

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

**APPLICATION OF LIME ROCK
RESOURCES II-A, L.P. FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO**

Case No. 20319

**SELF-AFFIRMED STATEMENT OF
DOUG LACEY**

1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.

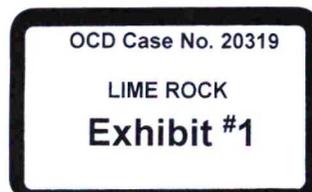
2. I am a Landman at Lime Rock Resources II-A, L.P. ("Lime Rock"). I have had direct involvement with Lime Rock's development of the standard 160-acre horizontal spacing unit ("HSU") that is the subject of Lime Rock's application in this case.

3. Attached hereto as Exhibit A is the C-102 for Lime Rock's Leavitt 13 #1H well. The HSU to be dedicated to the well is comprised of the N/2 N/2 of Section 13, Township 18 South, Range 26 East in Eddy County. Lime Rock seeks to pool the uncommitted mineral interests in the Yeso formation underlying the HSU.

4. The Leavitt 13 #1H well will be horizontally drilled from a surface location in Lot 1 in Section 18, Township 18 South, Range 27 East to a last take point in Unit D in Section 13, Township 18 South, Range 26 East.

5. There are no depth exceptions in the Yeso formation underlying the HSU.

6. On February 13, 2019, I sent an identical well proposal letter and AFE for the Leavitt 13 #1H well to each of the then-uncommitted mineral interests in the HSU. Attached hereto as Exhibit B is a sample of my well proposal letter



7. In my opinion, Lime Rock has made a good faith effort to obtain the voluntary joinder of the uncommitted mineral interests in the HSU.

8. Lime Rock's counsel provided notice of the application and hearing to all of the remaining uncommitted mineral interests and all royalty interests in the HSU. A listing of the mineral and royalty interests to whom hearing notice letters were sent, a sample notice letter, and the green cards that have been returned are attached hereto as Exhibit C.

9. Notice of the hearing was published in the Carlsbad Current-Argus on March 9, 2019. A copy of the newspaper's Affidavit of Publication is attached hereto as Exhibit D.

10. Attached hereto as Exhibit E is Lime Rock's AFE for the proposed well. The estimated costs of the wells are fair and reasonable, and are comparable to the costs of other wells of similar depth and length drilled in Eddy County.

11. Lime Rock requests overhead and administrative rates of \$8,000 per month while the well is being drilled and \$800 per month while the well is producing. These rates are fair, and are comparable to the rates charged by Lime Rock and by other operators in the vicinity. They are actually less than the adjusted rates set forth in the governing JOAs for the well. Lime Rock further requests that the rates be adjusted periodically in accordance with the COPAS Accounting Procedure.

12. Lime Rock requests that it be designated the operator of the Leavitt 13 #1H well.

13. Lime Rock also requests that a 200% risk charge be assessed against the remaining uncommitted interests if they are non-consenting working interest owners.

14. In my opinion, the granting of Lime Rock's application will serve the interests of conservation and the prevention of waste.

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

16. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 15 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.



Doug Lacey

4-3-19
Date

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) 748-0720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-43896		2 Pool Code 3250		3 Pool Name Atoka; Glorietta-Yeso	
4 Property Code 316765		5 Property Name LEAVITT 13			6 Well Number 1H
7 OGRID No. 277558		8 Operator Name LIME ROCK RESOURCES II-A, L.P.			9 Elevation 3287.4

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	18	18 S	27 E		495	NORTH	498	WEST	EDDY

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	13	18 S	26 E		220	NORTH	330	WEST	EDDY

12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.	
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

HW CORNER SEC. 13
LAT. = 32.7551351°N
LONG. = 104.3439785°W
N-MSP EAST (FT)
N = 638437.46
E = 538084.84

N CORNER SEC. 13
LAT. = 32.7552253°N
LONG. = 104.3352170°W
N-MSP EAST (FT)
N = 638482.83
E = 543758.12

HW CORNER SEC. 18
LAT. = 32.7506455°N
LONG. = 104.3081549°W
N-MSP EAST (FT)
N = 638418.25
E = 548770.45

SE CORNER SEC. 18
LAT. = 32.7405277°N
LONG. = 104.3081308°W
N-MSP EAST (FT)
N = 638778.64
E = 548772.88

SW CORNER SEC. 13
LAT. = 32.7405846°N
LONG. = 104.3438840°W
N-MSP EAST (FT)
N = 633158.63
E = 538083.48

S CORNER SEC. 13
LAT. = 32.7405879°N
LONG. = 104.3352150°W
N-MSP EAST (FT)
N = 633149.80
E = 540748.23

SW CORNER SEC. 18
LAT. = 32.7405522°N
LONG. = 104.3268746°W
N-MSP EAST (FT)
N = 633141.83
E = 543384.24

SE CORNER SEC. 18
LAT. = 32.7405277°N
LONG. = 104.3081308°W
N-MSP EAST (FT)
N = 633134.52
E = 548717.64

LEAVITT 13 1H
ELEV. = 3287.4
LAT. = 32.7533112°N (NAD83)
LONG. = 104.3248628°W
N-MSP EAST (FT)
N = 638004.85
E = 543830.04

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE BASED UPON THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED HEREIN ARE PLAIN LANGUAGE COORDINATES AND GRID POINTS BASED ON BLENDED AND SPANNED DATA AND JOHN WENGER STATE PLAIN LANGUAGE COORDINATES REFERRED TO AS SURFACE.

11 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 in the division.

Spencer Cox 8-23-16
Signature Date

Spencer Cox
Printed Name

sc@limerockresources.com
E-mail Address

12 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 and correct to the best of my belief.

AUGUST 1, 2016
Date of Survey

FILIMON F. JARAMILLO
NEW MEXICO
12787
Professional Surveyor

Certificate Number: FILIMON F. JARAMILLO, PLS 12787
SURVEY NO. 4816A

Exhibit
A



February 13, 2019

Via Email and Fedex

Mr. Matt Britt
Tanos Exploration II, LLC
821 E. Southeast Loop 323, Suite 400
Tyler, Texas 75701

Re: Horizontal Well Proposal
Leavitt 13-1H
N/2 N/2 Section 13-18S-26E
Eddy County, New Mexico

Gentlemen:

Lime Rock Resources II-A, L.P. ("LRR") proposes to drill the captioned well horizontally East to West through Lots A, B, C & D in Section 13-18S-26E as an 8000' MD/3500' TVD Lower Yeso well. Surface location will be in Lot 1 in Section 18-18S-27E. The well will be completed in 25 stages with a slick water frac and produced initially with an ESP. Once production has declined, the well will be converted to beam lift.

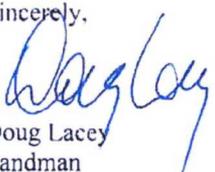
Enclosed for your review are LRR's Authority for Expenditure ("AFE") #D-18110 in the 8/8ths amount of \$4,285,000 to drill and complete this well and Form C102 indicating the surface and bottom hole location of the well.

The well will be drilled pursuant to two Joint Operating Agreements:

1. W/2 Sec 13 – In accordance with Article 12 of Joint Operating Agreement dated May 1, 1977, originally between Maddox Energy Corporation, as Operator, and Chevron U.S.A. Inc, et al, as Non-Operators ("JOA1"), you have thirty (30) days from receipt of this proposal within which to elect to either participate for your proportionate share of the cost of the well as it pertains to the N/2 NW/4 of Sec 13-18S-26E or non-consent subject to 100%/300% provisions;
2. E/2 Sec 13 – In accordance with Article 12 of Joint Operating Agreement dated October 1, 1976, originally between Maddox Energy Corporation, as operator, and Chevron U.S.A. Inc., et al, as Non-Operators ("JOA2"), you have thirty (30) days from receipt of this proposal within which to elect to either participate for your proportionate share of the cost of the well as it pertains to the N/2 NE/4 of Sec 13-18S-26E or non-consent subject to 100%/300% provisions.

Please provide your elections on the following page for each JOA and return this letter with the signed AFE within thirty (30) days from your receipt to my attention at the letterhead address via email to dlacey@limerockresources.com or by facsimile to 713-345-2197. Should you have questions of a technical nature, please contact our Operations Engineer, Eric McClusky at 713-360-5714 or you may reach me at my direct number at 713-345-2147.

Sincerely,


Doug Lacey
Landman

**Exhibit
B**

February 11, 2019
Well Proposal
Leavitt 13-1H
N/2 N/2 Section 13-18S-26E
Eddy County, New Mexico

Tanos Exploration II LLC, W/2 - JOA1	6.778006	% x 50%
Tanos Exploration II LLC, E/2 - JOA2	5.213855	% x 50%
Total Unit Interest =	<u>5.995931</u>	%

In connection with the foregoing and the attached Authority for Expenditure, the undersigned (make election for **each** JOA):

_____ elects to participate in the drilling of the Leavitt 13-1H as to the W/2 subject to JOA1.

_____ elects to Non-Consent the drilling of the Leavitt 13-1H well as to the W/2 under the provisions of Article 12 of JOA1.

and

_____ elects to participate in the drilling of the Leavitt 13-1H as to the E/2 subject to JOA2.

_____ elects to Non-Consent the drilling of the Leavitt 13-1H well as to the E/2 under the provisions of Article 12 of JOA2.

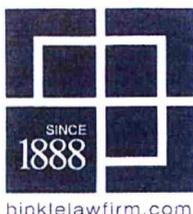
Tanos Exploration II, LLC

By: _____

Printed Name: _____

Title/Capacity: _____

Date: _____



HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

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

WRITER:

Gary W. Larson,
Partner
glarson@hinklelawfirm.com

March 8, 2019

VIA CERTIFIED MAIL

Ann Landrith Holdings LLC
Attn: Adam Leavitt
P.O. Box 3363
Tulsa, OK 74101

Re: Lime Rock Resources II, L.P. NMOCD Application

Dear Mr. Leavitt:

Enclosed is a copy of an application for compulsory pooling that Lime Rock Resources II-A, L.P. ("Lime Rock") has filed with the New Mexico Oil Conservation Division ("the Division"). Lime Rock seeks to pool all uncommitted mineral interests in the Yeso formation in a standard 160-acre horizontal spacing unit comprised of the N/2 N/2 of Section 13, Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, April 4, 2019 in Porter Hall at the Division's offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Ann Landrith Holdings LLC ("Landrith") is not required to attend this hearing, but as an owner of an interest that may be affected by Lime Rock's application, it may appear at the hearing and present testimony. If Landrith does not appear at that time and become a party of record, it will be precluded from contesting the matter at a later date.

A party appearing in a Division case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, March 28, 2019. The Pre-Hearing Statement must be filed with the Division's Santa Fe office at the address above, and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

Very truly yours,

Gary W. Larson

**Exhibit
C**

GWL:jwl
Enclosure

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

PO BOX 1720
ARTESIA, NEW MEXICO 88211
575-622-6510
(FAX) 575-746-6316

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

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

Leavitt 13-2H Lease Amendments
N/2 N/2 Sec 13-18S-26E

Entity Name	Address_Line_One	Address_Line_Two	City	State_Code	ZIP
HTI RESOURCES, INC.	PO BOX 10690		SAVANNAH	GA	31412
ANN LANDRITH HOLDINGS LLC	Adam Leavitt MANAGER	PO BOX 3363	TULSA	OK	74101
SAVAGE MINERALS, LLC	ATTN: KATHY BUXTON	PO BOX 648	HOMINY	OK	74035-0648
TERRANCE W. MANGAN	P. O. BOX 1010		BETHANY	OK	73008-0000
ENERGEN RESOURCES CORP	605 RICHARD ARRINGTON, JR.,	BLVD NORTH	BIRMINGHAM	AL	35203
TANOS ENERGY HOLDINGS II, LLC	821 E SE LOOP 323, STE 400		TYLER	TX	75701
Norwood Oil Co.	Attn: Betty Norwood	PO Box 1029	Malakoff	TX	75148

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 Ann Landrith Holdings LLC
 Attn: Adam Leavitt
 P.O. Box 3363
 Tulsa, OK 74101

9590 9402 3452 7275 9881 54

2. Article Number (Transfer from service label)
 7018 2290 0000 3424 2332

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X *Adam Leavitt* Agent Addressee

B. Received by (Printed Name) C. Date of Delivery

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



3. Service Type
- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) | |

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 Energen Resources Corporation
 605 Richard Arrington, Jr., Blvd N
 Birmingham, AL 35203

9590 9402 3452 7275 9881 78

2. Article Number (Transfer from service label)
 7018 2290 0000 3424 2301

PS Form 3811, July 2015 PSN 7530-02-000-9053

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A. Signature
 X *Brenda Armstrong* Agent Addressee

B. Received by (Printed Name) C. Date of Delivery

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

3. Service Type
- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Insured Mail Restricted Delivery | |

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 Norwood Oil Company
 Attn: Betty Norwood
 P.O. Box 1029
 Malakoff, TX 75148

9590 9402 3452 7275 9882 15

2. Article Number (Transfer from service label)
 7018 2290 0000 3424 2288

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X *Betty Norwood* Agent Addressee

B. Received by (Printed Name) C. Date of Delivery

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

3. Service Type
- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Insured Mail Restricted Delivery | |

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>H.M. Hedger</i> 6102 <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>H.M. Hedger</i></p> <p>C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>ROSCOMMON LLC P.O. Box 1010 Bethany, OK 73008</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>2. Article Number (Transfer from service label)</p> <p>9590 9402 3452 1215 9881 61</p> <p>7018 2290 0000 3424 2318</p>	<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p> <p>Domestic Return Receipt</p>

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Kathy Buxton</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Kathy Buxton</i></p> <p>C. Date of Delivery 3-11-19</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Savage Minerals, LLC Attn: Kathy Buxton P.O. Box 648 Hominy, OK 74035-0648</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>2. Article Number (Transfer from service label)</p> <p>9590 9402 3452 7275 9881 92</p> <p>7018 2290 0000 3424 2325</p>	<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p> <p>Domestic Return Receipt</p>

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Certified Mail Fee \$ _____	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$ _____	
<input type="checkbox"/> Return Receipt (electronic) \$ _____	
<input type="checkbox"/> Certified Mail Restricted Delivery \$ _____	
<input type="checkbox"/> Adult Signature Required \$ _____ <input type="checkbox"/> Adult Signature Restricted Delivery \$ _____	
Postage \$ _____	
Total Postage and Fees \$ _____	
Sent To HTI Resources P.O. Box 10690 Savannah, GA 31412	
Street and Apt. No., or PO Box # City, State, ZIP+4®	

See Reverse for Instructions

7018 2290 0000 3424 2349

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Tanos Energy Holdings II, LLC
821 E. SE Loop 323, Ste. 400
Tyler, TX 75701

9590 9402 3452 7275 9881 85

2. Article Number (Transfer from service label)

7018 2290 0000 3424 2295

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Karen Low*

Agent

Addressee

B. Received by (Printed Name)

Karen Low

C. Date of Delivery

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

3. Service Type

- | | |
|--|---|
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| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Insured Mail Restricted Delivery | |

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HINKLE SHANOR, LLP
P.O. BOX 2068

SANTA FE NM 87504

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

03/09/19

This is to notify all interested parties, including HTI Resources, Inc., Ann Landrith Holdings LLC, Savage Minerals, LLC, Roscommon LLC, Energen Resources Corp., Tanos Energy Holdings II, LLC, Norwood Oil Co. and their heirs and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Lime Rock Resources II-A, L.P. at 8:15 a.m. on April 4, 2019 in Porter Hall at 1220 South St. Francis Drive, Santa Fe, New Mexico. Lime Rock Resources II-A, L.P. seeks an order pooling all uncommitted mineral interests in the Yeso formation in a standard 160-acre horizontal spacing unit comprised of the N/2 N/2 of Section 13, Township 18 South, Range 26 East, NMPM in Eddy County, New Mexico. The horizontal spacing unit is to be dedicated to the proposed Leavitt 13 #1H well, which will be horizontally drilled from a surface location in Lot 1 in Section 18 to a last take point in Unit D in Section 13, Township 18 South, Range 26 East. The completed interval for the well will be orthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Lime Rock Resources II-A, L.P. as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The horizontal spacing unit is located approximately seven (7) miles southeast of Artesia, New Mexico.
Pub: March 9, 2019 #1279687


Legal Clerk

Subscribed and sworn before me this
11th of March 2019.


State of WI, County of Brown
NOTARY PUBLIC

9-19-21

My Commission Expires

Ad#:0001279687
P O :
of Affidavits :0.00



AUTHORITY FOR EXPENDITURE

Well / Objective: Leavitt 13-1H
 Location: SHL Sec18-T18S-R27E,BHL Sec13-T18S-R28
 AFE #: D18111
 County / State: Eddy County / NM



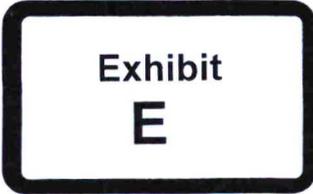
Intangible Cost	DRILL	COMP	COST
	322	324	
105 Land / Legal / Title / Surface Damages	50,000		50,000
111 Staking / Permitting / Location & Roads / Rathole / Mousehole / Anchors	75,000		75,000
112 Location Restoration / Environmental / Onsite Disposal	10,000	5,000	15,000
115 Rig Mobilization / Demobilization	25,000		25,000
125 Contract Drtg- Daywork	165,000	33,000	198,000
126 Service Rig / Coil Tubing / Snubbing		35,000	35,000
131 Fuel	25,000	5,000	30,000
132 Offsite Disposal (cuttings / mud / water)	50,000	15,000	65,000
133 Water / water well / Frac Water	15,000	125,000	140,000
134 Frac Tanks	15,000	25,000	40,000
135 Water Transfer / Frac Pit		150,000	150,000
141 Mud & Chemicals / Completion Fluids & Chemicals	25,000		25,000
142 Surface Rental Equipment (Closed Loop System)	30,000	35,000	65,000
151 Subsurface Rental Equipment, Inspect, Repair, & Replace	10,000		10,000
152 Directional Tools & Services, Inspect, Repairs, & Replace	100,000		100,000
154 Well Control Rentals (BOPs, Frac, Valve, Water ETC.)	5,000	20,000	25,000
155 Office, Sewage and Misc Rentals:	20,000	5,000	25,000
156 Monitoring Equipment (Pason PVT, etc)	10,000		10,000
157 Safety / Medical / H2S equipment Rental	15,000	2,500	17,500
161 Cement & Services	30,000	45,000	75,000
162 Pumping Services		5,000	5,000
163 Plugs & Packers		30,000	30,000
171 Bits & Motors	35,000	5,000	40,000
183 Mud Logging	20,000		20,000
191 Cased Hole Logging (CBL, Prod Logs, etc. .)		20,000	20,000
192 Perforating		150,000	150,000
193 Stimulation (Acid / Frac / Grav. Pk)		1,750,000	1,750,000
195 Prod. Well Testing Equip. / Service		5,000	5,000
201 Trucking & Hauling and Cranes	40,000	20,000	60,000
212 Supervision - Contract	40,000	15,000	55,000
221 Insurance	5,000		5,000
231 Capitalized Overhead	5,000		5,000
241 Miscellaneous Labor	5,000		5,000
242 BOP/Wellhead Testing & Repair	2,000		2,000
251 Casing Crews / Tong Services / Laydown / Pickup Services	25,000	25,000	50,000
253 Tubular Testing, Inspection	10,000		10,000
255 Communication	1,000		1,000
262 Purchased supplies	500		500
Total Intangible			3,389,000

Tangible Cost

Sub Surface Tubing & Equipment

290 Conductor	15,000		15,000
292 Surface	28,000		28,000
298 Production		85,000	85,000
301 Tubing		60,000	60,000
311 Cementing Equipment (Centralizers, Floats, Etc...)	10,000	15,000	25,000
321 Subsurface Equipment (Rods, Pump, GLV, ESP, Etc...)		210,000	210,000
331 Wellhead Equipment	5,000	5,000	10,000
351 Artificial Lift Equipment: (PU, ESP controller, etc...)		115,000	115,000
352 Tank Battery		175,000	175,000
354 Flowlines, meter runs, measurement equipment		15,000	15,000
355 Treaters, Separators, Dehy, Line heaters		15,000	15,000
356 Miscellaneous, valves, fittings, safety system		15,000	15,000
357 Surface Equipment Installation Cost / Labor & Materials)		115,000	115,000
358 Supervision		15,000	15,000

Company: _____	Total Intangible	-	-	3,389,000
Approved by: _____	Total Tangible	-	-	896,000
Print Name: _____	Total Cost	-	-	4,285,000
Title: _____				
Date: _____				



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

APPLICATION OF LIME ROCK
RESOURCES II-A, L.P. FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO

Case No. 20319

SELF-AFFIRMED STATEMENT OF
STAN BISHOP

1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.

2. I am a geologist at Lime Rock Resources II-A, L.P. ("Lime Rock"). I am familiar with the development of Lime Rock's Leavitt 13 #1H well and the geological matters that pertain to Lime Rock's application.

3. Attached hereto as Exhibit A is a well location map that depicts the location of the proposed Leavitt 13 #1H well and offsetting producing Yeso wells.

4. Attached hereto as Exhibit B is a Top of Yeso carbonate subsea structure contour map.

5. Attached hereto as Exhibit C is a map that delineates well logs used in the making of my stratigraphic west to east cross section, which is Exhibit D.

6. Attached hereto as Exhibit D is a stratigraphic cross section that depicts the target interval.

7. Based on the information contained in Exhibits A, B, C, and D, I am able to conclude that:

- a) The horizontal spacing unit ("HSU") for the proposed well is justified from a geologic standpoint;

OCD Case No. 20319

LIME ROCK

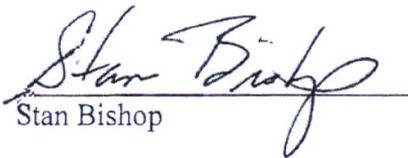
Exhibit #2

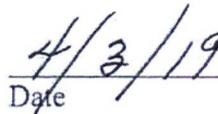
- b) An east/west orientation is preferred for the well;
- c) There is no faulting or other geologic impediment that could adversely affect the drilling of the proposed well; and
- d) Each quarter section in the HSU will contribute more or less equally to production.

8. Exhibits A through D were either prepared by me or compiled from company records.

9. In my opinion, the granting of Lime Rock's application will serve the interests of conservation and the prevention of waste

10. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 9 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.


Stan Bishop


Date

12

7

18S 26E

LIMEROCK RESOURCES
LEAVITT 13-1H LOCATION

SHL

PROPOSED
LEAVITT 13-1H

CONTOURS YESO
SUBSEA STRUCTURE

MAP LEGEND

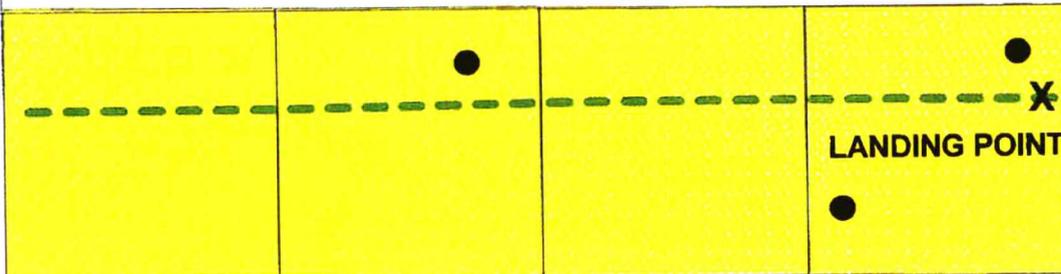
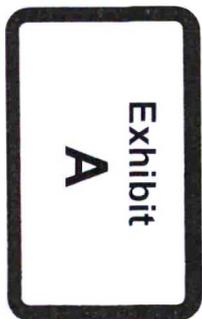
● PRODUCING
YESO WELL

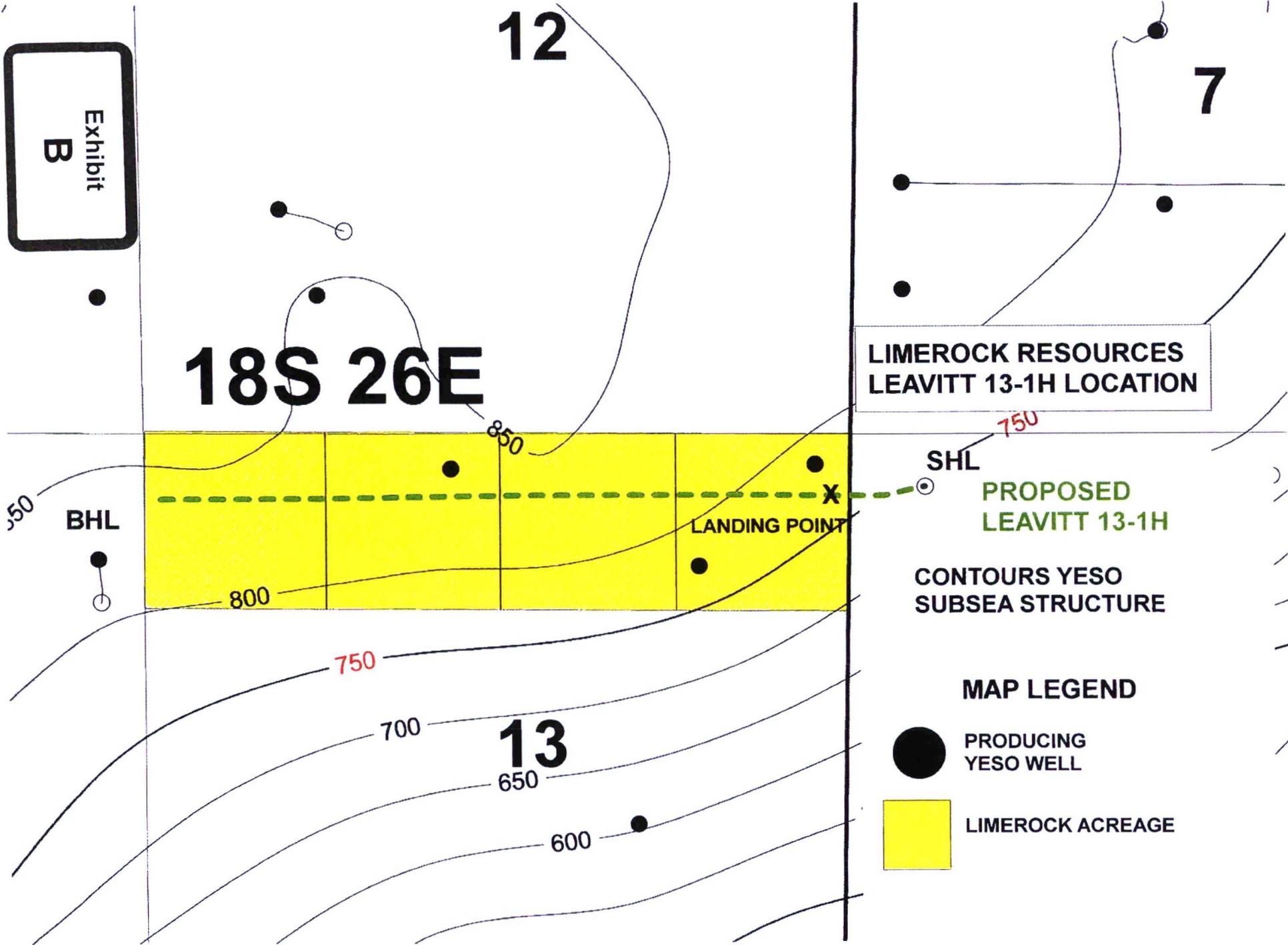
■ LIMEROCK ACREAGE

BHL

LANDING POINT

13





LIMEROCK RESOURCES
LEAVITT 13-1H LOCATION

SHL
PROPOSED
LEAVITT 13-1H

CONTOURS YESO
SUBSEA STRUCTURE

MAP LEGEND

● PRODUCING
YESO WELL

■ LIMEROCK ACREAGE

12

7

18S 26E

LIMEROCK RESOURCES
LEAVITT 13-1H LOCATION

BHL

A

A'

SHL

PROPOSED
LEAVITT 13-1H

LANDING POINT

CONTOURS YESO
SUBSEA STRUCTURE

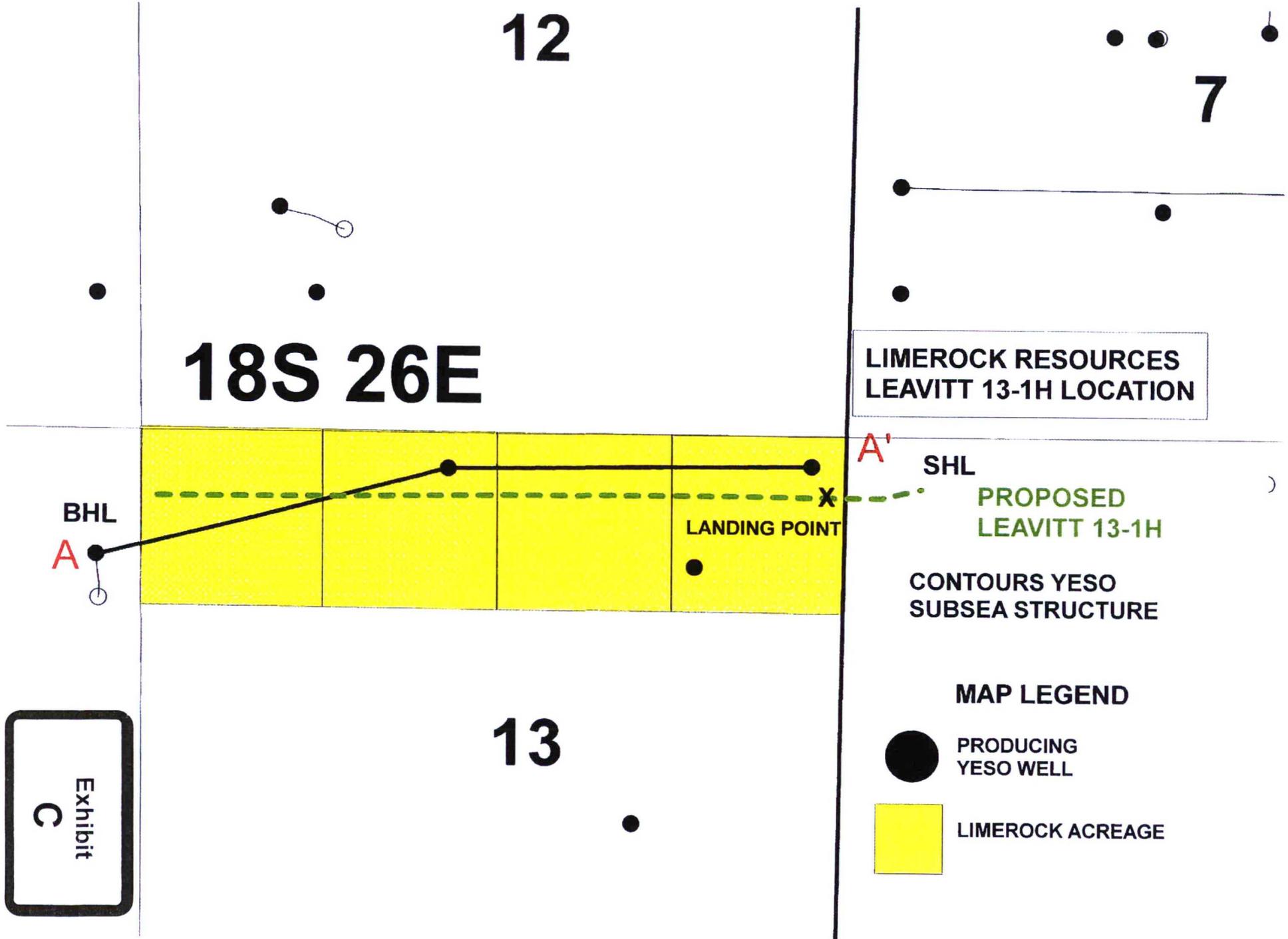
MAP LEGEND

● PRODUCING
YESO WELL

■ LIMEROCK ACREAGE

Exhibit
C

13



EAST ARTESIA LEAVITT 13-1H

A

A'

3001544180000
 2724 ft
 LIME ROCK RESOURCES
 LEAVITT 14 A 002
 1306 FNL 330 FEL
 TWP: 18 S - Range: 26 E - Sec 14

30015404920000
 2740 ft
 LIME ROCK RESOURCES
 LEAVITT 13 C 1
 330 FNL2310 FWL
 TWP: 18 S - Range: 26 E - Sec 13

30015400770000
 LIME ROCK RESOURCES
 HIGGINS TRUST 13 A 2
 330 FNL 330 FEL
 TWP: 18 S - Range: 26 E - Sec 13

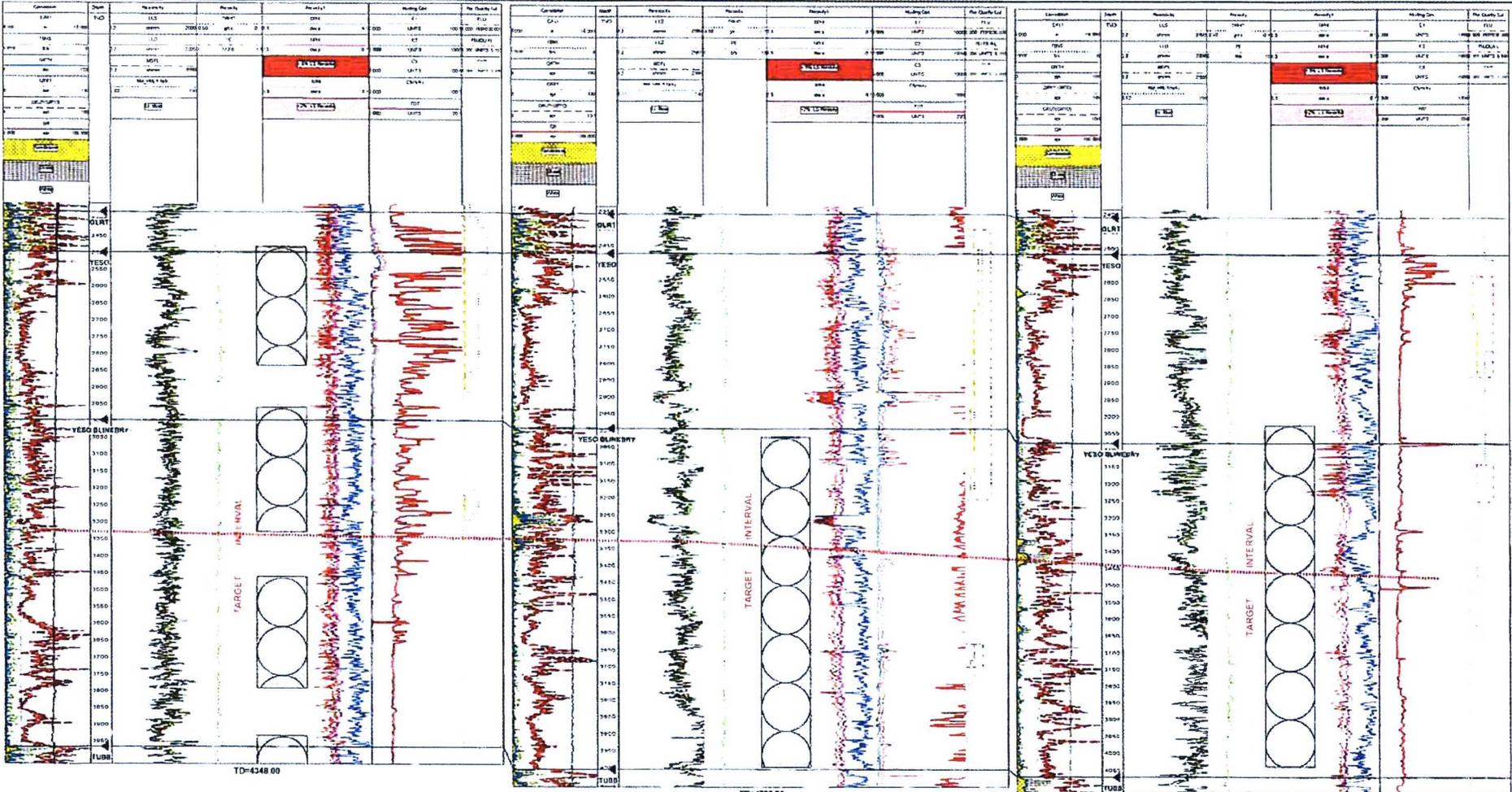


Exhibit
 D

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

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

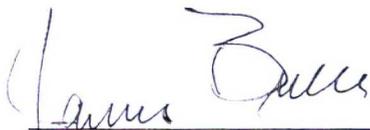
Case No. 20324

AFFIDAVIT OF NOTICE

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

James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Matador Production Company.
3. Matador Production Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letters and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Regulations.



James Bruce

SUBSCRIBED AND SWORN TO before me this 3rd day of April, 2019 by James Bruce.



My Commission Expires: _____



Notary Public



JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

March 12, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Matador Production Company, regarding two Wolfcamp wells in a well unit comprised of the N½ of Section 35 and the N½ of Section 36, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, April 4, 2019, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. 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 contesting the matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Wednesday, March 28, 2019. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the 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 need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,


James Bruce

Attorney for Matador Production Company



EXHIBIT A

WPX Energy Permian, LLC
3500 One Williams Center
P.O. Box 3102
Tulsa, Oklahoma 74101

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

7018 2290 0000 3424 1649

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

OFFICIAL USE

Certified Mail Fee \$ _____

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

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Postmark Here

Sent To **WPX Energy Permian, LLC**

Street and Apt. No., or PO Box **3500 One Williams Center**

City, State, ZIP+4® **P.O. Box 3102
Tulsa, Oklahoma 74101**

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions.

SENDER COMPLETE THIS SECTION

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

1. Article Addressed to:

WPX Energy Permian, LLC
3500 One Williams Center
P.O. Box 3102
Tulsa, Oklahoma 74101

2. Article N° **7018 2290 0000 3424 1649**

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* Agent Addressee

B. Received by (Printed Name) **WILL ADRIAN**

C. Date of Delivery **3-17-11**

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

3. Service Type

Adult Signature Priority Mail Express®

Adult Signature Restricted Delivery Registered Mail™

Certified Mail® Registered Mail Restricted Delivery

Certified Mail Restricted Delivery Return Receipt for Merchandise

Collect on Delivery Signature Confirmation™

Collect on Delivery Restricted Delivery Signature Confirmation Restricted Delivery