3028680		PERF	687	396	3737	2nd BS Sand	EW	205 045		BOPCO-	.(*	
IASTA LA VISTA 1 DI FED COM 2Y	20045427050000	2/1/2015	7000	5024000	70304	DEDE	742	452	0751	2nd BS Sond	EW	205 315		DODGO.	F.	12

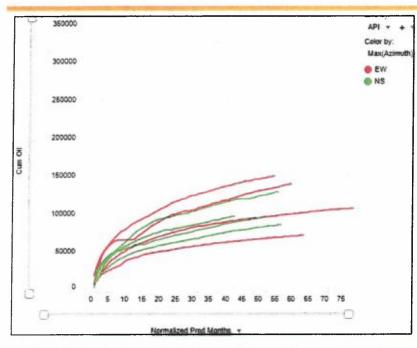
- ► E/W wells with similar completions performed better than N/S wells
- As the completions improved (became larger), the delta in performance increases



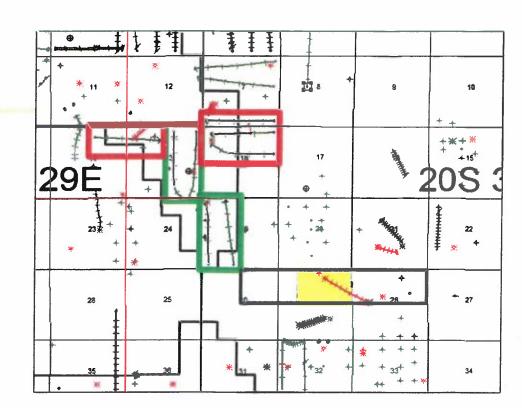
Well production binned (rates averaged) depending on azimuth

Spache

E-14



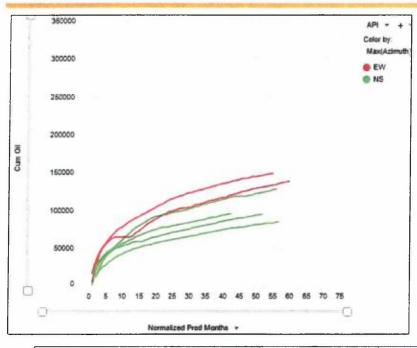
- E/W: 4 wells
  - 2 larger completions
- N/S: 4 wells
  - ▶ 4 larger completions
- Normalized to 4500' LL



Name	API	On Stream	LL	Proppant (lbs)	Fluid (bbl)	Completion Type	lbs/ft	gal/ft	Avg TVD	Landing Zone	Azimuth	Township Range	Section	Operator
ZIA AHZ FEDERAL COM 2H	30015404040000	8/1/2012	4165	3162076	53477	PERF	759	539	8331	2nd BS Sand	EW	20S 29E	14	EOG
TWO MESAS 7 MP FEDERAL 1H	30015414200000	1/1/2014	3937	2148000	33309	OPENHOLE	546	355	8421	2nd BS Sand	EW	20S 30E	7	мос
COINFLIP STATE COM 3H	30015419380000	5/1/2014	3619	5864000	116920	PERF	1620	1357	8463	2nd BS Sand	EW	20S 30E	18	cog
CRAPSHOOT 13 FEDERAL 1H	30015423230000	8/1/2014	4511	6221586	127996	PERF	1379	1192	8419	2nd BS Sand	NS	20S 29E	13	COG
DARTHROW STATE 2H	30015420850000	9/1/2014	4034	6380000	101547	PERF	1582	1057	8418	2nd BS Sand	NS	20S 30E	19	cog
COINFLIP STATE COM 2H	30015419370000	10/1/2014	3963	5864000	1.05364	PERF	1480	1117	8466	2nd BS Sand	EW	20S 30E	18	cog
DARTHROW STATE 4H	30015427190000	1/1/2015	3996	6334000	130795	PERF	1585	1375	8423	2nd BS Sand	NS	20S 30E	19	cog
CRAPSHOOT 13 FEDERAL COM 2H	30015431580000	10/1/2015	4555	6765597	135181	PERF	1485	1246	8411	2nd BS Sand	NS	20S 29E	13	cog



F-15



Larger completions only

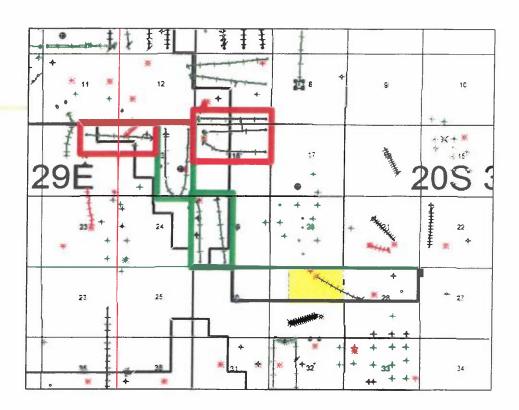
► E/W: 2 wells

Avg: 1550 lbs/ft, 1237 gal/ft

N/S: 4 wells

Avg: 1508 lbs/ft, 1218 gal/ft

Normalized to 4500' LL



Name	API	On Stream	LL	Proppant (lbs)	Fluid (bbl)	Completion Type	lbs/ft	gal/ft	Avg TVD	Landing Zone	Azimuth	Township Range	Section	Operator
ZIA AHZ FEDERAL COM 2H	30015404040000	8/1/2012	4165	3162076	53477	PERF	759	530	555±	Lind 65 Sains	<del>EW</del>	205 29E	24	EOG
TWO WESAS 7 WIP FEDERAL 1H	30013414200000	1/1/2014	3937	2148000	33303	OPENHOLE	340	355	8421	2แน่ ชีว วิลาเช	EW	203 30E	7	MOC
COINFLIP STATE COM 3H	30015419380000	5/1/2014	3619	5864000	116920	PERF	1620	1357	8463	2nd BS Sand	EW	20S 30E	18	cog
CRAPSHOOT 13 FEDERAL 1H	30015423230000	8/1/2014	4511	6221586	127996	PERF	1379	1192	8419	2nd BS Sand	NS	20S 29E	13	cog
DARTHROW STATE 2H	30015420850000	9/1/2014	4034	6380000	101547	PERF	1582	1057	8418	2nd BS Sand	NS	20S 30E	19	COG
COINFLIP STATE COM 2H	30015419370000	10/1/2014	3963	5864000	105364	PERF	1480	1117	8466	2nd BS Sand	EW	20S 30E	18	cog
DARTHROW STATE 4H	30015427190000	1/1/2015	3996	6334000	130795	PERF	1585	1375	8423	2nd BS Sand	NS	20S 30E	19	COG
CRAPSHOOT 13 FEDERAL COM 2H	30015431580000	10/1/2015	4555	6765597	135181	PERF	1485	1246	8411	2nd BS Sand	NS	20S 29E	13	COG



E-1



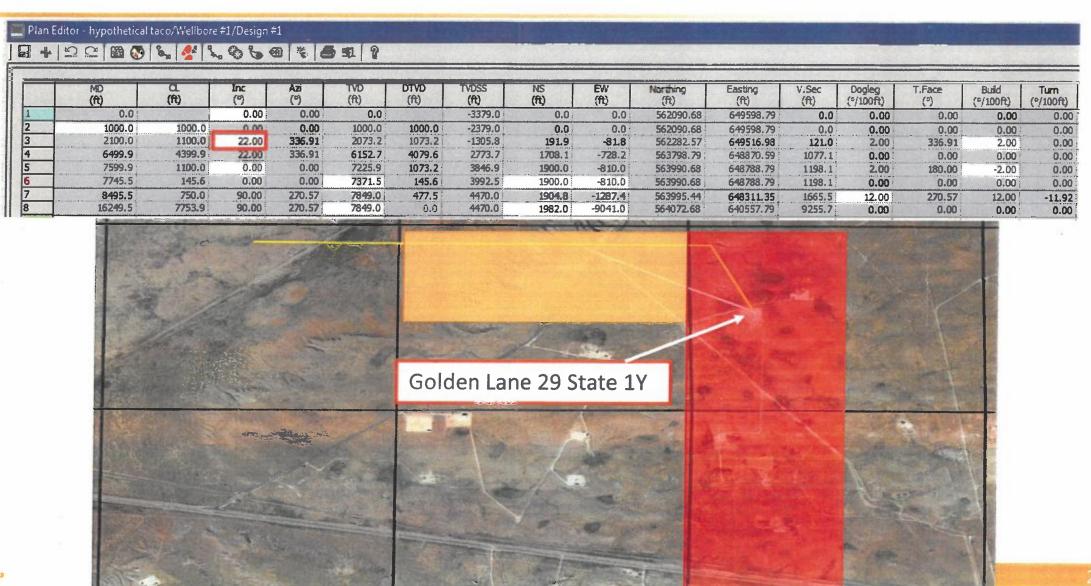
# **OVERALL DRILLING PLAN**



Aporthe.

# **DIRECTIONAL PLAN**

OPTION A - FULL KICK OUT (2,065')

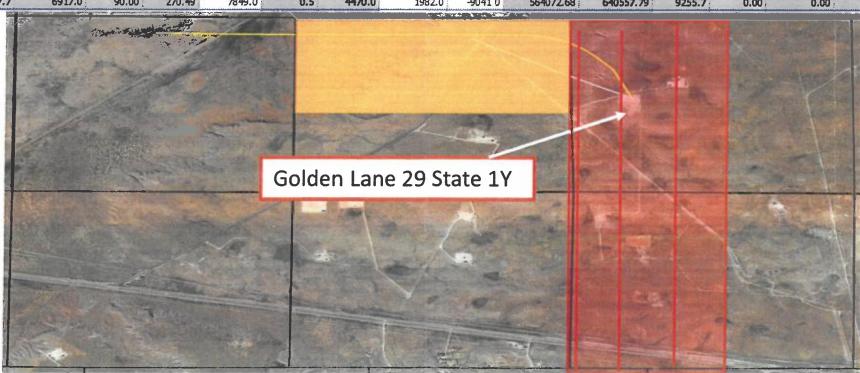


Apache

# **DIRECTIONAL PLAN**

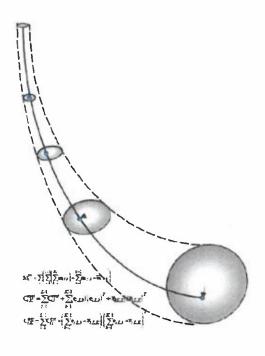
### **OPTION B – KICK OUT WITH RESTRICTION 10° TANGENT**

	tor - hypethetical l				91 9			2445								
	MD (ft)	CL (ft)	Inc (°)	Azi (°)	TVD (ft)	DTVD (ft)	TVDSS (ft)	NS (ft)	EW (ft)	Northing (ft)	Easting (ft)	V.Sec (ft)	Dogleg (°/100ft)	T.Face	Build (°/100ft)	Turn (°/100ft
1	0.0		0.00	0.00	0.0		-3379.0	0.0	0.0	562090.68	649598.79	0.0	0.00	0.00	0.00	0.
	1000.0	1000.0	0.00	0.00	1000.0	1000.0	-2379.0	0.0	0.0	562090.68	649598.79	0.0	0.00	0.00	0.00	0.
	1666.7	666.7	10.00	336.91	1663.3	663.3	-1715.7	53.4	-22.8	562144.06	649576.03	33.7	1.50	336.91	1.50	0.
	6666.7	5000.0	10.00	336.91	6587.3	4924.0	3208.3	852.1	-363.3	562942.75	649235.53	537.3	0.00	0.00	0.00	0.
	7333.3	666.7	0.00	0.00	7250.6	663.3	3871.6	905 4	-386.0	562996.13	649212.77	571.0	1.50	180.00	-1.50	0.
	7453.7	120.4	0.00	0.00	7371.0	120.4	3992.0	905.4	-386.0	562996.13	649212.77	571.0	0.00	0.00	0.00	0.
	8203.7	750.0	90.00	319.00	7848.5	477.5	4469.5	1265.8	-699.3	563356.48	648899.52	954.1	12.00	319.00	12.00	0.
	9820.7	1616.9	90.00	270.49	7848.5	0.1	4469.5	1922.6	-2124 3	564013.29	647474.53	2486.7	3.00	-90.01	0.00	-3.
	16737.7	6917.0	90.00	270,49	7849.0	0.5	4470.0	1982.0	-9041 0	564072.68	640557.79	9255.7	0.00	0.00	0.00	0



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# **ELLIPSE OF UNCERTAINTY (EOU)**



Direction	2mi lateral EOU - diameter (gyro @ surface + MWD)	@ KOP - diameter (MWD)
Horizontal	300	90
Vertical	160	-

