

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

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

**CASE NO. 23244**

**HEARING EXHIBITS**

Compulsory Pooling Checklist

- |           |  |
|-----------|--|
| Exhibit A | Self-Affirmed Statement of Matt Solomon                              |
| A-1       | Application & Proposed Notice of Hearing                             |
| A-2       | C-102s   |
| A-3       | Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation |
| A-4       | Sample Well Proposal Letter & AFEs                                   |
| A-5       | Chronology of Contact  |
| Exhibit B | Self-Affirmed Statement of Jason Asmus                               |
| B-1       | Resume of Jason Asmus  |
| B-2       | Location Map   |
| B-3       | First Bone Spring Sand Subsea Structure Map                          |
| B-4       | Second Bone Spring Sand Subsea Structure Map                         |
| B-5       | Structural Cross-Section   |
| B-6       | Gun Barrel Development Proposal                                      |
| Exhibit C | Self-Affirmed Statement of Dana S. Hardy                             |
| C-1       | Sample Notice Letter to All Interested Parties                       |
| C-2       | Chart of Notice to All Interested Parties                            |
| C-3       | Copies of Certified Mail Receipts and Returns                        |
| C-4       | Affidavit of Publication of December 21, 2022                        |

# COMPULSORY POOLING APPLICATION CHECKLIST

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

<b>Case: 23244</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date:</b>	<b>January 5, 2023</b>
Applicant	Earthstone Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID # 331165
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Earthstone Operating, LLC, for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	Jalapeno Corporation; MRC Delaware Resources, LLC
Well Family	Bel-Air 5-8 Fed Com
<b>Formation/Pool</b>	
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:	Corbin; Bone Spring, South [13160] Tonto; Bone Spring, [59475]
Well Location Setback Rules:	Standard
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	321.48
Building Blocks:	quarter-quarter
Orientation:	North/South
Description: TRS/County	Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 5 and the E/2 E/2 of Section 8, Township 19 South, Range 33 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
<b>Well(s)</b>	
Well #1	<b>Bel-Air 5-8 Fed 1BS Com 4H</b> SHL: 125' FSL & 1655' FEL (Unit O), Section 32, T18S, R33E BHL: 100' FSL & 920' FEL (Unit P) Section 8, T19S, R33E Completion Target: First Bone Spring, (Approx. 8,902' TVD)

Well #2	<b>Bel-Air 5-8 Fed 2BS Com 8H</b> SHL: 225' FSL & 1655' FEL (Unit O), Section 32, T18S,R33E BHL: 100' FSL & 920' FEL (Unit P), Section 8, T19S, R33E Completion Target: Second Bone Spring, (Approx. 8,902' TVD)
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$7,500
Production Supervision/Month \$	\$750
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
<b>Revised Fig Imaging Table</b>	

C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-2
Well Bore Location Map	Exhibit B-3, B-4
Structure Contour Map - Subsea Depth	Exhibit B-3, B-4
Cross Section Location Map (including wells)	Exhibit B-5
Cross Section (including Landing Zone)	Exhibit B-5
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Dana S. Hardy
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Dana S. Hardy
<b>Date:</b>	1/3/2023

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

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

**CASE NO. 23244**

**SELF-AFFIRMED STATEMENT  
OF MATT SOLOMON**

1. I am a Senior Landman with Earthstone Operating, LLC (“Earthstone”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of Earthstone’s Application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit. Therefore, I do not expect any opposition at hearing.

4. Earthstone applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 321.48-acre, more or less, standard horizontal spacing unit comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 5 and the E/2 E/2 of Section 8, Township 19 South, Range 33 East, Lea County, New Mexico (“Unit”).

5. The Unit will be dedicated to the following wells (“Wells”), which will be completed in the Corbin; Bone Spring, South Pool (Code 13160) and in the Tonto; Bone Spring Pool (Code 59475).

- **Bel-Air 5-8 Fed 1BS Com 4H** well, to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 32, Township 18 South, Range 33 East to a

**Earthstone Operating, LLC  
Case No. 23244  
Exhibit A**

bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 19 South, Range 33 East; and

- **Bel-Air 5-8 Fed 2BS Com 8H** well, to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 32, Township 18 South, Range 33 East to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 19 South, Range 33 East.

6. **Exhibit A-2** contains the C-102s for the Wells.

7. **Exhibit A-3** contains a plat that identifies ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Earthstone seeks to pool highlighted in yellow.

8. Earthstone has conducted a diligent search of all county public records including phone directories and computer databases.

9. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to the working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

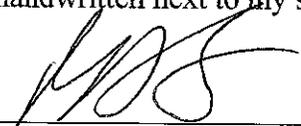
10. In my opinion, Earthstone made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit A-5**.

11. Earthstone requests overhead and administrative rates of \$7,500.00 per month while the Wells are being drilled and \$750.00 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by Earthstone and other operators in the vicinity.

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

13. In my opinion, the granting of Earthstone's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

14. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony 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.

  
\_\_\_\_\_  
Matt Solomon

1.3.2023  
Date

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

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

**CASE NO. 23244**

**APPLICATION**

Pursuant to NMSA 1978, § 70-2-17, Earthstone Operating, LLC (OGRID No. 331165) (“Earthstone” or “Applicant”) applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 321.48-acre, more or less, standard horizontal spacing unit comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 5 and the E/2 E/2 of Section 8, Township 19 South, Range 33 East, Lea County, New Mexico (“Unit”). In support of this application, Earthstone states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the following wells (“Wells”)
  - a. The **Bel-Air 5-8 Fed 1BS Com 4H** well, to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 32, Township 18 South, Range 33 East to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 19 South, Range 33 East; and
  - b. The **Bel-Air 5-8 Fed 2BS Com 8H** well, to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 32, Township 18 South, Range 33 East to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 19 South, Range 33 East.
3. The completed intervals of the Wells will be orthodox.

**Earthstone Operating, LLC  
Case No. 23244  
Exhibit A-1**

4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.

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

6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated as the operator of the Wells and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 5, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;
- E. Approving the actual operating charged and costs of supervision while drilling and after completion, together with a provision adjusting the rated pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

ypena@hinklelawfirm.com

*Counsel for Earthstone Operating, LLC*

**Application of Earthstone Operating, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 321.48-acre, more or less, standard horizontal spacing unit comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 5 and the E/2 E/2 of Section 8, Township 19 South, Range 33 East, Lea County, New Mexico (“Unit”). The Unit will be dedicated to the **Bel-Air 5-8 Fed 1BS Com 4H** and **Bel-Air 5-8 Fed 2BS Com 8H** wells, which will be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 32, Township 18 South, Range 33 East to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 19 South, Range 33 East. The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 33 miles west of Hobbs, New Mexico.

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

<sup>1</sup> API Number		<sup>2</sup> Pool Code 13160; 59475		<sup>3</sup> Pool Name Corbin; Bone Spring, South & Tonto; Bone Spring	
<sup>4</sup> Property Code		<sup>5</sup> Property Name BEL-AIR 5-8 FED 1BS COM			<sup>6</sup> Well Number 4H
<sup>7</sup> OGRID No. 331165		<sup>8</sup> Operator Name EARTHSTONE OPERATING, LLC			<sup>9</sup> Elevation 3724.6

<sup>10</sup> Surface Location

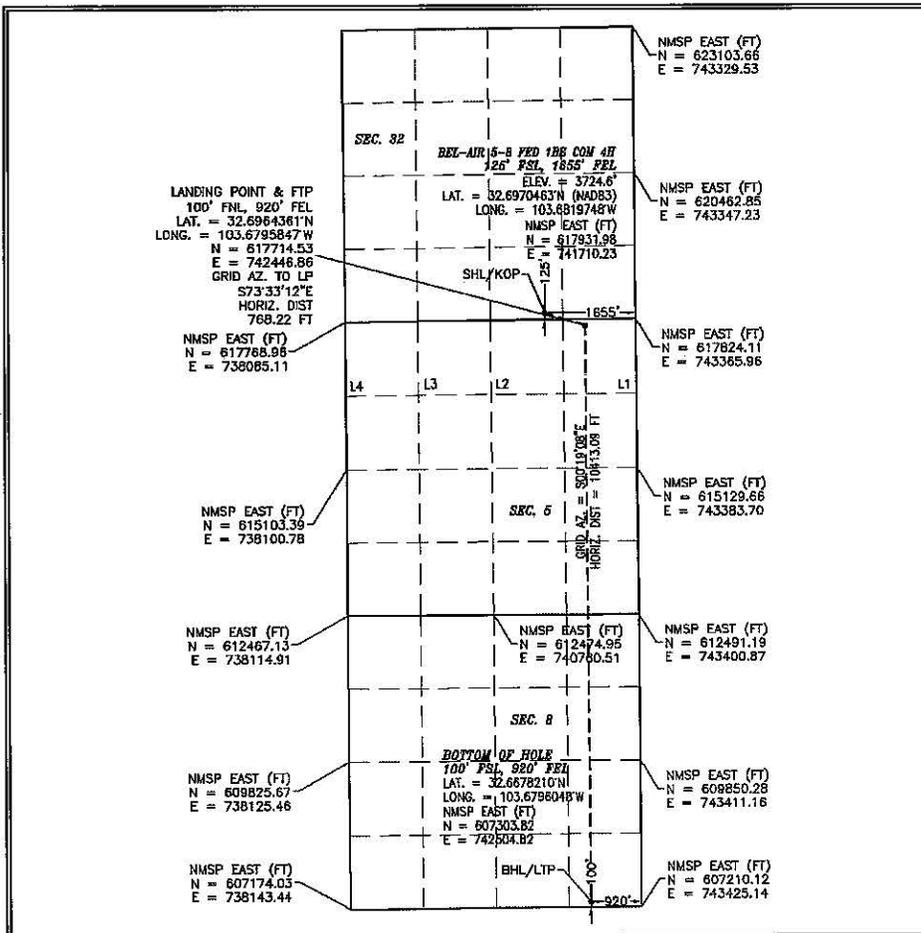
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	32	18 S	33 E		125	SOUTH	1655	EAST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	8	19 S	33 E		100	SOUTH	920	EAST	LEA

<sup>12</sup> Dedicated Acres 321.48	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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



**<sup>17</sup> OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

**<sup>18</sup> SURVEYOR CERTIFICATION**

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

OCTOBER 26, 2020

Date of Survey \_\_\_\_\_

Signature and Seal of Professional Surveyor:

Certificate Number: 12797

Earthstone Operating, LLC  
Case No. 23244  
Exhibit A-2

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

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
		13160; 59475		Corbin; Bone Spring, South & Tonto; Bone Spring	
<sup>4</sup> Property Code		<sup>5</sup> Property Name			<sup>6</sup> Well Number
		BEL-AIR 5-8 FED 2BS COM			8H
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name			<sup>9</sup> Elevation
372137		CHISHOLM ENERGY OPERATING, LLC			3724.2

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	32	18 S	33 E		225	SOUTH	1655	EAST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	8	19 S	33 E		100	SOUTH	920	EAST	LEA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
321.48			

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.

The map shows a well location in Section 5, Township 19S, Range 33E. It includes sections 5, 6, 8, and 32. Key features include:
 

- Well location: BEL-AIR 5-8 FED 2BS COM 8H
- Survey points with NMSP EAST (FT) coordinates (North and East).
- Section boundaries and bearings (e.g., 225' S, 1655' E).
- Bottom hole location: 100' FSL, 920' FEL.
- Other survey points like SHL/KOP, SHL/LTP, and various grid points (e.g., NMNM007002).

**<sup>17</sup> OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jennifer Elrod* 03/09/2021  
Signature Date

JENNIFER ELROD  
Printed Name

JELROD@CHISHOLMENERGY.COM  
E-mail Address

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**<sup>18</sup> SURVEYOR CERTIFICATION**

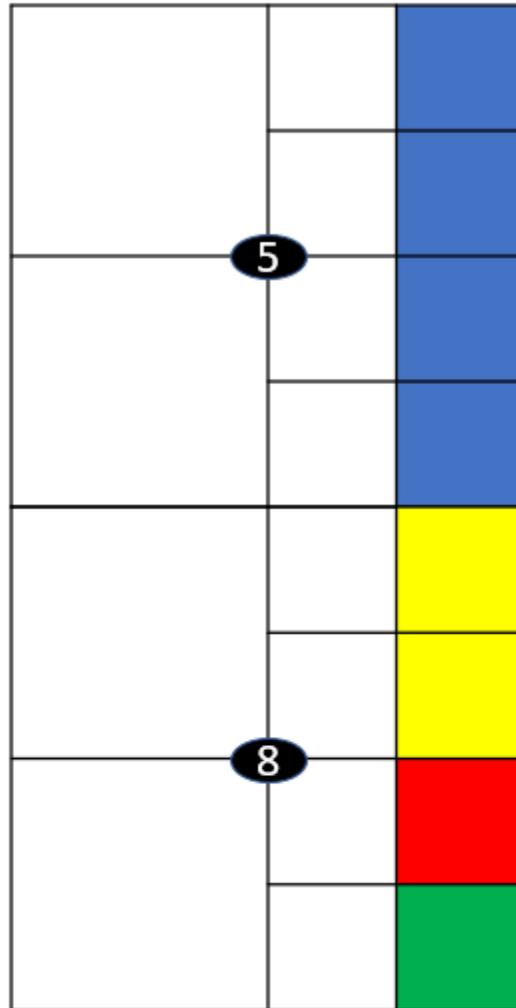
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

OCTOBER 26, 2020  
Date of Survey

*[Signature]*  
Signature and Seal of Professional Surveyor

Certificate Number: 812797  
Professional Surveyor No. 8599

**BEL-AIR 5-8 Fed 1BS COM 4H**  
**BEL-AIR 5-8 Fed 2BS COM 8H**  
Lot 1, SENE, E2SE of Section 5 and E2E2 of Section 8  
Township 19 South, Range 33 East, Lea County New Mexico



-  Tract 1
-  Tract 2
-  Tract 3
-  Tract 4

**Earthstone Operating, LLC**  
**Case No. 23244**  
**Exhibit A-3**

TRACT 1 OWNERSHIP (NM-77002)

Earthstone Permian, LLC	100.000000%
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TRACT 2 OWNERSHIP (NM-77002)

Legacy Reserves Operating LP	92.857125%
Isramco Energy, L.L.C.	<u>7.142875%</u>
	100.000000%

TRACT 3 OWNERSHIP (NM-36915)

Asher Resources, L.L.P.	50.000000%
JIL Oil Corp.	<u>50.000000%</u>
	100.000000%

TRACT 4 OWNERSHIP (NM-66775)

MRC Delaware Resources, LLC	70.387273%
Yates Energy Corporation	18.358055%
Jalapeno Corporation	8.754672%
Nadel and Gussman Capitan, LLC	<u>2.500000%</u>
	100.000000%

SPACING UNIT OWNERSHIP

<b>Earthstone Operating, LLC</b>	<b>50.197653%</b>
<b>Yates Energy Corporation</b>	<b>2.284192%</b>
<b>MRC Delaware Resources, LLC</b>	<b>8.757904%</b>
<b>Jalapeno Corporation</b>	<b>1.089296%</b>
<b>Nadal and Gussman Capitan, LLC</b>	<b>0.311061%</b>
<b>Legacy Reserves Operating LP</b>	<b>23.107409%</b>
<b>Isramco Energy LLC</b>	<b>1.777498%</b>
<b>Asher Resources, LLP</b>	<b>6.221227%</b>
<b>JIL Oil Corporation</b>	<b>6.221227%</b>

**PARTIES TO POOL**

**Yates Energy Corporation**

**MRC Delaware Resources, LLC**

**Jalapeno Corporation**

**Nadal and Gussman Capitan, LLC**

**Legacy Reserves Operating LP**

**Isramco Energy LLC**

**Asher Resources, LLP**

**JIL Oil Corporation**



**EARTHSTONE** Operating, LLC  
1400 Woodloch Forest Drive, Suite 300  
The Woodlands, TX 77380  
Office: 281-298-4246  
Fax: 832-823-0478

November 2, 2022

VIA FED-X

Yates Energy Corporation  
400 N Pennsylvania Avenue  
Roswell, NM 88201

**Re: Bel-Air 5-8 Fed 1BS Com 4H - Bel-Air 5-8 Fed 2BS Com 8H**  
Lot 1, SENE, E2SE of Section 5  
E2E2 of Section 8  
Township 19 South, Range 33 East  
Lea County, New Mexico

Dear Working Interest Partner:

Earthstone Operating, LLC ("Earthstone") proposes to drill and operate the subject wells to test the Bone Spring formation. Enclosed find an Authority for Expenditure ("AFE") for each well reflecting estimated costs to drill, test, complete and equip the well.

In connection with the above:

- **Bel-Air 5-8 Fed 1BS Com 4H:** to be drilled from a proposed surface hole location of 125' FSL & 1655' FEL of Section 32-18S-R33E to a proposed bottom hole location of 100' FSL & 920' FEL of Section 8-19S-33E with an expected TVD of 8,902'.
- **Bel-Air 5-8 Fed 2BS Com 8H:** to be drilled from a proposed surface hole location of 225' FSL & 1655' FEL of 32-18S-33E to a proposed bottom hole location of 100' FSL & 920' FEL of Section 8-19S-33E with an expected TVD of 9,837'.

Earthstone hereby proposes the creation of a 321.48 acre working interest unit consisting of Lot 1, SENE, E2SE of Section 5 and the E2E2 of Section 8, Township 19 South, Range 33 East, to be governed by a modified 1989 AAPL Model Form Operating Agreement, which is also enclosed for your review and approval. This Operating Agreement contains the following general provisions:

- Limited to the Bone Spring Formation.
- 100/300 non-consent penalties
- \$7,500/\$750 fixed drilling and production overhead rates
- Earthstone Operating, LLC named as Operator

**Earthstone Operating, LLC**  
**Case No. 23244**  
**Exhibit A-4**

Please indicate your election in the space provided below and return one copy of this letter to the undersigned. Should you elect to participate, please also sign, and return one copy of each AFE, along with the Operating Agreement.

Sincerely,

Matt Solomon  
Senior Landman  
713-379-3083  
[msolomon@earthstonenergy.com](mailto:msolomon@earthstonenergy.com)

Yates Energy Corporation hereby elects to:

- \_\_\_\_\_ Participate for its proportionate share in the drilling & completion of the **Bel-Air 5-8 Fed 1BS Com 4H**.
- \_\_\_\_\_ Non-consent/farmout/assign its interest in **Bel-Air 5-8 Fed 1BS Com 4H**, subject to acceptable terms.

- \_\_\_\_\_ Participate for its proportionate share in the drilling & completion of the **Bel-Air 5-8 Fed 2BS Com 8H**.
- \_\_\_\_\_ Non-consent/farmout/assign its interest in the **Bel-Air 5-8 Fed 2BS Com 8H**, subject to acceptable terms.

Yates Energy Corporation

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_





Case 23244

Company	Contact	Date
Yates Energy Corporation	Email	12/15/2022
		12/21/2022
MRC Delaware Resources, LLC	Email	5/18/2022
		5/23/2022
		6/2/2022
		6/3/2022
		8/31/2022
		9/7/2022
		9/13/2022
		9/14/2022
		11/2/2022
		11/9/2022
		11/17/2022
		11/18/2022
		12/2/2022
		12/13/2022
		12/14/2022
		12/19/2022
		12/20/2022
	Phone calls	4/12/2022
		6/2/2022
		6/3/2022
Jalapeno Corporation	Email	12/7/2022
		12/8/2022
	Phone Calls	12/7/2022
		12/8/2022
Nadal and Gussman Capitan, LLC	Email	11/15/2022
		11/21/2022
		11/22/2022
		12/1/2022
		12/2/2022
	Phone Calls	11/22/2022

**Earthstone Operating, LLC**  
**Case No. 23244**  
**Exhibit A-5**

Isramco Energy LLC	Email	12/1/2022 12/15/2022
	Phone Calls	12/1/2022
JIL Oil Corporation	Email	12/15/2022 12/16/2022 12/19/2022
	Phone Calls	12/15/2022
Asher Resources, LLP	Have never heard from Asher	
Legacy Reserves Operating, LLC	Email	11/19/2022 12/1/2022 12/7/2022 12/10/2022
	Phone Calls	4/8/2022 12/1/2022 12/8/2022

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

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

CASE NO. 23244

SELF-AFFIRMED STATEMENT  
OF JASON ASMUS

1. I am a Senior Geologist for Earthstone Operating, LLC (“Earthstone”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have not previously testified before the New Mexico Oil Conservation Division (“Division”).

2. I have a Masters in Geology and 10 years of experience in the petroleum industry. My experience has focused on exploration and asset exploitation related to carbonate and siliciclastic reservoirs of both conventional and unconventional nature. A copy of my resume is attached as **Exhibit B-1**.

3. I am familiar with the geological matters that pertain to the above-referenced case.

4. **Exhibit B-2** is a location map of the proposed horizontal spacing unit comprised of the W/2 of the E/2 of Sections 5 and 8, Township 19 South, Range 33 East, Lea County, New Mexico (“Unit”).

5. **Exhibits B-3** and **B-4** are structure maps for the top of the 1<sup>st</sup> Bone Spring Sand and 2<sup>nd</sup> Bone Spring Sand formations in subsea TVD with contour intervals of 25 ft. Map control points are shown in red. Approximate wellbore paths for the proposed **Bel-Air 5-8 Fed 1BS Com 4H** and the **Bel-Air 5-8 Fed 2BS Com 8H** are represented by orange dashed lines. These maps consistently demonstrate that the formation is gently dipping to the south to southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted

Earthstone Operating, LLC  
Case No. 23244  
Exhibit B

intervals with horizontal wells. Each map also identifies the location of a three well cross-section running from A-A', which penetrate each targeted interval and are in proximity to the proposed wells. I used these well logs because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the area.

6. The maps also identify three (3) wells penetrating the targeted intervals used to construct structural cross-sections from A to A'. I used these well logs because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the area.

7. **Exhibit B-5** is a structural cross-section using the representative wells identified on **Exhibits B-3** and **B-4**. It contains gamma ray and resistivity logs. The proposed landing zones for the wells are labeled on the exhibit. This cross-section demonstrates the target intervals are continuous across the Unit.

8. **Exhibit B-6** is a gun barrel, or cross-sectional view of the proposed development plan for this Unit. This shows vertical and horizontal spacing between proposed wells.

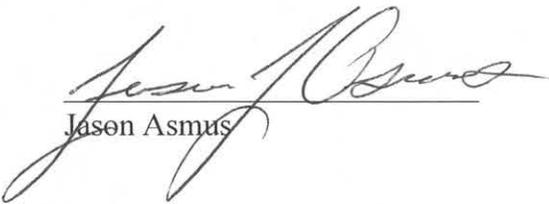
9. In my opinion, a stand-up orientation for the wells is appropriate to properly develop the subject acreage because of an established directional pattern and the known fracture orientation in this portion of the trend. Stand-up orientation is also supported by a study of the production of stand-up vs laydown orientation in the area, with stand-up well results being significantly better.

10. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute equally to the production of the wells.

11. In my opinion, the granting of Earthstone's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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

13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony 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 identified next to my signature below.

  
\_\_\_\_\_  
Jason Asmus

12-28-22  
Date

# JASON J. ASMUS

Earthstone Operating, LLC

Case No. 23244

Exhibit B-1

Midland, TX | 419-308-7778 | jasonasmus20@gmail.com

[www.linkedin.com/in/jasonasmus](http://www.linkedin.com/in/jasonasmus)

## **GEOLOGIST:** *Enhancing field development and conceptualizing actionable exploration prospects*

Ardent geoscientist with extensive regional exploration and field development expertise related to carbonate, siliciclastic, and mudrock reservoirs across the Permian Basin. Proven track record of delivering comprehensive geologic analyses as part of multi-disciplinary collaboration efforts yielding actionable and economic exploration prospects, field development strategies, and asset acquisitions. Proficient with a diverse range of software and large data sets relating to geologic mapping and modelling, advanced well log evaluation, seismic and geophysical interpretation, wellbore geosteering, drilling and completions engineering, data analytics. Adept written/oral technical communicator with strong leadership and problem-solving skills, and a passion for driving personal and cultural innovation and growth.

## COMPETENCIES & SKILLS

### TECHNICAL COMPETENCIES

Data Analysis | 2D/3D Geological Mapping and Modeling | Conventional & Unconventional Reservoirs | Sequence Stratigraphy  
Rock Mechanics | Advanced Petrophysics & Log Analysis | Seismic Interpretation | Source Rock Oil Maturity | Enhanced Oil Recovery  
Geosteering | Well Planning & Regulatory | Drilling, Completions & Production Operations | Mergers, Acquisitions & Divestitures  
Prospect Generation | Competitor Monitoring & Analysis | Life Cycle Field Development

### PROFESSIONAL COMPETENCIES

Independent and Critical Thinking | Problem Solving | Interpersonal Skills | Time Management | Written and Oral Communication skills  
Innovative | Technical Presentation skills | Multi-Disciplinary Collaboration | Team Leadership | Continued Education

### SOFTWARE

Petra | Kingdom | Spotfire | ArcGIS | IHS Markit | Enverus | Microsoft Office Suite | IHS Market  
State & Federal databases (e.g. TRRC, NMOCD, CRC, CONTINUUM) | Outlook | StarSteer | OFM

## PROFESSIONAL EXPERIENCE

### **Senior Geologist, Earthstone Energy, Midland, TX**

03/2022 – Present

Senior geologist tasked with delivering actionable and economic field development strategies and asset acquisitions across the Delaware Basin as part of a multi-disciplinary team

### **Exploration Geologist, Cimarex Energy Co., Denver, CO**

06/2019 – 09/2020

Senior exploration geologist for Permian Basin New Ventures and Asset Evaluation Team. Conceptualized and advanced regional and local exploration prospects across legacy (including EOR) and unproven (wildcat) fields and trend areas of Permian Basin utilizing diverse software and datasets including Petra, Kingdom, ArcGIS, Spotfire, 2D/3D seismic/geophysical, advanced petrophysics, core and cuttings, mud and sample logs and formation and completion tests

- Generated actionable, high rate of return exploration prospects grounded in meticulous technical analyses detailing geologic concept, reservoir-source-trap attributes, risk factors, and life cycle development and production potential (Delaware Basin Province - San Andres, Yeso Group, Strawn, Wolfcamp, Bone Spring, Brushy Canyon; Midland Basin Province - Clearfork, Spraberry, Dean, Wolfcamp, Cisco, Canyon, Strawn, Devonian; Central Basin Platform Province - Clearfork, Wichita-Albany, Devonian, Silurian)
- Proficiently evaluated and integrated large data sets from multiple sources into pitch book portfolios
- Furnished hierarchized profit ranking of A&D portfolios to executive management via presenting executive summaries and recommendation proposals in collaboration with engineers, geophysicist, petrophysicist, landman, and corporate finance/planning
- Championed development and implementation of innovative geological workflows resulting in expedited prospect identification and risk mitigation
- Provide geological expertise & economic analysis on business development opportunities such as land acquisitions, corporate mergers, acreage trades, and land divestitures
- Geological mentor for young professionals and geoscience interns within both Permian and Anadarko region offices (provided in-person & remote guidance to four young professionals and one intern within Permian office)

### **Geologist, Cimarex Energy Co., Midland, TX**

01/2015 – 06/2019

Lead exploitation geologist for Delaware Basin Wolfcamp and Bone Spring asset teams comprising 100,000+ acres

- Implemented aggressive 6+ multi-rig horizontal drilling programs exceeding 40 wells per year and \$600MM D&C capital and oversaw all aspects of well planning and permitting to operational drilling and completion
- Maximized formation targets and drilling locations, increased total potential reserve estimates, and reduced finding costs through exploitation of breakthroughs in reservoir characterization, and drilling and completions technology

- Advanced implementation of best practices for future horizontal development patterns (surface and subsurface), exploratory step-out tests, multi-well pilot projects, and injection SWD's by utilizing all applicable geologic, completions, and production data
- Enhanced the accuracy and detail of geologic evaluation and recommendation proposals via iterative generation of key geologic maps including structure, isopach, net pay, lithologic, mechanical properties, OOIP, OGIP, & GOR; in addition to, integration and evaluation of 2D & 3D Seismic (time/depth amplitude, coherency/incoherency and Young's Modulus & Poisson's Ratios from inversions)
- Conducted proposal-interpretation-application of advanced petrophysical logs, rock and fluid data (i.e. whole core, SWC, and thin-section based facies integration with sequence stratigraphic framework; digital image logs (FMI, OBMI, Quanta GEO), nuclear magnetic resonance and combinable magnetic resonance logs, litho scanner, elemental spectroscopy log, and dipole sonic logs for analysis of lithologic and geomechanical rock facies and associated fluids and porosity; Mohr's circle rock mechanics analysis, Core and cuttings analysis; PVT and DST Fluid Sampling)
- Promoted operational efficiencies and field development strategies (both near and long term) via daily review of drilling and completions, as well as flow back results with multi-disciplinary team members
- Monitored and evaluated competitor activity (leasing, drilling, targeting, completions, and production)
- Ensured successful and economic project execution by providing weekly updates to senior and executive management entailing development timelines, project execution summaries and go forward recommendations based on pre, and post, D&C results
- Generated recommendations for over 50 non-operated well proposals by assessing geologic attributes and expected economic return
- Geologic mentor to young professionals and geoscience interns

**Geologist, Cimarex Energy Co., Midland, TX**

02/2016 – 08/2016

Lead geologist for multi-disciplinary Acquisition and Divestiture team as part of special assignment within Permian Basin Region

- Augmented clarity of executive management on strategic acquisition and divestiture opportunities by presenting comprehensive value and risk assessments within geologic context
- Generated and presented evaluation portfolios of 54 real-time, and 41 look-back competitor acquisition opportunities to region and executive management

**Project Geologist, EOG Resources, Inc., Midland, TX**

11/2012 – 12/2014

Lead exploitation geologist for Delaware Basin Bone Spring and Wolfcamp shales, and Midland Basin Wolfcamp shale asset teams

- Oversaw D&C planning and execution, science acquisition and analyses of a multi-rig horizontal drilling program for Wolfcamp and Leonard shale assets across Midland and Delaware Basin leaseholds consisting of 15 Midland Basin Wolfcamp wells, 20 Delaware Basin Leonard Shale wells, and 9 Delaware Basin Wolfcamp shale wells totaling \$300MM in capital budget
- Generated recommendations for over 20 non-operated well proposals by assessing geologic attributes and expected economic return
- Monitored and evaluated competitor activity (leasing, drilling, targeting, completions, and production)
- Optimized near-, and long-term field development strategies within Wolfcamp and Bone Spring prospects through identification of key geomechanical rock properties impacting 3D well spacing and targeting, completions designs, and production volumes

## EDUCATION AND PROFESSIONAL MEMBERSHIPS

**Master of Science: Geology cum laude**

12/2012

*Western Michigan University, Kalamazoo, MI*

Thesis Title: Characterizing the Internal Architecture of Upper Bone Spring Limestone Turbidites and Mass-Transport Deposits (MTDs) Utilizing High-Resolution Image Log Technology; Thesis Advisor: Dr. G.M. Grammer

**Bachelor of Science: Geology cum laude**

05/2010

*Western Michigan University, Kalamazoo, MI*

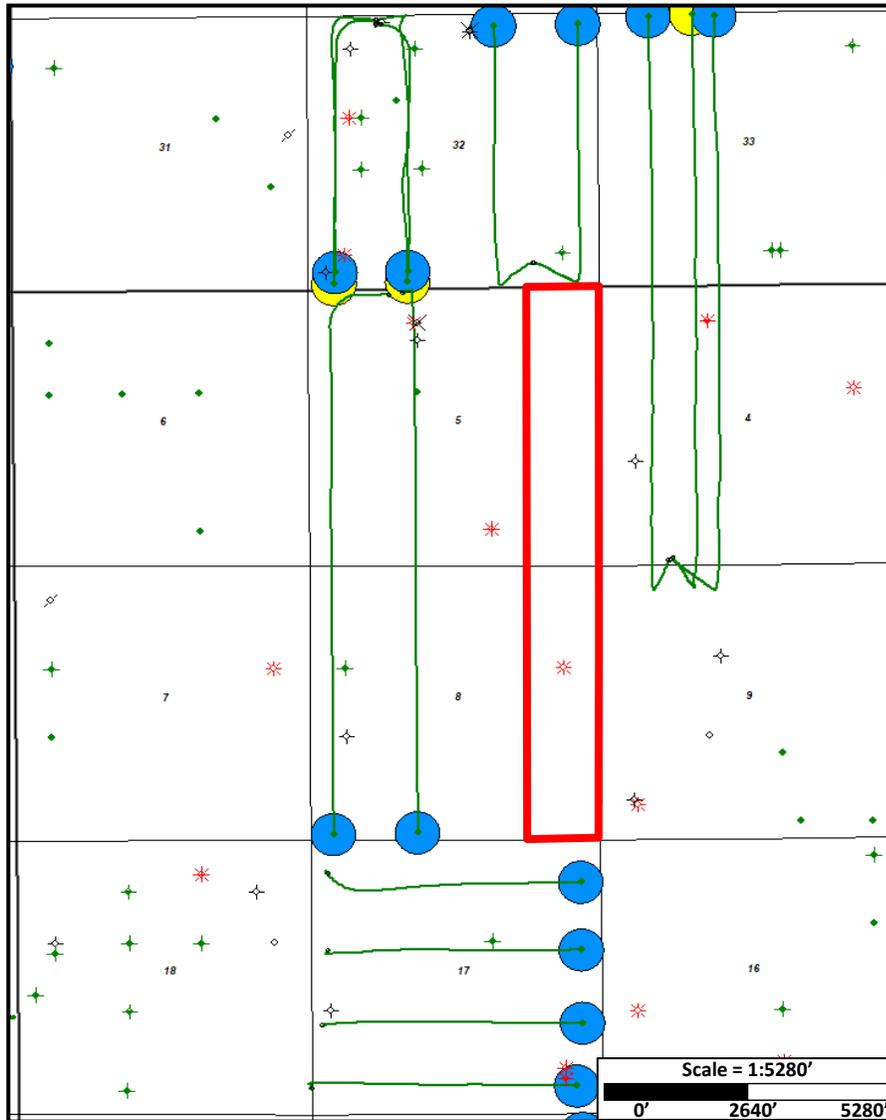
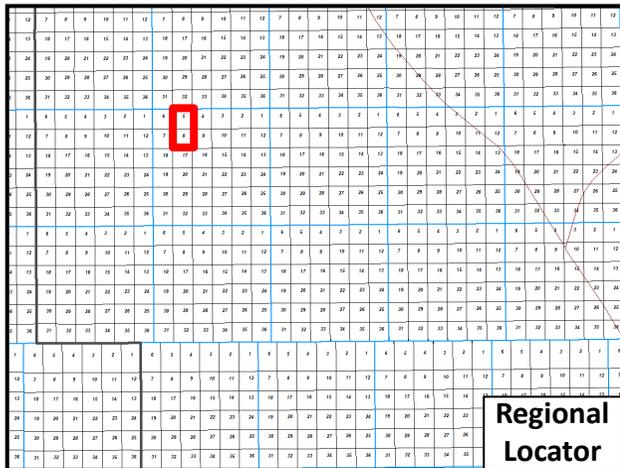
- American Association of Petroleum Geologists (AAPG)
- West Texas Geological Society (WTGS)
- Society for Sedimentary Geology (SEPM)
- Geological Society of America (GSA)

## ADVANCED PROFESSIONAL TRAINING AND DEVELOPMENT

- Guadalupe Mountains Field Course: XEC
- Geophysics for Subsurface Professionals: Nautilus (N080)
- Mudstone Diagenesis Hedberg Research Conf.: SEPM-AAPG
- Log Analysis of Hydrocarbon-Bearing Shales: PPDC
- Petrophysical Evaluation of Mudstone Reservoirs: AAPG
- Applied Subsurface Geological Mapping: SCA
- Well Log Sequence Stratigraphy: EOG
- Shale Field Course: EOG
- The Bakken Petroleum System: Nautilus (M271)
- Tectonic Controls on Basin Dev. and Petrol. Syst.: Nautilus (F005)
- Geological Interpretation of Well Logs: Nautilus (F003)
- Structural Geology for Petrol. Exploration: Nautilus (M016)
- Distribution and Geometry of Potential Carbonate Reservoir Facies, Great Bahama Bank: WMU-OSU
- Capitan Shelf Margin, Gulf PDB-04 Core: PBS-SEPM
- YPE Field Trip Guadalupe Mountains, TX & NM: PBS-SEPM

# Exhibit B-2 Locator Map

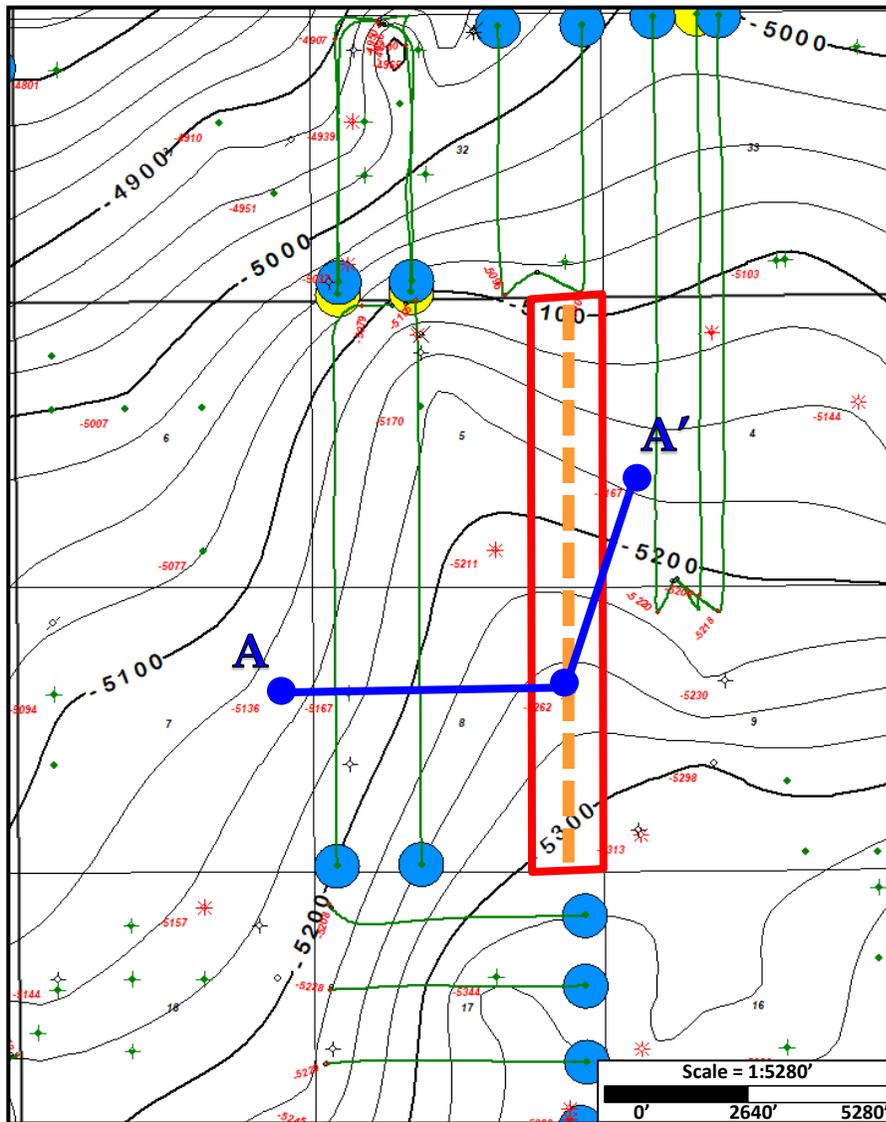
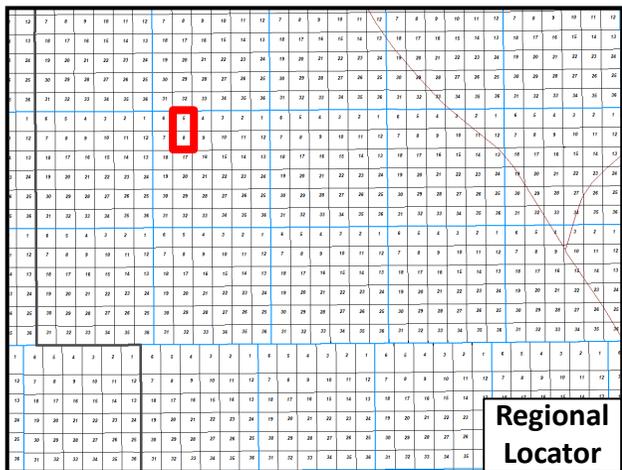
-  - 1<sup>st</sup> Bone Spring Sand
-  - 2<sup>nd</sup> Bone Spring Sand



**Earthstone  
Operating, LLC  
Case No. 23244  
Exhibit B-2**

# Exhibit B-3 1<sup>st</sup> Bone Spring Sand Structure (SSTVD): Contour Interval = 25'

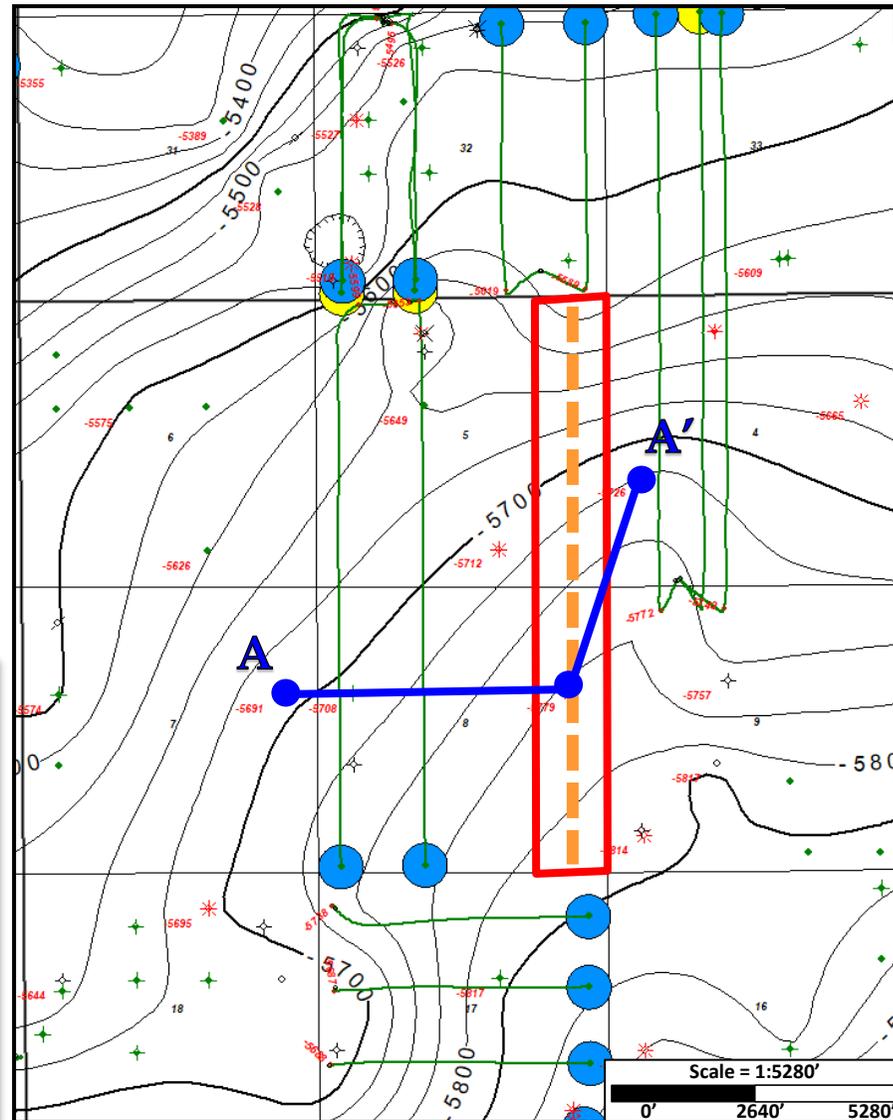
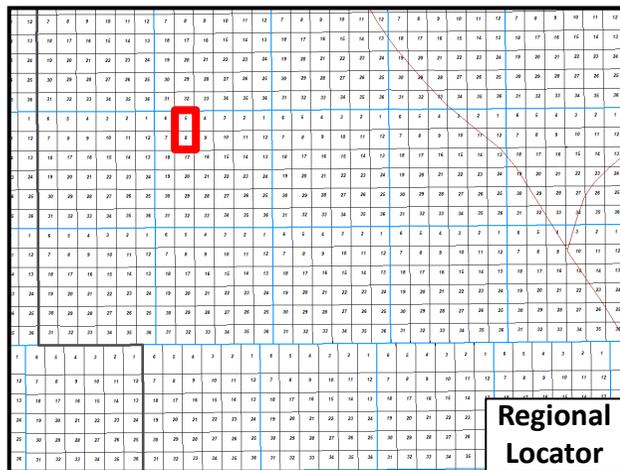
- - 1<sup>st</sup> Bone Spring Sand
- - 2<sup>nd</sup> Bone Spring Sand



**Earthstone  
Operating, LLC  
Case No. 23244  
Exhibit B-3**

# Exhibit B-4 2<sup>nd</sup> Bone Spring Sand Structure (SSTVD): Contour Interval = 25'

- - 1<sup>st</sup> Bone Spring Sand
- - 2<sup>nd</sup> Bone Spring Sand



**Earthstone  
Operating, LLC  
Case No. 23244  
Exhibit B-4**

# Exhibit B-5 Structural Cross Section A-A': 1<sup>st</sup> - 2<sup>nd</sup> Bone Spring Sand

# A

# A'

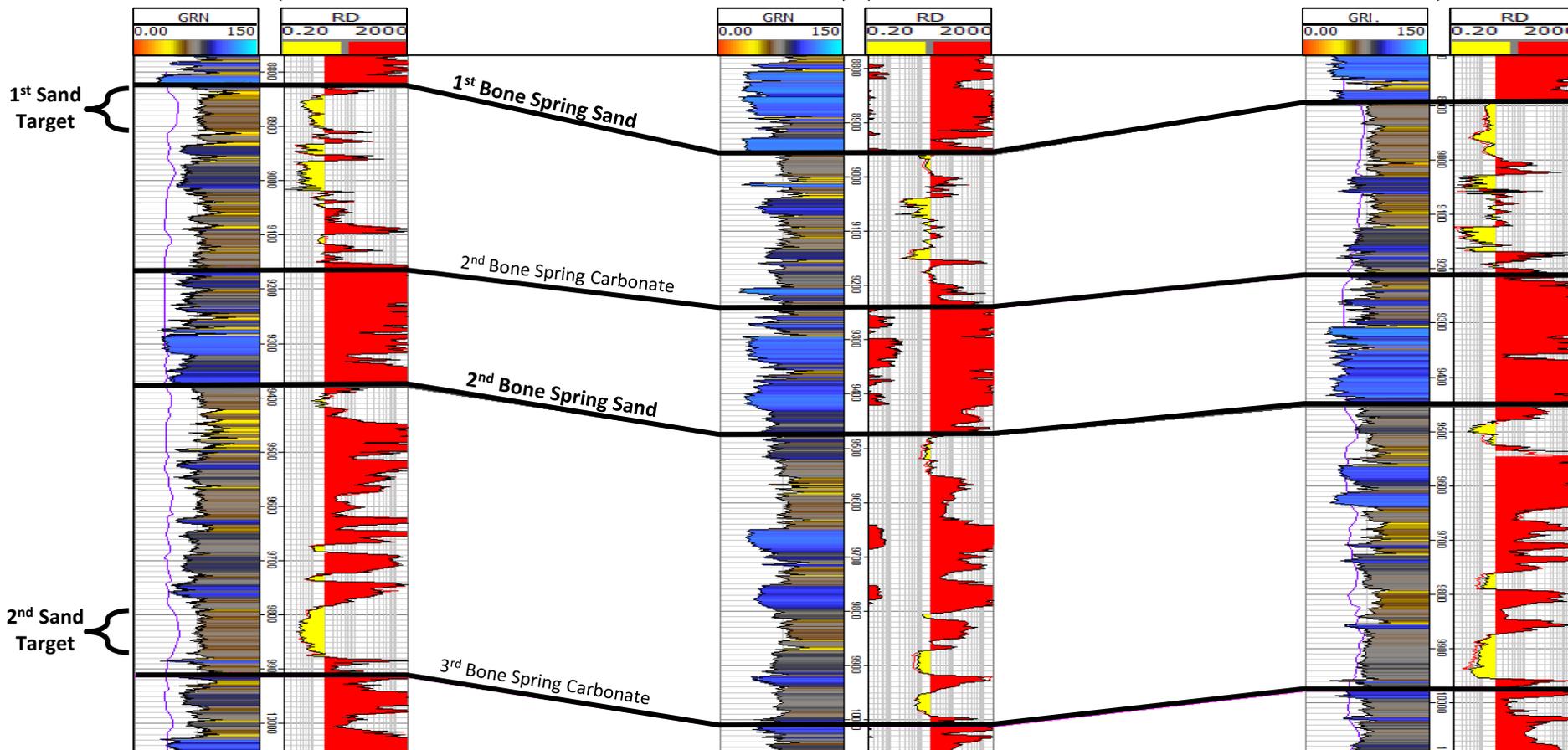
300252547000  
Inexco 'AHY' Federal 1

300252679900  
Nellis 'C' Federal 1

300252597800  
Dunn-Federal 1

5286'

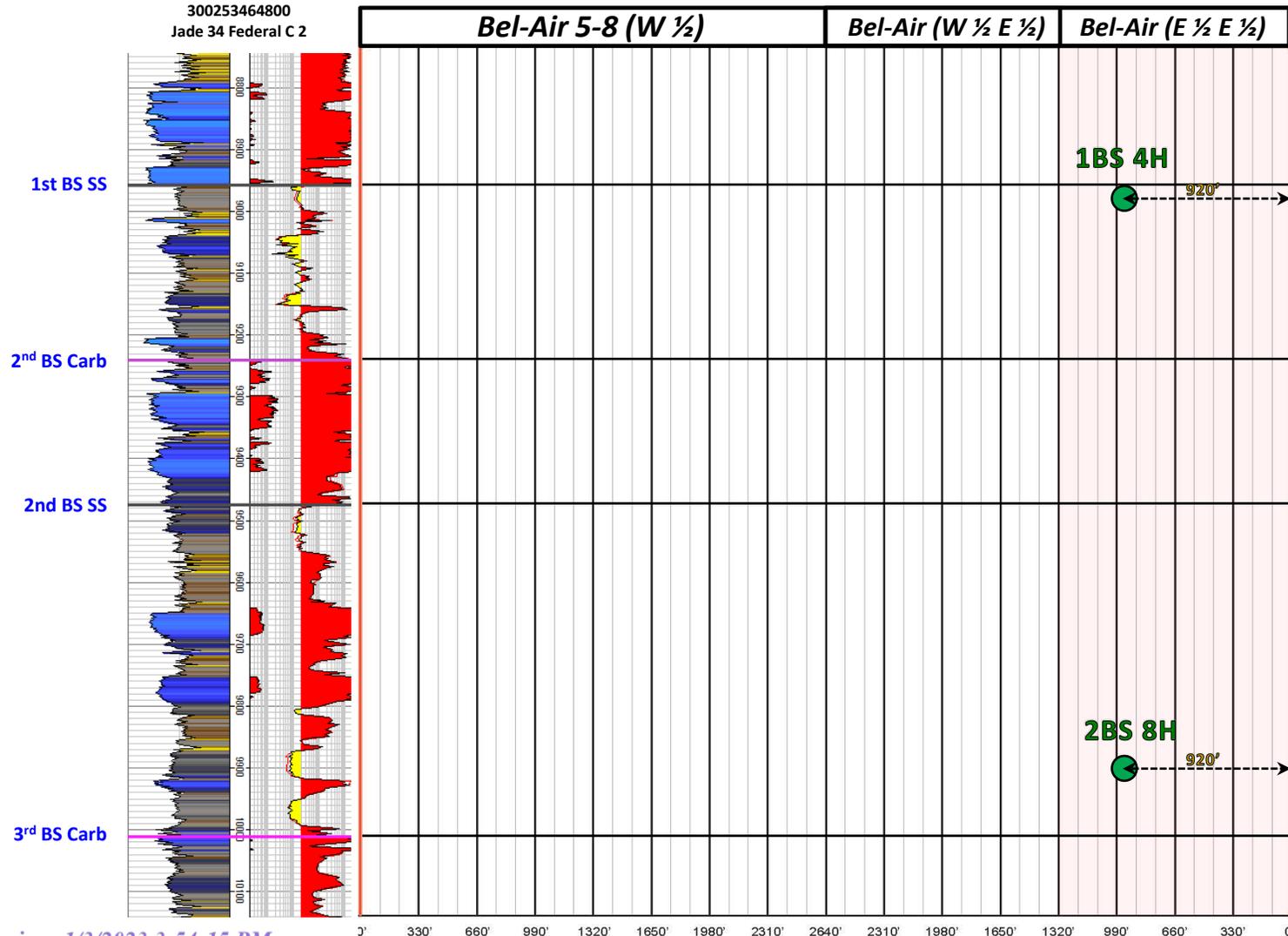
4174'



Earthstone Operating, LLC  
Case No. 23244  
Exhibit B-5

# Exhibit B-6 Gun Barrel Development Proposal

● Proposed Locations



Earthstone  
Operating, LLC  
Case No. 23244  
Exhibit B-6

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

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

**CASE NO. 23244**

**SELF-AFFIRMED STATEMENT  
OF DANA S. HARDY**

1. I am attorney in fact and authorized representative of Earthstone Operating, LLC the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit C-2**.

3. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.

5. On December 21, 2022, I caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, along with a copy of the notice publication, is attached as **Exhibit C-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it 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.

/s/ Dana S. Hardy  
Dana S. Hardy

December 30, 2022  
Date

**Earthstone Operating, LLC  
Case No. 23244  
Exhibit C**



hinklelawfirm.com

# HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

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

WRITER:  
Dana S. Hardy, Partner  
dhardy@hinklelawfirm.com

December 8, 2022

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

**TO ALL PARTIES ENTITLED TO NOTICE**

**Re: Case No. 23244 – Application of Earthstone Operating, LLC for Compulsory Pooling, Lea County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **January 5, 2023** beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.state.nm.us/ocd/ocdpermitting/>) or via e-mail to [ocd.hearings@emnrd.nm.gov](mailto:ocd.hearings@emnrd.nm.gov) and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

Please contact Matt Solomon, Senior Landman for Earthstone Operating, LLC by phone at (713) 379-3083 if you have questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

**Earthstone Operating, LLC**  
**Case No. 23244**  
**Exhibit C-1**

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

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

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

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

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

**CASE NO. 23244**

**NOTICE LETTER CHART**

<b>PARTY</b>	<b>NOTICE LETTER SENT</b>	<b>RETURN RECEIVED</b>
Asher Resources, LLP 2602 McKinney Avenue, Suite 260 Dallas, TX 75204	12/08/22	12/19/22
Isramco Energy LLC 1001 West Loop South, Ste 750 Houston, TX 77027	12/08/22	12/14/22 Return to sender.
JIL Oil Corporation 10500 Heritage Blvd., Suite 100 San Antonio, TX 78216	12/08/22	12/20/22 Return to sender.
Jalapeno Corporation P.O. Box 1608 Albuquerque, NM 87103	12/08/22	12/14/22
Legacy Reserves Operating LP 15 Smith Road, Suite 3000 Midland, TX 79701	12/08/22	12/14/22
MRC Delaware Resources, LLC One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	12/08/22	12/19/22 No signature.
MRC Explorers Resources, LLC One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	12/08/22	12/19/22 No signature.
MRC Spiral Resources, LLC One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	12/08/22	12/20/22 No signature.
Nadal and Gussman Capitan, LLC 15 E. 5th Street Tulsa, OK 74103	12/08/22	12/16/22
Yates Energy Corporation 400 N Pennsylvania Avenue Roswell, NM 88201	12/08/22	12/19/22

**Earthstone Operating, LLC  
Case No. 23244  
Exhibit C-2**

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

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

7021 0950 0002 0374 2927

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 \$ \_\_\_\_\_

Sent To

Asher Resources, LLP  
 2602 McKinney Avenue, Suite 260  
 Dallas, TX 75204

23244 - Earthstone Bel-Air

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

SANTA FE NM 87501  
 DEC 19 2022  
 USPS

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) RE KINARD</p> <p>C. Date of Delivery DEC 19 2022</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No          If YES enter delivery address below.</p>
<p>1. Article Addressed to:</p> <p>Asher Resources, LLP          2602 McKinney Avenue, Suite 260          Dallas, TX 75204</p> <p>23244 - Earthstone Bel-Air</p>	<p><b>RECEIVED</b></p> <p>DEC 19 2022</p> <p>Asher Resources, LLP</p>
<p>2. Article Number (Transfer from service label)</p> <p>7021 0950 0002 0374 2927</p>	
<p>3. Service Type Santa Fe NM 87501</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail®</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>	<p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p>	<p>Domestic Return Receipt</p>

**Earthstone Operating, LLC**  
**Case No. 23244**  
**Exhibit C-3**

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

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

7021 0950 0002 0374 2989

Certified Mail Fee \$

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

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

Adult Signature Required \$

Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Jalapeno Corporation  
 P.O. Box 1608  
 Albuquerque, NM 87103  
 23244 - Earthstone Bel-Air

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

*Postmark: SANTA FE, NM 87501 DEC 08 2022*

**USPS**

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature  <input checked="" type="checkbox"/> <i>Maja Slavnic</i> <input type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name)  <i>Maja Slavnic</i></p> <p>C. Date of Delivery  <i>12/12/22</i></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><b>RECEIVED</b>  <b>DEC 14 2022</b></p>
<p>1. Article Addressed to:</p> <p>Jalapeno Corporation          P.O. Box 1608          Albuquerque, NM 87103          23244 - Earthstone Bel-Air</p> <p>9590 9402 7543 2098 9472 71</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <b>Hinkle Shanor LLP</b> <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <b>Santa Fe NM 87501</b> <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>7021 0950 0002 0374 2989</p>	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

Total Postage and Fees \$ \_\_\_\_\_

Legacy Reserves Operating LP  
 15 Smith Road, Suite 3000  
 Midland, TX 79701

23244 - Earthstone Bel-Air

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

7021 0950 0002 0374 3108

SANTA FE, NM 87501  
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<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____</p> <p>C. Date of Delivery <u>12/14</u></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><b>RECEIVED</b>          DEC 14 2022</p>
<p>1. Article Addressed to:</p> <p>Legacy Reserves Operating LP          15 Smith Road, Suite 3000          Midland, TX 79701</p> <p>23244 - Earthstone Bel-Air</p>  <p>9590 9402 7543 2098 9473 01</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input checked="" type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input checked="" type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>7021 0950 0002 0374 3108</p>	<p>Hinkle Shanor LP          Santa Fe, NM 87504</p>
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p>	<p>Domestic Return Receipt</p>

7021 0950 0002 0374 3054

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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** \$ \_\_\_\_\_

MRC Delaware Resources, LLC  
 One Lincoln Center  
 5400 LBJ Freeway, Suite 1500  
 Dallas, Texas 75240

23244 – Earthstone Bel-Air

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



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <b>X</b> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ 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 style="text-align: center;"><b>RECEIVED</b> DEC 19 2022</p>
<p>1. Article Addressed to:</p> <p>MRC Delaware Resources, LLC          One Lincoln Center          5400 LBJ Freeway, Suite 1500          Dallas, Texas 75240</p> <p style="text-align: right;">23244 – Earthstone Bel-Air</p>  <p>9590 9402 7635 2122 8628 46</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>7021 0950 0002 0374 3054</p>	<p>Hinkle Shanor LLC          Santa Fe, NM 87504</p>
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7021 0950 0002 0374 3061

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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** \$ \_\_\_\_\_

MRC Explorers Resources, LLC  
One Lincoln Center  
5400 LBJ Freeway, Suite 1500  
Dallas, Texas 75240

23244 – Earthstone Bel-Air

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<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <span style="float: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</span></p> <p><b>X</b></p> <p>B. Received by (Printed Name) _____ 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>MRC Explorers Resources, LLC One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240</p> <p style="text-align: center; font-size: 0.8em;">23244 – Earthstone Bel-Air</p>  <p style="text-align: center; font-weight: bold;">9590 9402 7635 2122 8628 53</p>	<p style="font-size: 2em; font-weight: bold; color: green;">RECEIVED</p> <p style="font-size: 1.5em; font-weight: bold; color: green;">DEC 19 2022</p>
<p>2. Article Number (Transfer from service label)</p> <p style="font-size: 1.2em; font-weight: bold;">7021 0950 0002 0374 3061</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <span style="float: right;"><input type="checkbox"/> Priority Mail Express®</span></p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <span style="float: right;"><input type="checkbox"/> Registered Mail™</span></p> <p><input type="checkbox"/> Certified Mail® <span style="float: right;"><input type="checkbox"/> Registered Mail Restricted Delivery</span></p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <span style="float: right;"><input type="checkbox"/> Signature Confirmation™</span></p> <p><input type="checkbox"/> Collect on Delivery <span style="float: right;"><input type="checkbox"/> Signature Confirmation Restricted Delivery</span></p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <span style="float: right;"><input type="checkbox"/> Restricted Delivery</span></p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053 <span style="float: right;">Domestic Return Receipt</span></p>	

7021 0950 0002 0374 2972

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Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

Total Postage and Fees \$ \_\_\_\_\_

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MRC Spiral Resources, LLC  
 One Lincoln Center  
 5400 LBJ Freeway, Suite 1500  
 Dallas, Texas 75240

23244 - Earthstone Bel-Air

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<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <b>X</b> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No          If YES, enter delivery address below: _____</p> <p><b>RECEIVED</b>  <b>DEC 20 2022</b></p>
<p>1. Article Addressed to:</p> <p>MRC Spiral Resources, LLC          One Lincoln Center          5400 LBJ Freeway, Suite 1500          Dallas, Texas 75240</p> <p>23244 - Earthstone Bel-Air</p> <p>9590 9402 7635 2122 8628 60</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input checked="" type="checkbox"/> Registered Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input checked="" type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation™ with Restricted Delivery</p>
<p>2. Article</p> <p>7021</p>	<p>Hinkle Shafer</p> <p>PS Form 3800, April 2015 PSN 7530-02-000-9047 Domestic Return Receipt</p>

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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 \$ \_\_\_\_\_

Nadal and Gussman Capitan, LLC  
 15 E. 5th Street  
 Tulsa, OK 74103

23244 - Earthstone Bel-Air

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

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature            X <u>PL Scidmore</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>PL Scidmore</u> C. Date of Delivery <u>12-12-22</u></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><b>RECEIVED</b>  <b>DEC 16 2022</b>  <u>Hinkle Chanor LLP</u></p>
<p>1. Article Addressed to:</p> <p>Nadal and Gussman Capitan, LLC            15 E. 5th Street            Tulsa, OK 74103</p> <p>23244 - Earthstone Bel-Air</p>  <p>9590 9402 7543 2098 9472 64</p>	<p>3. Service Type <u>Santa Fe NM 87504</u> <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>7021 0950 0002 0374 2996</p>	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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7022 1670 0002 1181 5173

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	\$
<b>Total Postage and Fees</b>	\$

Postmark Here  
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SANTA FE, NM 87501

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Send To:  
Yates Energy Corporation  
400 N Pennsylvania Avenue  
Roswell, NM 88201

23244 - Earthstone Bel-Air

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY														
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> <p>1. Article Addressed to:</p> <p>Yates Energy Corporation 400 N Pennsylvania Avenue Roswell, NM 88201</p> <p style="text-align: right; font-size: 0.8em;">23244 - Earthstone Bel-Air</p> <div style="text-align: center;">             9590 9402 7635 2122 8628 22         </div> <p>2. Article Number (Transfer from service label)</p> <p style="font-size: 1.2em; font-weight: bold;">7022 1670 0002 1181 5173</p>	<p>A. Signature</p> <p><input checked="" type="checkbox"/> <i>Kate Ediger</i> <span style="float: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</span></p> <p>B. Received by (Printed Name) <span style="float: right;">C. Date of Delivery</span></p> <p><i>Kate Ediger</i> <span style="float: right;">12-15-22</span></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> <div style="text-align: center; border: 2px solid red; padding: 5px; margin: 10px 0;"> <p style="font-size: 2em; font-weight: bold; color: red;">RECEIVED</p> <p style="font-size: 1.2em; color: red;">DEC 19 2022</p> </div> <p>3. Service Type</p> <table style="width: 100%; font-size: 0.8em;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Insured Mail</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®														
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™														
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery														
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™														
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery														
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Insured Mail														
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)														
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt														

7021 0950 0002 0374 3115

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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 \$ \_\_\_\_\_

Isramco Energy LLC  
 1001 West Loop South, Ste 750  
 Houston, TX 77027

23244 - Eaststone Bel-Air

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

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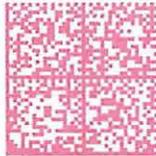
**HINKLE SHANOR LLP**  
 ATTORNEYS AT LAW  
 POST OFFICE BOX 2068  
 SANTA FE, NEW MEXICO 87504

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FIRST-CLASS



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ZIP 87501 \$ **007.82**  
 02 7H  
 0006052409 DEC 08 2022

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DEC 14 2022

Hinkle Shanor LLP  
 Santa Fe NM 87504

Isramco Energy LLC  
 1001 West Loop South, Ste 750  
 Houston, TX 77027

871 NFF J 82110017/10/22  
 FORWARD TIME EXP RTN TO SEND  
 ISRAMCO ENERGY LLC  
 2401 FOUNTAIN VIEW DR STE 420  
 HOUSTON TX 77057-4818

INT  
 .87504>2068  
 7702789045 COIC

RETURN TO SENDER

7022 1670 0002 1181 5166

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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 \$ \_\_\_\_\_

JIL Oil Corporation  
 10500 Heritage Blvd., Suite 100  
 San Antonio, TX 78216

23244 - Earthstone Bel-Air

PS Form 3800, April 2015 PSN 7530-02-000-8047 See Reverse for Instructions

DEC 08 2022  
 Postmark Here  
 USPS

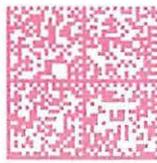
**HINKLE SHANOR LLP**  
 ATTORNEYS AT LAW  
 POST OFFICE BOX 2068  
 SANTA FE, NEW MEXICO 87504

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7022 1670 0002 1181 5166

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**US POSTAGE™** PITNEY BOWES

ZIP 87501 \$ **007.82<sup>0</sup>**  
 02 7H  
 0006052409 DEC 08 2022

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DEC 20 2022

Hinkle Shanor LLP  
 Santa Fe NM 87504

JIL Oil Corporation  
 10500 Heritage Blvd., Suite 100  
 San Antonio, TX 78216

NIXIE 782 FE 1 a 0012/14/22

RETURN TO SENDER  
 NOT DELIVERABLE AS ADDRESSED  
 UNABLE TO FORWARD

BC: 87504206868 \*0268-05362-08-44

4/12/19

70216302040057

# 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  
December 21, 2022  
and ending with the issue dated  
December 21, 2022.



Publisher

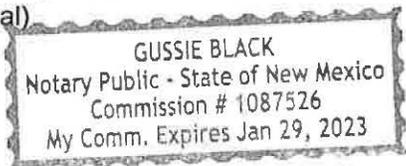
Sworn and subscribed to before me this  
21st day of December 2022.



Business Manager

My commission expires  
January 29, 2023

(Seal)



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**LEGAL NOTICE**  
December 21, 2022

This is to notify all interested parties, including Asher Resources, LLP; Isramco Energy LLC; JIL Oil Corporation; Jalapeno Corporation; Legacy Reserves Operating LP; MRC Delaware Resources, LLC; MRC Explorers Resources, LLC; MRC Spiral Resources, LLC; Nadal and Gussman Capitan, LLC; Yates Energy Corporation; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Earthstone Operating, LLC (Case No. 23244). The hearing will be conducted remotely on January 5, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: <https://www.emnrd.nm.gov/oed/hearing-info/>. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 321.48-acre, more or less, standard horizontal spacing unit comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 5 and the E/2 E/2 of Section 8, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Bel-Air 5-8 Fed 1BS Com 4H and Bel-Air 5-8 Fed 2BS Com 8H wells ("Wells"), which will be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 32, Township 18 South, Range 33 East to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 19 South, Range 33 East. The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 33 miles west of Hobbs, New Mexico. #00274068

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Earthstone Operating, LLC  
Case No. 23244  
Exhibit C-4