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

APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC TO AMEND ORDER NO. R-21922, LEA COUNTY, NEW MEXICO

Case No. 23010 Order No. R-21922 (Re-Open)

APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC TO AMEND ORDER NO. R-21923, LEA COUNTY, NEW MEXICO

Case No. 23011 Order No. R-21923 (Re-Open)

MOTION TO REPLACE TITUS OIL & GAS PRODUCTION, LLC WITH FASKEN OIL AND RANCH, LTD. AS APPLICANT

Applicant TITUS OIL & GAS PRODUCTION, LLC ("Titus") and Fasken Oil and Ranch, Ltd. ("Fasken") hereby request that the Division approve replacement of Titus by Fasken as Applicant in this matter. In support of this request, Titus and Fasken state the following.

1. As explained in the exhibits submitted in support of Order Nos. R-21922 (Case No. 21619) and R-21923 (Case No. 21620), Titus and Fasken entered into a joint operating agreement ("JOA") naming Fasken as operator effective February 1, 2021. Working interest owners were informed of the JOA and change in operator by certified mail on August 18, 2021. Applications of Titus Oil & Gas, LLC for Compulsory Pooling, Lea County, New Mexico, Case Nos. 21619-21620, Exhibits filed Sept. 30, 2021 for hearing on Oct. 7, 2021), Exhibit A at 4, ¶ 13; *see id.* at 5, ¶ 9 and Exhibit A-7, attached thereto (identifying notice letter regarding change in operator).

2. As further explained in the previous exhibits, Titus and Fasken planned to submitt a change of operator C-145 to effectuate the agreement between the parties after the permits to drill have been approved. *See id.* at 5, \P 24.

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3. The permits to drill have not yet been approved by the Bureau of Land

Management ("BLM") and therefore Titus and Fasken have not yet submitted the change of operator.

Recently, Titus conveyed its interests in the spacing units to a third party.
Consequently, Titus no longer has an interest in the spacing units.

5. Fasken continues to own an interest in the spacing units.

6. Titus and Fasken anticipate that the BLM permits will be approved shortly, and a change of operator will be filed with the Division at that time.

7. It would be prudent to replace Titus with Fasken as the operator under Order Nos. R-21922 and R-21923 while they await approval of the permits and submission of the change of operator to the Division. An order replacing Titus with Fasken would result in a clear record while approvals of the permit and change of operator are pending.

8. No other parties have entered an appearance in these matters.

WHEREFORE, Titus and Fasken request that Titus be replaced by Fasken as Applicant in these matters.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: /s/Sharon T. Shaheen

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