

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JANUARY 5, 2023**

CASE No. 23157

ELM FEE #1H WELL

ELM FEE #2H WELL

ELM FEE #3H WELL

ELM FEE #4H WELL

EDDY COUNTY, NEW MEXICO

**REDWOOD
OPERATING LLC**

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

**APPLICATION OF REDWOOD OPERATING
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 23157

TABLE OF CONTENTS

- **Redwood Exhibit A:** Compulsory Pooling Application Checklist
- **Redwood Exhibit B:** Application of Redwood Operating LLC for Compulsory Pooling
- **Redwood Exhibit C:** Self-Affirmed Statement of Derik Smith, Landman
 - Redwood Exhibit C-1: Letter from Pecos Oil & Gas, LLC
 - Redwood Exhibit C-2: C-102s
 - Redwood Exhibit C-3: Land Tract Map and Ownership Schedule
 - Redwood Exhibit C-4: Chronology of Contacts
- **Redwood Exhibit D:** Self-Affirmed Statement of Charles Sadler, Geologist
 - Redwood Exhibit D-1: Locator Map
 - Redwood Exhibit D-2: Acreage Position Map
 - Redwood Exhibit D-3: Project Area and Type Log/Subsea Structure Map
 - Redwood Exhibit D-4: Cross-Section Map and Stratigraphic Cross-Section
- **Redwood Exhibit E:** Self-Affirmed Statement of Publication
- **Redwood Exhibit F:** Affidavit of Publication

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

Case: 23157	APPLICANT'S RESPONSE
Date	January 5, 2023
Applicant	Redwood Operating LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 330211
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF REDWOOD OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Elm Fee
Formation/Pool	
Formation Name(s) or Vertical Extent:	Yeso Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Red Lake; Glorieta-Yeso [Pool Code: 51120]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	160
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	S/2 N/2 of Section 15, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	See Exhibit C-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A

Submitted by: Redwood Operating LLC

Hearing Date: January 5, 2023

Case No. 23157

Well #1	<p>Elm Fee #1 well: (API 30-015-49487) SHL: 2,455' FSL, 2,080' FEL (Unit J) Section 16 FTP: 1,750' FNL, 100' FWL (Unit E) Section 15 LTP: 1,750' FNL, 100' FEL (Unit H) Section 15 BHL: 1,750' FNL, 1' FEL (Unit H) Section 15 Target: Yeso Orientation: West-East Completion: Standard</p>
Well #2	<p>Elm Fee #2 well: (API 30-015-49488) SHL: 2,435' FSL, 2,080' FEL (Unit J) Section 16 FTP: 1,750' FNL, 100' FWL (Unit E) Section 15 LTP: 1,750' FNL, 100' FEL (Unit H) Section 15 BHL: 1,750' FNL, 1' FEL (Unit H) Section 15 Target: Yeso Orientation: West-East Completion: Standard</p>
Well #3	<p>Elm Fee #3 well: (API 30-015-49489) SHL: 2,415' FSL, 2,080' FEL (Unit J) Section 16 FTP: 2,310' FNL, 100' FWL (Unit E) Section 15 LTP: 2,310' FNL, 100' FEL (Unit H) Section 15 BHL: 2,310' FNL, 1' FEL (Unit H) Section 15 Target: Yeso Orientation: West-East Completion: Standard</p>
Well #4	<p>Elm Fee #4 well: (API 30-015-50110) SHL: 2,395' FSL, 2,080' FEL (Unit J) Section 16 FTP: 2,310' FNL, 100' FWL (Unit E) Section 15 LTP: 2,310' FNL, 100' FEL (Unit H) Section 15 BHL: 2,310' FNL, 1' FEL (Unit H) Section 15 Target: Yeso Orientation: West-East Completion: Standard</p>
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit D, D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	Exhibit C; not seeking supervision costs
Requested Risk Charge	N/A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Release List (including leaseholders and owners)	Exhibit C-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 C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1, D-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D; D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1, D-2
Well Bore Location Map	Exhibit D-1, D-2
Structure Contour Map - Subsea Depth	Exhibit D-3, D-4
Cross Section Location Map (including wells)	Exhibit D-4
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	1/3/2023

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

**APPLICATION OF REDWOOD OPERATING
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 23157

APPLICATION

Redwood Operating LLC (“Applicant” or “Redwood”) (OGRID No. 330211), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Yeso formation underlying a standard 160-acre, more or less, horizontal spacing unit comprised of the S/2 N/2 of Section 15, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. In support of its application, Redwood states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial **Elm Fee #1H, Elm Fee #2H, Elm Fee #3H, and Elm Fee #4H well** to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 16, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.
4. The pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Redwood Operating LLC
Hearing Date: January 5, 2023
Case No. 23157**

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 3, 2022, and, after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR REDWOOD OPERATING LLC

Application of Redwood Operating LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Yeso formation underlying a standard 160-acre, more or less, horizontal spacing unit comprised of the S/2 N/2 of Section 15, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed initial **Elm Fee #1H, Elm Fee #2H, Elm Fee #3H, and Elm Fee #4H well** to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 16, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 6 miles southeast of Artesia, New Mexico.

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

APPLICATION OF REDWOOD OPERATING
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

CASE NO. 23157

SELF-AFFIRMED STATEMENT OF DERIK SMITH

1. My name is Derik Smith, and I work for Redwood Operating LLC, (“Redwood”) as a Landman. I am familiar with the application filed in this case and have personal knowledge of the information provided in this self-affirmed statement.

2. Redwood is the contract operator for Pecos Oil & Gas, LLC, which is a working interest owner in the proposed horizontal spacing unit in this case. However, Pecos Oil & Gas, LLC is not an operator of oil and gas wells or other oil and gas facilities in New Mexico. Therefore, Pecos Oil & Gas, LLC has contracted with Redwood Operating LLC to propose wells, operate wells, operate Pecos Oil & Gas, LLC’s working interests, and generally act on behalf of Pecos Oil & Gas, LLC to manage its leasehold interests in New Mexico. **Redwood Exhibit C-1** is a Self-Affirmed Statement from Pecos Oil & Gas, LLC’s co-managing member, Justin Teltschik, describing and affirming the nature of this relationship.

3. 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.

4. None of the interest owners to be pooled have opposed this case proceeding by self-affirmed statement, so I do not expect any opposition at the hearing.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Redwood Operating LLC
Hearing Date: January 5, 2023
Case No. 23157

5. In **Case No. 23157**, Redwood seeks an order pooling all uncommitted mineral interests in a 160-acre, more or less, horizontal spacing unit comprised of the S/2 N/2 of Section 15, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

6. Redwood seeks to pool lessors whose lease instruments do not authorize pooling more than 40 acres for oil wells. These owners Redwood seeks to pool have already leased their mineral interests and, therefore, were not provided well proposal letters or AFEs. As royalty interest owners, their interests are not cost bearing; therefore, Redwood does not seek to apply a 200% risk charge against their interests. Redwood is seeking authority to compulsory pool their interests into a horizontal well spacing unit of approximately 160 acres in this case.

7. Redwood intends to dedicate this standard horizontal spacing unit to the proposed initial **Elm Fee #1H, Elm Fee #2H, Elm Fee #3H, and Elm Fee #4H** wells, all to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 16, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15. The completed interval of the wells will comply with statewide setbacks for oil wells.

8. **Redwood Exhibit C-2** contains the C-102s for the proposed wells. The exhibit shows that these wells will be assigned to the Red Lake; Glorieta-Yeso (Pool code 51120).

9. **Redwood Exhibit C-3** identifies ownership interests by tract and on a unit basis within the proposed spacing unit and also includes a breakdown of ownership interests. Redwood seeks to pool the interest owners identified in the exhibit.

10. No depth severances exist within the Yeso formation underlying this acreage.

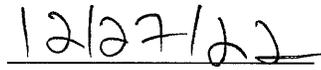
11. **Redwood Exhibit C-4** contains a summary chronology of the contacts with the mineral interest owners that Redwood seeks to pool. In my opinion, Redwood has made a good faith effort to obtain voluntary joinder of the uncommitted interest owners.

12. I have provided the law firm of Holland and Hart, LLP, with the names and addresses of the uncommitted interest owners that Redwood seeks to pool in **Case No. 23157**. In providing names and addresses, Redwood has examined the county records, conducted computer searches and engaged in other good faith efforts to locate the most recent addresses for all of the interest owners that it seeks to pool.

13. **Redwood Exhibits C-1 through C-4** were prepared by me or compiled under my direction from Redwood's company business records.

14. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.


DERIK SMITH


Date

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

APPLICATION OF REDWOOD OPERATING
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

CASE NO. 23157

SELF-AFFIRMED STATEMENT OF JUSTIN TELTSCHIK

1. My name is Justin Teltschik. I am the co-managing member of Pecos Oil & Gas, LLC. I am familiar with the application filed in this case and have personal knowledge of the information provided in this self-affirmed statement.

2. Pecos Oil & Gas, LLC is a foreign limited liability company registered in Delaware with a principal place of business at 1455 West Loop South, Suite 230, Houston, Texas. It is registered to do business in New Mexico through the New Mexico Secretary of State and is in good standing.

3. Pecos Oil & Gas, LLC is a working interest owner in each of the tracts that comprise the proposed horizontal spacing unit in this case. As a working interest owner, Pecos Oil & Gas, LLC has a right to drill wells in the subject acreage.

4. However, Pecos Oil & Gas, LLC is not an operator of oil and gas wells or other oil and gas facilities in New Mexico. Therefore, it does not have an OGRID number and is not a bonded or registered operator through the New Mexico Oil Conservation Division.

5. Pecos Oil & Gas, LLC has therefore contracted with Redwood Operating LLC to propose wells, operate wells, operate Pecos Oil & Gas, LLC's working interests, and generally act on behalf of Pecos Oil & Gas, LLC to manage its leasehold interests in New Mexico.

6. Redwood Operating LLC is a domestic limited liability company with a principal place of business at 11344 Lovington Highway, Artesia, New Mexico.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: Redwood Operating LLC
Hearing Date: January 5, 2023
Case No. 23157

7. As part of its contractual agreement with Redwood Operating LLC, Pecos Oil & Gas, LLC authorized Redwood Operating LLC to propose the wells and to file the application that is the subject of this compulsory pooling proceeding on its behalf. Redwood Operating LLC is also authorized to manage Pecos Oil & Gas, LLC's leasehold interests that are the subject of this case.

8. Accordingly, Redwood Operating LLC has a right to propose, drill, and operate wells on the subject acreage, as well as to file compulsory pooling applications to force pool uncommitted owners, on behalf of Pecos Oil & Gas, LLC.

9. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.


JUSTIN TELTSCHIK

12/7/2022
Date

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

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 30-015-49488	² Pool Code 51120	³ Pool Name Red Lake; Glorieta - Yeso
⁴ Property Code 332796	⁵ Property Name ELM FEE	
⁷ OGRID No. 330211	⁸ Operator Name REDWOOD OPERATING, LLC	⁶ Well Number 2H
		⁹ Elevation 3361.6

¹⁰ Surface Location

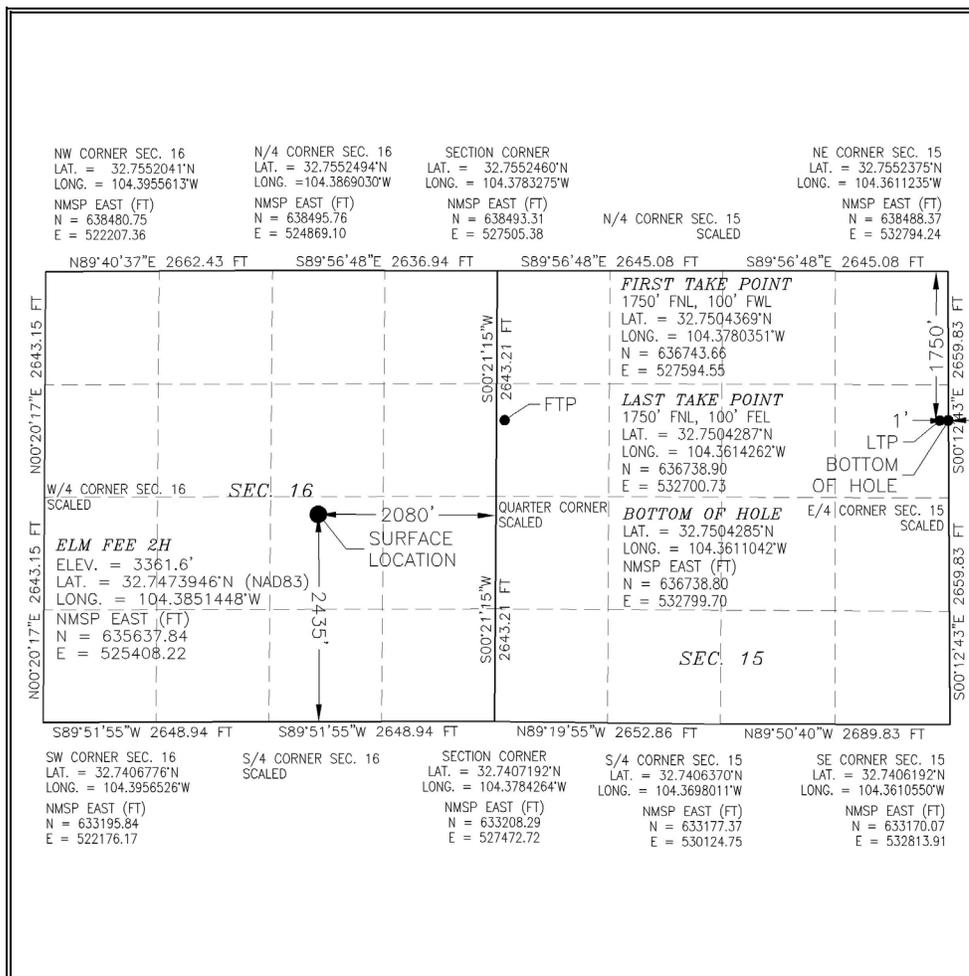
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	16	18 S	26 E		2435	SOUTH	2080	EAST	EDDY

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
H	15	18 S	26 E		1750	NORTH	1	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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.

Delilah Flores 10/19/2022
Signature Date
Delilah Flores
Printed Name
delilah@mec.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.

OCTOBER 4, 2022

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number: **12797**

JARAMEL L. JARAMILLO, LS 12797
PROFESSIONAL SURVEYOR
NO. 9387B

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 30-015-49489		² Pool Code 51120		³ Pool Name Red Lake; Glorieta - Yeso	
⁴ Property Code 332796		⁵ Property Name ELM FEE			⁶ Well Number 3H
⁷ OGRID No. 330211		⁸ Operator Name REDWOOD OPERATING, LLC			⁹ Elevation 3361.7

¹⁰ Surface Location

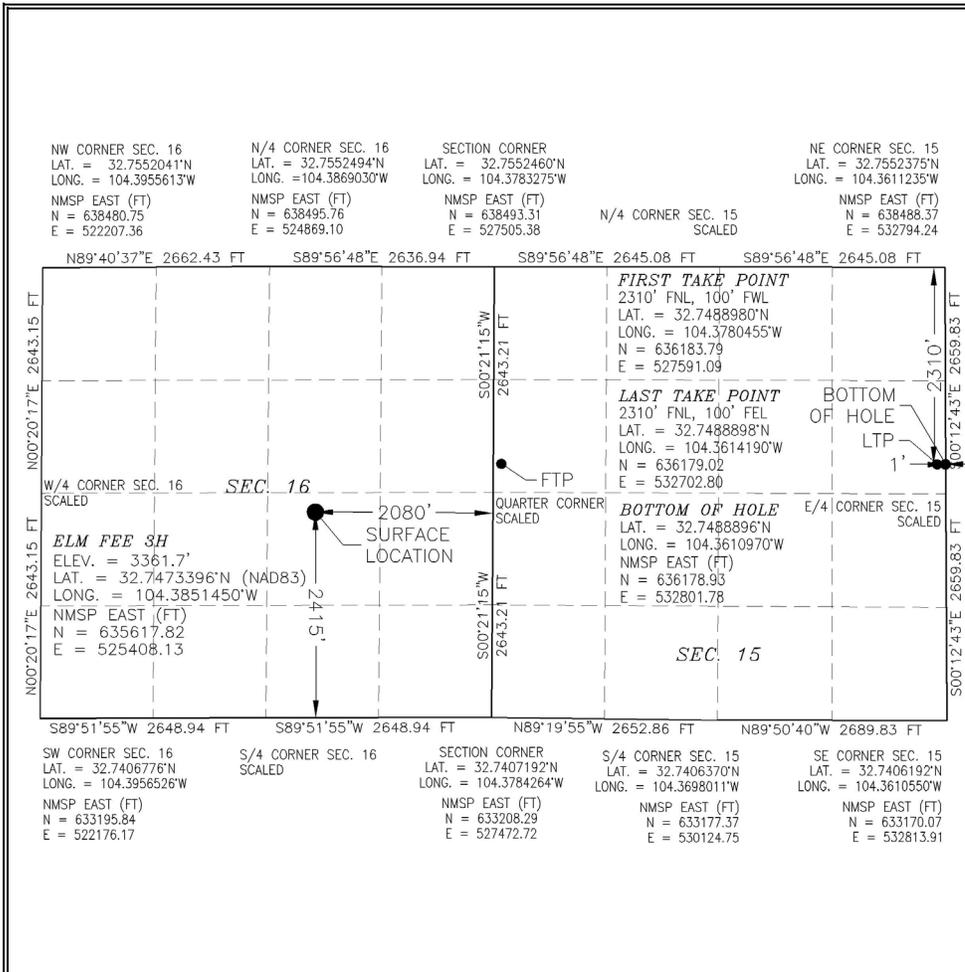
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	16	18 S	26 E		2415	SOUTH	2080	EAST	EDDY

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
H	15	18 S	26 E		2310	NORTH	1	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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.

Delilah Flores 10/19/2022
Signature Date

Delilah Flores
Printed Name

delilah@mec.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.

OCTOBER 4, 2022

Date of Survey

[Signature]
Signature and Seal of Professional Surveyor:

Certificate Number: 12797
Professional Surveyor No. 9388B

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 30-015-50110	² Pool Code 51120	³ Pool Name Red Lake; Glorieta - Yeso
⁴ Property Code 332796	⁵ Property Name ELM FEE	
⁷ OGRID No. 330211	⁸ Operator Name REDWOOD OPERATING, LLC	⁶ Well Number 4H
		⁹ Elevation 3361.7

¹⁰ Surface Location

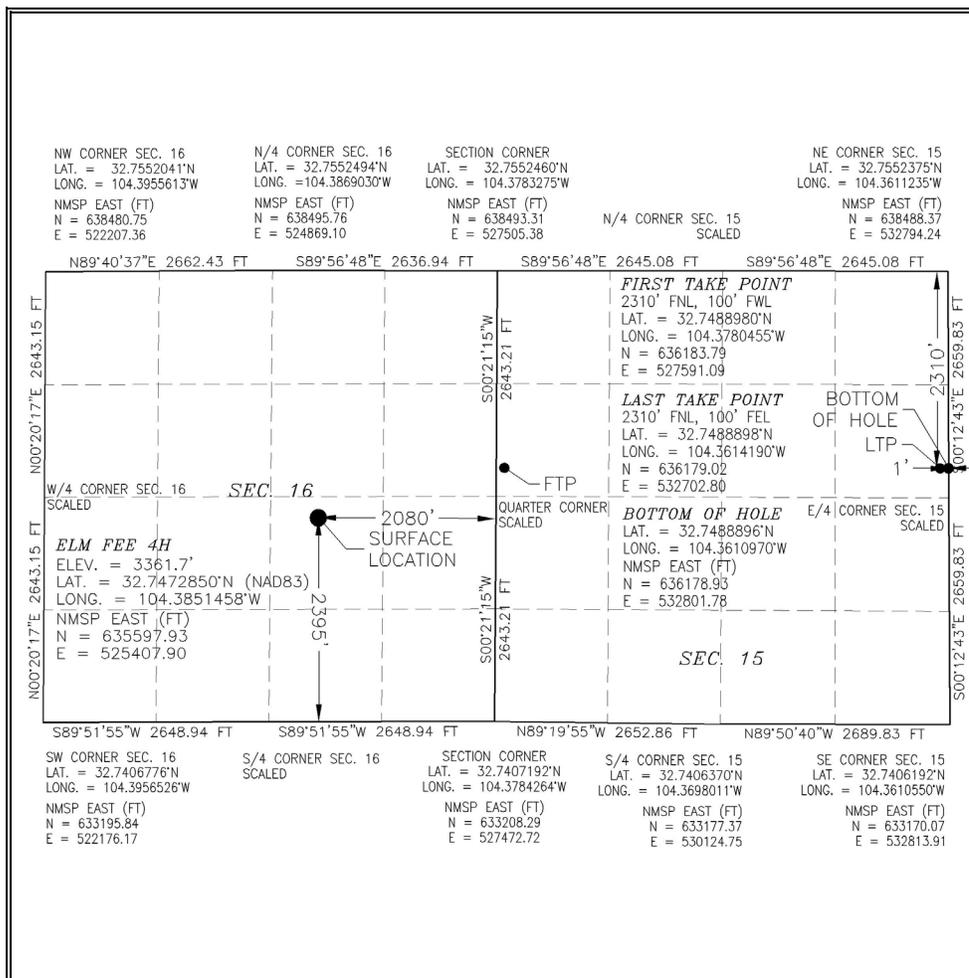
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	16	18 S	26 E		2395	SOUTH	2080	EAST	EDDY

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
H	15	18 S	26 E		2310	NORTH	1	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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.

Delilah Flores 10/20/2022
Signature Date

Delilah Flores
Printed Name

delilah@mec.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.

OCTOBER 4, 2022

Date of Survey

Linon F. Jaramillo
Signature and Seal of Professional Surveyor
Certificate Number: 12797
NO. 9389B

Plat of Area covering the
S/2N/2 of Section 15, Township 18 South, Range 26 East, NMPM
Eddy County, New Mexico

Unit Name/Wells: Elm Fee #1H, #2H, #3H, #4H

<u>Tract 3</u> Fee Leases Pecos Oil & Gas, LLC 100%			
	<u>Tract 2</u> Fee Leases Pecos Oil & Gas, LLC 100%		<u>Tract 1</u> Fee Leases Pecos Oil & Gas, LLC 100%

**Section 15
T18S-R26E**

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-3
Submitted by: Redwood Operating LLC Hearing Date:
January 5, 2023
Case No. 23157**

Chronology of Contacts

Name	First Contact - Certified Mail		Second Contact - Certified Mail	
JANET KAY BAXTER	10/17/2022	Sent Pooling Authorization & explanatory cover letter	11/17/2022	Sent Pooling Authorization & explanatory cover letter
ASHLEY ELIZABETH BAXTER	10/17/2022	Sent Pooling Authorization & explanatory cover letter	11/17/2022	Sent Pooling Authorization & explanatory cover letter
ABBIE BLAIR BAXTER	10/17/2022	Sent Pooling Authorization & explanatory cover letter	11/17/2022	Sent Pooling Authorization & explanatory cover letter
CLAUDIA SIMPSON HAPAK	10/17/2022	Sent Pooling Authorization & explanatory cover letter	11/17/2022	Sent Pooling Authorization & explanatory cover letter
BLAIRBAX ENERGY LLC	12/8/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
BAXSTO LLC	12/8/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
BUFFY ENERGY LLC	12/8/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Margaret I Barry Taylor	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Thomas A Barry	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Kathryn E Barry	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Maria D Barry Abrams	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Joneva Barry	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Julia F Brown	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Elizabeth S Brown	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Isabel Duffy Layton	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter
Leola L Jones	12/15/2022	Sent Pooling Authorization & explanatory cover letter	12/27/2022	Sent Pooling Authorization & explanatory cover letter

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4
Submitted by: Redwood Operating LLC
Hearing Date: January 5, 2023
Case No. 23157

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

APPLICATION OF REDWOOD OPERATING
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

CASE NO. 23157

SELF-AFFIRMED STATEMENT OF CHARLES SADLER

1. My name is Charles Sadler, and I work for Redwood Operating LLC, ("Redwood"), as a Geologist. I am familiar with the application filed in this case and have personal knowledge of the information provided in this self-affirmed statement.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters and my credentials as an expert petroleum geologist have been accepted by the Division and been made a matter of record.

3. **Redwood Exhibit D-1** is a locator map identifying the proposed horizontal well spacing unit in this case with a red box within the Permian Basin.

4. **Redwood Exhibit D-2** is a zoomed in project locator map identifying Redwood's proposed Elm Fee well spacing unit outlined in yellow.

5. **Redwood Exhibit D-3** is a subsea structure map with a type log for the Rogers 10 Com #1. The proposed spacing unit acreage is identified with a yellow outline. The contour interval is 10'. The structure map shows that the Yeso formation dips to the southeast in this area. I do not observe any faulting, pinch outs, or other geologic impediments to developing the targeted intervals with horizontal wells in this area.

6. **Redwood Exhibit D-4** identifies the four wells penetrating the targeted intervals that I used to construct a stratigraphic cross-section from A to A' across the acreage. I used these well logs because they penetrate the targeted intervals and are of good quality. In my opinion,

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Redwood Operating LLC Hearing
Date: January 5, 2023
Case No. 23157

these well logs are representative of the geology in the area. The stratigraphic cross-section A to A' contains a gamma ray, resistivity, and porosity log for each well. The target interval for the **Elm Fee #1H** is identified in green shading as the upper Paddock zone within the Yeso formation. The target interval for the **Elm Fee #2H** is identified in red shading as the upper Blinebry zone within the Yeso formation. The target interval for the **Elm Fee #3H** is identified in purple shading as the middle Paddock zone within the Yeso formation. The target interval for the **Elm Fee #4H** is identified in blue shading as the middle Blinebry zone within the Yeso formation. The stratigraphic cross-section demonstrates that the targeted intervals within the Yeso formation extend across the proposed spacing unit.

7. In my opinion, laydown orientation of the wells is the preferred orientation for horizontal well development in this area and is appropriate to develop the subject acreage efficiently and effectively.

8. Based on my geologic study, the targeted intervals within the Yeso formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.

9. **Redwood Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.

10. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Charles Sadler

12/13/22
Date

Elm Fee Project Locator Map



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

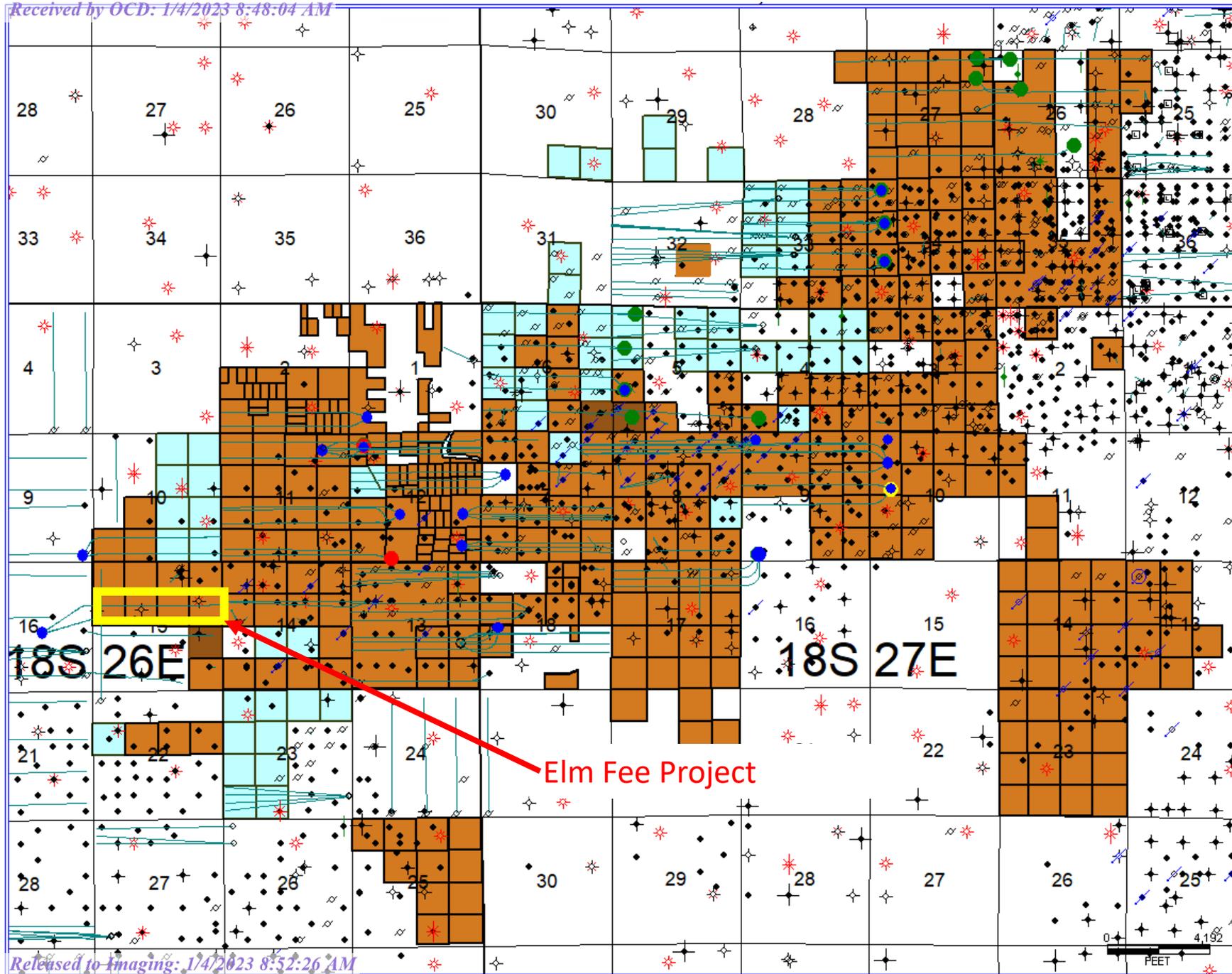
Exhibit No. D-1

Submitted by: Redwood Operating LLC

Hearing Date: January 5, 2023

Case No. 23157

Redwood Operating Acreage Position

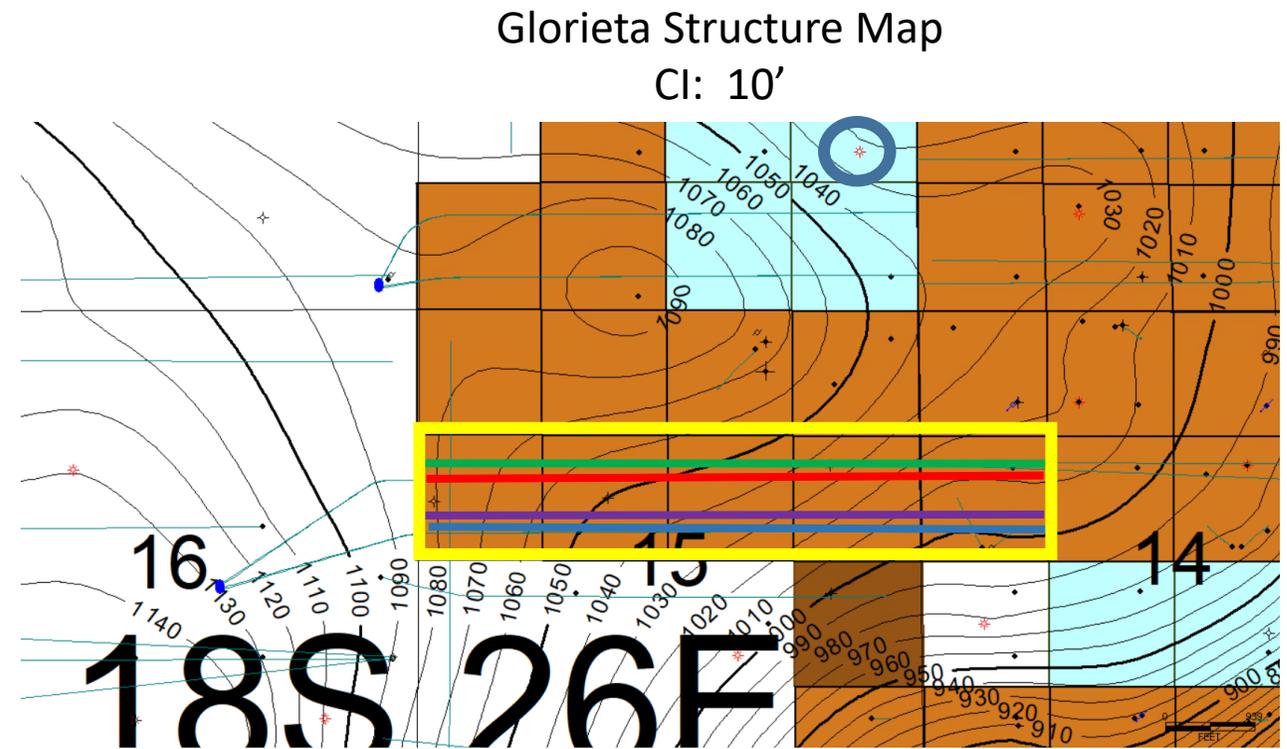
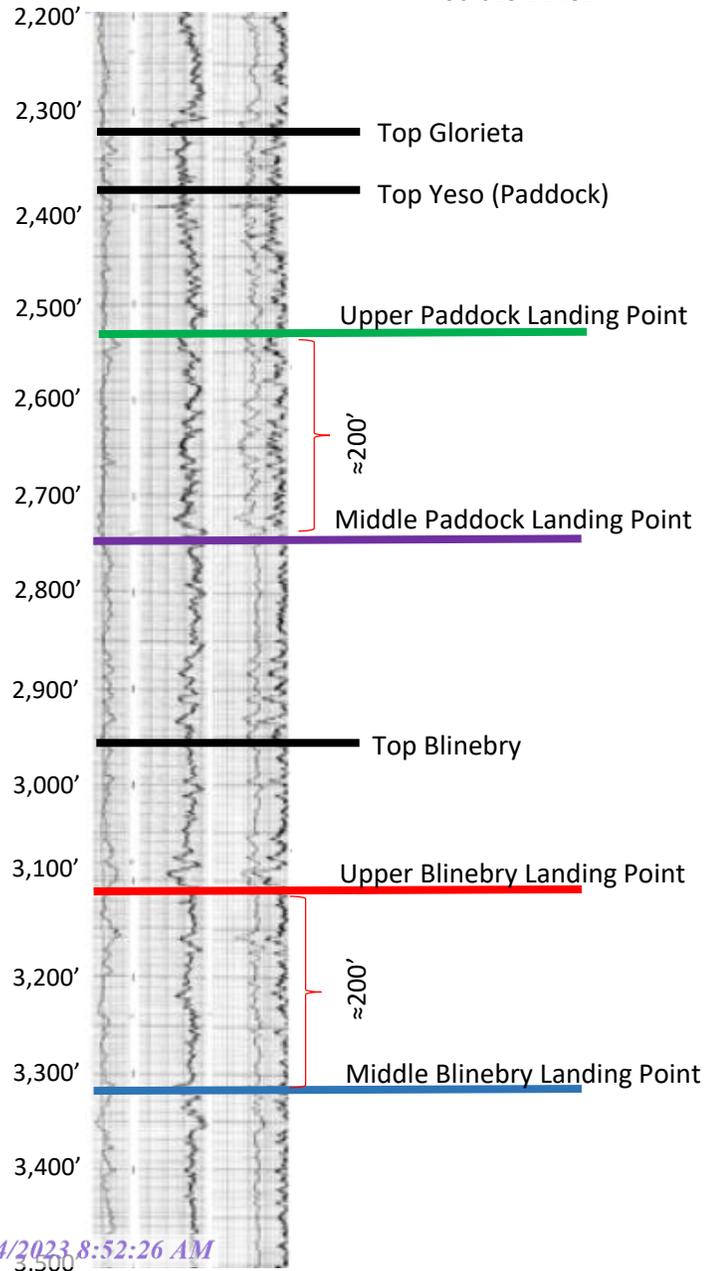


- San Andres Rights
- Yeso Rights

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-2
 Submitted by: Redwood Operating LLC
 Hearing Date: January 5, 2023
 Case No. 23157

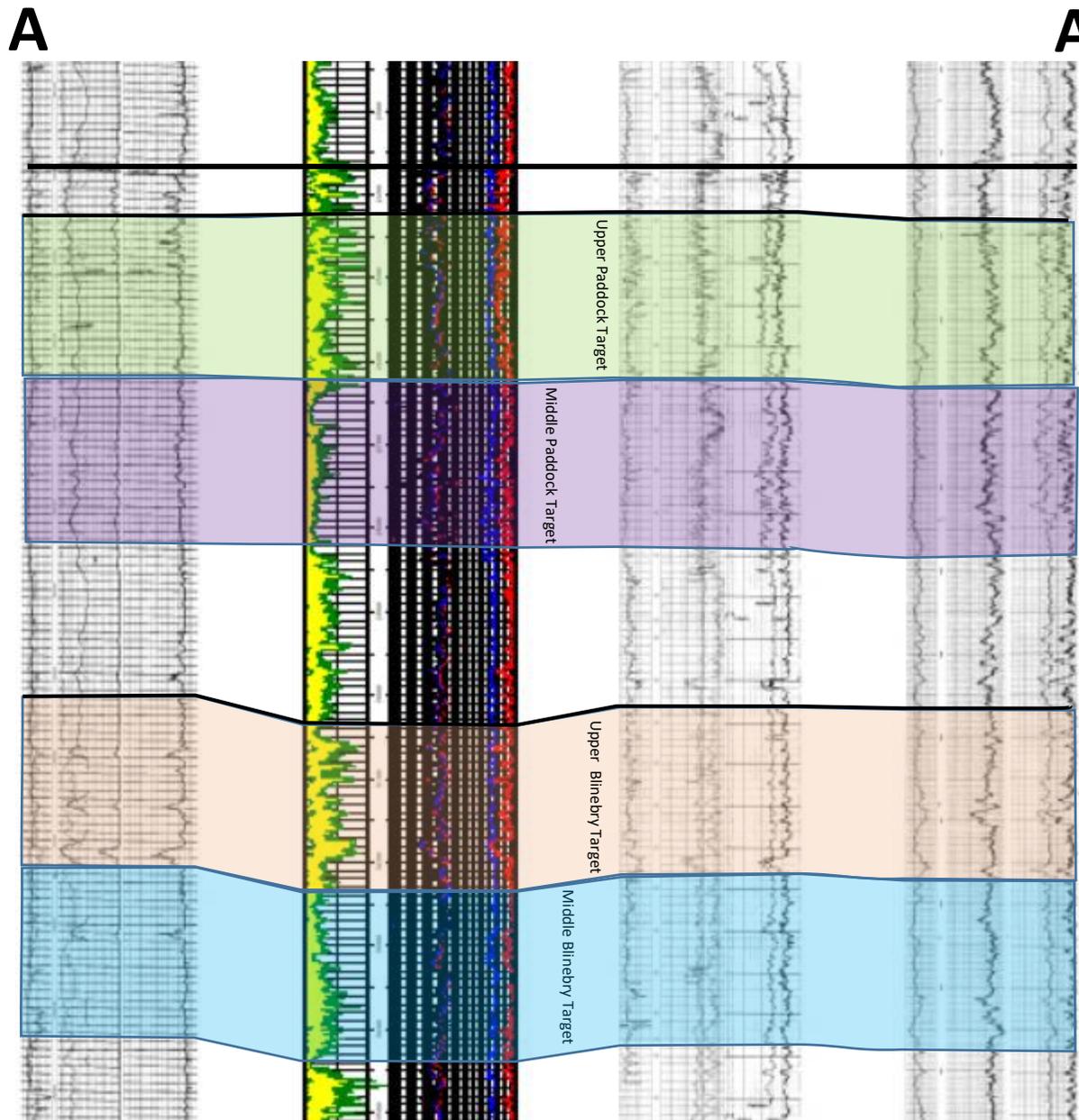
Rogers 10 Com #1
1650' FSL & 660' FEL
Section 10-T18S-R26E
API #: 30-015-21182

Elm Fee Project Area Type Log/Structure Map

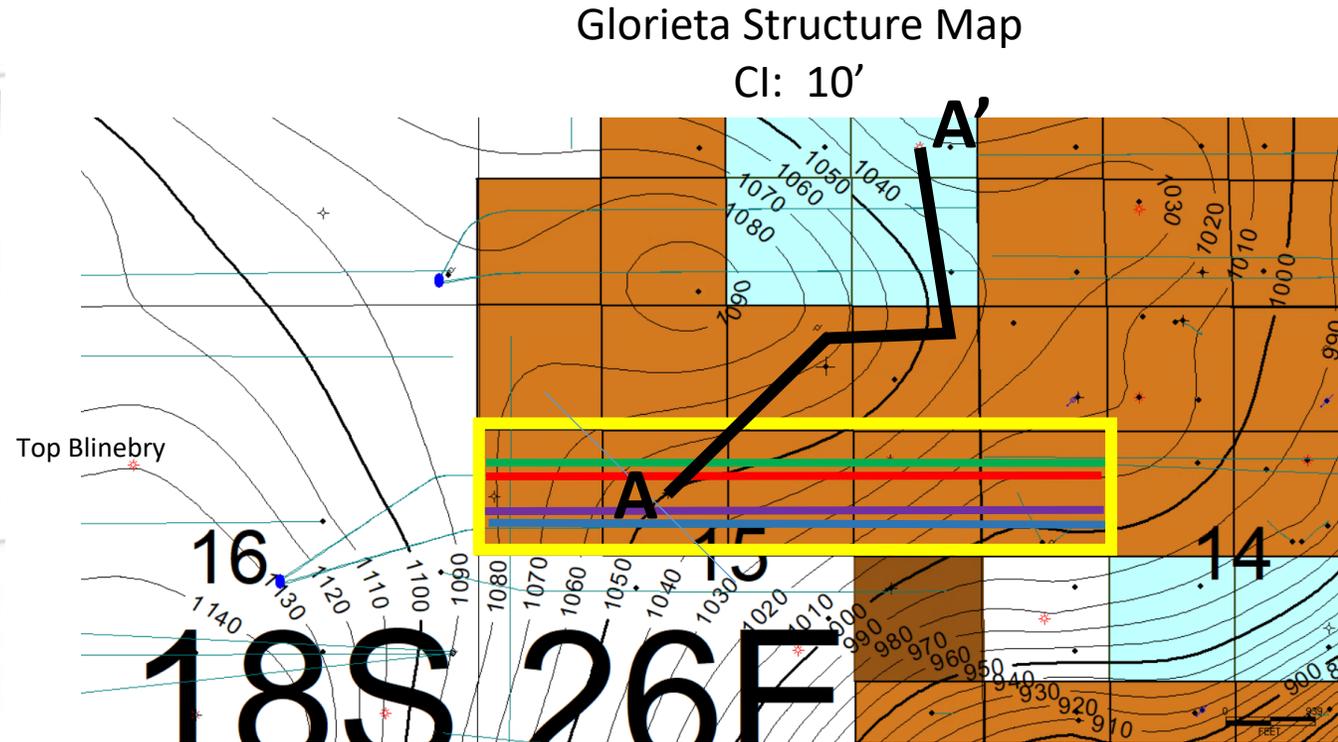


- Upper Paddock Horizontal
- Middle Paddock Horizontal
- Upper Blinebry Horizontal
- Middle Blinebry Horizontal
- Project Area

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-3
Submitted by: Redwood Operating LLC
Hearing Date: January 5, 2023
Case No. 23157



Elm Fee Project Stratigraphic Cross Section A-A'



- Upper Paddock Horizontal
 - Middle Paddock Horizontal
 - Upper Blinebry Horizontal
 - Middle Blinebry Horizontal
 - Project Area
- BEFORE THE OIL CONSERVATION DIVISION**
 Santa Fe, New Mexico
 Exhibit No. D-4
 Submitted by: Redwood Operating LLC Hearing
 Date: January 5, 2023
 Case No. 23157

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

**APPLICATION OF REDWOOD OPERATING
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 23157

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Redwood Operating LLC (“Redwood”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of January 03, 2022.

5. I caused a notice to be published to all parties subject to this compulsory pooling proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached as Exhibit F.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Paula M. Vance

01/03/2023

Date

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Redwood Operating LLC
Hearing Date: January 5, 2023
Case No. 23157**



Paula M. Vance
Associate
Phone (505) 988-4421
Email pmvance@hollandhart.com

November 23, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Redwood Operating LL for Compulsory Pooling, Eddy County, New Mexico.
Elm Fee #1H, #2H, #3H, and #4H well

Ladies & Gentlemen:

This letter is to advise you that Redwood Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 15, 2022, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. 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. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Derik Smith at (575) 627-3477, or deriksmith@redwoodoperating.com.

Sincerely,

Paula M. Vance
ATTORNEY FOR REDWOOD OPERATING LLC

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming



Paula M. Vance
Associate
Phone (505) 988-4421
Email pmvance@hollandhart.com

December 16, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Redwood Operating LL for Compulsory Pooling, Eddy County, New Mexico.
Elm Fee #1H, #2H, #3H, and #4H well

Ladies & Gentlemen:

This letter is to advise you that Redwood Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on January 5, 2023, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. 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. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Derik Smith at (575) 627-3477, or deriksmith@redwoodoperating.com.

Sincerely,

Paula M. Vance
ATTORNEY FOR REDWOOD OPERATING LLC

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Redwood_Elm Fee 1H-4H
Case No. 23157 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765811498026	ABH Baxter LP	PO Box 1649	Austin	TX	78767-1649	Your item has been delivered and is available at a PO Box at 10:12 am on November 30, 2022 in AUSTIN, TX 78701.
9414811898765811498002	Janet Kay Baxter	PO Box 1649	Austin	TX	78767-1649	Your item has been delivered and is available at a PO Box at 10:12 am on November 30, 2022 in AUSTIN, TX 78701.
9414811898765811498095	Ashley Elizabeth Baxter	901 W Sorrell Ln	Midland	TX	79705-1821	Your item was delivered to an individual at the address at 2:51 pm on November 28, 2022 in MIDLAND, TX 79705.
9414811898765811498040	Abbie Blair Baxter	PO Box 1649	Austin	TX	78767-1649	Your item has been delivered and is available at a PO Box at 10:12 am on November 30, 2022 in AUSTIN, TX 78701.
9414811898765811498033	Jann Braudis Brown	512 Flagship Ter	Tinton Falls	NJ	07753-7775	We attempted to deliver your item at 3:52 pm on November 28, 2022 in NEPTUNE, NJ 07753 and a notice was left because an authorized recipient was not available.
9414811898765811498071	Claudia Simpson Hapak	729 Round Hill Rd	Indianapolis	IN	46260-2917	Your item was delivered at 10:55 am on November 30, 2022 in INDIANAPOLIS, IN 46240.
9414811898765811498415	John E Simpson Estate	225 Oakland Way	Athens	GA	30606-4345	The delivery status of your item has not been updated as of November 30, 2022, 3:51 am. We apologize that it may arrive later than expected.
9414811898765811498453	Melvin C. Bailey	209 Rocky Point Dr	Columbia	SC	29212-8708	We could not access the delivery location to deliver your package at 2:28 pm on November 29, 2022 in COLUMBIA, SC 29212. We will redeliver on the next delivery day. No action needed.
9414811898765811498460	Legacy Royalties, Ltd.	PO Box 1360	Tyler	TX	75710-1360	Your item was picked up at the post office at 8:02 am on November 29, 2022 in TYLER, TX 75702.

Redwood_Elm Fee 1H-4H
Case No. 23157 addnl Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765835123942	Baxsto, LLC	PO Box 302857	Austin	TX	78703-0048	Your item has been delivered and is available at a PO Box at 3:22 pm on December 22, 2022 in AUSTIN, TX 78703.
9414811898765835123980	Blairbax Energy LLC	815 Brazos St unit 491 A	Austin	TX	78701-2562	Your item was returned to the sender on December 29, 2022 at 2:16 pm in SANTA FE, NM 87501 because it could not be delivered as addressed.
9414811898765835123935	Buffy Energy LLC	PO Box 1649	Austin	TX	78767-1649	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765835123973	Margaret I Barry Taylor	36890 Madrona Blvd NE	Hansville	WA	98340-9712	Your item arrived at the HANSVILLE, WA 98340 post office at 6:28 am on December 27, 2022 and is ready for pickup.
9414811898765835123614	Thomas A Barry	36890 Madrona Blvd NE	Hansville	WA	98340-9712	Your item arrived at the HANSVILLE, WA 98340 post office at 6:28 am on December 27, 2022 and is ready for pickup.
9414811898765835123652	Kathryn E Barry	15329 SE 49th Pl	Bellevue	WA	98006-3652	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765835123621	Maria D Barry Abrams	11422 71st Pl S	Seattle	WA	98178-3005	Your item was delivered to an individual at the address at 2:29 pm on December 28, 2022 in SEATTLE, WA 98178.
9414811898765835123607	Joneva Barry	36890 Madrona Blvd NE	Hansville	WA	98340-9712	Your item arrived at the HANSVILLE, WA 98340 post office at 6:28 am on December 27, 2022 and is ready for pickup.
9414811898765835123690	Julia F Brown Thompson	PO Box 715	Bedford	MA	01730-0715	This is a reminder to pick up your item before January 11, 2023 or your item will be returned on January 12, 2023. Please pick up the item at the BEDFORD, MA 01730 Post Office.
9414811898765835123645	Elizabeth S Brown Rempel	11 Wellington St	Medway	MA	02053-1541	Your item was delivered to an individual at the address at 11:30 am on December 23, 2022 in MEDWAY, MA 02053.
9414811898765835123683	Isabel Duffy Layton	13614 Mar Scenic Dr	Del Mar	CA	92014-3425	Your item was returned to the sender on December 29, 2022 at 2:17 pm in SANTA FE, NM 87501 because it could not be delivered as addressed.
9414811898765835123638	Leola L Jones	12413 E 32nd Pl	Tulsa	OK	74146-2205	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

RECEIVED

DEC 08 2022

Holland & Hart LLP.

Affidavit of Publication

Ad # 0005498159

This is not an invoice

HOLLAND AND HART
POBOX 2208

SANTA FE, NM 87504

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

11/30/2022



Legal Clerk

Subscribed and sworn before me this November 30, 2022:



State of WI, County of Brown
NOTARY PUBLIC



My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005498159
PO #: 5498159
of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Redwood Operating LLC
Hearing Date: January 5, 2023
Case No. 23157

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, December 15, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.org. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.org, or the New Mexico Relay Network at 1-800-659-1779, no later than December 5, 2022.

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

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

To: All interest owners subject to pooling proceedings, including: ABH Baxter

LP; Janet Kay Baxter, her heirs and devisees; Ashley Elizabeth Baxter, her heirs and devisees; Abbie Blair Baxter, her heirs and devisees; Jann Braudis Brown, his or her heirs and devisees; Claudia Simpson Hapakv, her heirs and devisees; John E Simpson Estate, his heirs and devisees; Melvin C. Bailey, his heirs and devisees; and Legacy Royalties, Ltd.

Case No. 23157:
Application of Redwood Operating LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Yeso formation underlying a standard 160-acre, more or less, horizontal spacing unit comprised of the S/2 N/2 of Section 15, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Elm Fee #1H, Elm Fee #2H, Elm Fee #3H, and Elm Fee #4H well to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 16, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 6 miles southeast of Artesia, New Mexico. #5498159, Current Argus, November 30, 2022

RECEIVED

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

DEC 29 2022

Holland & Hart LLP

Affidavit of Publication

Ad # 0005527014

This is not an invoice

HOLLAND AND HART
POBOX 2208

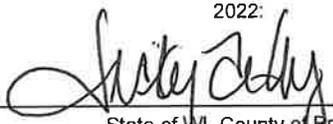
SANTA FE, NM 87504

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

12/18/2022


Legal Clerk

Subscribed and sworn before me this December 18, 2022:


State of WI, County of Brown
NOTARY PUBLIC
97925
My commission expires

VICKY FELTY
Notary Public
State of Wisconsin

Ad # 0005527014

PO #: Case No. 23157

of Affidavits: 1

This is not an invoice

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, January 5, 2023, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.gov. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than **December 25, 2022**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m70857b43582c30c1009e8e4c5f5461e7>
Webinar number: : 2499 289 7870
Panelist password: AvxgVmMe829 (28948663 from phones and video systems)

Join by video: 24992897870@nmemnrd.webex.com
You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free
+1-408-418-9388 United States Toll
Access code: 2499 289 7870

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

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

To: All interest owners subject to pooling proceedings, including: Baxsto, LLC; Blairbax Energy LLC; Buffy Energy LLC; Margaret I Barry Taylor, her heirs and devisees; Thomas A Barry, his heirs and devisees; Kathryn E Barry, her heirs and devisees; Maria D Barry Abrams, her heirs and devisees; Joneva Barry, her heirs and devisees; Julia F Brown Thompson, her heirs and devisees; Elizabeth S Brown Rempel, her heirs and devisees; Isabel Duffy Layton, her heirs and devisees; and Leola L Jones, her heirs and devisees.

Case No. 23157: Application of Redwood Operating LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Yeso formation underlying a standard 160-acre, more or less, horizontal spacing unit comprised of the S/2 N/2 of Section 15, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Elm Fee #1H, Elm Fee #2H, Elm Fee #3H, and Elm Fee #4H well to be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 16, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 6 miles southeast of Artesia, New Mexico. #5527014, Current Argus, December 18, 2022