

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING DECEMBER 3, 2020**

**CASE No. 21531**

*NANDINA FED COM 25 36 31 107H & 127H WELLS  
REDBUD FED COM 25 36 32 102H & 112H WELLS*

**LEA COUNTY, NEW MEXICO**



Ameredev II, LLC

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

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

**CASE NO. 21531**

**TABLE OF CONTENTS**

1. Compulsory Pooling Application Checklist
2. Application for Compulsory Pooling
3. **Ameredev Exhibit A** – Land Affidavit
4. **Ameredev Exhibit A-1** – C-102 for Nandina Fed Com 25 36 31 107H
5. **Ameredev Exhibit A-2** – C-102 for Nandina Fed Com 25 36 31 127H
6. **Ameredev Exhibit A-3** – C-102 for Red Bud Fed Com 25 36 32 102H
7. **Ameredev Exhibit A-4** – C-102 for Red Bud Fed Com 25 36 32 112H
8. **Ameredev Exhibit A-5** – Land Ownership Schematic for Spacing Unit
9. **Ameredev Exhibit A-6** – Well Proposal Letter for proposed wells
10. **Ameredev Exhibit A-7** – AFEs for proposed wells
11. **Ameredev Exhibit A-8** – Chronology of Contact with Non-Joined Working Interests
12. **Ameredev Exhibit B** – Geology Affidavit
13. **Ameredev Exhibit B-1** – Locator Map
14. **Ameredev Exhibit B-2** – Capitan Reef Complex Locator Map
15. **Ameredev Exhibit B-3** – Additional Capitan Reef Complex Locator Map
16. **Ameredev Exhibit B-4** – Subsea Structure Map
17. **Ameredev Exhibit B-5** – Cross-Section Location Map
18. **Ameredev Exhibit B-6** – Stratigraphic Cross-Section

19. **Ameredev Exhibit C** – Notice Affidavit

20. **Ameredev Exhibit D**– Affidavit of Publication of Notice

# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

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

**Case: 21531**

**APPLICANT'S RESPONSE**

**Date** December 3, 2020

**Applicant**

Ameredev Operating, LLC

**Designated Operator & OGRID (affiliation if applicable)**

372224

**Applicant's Counsel:**

Holland & Hart, LLP

**Case Title**

Application of Ameredev Operating, LLC for  
Compulsory Pooling, Lea County, New Mexico

**Entries of Appearance/Intervenors:**

Franklin Mountain Energy, LLC

**Well Family**

Nandina Fed Com 25 36 31 and  
Red Bud Fed Com 25 36 32 Wells

**Formation/Pool**

**Formation Name(s) or Vertical Extent:**

Wolfcamp formation

**Primary Product (Oil or Gas):**

Oil

**Pooling this vertical extent:**

Wolfcamp formation

**Pool Names and Pool Codes:**

33813 (Jal; Wolfcamp; West)

**Well Location Setback Rules:**

Statewide horizontal well rules

**Spacing Unit Size:**

640-acres, more or less

**Spacing Unit**

**Type (Horizontal/Vertical)**

Horizontal

**Size (Acres)**

640-acres, more or less

**Building Blocks:**

Quarter-quarter sections, or the equivalent

**Orientation:**

South/North

**Description: TRS/County**

E/2 E/2 of Sections 30 and 31, and the W/2 W/2 of  
Sections 29 and 32, Township 25 South, Range 36  
East, NMPM, Lea County, New Mexico

**Standard Horizontal Well Spacing Unit (Y/N), If No, describe**

Yes

**Other Situations**

**Depth Severance: Y/N. If yes, description**

No

**Proximity Tracts: If yes, description**

Yes; W/2 W/2 of Sections 29 and 32

**Proximity Defining Well: if yes, description**

Nadina Fed Com 25 36 31 127H Well

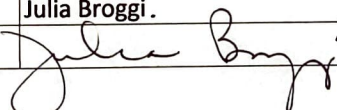
**Applicant's Ownership in Each Tract**

Ameredev Exhibit A-5

**Well(s)**



Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<p><b><u>Nadina Fed Com 25 36 31 107H</u></b> (API No. 30-025-Pending)  SHL:200 feet from the South line &amp; 990 feet from the East line, (Unit P) of Section 31, Township 25 South, Range 36 East, NMPM.  BHL:50 feet from the North line &amp; 950 feet from the East line, (Unit A) of Section 30, Township 25 South, Range 36 East, NMPM.</p> <p>Completion Target: Wolfcamp  Well Orientation: South to North  Completion Location expected to be: standard</p>
Well #2	<p><b><u>Nadina Fed Com 25 36 31 No. 127H</u></b> (API No. 30-025-Pending)  SHL:200 feet from the South line &amp; 950 feet from the East line, (Unit P) of Section 31, Township 25 South, Range 36 East, NMPM.  BHL:50 feet from the North line &amp; 200 feet from the East line (Unit A) of Section 30, Township 25 South, Range 36 East, NMPM.</p> <p>Completion Target: Wolfcamp  Well Orientation: South to North  Completion Location expected to be: proximity</p>
Well #3	<p><b><u>Red Bud Fed Com 25 36 32 No. 102H</u></b> (API No. 30-025-Pending)  SHL:200 feet from the South line &amp; 850 feet from the West line, (Unit M) of Section 32, Township 25 South, Range 36 East, NMPM.  BHL:50 feet from the North line &amp; 380 feet from the West line, (Unit D) of Section 29, Township 25 South, Range 36 East, NMPM.</p> <p>Completion Target: Wolfcamp  Well Orientation: South to North  Completion Location expected to be: standard</p>
Well #4	<p><b><u>Red Bud Fed Com 25 36 32 No. 112H</u></b> (API No. 30-025-Pending)  SHL:200 feet from the South line &amp; 870 feet from the West line, (Unit M) of Section 32, Township 25 South, Range 36 East, NMPM.  BHL:50 feet from the North line &amp; 950 feet from the West line, (Unit D) of Section 29, Township 25 South, Range 36 East, NMPM.</p> <p>Completion Target: Wolfcamp  Well Orientation: South to North  Completion Location expected to be: standard</p>
Horizontal Well First and Last Take Points	Ameredev Exhibits A-1, A-2, A-3, A-4
Completion Target (Formation, TVD and MD)	Ameredev Exhibits A-6, B-6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7,000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Ameredev Exhibits A, A-7
Requested Risk Charge	200%
Notice of Hearing	

Proposed Notice of Hearing	Application; Exhibit C
Proof of Mailed Notice of Hearing (20 days before hearing)	Ameredev Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Ameredev Exhibit D
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Ameredev Exhibit A-5
Tract List (including lease numbers and owners)	Ameredev Exhibit A-5
Pooled Parties (including ownership type)	Ameredev Exhibit A-5
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Ameredev Exhibits A-6, A-7
List of Interest Owners (ie Exhibit A of JOA)	Ameredev Exhibit A-5
Chronology of Contact with Non-Joined Working Interests	Ameredev Exhibit A-8
Overhead Rates In Proposal Letter	Ameredev Exhibits A-6, A-7
Cost Estimate to Drill and Complete	Ameredev Exhibits A-6, A-7
Cost Estimate to Equip Well	Ameredev Exhibits A-6, A-7
Cost Estimate for Production Facilities	Ameredev Exhibits A-6, A-7
<b>Geology</b>	
Summary (including special considerations)	Ameredev Exhibit B
Spacing Unit Schematic	Ameredev Exhibits B-1, B-2, B-3
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Ameredev Exhibits B, B-4, B-6
Target Formation	Ameredev Exhibit B, B-6
HSU Cross Section	Ameredev Exhibits B, B-5, B-6
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Ameredev Exhibits A-1, A-2, A-3, A-4
Tracts	Ameredev Exhibit A-5
Summary of Interests, Unit Recapitulation (Tracts)	Ameredev Exhibit A-5
General Location Map (including basin)	Ameredev Exhibits B-1, B-2, B-3
Well Bore Location Map	Ameredev Exhibits B-1, B-2, B-3
Structure Contour Map - Subsea Depth	Ameredev Exhibit B-4
Cross Section Location Map (including wells)	Ameredev Exhibit B-5
Cross Section (including Landing Zone)	Ameredev Exhibit B-6
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name (Attorney or Party Representative):</b>	Julia Broggi.
<b>Signed Name (Attorney or Party Representative):</b>	 12-1-2020

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

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

**CASE NO. 21531**

**APPLICATION**

Ameredev Operating, LLC (“Ameredev” or “Applicant”) (OGRID No. 372224), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 30 and 31, and the W/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Ameredev states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced spacing unit to the following proposed wells:
  - The **Nandina Fed Com 25 36 31 107H Well**, and the **Nandina Fed Com 25 36 31 127H Well**, both of which are to be drilled from a common surface hole location in the SE/4 SE/4 (Unit P) of Section 31 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 30; and
  - The **Redbud Fed Com 25 36 32 102H Well**, and the **Redbud Fed Com 25 36 32 112H Well**, both of which are to be drilled from a common surface

hole location in the SW/4 SW/4 (Unit M) of Section 32 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 29.

3. The completed interval for the proposed **Redbud Fed Com 25 36 32 102H Well** will be within 330' of the quarter-quarter line separating the E/2 E/2 of Sections 30 and 31 from the W/2 W/2 of Sections 29 and 32 to allow inclusion of this acreage into a standard 640-acre horizontal spacing unit.

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

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

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the horizontal spacing unit should be pooled, and Applicant should be designated the operator of this proposed horizontal well and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;

- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP



By: \_\_\_\_\_  
Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Kaitlyn A. Luck  
Post Office Box 2208  
Santa Fe, NM 87504  
505-998-4421  
505-983-6043 Facsimile  
mfeldewert@hollandhart.com  
arankin@hollandhart.com  
jbroggi@hollandhart.com  
kaluck@hollandhart.com

**ATTORNEYS FOR AMEREDEV OPERATING, LLC**



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

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

**CASE NO. 21531**

**AFFIDAVIT OF BRANDON FORTEZA  
IN SUPPORT OF CASE NO. 21531**

Brandon Forteza, of lawful age and being first duly sworn, declares as follows:

1. My name is Brandon Forteza. I work for Ameredev Operating, LLC (“Ameredev”) as a Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Ameredev in this case, and I am familiar with the status of the lands in the subject area.
4. None of the uncommitted parties has indicated opposition to this pooling application, and therefore I do not expect any opposition at the hearing.
5. Ameredev is seeking an order pooling all uncommitted interests in the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 30 and 31, and the W/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico.
6. Ameredev seeks to dedicate the above horizontal spacing unit to the following initial wells:

**BEFORE THE OIL CONSERVATION DIVISION**

**Santa Fe, New Mexico**

**Exhibit No. A**

**Submitted by: Ameredev**

**Hearing Date: December 3, 2020**

**Case No. 21531**

- The **Nandina Fed Com 25 36 31 107H Well**, and the **Nandina Fed Com 25 36 31 127H Well**, both of which are to be drilled from a common surface hole location in the SE/4 SE/4 (Unit P) of Section 31 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 30; and
- The **Red Bud Fed Com 25 36 32 102H Well**, and the **Red Bud Fed Com 25 36 32 112H Well**, both of which are to be drilled from a common surface hole location in the SW/4 SW/4 (Unit M) of Section 32 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 29.

7. Incorporating the proximity tracts, the completed intervals for the proposed wells will comply with the Division's setback requirements.

8. Ameredev has prepared draft Form C-102s for the proposed wells, copies of which are attached as **Ameredev Exhibits A-1, A-2, A-3, and A-4**.

9. The Pool Code for the proposed wells is 33813.

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

11. **Ameredev Exhibit A-5** is an exhibit prepared by me that identifies the tracts of land comprising the proposed horizontal spacing unit. This proposed spacing unit includes federal, state and fee land. This exhibit shows the interest owners and the percentage of their interest by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing unit, is also included on the exhibit. Ameredev is seeking to pool the interest owners denoted by an asterisk on the unit recapitulation.

12. Ameredev is seeking to pool unleased mineral interest owners, owners of unmarketable title, and working interest owners.

13. Ameredev sent well proposal letters to the unleased mineral interest owners, owners of unmarketable title, and working interest owners. AFEs were included with the well proposal letter. The costs reflected in the AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area. Copies of the well proposal letter and the AFEs are attached as **Ameredev Exhibits A-6 and A-7**, respectively.

14. Ameredev is seeking to pool owners of unmarketable title resulting from unprobated estates in New Mexico. Ameredev has identified all known heirs on Ameredev Exhibit A-5, and also seeks to compulsory pool any unidentified heirs or other unmarketable title holders in this acreage, whatever their interests may be.

15. A chronology of Ameredev's contacts with the working interest owners it is seeking to pool is attached hereto as **Ameredev Exhibit A-8**.

16. Ameredev seeks approval of overhead and administrative costs at \$7,000/month while drilling and \$700/month while producing. These costs are consistent with what Ameredev and other operators are charging in this area for these types of wells. Ameredev respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

17. In my opinion, Ameredev has made good faith efforts to reach an agreement with the parties it is seeking to pool. If Ameredev reaches an agreement with the proposed pool parties before the Division enters an order, I will let the Division know that Ameredev is no longer seeking to pool those parties.

18. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on Ameredev Exhibit A-5. In compiling these addresses,





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

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A1  
Submitted by: Ameredev  
Hearing Date: December 3, 2020  
Case No. 21531

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 <b>30-025-</b>	<sup>2</sup> Pool Code <b>33813</b>	<sup>3</sup> Pool Name <b>Jal; Wolfcamp, West</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>NANDINA FED COM 25 36 31</b>	<sup>6</sup> Well Number <b>107H</b>
<sup>7</sup> OGRID No. <b>372224</b>	<sup>8</sup> Operator Name <b>AMEREDEV OPERATING, LLC.</b>	<sup>9</sup> Elevation <b>3009'</b>

<sup>10</sup>Surface Location

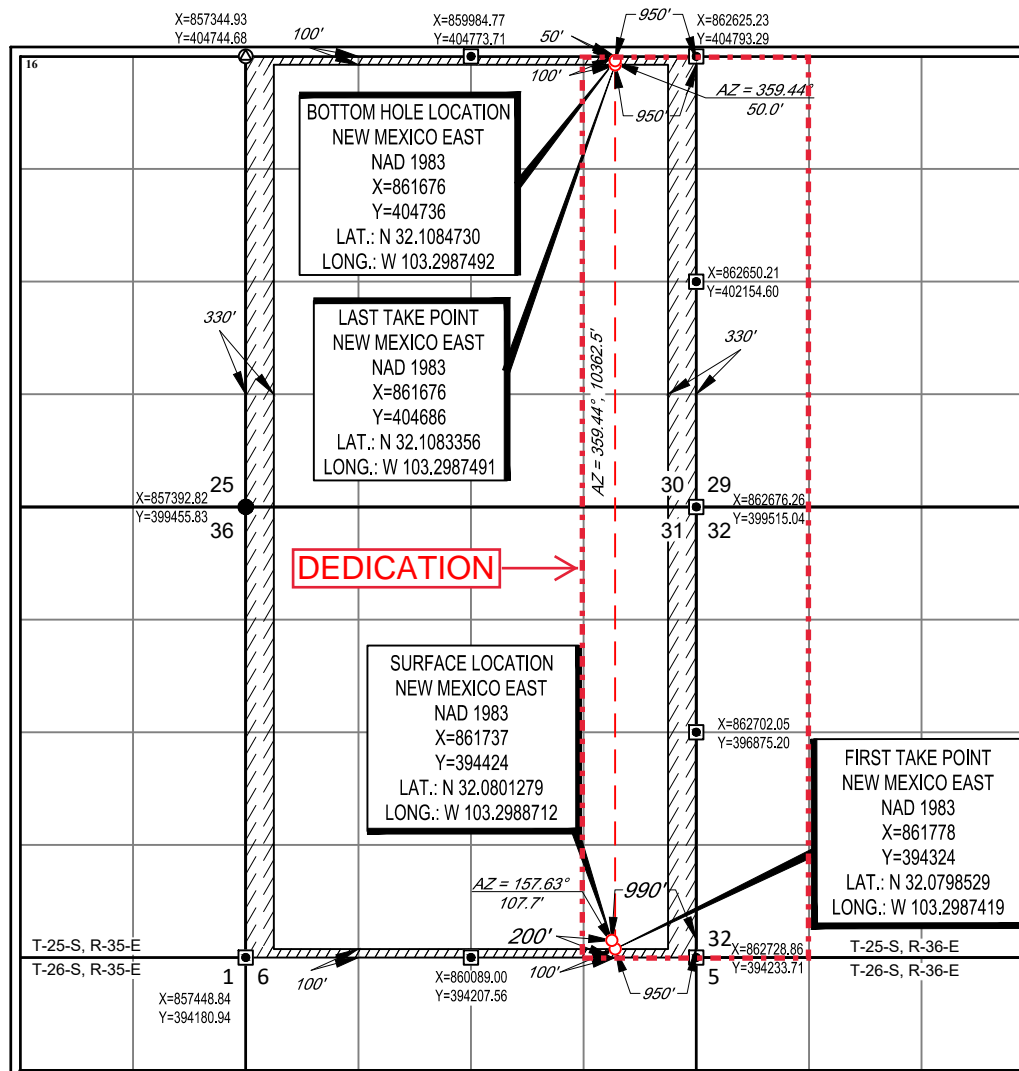
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>31</b>	<b>25-S</b>	<b>36-E</b>	<b>-</b>	<b>200'</b>	<b>SOUTH</b>	<b>990'</b>	<b>EAST</b>	<b>LEA</b>

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>30</b>	<b>25-S</b>	<b>36-E</b>	<b>-</b>	<b>50'</b>	<b>NORTH</b>	<b>950'</b>	<b>EAST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>640</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code <b>C</b>	<sup>15</sup> Order No.
---	-------------------------------	--	-------------------------

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



<sup>17</sup>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 owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Floyd Hammond* 9/10/2020  
Signature Date

**Floyd Hammond**

Printed Name

**fhammond@ameredev.com**

E-mail Address

<sup>18</sup>SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

05/09/2018

Date of Survey  
Signature and Seal of Professional Surveyor

**MICHAEL B. BROWN**  
NEW MEXICO  
18329  
PROFESSIONAL SURVEYOR

Certificate Number

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

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

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A2  
Submitted by: Ameredev  
Hearing Date: December 3, 2020  
Case No. 21531

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 <b>30-025-</b>	<sup>2</sup> Pool Code <b>33813</b>	<sup>3</sup> Pool Name <b>Jal; Wolfcamp, West</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>NANDINA FED COM 25 36 31</b>	<sup>6</sup> Well Number <b>127H</b>
<sup>7</sup> OGRID No. <b>372224</b>	<sup>8</sup> Operator Name <b>AMEREDEV OPERATING, LLC.</b>	<sup>9</sup> Elevation <b>3010'</b>

<sup>10</sup>Surface Location

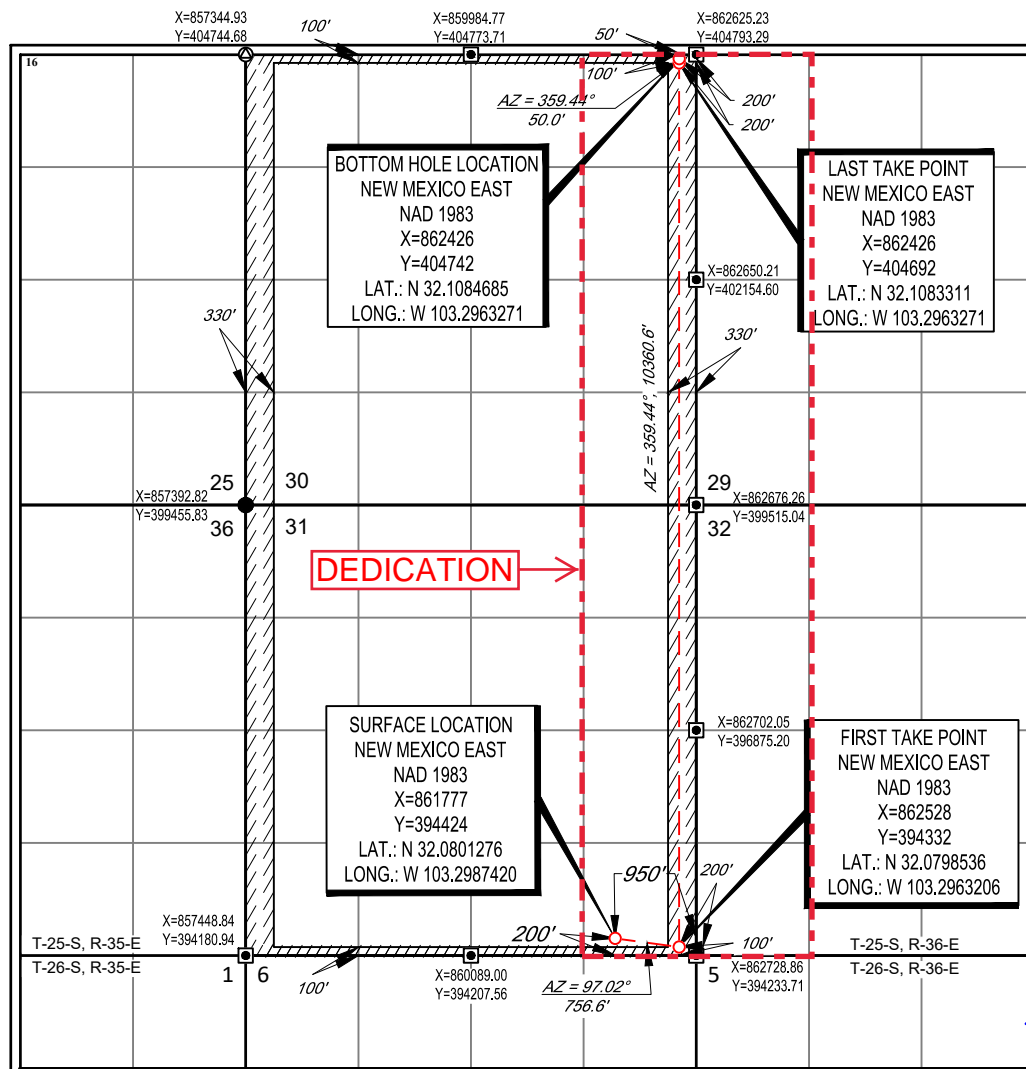
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>31</b>	<b>25-S</b>	<b>36-E</b>	<b>-</b>	<b>200'</b>	<b>SOUTH</b>	<b>950'</b>	<b>EAST</b>	<b>LEA</b>

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>30</b>	<b>25-S</b>	<b>36-E</b>	<b>-</b>	<b>50'</b>	<b>NORTH</b>	<b>200'</b>	<b>EAST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>640</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code <b>C</b>	<sup>15</sup> Order No.
---	-------------------------------	--	-------------------------

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



<sup>17</sup>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 owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Floyd Hammond* 10/7/2020  
Signature Date

Floyd Hammond

Printed Name

fhammond@amerdev.com

E-mail Address

<sup>18</sup>SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

05/09/2018

Date of Survey  
Signature and Seal of Professional Surveyor

*Michael R. Brown*  
MICHAEL R. BROWN  
NEW MEXICO  
18329  
PROFESSIONAL SURVEYOR  
Certificate Number

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

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

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-</b>	<sup>2</sup> Pool Code <b>33813</b>	<sup>3</sup> Pool Name <b>Jal; Wolfcamp, West</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>RED BUD FED COM 25 36 32</b>	<sup>6</sup> Well Number <b>102H</b>
<sup>7</sup> OGRID No. <b>372224</b>	<sup>8</sup> Operator Name <b>AMEREDEV OPERATING, LLC.</b>	<sup>9</sup> Elevation <b>3009'</b>

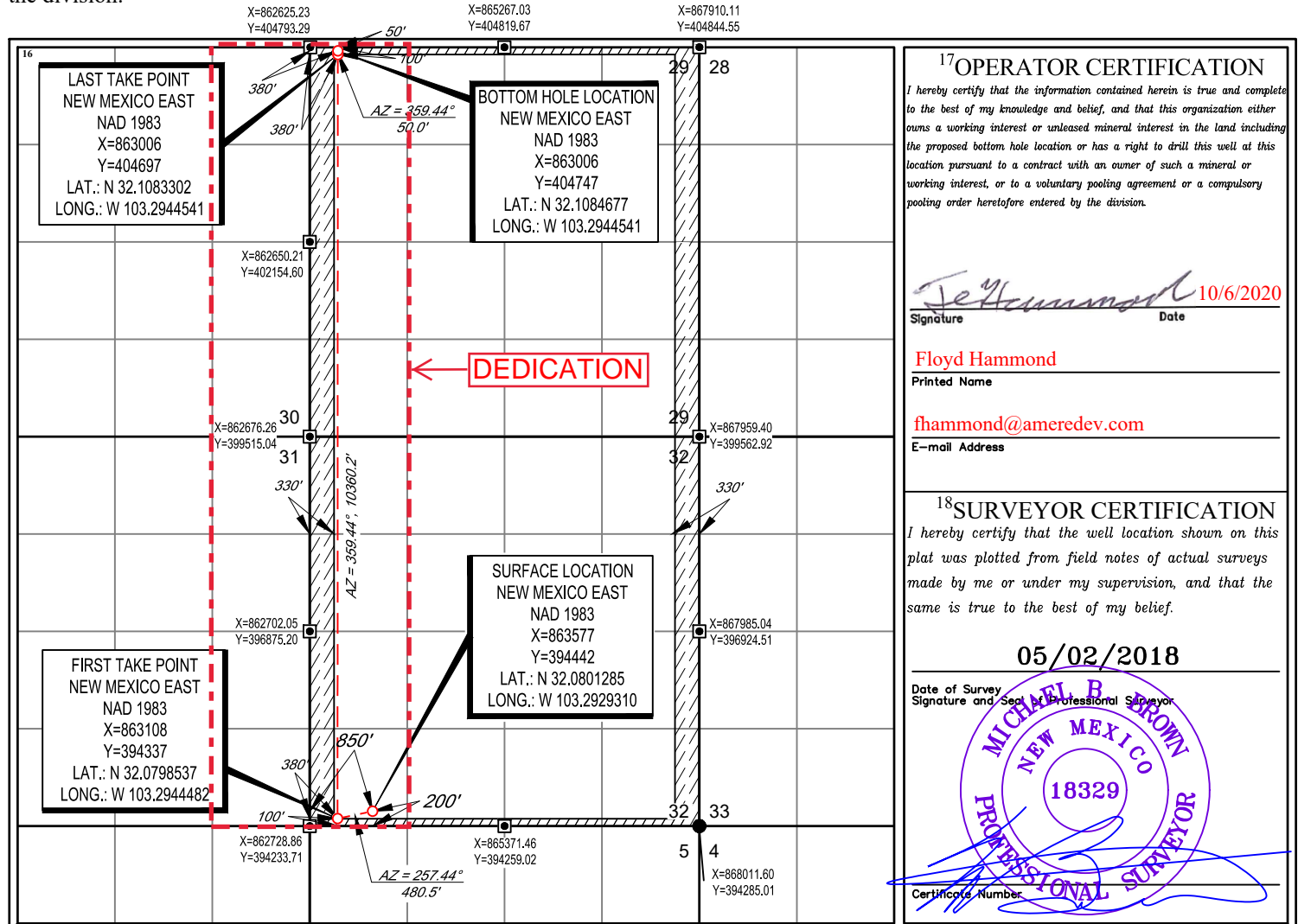
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>32</b>	<b>25-S</b>	<b>36-E</b>	<b>-</b>	<b>200'</b>	<b>SOUTH</b>	<b>850'</b>	<b>WEST</b>	<b>LEA</b>

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>29</b>	<b>25-S</b>	<b>36-E</b>	<b>-</b>	<b>50'</b>	<b>NORTH</b>	<b>380'</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>640</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code <b>C</b>	<sup>15</sup> Order No.
---	-------------------------------	--	-------------------------

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

<sup>17</sup>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 owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Floyd Hammond* 10/6/2020  
Signature Date

Floyd Hammond

Printed Name

fhammond@ameredev.com

E-mail Address

<sup>18</sup>SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

05/02/2018

Date of Survey  
Signature and Seal of Professional Surveyor

*Michael B. Brown*  
MICHAEL B. BROWN  
NEW MEXICO  
18329  
PROFESSIONAL SURVEYOR

Certificate Number

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

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

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A4

Submitted by: Ameredev

Hearing Date: December 3, 2020

Case No. 21531

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 <b>30-025-</b>	<sup>2</sup> Pool Code <b>33813</b>	<sup>3</sup> Pool Name <b>Jal; Wolfcamp, West</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>RED BUD FED COM 25 36 32</b>	<sup>6</sup> Well Number <b>112H</b>
<sup>7</sup> OGRID No. <b>372224</b>	<sup>8</sup> Operator Name <b>AMEREDEV OPERATING, LLC.</b>	<sup>9</sup> Elevation <b>3009'</b>

<sup>10</sup>Surface Location

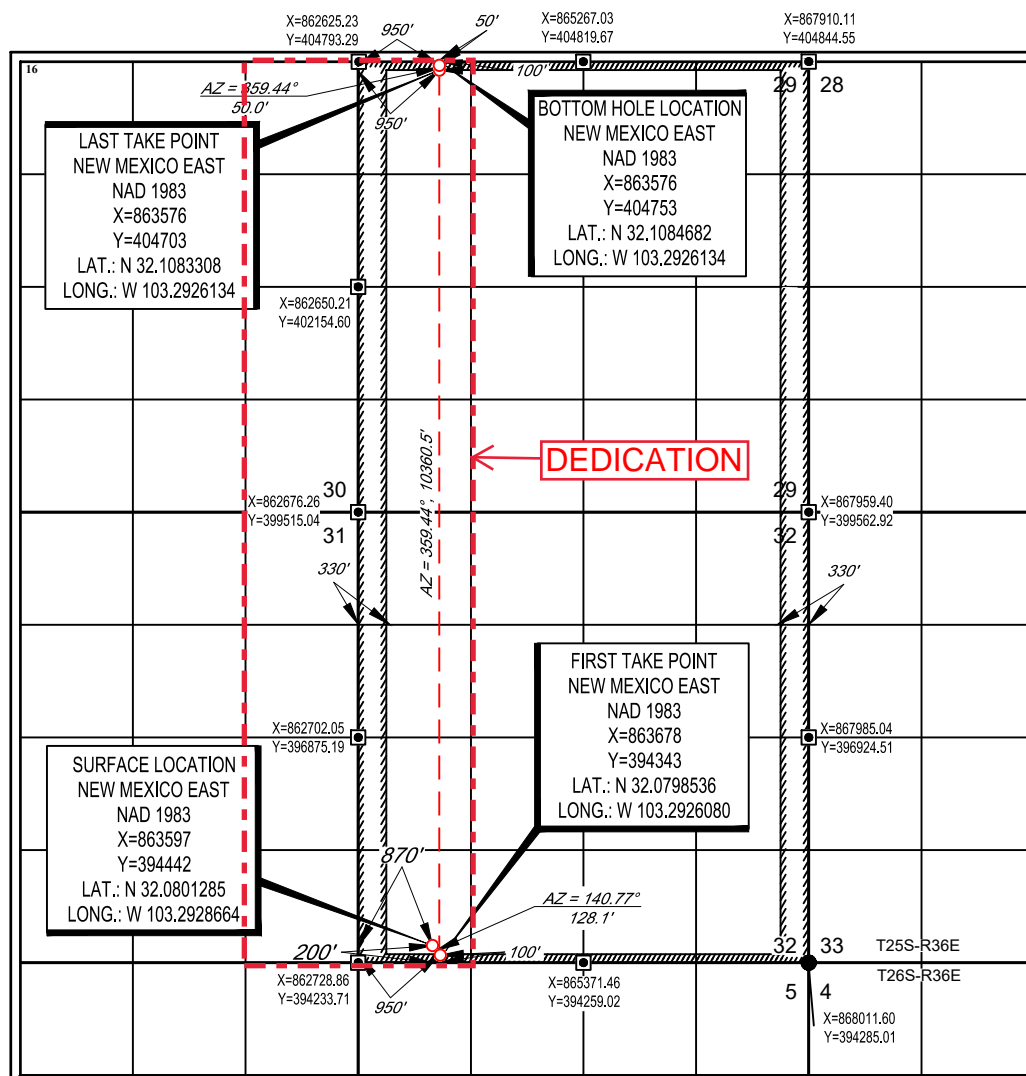
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>32</b>	<b>25-S</b>	<b>36-E</b>	<b>-</b>	<b>200'</b>	<b>SOUTH</b>	<b>870'</b>	<b>WEST</b>	<b>LEA</b>

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>29</b>	<b>25-S</b>	<b>36-E</b>	<b>-</b>	<b>50'</b>	<b>NORTH</b>	<b>950'</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>640</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code <b>C</b>	<sup>15</sup> Order No.
---	-------------------------------	--	-------------------------

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



<sup>17</sup>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 owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Floyd Hammond* 10/6/2020  
Signature Date

Floyd Hammond

Printed Name

fhammond@amerdev.com

E-mail Address

<sup>18</sup>SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

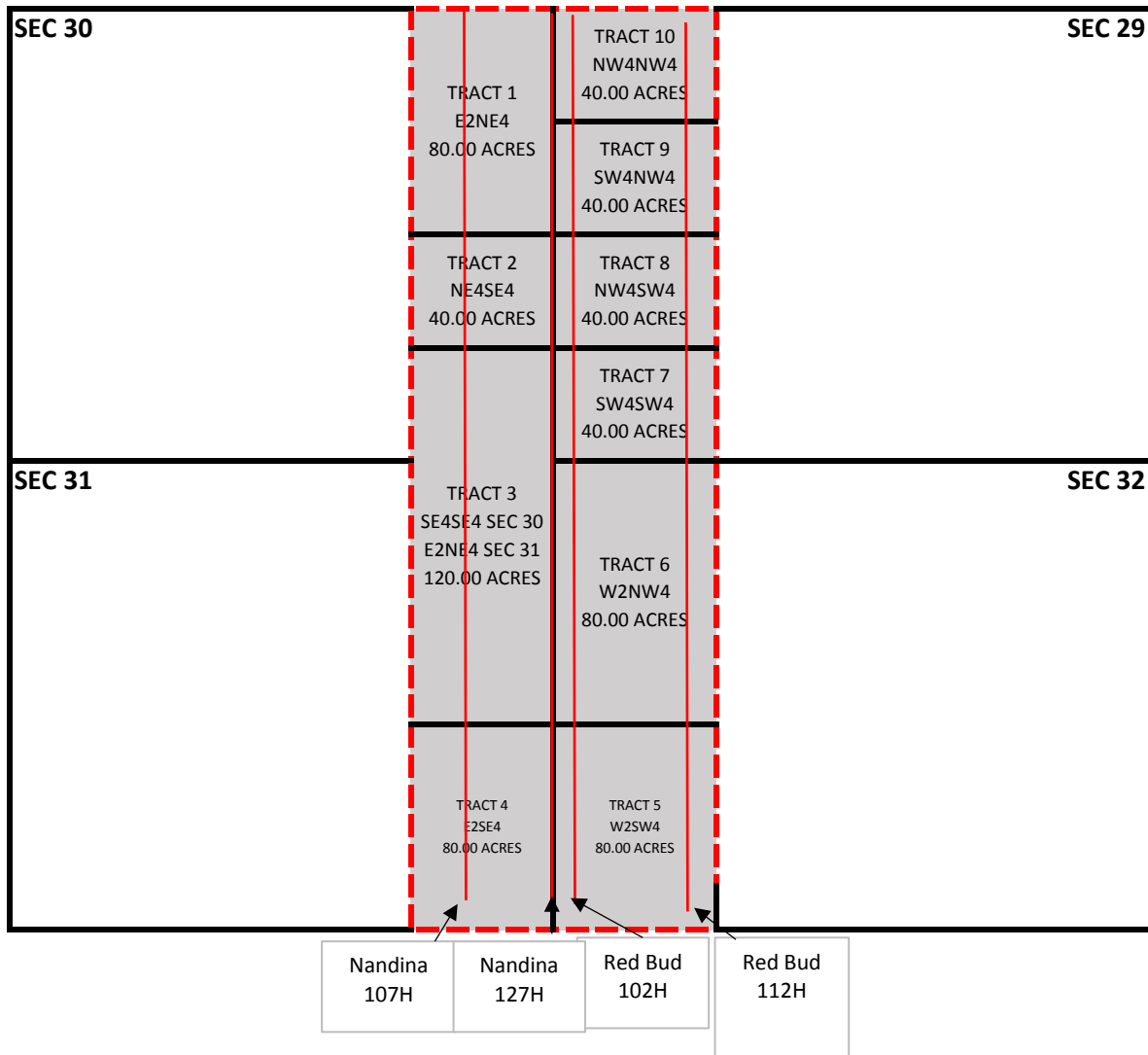
05/02/2018

Date of Survey  
Signature and Seal of Professional Surveyor

*Michael B. Brown*  
MICHAEL B. BROWN  
NEW MEXICO  
18329  
PROFESSIONAL SURVEYOR  
Certificate Number



**RED BUD FED COM 25-36-32 102H AND 112H  
 NANDINA FED COM 25-36-31 107H AND 127H  
 T25S-R36E-SECTION 30 AND 31, E2E2  
 T25S-R36E-SECTION 29 AND 32, W2W2  
 LEA COUNTY, NEW MEXICO**



**BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. A5  
 Submitted by: Ameredev  
 Hearing Date: December 3, 2020  
 Case No. 21531**

**RED BUD FED COM 25-36-32 102H AND 112H  
NANDINA FED COM 25-36-31 107H AND 127H  
T25S-R36E-SECTION 30 AND 31, E2E2  
T25S-R36E-SECTION 29 AND 32, W2W2  
LEA COUNTY, NEW MEXICO**

**TRACT 1: E2NE4 - SECTION 30 25S 36E - 80.00 ACRES**

JOHN ROY DAMRON	8.33333333%
JIMMY DAMRON	8.33333333%
GEORGE M. O'BRIEN	3.33333333%
OSCURA RESOURCES, INC.	7.50000000%
R.R. HINKLE COMPANY, INC.	7.50000000%
BRANEX RESOURCES, INC.	7.65000000%
EMG OIL PROPERTIES, INC.	7.35000000%
BETTY CLAXTON	4.16666667%
JOYCE IRENE HABECK	3.12500000%
GLENN CLAXTON	3.12500000%
CLYDENE OUTHIER	3.12500000%
MICHAEL LANE CLAXTON	3.12500000%
AMEREDEV NEW MEXICO, LLC	33.33333333%
<b>TOTAL</b>	<b>100.00000000%</b>

**TRACT 2: NE4SE4 - SECTION 30 25S 36E - 40.00 ACRES**

JOHN ROY DAMRON	6.25000000%
JIMMY DAMRON	6.25000000%
GEORGE M. O'BRIEN	5.00000000%
OSCURA RESOURCES, INC.	5.00000000%
R.R. HINKLE COMPANY, INC.	5.00000000%
BRANEX RESOURCES, INC.	5.10000000%
EMG OIL PROPERTIES, INC.	4.90000000%
BETTY CLAXTON	3.12500000%
JOYCE IRENE HABECK	2.34375000%
GLENN CLAXTON	2.34375000%
CLYDENE OUTHIER	2.34375000%
MICHAEL LANE CLAXTON	2.34375000%
VANESE VISAGE BLACKMAR, LIFE TENANT	0.45572900%
ALLISON BLACKMAR HUNT	1.82291600%
SHARON E. BLACKMAR	0.22786500%
MICHAEL KAVANAUGH BLACKMAR	0.45572900%
PHILIP ARNOLD BLACKMAR	0.91145800%
BRUCE PATRICK BLACKMAR	0.22786500%
GUY ELLIOTT BLACKMAR, II	0.22786500%
JEFFERSON KEITH BLACKMAR	0.22786500%
CARY BLACKMAR-FISCHER	0.22786500%
AMY BLACKMAR KOOS	0.22786500%
KURT WAYNE BLACKMAR	0.22786500%
AMEREDEV NEW MEXICO, LLC	44.75911300%
<b>TOTAL</b>	<b>100.00000000%</b>

**TRACT 3: SE4SE4 - SECTION 30 AND E2NE4 SEC 31 25S 36E - 120.00 ACRES**

AMEREDEV NEW MEXICO, LLC	100.00000000%
<b>TOTAL</b>	100.00000000%

**TRACT 4: E2SE4 - SEC 31 25S 36E - 80.00 ACRES**

AMEREDEV NEW MEXICO, LLC	100.00000000%
<b>TOTAL</b>	100.00000000%

**TRACT 5: W2SW4 - SEC 32 25S 36E - 80.00 ACRES**

AMEREDEV NEW MEXICO, LLC	100.00000000%
<b>TOTAL</b>	100.00000000%

**TRACT 6: W2NW4 - SEC 32 25S 36E - 80.00 ACRES**

AMEREDEV NEW MEXICO, LLC	100.00000000%
<b>TOTAL</b>	100.00000000%

**TRACT 7: SW4SW4 - SEC 29 25S 36E - 40.00 ACRES**

AMEREDEV NEW MEXICO, LLC	100.00000000%
<b>TOTAL</b>	100.00000000%

**TRACT 8: NW4SW4 - SECTION 29 25S 36E - 40.00 ACRES**

JOHN ROY DAMRON	6.25000000%
JIMMY DAMRON	6.25000000%
GEORGE M. O'BRIEN	5.00000000%
OSCURA RESOURCES, INC.	5.00000000%
R.R. HINKLE COMPANY, INC.	5.00000000%
BRANEX RESOURCES, INC.	5.10000000%
EMG OIL PROPERTIES, INC.	4.90000000%
BETTY CLAXTON	3.12500000%
JOYCE IRENE HABECK	2.34375000%
GLENN CLAXTON	2.34375000%
CLYDENE OUTHIER	2.34375000%
MICHAEL LANE CLAXTON	2.34375000%
VANESE VISAGE BLACKMAR, LIFE TENANT	0.45572900%
SHAYNA BLACKMAR PERSKY	0.91145800%
ALLISON BLACKMAR HUNT	0.91145800%
SHARON E. BLACKMAR	0.22786500%
MICHAEL KAVANAUGH BLACKMAR	0.45572900%
PHILIP ARNOLD BLACKMAR	0.91145800%
BRUCE PATRICK BLACKMAR	0.22786500%
GUY ELLIOTT BLACKMAR, II	0.22786500%
JEFFERSON KEITH BLACKMAR	0.22786500%
CARY BLACKMAR-FISCHER	0.22786500%
AMY BLACKMAR KOOS	0.22786500%
KURT WAYNE BLACKMAR	0.22786500%
AMEREDEV NEW MEXICO, LLC	44.75911300%
<b>TOTAL</b>	100.00000000%



**TRACT 9: SW4NW4 - SECTION 29 25S 36E - 40.00 ACRES**

READ & STEVENS, INC.	8.59375000%
E.B. HOUSER AND MILDRED L. HOUSER	6.25000000%
MAVIS BARBARA WOLFF	0.52083333%
BARRY ANTHONY WOLFF	0.52083333%
GAVIS ARTHUR WOLFF	0.52083333%
BELINDA CLAIRE PUGH	0.52083333%
LESLIE FREDERICK DAVIS	0.52083333%
CYRIL ERNEST DAVIS	0.52083333%
THREE M OIL COMPANY	1.01562443%
SUMMIT ROYALTY, LLC	0.83333333%
DONALD WOODS	0.51851852%
KASSANDRA DAWN DITTMER	0.00540123%
NATHAN ALLAN DITTMER	0.00540123%
JAMES H. BEARLY REVOCABLE TRUST	0.91666667%
MARY ANN PRALL	0.45833210%
ST. JOSEPH RESIDENCE INC	0.45833210%
TRAVERSE EXPLORATION, LLC	3.12500000%
SRO LAND & MINERALS, L.P.	11.04166667%
MONROE PROPERTIES, INC.	10.83333333%
MES LAND & MINERALS, LP	3.12500000%
FRANKLIN MOUNTAIN ROYALTY INVESTMENTS, LLC	0.91666667%
PREVAIL ENERGY LLC	0.09597527%
RHEINER HOLDINGS, LLC	0.07015261%
MONTICELLO MINERALS LLC	0.02457099%
CAYUGA ROYALTIES, LLC	0.13924817%
BOKF, NA, AS AGENT FOR K.T. GRAHAM - LLC	6.25000000%
CHRISTOPHER S. TRAPP	6.25000000%
BLACKBEARD OPERATING, LLC	0.01388889%
AMEREDEV NEW MEXICO, LLC	35.93413778%
<b>TOTAL</b>	<b>100.00000000%</b>

**TRACT 10: NW4NW4 - SECTION 29 25S 36E - 40.00 ACRES**

JUDKINS T. WALTON	0.69444444%
JOE BUIE BROWN EXEMPTION EQUIVALENT TRUST	8.33333333%
MBJW LIMITED PARTNERSHIP	1.38888889%
JAMES A. WALTON	0.69444400%
JAMES HAWKINS	1.04166667%
TROG FUND II, LP	7.29166756%
TOWER ROCK ROYALTIES TWO, LP	1.04166622%
SRO LAND & MINERALS, L.P.	22.08333333%
MONROE PROPERTIES, INC.	21.66666667%
MES LAND & MINERALS, LP	6.25000000%
JPB ENERGY RRESOURCES, INC.	8.33333333%
RAY PROPERTIES	2.77777778%
AMEREDEV NEW MEXICO, LLC	18.40277778%
<b>TOTAL</b>	<b>100.00000000%</b>

**UNIT RECAPITULATION**  
**RED BUD FED COM 25-36-32 102H AND 112H**  
**NANDINA FED COM 25-36-31 107H AND 127H**  
**T25S-R36E-SECTION 30 AND 31, E2E2**  
**T25S-R36E-SECTION 29 AND 32, W2W2**  
**LEA COUNTY, NEW MEXICO**

*ALLISON BLACKMAR HUNT	0.17089838%
*AMY BLACKMAR KOOS	0.02848313%
*BARRY ANTHONY WOLFF	0.03255208%
*BELINDA CLAIRE PUGH	0.03255208%
*BETTY CLAXTON	0.91145833%
*BLACKBEARD OPERATING, LLC	0.00086806%
*BOKF, NA, AS AGENT FOR K.T. GRAHAM - LLC	0.39062500%
*BRANEX RESOURCES, INC.	1.59375000%
*BRUCE PATRICK BLACKMAR	0.02848313%
*CARY BLACKMAR-FISCHER	0.02848313%
*CAYUGA ROYALTIES, LLC	0.00870301%
*CHRISTOPHER S. TRAPP	0.39062500%
*CLYDENE OUTHIER	0.68359375%
*CYRIL ERNEST DAVIS	0.03255208%
*DONALD WOODS	0.03240741%
*E.B. HOUSER AND MILDRED L. HOUSER	0.39062500%
*EMG OIL PROPERTIES, INC.	1.53125000%
*FRANKLIN MOUNTAIN ROYALTY INVESTMENTS, LLC	0.05729167%
*GAVIS ARTHUR WOLFF	0.03255208%
*GEORGE M. O'BRIEN	1.04166667%
*GLENN CLAXTON	0.68359375%
*GUY ELLIOTT BLACKMAR, II	0.02848313%
*JAMES A. WALTON	0.04340275%
*JAMES H. BEARLY REVOCABLE TRUST	0.05729167%
*JAMES HAWKINS	0.06510417%
*JEFFERSON KEITH BLACKMAR	0.02848313%
*JIMMY DAMRON	1.82291667%
*JOE BUIE BROWN EXEMPTION EQUIVALENT TRUST	0.52083333%
*JOHN ROY DAMRON	1.82291667%
*JOYCE IRENE HABECK	0.68359375%
*JPB ENERGY RRESOURCES, INC.	0.52083333%
*JUDKINS T. WALTON	0.04340278%
*KASSANDRA DAWN DITTMER	0.00033758%
*KURT WAYNE BLACKMAR	0.02848313%
*LESLIE FREDERICK DAVIS	0.03255208%
*MARY ANN PRALL	0.02864576%
*MAVIS BARBARA WOLFF	0.03255208%
*MBJW LIMITED PARTNERSHIP	0.08680556%
*MES LAND & MINERALS, LP	0.58593750%

*MICHAEL KAVANAUGH BLACKMAR	0.05696613%
*MICHAEL LANE CLAXTON	0.68359375%
*MONROE PROPERTIES, INC.	2.03125000%
*MONTICELLO MINERALS LLC	0.00153569%
*NATHAN ALLAN DITTMER	0.00033758%
*OSCURA RESOURCES, INC.	1.56250000%
*PHILIP ARNOLD BLACKMAR	0.11393225%
*PREVAIL ENERGY LLC	0.00599845%
*R.R. HINKLE COMPANY, INC.	1.56250000%
*RAY PROPERTIES	0.17361111%
*READ & STEVENS, INC.	0.53710938%
*RHEINER HOLDINGS, LLC	0.00438454%
*SHARON E. BLACKMAR	0.02848313%
*SHAYNA BLACKMAR PERSKY	0.05696613%
*SRO LAND & MINERALS, L.P.	2.07031250%
*ST. JOSEPH RESIDENCE INC	0.02864576%
*SUMMIT ROYALTY, LLC	0.05208333%
*THREE M OIL COMPANY	0.06347653%
*TOWER ROCK ROYALTIES TWO, LP	0.06510414%
*TRAVERSE EXPLORATION, LLC	0.19531250%
*TROG FUND II, LP	0.45572922%
*VANESE VISAGE BLACKMAR, LIFE TENANT	0.05696613%
AMEREDEV NEW MEXICO, LLC	75.65761301%
<b>TOTAL</b>	<b>100.00000000%</b>

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



October 21, 2020

*VIA Certified Mail*

SRO LAND & MINERALS, L.P.  
9575 KATY FWY SUITE 440  
HOUSTON, TX 77024

RE: Nandina Fed Com 25-36-31 #107H, #127H, Redbud Fed Com 25 36 32 #102H and #112H Well Proposals  
Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico

Dear Owner:

Ameredev Operating, LLC ("Ameredev"), as Operator, hereby proposes to commence to drill and complete the following wells, collectively referred to as "the Wells":

Nandina Fed Com 25-36-31 #107H Well Proposal  
Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico  
SHL: 200' FSL & 990' FEL Section 31; BHL: 50' FNL & 950' FEL Section 30  
Formation: Wolfcamp  
MD: 22,097' TVD: 11,751'  
Gross AFE: \$12,841,337.61

Nandina Fed Com 25-36-31 #127H Well Proposal  
Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico  
SHL: 200' FSL & 950' FEL Section 31; BHL: 50' FNL & 200' FEL Section 30  
Formation: Wolfcamp  
MD: 23,052' TVD: 12,265'  
Gross AFE: \$12,841,337.61

Redbud Fed Com 25-36-32 #102H Well Proposal  
Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico  
SHL: 200' FSL & 850' FWL Section 32; BHL: 50' FNL & 380' FWL Section 29  
Formation: Wolfcamp  
MD: 22,085' TVD: 11,630'  
Gross AFE: \$12,841,337.61

Redbud Fed Com 25-36-32 #112H Well Proposal  
Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico  
SHL: 200' FSL & 870' FWL Section 32; BHL: 50' FNL & 950' FWL Section 29  
Formation: Wolfcamp  
MD: 22,197' TVD: 11,742'  
Gross AFE: \$12,841,337.61

Ameredev's records indicate SRO LAND & MINERALS, L.P. owns a 0.00690104 working interest in the Wells, and estimated costs associated with the operation are approximately \$88,618.61, per well as shown in the included AFE's, should you elect to participate.

In addition, Ameredev proposes the operation to be governed by the terms of the 2015 Horizontal AAPL Form 610 Operating Agreement ("OA") with the following terms:

- Contract Area consisting of Township 25 South, Range 36 East, Section 30 and Section 31: E2E2, and Section 29 and 32: W2W2, 640 acres, more or less, with Ameredev listed as the Operator ("Contract Area")
- 100%/500%/500% non-consent risk penalties
- \$7,000/\$700 drilling and producing overhead rates

Should you choose not to participate in Ameredev's proposed operation, Ameredev proposes the following alternative:

1. Execute a 3 year lease in favor of Ameredev covering your interests for \$500.00 dollars an acre and a 25% royalty.

Ameredev looks forward to working with you on this matter. Please feel free to contact me at the information provided below with any questions. Please be advised that Ameredev may file for compulsory pooling in the near future, as such please indicate your election below and return to [bforteza@ameredev.com](mailto:bforteza@ameredev.com) at your earliest convenience.

Sincerely,



Brandon Forteza  
737-300-4721

\_\_\_\_\_ SRO LAND & MINERALS, L.P. elects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2020-018.

\_\_\_\_\_ SRO LAND & MINERALS, L.P. elects to not participate in the proposed Operation.

**SRO LAND & MINERALS, L.P.**

\_\_\_\_\_

By:

Its:

\_\_\_\_\_ SRO LAND & MINERALS, L.P. elects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2020-020.

\_\_\_\_\_ SRO LAND & MINERALS, L.P. elects to not participate in the proposed Operation.

**SRO LAND & MINERALS, L.P.**

\_\_\_\_\_

By:

Its:

**Election Ballot for the Redbud Fed Com 25-36-32 #102H Well Proposal (AFE# 2020-021)**

\_\_\_\_\_ elects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2020-021.

\_\_\_\_\_ elects to not participate in the proposed Operation.

**SRO LAND & MINERALS, L.P.**

\_\_\_\_\_

By:

Its:



\_\_\_\_\_ elects to participate in the proposed Operation by paying its proportionate share of the costs outlined in the AFE 2020-022.

\_\_\_\_\_ elects to not participate in the proposed Operation.

**SRO LAND & MINERALS, L.P.**

\_\_\_\_\_

By:

Its:

Lea County, New Mexico

SHL: Sec. 31 25S-36E 200' FSL & 990' FEL

BHL: Sec. 30 25S-36E 50' FNL & 950' FEL

**Nandina Fed Com 25-36-31 107H**  
**AFE # 2020-018**  
**Capital Expenditure**

September 18, 2020

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A7  
Submitted by: Ameredev  
Hearing Date: December 3, 2020  
Case No. 21531



Amerdev, L.L.C.

**Company Entity**

Amerdev Operating, LLC

**Date Prepared**

September 18, 2020

AFE Type	Project	Well No.	Field Name	Cost Center	AFE No.
Capital	Nandina Fed Com 25-36-31	107H	Delaware	40788	2020-018

Location	County	State	Well Type
SHL: Sec. 31 25S-36E 200' FSL & 990' FEL BHL: Sec. 30 25S-36E 50' FNL & 950' FEL	Lea	NM	<i>Oil</i> <i>Expl</i> <i>Gas</i> <i>Prod</i>

Estimate Type	Start Date	Completion Date	Formation	MD
<i>Original</i>	March 3, 2020	May 2, 2020	Wolfcamp	22,097'
<i>Revised</i>				TVD
<i>Supplemental</i>				11,751'

**Project Description**

Drill and Complete 2 Mile Wolfcamp Lateral and Tie In to Central Tank Battery.

**Total Cost****\$12,841,337.61****Comments on Associated Costs**

Water disposal not included.

**Comments on AFE**

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well.

**Well Control Insurance**

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

☐ I elect to purchase my own well control insurance policy.

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

**Marketing Election**

Amerdev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Amerdev, you will be subject to all of the terms of such contracts. Upon written request to Amerdev, we will share with you the terms and conditions pursuant to which gas will be sold.

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

Company	Approved By	Date



## Single Well Project

Nandina Fed Com 25-36-31 107H

Intangibles	Code	Dry Hole Cost	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	0.004	\$ 20,000.00	\$ -	\$ 20,000.00
EASEMENT, ROW, AND ACQUISITION	0.006	\$ 100,000.00	\$ -	\$ 100,000.00
ROAD / LOCATION PREP / RESTORATION	0.008	\$ 100,000.00	\$ -	\$ 100,000.00
DRILLING RIG	0.010	\$ 950,003.04	\$ 90,200.00	\$ 1,040,203.04
COIL TUBING	0.012	\$ -	\$ 130,000.00	\$ 130,000.00
FUEL	0.016	\$ 217,500.00	\$ 2,500.00	\$ 220,000.00
TRAILER, CAMP, AND CATERING	0.018	\$ 36,670.00	\$ 19,305.00	\$ 55,975.00
WATER & SEPTIC	0.020	\$ 68,850.00	\$ -	\$ 68,850.00
SURFACE RENTALS	0.024	\$ 86,630.00	\$ 73,020.00	\$ 159,650.00
DRILL BITS	0.028	\$ 87,000.00	\$ 3,500.00	\$ 90,500.00
DOWNHOLE RENTALS	0.030	\$ 17,775.00	\$ 81,700.00	\$ 99,475.00
DIRECTIONAL DRILLING	0.032	\$ 630,865.00	\$ -	\$ 630,865.00
COMPOSITE PLUGS	0.034	\$ -	\$ 63,000.00	\$ 63,000.00
TUBING & BHA INSPECT & REPAIR	0.042	\$ 10,803.50	\$ -	\$ 10,803.50
RENTAL TUBING	0.046	\$ -	\$ 32,500.00	\$ 32,500.00
WELL CONTROL EQUIP / SERVICES	0.048	\$ 91,519.60	\$ 216,048.00	\$ 307,567.60
PUMP TRUCK / PRESSURE TESTING	0.054	\$ -	\$ 1,000.00	\$ 1,000.00
MUD, ADDITIVES, AND CHEMICALS	0.060	\$ 303,920.00	\$ 312,400.00	\$ 616,320.00
FRAC PUMPING CHARGES	0.061	\$ -	\$ 3,500,000.00	\$ 3,500,000.00
WATER RIGHTS / TRANSFER / STORAGE	0.062	\$ 43,600.00	\$ 724,500.00	\$ 768,100.00
SOLIDS CONTROL EQUIP / SERVICES	0.066	\$ 102,072.00	\$ -	\$ 102,072.00
MUD / FLUIDS DISPOSAL CHARGES	0.068	\$ 106,000.00	\$ 28,430.00	\$ 134,430.00
CASING CREWS	0.070	\$ 47,500.00	\$ -	\$ 47,500.00
CEMENTING	0.072	\$ 290,000.00	\$ -	\$ 290,000.00
CASING / LINER / FLOAT EQUIPMENT	0.074	\$ 41,500.00	\$ -	\$ 41,500.00
MOBILIZE & DEMOBILIZE	0.086	\$ 235,000.24	\$ 3,000.00	\$ 238,000.24
SUPERVISION / CONTRACT	0.094	\$ 198,000.00	\$ 141,750.00	\$ 339,750.00
CONTRACT ROUSTABOUT	0.103	\$ -	\$ 10,000.00	\$ 10,000.00
CONTRACT LANDWORK / SURVEY	0.114	\$ -	\$ 10,000.00	\$ 10,000.00
REGULTRY / ENVIRON CONSULTANT	0.122	\$ 10,050.00	\$ 5,000.00	\$ 15,050.00
SAFETY AND EMERGENCY RESPONSE	0.124	\$ 3,876.00	\$ 9,340.00	\$ 13,216.00
GEOLOGY	0.186	\$ 10,000.00	\$ -	\$ 10,000.00
FLOW TESTING / EQUIP	0.194	\$ -	\$ 109,125.00	\$ 109,125.00
MUD LOGGING	0.198	\$ 100,000.00	\$ -	\$ 100,000.00
WIRELINE / PERF / PUMPDOWN COSTS	0.200	\$ 110,000.00	\$ 545,050.00	\$ 655,050.00
FACILITY ELECTRIC & AUTOMATION	0.258	\$ -	\$ 70,500.00	\$ 70,500.00
Contingency	5.00%	\$ 200,956.72	\$ 309,093.40	\$ 510,050.12
Tax	6.25%	\$ 251,195.90	\$ 386,366.75	\$ 637,562.65
<b>Total Intangible Cost</b>		\$ 4,471,287.00	\$ 6,877,328.15	\$ 11,348,615.15
<b>Tangibles - Well Equipment</b>		<b>Dry Hole Cost</b>	<b>After Casing Point Cost</b>	<b>Total Cost</b>
PIPELINE MECH MATERIALS / EQUIP	0.134	\$ -	\$ -	\$ -
FACILITY MECH MATERIALS / EQUIP	0.136	\$ -	\$ -	\$ -
DRIVE PIPE	0.204	\$ -	\$ -	\$ -
CONDUCTOR PIPE	0.206	\$ 8,400.00	\$ -	\$ 8,400.00
WATER STRING	0.208	\$ -	\$ -	\$ -
SURFACE CASING	0.210	\$ 74,400.00	\$ -	\$ 74,400.00
INTERMEDIATE CASING	0.212	\$ 386,500.00	\$ -	\$ 386,500.00
REMEDIAL CASING	0.213	\$ -	\$ -	\$ -
DRILLING LINER	0.214	\$ -	\$ -	\$ -
PRODUCTION CASING	0.216	\$ 486,500.00	\$ -	\$ 486,500.00
TUBING	0.217	\$ -	\$ 69,000.00	\$ 69,000.00
WELLHEAD / TREE / CHOKES	0.218	\$ 65,173.00	\$ 95,000.00	\$ 160,173.00
DRILLING LINER HANGER	0.220	\$ -	\$ -	\$ -
ISOLATION PACKER	0.222	\$ -	\$ 12,000.00	\$ 12,000.00
PUMPING UNIT, ENGINE	0.232	\$ -	\$ -	\$ -
SURFACE LIFT EQUIP	0.233	\$ -	\$ -	\$ -
DOWNHOLE LIFT EQUIPMENT	0.234	\$ -	\$ 10,000.00	\$ 10,000.00
TANK BATT / PROCESS EQUIP / MAINT	0.236	\$ -	\$ -	\$ -
<b>Tangibles - Lease Equipment</b>		<b>Dry Hole Cost</b>	<b>After Casing Point Cost</b>	<b>Total Cost</b>
LINE PIPE	0.238	\$ -	\$ -	\$ -
POWERLINES & SUBSTATION	0.242	\$ -	\$ -	\$ -
TANKS, TANKS STEPS, STAIRS	0.244	\$ -	\$ -	\$ -
BATTERY (HEATER TREATERS)	0.246	\$ -	\$ 42,500.00	\$ 42,500.00
BATTERY (SEPARATOR)	0.248	\$ -	\$ 24,800.00	\$ 24,800.00
BATTERY (GAS TREATING EQUIP)	0.250	\$ -	\$ 12,500.00	\$ 12,500.00
BATTERY (MISC EQUIP)	0.252	\$ -	\$ -	\$ -
FLOW LINE (PIPE WH TO FACILITY)	0.266	\$ -	\$ -	\$ -
PIPELINE TO SALES	0.270	\$ -	\$ -	\$ -
METERS AND METERING EQUIPMENT	0.274	\$ -	\$ 30,000.00	\$ 30,000.00
VALVES, FITTINGS, PROD INSTRUM	0.282	\$ -	\$ 25,000.00	\$ 25,000.00
BUILDINGS	0.310	\$ -	\$ -	\$ -
Contingency	5.00%	\$ 51,048.65	\$ 16,040.00	\$ 67,088.65
Tax	6.25%	\$ 63,810.81	\$ 20,050.00	\$ 83,860.81
<b>Total Tangible Cost</b>		\$ 1,135,832.46	\$ 356,890.00	\$ 1,492,722.46
<b>TOTAL</b>		\$ 5,607,119.46	\$ 7,234,218.15	\$ 12,841,337.61



Ameredev II, LLC

Lea County, New Mexico

SHL: Sec. 31 25S-36E 200' FSL & 950' FEL

BHL: Sec. 30 25S-36E 50' FNL & 200' FEL

**Nandina Fed Com 25-36-31 127H**

**AFE # 2020-020**

**Capital Expenditure**

October 12, 2020

2901 Via Fortuna

Ameredev Operating, LLC  
Building 6, Suite 600

Austin, Texas 78746



<b>Company Entity</b>
Ameredev Operating, LLC

AFE Type	Project	Well No.	Field Name	Cost Center	AFE No.
Capital	Nandina Fed Com 25-36-31	127H	Delaware	40791	2020-020

Location	County	State	Well Type	
SHL: Sec. 31 25S-36E 200' FSL 950' FEL BHL: Sec. 30 25S-36E 50' FNL & 200' FEL	Lea	NM	<i>Oil</i> <i>Gas</i>	<i>Expl</i> <i>Prod</i>

Estimate Type	Start Date	Completion Date	Formation	MD
<b>Original</b>				23,052'
<i>Revised</i>	March 3, 2020	May 2, 2020	Wolfcamp	TVD
<i>Supplemental</i>				12,265'

## Project Description

Drill and Complete 2 Mile Wolfcamp Lateral and Tie In to Central Tank Battery.

### Total Cost

**\$12,841,337.61**

### Comments on Associated Costs

Water disposal not included.

## Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well.

## Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

☐ I elect to purchase my own well control insurance policy.

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

## Marketing Election

Ameredev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Ameredev, you will be subject to all of the terms of such contracts. Upon written request to Ameredev, we will share with you the terms and conditions pursuant to which gas will be sold.

☐ I elect to take my gas in kind.

☐ I elect to market my gas with Ameredev pursuant to the terms and conditions of its contracts.

### Joint Interest Approval

Company	Approved By	Date



## Single Well Project

Nandina Fed Com 25-36-31 127H

Intangibles	Code	Dry Hole Cost	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	0.004	\$ 20,000.00	\$ -	\$ 20,000.00
EASEMENT, ROW, AND ACQUISITION	0.006	\$ 100,000.00	\$ -	\$ 100,000.00
ROAD / LOCATION PREP / RESTORATION	0.008	\$ 100,000.00	\$ -	\$ 100,000.00
DRILLING RIG	0.010	\$ 950,003.04	\$ 90,200.00	\$ 1,040,203.04
COIL TUBING	0.012	\$ -	\$ 130,000.00	\$ 130,000.00
FUEL	0.016	\$ 217,500.00	\$ 2,500.00	\$ 220,000.00
TRAILER, CAMP, AND CATERING	0.018	\$ 36,670.00	\$ 19,305.00	\$ 55,975.00
WATER & SEPTIC	0.020	\$ 68,850.00	\$ -	\$ 68,850.00
SURFACE RENTALS	0.024	\$ 86,630.00	\$ 73,020.00	\$ 159,650.00
DRILL BITS	0.028	\$ 87,000.00	\$ 3,500.00	\$ 90,500.00
DOWNHOLE RENTALS	0.030	\$ 17,775.00	\$ 81,700.00	\$ 99,475.00
DIRECTIONAL DRILLING	0.032	\$ 630,865.00	\$ -	\$ 630,865.00
COMPOSITE PLUGS	0.034	\$ -	\$ 63,000.00	\$ 63,000.00
TUBING & BHA INSPECT & REPAIR	0.042	\$ 10,803.50	\$ -	\$ 10,803.50
RENTAL TUBING	0.046	\$ -	\$ 32,500.00	\$ 32,500.00
WELL CONTROL EQUIP / SERVICES	0.048	\$ 91,519.60	\$ 216,048.00	\$ 307,567.60
PUMP TRUCK / PRESSURE TESTING	0.054	\$ -	\$ 1,000.00	\$ 1,000.00
MUD, ADDITIVES, AND CHEMICALS	0.060	\$ 303,920.00	\$ 312,400.00	\$ 616,320.00
FRAC PUMPING CHARGES	0.061	\$ -	\$ 3,500,000.00	\$ 3,500,000.00
WATER RIGHTS / TRANSFER / STORAGE	0.062	\$ 43,600.00	\$ 724,500.00	\$ 768,100.00
SOLIDS CONTROL EQUIP / SERVICES	0.066	\$ 102,072.00	\$ -	\$ 102,072.00
MUD / FLUIDS DISPOSAL CHARGES	0.068	\$ 106,000.00	\$ 28,430.00	\$ 134,430.00
CASING CREWS	0.070	\$ 47,500.00	\$ -	\$ 47,500.00
CEMENTING	0.072	\$ 290,000.00	\$ -	\$ 290,000.00
CASING / LINER / FLOAT EQUIPMENT	0.074	\$ 41,500.00	\$ -	\$ 41,500.00
MOBILIZE & DEMOBILIZE	0.086	\$ 235,000.24	\$ 3,000.00	\$ 238,000.24
SUPERVISION / CONTRACT	0.094	\$ 198,000.00	\$ 141,750.00	\$ 339,750.00
CONTRACT ROUSTABOUT	0.103	\$ -	\$ 10,000.00	\$ 10,000.00
CONTRACT LANDWORK / SURVEY	0.114	\$ -	\$ 10,000.00	\$ 10,000.00
REGULTRY / ENVIRON CONSULTANT	0.122	\$ 10,050.00	\$ 5,000.00	\$ 15,050.00
SAFETY AND EMERGENCY RESPONSE	0.124	\$ 3,876.00	\$ 9,340.00	\$ 13,216.00
GEOLOGY	0.186	\$ 10,000.00	\$ -	\$ 10,000.00
FLOW TESTING / EQUIP	0.194	\$ -	\$ 109,125.00	\$ 109,125.00
MUD LOGGING	0.198	\$ 100,000.00	\$ -	\$ 100,000.00
WIRELINE / PERF / PUMPDOWN COSTS	0.200	\$ 110,000.00	\$ 545,050.00	\$ 655,050.00
FACILITY ELECTRIC & AUTOMATION	0.258	\$ -	\$ 70,500.00	\$ 70,500.00
Contingency	5.00%	\$ 200,956.72	\$ 309,093.40	\$ 510,050.12
Tax	6.25%	\$ 251,195.90	\$ 386,366.75	\$ 637,562.65
<b>Total Intangible Cost</b>		\$ 4,471,287.00	\$ 6,877,328.15	\$ 11,348,615.15
<b>Tangibles - Well Equipment</b>		<b>Dry Hole Cost</b>	<b>After Casing Point Cost</b>	<b>Total Cost</b>
PIPELINE MECH MATERIALS / EQUIP	0.134	\$ -	\$ -	\$ -
FACILITY MECH MATERIALS / EQUIP	0.136	\$ -	\$ -	\$ -
DRIVE PIPE	0.204	\$ -	\$ -	\$ -
CONDUCTOR PIPE	0.206	\$ 8,400.00	\$ -	\$ 8,400.00
WATER STRING	0.208	\$ -	\$ -	\$ -
SURFACE CASING	0.210	\$ 74,400.00	\$ -	\$ 74,400.00
INTERMEDIATE CASING	0.212	\$ 386,500.00	\$ -	\$ 386,500.00
REMEDIAL CASING	0.213	\$ -	\$ -	\$ -
DRILLING LINER	0.214	\$ -	\$ -	\$ -
PRODUCTION CASING	0.216	\$ 486,500.00	\$ -	\$ 486,500.00
TUBING	0.217	\$ -	\$ 69,000.00	\$ 69,000.00
WELLHEAD / TREE / CHOKES	0.218	\$ 65,173.00	\$ 95,000.00	\$ 160,173.00
DRILLING LINER HANGER	0.220	\$ -	\$ -	\$ -
ISOLATION PACKER	0.222	\$ -	\$ 12,000.00	\$ 12,000.00
PUMPING UNIT, ENGINE	0.232	\$ -	\$ -	\$ -
SURFACE LIFT EQUIP	0.233	\$ -	\$ -	\$ -
DOWNHOLE LIFT EQUIPMENT	0.234	\$ -	\$ 10,000.00	\$ 10,000.00
TANK BATT / PROCESS EQUIP / MAINT	0.236	\$ -	\$ -	\$ -
<b>Tangibles - Lease Equipment</b>		<b>Dry Hole Cost</b>	<b>After Casing Point Cost</b>	<b>Total Cost</b>
LINE PIPE	0.238	\$ -	\$ -	\$ -
POWERLINES & SUBSTATION	0.242	\$ -	\$ -	\$ -
TANKS, TANKS STEPS, STAIRS	0.244	\$ -	\$ -	\$ -
BATTERY (HEATER TREATERS)	0.246	\$ -	\$ 42,500.00	\$ 42,500.00
BATTERY (SEPARATOR)	0.248	\$ -	\$ 24,800.00	\$ 24,800.00
BATTERY (GAS TREATING EQUIP)	0.250	\$ -	\$ 12,500.00	\$ 12,500.00
BATTERY (MISC EQUIP)	0.252	\$ -	\$ -	\$ -
FLOW LINE (PIPE WH TO FACILITY)	0.266	\$ -	\$ -	\$ -
PIPELINE TO SALES	0.270	\$ -	\$ -	\$ -
METERS AND METERING EQUIPMENT	0.274	\$ -	\$ 30,000.00	\$ 30,000.00
VALVES, FITTINGS, PROD INSTRUM	0.282	\$ -	\$ 25,000.00	\$ 25,000.00
BUILDINGS	0.310	\$ -	\$ -	\$ -
Contingency	5.00%	\$ 51,048.65	\$ 16,040.00	\$ 67,088.65
Tax	6.25%	\$ 63,810.81	\$ 20,050.00	\$ 83,860.81
<b>Total Tangible Cost</b>		\$ 1,135,832.46	\$ 356,890.00	\$ 1,492,722.46
<b>TOTAL</b>		\$ 5,607,119.46	\$ 7,234,218.15	\$ 12,841,337.61



Ameredev II, LLC

Lea County, New Mexico

SHL: Sec. 32 25S-36E 200' FSL & 850' FWL

BHL: Sec. 29 25S-36E 50' FNL & 380' FWL

**Red Bud Fed Com 25-36-32 102H**  
**AFE # 2020-021**  
**Capital Expenditure**

October 7, 2020

2901 Via Fortuna

Ameredev Operating, LLC  
Building 6, Suite 600

Austin, Texas 78746





00000000000000000000

Company Entity
Ameredev Operating, LLC

Date Prepared
October 6, 2020

AFE Type	Project	Well No.	Field Name	Cost Center	AFE No.
Capital	Red Bud Fed Com 25-36-32	102H	Delaware	40828	2020-021

Location	County	State	Well Type
SHL: Sec. 32 25S-36E 200' FSL & 850' FWL BHL: Sec. 29 25S-36E 50' FNL & 380' FWL	Lea	NM	<i>Oil</i> <i>Expl</i> <i>Gas</i> <i>Prod</i>

Estimate Type	Start Date	Completion Date	Formation	MD
<i>Original</i> <i>Revised</i> <i>Supplemental</i>	March 3, 2020	May 2, 2020	Wolfcamp	22,085' TVD 11,630'

Project Description
Drill and Complete 2 Mile Wolfcamp Lateral and Tie In to Central Tank Battery.

<b>Total Cost</b>	<b>\$12,841,337.61</b>
-------------------	------------------------

Comments on Associated Costs
Water disposal not included.

Comments on AFE
The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well.

Well Control Insurance
Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator. <input type="checkbox"/> I elect to purchase my own well control insurance policy. Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$250,000 (100% W.I.) retention.

Marketing Election
Ameredev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Ameredev, you will be subject to all of the terms of such contracts. Upon written request to Ameredev, we will share with you the terms and conditions pursuant to which gas will be sold. <input type="checkbox"/> I elect to take my gas in kind. <input type="checkbox"/> I elect to market my gas with Ameredev pursuant to the terms and conditions of its contracts.

Joint Interest Approval		
Company	Approved By	Date



## Single Well Project

Red Bud Fed Com 25-36-32 102H

Intangibles	Code	Dry Hole Cost	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	0.004	\$ 20,000.00	\$ -	\$ 20,000.00
EASEMENT, ROW, AND ACQUISITION	0.006	\$ 100,000.00	\$ -	\$ 100,000.00
ROAD / LOCATION PREP / RESTORATION	0.008	\$ 100,000.00	\$ -	\$ 100,000.00
DRILLING RIG	0.010	\$ 950,003.04	\$ 90,200.00	\$ 1,040,203.04
COIL TUBING	0.012	\$ -	\$ 130,000.00	\$ 130,000.00
FUEL	0.016	\$ 217,500.00	\$ 2,500.00	\$ 220,000.00
TRAILER, CAMP, AND CATERING	0.018	\$ 36,670.00	\$ 19,305.00	\$ 55,975.00
WATER & SEPTIC	0.020	\$ 68,850.00	\$ -	\$ 68,850.00
SURFACE RENTALS	0.024	\$ 86,630.00	\$ 73,020.00	\$ 159,650.00
DRILL BITS	0.028	\$ 87,000.00	\$ 3,500.00	\$ 90,500.00
DOWNHOLE RENTALS	0.030	\$ 17,775.00	\$ 81,700.00	\$ 99,475.00
DIRECTIONAL DRILLING	0.032	\$ 630,865.00	\$ -	\$ 630,865.00
COMPOSITE PLUGS	0.034	\$ -	\$ 63,000.00	\$ 63,000.00
TUBING & BHA INSPECT & REPAIR	0.042	\$ 10,803.50	\$ -	\$ 10,803.50
RENTAL TUBING	0.046	\$ -	\$ 32,500.00	\$ 32,500.00
WELL CONTROL EQUIP / SERVICES	0.048	\$ 91,519.60	\$ 216,048.00	\$ 307,567.60
PUMP TRUCK / PRESSURE TESTING	0.054	\$ -	\$ 1,000.00	\$ 1,000.00
MUD, ADDITIVES, AND CHEMICALS	0.060	\$ 303,920.00	\$ 312,400.00	\$ 616,320.00
FRAC PUMPING CHARGES	0.061	\$ -	\$ 3,500,000.00	\$ 3,500,000.00
WATER RIGHTS / TRANSFER / STORAGE	0.062	\$ 43,600.00	\$ 724,500.00	\$ 768,100.00
SOLIDS CONTROL EQUIP / SERVICES	0.066	\$ 102,072.00	\$ -	\$ 102,072.00
MUD / FLUIDS DISPOSAL CHARGES	0.068	\$ 106,000.00	\$ 28,430.00	\$ 134,430.00
CASING CREWS	0.070	\$ 47,500.00	\$ -	\$ 47,500.00
CEMENTING	0.072	\$ 290,000.00	\$ -	\$ 290,000.00
CASING / LINER / FLOAT EQUIPMENT	0.074	\$ 41,500.00	\$ -	\$ 41,500.00
MOBILIZE & DEMOBILIZE	0.086	\$ 235,000.24	\$ 3,000.00	\$ 238,000.24
SUPERVISION / CONTRACT	0.094	\$ 198,000.00	\$ 141,750.00	\$ 339,750.00
CONTRACT ROUSTABOUT	0.103	\$ -	\$ 10,000.00	\$ 10,000.00
CONTRACT LANDWORK / SURVEY	0.114	\$ -	\$ 10,000.00	\$ 10,000.00
REGULTRY / ENVIRON CONSULTANT	0.122	\$ 10,050.00	\$ 5,000.00	\$ 15,050.00
SAFETY AND EMERGENCY RESPONSE	0.124	\$ 3,876.00	\$ 9,340.00	\$ 13,216.00
GEOLOGY	0.186	\$ 10,000.00	\$ -	\$ 10,000.00
FLOW TESTING / EQUIP	0.194	\$ -	\$ 109,125.00	\$ 109,125.00
MUD LOGGING	0.198	\$ 100,000.00	\$ -	\$ 100,000.00
WIRELINE / PERF / PUMPDOWN COSTS	0.200	\$ 110,000.00	\$ 545,050.00	\$ 655,050.00
FACILITY ELECTRIC & AUTOMATION	0.258	\$ -	\$ 70,500.00	\$ 70,500.00
Contingency	5.00%	\$ 200,956.72	\$ 309,093.40	\$ 510,050.12
Tax	6.25%	\$ 251,195.90	\$ 386,366.75	\$ 637,562.65
<b>Total Intangible Cost</b>		\$ 4,471,287.00	\$ 6,877,328.15	\$ 11,348,615.15
<b>Tangibles - Well Equipment</b>		<b>Dry Hole Cost</b>	<b>After Casing Point Cost</b>	<b>Total Cost</b>
PIPELINE MECH MATERIALS / EQUIP	0.134	\$ -	\$ -	\$ -
FACILITY MECH MATERIALS / EQUIP	0.136	\$ -	\$ -	\$ -
DRIVE PIPE	0.204	\$ -	\$ -	\$ -
CONDUCTOR PIPE	0.206	\$ 8,400.00	\$ -	\$ 8,400.00
WATER STRING	0.208	\$ -	\$ -	\$ -
SURFACE CASING	0.210	\$ 74,400.00	\$ -	\$ 74,400.00
INTERMEDIATE CASING	0.212	\$ 386,500.00	\$ -	\$ 386,500.00
REMEDIAL CASING	0.213	\$ -	\$ -	\$ -
DRILLING LINER	0.214	\$ -	\$ -	\$ -
PRODUCTION CASING	0.216	\$ 486,500.00	\$ -	\$ 486,500.00
TUBING	0.217	\$ -	\$ 69,000.00	\$ 69,000.00
WELLHEAD / TREE / CHOKES	0.218	\$ 65,173.00	\$ 95,000.00	\$ 160,173.00
DRILLING LINER HANGER	0.220	\$ -	\$ -	\$ -
ISOLATION PACKER	0.222	\$ -	\$ 12,000.00	\$ 12,000.00
PUMPING UNIT, ENGINE	0.232	\$ -	\$ -	\$ -
SURFACE LIFT EQUIP	0.233	\$ -	\$ -	\$ -
DOWNHOLE LIFT EQUIPMENT	0.234	\$ -	\$ 10,000.00	\$ 10,000.00
TANK BATT / PROCESS EQUIP / MAINT	0.236	\$ -	\$ -	\$ -
<b>Tangibles - Lease Equipment</b>		<b>Dry Hole Cost</b>	<b>After Casing Point Cost</b>	<b>Total Cost</b>
LINE PIPE	0.238	\$ -	\$ -	\$ -
POWERLINES & SUBSTATION	0.242	\$ -	\$ -	\$ -
TANKS, TANKS STEPS, STAIRS	0.244	\$ -	\$ -	\$ -
BATTERY (HEATER TREATERS)	0.246	\$ -	\$ 42,500.00	\$ 42,500.00
BATTERY (SEPARATOR)	0.248	\$ -	\$ 24,800.00	\$ 24,800.00
BATTERY (GAS TREATING EQUIP)	0.250	\$ -	\$ 12,500.00	\$ 12,500.00
BATTERY (MISC EQUIP)	0.252	\$ -	\$ -	\$ -
FLOW LINE (PIPE WH TO FACILITY)	0.266	\$ -	\$ -	\$ -
PIPELINE TO SALES	0.270	\$ -	\$ -	\$ -
METERS AND METERING EQUIPMENT	0.274	\$ -	\$ 30,000.00	\$ 30,000.00
VALVES, FITTINGS, PROD INSTRUM	0.282	\$ -	\$ 25,000.00	\$ 25,000.00
BUILDINGS	0.310	\$ -	\$ -	\$ -
Contingency	5.00%	\$ 51,048.65	\$ 16,040.00	\$ 67,088.65
Tax	6.25%	\$ 63,810.81	\$ 20,050.00	\$ 83,860.81
<b>Total Tangible Cost</b>		\$ 1,135,832.46	\$ 356,890.00	\$ 1,492,722.46
<b>TOTAL</b>		\$ 5,607,119.46	\$ 7,234,218.15	\$ 12,841,337.61



Ameredev II, LLC

Lea County, New Mexico

SHL: Sec. 32 25S-36E 200' FSL & 870' FEL

BHL: Sec. 29 25S-36E 50' FNL & 950' FEL

**Red Bud Fed Com 25-36-32 112H**  
**AFE # 2020-022**  
**Capital Expenditure**

October 7, 2020

2901 Via Fortuna

Ameredev Operating, LLC  
Building 6, Suite 600

Austin, Texas 78746



Amerdev, L.L.C.

**Company Entity**

Amerdev Operating, LLC

**Date Prepared**

September 18, 2020

AFE Type	Project	Well No.	Field Name	Cost Center	AFE No.
Capital	Red Bud Fed Com 25-36-32	112H	Delaware	40839	2020-022

Location	County	State	Well Type
SHL: Sec. 32 25S-36E 200' FSL & 870' FWL BHL: Sec. 29 25S-36E 50' FNL & 950' FWL	Lea	NM	<i>Oil</i> <i>Expl</i> <i>Gas</i> <i>Prod</i>

Estimate Type	Start Date	Completion Date	Formation	MD
<i>Original</i>	March 3, 2020	May 2, 2020	Wolfcamp	22,197'
<i>Revised</i>				TVD
<i>Supplemental</i>				11,742'

**Project Description**

Drill and Complete 2 Mile Wolfcamp Lateral and Tie In to Central Tank Battery.

**Total Cost****\$12,841,337.61****Comments on Associated Costs**

Water disposal not included.

**Comments on AFE**

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory, and well costs under term of the joint operating agreement, regulatory order, or other applicable agreement covering this well.

**Well Control Insurance**

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

☐ I elect to purchase my own well control insurance policy.

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

**Marketing Election**

Amerdev sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Amerdev, you will be subject to all of the terms of such contracts. Upon written request to Amerdev, we will share with you the terms and conditions pursuant to which gas will be sold.

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

Company	Approved By	Date



## Single Well Project

Red Bud Fed Com 25-36-32 112H

Intangibles	Code	Dry Hole Cost	After Casing Point Cost	Total Cost
MISC PREPARATION COSTS	0.004	\$ 20,000.00	\$ -	\$ 20,000.00
EASEMENT, ROW, AND ACQUISITION	0.006	\$ 100,000.00	\$ -	\$ 100,000.00
ROAD / LOCATION PREP / RESTORATION	0.008	\$ 100,000.00	\$ -	\$ 100,000.00
DRILLING RIG	0.010	\$ 950,003.04	\$ 90,200.00	\$ 1,040,203.04
COIL TUBING	0.012	\$ -	\$ 130,000.00	\$ 130,000.00
FUEL	0.016	\$ 217,500.00	\$ 2,500.00	\$ 220,000.00
TRAILER, CAMP, AND CATERING	0.018	\$ 36,670.00	\$ 19,305.00	\$ 55,975.00
WATER & SEPTIC	0.020	\$ 68,850.00	\$ -	\$ 68,850.00
SURFACE RENTALS	0.024	\$ 86,630.00	\$ 73,020.00	\$ 159,650.00
DRILL BITS	0.028	\$ 87,000.00	\$ 3,500.00	\$ 90,500.00
DOWNHOLE RENTALS	0.030	\$ 17,775.00	\$ 81,700.00	\$ 99,475.00
DIRECTIONAL DRILLING	0.032	\$ 630,865.00	\$ -	\$ 630,865.00
COMPOSITE PLUGS	0.034	\$ -	\$ 63,000.00	\$ 63,000.00
TUBING & BHA INSPECT & REPAIR	0.042	\$ 10,803.50	\$ -	\$ 10,803.50
RENTAL TUBING	0.046	\$ -	\$ 32,500.00	\$ 32,500.00
WELL CONTROL EQUIP / SERVICES	0.048	\$ 91,519.60	\$ 216,048.00	\$ 307,567.60
PUMP TRUCK / PRESSURE TESTING	0.054	\$ -	\$ 1,000.00	\$ 1,000.00
MUD, ADDITIVES, AND CHEMICALS	0.060	\$ 303,920.00	\$ 312,400.00	\$ 616,320.00
FRAC PUMPING CHARGES	0.061	\$ -	\$ 3,500,000.00	\$ 3,500,000.00
WATER RIGHTS / TRANSFER / STORAGE	0.062	\$ 43,600.00	\$ 724,500.00	\$ 768,100.00
SOLIDS CONTROL EQUIP / SERVICES	0.066	\$ 102,072.00	\$ -	\$ 102,072.00
MUD / FLUIDS DISPOSAL CHARGES	0.068	\$ 106,000.00	\$ 28,430.00	\$ 134,430.00
CASING CREWS	0.070	\$ 47,500.00	\$ -	\$ 47,500.00
CEMENTING	0.072	\$ 290,000.00	\$ -	\$ 290,000.00
CASING / LINER / FLOAT EQUIPMENT	0.074	\$ 41,500.00	\$ -	\$ 41,500.00
MOBILIZE & DEMOBILIZE	0.086	\$ 235,000.24	\$ 3,000.00	\$ 238,000.24
SUPERVISION / CONTRACT	0.094	\$ 198,000.00	\$ 141,750.00	\$ 339,750.00
CONTRACT ROUSTABOUT	0.103	\$ -	\$ 10,000.00	\$ 10,000.00
CONTRACT LANDWORK / SURVEY	0.114	\$ -	\$ 10,000.00	\$ 10,000.00
REGULTRY / ENVIRON CONSULTANT	0.122	\$ 10,050.00	\$ 5,000.00	\$ 15,050.00
SAFETY AND EMERGENCY RESPONSE	0.124	\$ 3,876.00	\$ 9,340.00	\$ 13,216.00
GEOLOGY	0.186	\$ 10,000.00	\$ -	\$ 10,000.00
FLOW TESTING / EQUIP	0.194	\$ -	\$ 109,125.00	\$ 109,125.00
MUD LOGGING	0.198	\$ 100,000.00	\$ -	\$ 100,000.00
WIRELINE / PERF / PUMPDOWN COSTS	0.200	\$ 110,000.00	\$ 545,050.00	\$ 655,050.00
FACILITY ELECTRIC & AUTOMATION	0.258	\$ -	\$ 70,500.00	\$ 70,500.00
Contingency	5.00%	\$ 200,956.72	\$ 309,093.40	\$ 510,050.12
Tax	6.25%	\$ 251,195.90	\$ 386,366.75	\$ 637,562.65
<b>Total Intangible Cost</b>		\$ 4,471,287.00	\$ 6,877,328.15	\$ 11,348,615.15
<b>Tangibles - Well Equipment</b>		<b>Dry Hole Cost</b>	<b>After Casing Point Cost</b>	<b>Total Cost</b>
PIPELINE MECH MATERIALS / EQUIP	0.134	\$ -	\$ -	\$ -
FACILITY MECH MATERIALS / EQUIP	0.136	\$ -	\$ -	\$ -
DRIVE PIPE	0.204	\$ -	\$ -	\$ -
CONDUCTOR PIPE	0.206	\$ 8,400.00	\$ -	\$ 8,400.00
WATER STRING	0.208	\$ -	\$ -	\$ -
SURFACE CASING	0.210	\$ 74,400.00	\$ -	\$ 74,400.00
INTERMEDIATE CASING	0.212	\$ 386,500.00	\$ -	\$ 386,500.00
REMEDIAL CASING	0.213	\$ -	\$ -	\$ -
DRILLING LINER	0.214	\$ -	\$ -	\$ -
PRODUCTION CASING	0.216	\$ 486,500.00	\$ -	\$ 486,500.00
TUBING	0.217	\$ -	\$ 69,000.00	\$ 69,000.00
WELLHEAD / TREE / CHOKES	0.218	\$ 65,173.00	\$ 95,000.00	\$ 160,173.00
DRILLING LINER HANGER	0.220	\$ -	\$ -	\$ -
ISOLATION PACKER	0.222	\$ -	\$ 12,000.00	\$ 12,000.00
PUMPING UNIT, ENGINE	0.232	\$ -	\$ -	\$ -
SURFACE LIFT EQUIP	0.233	\$ -	\$ -	\$ -
DOWNHOLE LIFT EQUIPMENT	0.234	\$ -	\$ 10,000.00	\$ 10,000.00
TANK BATT / PROCESS EQUIP / MAINT	0.236	\$ -	\$ -	\$ -
<b>Tangibles - Lease Equipment</b>		<b>Dry Hole Cost</b>	<b>After Casing Point Cost</b>	<b>Total Cost</b>
LINE PIPE	0.238	\$ -	\$ -	\$ -
POWERLINES & SUBSTATION	0.242	\$ -	\$ -	\$ -
TANKS, TANKS STEPS, STAIRS	0.244	\$ -	\$ -	\$ -
BATTERY (HEATER TREATERS)	0.246	\$ -	\$ 42,500.00	\$ 42,500.00
BATTERY (SEPARATOR)	0.248	\$ -	\$ 24,800.00	\$ 24,800.00
BATTERY (GAS TREATING EQUIP)	0.250	\$ -	\$ 12,500.00	\$ 12,500.00
BATTERY (MISC EQUIP)	0.252	\$ -	\$ -	\$ -
FLOW LINE (PIPE WH TO FACILITY)	0.266	\$ -	\$ -	\$ -
PIPELINE TO SALES	0.270	\$ -	\$ -	\$ -
METERS AND METERING EQUIPMENT	0.274	\$ -	\$ 30,000.00	\$ 30,000.00
VALVES, FITTINGS, PROD INSTRUM	0.282	\$ -	\$ 25,000.00	\$ 25,000.00
BUILDINGS	0.310	\$ -	\$ -	\$ -
Contingency	5.00%	\$ 51,048.65	\$ 16,040.00	\$ 67,088.65
Tax	6.25%	\$ 63,810.81	\$ 20,050.00	\$ 83,860.81
<b>Total Tangible Cost</b>		\$ 1,135,832.46	\$ 356,890.00	\$ 1,492,722.46
<b>TOTAL</b>		\$ 5,607,119.46	\$ 7,234,218.15	\$ 12,841,337.61

### **Chronology of Contact with Non-Joined Working Interests**

10/21/2020 – AFE and well proposals sent to Blackbeard Operating, LLC via certified mail

11/19/2020 – via email, Monty Statton with Blackbeard Operating, LLC stated Blackbeard would participate under the force pooling order

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

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

CASE NO. 21531

**AFFIDAVIT OF PARKER FOY**  
**IN SUPPORT OF CASE NO. 21531**

Parker Foy, of lawful age and being first duly sworn, declares as follows:

1. My name is Parker Foy. I work for Ameredev Operating, LLC as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Ameredev in this case, and I have conducted a geologic study of the lands in the subject areas.
4. In this case, Ameredev is targeting the Wolfcamp formation.
5. **Ameredev Exhibit B-1** is a locator map. It shows Ameredev's acreage in yellow and the path of the proposed wellbore for the proposed **Nandina Fed Com 25-36-31 107H** and **127H Wells** and the proposed **Redbud Fed Com 25-36-32 102H** and **112H Wells** with the surface hole and bottom hole locations. Nearby producing wells in the Wolfcamp are also marked.
6. **Ameredev Exhibits B-2** and **B-3** show the location of the four proposed wells in relation to the larger Capital Reef Complex.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Ameredev  
Hearing Date: December 3, 2020  
Case No. 21531

7. **Ameredev Exhibit B-4** is a subsea structure map that I prepared for the top of the Wolfcamp formation. The contour interval is 50 feet. The structure map shows the Wolfcamp dipping gently to the southwest. The structure appears consistent across the proposed wellbore path. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

8. **Ameredev Exhibit B-5** is a map showing the location of the wells used to create the stratigraphic cross-section in the next exhibit. These three wells from A to A' are representative of the geology in the area.

9. **Ameredev Exhibit B-6** is a stratigraphic cross-section that I prepared displaying open-hole logs run over the Wolfcamp from three representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target intervals are labeled and marked. The logs in the cross-section demonstrate that the target intervals, within the Wolfcamp, are consistent in thickness, across the entire proposed spacing unit.

10. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells in the area.

11. In my opinion, each tract comprising the proposed spacing units will be productive and contribute more-or-less equally to production from the wellbore.

12. In my opinion, the granting of Ameredev's application in this case will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

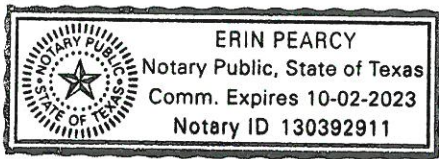
13. **Ameredev Exhibits B-1 through B-6** were either prepared by me or compiled under my direction and supervision.



PARKER FOY

STATE OF TEXAS )  
COUNTY OF Travis )

SUBSCRIBED and SWORN to before me this 30<sup>th</sup> day of November 2020 by  
Parker Foy.

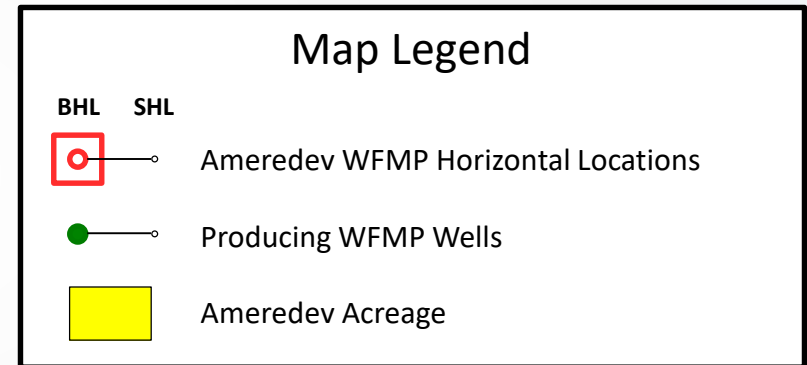
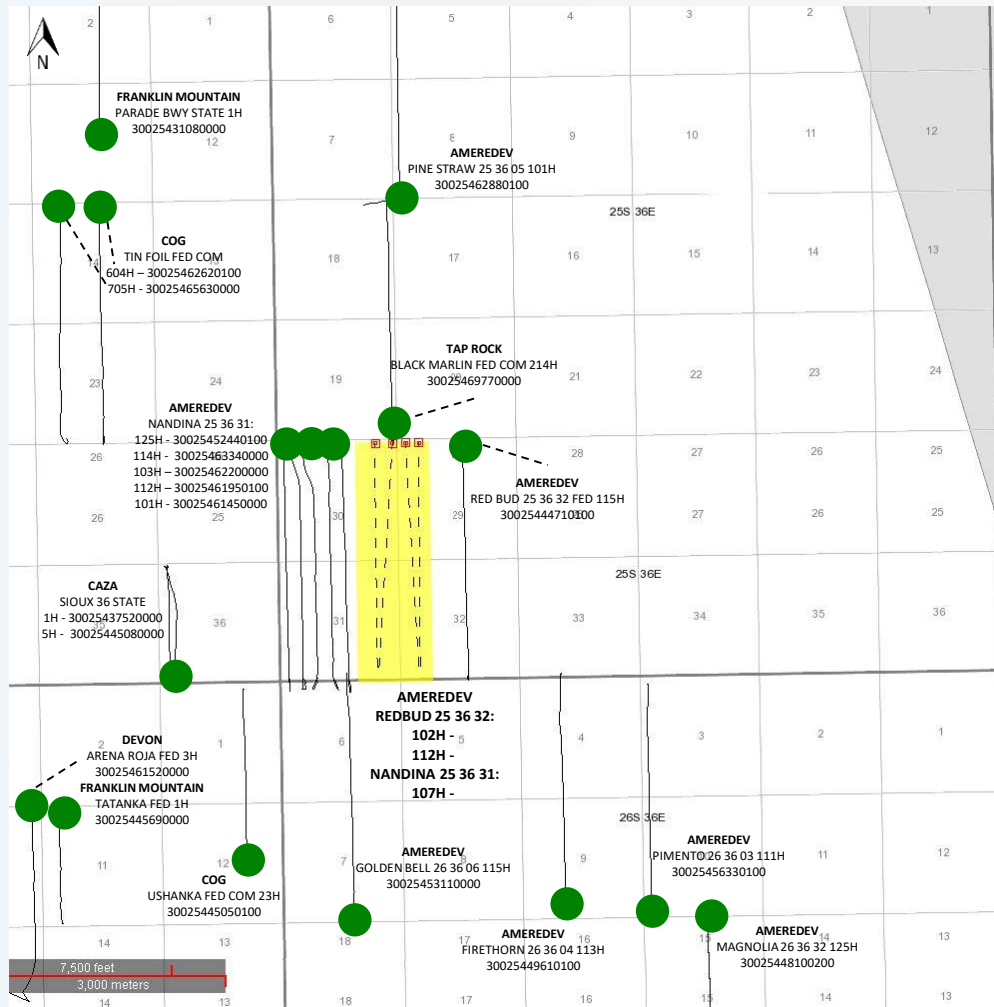


NOTARY PUBLIC

My Commission Expires:

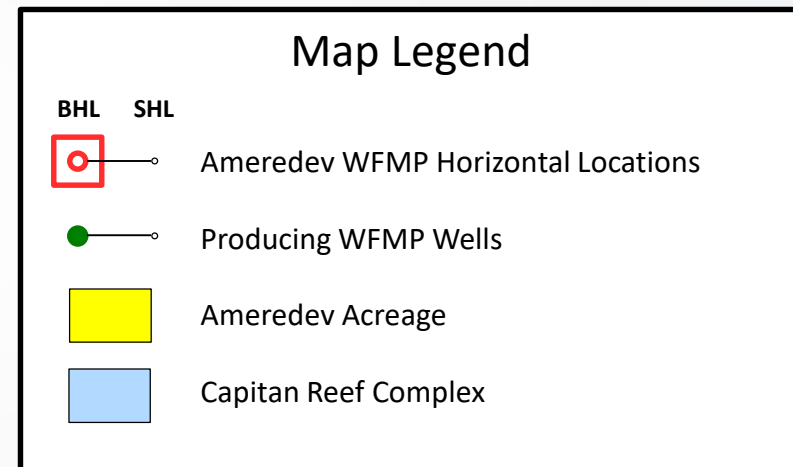
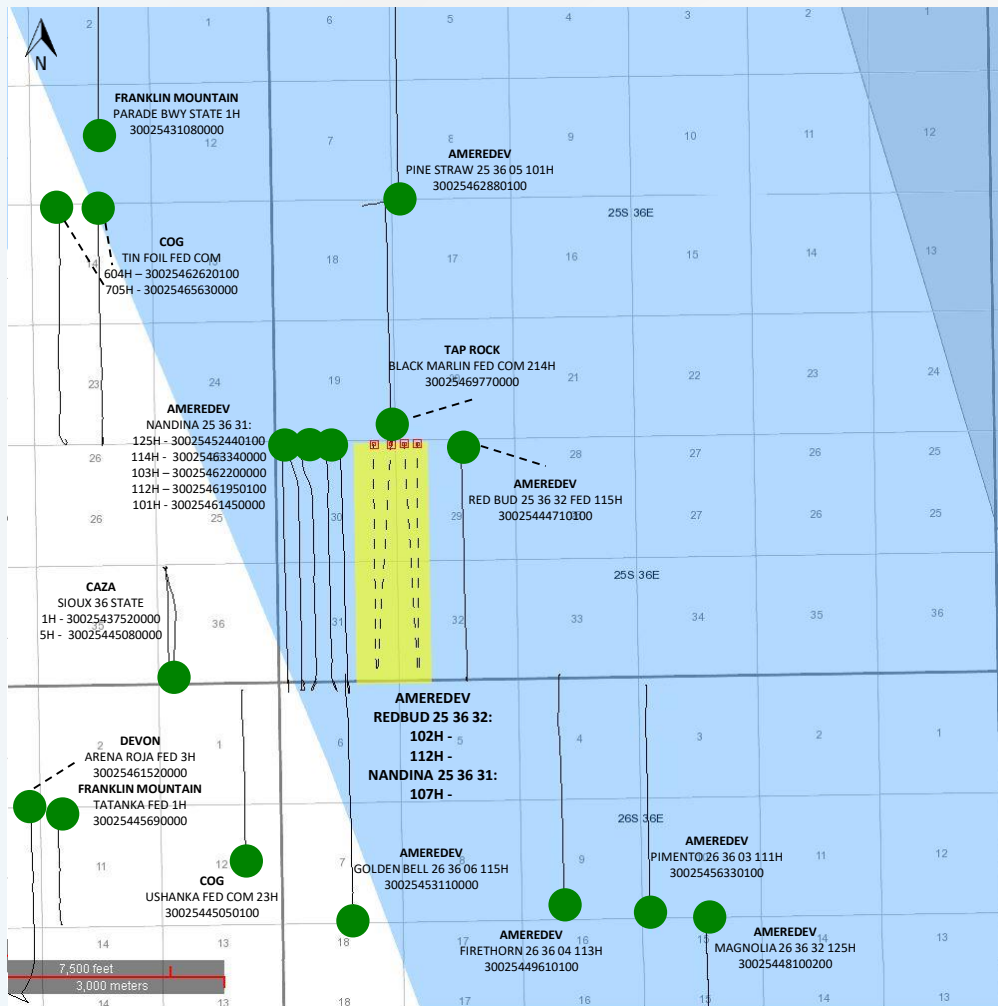
10/2/23

# Wolfcamp Pool — Redbud 25-36-32 102H, 112H, & Nandina 25-36-31 107H



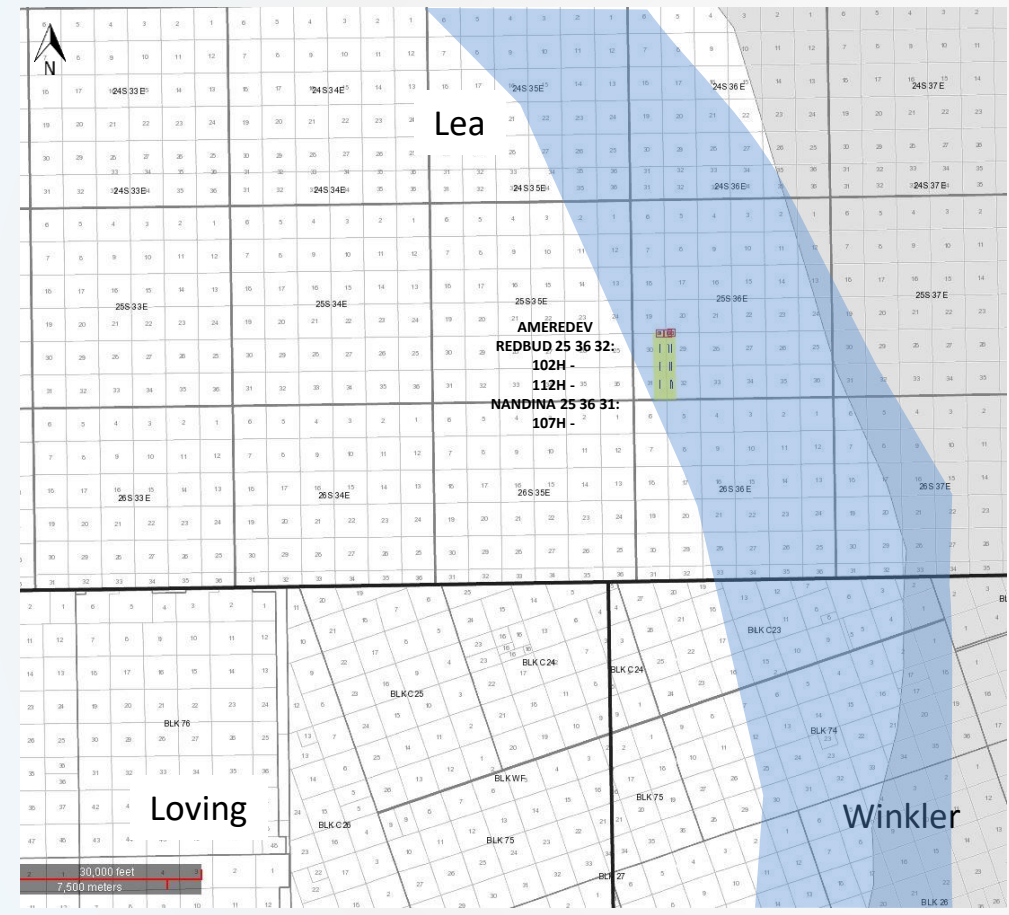
BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B1  
Submitted by: Amerdev  
Hearing Date: December 3, 2020  
Case No. 21531

# Wolfcamp Pool – Capitan Reef Complex



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B2  
 Submitted by: Amerdev  
 Hearing Date: December 3, 2020  
 Case No. 21531

# Wolfcamp Pool – Capitan Reef Complex



### Map Legend

BHL

SHL

Ameredev WFMP Horizontal Locations

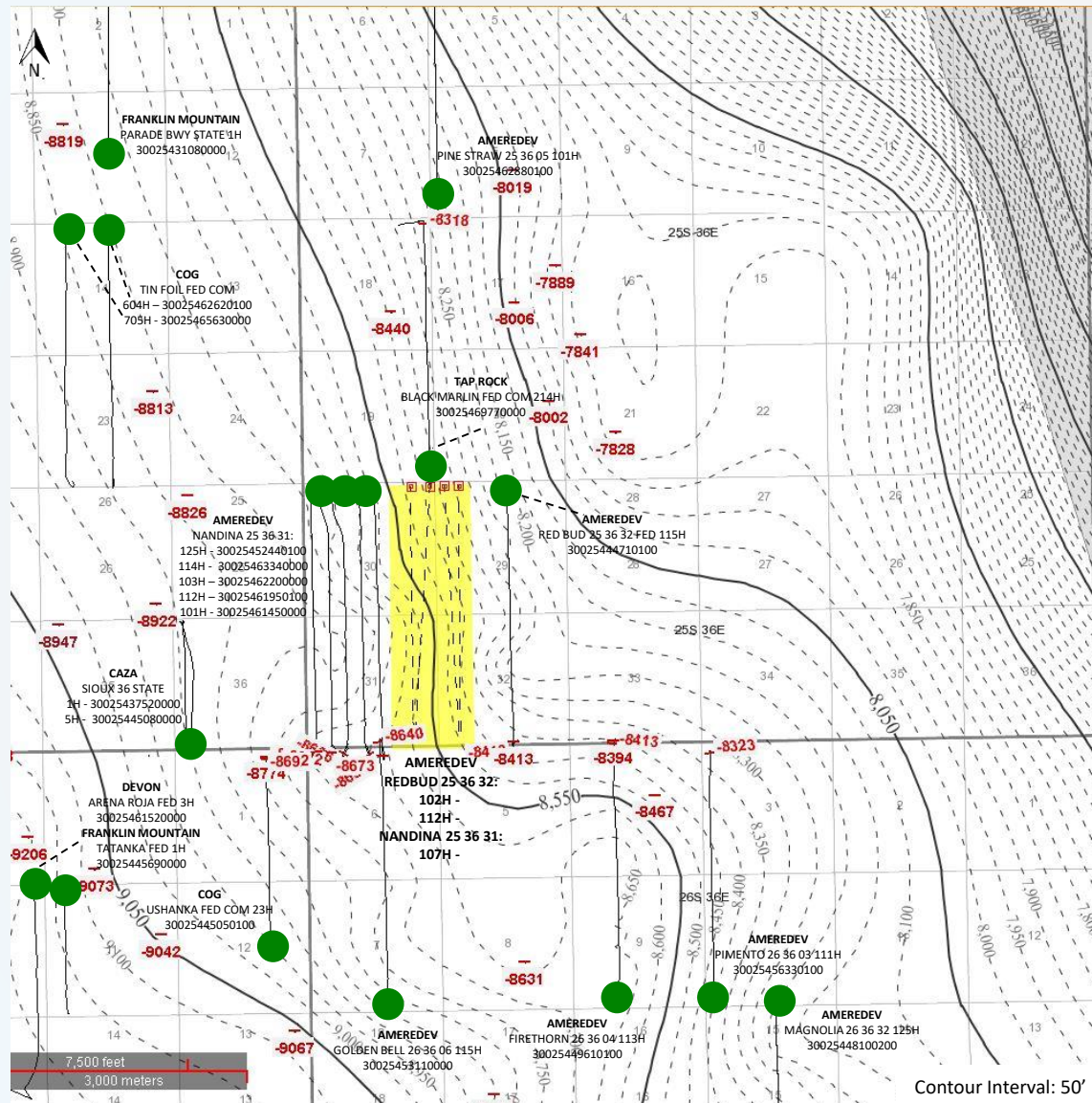
Producing WFMP Wells

Ameredev Acreage

Capitan Reef Complex

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B3  
Submitted by: Ameredev  
Hearing Date: December 3, 2020  
Case No. 21531

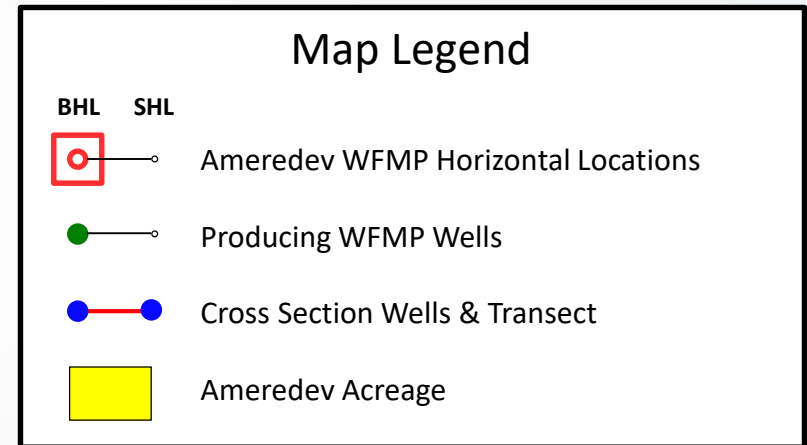
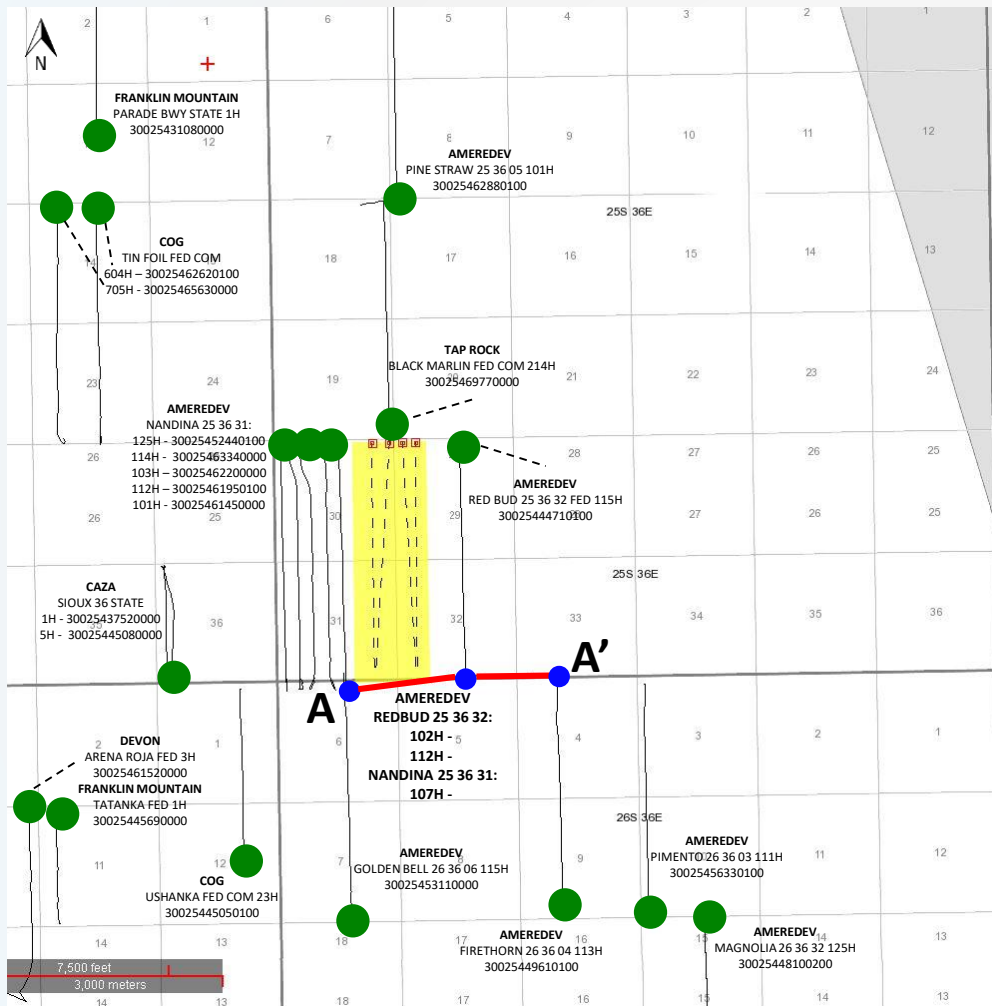
# Wolfcamp Pool – WFMP Structure Map (Subsea Depth)



**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. B4**  
**Submitted by: Ameradev**  
**Hearing Date: December 3, 2020**  
**Case No. 21531**

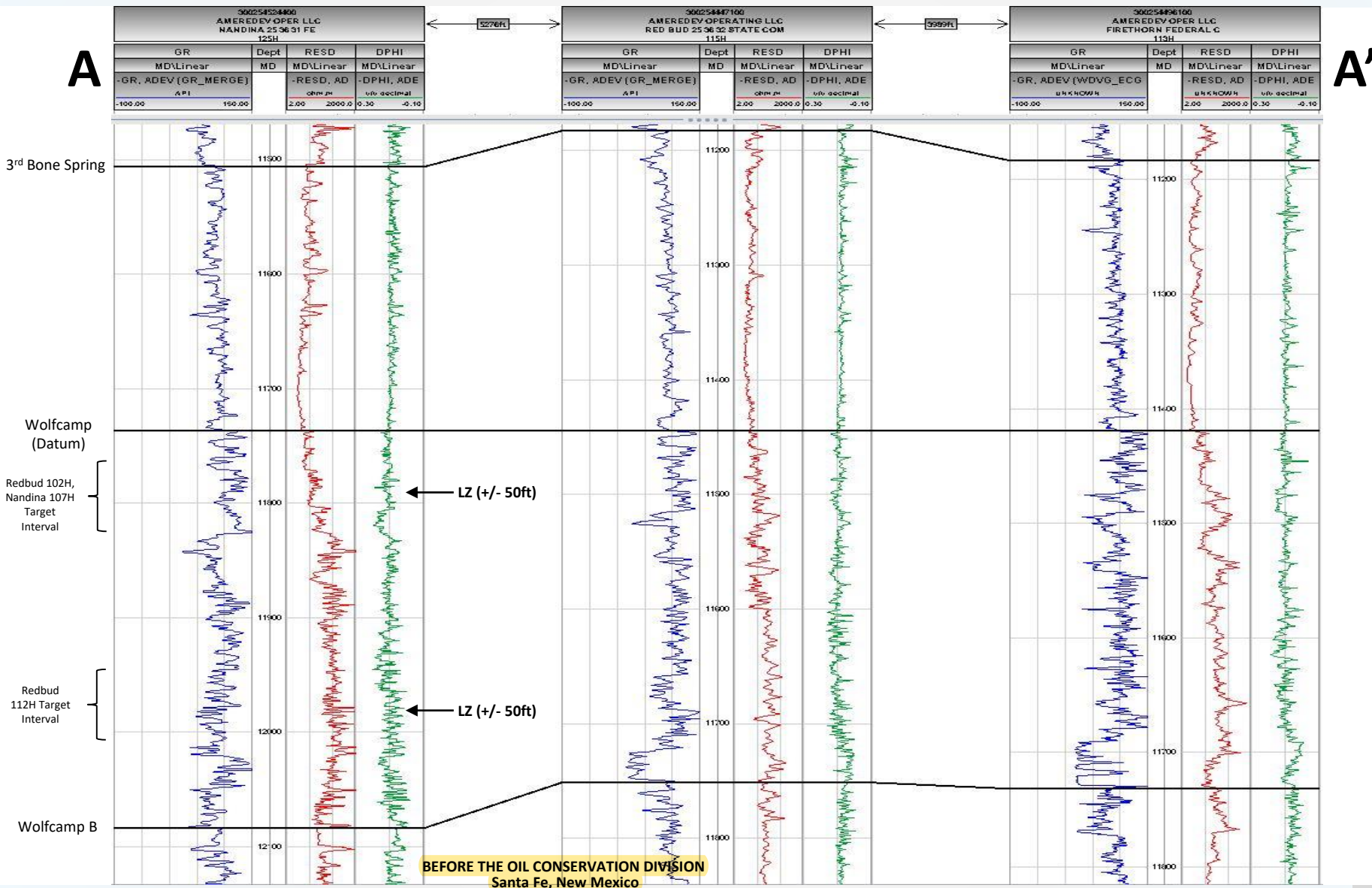


# Wolfcamp Pool – Cross Section Map



**BEFORE THE OIL CONSERVATION DIVISION**  
 Santa Fe, New Mexico  
 Exhibit No. B5  
 Submitted by: Amerdev  
 Hearing Date: December 3, 2020  
 Case No. 21531

# Wolfcamp Pool - Stratigraphic Cross Section



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

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

**CASE NO. 21531**

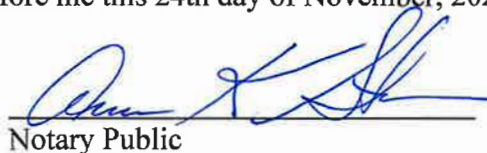
**AFFIDAVIT**

STATE OF NEW MEXICO   )  
  ) ss.  
COUNTY OF SANTA FE   )

Julia Broggi, attorney in fact and authorized representative of Ameredev Operating, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

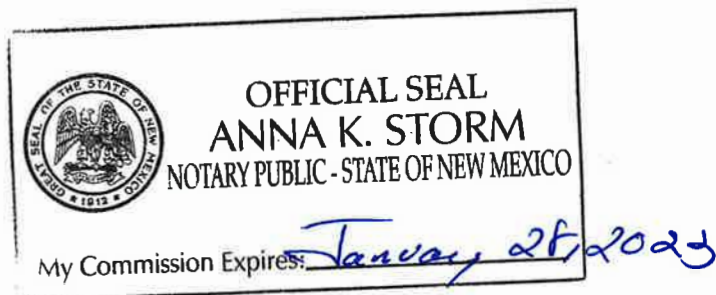
  
\_\_\_\_\_  
Julia Broggi

SUBSCRIBED AND SWORN to before me this 24th day of November, 2020 by Julia Broggi.

  
\_\_\_\_\_  
Notary Public

My Commission

Expires: January 28, 2023



**BEFORE THE OIL CONSERVATION DIVISION**

**Santa Fe, New Mexico**

**Exhibit No. C**

**Submitted by: Matador Production Company**

**Hearing Date: December 3, 2020**

**Case Nos. 21545-21548**





**Kaitlyn A. Luck**  
**Associate**  
**Phone** (505) 988-4421  
**Fax** (505) 983-6043  
kaluck@hollandhart.com

November 13, 2020

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Ameredev Operating, LLC for compulsory pooling, Lea County, New Mexico.**  
**Nandina Fed Com 25 36 31 107H & 127H Wells**  
**Redbud Fed Com 25 36 32 102H & 112H Wells**

Ladies & Gentlemen:

This letter is to advise you that Ameredev Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 3, 2020.

**During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on December 3, 2020 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Brandon Forteza, at (737) 300-4721 or bforteza@ameredev.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck  
ATTORNEY FOR AMEREDEV OPERATING, LLC

Ameredev - Nandina 107H, 127H Redbud 102H, 112H  
Case No 21531 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765826924633	Allison Blackmar Hunt	9 Imperial Dr	Hamilton	NJ	08690-3100	Your item was delivered to an individual at the address at 2:09 pm on November 17, 2020 in TRENTON, NJ 08690.
9414811898765826924343	Christopher S. Trapp	1926 Ella Ct	Edmond	OK	73034-9707	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765826924336	Clydene Outhier	5723 70th St	Lubbock	TX	79424-1422	Your item was delivered to an individual at the address at 4:58 pm on November 16, 2020 in LUBBOCK, TX 79424.
9414811898765826924053	Donald Woods	3385 Baltic Ave	Long Beach	CA	90810-2321	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826924022	E.B. Houser And Mildred L. Houser	1912 NW 23rd St	Oklahoma City	OK	73106-1202	We attempted to deliver your item at 8:16 am on November 18, 2020 in OKLAHOMA CITY, OK 73106 and a notice was left because an authorized recipient was not available.
9414811898765826924091	Emg Oil Properties, Inc.	1000 W 4th St	Roswell	NM	88201-3038	Your item was delivered to an individual at the address at 11:20 am on November 16, 2020 in ROSWELL, NM 88201.
9414811898765826924039	Franklin Mountain Royalty Investments, LLC	2401 E 2nd Ave Ste 300	Denver	CO	80206-4761	Your item arrived at our USPS facility in DENVER CO DISTRIBUTION CENTER on November 22, 2020 at 8:09 pm. The item is currently in transit to the destination.
9414811898765826924459	George M. OBrien	PO Box 1743	Midland	TX	79702-1743	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826924428	Glenn Claxton	27 County Road 6307	Salem	MO	65560-9828	Your item was delivered to an individual at the address at 12:36 pm on November 16, 2020 in SALEM, MO 65560.
9414811898765826924497	Guy Elliott Blackmar, II	4007 Westchester Cir	Riverton	WY	82501-5457	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on November 22, 2020 at 12:31 pm. The item is currently in transit to the destination.
9414811898765826924435	James A. Walton	PO Box 2514	Midland	TX	79702-2514	Your item was delivered at 9:10 am on November 19, 2020 in MIDLAND, TX 79701.
9414811898765826924114	Amy Blackmar Koos	26 Dickerson Ln	Napa	CA	94558-2577	Your item was delivered to an individual at the address at 12:26 pm on November 16, 2020 in NAPA, CA 94558.
9414811898765826924510	James H. Bearly Revocable Trust	104302 S Ridgewood Dr	Meeker	OK	74855-9088	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826924558	James Hawkins	3308 W Ohio Ave	Midland	TX	79703-5616	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826924565	Jeferson Keith Blackmar	8941 County Road 505	Brazoria	TX	77422-6993	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765826924527	Jimmy Damron	306 Oakridge Ave	Lubbock	TX	79416-3760	Your item has been delivered to an agent for final delivery in LUBBOCK, TX 79416 on November 16, 2020 at 3:28 pm.
9414811898765826924503	Joe Buie Brown Exemption Equivalent Trust	6421 Camp Bowie Blvd Ste 314	Fort Worth	TX	76116-5467	Your item was delivered to an individual at the address at 12:51 pm on November 16, 2020 in FORT WORTH, TX 76116.
9414811898765826924541	John Roy Damron	15 Estates Rd	Lucas	TX	75002-7625	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826924589	Joyce Irene Habeck	4917 E Montecito St	Tucson	AZ	85711-4366	Your item was delivered to an individual at the address at 11:47 am on November 17, 2020 in TUCSON, AZ 85711.
9414811898765826924534	JPB Energy Rresources, Inc.	10401 Lennox Ln	Dallas	TX	75229-6513	Your item has been delivered to an agent for final delivery in DALLAS, TX 75229 on November 16, 2020 at 1:52 pm.
9414811898765826924572	Judkins T. Walton	PO Box 375	Midland	TX	79702-0375	Your item arrived at our EL PASO TX DISTRIBUTION CENTER destination facility on November 22, 2020 at 3:59 pm. The item is currently in transit to the destination.
9414811898765826925258	Kassandra Dawn Dittmer	464 S 150 E	Ivins	UT	84738-6237	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

Ameredev - Nandina 107H, 127H Redbud 102H, 112H  
Case No 21531 Postal Delivery Report

9414811898765826924169	Betty Claxton	309 County Road 6350	Salem	MO	65560	Your item was delivered to an individual at the address at 12:36 pm on November 16, 2020 in SALEM, MO 65560.
9414811898765826925265	Kurt Wayne Blackmar	601 Dogwood St	Lake Jackson	TX	77566-4339	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826925227	Mary Ann Prall	904 S Erie Ave	Tulsa	OK	74112-4337	Your item was delivered to an individual at the address at 2:47 pm on November 16, 2020 in TULSA, OK 74112.
9414811898765826925203	MBJW Limited Partnership	PO Box 2514	Midland	TX	79702-2514	Your item was delivered at 9:10 am on November 19, 2020 in MIDLAND, TX 79701.
9414811898765826925296	Mes Land & Minerals, LP	306 W Wall St Ste 345	Midland	TX	79701-5100	Your item departed our EL PASO TX DISTRIBUTION CENTER destination facility on November 22, 2020 at 5:33 pm. The item is currently in transit to the destination.
9414811898765826925241	Michael Kavanaugh Blackmar	180 Lake Falls Rd	Huntsville	TX	77320-1589	Your item was delivered to an individual at the address at 2:53 pm on November 17, 2020 in HUNTSVILLE, TX 77320.
9414811898765826925289	Michael Lane Claxton	5702 50th St Apt 19	Lubbock	TX	79414-1601	Your item was delivered to an individual at the address at 2:35 pm on November 16, 2020 in LUBBOCK, TX 79414.
9414811898765826925234	Monroe Properties, Inc.	306 W Wall St Ste 345	Midland	TX	79701-5100	Your item departed our EL PASO TX DISTRIBUTION CENTER destination facility on November 22, 2020 at 5:28 pm. The item is currently in transit to the destination.
9414811898765826925272	Monticello Minerals LLC	5528 Vickery Blvd	Dallas	TX	75206-6233	The delivery status of your item has not been updated as of November 20, 2020, 1:10 am. We apologize that it may arrive later than expected.
9414811898765826925814	Nathan Allan Dittmer	4601 N Highway 91	Enoch	UT	84721-7507	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765826925852	Oscura Resources, Inc.	PO Box 2292	Roswell	NM	88202-2292	Your item was delivered at 11:22 am on November 17, 2020 in ROSWELL, NM 88201.
9414811898765826924107	Blackbeard Operating, LLC	200 N Loraine St Ste 300	Midland	TX	79701-4713	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826925869	Phillip Arnold Blackmar	7626 Starnberg Lake Dr	Corpus Christi	TX	78413-5259	Your item has been delivered to an agent for final delivery in CORPUS CHRISTI, TX 78413 on November 17, 2020 at 12:10 pm.
9414811898765826925821	Prevail Energy LLC	521 Dexter St	Denver	CO	80220-5035	Your item was delivered to an individual at the address at 3:10 pm on November 16, 2020 in DENVER, CO 80220.
9414811898765826925807	R.R. Hinkle Company, Inc.	PO Box 2292	Roswell	NM	88202-2292	Your item was delivered at 11:22 am on November 17, 2020 in ROSWELL, NM 88201.
9414811898765826925890	Ray Properties	PO Box 37207	Houston	TX	77237-7207	Your item was delivered at 11:35 am on November 17, 2020 in HOUSTON, TX 77057.
9414811898765826925845	Read & Stevens, Inc.	PO Box 1518	Roswell	NM	88202-1518	Your item was delivered at 9:22 am on November 17, 2020 in ROSWELL, NM 88201.
9414811898765826925883	Rheiner Holdings, LLC	PO Box 980552	Houston	TX	77098-0552	Your item was delivered at 12:50 pm on November 18, 2020 in HOUSTON, TX 77098.
9414811898765826925838	Sharon E. Blackmar	PO Box 3967	Lake Jackson	TX	77566-3967	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765826925715	Shayna Blackmar Persky	1705 Saint Albans Blvd	Austin	TX	78745-2825	Your item was delivered to an individual at the address at 10:45 am on November 16, 2020 in AUSTIN, TX 78745.
9414811898765826925753	Sro Land & Minerals, L.P.	9575 Katy Fwy Ste 440	Houston	TX	77024-1411	Your item was delivered to the front desk, reception area, or mail room at 11:04 am on November 17, 2020 in HOUSTON, TX 77024.
9414811898765826925760	St. Joseph Residence Inc	2211 N Marion Ave	Tulsa	OK	74115-3911	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.

Ameredev - Nandina 107H, 127H Redbud 102H, 112H  
Case No 21531 Postal Delivery Report

9414811898765826924145	Bokf, Na, As Agent For K.T. Graham - LLC	PO Box 3499	Tulsa	OK	74101-3499	Your item was delivered at 9:00 am on November 18, 2020 in TULSA, OK 74103.
9414811898765826925722	Summit Royalty, LLC	PO Box 100771	Fort Worth	TX	76185-0771	Your item was delivered at 11:48 am on November 17, 2020 in FORT WORTH, TX 76109.
9414811898765826925708	Three M Oil Company	8350 N Central Expy Ste G100	Dallas	TX	75206-1607	Your item was delivered to an individual at the address at 1:47 pm on November 20, 2020 in DALLAS, TX 75206.
9414811898765826925791	Tower Rock Royalties Two, LP	PO Box 5746	Austin	TX	78763-5746	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826925784	Traverse Exploration, LLC	PO Box 1754	Midland	TX	79702-1754	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826925739	Trog Fund Ii, LP	PO Box 5746	Austin	TX	78763-5746	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826925777	Vanese Visage Blackmar, Life Estate	PO Box 351	Luling	TX	78648-0351	Your item was delivered at 12:27 pm on November 17, 2020 in LULING, TX 78648.
9414811898765826924138	Branex Resources, Inc.	PO Box 2990	Ruidoso	NM	88355-2990	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765826924312	Bruce Patrick Blackmar	4210 Olive Oak Ct	Houston	TX	77059-3300	Your item was delivered to an individual at the address at 4:05 pm on November 16, 2020 in HOUSTON, TX 77059.
9414811898765826924367	Cary Blackmar-Fischer	184 Regier Rd	Smithville	TX	78957-5021	Your item was forwarded to a different address at 8:57 am on November 16, 2020 in SMITHVILLE, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
9414811898765826924305	Cayuga Royalties, LLC	PO Box 540711	Houston	TX	77254-0711	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.

# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

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

Beginning with the issue dated  
November 17, 2020  
and ending with the issue dated  
November 17, 2020.



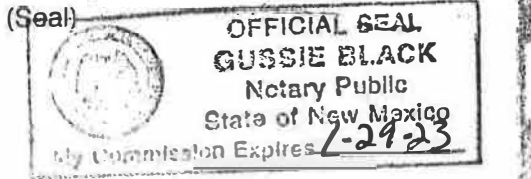
Publisher

Sworn and subscribed to before me this  
17th day of November 2020.



Business Manager

My commission expires  
January 29, 2023



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

LEGAL NOTICE  
November 17, 2020

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, December 3, 2020, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than **November 23, 2020**.

Persons may view and participate in the hearings through the following link and as indicated below:  
<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=ec97b56813f60ba7489b2ffd641268714>  
Event number: 146 523 3652  
Event password: pMmKMtF654  
Join by video: 1465233652@nmemnrd.webex.com  
Numeric Password: 834052  
You can also dial 173.243.2.68 and enter your meeting number  
Join by audio: 1-844-992-4726 United States Toll Free  
Access code: 146 523 3652.

**STATE OF NEW MEXICO TO:**  
All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Allison Blackmar Hunt, her heirs and devisees; Amy Blackmar Koos, her heirs and devisees; Barry Anthony Wolff, his heirs and devisees; Belinda Claire Pugh, her heirs and devisees; Betty Claxton, her heirs and devisees; Blackbeard Operating, LLC; BOKF, NA, As Agent For K.T. Graham - LLC; Branex Resources, Inc.; Bruce Patrick Blackmar, his heirs and devisees; Burlington Resources Oil & Gas Company, LP; Cary Blackmar-Fischer, her heirs and devisees; Cayuga Royalties, LLC; Christopher S. Trapp, his heirs and devisees; Clydene Outhler, her heirs and devisees; Cyril Ernest Davis, his heirs and devisees; Donald Woods, his heirs and devisees; E.B. Houser And Mildred L. Houser, their heirs and devisees; EMG Oil Properties, Inc.; Franklin Mountain Royalty Investments, LLC; Gavlis Arthur Wolff, his heirs and devisees; The Redbud Fed Com 25 36 32 102H Well, and the Redbud Fed Com 25 36 32 112H Well, both of which are to be drilled from a common surface hole location in the SW/4 SW/4 (Unit M) of Section 32 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 29. The completed interval for the proposed Redbud Fed Com 25 36 32 102H Well will be within 330' of the quarter-quarter line separating the E/2 E/2 of Sections 30 and 31 from the W/2 W/2 of Sections 29 and 32 to allow inclusion of this acreage into a standard 640-acre horizontal spacing unit. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles west of Jal, New Mexico.  
#35994

67100754

00248537

HOLLAND & HART LLC  
PO BOX 2208  
SANTA FE, NM 87504-2208

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Ameredev  
Hearing Date: December 3, 2020  
Case No. 21531