

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

APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

Case No. **21793**



Cattlemen Fed Com 204H

April 8, 2021

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Tab 1

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

Case: 21793	APPLICANT'S RESPONSE
Date	April 8, 2021
Applicant	Titus Oil & Gas Production, LLC
Designated Operator & OGRID (affiliation if applicable)	373986
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon Shaheen & John McIntyre)
Case Title:	Application of Titus Oil & Gas Production, LLC for Compulsory Pooling Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Cattlemen Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	WC-025 G-08 S263412K; Bone Spring [96672]
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	240 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	North-South
Description: TRS/County	E2 SE4 of Section 17 and E2 E2 of Section 20, 26S-35E, Lea County, NM
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	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Tract 1 (60%); Tract 2 (100%); see Exhibit A-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

Well #1	Cattlemen Fed Com 204H, API No. 30-025-Pending SHL: 2174' FNL and 922' FEL, Section 17-T26S-R35E, NMPM BHL: 10' FSL and 330' FEL, Section 20-T26S-R35E, NMPM Completion Target: 2nd Bone Spring at approx. 10,997 Feet TVD Well Orientation: North to South Completion location expected to be standard
Horizontal Well First and Last Take Points	FTP (~2540' FSL and 330' FEL of Section 17-T26S-R35E); LTP (~100' FSL and 330' FEL of Section 20-T26S-R35E)
Completion Target (Formation, TVD and MD)	2nd Bone Spring - TVD (~10,997'), MD (~18,897')
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000; see Exhibit A, ¶ 17
Production Supervision/Month \$	\$800; see Exhibit A, ¶ 17
Justification for Supervision Costs	Please see AFE at Exhibit A-6
Requested Risk Charge	200%; see Exhibit A, ¶ 18
Notice of Hearing	
Proposed Notice of Hearing	Submitted with online filing of Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C; see Exhibit A-7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	See Exhibits A-2 & A-3
Tract List (including lease numbers and owners)	Exhibits A-2 & A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit A-6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	n/a
Cost Estimate to Drill and Complete	See AFE at Exhibit A-6
Cost Estimate to Equip Well	See AFE at Exhibit A-6
Cost Estimate for Production Facilities	See AFE at Exhibit A-6
Geology	
Summary (including special considerations)	Exhibit B-1
Spacing Unit Schematic	Exhibit B-3
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-7
Well Orientation (with rationale)	Exhibit B-1
Well Orientation (with rationale)	Exhibits B-5 & B-6

HSU Cross Section	Exhibit B-6
Depth Severance Discussion	n/a; see Exhibit A, ¶ 10
Forms, Figures and Tables	
C-102	Exhibit A-5
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-2 & A-3
General Location Map (including basin)	Exhibit A-1
Well Bore Location Map	Exhibit B-3
Structure Contour Map - Subsea Depth	Exhibit B-4
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-6
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen
Signed Name (Attorney or Party Representative):	<i>Sharon T. Shaheen</i>
Date:	4/6/2021

Tab 2

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

**APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 21793

APPLICATION

Titus Oil & Gas Production, LLC (“Titus”), through its undersigned counsel Montgomery & Andrews, P.A. (Sharon T. Shaheen and John F. McIntyre), hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all mineral interests in the Bone Spring formation (WC-025 G-08 S263412K; Bone Spring [96672]) underlying a standard 240-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the E/2 SE/4 of Section 17 and the E/2 E/2 of Section 20, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico. In support of its application, Titus states as follows:

1. Titus is a working interest owner in the proposed HSU and has the right to drill thereon.
2. Titus proposes to drill the following 1.5-mile well in the proposed HSU:
 - **Cattlemen Fed Com 204H** well, to be horizontally drilled from an approximate surface hole location 2174’ FNL and 922’ FEL of Section 17, T26S-R35E, to an approximate bottom hole location 10’ FSL and 330’ FEL of Section 20, T26S-R35E.
3. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells.

4. Titus has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.

5. Approval of the HSU and the pooling of all mineral interest owners in the Bone Spring formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to permit Titus to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Titus should be designated the operator of the HSU.

WHEREFORE, Titus requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 8, 2021, and that, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 240-acre, more or less, HSU comprised of the E/2 SE/4 of Section 17 and the E/2 E/2 of Section 20, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying the HSU;

C. Allowing the drilling of the following 1.5-mile well in the HSU: Cattlemen Fed Com 204H well;

D. Designating Titus as operator of the HSU and the well to be drilled thereon;

E. Authorizing Titus to recover its costs of drilling, equipping and completing the well;

F. Approving the operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Titus in drilling and completing the well against any interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen

John F. McIntyre

Post Office Box 2307

Santa Fe, NM 87504-2307

(505) 986-2678

sshaheen@montand.com

jmcintyre@montand.com

Attorneys for Titus Oil & Gas Production, LLC

Tab 3

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

**APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 21793

AFFIDAVIT OF WALTER JONES

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

1. I am over the age of 18 and have the capacity to execute this Affidavit, which is based on my personal knowledge.

2. I am a landman employed as Vice President of Land with Titus Oil & Gas Production, LLC (“Titus”), and I am familiar with the subject application and the lands involved.

3. This affidavit is submitted in connection with the filing by Titus of the above-referenced compulsory pooling application pursuant to 19.15.4.12(A)(1) NMAC.

4. 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 previously. My education and work experience are as follows: I graduated from the University of Mississippi in 2005 with a business degree in marketing. From 2007 through 2009, I worked as an independent landman for a broker in the Barnett Shale in the Fort Worth area. From 2009 to 2017, I worked for BOPCO, LP, overseeing assets predominately in Eddy and Lea Counties, New Mexico. I have been with Titus from 2017 to present. I have been working on New Mexico oil and gas matters for approximately 12 years.

Exhibit A
Titus Oil & Gas Production, LLC
NMOCD Case No. 21793
April 8, 2021

5. The purpose of this application is to force pool all uncommitted interest owners, including working interest owners, into the horizontal spacing and proration unit (“HSU”) described below and in the well to be drilled in that unit.

6. No opposition is expected. The interest owners being pooled have been contacted regarding the proposed well but have failed or refused to voluntarily commit their interests in the well.

7. In this case, Titus seeks an order pooling all uncommitted interests in the Bone Spring (Oil) formation (WC-025 G-08 S263412K; Bone Spring [96672]) underlying a standard 240-acre, more or less, HSU comprised of the E/2 SE/4 of Section 17 and the E/2 E/2 of Section 20, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico. Titus proposes to drill the following 1.5-mile well in the HSU: **Cattlemen Fed Com 204H** well, to be horizontally drilled from an approximate surface hole location 2174’ FNL and 922’ FEL of Section 17, T26S-R35E, to an approximate bottom hole location 10’ FSL and 330’ FEL of Section 20, T26S-R35E. The proposed true vertical depth is approximately 10,997’ and the total measured depth is approximately 18,897’. The first take point will be located at approximately 2540’ FSL and 330’ FEL of Section 17-T26S-R35E, and the last take point will be located at approximately 100’ FSL and 330’ FEL of Section 20-T26S-R35E. The completed interval and first and last take points for this well will meet statewide setback requirements for horizontal wells.

8. A general location map, including the basin, is included as **Exhibit A-1**.

9. Maps illustrating the tracts in the proposed HSU and the ownership of each individual tract can be found in **Exhibit A-2**.

10. The ownership breakdown of interests and list of parties to be pooled can be found at **Exhibit A-3**. There are no depth severances in the formation being pooled.

11. A chronology of contacts with the non-joined working interest owners is attached as **Exhibit A-4**.

12. The location of the proposed well within the respective HSU is depicted in the draft C-102 Form attached as **Exhibit A-5**. The draft C-102 Form also indicates the location of the surface hole, the bottom hole, and the first and last take points.

13. I have conducted a diligent search of the public records in Lea County, New Mexico, where the well will be located, and conducted phone directory and computer searches to obtain contact information for parties entitled to notification. I mailed all parties a well proposal, including an Authorization for Expenditure (“AFE”) for the well.

14. **Exhibit A-6** includes a sample copy of the well proposal letter and AFE for the proposed well. The estimated costs of the well set forth in the AFE are fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

15. **Exhibit A-7** includes a copy of the notice letter that was sent with the application to all of the uncommitted interest owners in the proposed HSU.

16. Titus has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

17. Titus requests the Division to approve operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures

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

19. Titus requests that it be designated operator of the well.

20. The Exhibits to this Affidavit were prepared by me, or compiled from Titus's business records.

21. The granting of the Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

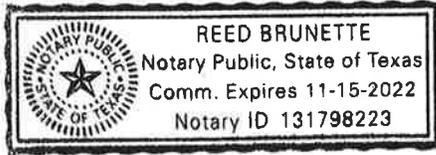
22. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

Walter R Jones
Walter Jones

STATE OF TEXAS)
)ss
COUNTY OF TARRANT)

Subscribed to and sworn before me this 6th day of April, 2021.



Reed Brunette
Notary Public

My Commission expires 11/15/2022.



Cattlemen - Delaware Basin

Lea County, New Mexico; T-26-S, R-35-E

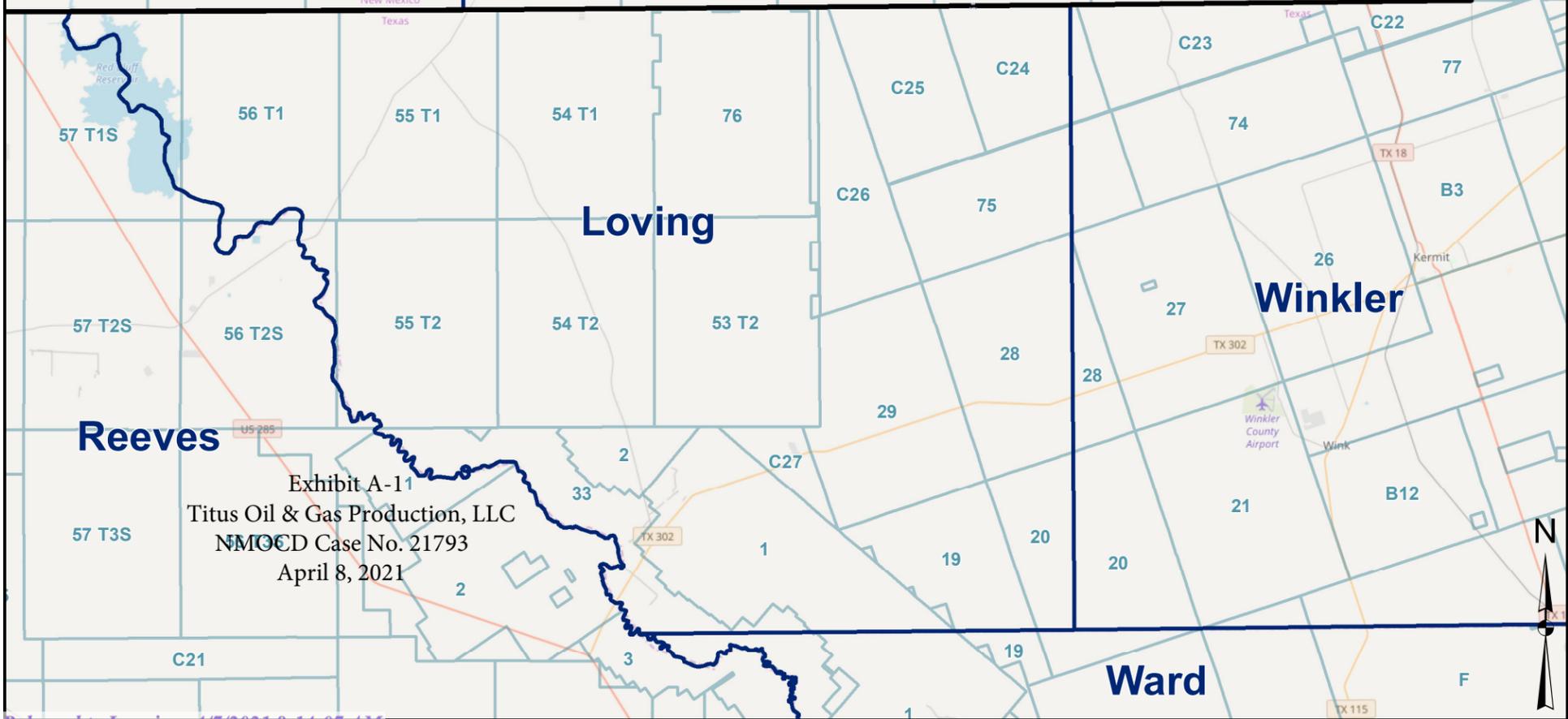
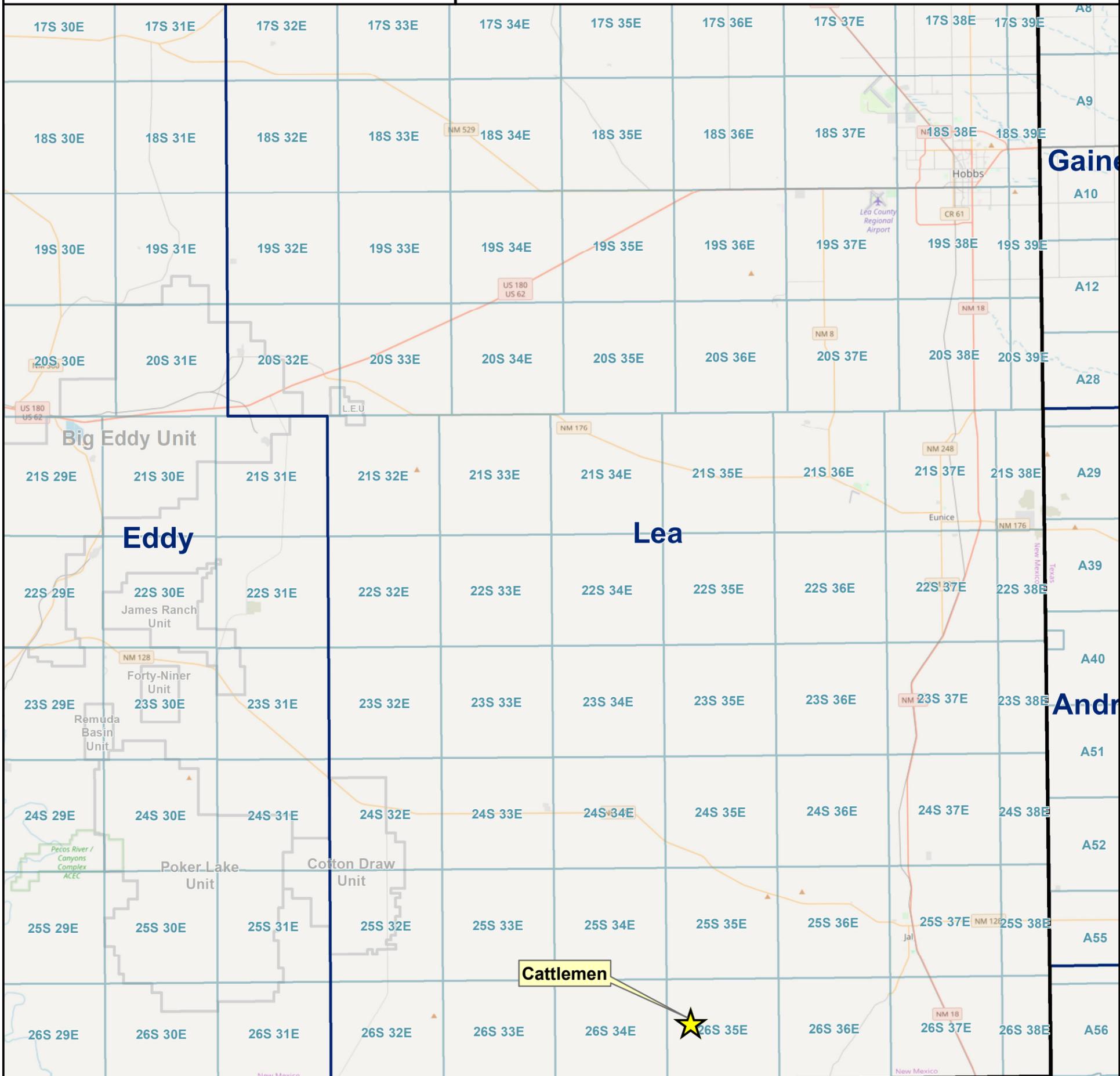
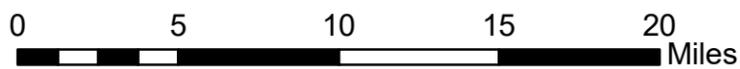


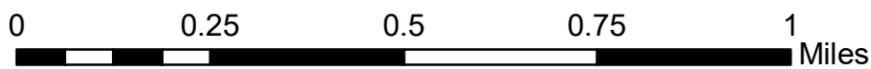
Exhibit A-11
Titus Oil & Gas Production, LLC
NMOCD Case No. 21793
April 8, 2021





TOG - Cattlemen - 21793

Lea County, New Mexico; T-26-S, R-35-E



07

08

09

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17

16

19

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21

30

29

28

26S 34E
26S 35E

Tract 1
Titus Oil & Gas - 60%
Chevron - 20%
Chief Capital - 10%
Allar Company - 10%

Tract 2
Titus Oil & Gas - 100%

Exhibit A-2
Titus Oil & Gas Production, LLC
NMOCD Case No. 21793
April 8, 2021

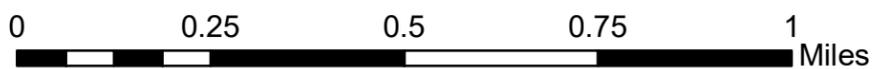
 Cattlemen - 21793





Cattlemen - Unit Ownership - 21793

Lea County, New Mexico; T-26-S, R-35-E



07

08

09

18

17

16

19

20

21

26S 34E
26S 35E

NMNM 110841

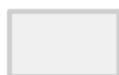
WI Ownership
Titus Oil & Gas - 93.33%
Chevron - 3.33%
Chief - 1.67%
Allar - 1.67%

NMNM 126974

Cattlemen 434H



Unit



Tracts



Planned Wellbores

29

28

Exhibit A-3
Titus Oil & Gas Production, LLC
NMOCD Case No. 21793
April 8, 2021

N



CONTRACT AREA:

T26S-R35E

Section 17: E/2 SE/4

Section 20: E/2 E/2

Lea County New Mexico, containing 240.00 acres, more or less.

DEPTH RESTRICTIONS:

All depths below the base of the Delaware formation.

INTEREST OF THE PARTIES TO THIS AGREEMENT:

Interest Owners	Working Interest
Titus Oil & Gas Production, LLC 420 Throckmorton Street, Suite 1150 Fort Worth, TX 76102 wjones@titusoil.com Attn: Land Department	93.33%
Chevron U.S.A., Inc. 1400 Smith Street Houston, Texas 77002	3.33%
Chief Capital (O&G) II, LLC 8111 Westchester, Suite 900 Dallas, TX 75225	1.67%
Allar Development LLC PO Box 1567 Graham, TX 76450	1.67%
Total:	100.0000%

OIL AND GAS LEASES SUBJECT TO THIS AGREEMENT:

Lessor: United States of America – USA NMNM 110841
 Lessee: Echo Production Inc.
 Date: September 1, 2003
 Description: NE/4 SE/4 of Section 17, T26S, R35E, NMPM
 Lea County, NM

Lessor: United States of America – USA NMNM 126974
 Lessee: Yates Petroleum, et al
 Date: September 1, 2011
 Description: SE/4 SE/4 of Section 17 &
 E/2 E/2 of Section 20, T26S, R35E, NMPM
 Lea County, NM

Contact	Type	Notes	Contact Info
Chevron	Emails and Phone Calls	<p>7/3/2019 - sent (now rescinded) well proposals covering a portion of the Lonesome Dove / Cattlemen acreage</p> <p>7/13/2019 - Titus provided a requested JOA covering the (now rescinded) well proposals for review</p> <p>8/19/2019 - Chevron provided comments to the proposed JOA. I advised that we are waiting on JOA comments from other parties</p> <p>10/24/2019 - Titus provided feedback to Chevron's JOA comments</p> <p>10/30/2019 - Chevron advised that their technical team will be reaching out for further discussion</p> <p>October/November 2019 - various discussions between technical teams took place via phone call</p> <p>January 2020 - After acquiring additional interest in the area, Titus rescinded its 7/3/2019 well proposals and proposed new wells (Cattlemen and Lonesome Dove) with different proration units</p> <p>3/9/2020 - Chevron reached out for drilling timing and Titus advised that it would continue to monitor the pricing environment and advise of any changes to its drill schedule. Titus asked if the previously provided JOA comments would be sufficient for these newly proposed wells</p> <p>3/10/2020 - Chevron advised that the previously provided comments are acceptable, with a couple of clarifications necessary</p> <p>4/14/2020 - Chevron reached out about possible trade discussions involving this acreage</p> <p>6/15/2020 - Chevron advised that their technical group would like to have additional conversations on the proposals</p> <p>June 2020 - Chevron and Titus continue to have ongoing conversations about trades and finalizing a JOA</p> <p>December 2020 - Titus proposed the subject well.</p> <p>Spring 2021 - JOA negotiations are ongoing and should be resolved prior to drilling this well.</p>	<p>Kristen Hunter</p> <p>Shalyce Holmes</p> <p>Scott Sabrsula</p> <p>Chevron</p> <p>Land Representatives</p>
Chief Capital	Emails and Phone Calls	<p>7/3/2019 - sent (now rescinded) well proposals covering a portion of the Lonesome Dove / Cattlemen acreage</p> <p>August/September 2019 - conversations continued about JOA comments and there was an in-person meeting to discuss these proposals as wells as other interests</p> <p>11/13/2019 - Chief provided comments to the JOA</p> <p>1/3/2020 - Titus advised that it had acquired additional interest in the area and new well proposals would follow</p> <p>January 2020 - Titus rescinded its 7/3/2019 well proposals and proposed new wells (Cattlemen and Lonesome Dove) with different proration units</p> <p>1/21/2020 - Chief advised that its previously provided comments will apply to the JOA for the newly proposed wells</p> <p>1/21/2020 - Titus confirmed that it will be the same form of JOA</p> <p>4/21/2020 - Chief reached out for JOA and timing updates</p> <p>4/21/2020 - Titus updated Chief with the latest timing for development and JOA feedback</p> <p>June 2020 - Though a JOA has not been executed, it appears very likely once all parties have provided feedback</p> <p>December 2020 - Titus proposed the subject well.</p> <p>Spring 2021 - JOA negotiations are ongoing and should be resolved prior to drilling this well. Waiting on feedback from Chevron before finalizing JOA.</p>	<p>Lacy Robertson</p> <p>Chief Capital</p> <p>Land Representative</p>
Allar Company	Emails and Phone Calls	<p>7/3/2019 - sent (now rescinded) well proposals covering a portion of the Lonesome Dove / Cattlemen acreage</p> <p>8/15/2019 - Titus reached out for feedback on the well proposals</p> <p>8/19/2019 - Titus reached out again for feedback on the well proposals</p> <p>8/20/2019 - Allar advised that their interests are usually force pooled</p> <p>January 2020 - After acquiring additional interest in the area, Titus rescinded its 7/3/2019 well proposals and proposed new wells (Cattlemen and Lonesome Dove) with different proration units</p> <p>12/2020 - Titus sent the subject proposal and has not heard back from Allar on the new proposals.</p>	<p>Win Graham</p> <p>Jack Graham</p> <p>Allar Company</p>

Exhibit A-4
 Titus Oil & Gas Production, LLC
 NMOCD Case No. 21793
 April 8, 2021

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 96672		3 Pool Name WC-025 G-08 S263412K; Bone Spring	
4 Property Code		5 Property Name CATTLEMEN FED COM		6 Well Number 204H	
7 OGRID No. 373986		8 Operator Name TITUS OIL & GAS PRODUCTION LLC		9 Elevation 3215'	

10 Surface Location

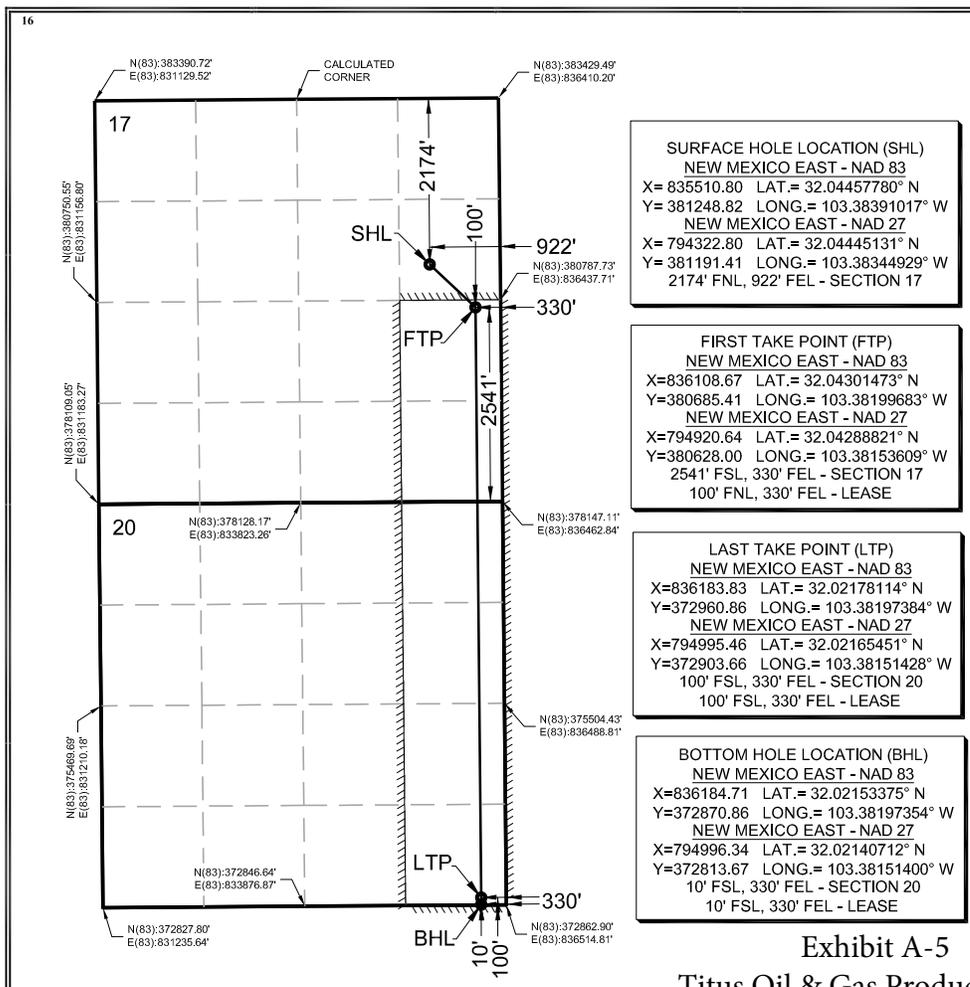
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	17	26-S	35-E		2174'	NORTH	922'	EAST	LEA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	20	26-S	35-E		10'	SOUTH	330'	EAST	LEA

12 Dedicated Acres 240	13 Joint or Infill Y	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.



SURFACE HOLE LOCATION (SHL)
NEW MEXICO EAST - NAD 83
X= 835510.80 LAT.= 32.04457780° N
Y= 381248.82 LONG.= 103.38391017° W
NEW MEXICO EAST - NAD 27
X= 794322.80 LAT.= 32.04445131° N
Y= 381191.41 LONG.= 103.38344929° W
2174' FNL, 922' FEL - SECTION 17

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=836108.67 LAT.= 32.04301473° N
Y=380685.41 LONG.= 103.38199683° W
NEW MEXICO EAST - NAD 27
X=794920.64 LAT.= 32.04288821° N
Y=380628.00 LONG.= 103.38153609° W
2541' FSL, 330' FEL - SECTION 17
100' FNL, 330' FEL - LEASE

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=836183.83 LAT.= 32.02178114° N
Y=372960.86 LONG.= 103.38197384° W
NEW MEXICO EAST - NAD 27
X=794995.46 LAT.= 32.02165451° N
Y=372903.66 LONG.= 103.38151428° W
100' FSL, 330' FEL - SECTION 20
100' FSL, 330' FEL - LEASE

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=836184.71 LAT.= 32.02153375° N
Y=372870.86 LONG.= 103.38197354° W
NEW MEXICO EAST - NAD 27
X=794996.34 LAT.= 32.02140712° N
Y=372813.67 LONG.= 103.38151400° W
10' FSL, 330' FEL - SECTION 20
10' FSL, 330' FEL - LEASE

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either 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.

[Signature] 1/26/2020
Signature Date

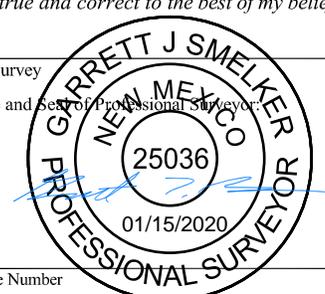
Ryan DeLong - Regulatory Manager
Printed Name

rdelong@titusoil.com
E-mail Address

18 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.

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number

Exhibit A-5
Titus Oil & Gas Production, LLC

NMOCD Case No. 21793

April 8, 2021

Titus Oil & Gas Production, LLC
420 Throckmorton Street, Suite 1150
Fort Worth, Texas 76102

December 31, 2020

USPS

The Allar Company
PO Box 1567
Graham, TX 76450

RE: Cattlemen Fed Com 204H Well Proposal
T26S-R35E
Lea County, New Mexico

Dear Working Interest Owner,

Titus Oil & Gas Production, LLC ("Titus"), as Operator, hereby proposes the drilling of the Cattlemen Fed Com 204H Well ("Subject Well") to an approximate True Vertical Depth of 10,997' and an approximate Total Measured Depth of 18,897' in order to test the Bone Spring formation. The proration unit will include the E2SE4 of Section 17 & E2E2 of Section 20, T26S-R35E, Lea County, New Mexico.

The estimated cost of drilling, completing, and equipping the Subject Well is \$7,275,000 as itemized on the enclosed Authorization for Expenditure ("AFE"), dated December 31, 2020. The Subject Well's surface location will be located approximately 2174' FNL and 922' FEL of Section 17, T26S-R35E. The Subject Well's bottom-hole location will be approximately 10' FSL and 330' FEL of Section 20, T26S-R35E. The Subject Well's first take point will be approximately 2541' FSL and 330' FEL of Section 17, T26S-R35E, and the last take point will be approximately 100' FSL and 330' FEL of Section 20, T26S-R35E. The proposed location and drilling plans described above are subject to change if surface or subsurface issues are encountered which necessitate a change.

In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to Titus within 30 days. Titus proposes the drilling of the well under the terms of a modified AAPL Form 610-1989H Operating Agreement ("JOA"), which is available for your review upon request. The proposed JOA will cover all depths of Section 17: SE4 and Section 20: E2 of T26S-R35E, Lea County, New Mexico. If you would prefer a single well JOA that is also available upon request.

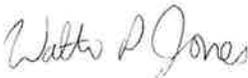
If you do not wish to participate in the drilling of the well, Titus would like to offer the following terms:

- Term Assignment, 3-year primary term
- Overriding Royalty equal to the difference between existing burdens and 20%, proportionately reduced
- \$1,500 per net acre bonus consideration
- This offer expires 60 days from the date of this letter

Titus is also willing to discuss possible trades or other deal structures related to your interest in the Subject Well and the JOA. If an agreement has not been reached within 30 days from the date of this letter, Titus reserves the right to apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest.

Should you have any questions, please feel free to contact the undersigned at the contact information outlined below.

Sincerely,



Walter P. Jones
(817) 852-6875
wjones@titusoil.com

Exhibit A-6
Titus Oil & Gas Production, LLC
NMOCD Case No. 21793
April 8, 2021

Please select one of the following and return:

_____ I/We hereby elect to participate for our proportionate share of the costs detailed in the enclosed AFE associated with the drilling and completion of the Cattlemen Fed Com 204H.

_____ I/We hereby elect **NOT** to participate for our proportionate share of the costs detailed in the enclosed AFE associated with the drilling and completion of the Cattlemen Fed Com 204H.

_____ I/We are interested in selling, trading, or farming out our interest, please contact us to discuss further.

The Allar Company

By: _____

Printed Name: _____

Title: _____

Date: _____

TITUS OIL GAS		Titus Oil & Gas Production, LLC			Prepared by: Smith / Hinkel	
		Proposed Authorization for Expenditure.			Date Prepared: 12/31/2020	
Well Name	Cattleman Fed Com 204H		MD / TVD	18,897'	10,997'	
Legal	T26S-R35E		Cty / State	Lea	NM	
Formation	2nd Bone Spring		Field	Arena Roja		
INTANGIBLE COSTS		DRILL	COMPL	PROD	FAC	TOTAL
Land/ Legal/ Regulatory/ Insurance	\$	43,020	\$ -	\$ -	\$ -	\$ 43,020
Location/ Surveys/ Damages	\$	176,860	\$ 2,336	\$ -	\$ -	\$ 179,196
Daywork Contract	\$	577,423	\$ 204,434	\$ 27,523	\$ -	\$ 809,380
Mob / Trucking / Cranes/ Fork Lift	\$	47,800	\$ 244,231	\$ 8,192	\$ 38,923	\$ 339,146
Fuel & Power	\$	108,984	\$ 2,509	\$ -	\$ -	\$ 111,493
Directional Drilling Services	\$	283,932	\$ -	\$ -	\$ -	\$ 283,932
Bits	\$	92,732	\$ -	\$ -	\$ -	\$ 92,732
Mud & Chemicals	\$	191,200	\$ -	\$ -	\$ -	\$ 191,200
Water	\$	38,240	\$ 243,625	\$ -	\$ -	\$ 281,865
Disposal/ Closed Loop/ HES	\$	143,400	\$ 13,323	\$ 114,912	\$ -	\$ 271,635
Cement/ Csg equip & services	\$	253,340	\$ -	\$ -	\$ -	\$ 253,340
Rental - Surface	\$	119,500	\$ 207,895	\$ 118,296	\$ -	\$ 445,691
Rental - Subsurface	\$	71,700	\$ 39,624	\$ 15,150	\$ -	\$ 126,473
Company Supervision	\$	13,193	\$ 18,687	\$ -	\$ -	\$ 31,880
Contract Supervision	\$	95,208	\$ 67,568	\$ 9,579	\$ -	\$ 172,355
Geologic Evaluation	\$	26,768	\$ 29,848	\$ -	\$ -	\$ 56,616
Perf & Wireline Services	\$	-	\$ 116,535	\$ 8,192	\$ -	\$ 124,728
Contract Labor	\$	27,724	\$ 11,853	\$ 35,364	\$ 123,013	\$ 197,954
Plugging & Abandonment	\$	-	\$ -	\$ -	\$ -	\$ -
Fluid Hauling	\$	-	\$ 22,148	\$ 198,376	\$ -	\$ 220,524
Services Wellhead	\$	11,472	\$ 34,519	\$ 6,302	\$ -	\$ 52,293
Stimulation	\$	-	\$ 978,827	\$ -	\$ -	\$ 978,827
Material Consumables	\$	-	\$ 330,659	\$ -	\$ -	\$ 330,659
Contingency	\$	-	\$ 128,388	\$ 27,094	\$ 8,096	\$ 163,579
Total Intangibles	\$	2,322,493	\$ 2,697,010	\$ 568,980	\$ 170,033	\$ 5,758,516
TANGIBLE COSTS		DRILL	COMPL	PROD	FAC	TOTAL
Casing	\$	595,587	\$ -	\$ -	\$ -	\$ 595,587
Material Tubing and Accs	\$	-	\$ -	\$ 44,113	\$ -	\$ 44,113
Wellhead & Production Tree	\$	66,920	\$ 69,990	\$ 8,083	\$ -	\$ 144,993
Material Subsurface Lift Equipment	\$	-	\$ -	\$ 73,102	\$ -	\$ 73,102
Packers, Liner Hangers	\$	-	\$ -	\$ -	\$ -	\$ -
Material Surface Other	\$	-	\$ -	\$ 10,176	\$ -	\$ 10,176
Compressor	\$	-	\$ -	\$ 38,546	\$ -	\$ 38,546
Tanks	\$	-	\$ -	\$ -	\$ 235,591	\$ 235,591
Production Vessels	\$	-	\$ -	\$ -	\$ 78,530	\$ 78,530
Gas Conditioning/ Dehydration	\$	-	\$ -	\$ -	\$ -	\$ -
Flow Lines	\$	-	\$ -	\$ -	\$ 169,248	\$ 169,248
Valves, Dumps, Controllers	\$	-	\$ -	\$ -	\$ 13,822	\$ 13,822
Electrical / Grounding	\$	-	\$ -	\$ -	\$ 23,559	\$ 23,559
Flares/Combustion/Emission	\$	-	\$ -	\$ -	\$ 18,140	\$ 18,140
Communications	\$	-	\$ -	\$ -	\$ 43,192	\$ 43,192
Meters/LACT/Instrumentation	\$	-	\$ -	\$ -	\$ 27,886	\$ 27,886
Total Tangibles	\$	662,507	\$ 69,990	\$ 174,020	\$ 609,967	\$ 1,516,484
Total DC&E	\$	2,985,000	\$ 2,767,000	\$ 743,000	\$ 780,000	\$ 7,275,000
<i>Non Operating Partner Approval</i>						
Company:		By:		Date:		
Its:						



**MONTGOMERY
& ANDREWS**
LAW FIRM

SHARON T. SHAHEEN
Direct: (505) 986-2678
Email: sshaheen@montand.com
www.montand.com

March 19, 2020

Via U.S. Certified Mail, return receipt requested

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Case No. 21793 - Application of Titus Oil & Gas Production, LLC, for Compulsory Pooling, Lea County, New Mexico – Cattlemen Fed Com 204H (BS)

Dear Interest Owner:

This will advise that pursuant to NMSA 1978, § 70-2-17, Titus Oil & Gas Production, LLC ("Titus") has filed an Application with the New Mexico Oil Conservation Division for an order regarding the proposed well described below. You are receiving this notice because you may have an interest in this well.

Case No.21793: Application of Titus Oil & Gas Production, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (WC-025 G-08 S263412K; Bone Spring [96672]) in a standard 240-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 SE/4 of Section 17 and the E/2 E/2 of Section 20, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico. Applicant proposes to drill the following well: **Cattlemen Fed Com 204H** well, to be horizontally drilled from an approximate surface hole location 2174' FNL and 922' FEL of Section 17, T26S-R35E, to an approximate bottom hole location 10' FSL and 330' FEL of Section 20, T26S-R35E. The completed interval and first and last take points for this well will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 13 miles southwest of Jal, New Mexico.

Exhibit A-7
Titus Oil & Gas Production, LLC
NMOCD Case No. 21793
April 8, 2021

All Interest Owners
March 19, 2021
Page 2

The attached application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on **April 8, 2021** beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony.

Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by **March 31, 2021**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by **April 1, 2021**, in accordance with Division Rule 19.15.4.13 NMAC.

Please feel free to contact me if you have any questions about this application.

Very truly yours,

/s/Sharon T. Shaheen

Sharon T. Shaheen

STS/lt
Enclosure
cc: Titus Oil & Gas Production, LLC, *via email*

EXHIBIT A

INTEREST OWNERS

Working Interest Party(ies):

Allar Company
P. O. Box 1567
Graham, TX 76450

Chevron U.S.A., Inc.
1400 Smith Street
Houston, TX 77002

Chief Capital (O&G) II LLC
8111 Westchester, Suite
900
Dallas, TX 75225

Additional Interested Party(ies):

Bureau of Land Management
414 W. Taylor
Hobbs, NM 88240-1157

State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

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

**APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 21793

APPLICATION

Titus Oil & Gas Production, LLC (“Titus”), through its undersigned counsel Montgomery & Andrews, P.A. (Sharon T. Shaheen and John F. McIntyre), hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all mineral interests in the Bone Spring formation (WC-025 G-08 S263412K; Bone Spring [96672]) underlying a standard 240-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the E/2 SE/4 of Section 17 and the E/2 E/2 of Section 20, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico. In support of its application, Titus states as follows:

1. Titus is a working interest owner in the proposed HSU and has the right to drill thereon.
2. Titus proposes to drill the following 1.5-mile well in the proposed HSU:
 - **Cattlemen Fed Com 204H** well, to be horizontally drilled from an approximate surface hole location 2174’ FNL and 922’ FEL of Section 17, T26S-R35E, to an approximate bottom hole location 10’ FSL and 330’ FEL of Section 20, T26S-R35E.
3. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells.

4. Titus has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.

5. Approval of the HSU and the pooling of all mineral interest owners in the Bone Spring formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to permit Titus to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Titus should be designated the operator of the HSU.

WHEREFORE, Titus requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 8, 2021, and that, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 240-acre, more or less, HSU comprised of the E/2 SE/4 of Section 17 and the E/2 E/2 of Section 20, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying the HSU;

C. Allowing the drilling of the following 1.5-mile well in the HSU: Cattlemen Fed Com 204H well;

D. Designating Titus as operator of the HSU and the well to be drilled thereon;

E. Authorizing Titus to recover its costs of drilling, equipping and completing the well;

F. Approving the operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Titus in drilling and completing the well against any interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen

John F. McIntyre

Post Office Box 2307

Santa Fe, NM 87504-2307

(505) 986-2678

sshaheen@montand.com

jmcintyre@montand.com

Attorneys for Titus Oil & Gas Production, LLC

Tab 4

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

**APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 21793

AFFIDAVIT OF ALLEN FRIERSON

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

1. I am over the age of 18 and have the capacity to execute this Affidavit, which is based on my personal knowledge.

2. I am a petroleum geologist employed as the Geology Manager for Titus Oil & Gas Production, LLC (“Titus”) and familiar with the subject application and geology involved.

3. This affidavit is submitted in connection with the filing by Titus of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.

4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record. My education and work experience are as follows: I graduated from Washington & Lee University with a bachelor of science degree in geology. I received a master of science degree in geology from the Colorado School of Mines and a master of business administration degree from the University of Oklahoma. I have been employed at Titus as a petroleum geologist since 2017 to the present. Prior to working at Titus, I was with Devon Energy from 2013 to 2017. I have been working on New Mexico oil and gas matters for approximately five years.

5. **Exhibit B-1** is a geological summary for the proposed horizontal spacing unit (“HSU”) and related well, the Cattlemen Fed Com 204H.

6. **Exhibit B-2** is a locator map with the cross-section indicated.
7. **Exhibit B-3** includes the spacing unit schematic for the above-referenced application, which illustrate the location of the HSU outlined by a red-hashed polygon; the approximate location of the proposed well; and the wells in the two-well cross-section referenced in the stratigraphic cross-section exhibit (Exhibit B-6).
8. **Exhibit B-4** is a structure map. The red-hashed polygon indicates the proposed HSU. The contour intervals of the structure map are 50' contour intervals and are green lines on the map with depth labels. Data control points are posted in pink. I do not observe any faulting, pinch-outs, or other geologic impediments or hazards to developing this targeted interval with a horizontal well.
9. **Exhibit B-5** is an isopach map, which is formatted similarly to the structure map (Exhibit B-4). Contour intervals are 20' on this map. Exhibit B-5 indicates that this well is placed in a zone that is consistently greater than 285' thick for the entirety of the lateral. Exhibit B-5 further supports that there are no interpreted faults, pinch-outs, or other geologic impediments or hazards to developing this targeted interval with a horizontal well.
10. **Exhibit B-6** is a stratigraphic cross-section portraying a triple combo log. Track 1 is the gamma ray log, which is scaled from 0 to 150 api units. Track 2 consists of neutron (blue) and density (red) porosity logs scaled from 40% to -10%. The green shading on the density porosity log is greater than 6%. Track 3 is the deep resistivity log from 0.2 ohmm to 2000 ohmm. The red shading on the curve is greater than 20 ohmm. A combination of these logs was used to determine "pay" and select the landing zone for the well. The cross-section identifies the key tops used to evaluate the reservoir and landing target for the proposed well. A simplified wellbore is

on the cross-section showing the landing target interval in the Northwest to Southeast stratigraphic cross-section.

11. **Exhibit B-7** contains a gunbarrel diagram. This shows the approximate landing zone in reference to the type logs for the area, and the associated spacing of the wellbore within the HSU.

12. The measured depth is approximately 18,897' and the true vertical depth is approximately 10,997' for the well.

13. The true vertical depth of the target formation is approximately 10,733' (Top of the Second Bone Spring Shale) to approximately 11,042' (Base of the Second Bone Spring Shale) based on the Beckham 19 1 (API: 30025370) type log.

14. Based on my geologic study of the area, I conclude the following:

- a. The horizontal spacing and proration unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter-quarter section in the unit will contribute more or less equally to production.
- d. The preferred well orientation in this area is north-south. This is because the inferred orientation of the maximum horizontal stress is roughly east-west.

15. The Exhibits to this Affidavit were prepared by me, or compiled from Titus's business records.

16. The granting of this Application is in the interests of conservation and the prevention of waste.

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

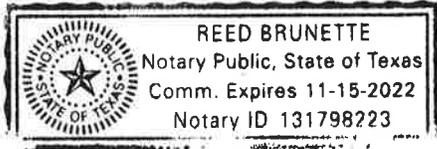
FURTHER AFFIANT SAYETH NAUGHT

Allen Frierson

Allen Frierson

STATE OF TEXAS)
)ss
COUNTY OF TARRANT)

Subscribed to and sworn before me this 5TH day of April, 2021.



Reed Brunette

Notary Public

My Commission expires 11/15/2022.

Summary

Bone Spring Pooling – Lea County, New Mexico

Titus Oil & Gas Production, LLC (“Titus”) seeks an order from the Division pooling all uncommitted interests in the Bone Spring (Oil) formation (WC-025 G-08 S263412K; Bone Spring [96672]) in a standard 240-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the E/2 SE/4 of Section 17 and the E/2 E/2 of Section 20, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico. Applicant proposes to drill the following well: **Cattlemen Fed Com 204H** well, to be horizontally drilled from an approximate surface hole location 2174’ FNL and 922’ FEL of Section 17, T26S-R35E, to an approximate bottom hole location 10’ FSL and 330’ FEL of Section 20, T26S-R35E. The completed interval and first and last take points for this well will meet statewide setback requirements for horizontal wells. The well will target the 2nd Bone Spring at an approximate True Vertical Depth of 10,997’.

The well will be drilled from north-to-south for a couple of reasons. Published literature related to the maximum horizontal stress in this part of the Delaware Basin supports a near east-to-west orientation; thus, preferred drilling orientation is orthogonal to this in order to complete a more successful stimulation. Also, this aligns with the remainder of Titus’ planned development in the adjoining tracts, and therefore, doesn’t strand any acreage or reserves.

No depth severances apply.

See attached exhibits for spacing unit schematic, gunbarrel/lateral trajectory schematic, and horizontal spacing unit cross-section.

Exhibit B-1
Titus Oil & Gas Production, LLC
NMOCD Case No. 21793
April 8, 2021

Locator Map

With Cross-Section

-  Pooling outline
-  Cross-Section line

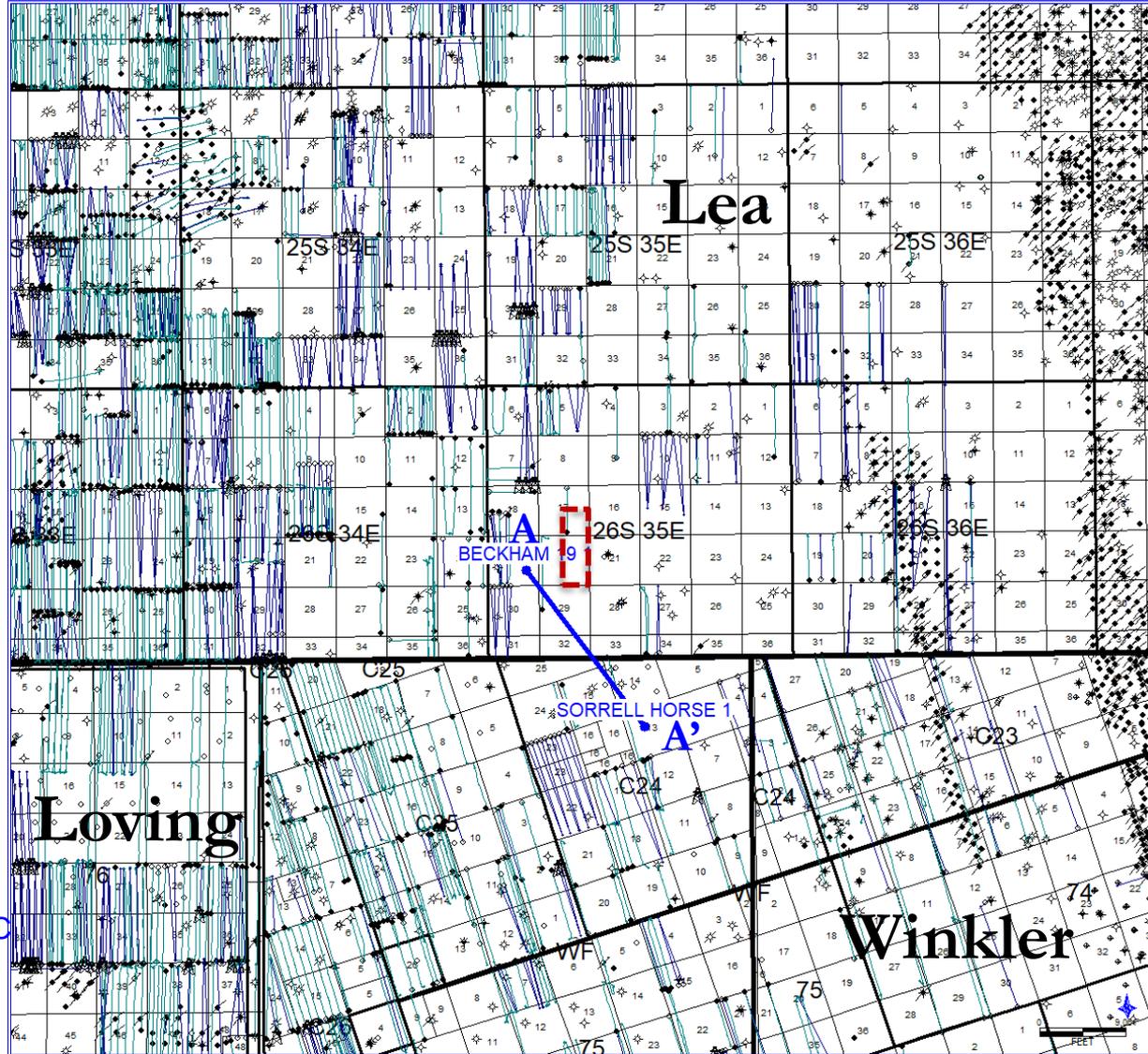


Exhibit B-2

Titus Oil & Gas Production LLC

NMOCD Case No. 21793

April 8, 2021

Spacing Unit Schematic

With Approximate Well Location

-  Pooling outline
-  Cross-Section line
-  Cattlemen Fed Com 204H Wellbore

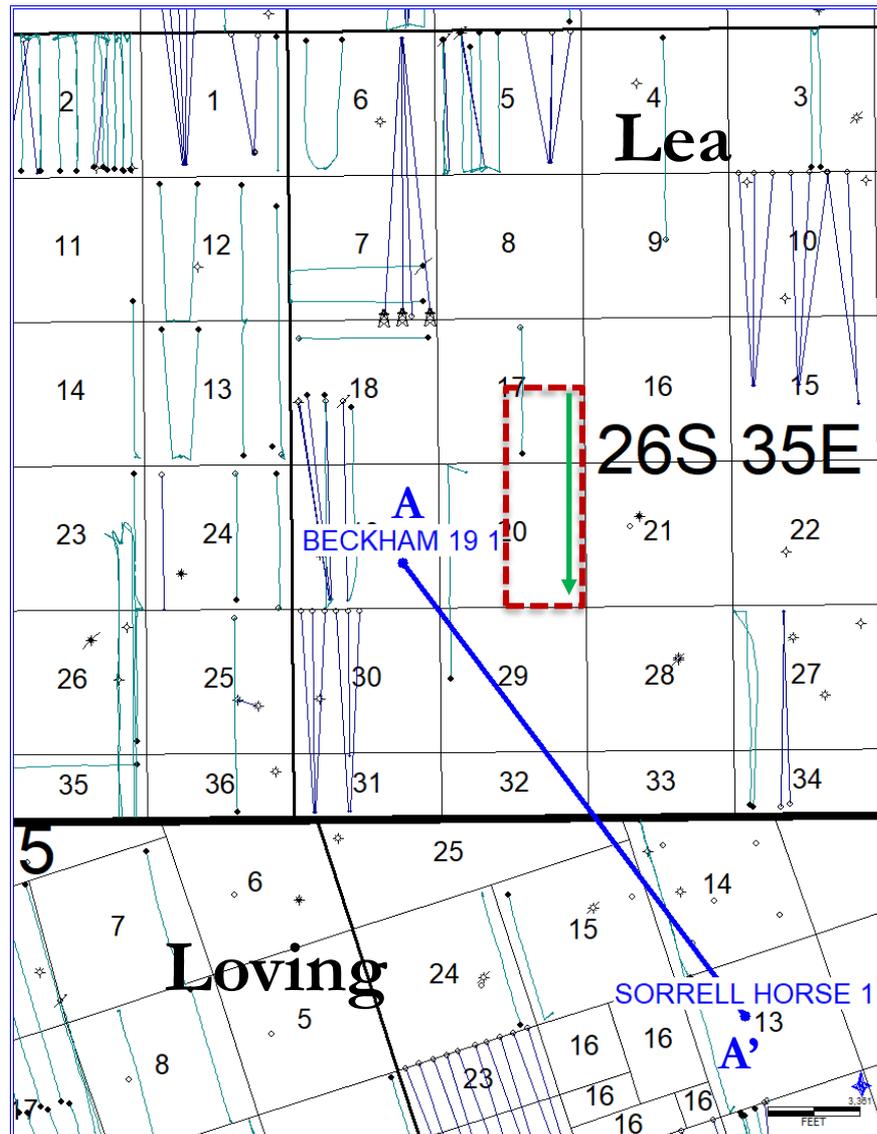


Exhibit B-3

Titus Oil & Gas Production, LLC

NMOCD Case No. 21793

April 8, 2021

2nd Bone Spring Shale Isopach Map

Contour Interval: 20 ft.

-  Pooling outline
-  Cross-Section line
-  Cattlemen Fed Com 204H Wellbore
-  2nd Bone Spring Shale isopach contours
-  Control points

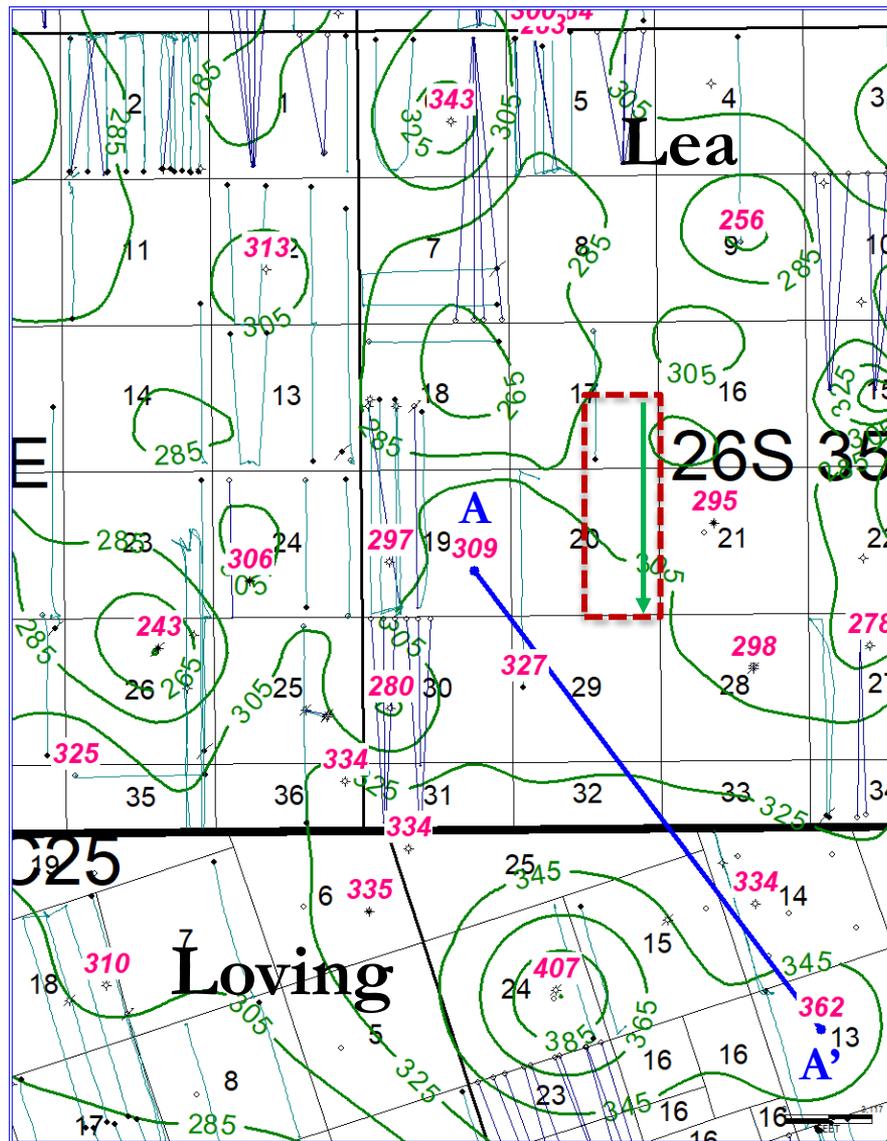


Exhibit B-5

Titus Oil & Gas Production, LLC

NMOCD Case No. 21793

April 8, 2021

HSU Cross-Section

Petrophysical Logs Support 2nd Bone Spring Shale Target / Landing Zone

A

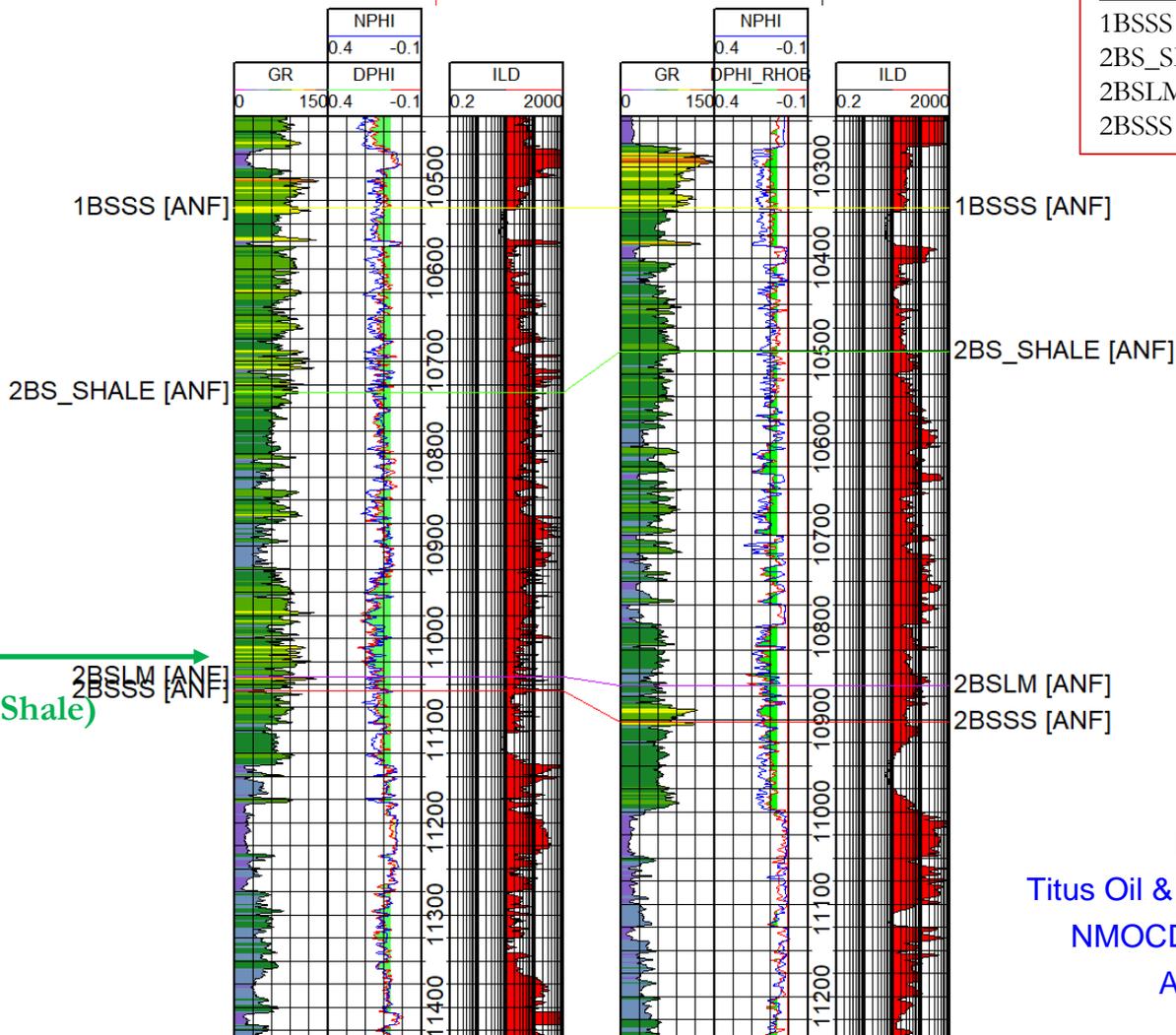
T26S R35E S19
30025370800000
BECKHAM 19 1

BC24 S13
42301303570000
SORRELL HORSE 1

A'

Formation Top Key:

- 1BSSS – 1st Bone Spring Sandstone
- 2BS_SHALE – 2nd Bone Spring Shale
- 2BSLM – 2nd Bone Spring Lime
- 2BSSS – 2nd Bone Spring Sandstone



Cattleman
Fed Com 204H
Target
(2nd Bone Spring Shale)

Exhibit B-6
Titus Oil & Gas Production, LLC
NMOCD Case No. 21793
April 8, 2021

Tab 5

USPS Tracking®

[FAQs >](#)

[Certified Mailings/Return
Receipt Requested](#)

[Track Another Package +](#)

Tracking Number: 70151730000097743370

[Remove X](#)

Your item was delivered at 10:40 am on March 23, 2021 in GRAHAM, TX 76450.

 **Delivered**

March 23, 2021 at 10:40 am
GRAHAM, TX 76450

Allar Company
PO Box 1567
Graham, TX 76450

Feedback

Get Updates 

Text & Email Updates 

Tracking History 

Product Information 

See Less 

Can't find what you're looking for?

Go to our [FAQs](#) section to find answers to your tracking questions.

[EXHIBIT A - Affidavit of Notice](#)

USPS TRACKING#



9590 9402 1258 5246 3404 08

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•



MONTGOMERY
& ANDREWS
LAW FIRM

100 Sun Avenue, NE, Suite 410
Albuquerque, New Mexico 87109

Titus/Cattlemen 204H (BS)
15412-2006/STS
Notice Letter

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE
CERTIFIED MAIL



7015 1730 0000 9774 3370
7015 1730 0000 9774 3370

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

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

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	\$

SANTA FE NM
MAR 19 2021
Here
USPO 87504

Postage \$
Allar Company
P. O. Box 1567
Graham, TX 76450

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:

Allar Company
P. O. Box 1567
Graham, TX 76450



9590 9402 1258 5246 3404 08

2. Article Number (Transfer from service label)

7015 1730 0000 9774 3370

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- 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

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

USPS Tracking®

[FAQs >](#)

[Track Another Package +](#)

Tracking Number: 70151730000097743387

[Remove X](#)

Your item was delivered at 1:26 pm on March 24, 2021 in HOUSTON, TX 77002.

 **Delivered**

[Chevron U.S.A., Inc.](#)
[1400 Smith Street](#)
[Houston, TX 77002](#)

March 24, 2021 at 1:26 pm
HOUSTON, TX 77002

Feedback

Get Updates 

Text & Email Updates 

Tracking History 

Product Information 

See Less 

Can't find what you're looking for?

Go to our [FAQs](#) section to find answers to your tracking questions.

USPS TRACKING#



9590 9402 1258 5246 3404 22

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•



MONTGOMERY
& ANDREWS
LAW FIRM

100 Sun Avenue, NE, Suite 410
Albuquerque, New Mexico 87109

Titus/Cattlemen 204H (BS)
15412-2006/STS
Notice Letter

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.
CERTIFIED MAIL



7015 1730 0000 9774 3387
7015 1730 0000 9774 3387

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

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

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	\$

SANTA FE NM
Postmark
MAR 19 2021
USPO 87504

Postage

Chevron U.S.A., Inc.
1400 Smith Street
Houston, TX 77002

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:

Chevron U.S.A., Inc.
1400 Smith Street
Houston, TX 77002



9590 9402 1258 5246 3404 22

2. Article Number (Transfer from service label)

7015 1730 0000 9774 3387

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

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

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery
- Priority Mail Express®

USPS Tracking®

[FAQs >](#)

[Track Another Package +](#)

Tracking Number: 70151730000097743394

[Remove X](#)

Your item was delivered to the front desk, reception area, or mail room at 12:12 pm on March 23, 2021 in DALLAS, TX 75225.

Delivered, Front Desk/Reception/Mail Room

March 23, 2021 at 12:12 pm
DALLAS, TX 75225

[Chief Capital \(O&G\) II, LLC](#)
[8111 Westchester, Suite 900](#)
[Dallas, TX 75225](#)

Feedback

Get Updates 

Text & Email Updates



Tracking History



Product Information

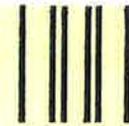


See Less 

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USPS TRACKING#

First-Class Mail
 Postage & Fees Paid
 USPS
 Permit No. G-10

9590 9402 1258 5246 3404 39

United States Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•



MONTGOMERY & ANDREWS
LAW FIRM

100 Sun Avenue, NE, Suite 410
Albuquerque, New Mexico 87109

Titus/Cattlemen 204H (BS)
15412-2006/STS
Notice Letter

CERTIFIED MAIL



7015 1730 0000 9774 3394

7015 1730 0000 9774 3394

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

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

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 \$ _____

Chief Capital (O&G) II LLC
8111 Westchester, Suite 900
Dallas, TX 75225

SANTA FE NM
 MAR 19 2021
 USPO 87504

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:

Chief Capital (O&G) II LLC
 8111 Westchester, Suite 900
 Dallas, TX 75225



9590 9402 1258 5246 3404 39

2. Article Number (Transfer from service label)

7015 1730 0000 9774 3394

COMPLETE THIS SECTION ON DELIVERY

A. Signature _____ 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 checked="" 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	

USPS Tracking®

[FAQs >](#)

[Track Another Package +](#)

Tracking Number: 70151730000097743400

[Remove X](#)

Your item has been delivered to an agent for final delivery in HOBBS, NM 88240 on March 22, 2021 at 9:45 am.

Delivered to Agent for Final Delivery

March 22, 2021 at 9:45 am
HOBBS, NM 88240

[Bureau of Land Management](#)
[414 W. Taylor](#)
[Hobbs, NM 88240-1157](#)

[Feedback](#)

Get Updates 

Text & Email Updates



Tracking History



Product Information



See Less 

Can't find what you're looking for?

Go to our [FAQs](#) section to find answers to your tracking questions.

USPS TRACKING#



9590 9402 1258 5246 3404 46

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•



MONTGOMERY
& ANDREWS
LAW FIRM

100 Sun Avenue, NE, Suite 410
Albuquerque, New Mexico 87109

Titus/Cattlemen 204H (BS)
15412-2006/STS
Notice Letter

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE
CERTIFIED MAIL®



7015 1730 0000 9774 3400
7015 1730 0000 9774 3400

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

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

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 \$

SANTA FE NM
MAR 19 2021
Postmark Here
USPO 87504

Postage
Bureau of Land Management
414 W. Taylor
Hobbs, NM 88240-1157

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:

Bureau of Land Management
414 W. Taylor
Hobbs, NM 88240-1157



9590 9402 1258 5246 3404 46

2. Article Number (Transfer from service label)

7015 1730 0000 9774 3400

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
X 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 checked="" 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"/> Restricted Delivery | |

USPS Tracking®

[FAQs >](#)

[Track Another Package +](#)

Tracking Number: 70151730000097743417

[Remove X](#)

Your item has been delivered and is available at a PO Box at 6:58 am on March 23, 2021 in SANTA FE, NM 87501.

Delivered, PO Box

March 23, 2021 at 6:58 am
SANTA FE, NM 87501

State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

[Feedback](#)

Get Updates 

Text & Email Updates



Tracking History



Product Information



See Less 

Can't find what you're looking for?

Go to our [FAQs](#) section to find answers to your tracking questions.

USPS TRACKING#



9590 9402 1258 5246 3404 53

United States Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•



MONTGOMERY & ANDREWS
LAW FIRM

100 Sun Avenue, NE, Suite 410
Albuquerque, New Mexico 87109

Titus/Cattlemen 204H (BS)
15412-2006/ST\$
Notice Letter

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

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

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

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 \$ _____

State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

7015 1730 0000 9774 3417
7015 1730 0000 9774 3417

SANTA FE NM
MAR 19 2021
USPO 87504

PLAQUE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL®

or 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:

State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

2. Article Number (Transfer from service label)

7015 1730 0000 9774 3417

3. Service Type

Adult Signature

Adult Signature Restricted Delivery

Certified Mail®

Certified Mail Restricted Delivery

Collect on Delivery

Collect on Delivery Restricted Delivery

Insured Mail

Priority Mail Express®

Registered Mail™

Registered Mail Restricted Delivery

Return Receipt for Merchandise

Signature Confirmation™

Signature Confirmation Restricted Delivery

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X 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

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

Domestic Return Receipt

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

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

Beginning with the issue dated
March 24, 2021
and ending with the issue dated
March 24, 2021.



Publisher

Sworn and subscribed to before me this
24th day of March 2021.



Business Manager

My commission expires
January 29, 2023
(Seal)



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 March 24, 2021

To the following entities, individuals, their heirs, personal representatives, trustees, successors or assigns, and any other uncommitted interest owners:

Allar Company; Chevron U.S.A., Inc.; Chief Capital (O&G) II, LLC; Bureau of Land Management; State Land Office.

Titus Oil & Gas Production, LLC, has filed an application with the New Mexico Oil Conservation Division as follows:

Case No. 21793. Application of Titus Oil & Gas Production, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (WC-025 G-08 S263412K; Bone Spring [96672]) in a standard 240-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 SE/4 of Section 17 and the E/2 E/2 of Section 20, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico. Applicant proposes to drill the following well: **Cattlemen Fed Com 204H** well, to be horizontally drilled from an approximate surface hole location 2174' FNL and 922' FEL of Section 17, T26S-R35E, to an approximate bottom hole location 10' FSL and 330' FEL of Section 20, T26S-R35E. The completed interval and first and last take points for this well will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 13 miles southwest of Jal, New Mexico.

This application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division in Santa Fe, New Mexico on **April 8, 2021, at 8:15 a.m.** During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on **April 8, 2021** beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance by **March 31, 2021**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by **April 1, 2021**, in accordance with Division Rule 19.15.4.13 NMAC. For further information, contact the applicant's attorney, Sharon T. Shaheen, Montgomery & Andrews, P.A., 325 Paseo de Peralta, Santa Fe, New Mexico 87501, (505) 986-2678. #36318

01101398

00252343

SHARON T. SHAHEEN
MONTGOMERY & ANDREWS, P.A.
P.O. BOX OFFICE BOX 2307
A/C 451986
SANTA FE,, NM 87504-2307

**EXHIBIT B -
Affidavit of Notice**