CASE NOS. 21503 and 21504

APPLICATIONS OF ASCENT ENERGY, LLC COMPULSORY POOLING, <u>LEA COUNTY, NEW MEXICO</u>

EXHIBITS

- 1. Applications and Proposed Ads
- 2. Landman's Affidavit
- 3A. Geologist's Affidavit Case 21503
- 3B. Geologist's Affidavit Case 21504
- 4. Affidavit of Notice
- 5. Pooling Checklist (Case No. 21503)
- 6. Pooling Checklist (Case No. 21504)

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 2(503

APPLICATION

Ascent Energy, LLC applies for an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E½W½ of Section 16 and the E½W½ of Section 21, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the $E\frac{1}{2}W\frac{1}{2}$ of Section 16 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 21, and has the right to drill a well or wells thereon.
 - 2. Applicant proposes to drill the following wells to test the Bone Spring formation:
 - (a) The Pony Express Fed. Com. Well No. 503H; and
 - (b) The Pony Express Fed. Com. Well No. 601H.

The wells are horizontal wells, with first take points in the NE½NW¼ of Section 16 and final take points in the SE½SW¼ of Section 21. Applicant will dedicate the E½W½ of Section 16 and the E½W½ of Section 21 to the wells.

- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the Bone Spring formation underlying the $E\frac{1}{2}W\frac{1}{2}$ of Section 16 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 21 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring

EXHIBIT

formation underlying the $E\frac{1}{2}W\frac{1}{2}$ of Section 16 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 21 pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the E½W½ of Section 16 and the E½W½ of Section 21 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interest owners in the Bone Spring formation underlying the $E\frac{1}{2}W\frac{1}{2}$ of Section 16 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 21;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the cost among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Ascent Energy, LLC

Case	No.	:

Application of Ascent Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 16 and the E/2W/2 of Section 21, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the Pony Express Fed. Com. Well Nos. 503H and 602H, with first take points in the NE/4NW/4 of Section 16 and last take points in the SE/4SW/4 of Section 21. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The unit is located approximately 4-1/2 miles northwest of Halfway, New Mexico.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 2/504

APPLICATION

Ascent Energy, LLC applies for an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E½W½ of Section 16 and the E½W½ of Section 21, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the $E\frac{1}{2}W\frac{1}{2}$ of Section 16 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 21, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to the drill Pony Express Fed. Com. Well No. 702H to test the Wolfcamp formation, with a first take point in the NE¼NW¼ of Section 16 and a final take point in the SE¼SW¼ of Section 21. Applicant will dedicate the E½W½ of Section 16 and the E½W½ of Section 21 to the well.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the Wolfcamp formation underlying the $E\frac{1}{2}W\frac{1}{2}$ of Section 16 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 21 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying the E½W½ of Section 16 and the E½W½ of Section 21 pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Wolfcamp formation underlying the $E\frac{1}{2}W\frac{1}{2}$ of Section 16 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 21 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interest owners in the Wolfcamp formation underlying the $E\frac{1}{2}W\frac{1}{2}$ of Section 16 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 21;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the cost among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted.

James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for Ascent Energy, LLC

Case	No.	

Application of Ascent Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 16 and the E/2W/2 of Section 21, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the Pony Express Fed. Com. Well No. 702H, with a first take point in the NE/4NW/4 of Section 16 and a last take point in the SE/4SW/4 of Section 21. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 4-1/2 miles northwest of Halfway, New Mexico.

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 21503

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 21504

SELF-AFFIRMED STATEMENT OF LEE ZINK

Lee Zink, being duly sworn upon his oath, deposes and states:

- 1. I am the Vice President of Land for Ascent Energy, LLC ("Ascent"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.
- 2. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application filed herein:
 - (a) The purpose of this application is to force pool working interest owners into the Bone Spring and Wolfcamp horizontal spacing units described below, and in wells to be drilled in the units.
 - (b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the wells. All interest owners are locatable.
 - (c) The wells are in the proposed Pony Express Development Area, a development area approved by the Bureau of Land Management for drilling in the potash area. A plat outlining the Development Area is attached as Attachment A.
 - (d) Ascent seeks orders pooling all mineral interests in the following well units:
 - (i) In Case No. 21503 Ascent seeks to pool the Bone Spring formation underlying a horizontal spacing unit comprised of comprised of the E/2W/2 of Section 16 and the E/2W/2 of Section 21, Township 20 South, Range 33 East, NMPM. The unit

EXHIBIT 2

will be dedicated to the Pony Express Fed. Com. Well Nos. 503H and 602H, with first take points in the NE/4NW/4 of Section 16 and last take points in the SE/4SW/4 of Section 21; and

(ii) In Case No. 21504 Ascent seeks to pool the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 16 and the E/2W/2 of Section 21, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the Pony Express Fed. Com. Well No. 702H, with a first take point in the NE/4NW/4 of Section 16 and a last take point in the SE/4SW/4 of Section 21.

Forms C-102 for the wells are submitted as part of the geology testimony.

- (e) There are no depth severances within either the Bone Spring formation or the Wolfcamp formation. Ownership in each formation is set forth on Attachment B.
- (f) Attachment C is a sample well proposal sent to the working interest owners in thee well units. Ascent has had other contacts with the interest owners. All interest owners are locatable.
- (g) Ascent has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.
- (h) Ascent has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D contains the Authorizations for Expenditure for the proposed wells. The estimated costs of the wells set forth therein are fair and reasonable, and comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (j) Ascent requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Lea County. They are also the rates set forth in the proposed Joint Operating Agreement for the well unit. Ascent requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (k) Ascent requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (1) Ascent requests that it be designated operator of the wells.
- (m) The attachments to this affidavit were prepared by me, or compiled from Company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

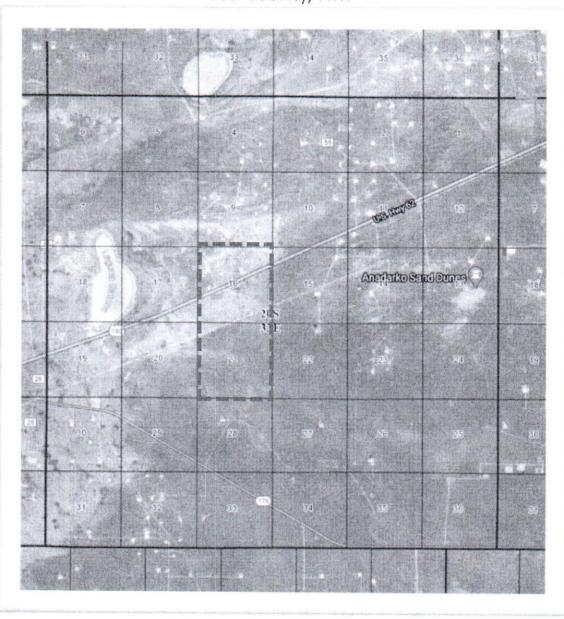
3. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 2(n) above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: Nov. 3, 2020

Lee Zink

Pony Express Development Area Township 20 South, Range 33 East

Section 16: All Section 21: All 1280.00 Gross Acres Lea County, NM





Pony Express Development Area

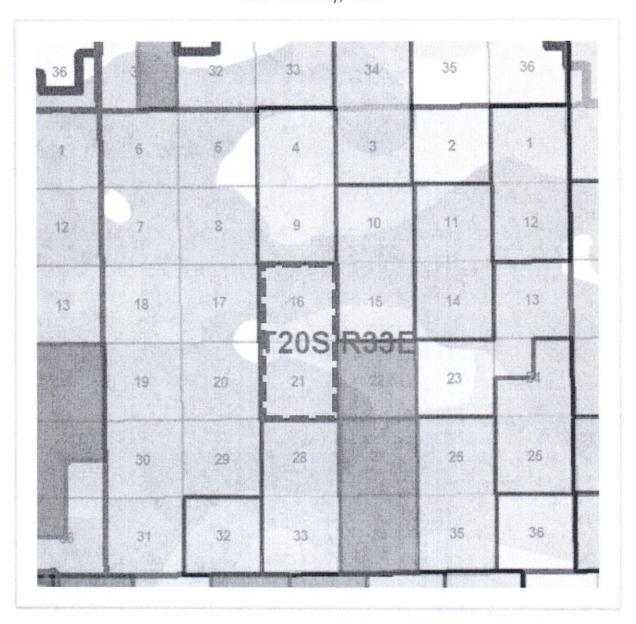
ATTACHMENT



Ascent Energy, LLC	ASCENT
Exhibit	014
Google Map	
T20S-R33E	
Case No. 21503 & 21504	4

Pony Express Development Area Township 20 South, Range 33 East

Section 16: All Section 21: All 1280.00 Gross Acres Lea County, NM



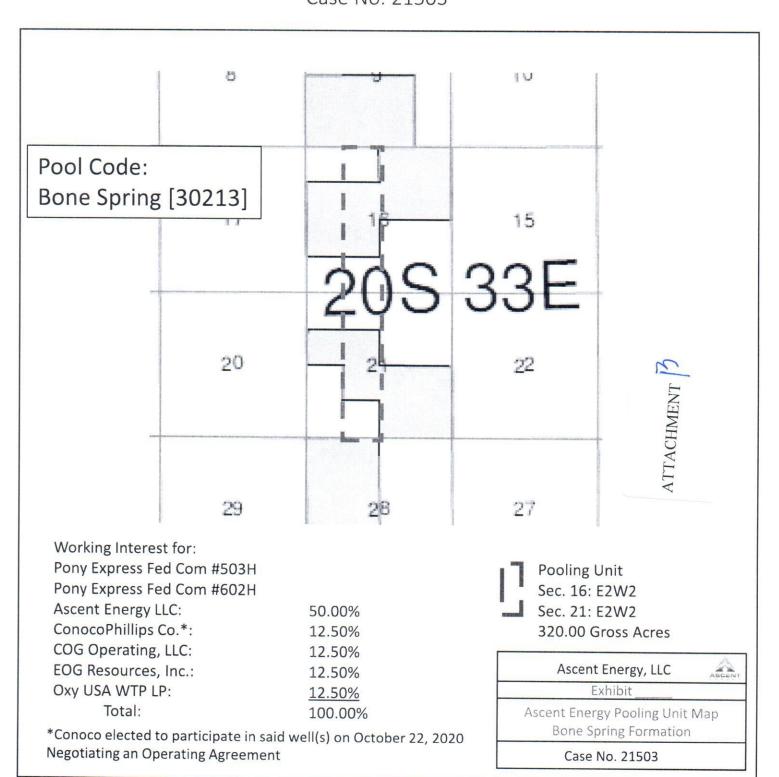


BLM Approved Pony Express Development Area

Ascent Energy, LLC
Exhibit
BLM Development Area Map T20S-R33E
Case No. 21503 & 21504

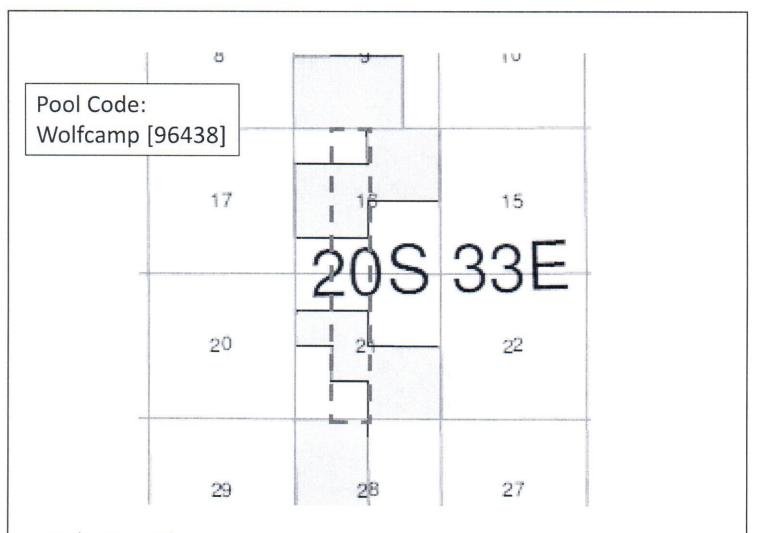
Township 20 South, Range 33 East

Section 16: E2W2 Section 21: E2W2 320.00 Gross Acres Lea County, NM Case No. 21503



Township 20 South, Range 33 East

Section 16: E2W2 Section 21: E2W2 320.00 Gross Acres Lea County, NM Case No. 21504



Working Interest for:

Pony Express Fed Com #702H

Ascent Energy LLC: 50.00%
ConocoPhillips Co.*: 12.50%
COG Operating, LLC: 12.50%
EOG Resources, Inc.: 12.50%
Oxy USA WTP LP: 12.50%
Total: 100.00%



Pooling Unit

Sec. 16: E2W2 Sec. 21: E2W2

320.00 Gross Acres

Ascent Energy, LLC



Ascent Energy Pooling Unit Map
Wolfcamp Formation

Case No. 21504

^{*}Conoco elected to participate in said well(s) on October 22, 2020 Negotiating an Operating Agreement



July 23, 2020

COG Operating LLC 600 W. Illinois Ave. Midland, TX 79701

Attn: Outside Operated Properties

RE: Pony Express Development Area

T20S-R33E Sec. 16: E2W2 Sec. 21: E2W2

320 Gross Acres, more or less Lea County, New Mexico

Dear Working Interest Owner:

Ascent Energy, LLC ("Ascent") hereby proposes the drilling, completing and equipping the following wells located in Sections 16 and 21 of T20S-R33E, Lea County, New Mexico, (collectively known as the "Pony Express Wells").

Well Name	Legal Description	Formation	TVD	TMD	AFE
	T20S-R33E Sec. 16: E2W2, Sec. 21: E2W2				
Pony Express Fed Com #503H	SLH: 155' FNL, 1517' FWL, in Sec. 16, T20S-R33E	2nd Bone Spring	10,097'	20,408	\$7,685,935
	BHL: 100' FSL,2178' FWL, in Sec. 21, T20S-R33E	эртпів			
	T20S-R33E Sec. 16: E2W2, Sec. 21: E2W2				
Pony Express Fed Com #602H	SLH: 155' FNL, 1467' FWL, in Sec. 16, T20S-R33E	3rd Bone Spring	10,934'	21,198'	\$7,778,659
700211	BHL: 100' FSL, 1650' FWL, in Sec. 21, T20S-R33E	Spring			
	T20S-R33E Sec. 16: E2W2, Sec. 21: E2W2				
Pony Express Fed Com #702H	SLH: 155' FNL, 1492' FWL, in Sec. 16, T20S-R33E	Wolfcamp	11,065'	21,360'	\$8,283,555
#70211	BHL: 100' FSL, 2310' FWL, in Sec. 21, T20S-R33E				

Ascent's records indicate that COG Operating, LLC ("COG") owns a 12.50% working interest in the associated Pony Express Wells. COG's estimated collective costs associated with the Pony Express Wells are approximately \$2,968,519.



Ascent reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. Ascent will advise you of any such modifications.

In addition, Ascent proposes the Operation under the terms of a modified 2015 Horizontal AAPL Form 610 Operating Agreement ("OA") with the following basic terms.

Contract Area:

Township 20 South, Range 33 East

Section 16: E2W2

Section 21: E2W2

- · Ascent named as Operator
- 100%/300%/300% non-consent penalties
- \$8,000.00/\$800.00 drilling and producing overhead rates

Please indicate your election in the Operation and return a signed copy within thirty (30) days of receipt of this notice to Ascent. If COG is interested in selling its interest in the Contract Area, please contact the undersigned at your earliest convenience.

Ascent looks forward to working with COG on this matter and may file for compulsory pooling in the near future to pool any uncommitted working interest owners. If you have any questions or concerns, please do not hesitate to contact the undersigned at (720) 710-8923 or <a href="mailto:richards-nearly-n

Very Truly Yours,

Lee Zink

Vice President of Land Ascent Energy, LLC 1125 17th Street, Suite 410

Denver, CO 80202

Enclosure(s): Pony Express Fed Com #503H AFE

Pony Express Fed Com #602H AFE Pony Express Fed Com #702H AFE

Well Election(s)

COG hereby elects to participate in the proposed Pony Express Fed Com #503H Operation by paying its proportionate share of the costs outlined on the associated AFE.
COG hereby elects not to participate in the proposed Pony Express Fed Com #503H Operation.
COG hereby elects to participate in the proposed Pony Express Fed Com #602H Operation by paying its proportionate share of the costs outlined on the associated AFE.
COG hereby elects not to participate in the proposed Pony Express Fed Com #602H Operation.
COG hereby elects to participate in the proposed Pony Express Fed Com #702H Operation by paying its proportionate share of the costs outlined on the associated AFE.
COG hereby elects not to participate in the proposed Pony Express Fed Com #702H Operation.
Working Interest Owner:
COG Operating, LLC
By:
Title:
Date:

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE (AFE)

COST CENTER	Pony Express Fed Com #503H	BUD	YEAR _	2021	DATE	July 9,2020	
AFE NO.			ORY E		SUPPLEMENT NO.		
FIELD	Hat Mesa REGIO	Delaw	vare B	asin	LEGAL:		
OPERATOR	Ascent Energy, LLC WELL	The second second			W.1,	20,400' / 10,100'	
OBJECTIVE	2nd Bone Spring STAT	E NM			MD/TVD	20,400 / 10,100	
ESTIMATED PR	OJECT START DATE: 2Q2021						
DESCRIPTION	Drill to 10,040ft vertical, drill curve and 2 mile lateral. 4 string design.						
	INTANGIBLE DRILLING COSTS				DRYHOLE		TOTAL WELL COST
ACCT.	DESCRIPTION	Ra	te	Units	\$150,000		\$150,000
8305 101 8305 102	Location Cleanup & Damages Rig Move - MIRU, RDMO				\$150,000		150,000
8305 103	Rig Contractor-Daywork/FT				\$528,125		528,125 0
8305 104	Rig Contractor-Turnkey		-		\$132,600		132,600
8305 105	Power & Fuel Drill Fluids & Chemicals		-		\$80,000		80,000
8305 106 8305 107					\$100,000		100,000
8305 108	Cement & Cementing Services				\$115,000		115,000 40,000
8305 109	Mud Logging/Geosteering		-		\$40,000 \$0		0
8305 110 8305 111					\$90,000		90,000
8305 112					\$292,500		292,500
8305 114					\$50,000		50,000
8305 115					\$200,000		200,000
8305 116 8305 117					\$105,000		105,000
8305 118					\$108,875		108,875
8305 119			-		\$60,000		60,000
8305 120 8305 121					\$110,000		110,000
8305 121 8305 122					\$0		0
8305 123	Overhead				\$25,000 \$60,000		25,000 60,000
8305 124				-	\$80,000		0
8305 125 8305 126					\$30,000		30,000
8305 127							10,000
8305 128	Permits				\$10,000 \$20,000		20,000
8305 129 8305 130					920,000		0
6305 130	SUBTOTAL				\$2,457,100		\$2,457,100
8305 199	CONTINGENCY (%) 10.00%				245,710		245,710 \$2,702,810
	SUB-TOTAL INTANGIBLE DRILLING COSTS		_		\$2,702,810		\$2,702,010
	INTANGIBLE COMPLETION COSTS					COMPLETION	TOTAL WELL COST
ACCT.	DESCRIPTION	R	ate	Units		\$10,000	\$10,000
8306 201 8306 202	Power & Fuel					150,000	150,000
8306 202 8306 203						50,000	50,000
8306 204							0
8306 205				and the second		350,000	350,000
8306 206 8306 207					以 是这些是一种的一种,		0
8306 208		Carrier to the same			The last the last the second of the last the last		0
8306 209						1,425,000	1,425,000
8306 210					NAME OF TAXABLE PARTY.		0
8306 211 8306 212						250,000	250,000
8306 213	Contract Labor & Services					67.500	67,500
8306 214		\$	-	0	The value of the second	67,500	0,,500
8306 215 8306 216	Transportation					15,000	15,000
8306 217	Mud Cuttings & Water Disposal				Control of the Contro	125,000	125,000
8306 218							0
8306 219 8306 220						450,000	450,000
8306 221	Unanticipated MajExp Fishing					105.000	105,000
8306 222	Coil Tubing Services		_	-		105,000 35,000	35,000
8306 223 8306 224						75,000	75,000
8306 225	Legal & Permits						0
8306 226					CALL TO SECURE A SECURITION OF	25,000	25,000
8306 228 8306 228		Ś		0	THE RESIDENCE OF THE PROPERTY		0
0300 220	GOTT PROCESS TO THE				(2) (1) 数 数 产 (2) 6 2 5 4	30,000	
	SUBTOTAL					\$3,162,500 158,125	
8306 299						\$3,320,625	\$3,320,625
-	SUB-TOTAL INTANGIBLE COMPLETION COSTS		12 - 12		\$2,702,810	\$3,320,625	\$6,023,435
	SUB-TOTAL INTANGIBLE COSTS TANGIBLE DRILLING COSTS				42/102/020		
			Rate	Units	DRYHOLE		TOTAL WELL COST
8308 30	Drive Pipe Conductor Casing	\$.are	Units	\$30,000		\$30,000
8308 303 8308 303		\$	-	0	\$30,000		30,000
8308 303	Intermediate Casing 9-5/8"	\$	-	0	\$60,000		60,000
8308 304	2nd Intermeidate 7-5/8" Liner Casing	\$		0		Marine State of the State of th	65,000
8308 305					\$60,000 \$60,000		50,000
8308 300 8308 300					\$00,000		0
8308 304					Matricella Company of the Company		0
	CUB TOTAL TANCIBLE DRILLING COSTS				\$295,000		\$295,000
	SUB-TOTAL TANGIBLE DRILLING COSTS				\$253,000		4235,000

	TANGIBLE COM	IPLETION COSTS					
ACCT.	DESCRIPTION		Ra	ite Units		COMPLETION	TOTAL WELL COST
	Production Casing 5-1/2"		\$	- 0	William Programme School State of the State	245,000	\$245,000
3309 401 3309 402	Tubing 3-1/2		\$	- 0		42,500	42,500
3309 403	Subs Flt Eqpt Centralizers E	tc					0
3309 404	Sub Surface Equipment			600			0
8309 405	Xmas Tree Upper Section				(1) 10 (25,000	25,000
8309 406	Outside Operated Other						0
						4242 500	\$312,500
	SUB-TOTAL TANGIBLE COMPLETIO	N COSTS				\$312,500	
	SUB-TOTAL TANGIBLE COSTS				\$295,000	\$312,500	\$607,500
	SUB-TOTAL INTANGIBLE & TANGIE	BLE COSTS			\$2,997,810	\$3,633,125	\$6,630,935
P. S. L.		QUIPMENT COSTS					
						COMPLETION	TOTAL WELL COST
8311 501	Artificial Lift Equipment			02.5		\$30,000	\$30,000
8311 502	Prime Mover Electric Gas			- 67		25.000	25,000
8311 503	Sales Gathering Line					35,000	35,000 90,000
8311 504	Separation Equipment					90,000	45,000
8311 505	Oil Treating Heating Equipm	nent				45,000	43,000
8311 506	Gas Treating Dehy Equipme	ent				60,000	60,000
8311 507	Tanks					30,000	30,000
8311 508	Meters Floctrical Equip Install					80,000	80,000
8311 509 8311 510	Electrical Equip Install Compressor			100	ELLEGATION OF THE PARTY SERVICE	45,000	45,000
8311 510	Flowlines			6.1	Process of the Property of	70,000	70,000
8311 512	Labor			39	WWW. Telephones to the control of th	100,000	100,000
8311 513	Trucks Hauling Transportat	ion		100		60,000	60,000
8311 514	Buildings	1011		2.0	在在10年20日1日 日本 10日本 10日本 10日本 10日本 10日本 10日本 10		0
8311 515	Roads & Locations					40,000	40,000
8311 516	Manifolds & Headers			101		30,000	30,000
8311 517	Chemical Injection System				Park to the second seco	6,000	6,000
8311 518	Piping & Valves					100,000	100,000
8311 519	Welding			100	是	60,000	60,000
8311 520	Surface Pumps				对是是是是不是一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个	10,000	10,000
8311 521	Filters				THE PARTY OF THE P	10,000	10,000
8311 522	Outside Operated Other			27			0
8311 523	Environmental & Safety				在自己的发展的影响。	30,000	30,000
8311 524	Engineering Supervision					24,000	24,000
8311 525	Surface Facilities					100,000	100,000
	SUB-TOTAL PRODUCTION EQUIP	MENT				\$1,055,000	\$1,055,000
	SUB-TOTAL INTANGIBLE COSTS	(PAGE 1)			\$2,702,810	\$3,320,625	\$6,023,435
	SUB-TOTAL TANGIBLE COSTS (PAGE 2)			\$295,000	\$312,500	\$607,500
		GRAND	TOTAL		\$2,997,810	\$4,688,125	\$7,685,935
			UTSIDE INTERESTS		\$2,997,810	\$4,688,125	\$7,685,935
		TOTAL	NET COSTS		\$0	\$0	\$(
	erator: Costs shown on this form are will be required to perform the pro-	e estimates only. Nonoperators should posed operation.	d not consider these estima	ates as establishing any l	mit		
PREPARED BY			DATE		GROSS AFE AMOUNT - DRY HOLE		\$2,997,810
					NET DRYHOLE AFE AMOUNT		\$1
APPROVED			DATE				\$1
HI PROVED					NET ASSET TRANSFERS		
					CASH OUTLAY THIS AFE		\$1
APPROVED			DATE		PREVIOUS AFE'S ISSUED		\$(
					TOTAL CASH OUTLAY		\$1
APPROVED			DATE				
		TEREST APPROVAL					
	COMPANY	WORKING INTEREST			APPROVED BY		DATE

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE (AFE)

COST CENTE	Pony Express Fed Com #602H		BUD YEAR	2021	DATE	July 9,2020	
AFE NO.			CATEGORY	-	SUPPLEMENT NO.		
FIELD	Hat Mesa	REGION	Delaware	Basin	LEGAL:		
OPERATOR	Ascent Energy, LLC	WELL NO.	#		W.I.	24 2001 / 40 0221	
DBJECTIVE	3rd Bone Spring STAT		NM		MD/TVD	21,200' / 10,933'	
	PROJECT START DATE: 2Q2021 N: Drill to 10,040ft vertical, drill curve and 2 mile lateral. 4 s	tring design					
DESCRIPTION	INTANGIBLE DRILLING COSTS	uning design.					
			7	Units	DRYHOLE		TOTAL WELL COST
8305 10	DESCRIPTION Location Cleanup & Damages		Rate	Units	\$150,000		\$150,000
8305 10	Rig Move - MIRU, RDMO				\$150,000		150,000
8305 10					\$536,250		536,250
8305 10 8305 10			_		\$134,640		134,640
8305 10			-		\$80,000		80,000
8305 10	Bits, Reamer, Stabilizers				\$100,000		100,000
8305 10					\$115,000		115,000
8305 10 8305 11			_	-	\$40,000 \$0		40,000
8305 11 8305 11					\$90,000		90,000
8305 11					\$297,000		297,000
8305 11							(
8305 11	5 Tubular Inspection			-	\$50,000		50,000
8305 11 8305 11					\$200,000 \$105,000		105,000
8305 11					\$110,550		110,550
8305 11	9 Company Supervison & Labor				CONTRACTOR OF THE SECOND		(0.000
8305 12	0 Transportation		-	-	\$60,000		60,000 110,000
8305 12 8305 12			-		\$110,000 \$0		110,000
8305 12				-	\$25,000		25,000
8305 12	4 Water & Water Well				\$60,000		60,000
8305 12							00000
8305 12 8305 12			_		\$30,000		30,000
8305 12					\$10,000		10,000
8305 12					\$20,000		20,000
8305 13							AND PROPERTY OF COMMENTS OF CO
0705 10	SUBTOTAL				\$2,473,440		\$2,473,440
8305 19	9 CONTINGENCY (%) 10.00% SUB-TOTAL INTANGIBLE DRILLING COSTS				247,344 \$2,720,784		247,344 \$2,720,784
	INTANGIBLE COMPLETION COST	S			\$2,720,784		\$2,720,784
		THE RESERVE AND ADDRESS OF THE PARTY OF THE					
ACCT.	DESCRIPTION		Rate	Units		COMPLETION	TOTAL WELL COST
ACCT. 8306 20	DESCRIPTION Location & Cleanup		Rate	Units		COMPLETION \$10,000	TOTAL WELL COST \$10,000
8306 20 8306 20	Location & Cleanup Power & Fuel		Rate	Units		\$10,000 160,000	\$10,000 160,000
8306 20 8306 20 8306 20	Location & Cleanup Power & Fuel Compl Fluids & Chemicals		Rate	Units		\$10,000	\$10,000 160,000 50,000
8306 20 8306 20 8306 20 8306 20	Location & Cleanup Power & Fuel Complification Bits, Reamer, Stabilizers		Rate	Units		\$10,000 160,000	\$10,000 160,000 50,000
8306 20 8306 20 8306 20 8306 20 8306 20	Location & Cleanup Power & Fuel Complified & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs		Rate	Units		\$10,000 160,000 50,000	\$10,000 160,000 50,000
8306 20 8306 20 8306 20 8306 20 8306 20 8306 20	Location & Cleanup Power & Fuel Complificuité & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs		Rate	Units		\$10,000 160,000	\$10,000 160,000 50,000 (350,000
8306 20 8306 20 8306 20 8306 20 8306 20	Location & Cleanup Power & Fuel Compliance Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Csg Crews & Tools-Drive Hammer		Rate	Units		\$10,000 160,000 50,000	\$10,000 160,000 50,000 350,000
8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20	Location & Cleanup Power & Fuel Complify Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Loggling & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulath Acid Frac		Rate	Units		\$10,000 160,000 50,000	\$10.000 160.000 50.000 (350.000 1,450.000
8306 20 8306 20	Location & Cleanup Power & Fuel Complificutés & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Cog Crew & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac		Rate	Units		\$10,000 160,000 50,000	\$10,000 160,000 50,000 350,000 1,450,000
8306 20 8306 21	Location & Cleanup Power & Fuel Complificults & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Tubular Inspection		Rate	Units		\$10,000 160,000 50,000 350,000	\$10,000 160,000 50,000 (350,000 (1,450,000
8306 20 8306 20	Location & Cleanup Power & Fuel Completidus & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Loggling & Perforation Svcs Csg Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulath Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals		Rate	Units		\$10,000 160,000 50,000	\$10,000 160,000 50,000 (350,000 (1,450,000 (250,000
8306 20 8306 21 8306 21	Location & Cleanup Power & Fuel Complification Sits, Reamer, Stabilizers Bits, Reamer, Stabilizers Coment & Cementing Svcs Loggling & Perforation Svcs Coggrews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Lugilizers Lugilizers Contract Labor & Services Wellsite Consultant		Rate	Units		\$10,000 160,000 50,000 350,000	\$10,000 160,000 50,000 350,000 1,450,000
8306 20 8306 20: 8306 20: 8306 20: 8306 20: 8306 20: 8306 20: 8306 20: 8306 20: 8306 21: 8306 21: 8306 21: 8306 21:	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Cogging & Perforation Svcs Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor					\$10,000 160,000 50,000 350,000 1,450,000 250,000	\$10,000 160,000 50,000 (350,000 (1,450,000 (250,000 67,500
8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Logging & Perforation Svcs Directional Tools & Svcs Formation Stimulath Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500	\$10,000 160,000 50,000 350,000 (((((((((((((((((
8306 20 8306 20: 8306 20: 8306 20: 8306 20: 8306 20: 8306 20: 8306 20: 8306 20: 8306 21: 8306 21: 8306 21: 8306 21:	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Conging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal					\$10,000 160,000 50,000 350,000 1,450,000 250,000	\$10,000 160,000 50,000 (350,000 (1,450,000 (250,000 (67,500 (125,000
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Logging & Perforation Svcs Csq Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000	\$10.000 160.000 50.000 350.000 1,450.000 250.000 67.500 125.000
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Cogging & Perforation Svcs Cogging & Perforation Svcs Cogging & Perforation Svcs Coggrews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatn Acid Frac Formation Evaluation Lubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Timps Tubular Inspection Timps Tubular Inspection Timps Tubular Inspection Lequipment Rentals Company Supervision & Labor Transportation Timps Tubular Inspection Insurance Overhead Water & Water Well					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500	\$10,000 160,000 50,000 (350,000 (1,450,000 (67,500 (15,000 (15,000 (450,000
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Complif Fluids & Chemicals Logging & Perforation Svcs Cosg Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 450,000	\$10,000 160,000 \$0,000 (350,000 1,450,000 250,000 15,000 15,000 450,000
8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cesan Cesan Cesan Complif Fluids & Chemita Svcs Congling & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Couplant Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coll Tubin Services					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000	\$10,000 160,000 50,000 () () () () () () () () () ()
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 23 8306 21 8306 21	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cogning & Perforation Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Coll Tubing Services					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 450,000	\$10,000 160,000 50,000 (350,000 (1,450,000 67,500 15,000 450,000 (115,000 115,000 115,000
8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 23 8306 22 8306 23 8306 22 8306 23 8306 23 8306 22 8306	Location & Cleanup Power & Fuel Complificutes & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Cogging & Perforation Svcs Formation Tools & Svcs Formation Stimulath Acid Frac Formation Evaluation Tubular Inspection Tubular Inspection Cogging & Cogging Svc Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubin Services Mics Supplies & Materials Flowback Testing Logal & Permits					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 450,000 115,000 35,000 75,000	\$10,000 160,000 50,000 () () () () () () () () () ()
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Logging & Perforation Svcs Cosq Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Cid Tubing Services Misc Supplies & Materials Flowback Testing Flowback Testing Flowback Testing Environmental & Safety Costs					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 450,000 115,000 35,000	\$10,000 160,000 50,000 () () () () () () () () () ()
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cogging & Perforation Svcs Cogging & Perforation Svcs Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Two Water Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Flowback Testing Flowback Testing Flowback Testing Flowback Testing Legal & Permits Environmental & Safety Costs Pluqqing		\$ -	0		\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 450,000 115,000 35,000 75,000	\$10,000 160,000 50,000 (350,000 (1,450,000 (67,500 (15,000 (450,000 (15,000 (
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Cogging & Perforation Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Cogging Formits Flowback Testing Legal & Permits Flowback Testing Equipment & Safety Costs Pluqqing					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 115,000 115,000 35,000 75,000	\$10,000 160,000 50,000 (350,000 (1,450,000 (67,500 (15,000 (450,000 (15,000 (
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22	Location & Cleanup Power & Fuel Complificutes & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cogning & Perforation Svcs Formation Tools & Svcs Formation Stimulatn Acid Frac Formation Evaluation Tubular Inspection Cogning & Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Emisorate Emisorate Emisorate Supervision Misc Supplies & Materials Flowback Testing Legal & Permits Emisorate Completion Riq Subtotal		\$ -	0		\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 450,000 450,000 75,000 25,000	\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 250,000 450,000 450,000 250,000 250,000 35,000 250,000 35,000 3
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22 8306 22 8306 23 8306 22 8306 22 8306 22 8306 23 8306 22 8306 22 8306 23 8306 23 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 23 8306 23 8306 23 8306 23 8306 23 8306 23 8306 23 8306 24 8306 25 8306 25 8306 26 8306 26 830	Location & Cleanup Power & Fuel Complif Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Conging & Perforation Svcs Cogaging & Perforation Svcs Cogaging & Perforation Svcs Cogaging & Perforation Svcs Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Coil Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Legal & Permits Environmental & Safety Costs Pluqqing Completion Riq Subtotal Subtotal	6	\$ -	0		\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 125,000 450,000 115,000 35,000 25,000 30,000 \$3,207,500	\$10,000 160,000 350,000 350,000 1,450,000 250,000 67,500 125,000 450,000 25,000 25,000 25,000 35,000 25,000 35,000 35,000 25,000 25,000 35,0
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22	Location & Cleanup Power & Fuel Complication & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Congrig & Perforation Svcs Conging & Perforation Svcs Congrig & Congrig		\$ -	0		\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 350,000 (1,450,000 250,000 67,500 125,000 450,000 25,000 35,000 53,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22	Location & Cleanup Power & Fuel Complished & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Conging & Perforation Svcs Cosg Crews & Tools-Drive Hammer Co	•	\$ -	0	\$2,720,784	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 125,000 450,000 115,000 35,000 25,000 30,000 \$3,207,500	\$10,000 160,000 160,000 350,000 (1,450,000 250,000 67,500 125,000 450,000 25,000 35,000 53,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22	Location & Cleanup Power & Fuel Complished & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Logging & Perforation Svcs Cosports & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Cid Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Legal & Permits Environmental & Safety Costs Pluquing Superotal Superot		\$ -	0		\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 \$50,000 \$350,000 \$350,000 \$1,450,000 \$250,000 \$15,000 \$450,000 \$15,000 \$25,000 \$35,000
8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22	Location & Cleanup Power & Fuel Complification Comp	6	\$	0 O	DRYHOLE	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 50,000 (
8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22	Location & Cleanup Power & Fuel Completious & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Congorial & Completious & Completious Completious & Completious Completious & Completious Completious & Completious Company & Perforation Svcs Congorial & Completious Company & Completious Company & Completious Company Supervision Company Supervision & Labor Company Supervision & Labor Transportation Water & Water Disposal Insurance Water & Water Well Unanticipated MajExp Fishing Coli Tubing Services Misc Supplies & Materials Coli Tubing Services Misc Supplies & Materials Flowback Testing Coli Tubing Services Misc Supplies & Safety Costs Pluqqing Completion Riq Subrotal Intransible Completion Costs Sub-Total Intansible Completion Costs Sub-Total Intansible Completion Costs Description Drive Pipe Conductor Casing	5	\$ \$ Rate \$	0 Units	DRYHOLE \$30,000	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 350,000 (1,450,000 1,450,000 125,000 15,000 15,000 155,000 155,000 35,000 75,000 35,000 35,000 35,000 35,000 35,000 35,000 53,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500 \$3,207,500
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22 8306 22	Location & Cleanup Power & Fuel Complished & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Logging & Perforation Svcs Cospers & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Cid Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Environmental & Safety Costs Pluquing Supervision Riq Substoria, Safety Costs Pluquing Completion Riq Substoria, National Supervision Sub-Total, Intansible Completion Costs Sub-Total, Intansible Completion Costs DESCRIPTION Drive Pipe Conductor Casing Surface Casing 13-3/8"	4	\$ \$ \$ \$ \$	0 Units	\$30,000 \$30,000	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 350,000 (35
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22	Location & Cleanup Power & Fuel Complished & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cogning & Perforation Svcs Formation Stimulatin Acid Frac Formation Evaluation Livublar Inspection Couplany Supervision Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MejExp Fishing Coli Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Legal & Permits Environmental & Safety Costs Pluqqing Completion Riq Subtotal S		\$ \$	0 Units 0 0 0	\$30,000 \$30,000 \$50,000	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 50,000 (
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 30 8308 30 8308 30	Location & Cleanup Power & Fuel Complished & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Logging & Perforation Svcs Cosg Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Strimulatin Acid Frac Formation Strimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Tubular Inspection Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Environmental & Safety Costs Pluqqing Completion Riq Subtotal Manager Completion Riq Subtotal Manager Completion Riq Subtotal Manager Completion Rig Advanced Research Right Manager Ri		\$ \$ \$ \$	0 Units	\$30,000 \$330,000 \$560,000 \$65,000	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 160,000 350,000 1,450,000 1,450,000 1,450,000 125,000 450,000 15,000 15,000 160,379 \$3,367,875 \$6,088,655
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22	Location & Cleanup Power & Fuel Complished & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Complished & Compli		\$ \$	0 Units 0 0 0	\$30,000 \$30,000 \$60,000 \$65,000 \$55,000	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 160,000 160,000 160,000 17,450,000 17,450,000 17,450,000 17,500 17,500 17,500 17,500 17,500 18,500 19,500
8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 23 8306 23 8306 20 8306 30 8308 30	Location & Cleanup Power & Fuel Complished & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Logging & Perforation Svcs Cogning & Perforation Svcs Formation Stimulation Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Cojl Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Flowback Testing Completion Riq Substotal Substotal Contract Labor & Safety Costs Pluquing Completion Riq Substotal Substotal Substotal Substotal Contract Lintancible Completion Costs Sub-Total Intancible Completion Costs Sub-Total Intancible Completion Costs Description Drive Pipe Conductor Casing Surface Casing 13-3/8" Intermediate Casing 9-5/8" Intermediate Casing 9-5		\$ \$	0 Units 0 0 0	\$30,000 \$330,000 \$560,000 \$65,000	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 160,000 160,000 160,000 160,000 17,450,000 17,500 17,500 17,500 17,500 17,500 17,500 17,500 17,500 17,500 18,500 19,50
8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 20 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 21 8306 22 8306 22	Location & Cleanup Power & Fuel Complished & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Cement & Cementing Svcs Logging & Perforation Svcs Cogning & Perforation Svcs Formation Stimulation Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Cojl Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Flowback Testing Completion Riq Substotal Substotal Contract Labor & Safety Costs Pluquing Completion Riq Substotal Substotal Substotal Substotal Contract Lintancible Completion Costs Sub-Total Intancible Completion Costs Sub-Total Intancible Completion Costs Description Drive Pipe Conductor Casing Surface Casing 13-3/8" Intermediate Casing 9-5/8" Intermediate Casing 9-5		\$ \$	0 Units 0 0 0	\$30,000 \$30,000 \$60,000 \$65,000 \$55,000	\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 35,000 75,000 25,000 30,000 \$3,207,500 160,375 \$3,367,875	\$10,000 160,000 160,000 160,000 350,000 1,450,000 1,450,000 1,450,000 125,000 450,000 15,000 15,000 160,379 \$3,367,875 \$6,088,655

		OMPLETION COSTS				To the second se	
ACCT.	DESCRIPTION		Rate			COMPLETION	TOTAL WELL COST
8309 401	Production Casing 5-1/2	2"	\$ -	0		260,000	\$260,000
309 402	Tubing		\$ -	0	CARLES OF STATE OF	45,000	45,00
309 403	Subs Flt Eqpt Centralizer	rs Etc		200			
309 404	Sub Surface Equipment					25,000	25,000
309 405	Xmas Tree Upper Section	n				25,000	25,00
309 406	Outside Operated Other						
	SUB-TOTAL TANGIBLE COMPLE					\$330,000	\$330,000
		ETION COSTS					
	SUB-TOTAL TANGIBLE COSTS				\$295,000	\$330,000	\$625,000
	SUB-TOTAL INTANGIBLE & TAI	NGIBLE COSTS			\$3,015,784	\$3,697,875	\$6,713,65
	PRODUCTION	N EQUIPMENT COSTS					
						COMPLETION \$40,000	TOTAL WELL COST \$40,00
311 501	Artificial Lift Equipment						35.00
311 502	Prime Mover Electric Gas	5				35,000	35,00 90,00
311 503	Sales Gathering Line					90,000	90,00
311 504	Separation Equipment					45,000	45,00
311 505	Oil Treating Heating Equ	ipment		100			
311 506	Gas Treating Dehy Equip	pment			y and the state of the state of	60,000	60,00
311 507	Tanks				STATE OF THE PERSON OF THE PER	30,000	30,00
311 508	Meters		- 2011 No. 3 - 0 - 0	68	Assembly and the firm of the particular strategy of the same	80,000	80,00
311 509	Electrical Equip Install					45,000	45,00
311 510	Compressor	and the state of t				70,000	70,00
311 511	Flowlines			Su.		100,000	100,00
311 512	Labor					60,000	60,00
311 513	Trucks Hauling Transpor	rtation					
311 514	Buildings			155		40,000	40,00
311 515	Roads & Locations			52		30,000	30,00
311 516	Manifolds & Headers					6,000	6,00
	Chemical Injection System	a.m.				100,000	100,00
311 517	Dining & Values	em				60,000	60,00
311 518	Piping & Valves			(F) (F)			10,00
311 519	Welding					10,000	10,00
311 520	Surface Pumps			No.	1000年在1000年(1000年)2月1日 1000年2月1日 1000年2月	10,000	10,00
8311 521	Filters						
8311 522	Outside Operated Other					30,000	30,00
8311 523	Environmental & Safety				and the control of the control of	24,000	24,00
8311 524	Engineering Supervision					100,000	100,00
8311 525	Surface Facilities						
	SUB-TOTAL PRODUCTION EQ	QUIPMENT				\$1,065,000	\$1,065,00
	SUB-TOTAL INTANGIBLE CO:	STS (PAGE 1)			\$2,720,784	\$3,367,875	\$6,088,65
	SUB-TOTAL TANGIBLE COST				\$295,000	\$330,000	\$625,00
		GRANI	TOTAL		\$3,015,784	\$4,762,875	\$7,778,65
		LESS	OUTSIDE INTERESTS		\$3,015,784	\$4,762,875	\$7,778,65
		TOTAL	NET COSTS	-	\$0	\$0	
otice to Nonope	erator: Costs shown on this form	m are estimates only. Nonoperators shou	ld not consider these estimate	s as establishing any l	mit		
n monies which	will be required to perform the	proposed operation.					
REPARED BY			DATE		GROSS AFE AMOUNT - DRY HOLE	T	\$3,015,7
P. HUFD DI							
					NET DRYHOLE AFE AMOUNT		
PPROVED			DATE		NET ASSET TRANSFERS		
					CASH OUTLAY THIS AFE		
			DATE				
PPROVED			DATE		PREVIOUS AFE'S ISSUED		
					TOTAL CASH OUTLAY		
PPROVED			DATE				
		INTEREST APPROVAL					
	COMPANY	WORKING INTEREST			APPROVED BY		DATE
		1					

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE (AFE)

COST CE	AITED	Pony Express Fed Com #702H		BUD YEAR	2021	DATE	July 9,2020	
AFE NO.	NIER .	Pony Express red com #70211		CATEGORY		SUPPLEMENT NO.		
FIELD	100	Hat Mesa REG	ION	Delaware I	the Real Property lies and the least lies and the lies and	LEGAL:		
OPERATI	A111		LL NO.	#		W.I.		
ОВЈЕСТІ			ATE	NM		MD/TVD	21,360' / 11,065'	
ESTIMAT	ED PRO	JECT START DATE: 2Q2021	.51.50					
		Orill to 10,040ft vertical, drill curve and 2 mile lateral. 5 string design.						
		INTANGIBLE DRILLING COSTS						
ACC	т.	DESCRIPTION		Rate	Units	DRYHOLE		TOTAL WELL COST
8305	101	Location Cleanup & Damages		-		\$150,000 \$150,000		\$150,000 150,000
8305 8305		Rig Move - MIRU, RDMO Rig Contractor-Daywork/FT		-		\$568,750	Annual Control of the	568,750
8305		Rig Contractor-Turnkey				EALERON EATTER TO THE TOTAL TO T		0
8305	105	Power & Fuel				\$142,800		142,800
8305		Drill Fluids & Chemicals				\$100,000 \$110,000		110,000
8305 8305	107	Bits, Reamer, Stabilizers Cement & Cementing Services				\$115,000		115,000
8305	109	Mud Logging/Geosteering				\$40,000		40,000
8305	110	Open Hole Logging		-		\$65,000		65,000 90,000
8305 8305	111	Csg Crews & Tools Directional Tools & Service		+	-	\$90,000 \$315,000		315,000
8305	114	Form Eval - Well Testing DST - Coring, Sampling				\$313,000		0
8305	115	Tubular Inspection				\$50,000		50,000
8305	116	Equipment Rentals		-		\$200,000 \$105,000		200,000 105,000
8305 8305	117	Contract Labor & Services Wellsite Consultants		+		\$117,250		117,250
8305	119	Company Supervison & Labor				多 。但是这一种,但是一个工作的工作。		0
8305	120	Transportation				\$60,000		60,000
8305	121	Mud,Cuttings & Water Disposal				\$150,000 \$0		150,000
8305 8305	122	Insurance Overhead		-		\$25,000		25,000
8305	124	Water & Water Well				\$60,000		60,000
8305	125	Unanticipated MjrExp (Fishing)				420.000		30,000
8305	126	Legal		-	-	\$30,000		30,000
8305 8305	127	Outside Operated Other Permits		-		\$10,000		10,000
8305	129	Environmental & Safety				\$20,000		20,000
8305	130	Plugging				A2 672 000		42.673.900
0305	100	SUBTOTAL CONTINGENCY (%) 10.00%				\$2,673,800 267,380		\$2,673,800 267,380
8305	199	SUB-TOTAL INTANGIBLE DRILLING COSTS				\$2,941,180		\$2,941,180
	200	INTANGIBLE COMPLETION COSTS	-					
AC	CT.	DESCRIPTION		Rate	Units		COMPLETION	TOTAL WELL COST
8306				Rate	Units		\$10,000	\$10,000
8306 8306	201	DESCRIPTION Location & Cleanup Power & Fuel		Rate	Units		\$10,000 160,000	\$10,000 160,000
8306 8306 8306	201 202 203	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals		Rate	Units		\$10,000	\$10,000 160,000 50,000
8306 8306 8306 8306	201 202 203 204	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers		Rate	Units		\$10,000 160,000	\$10,000 160,000
8306 8306 8306	201 202 203	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs		Rate	Units		\$10,000 160,000	\$10,000 160,000 50,000 0 0 350,000
8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Csq Crews & Tools-Drive Hammer	en al françois de la company	Rate	Units		\$10,000 160,000 50,000	\$10,000 160,000 50,000 0 0 350,000
8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Csg Crews & Tools-Drive Hammer Directional Tools & Svcs	and the second second	Rate	Units		\$10,000 160,000 50,000	\$10,000 160,000 -50,000 0 0 350,000 0
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Csq Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulath Acid Frac		Rate	Units		\$10,000 160,000 50,000	\$10,000 160,000 50,000 0 0 350,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cormenting Svcs Logging & Perforation Svcs Csg Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatn Acid Frac Formation Evaluation Tubular Inspection	and the second	Rate	Units		\$10,000 160,000 50,000 350,000	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Coment & Cementing Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatn Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals	and the second	Rate	Units		\$10,000 160,000 50,000	\$10,000 160,000 50,000 0 350,000 0 1,450,000 0 0 250,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logqing & Perforation Svcs Csg Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Tevaluation Tubular Inspection Equipment Rentals Contract Labor & Services					\$10,000 160,000 \$0,000 350,000 1,450,000	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 0 250,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulath Acid Frac Formation Exmulation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant			Units		\$10,000 160,000 50,000 350,000	\$10,000 160,000 50,000 0 350,000 0 1,450,000 0 0 250,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 250,000 0 67,500 0
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stumulath Acid Frac Formation Evaluation Tubular Inspection Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal					\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500	\$10,000 160,000 50,000 0 0 350,000 0 0 1,450,000 0 250,000 0 67,500 0 15,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Csg Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Tevaluation Tubular Inspection Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500	\$10,000 160,000 50,000 0 0 350,000 0 0 1,450,000 0 250,000 67,500 0 15,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Coementing Svcs Logqing & Perforation Svcs Csg Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Tevaluation Tubular Inspection Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well					\$10,000 160,000 50,000 350,000 1,450,000 250,000 67,500	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 0 250,000 67,500 0 15,000 125,000 0 0 450,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 220	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Logging & Perforation Svcs Formation Stimulatin Acid Frac Formation Stimulatin Acid Frac Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing					\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500 15,000 450,000	\$10,000 160,000 50,000 0 350,000 0 0 1,450,000 0 250,000 0 67,500 0 15,000 125,000 0 450,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 220	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stumulath Acid Frac Formation Evaluation Tubular Inspection Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coll Tubing Services					\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500 15,000 450,000	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 0 250,000 67,500 125,000 125,000 0 0 450,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 220	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Logging & Perforation Svcs Formation Stimulatin Acid Frac Formation Stimulatin Acid Frac Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing					\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500 15,000 450,000	\$10,000 160,000 50,000 0 350,000 0 0 1,450,000 0 250,000 0 67,500 0 15,000 125,000 0 450,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 205 206 207 208 209 210 211 212 213 214 215 217 218 217 220 221 222 222 223	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Congrews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulath Acid Frac Formation Stimulath Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits					\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500 15,000 450,000 450,000 35,000 75,000	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 0 250,000 67,500 15,000 10 0 450,000 0 0 15,000 15,000 0 0 0 15,000 15,000 0 0 0 0 0 15,000 15,000 0 0 0 0 0 0 0 0 0 0 0 0
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 222 223 224	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Coment & Cementing Svcs Logging & Perforation Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatn Acid Frac Formation Stimulatn Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Environmental & Sefety Costs					\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500 15,000 450,000 115,000 35,000	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 0 250,000 0 67,500 125,000 0 450,000 0 450,000 0 35,000 75,000
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 229 220 220 220 220 220 210 211 212 213 214 215 216 217 217 218 218 218 218 218 218 218 218 218 218	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logqing & Perforation Svcs Logqing & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Tevaluation Tubular Inspection Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coll Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Environmental & Safety Costs Plugqing		\$ -	0		\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500 15,000 450,000 450,000 35,000 75,000	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 0 250,000 67,500 15,000 0 450,000 0 35,000 0 0 250,000 0 1,450,000 0 1,450,000 0 1,450,000 0 1,450,000 0 1,450,000 0 1,450,000 0 1,450,000 0 0 0 0 0 0 0 0 0 0 0 0
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 222 223 224	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Coment & Cementing Svcs Logging & Perforation Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatn Acid Frac Formation Stimulatn Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Environmental & Sefety Costs					\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500 15,000 125,000 450,000 115,000 35,000 75,000	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 0 250,000 67,500 15,000 10 0 450,000 0 0 15,000 15,000 0 0 0 15,000 15,000 0 0 0 0 15,000 15,000 0 0 0 0 0 0 0 0 0 0 0 0
8306 8306 8306 8306 8306 8306 8306 8306	201 202 203 204 205 206 207 208 209 209 211 211 212 213 214 215 216 217 218 219 220 221 222 222 223 224 225 227 228	DESCRIPTION Location & Cleanup Power & Fuel Compl Fluids & Chemicals Bits, Reamer, Stabilizers Cement & Cementing Svcs Logging & Perforation Svcs Logging & Perforation Svcs Cog Crews & Tools-Drive Hammer Directional Tools & Svcs Formation Stimulatin Acid Frac Formation Evaluation Tubular Inspection Equipment Rentals Contract Labor & Services Wellsite Consultant Company Supervision & Labor Transportation Mud Cuttings & Water Disposal Insurance Overhead Water & Water Well Unanticipated MajExp Fishing Coil Tubing Services Misc Supplies & Materials Flowback Testing Legal & Permits Environmental & Safety Costs Plugging Completion Rig		\$ -	0		\$10,000 160,000 \$0,000 350,000 1,450,000 250,000 67,500 15,000 450,000 450,000 35,000 75,000 25,000	\$10,000 160,000 50,000 0 0 350,000 0 1,450,000 0 25,000 67,500 15,000 15,000 0 0 11,5000 0 0 25,000 0 0 11,5000 0 0 11,5000 0 0 0 0 0 0 0 0 0 0 0 0
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	TANGIBLE COMPLETION COSTS					
	DESCRIPTION	Rate	Units	ROTO CHARLES AND CONTRACTOR OF THE PARTY OF	COMPLETION	TOTAL WELL COST
ACCT.			0		262,000	\$262,000
3309 401	Production Casing 5-1/2"	\$ -	0		47,500	47,500
309 402	Tubing	3 -	0		47,500	0
3309 403 3309 404	Subs FIt Eqpt Centralizers Etc Sub Surface Equipment					0
3309 404	Xmas Tree Upper Section				25,000	25,000
3309 406	Outside Operated Other		100			0
309 400	Outside Operated Other					
	SUB-TOTAL TANGIBLE COMPLETION COSTS				\$334,500	\$334,500
	SUB-TOTAL TANGIBLE COSTS			\$575,000	\$334,500	\$909,500
	SUB-TOTAL INTANGIBLE & TANGIBLE COSTS			\$3,516,180	\$3,702,375	\$7,218,555
	PRODUCTION EQUIPMENT COSTS				HITCH TOWNSHIPS IN COMPANY	
	PRODUCTION EQUIPMENT COSTS				COMPLETION	TOTAL WELL COST
	Add to 1.116 Parisment				\$40,000	\$40,000
8311 501	Artificial Lift Equipment				\$10,000	0
8311 502	Prime Mover Electric Gas		100		35,000	35,000
8311 503 8311 504	Sales Gathering Line Separation Equipment				90,000	90,000
8311 505	Oil Treating Heating Equipment		- 50	STATE OF THE PARTY	45,000	45,000
8311 506	Gas Treating Dehy Equipment					(
8311 507	Tanks				60,000	60,000
8311 508	Meters		20.0		30,000	30,000
8311 509	Electrical Equip Install				80,000	80,000
8311 510	Compressor				45,000	45,000
8311 511	Flowlines		in the second	THE RESERVE OF THE PARTY OF THE	70,000	70,000
8311 512	Labor				100,000	100,000
8311 513	Trucks Hauling Transportation				60,000	60,000
8311 514	Buildings		388		40,000	40,000
8311 515	Roads & Locations				40,000	
8311 516	Manifolds & Headers				30,000	30,000
8311 517	Chemical Injection System				6,000	100,000
8311 518	Piping & Valves				100,000	60,000
8311 519	Welding				10,000	10,000
8311 520	Surface Pumps				10,000	10,000
8311 521	Filters Outside Operated Other				10,000	High was a control (
8311 522 8311 523	Environmental & Safety		344		30,000	30,000
8311 523 8311 524	Engineering Supervision		17.7	CAN STREET WAS ARREST OF STREET	24,000	24,000
8311 525	Surface Facilities		57.6		100,000	100,000
0311 323	Junace racinges				200/000	
	SUB-TOTAL PRODUCTION EQUIPMENT				\$1,065,000	\$1,065,00
				42.044.400		
	SUB-TOTAL INTANGIBLE COSTS (PAGE 1)			\$2,941,180	\$3,367,875	\$6,309,05
	SUB-TOTAL TANGIBLE COSTS (PAGE 2)			\$575,000	\$334,500	\$909,50
	G	RAND TOTAL		\$3,516,180	\$4,767,375	\$8,283,55
		ESS OUTSIDE INTERESTS		\$3,516,180	\$4,767,375	\$8,283,55
				\$0	\$0	\$
	P	OTAL NET COSTS		\$0	30	7
	erator: Costs shown on this form are estimates only. Nonoperators a will be required to perform the proposed operation.	should not consider these estimates	as establishing any I	imit		
		DATE				40.546.40
REPARED BY			1	GROSS AFE AMOUNT - DRY HOLE		\$3,516,18
				NET DRYHOLE AFE AMOUNT		\$
APPROVED		DATE		NET ASSET TRANSFERS		\$
				CASH OUTLAY THIS AFE		\$
PPROVED		DATE				\$
APPROVED						
ADDROVED.		DATE		TOTAL CASH OUTLAY		
APPROVED				PREVIOUS AFE'S ISSUED TOTAL CASH OUTLAY		
	WORKING INTEREST APPROVAL COMPANY WORKING INTEREST					
	COMPANY WORKING INTEREST			APPROVED BY		DATE

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

APPLICATIONS OF ASCENT ENERGY, LLC

FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case Nos. 21501, 21503, and 21505

VERIFIED STATEMENT OF WILLIAM METZ

William Metz, being duly sworn upon his oath, deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am a geologist for Ascent Energy, LLC ("Ascent"), and I am familiar with the geological matters involved in this case. I have been qualified by the Division as an expert petroleum geologist.
- 3. The geological plats in Attachment A pertain to the Second Bone Spring Sand, which is prospective in this area. They show:
- (a) Structure of the Second Bone Spring Sand. They show that structure dips gently to the southeast. The plat also shows producing Second Bone Spring Sand wells in the area.
- (b) A gross isopach of the Second Bone Spring Sand. This zone is continuous across the well units being pooled. It also shows a line of cross-section.
- (c) A cross-section of the Second Bone Spring Sand. The well logs on the cross-sections give a representative sample of Second Bone Spring Sand in this area.
- (d) A list of producing Second Bone Spring Sand wells in the area. Based on production, there is a preferred North-South orientation in this area.
- 4. The geological plats in Attachment B pertain to the Third Bone Spring Sand, which is prospective in this area. They show:
- (a) Structure of the Third Bone Spring Sand. They show that structure dips gently to the south. The plat also shows producing Second Bone Spring Sand wells in the area.
- (b) A gross isopach of the Third Bone Spring Sand. This zone is continuous across the well units being pooled. It also shows a line of cross-section.
- (c) A cross-section of the Third Bone Spring Sand. The well logs on the cross-sections give a representative sample of Third Bone Spring Sand in this area.

EXHIBIT 3A

- (d) A list of producing Third Bone Spring Sand wells in the area. Based on production, there is a preferred North-South orientation in this area.
- 5. The C-102s for the wells are attached as Attachment C, showing the first and last take points. The wells comply with the Division's setback requirements.
- 6. I conclude from the maps that:
- (a) The Bone Spring horizontal spacing units are justified from a geologic standpoint, and horizontal drilling is the best method to produce Bone reserves in this area.
- (b) Each quarter-quarter section in the well units will contribute more or less equally to production.
- (c) There is no faulting or other geologic impediment on the area which will affect the drilling of the subject well.
- 7. The granting of this application is in the interests of conservation and the prevention of waste.
- 8. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 7 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.

Date: 11/3/2020

William Motz

2nd Bone Spring Sand

Pony Express

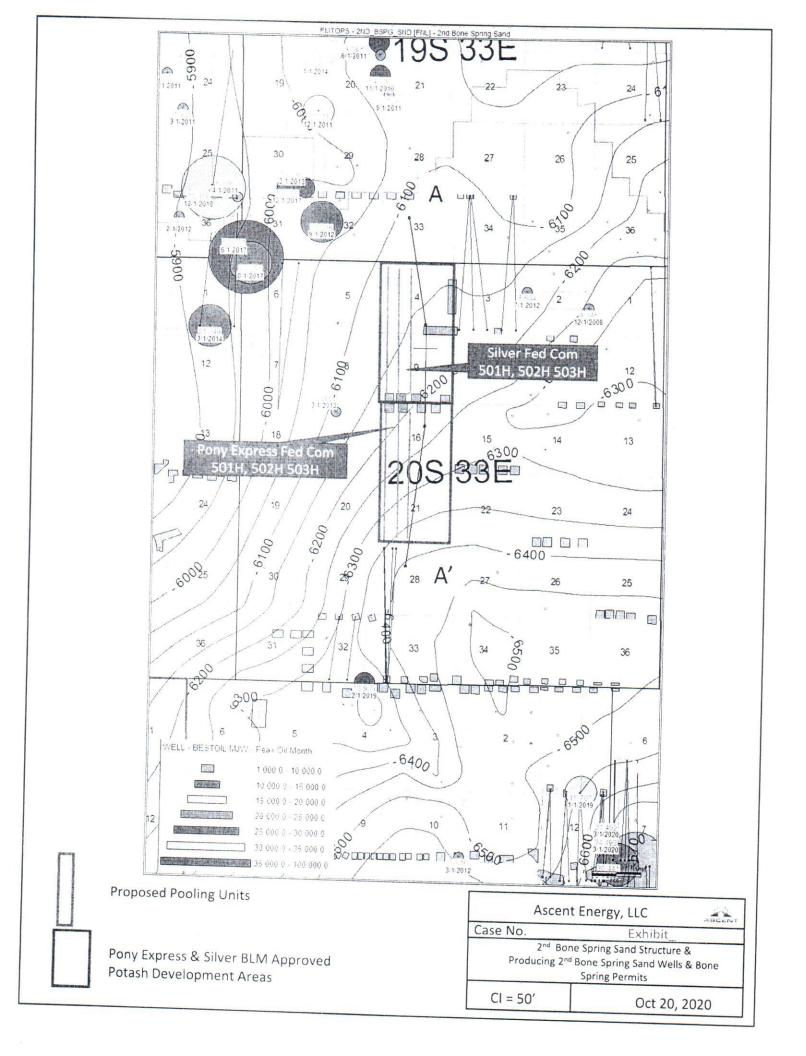
Case No. 21501: W2W2 Bone Spring 501H, 502H & 601H

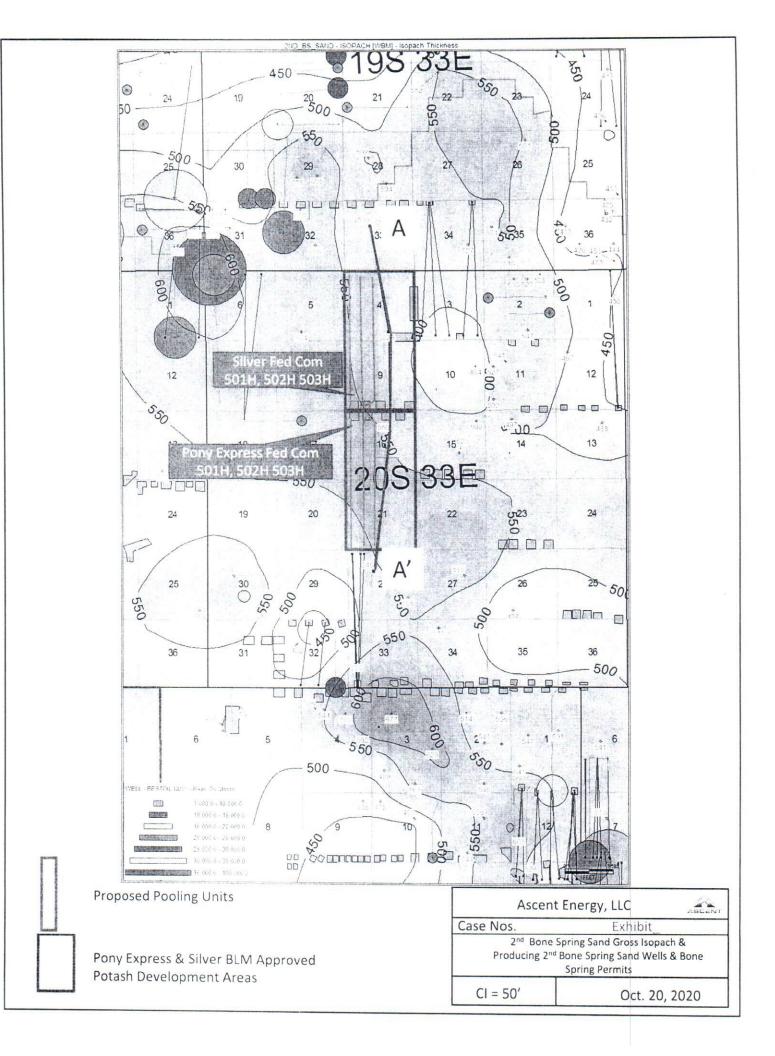
Case No. 21503: E2W2 Bone Spring 503H & 602H

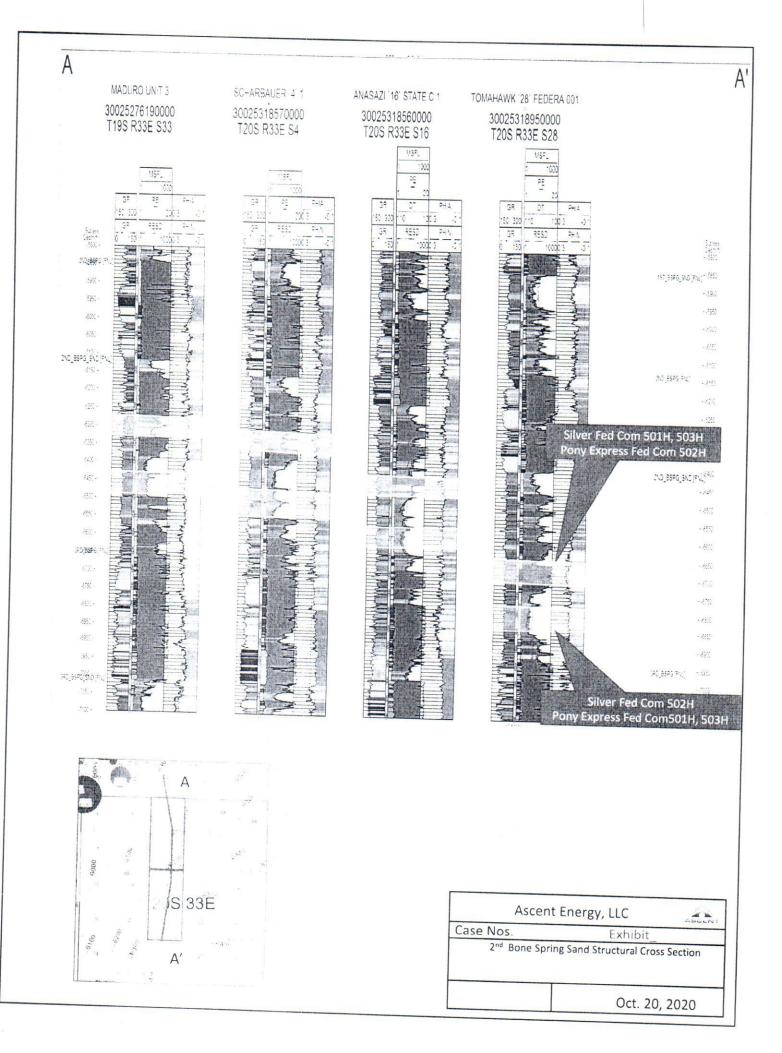
Silver

Case No. 21505: W2W2 Bone Spring 501H, 502H & 601H

Case No. 21507 E2W2 Bone Spring <u>503H</u> & 602H







Mil ADIN m		1111						Peak Oil	Peak Gas	Peak Water	IST 6 MONTH.	IST 6 MONT	1ST 6 MONTHS 1ST 6 MONTHS 1ST 6 MONTHS				LATERAL	
וואוואר) ואי		Well Label	Township Range	Range	Section	SPUD_DATE	COMP_DATE	Month	Month	Month	CUMOIL	CUMGAS	CUM WATER	CUMOIL	CUMGAS	CUMWTR	1/4	HOR ZONE
3077237 31817 00		GEM 8705 IV-P.6	202	33E	7	8/26/2008	1/17/2009	7.372	7,092	1,744	17.13	13877	53%	7.50	110 300	11.75	WY	JAN BEDGE
307338073110	A CHARLEMENT OF CLOSE	TO MADURO NORTH FEDERAL 3	81	33	23	5/30/2010	12/13/2010	SE 21	3003	0.7%	28.282	57.5	10.331	158 202	151150	27.11		NO BEDGG
300239957000	INCIDENT DESCRIPTION IN	TE 1USK 24 EAST FEDER 14	25	325	2.	130.001	1,10/01/1	8.	72.0	25/2	1.5	5 5	50.00	1000	20,70	000,1-1	E .	DAG ON
30025399987100	Trus Deskies 3	HT RESIDE HEBON OF UDIN	×	H	:	176/176	2.2.3011	1017	2,300	200	3	of .	277'07	27.1	20,500	705'97"	2	AD BNC S
301539887100		1	: :	1	; ;		- 75 fc fc	F.363	227	5115	775 97	177757	13.713	89	133.765	1000	E.	NO BESES
-U.A. 1121.U.	1		51	37.5	£;		5-10 ZIII	13	5.033	8,563	30,35	30.03	25,875	118.070	180,162	13,172	· ·	NO BESES
J. 1. 2			:51	33	-:	1111111	10/11/23	670	5.75	3,22	25.02	28.12	74.33	\$133	128.163	15.850	11/1	MA RODG
30.25-0.15-0.00		MADURO NORTH FEDERAL 5	83	331	X	5, 28, 2011	1/18/2012	17,677	1152	12,017	54,189	766 77	40,469	187.876	351.735	20.77	N.	NO PROC C
3077/11/2570s		THE BES	36.	375	SS	1.12.9.1	37,202	6508	3.52	132.6	SE 27	20.802	1999	50.00	17.17	121.18	= 1	Wh Dead c
30025-0355000		45 MEST 10 FERSON	H	375	:-:	1:8:2012	1,22,3012	153	272	29	950	77.52		1 (2)	177035	123.5	2	1 P DC3C 7 V
30025463160000	31.89.08.013	GEM 8755 W-P 0.1H	233	335	~	3/6/2012	3/27/2012	1357	8207.	22.015	22.22	55.377	3771	17:32	11.0	CES OF.	2 2	37.000000
30025404370000	CALPEX EMPROVICE OF COLORADO	MADURO UNIT 9	198 198	33.	23	7/2/2012	10/2/2012	13.055	22.948	20 999	55	65.561	01.187	701 854	50100	367.011		ON DOUG
30025408280000	V-184T-ON DIL PERMAN LIL	GREEN PROS CAFE FEDE 1H	205	33.	100	12/1/2012	4/17/2013	6006	6773	15 784	70 720	35,300	70.100	בשלנה	100 300	374 700		C DACE DAZ
30025408270000	MARTHON OLI 255 MANUEL	GAY NIVETIES FEDERAL 1H	361	375		-	4/12/2011	11.210	HEH	34024	201,02	027'07	221,01	7666	105,255	9001-7		AND BOPES
30025432400000	MARATHON OF STRMAN	RIACK HORKE EEDERAL MILE	JUC .	370			+102 (01 /4	96,17	7/017	PC0,42	/4,503	79,850	104,736	106/102	304,436	308,909	N/S	2ND BSPG S
UNDER STATE OF THE	711.0.8C10.3C0	CEDONIANO TOTAN CON COMP	007	300			/107///01	13,091	20,163	70,153	72,997	52,437	227,845	318,092	306,079	690,456	S/N	ZND BSPG S
מממחומרטורו	רחם מעבעים שובודר	DENGMINIO PEDENAL COM ULIH	S	335	91	1,24,2017	6/7/2017	770,02	17,947	56,940	231.020	152,052	257,128	762,863	1,036,188	767,635	N/S	2ND BSPG 5
00001775200c	MATADOR PRODUCTION CO	FEDERAL 30 123H	195	33.5	30	7/8/2017	11/28/2017	14,395	13,869	19,370	70,091	60,501	82.864	220531	744 737	317.01.	1	NA ROC C
30075441490000	MATADON MODUCION CO	FEDERAL 30 124H	55	33E	30 1	11/11/2017	1/13/2018	13,798	11,775	18.730	70 143	39 143	70.058	717 487	70507	18.691	1	NO DODG C
30025450060100	CHSADLW ENERGY OPERATING LLC	DIAMONDBACK 24-25 28 001H	56	32E	24	9/3/2018	12/18/2018	30.489	18.854	38.763	797 (0)	74.170	180 906	200 107	330 500	304030		COURT ONLY
30025445040000	YTO ENERGY NC	CHISTERA 32 STATE 007H	202	33.5	32 9	9/23/2018	1/22/2019	12 020	17 240	An 200	20,000	50.05	201.511	100 001	050'577	070,000		Concord
30025448570000	CHISHOLV ENERGY OPERATING LLC	MINIS 1 FED COM 28S 011H	215	375		-	1/8/2010	500,00	200,00	075,05	100'00	200,00	CATION	116,883	760'871	681,802	-	AND BSPGS
30025447850000	SEN ENERGY LLC	TOOLIF STATE COM SOOH	-	335		-	-	IN/CT	367'5	204/07	00,600	50/02	/90'017	141,183	[6],65]	333,077	N/S Z	S 9659 ONZ
MUNITERITY	STANDER LAND	TOOLIF CTATE CONTROLL		200			-	760 07	24,/14	65,236	98,227	82,025	211,24	28,227	82,025	711,041	N/S 2	2ND BSPG S
איייייר אייייראייר רוייב	אינא נולשנה ווו	TOQUE STATE COM SULH	7	335	9	10/7/2019	1/28/2020	30,441	30,173	77,111	138,415	131,365	227,311	138,415	131,365	227,311	N/S 2	2ND BSPG S
200274047000	Stra tarreduc	BIG MOOSE PEDEMAL CO SOBR	-	325	=	12/27/2019	6/3/2020	FLWBK									N/S 2	2ND BSPG S
U+Journ	111111111111111111111111111111111111111	10 M 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	216	200	*		a la face a											

Ascent Energy, LLC

Case Nos.

Exhibit

2nd Bone Spring Sand Production

Oct. 20, 2020

3rd Bone Spring Sand

Pony Express

Case No. 21501: W2W2 Bone Spring 501H, 502H & <u>601H</u>

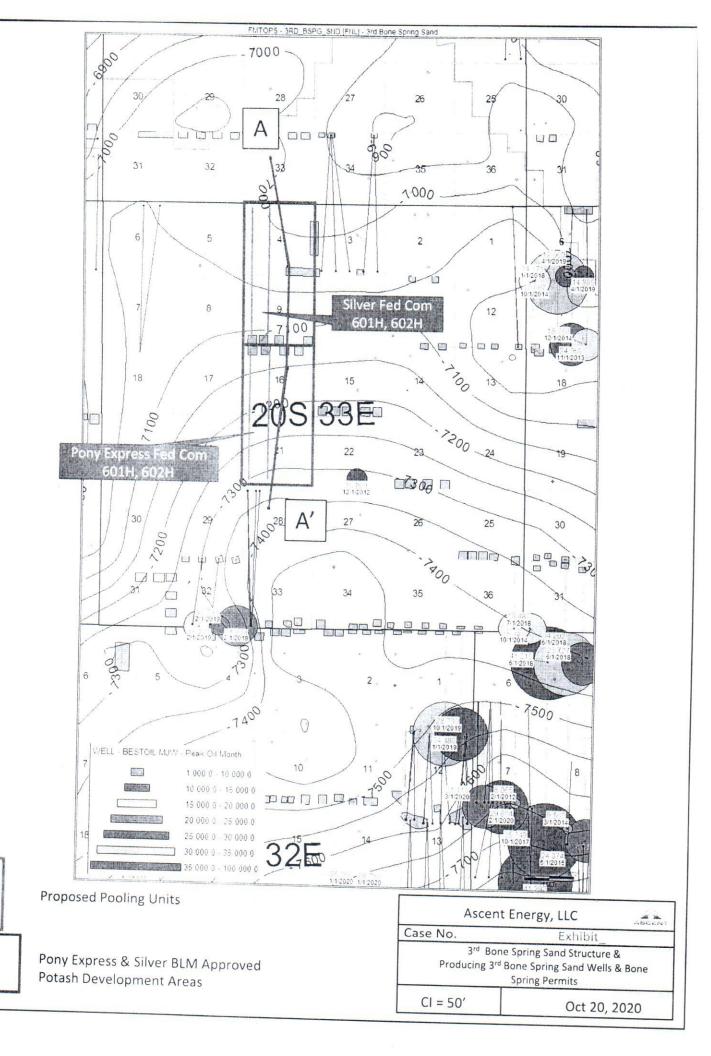
Case No. 21503: E2W2 Bone Spring 503H & 602H

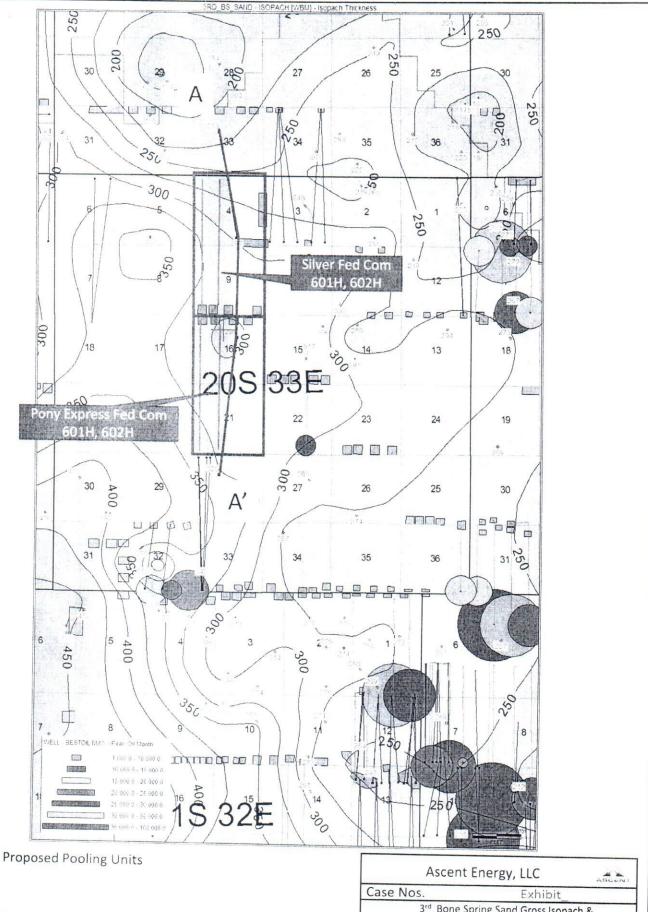
Silver

Case No. 21505: W2W2 Bone Spring 501H, 502H & 601H

Case No. 21507 E2W2 Bone Spring 503H & 602H

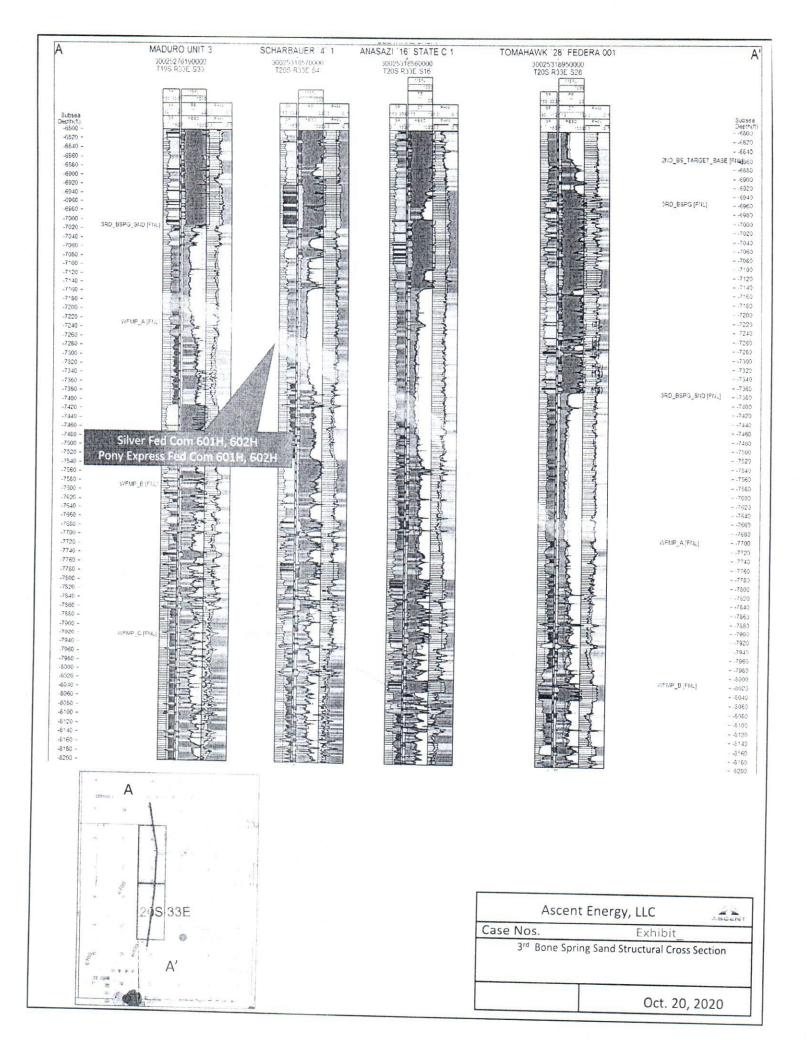






Pony Express & Silver BLM Approved Potash Development Areas

Ascen	t Energy, LLC	ABCEN
Case Nos.	Exhibit	
3 rd Bone Producing 3 rd	Spring Sand Gross Isop Bone Spring Sand We Spring Permits	ach & lls & Bone
CI = 50'	Oct. 2	0, 2020



DATE CADIN.								Peak Oil	Peak Gas	Peak Water		IST 6 MONTHS IST 6 MONTHS IST 6 MONTHS	S 1ST 6 MONTHS				LATERAL	
OWI (APINUM)		Well Label	LWN	RGE	SEC	SPUD DATE	COMP DATE	Month	Month	Month	CUMOIL	CUMGAS	CUM WATER	CUMOIL	CUMGAS	CUMWTR	AZI	HOR ZONE
30025432500000		HAMON A FED COM 009H	202	346	18	7/1/2017	2/4/2018	34171	22435	38812	120715	75240	172226	289877	346463	396436	N/S	3rd BSPG S
30025416170000	LEGACY RESERVES OPERATING LP	HAMON A FEDERAL COM 4H	205	34€	9	10/5/2014	12/27/2014	15753	13824	23381	69803	56332	97024	210800	241760	314868	N/S	3RD BSPG S
30025434150000	YTC ENERGY INC	SEVERUS 31 FEDERAL C 001H	205	375	30	10/15/2017	5/21/2018	13727	25570	58295	17216	190132	110267	319911	358923	591885	N/S	3RD BSPG S
30025413056100	LEGAT: PESENAS OPERATIVA LA	HAMON A FEDERAL COM 3H	302	375	SD	9/22/2013	11/13/2013	24058	17620	31981	105195	89317	86633	256619	255200	318816	N/S	3RD BSPG S
30025434160000	XTO ENERGYING	SEVERUS 31 FEDERAL C 002H	202	345	30	11/30/2017	5/21/2018	34202	37858	83823	157619	162060	227583	126943	517387	778117	N/K	3RD RSPG S
30025434170000	ATO ENERGY INC	SEVERUS 31 FEDERAL C 003H	202	335	33	1/8/2018	5/21/2018	41215	40365	101407	158903	173973	254920	240584	50305	810530	N.K	ARD ASPIGS
30025436960000	JOSAN BANC	CHISTERA 32 STATE 003H	203	335	32	8.18/2018	1/22/2019	27737	3511	121290	39065	82424	373548	144870	19:67	637869	S	3RD BSPGS
30025403080000	(MRC 10:40 O 45488 (BRM.)	LOAMS STATE COM 3H	215	33.	40	1107/61/01	3/4/2012	8065	8922	18947	3,576	38062	82056	187145	261368	546477	N/S	3PD 3SPGS
30025407250100	[T 5M_281:030]	OUTLAW 22 FEDERAL 14	202	335	22	9.27/2012	1/24/2013	10803	1773	28100	7.7.7	36563	3551	712057	204832	315006	× ×	3RD BSPGS
30025413230000	C007687W6C	BECKNELL STATE COM 2H	313	331	LC:	27/24/2014	5/19/2015	1/072	1,2005	85590	113356	189058	38037	542825	1315665	1952677	N.S	3RD BSPG S
30025436950000	CO SVERSI INC	CHISTERA 32 STATE 002H	203	335	32	9/2/2018	1/22/2019	12749	28043	125107	90083	87940	337222	132242	178992	607210	N/S	3RD BSPGS
30025412990000	COC OPERATING LLC	BECKNELL STATE COM 3H	215	33£		12/31/2013	4/16/2014	9565	13201	33064	40539	58410	133837	133848	221496	549868	NS	3RD BSPG S
30025415620000	FOG RESOURCES INC	TANGO BTP STATE COM 4H	202	33£	36	5/10/201/2	10/22/2014	15423	17789	53084	50766	58601	118162	322248	474373	1043944	N/S	3RD BSPG S
30025438560000	COS OPERATING LLC	BECKNELL STATE COM DOWN	215	33£	2	7/2/2017	10/14/2017	35749	73867	74483	173132	260407	393860	587097	1045344	1524187	N/S	3RD BSPG S
30025436940000	XTO ENERGY INC	CHISTERA 32 STATE 001H	205	33£	32	10/9/2018	1/22/2019	15231	23817	97746	49914	58276	230415	105409	155231	561298	N.S	3RD BSPG S
30025434180000	XTO ENERGY INC	SEVERUS 31 FEDERAL C 004H	202	34€	30	1/9/2018	5/21/2018	18487	21422	50722	65860	70484	100267	192654	238263	323917	N/S	3RD BSPG S
30025416300100	LEGACY RESERVES OPERATING LP	HAMON FEDERAL COM A 2H	202	34E	18	9/5/2014	11/16/2014	17507	9912	44203	55769	31297	121448	214149	191198	389985	N/S	3RD 3SPG S
30025443410000	WATABOR PRODUCTION CO	VERNA RAE FEDERAL CO 133H	202	34€	6 9	9/29/2018	1/17/2019	12060	7087	32560	17667	32006	131191	86074	52077	127946	N/S	3RD BSPG S
30025443420000	WATADOR PRODUCTION CO	VERNA RAE FEDERAL CO 134H	205	34E	6	9/22/2018	1/17/2019	14885	12660	34944	59185	53029	148626	108075	91466	251572	N/S	3RD BSPGS
30025447870000	ASCENT ENERGY INC	TOQUE STATE COM 601H	215	33£	6	9/15/2019	1/13/2020	29804	38597	151997	Only 5 Months	Only 5 Months	Only 5 Months	115305	138685	490748	N/S	3RD 3SPG S
30025447880000	ASCENT ENERGY LLC	TOQUE STATE COM 602H	215	33E	2	5102/50/	1/13/2020	21115	30392	77385	Only 5 Months	Only 5 Months	Only 5 Months	78877	103059	238378	N/S	3RD BSPG S
	CHISHOLM ENERGY OPERATING LLC	MINIS 1 FEDERAL COM 006H	215	32E	-	8/1/2019	10/21/2019	28730	18527	82830	105702	97963	278394	157315	144849	388552	N/S	3RD BSPG S
	CHISHOLM ENERGY OPERATING LLC	MINIS 1 FEDERAL COM 007H	215	325	1 8	8102/11/	1/8/2019	34788	35770	96532	140683	132889	385805	264512	295022	781565	N/S	3RD BSPGS
30025451560000	MEWBOURNE OL CO	CAPER 20-29 83CN FED 002H	215	32E 1	17 9	78/2018	2/14/2019	31796	26464	102519	127656	215071	506911	242200	418229	853549	N/S	3RD BSPG S
30025463500000	CHISHOUM EVERGY OPERATING LLC	AZTEC 14-23 38S FEDE 002H	215	32E 1	11 9	9102/02/	1/1/2020	25260	43561	97859	109040	184073	436764	122398	205724	472994	N/S	3RD BSPG S
	CHISHOLM ENERGY DPERATING LLC	AZTEC 14 23 38S FEDE 003H	215	32E 1	11 10	0/15/2019	1/1/2020	28793	41243	95957	113382	181451	395596	115765	202917	426803	N/S	3RD BSPG S
30025465480000	ASCENT ENERGY LLC	BIG MOOSE FED COM 604H	215	32E 1		חלחליגל!	In Progress											1 7070 000

Case Nos.

Exhibit 3rd Bone Spring Sand Production

Oct. 20, 2020

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

Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

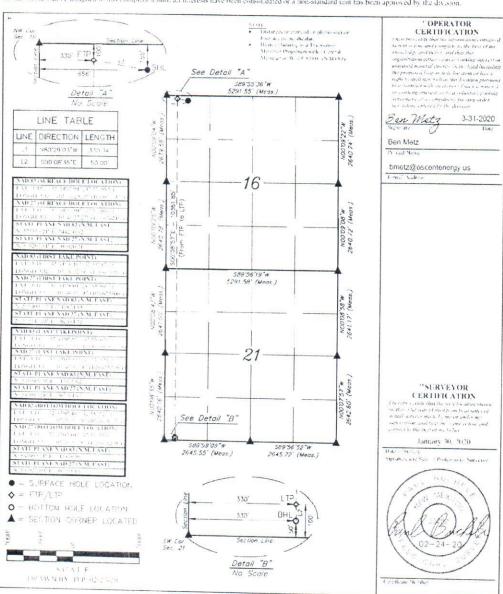
API Number	! Port Code	Pool Name
Property Code	Property Na PONY EXPRESS	
OGRID No.	*Operator Na ASCENTEN	RGY SNO Y

"Surface Location North-South line NORTH

Bottom Hole Location If Different From Surface

M M	21	2018	Range	Let Idn	Feet from the 50	SOU III	Feet from the 330	Fast West line WLS1	LEA
* Dedlemed Very \$20)	o 11 Ji	rdiet or Letit	"Cons	alidation Carle	* Order No.				

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



ATTACHMENT (



Ascent Energy, LLC



Case No.

Exhibit

Pony Express FED COM 501H C-102 Well Plat

Oct 13, 2020

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

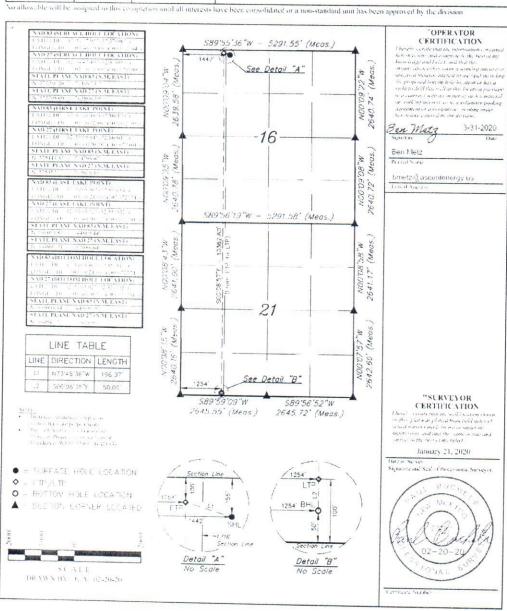
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION DUA

1 API Number	Pool Code	1 Pool Vanic
* Property Code	Property PONY EXRES	
OGRID No.	*Operator ASCI:N1.1	

"Surface Location Feet from the 155 LEA

Bottom Hole Location If Different From Surface SOUTH Feet from th LEA W1.51



Ascent Energy, LLC Case No. Exhibit Pony Express FED COM 502H C-102 Well Plat Oct 13, 2020

12.81 x11 Missa Street Same in the filter of

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

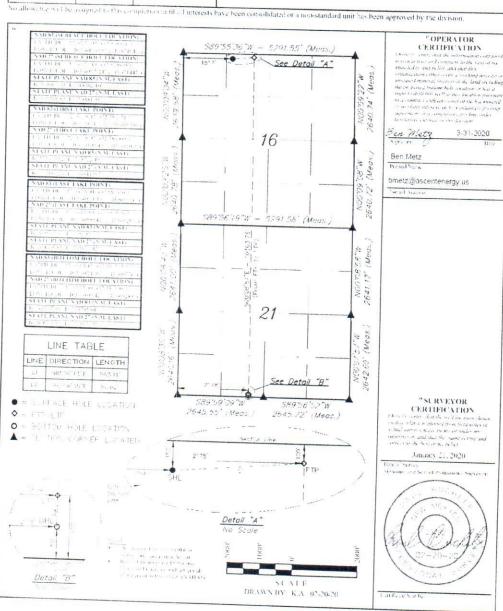
■ AMENDED REPORT

WILLLOCATION AND ACREAGE DEDICATION PL

2 API Number	Poul Code	⁵ Pool Name
OGRID No.	PONY LYRESS	
Oracin Sa	Operator No ASCENTEN	mr *11 to a first

Surface Location Envi West line WTST

Bottom Hole Location If Different From Surface 1 of Idn WEST III LEA



Ascent Energy, LLC



Case No.

Exhibit

Pony Express FED COM 503H C-102 Well Plat

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

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

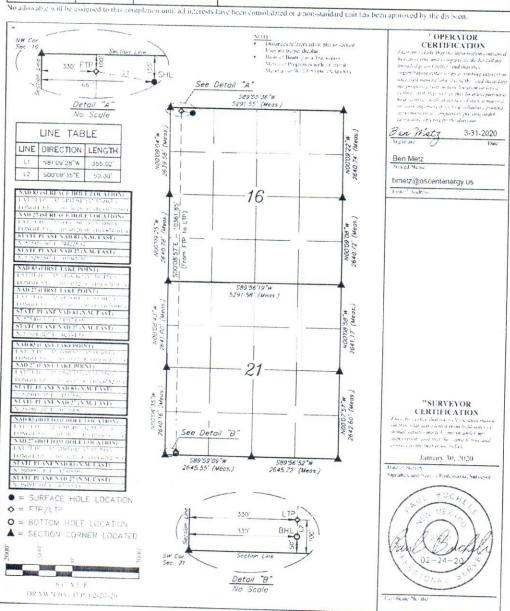
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

(VPI Number	- Pool Cade	Pool Name
* Property Cods OGRID So.		erty Name RESS FED COM 601H 601H
William Vic		ator Name **Elevation T.F.NE.RGY 3530.3*

* Surface Location NORTH LLA 681

Bottom Hole Location If Different From Surface WLS1 LEA SOU III



Ascent Energy, LLC Case No. Exhibit Pony Express FED COM 601H C-102 Well Plat Oct 13, 2020

 $\begin{array}{ll} \frac{D_{BC(K)}}{I(2^{K}N)} & \text{i.i.ck} |D_{i,j}(L_{i,j,j}), \quad \forall s_{i,j} < \underline{s}_{i,j} \\ Prefer & S = S(KG), \quad F_{BC}(S) = S(M_{i,j}) \leq \underline{s}_{i,j} \\ \frac{D_{BC}(K)}{S(L_{i,j})} & \text{i.i.ck} |D_{i,j}(L_{i,j})| & \text{i.i.c.} \end{array}$ Plane 1 (2) Bell "Court to a Bell S. B

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

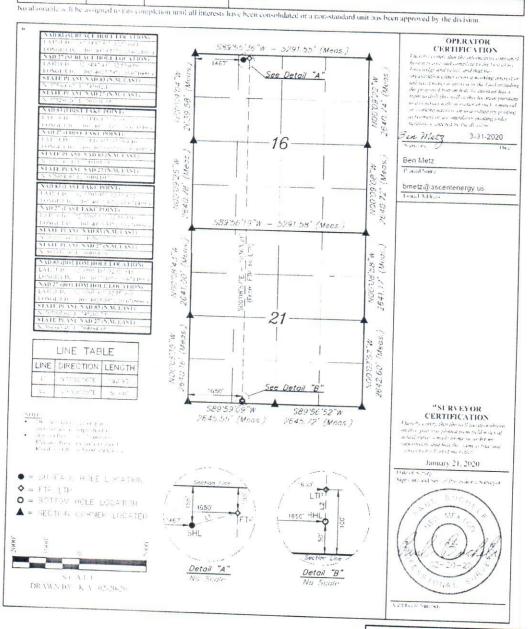
AMENDED REPORT

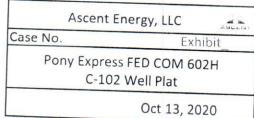
WELL LOCATION AND ACREAGE INCINGUESTORS

1 VPI Number	WELL LOCATION AND ACREAG		The second secon
		' Pool Name	
Property Code			
AVIIII N	PONY EXPLSS LED CO	DVI	* Well Number
OCRIB V	* Operator Name		60311
	ASCENT ENERGY		* Flevation

Surface Location Range (i) First, West line WEST VOSTE

"Bottom Hole Location If Different From Surface Lot Idn Feet from the 50 SOUTH South line LEA 1650





| District | E | | NTEST | NEST | NES

Detric IX 12°08 S. Franci Dr. School SA (786) Phone (868) 26 Francisco (86) 126 (49)

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

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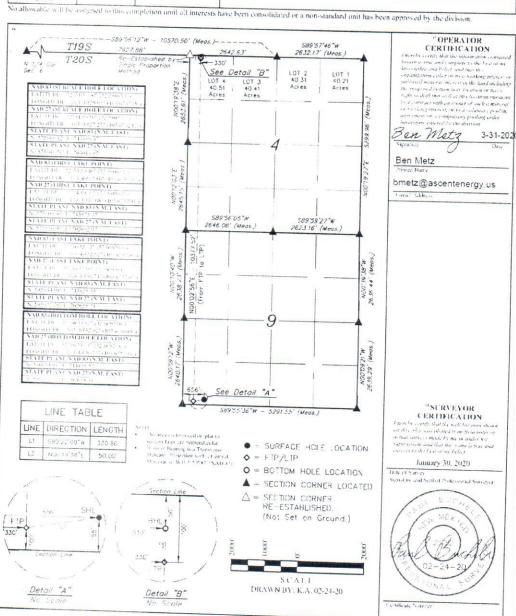
AMENDED REPORT

API Number	Pool Code		
		Pool Na	m _e
Property Code	(Pr.	perty Name	
		R LED COM	Well Number
OGRID No.	* (In	rator Same	50111
		NT ENERGY	"Elevation
	Ance	NI ENERGY	3531.2

"Surface Location Lawnship 208 Feet from the WEST . SOUTH

Bottom Hole Location If Different From Surface

² Deficated Very	- 1	20S	Range 33E	Lat Ida	Feet from the 50	NORTH	Feet from the	East/West line WEST	County 1 EA
320151	01 4	oint or Infill	Couse	lidation Code	12 Order No.				LEA



Ascent Energy, LLC



Case No.

Exhibit

Silver FED COM 501H C-102 Well Plat

District 1
16.73 \(\subset 1 \) there is the three in PANASCH (
Phare (25.5) 39.56 (c) Fax (3.75) 39.56 (7) (

District R 811 S. Last St., Ashesta, NAS 48210 Photo: 15 S1748-1287 as 15 S1748-0 91

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

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

■ AMENDED REPORT

LEA

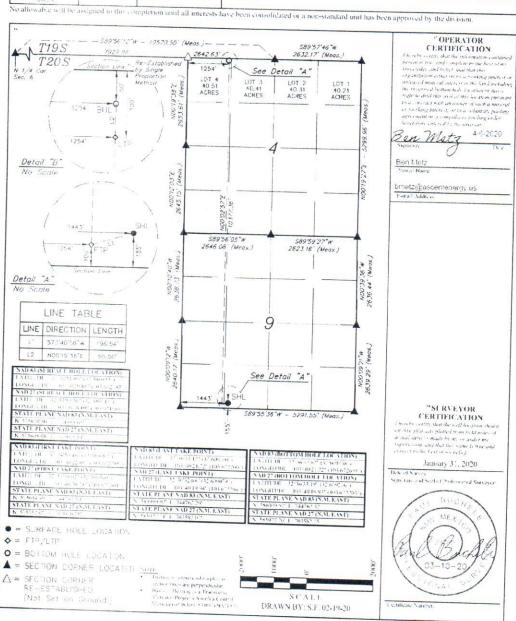
WEST

WELL LOCATION AND ACREAGE SPECIA

API Number	2 Pool Code	* Puol Na	me
Property Code OGRID So.		perty Name R FED COM	5 Well Number 50211
VAJKII/ NO.		rator Name NT ENERGY	73 levation 3532.7

*Surface Location Feet from the SOUTH

14. or lot no.	Section			Bottom He	ole Location If	Different From	Surface		
4		20S	Range 33E	Lot Idn	Feet from the 50	North/South line NORTH	Feet from the	East/West line WEST	Counts
12 Dedicated Acre	11 11	rint or Infill	14 ('mpsi	olidation Code	18 Order No.		1227	WEST	1.1:.\



Ascent Energy, LLC

Case No.

Exhibit

Silver FED COM 502H C-102 Well Plat

District 1 16.55 %. Provide Distriction 14.55 % (10) Phone (*** 5) 30.55 (n) Phone (** 5) 30.55 (n) Phone (*** 5) 30.55 (n) Ph

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

AMENDLD REPORT

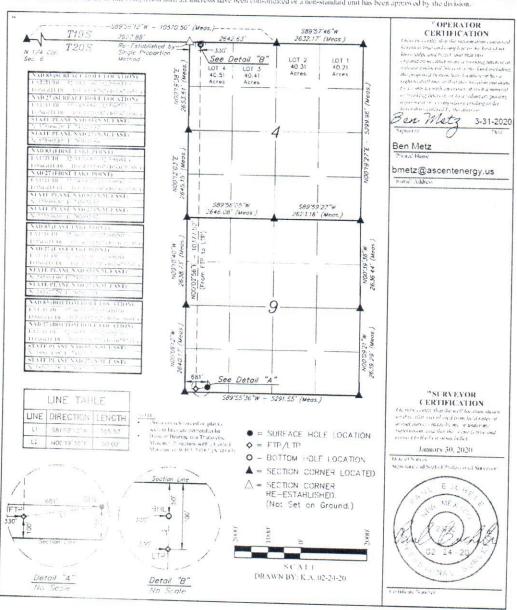
WELL LOCATION AND ACRE OF BEDICATION OF

VPI Sandier	² Pool Code	1 Phot Name
Property Code	Property Same SILVER FED CO	1
OCRID No	*Operator Name ASCENT ENERG	7 Flevation

*Surface Location Lot Ide Range 33E Feet from the SOUTH WEST

Bottom Hole Location If Different From Surface I'l or lot no. 1 ot Ida Feet from the 50 NORTH WEST in LEA laint or Infill

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.



Ascent Energy, LLC

Case No.

Exhibit

Silver FED COM 601H C-102 Well Plat

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

APPLICATIONS OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case Nos. 21502, 21504, and 21506

VERIFIED STATEMENT OF WILLIAM METZ

William Metz, being duly sworn upon his oath, deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am a geologist for Ascent Energy, LLC ("Ascent"), and I am familiar with the geological matters involved in this case. I have been qualified by the Division as an expert petroleum geologist.
- 3. The geological plats in Attachment Λ pertain to the Wolfcamp formation, which is prospective in this area. They show:
- (a) Structure of the Wolfcamp Λ zone. They show that structure dips to the south. The plat also shows producing Wolfcamp wells in the area.
- (b) A Gross isopach of the Wolfcamp A zone. This zone is continuous across the well units being pooled. It also shows a line of cross-section.
- (c) A cross-section of the Wolfcamp A zone. The well logs on the cross-sections give a representative sample of Wolfcamp A zone in this area.
- (d) A list of producing Wolfcamp A and Wolfcamp XY wells in the area. Based on production, there is a preferred North-South orientation in this area.
- 4. The C-102s for the wells are attached as Attachment B, showing the first and last take points. The wells comply with the Division's setback requirements.
- 5. I conclude from the maps that:
- (a) The Wolfcamp horizontal spacing unit is justified from a geologic standpoint, and horizontal drilling is the best method to produce Wolfcamp reserves in this area.
- (b) Each quarter-quarter section in the well units will contribute more or less equally to production.

EXHIBIT 3B

- (c) There is no faulting or other geologic impediment on the area which will affect the drilling of the subject well.
- 6. The granting of this application is in the interests of conservation and the prevention of waste.
- 7. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 6 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.

Date: 11-3-2020

William Metz.

Pony Express

Case No. 21501: W2W2 Bone Spring 501H, 502H & 601H

Case No. 21502: Wolfcamp 701H

Case No. 21503: E2W2 Bone Spring 503H &602H

Case No. 21504: E2W2 Wolfcamp 702H

Silver

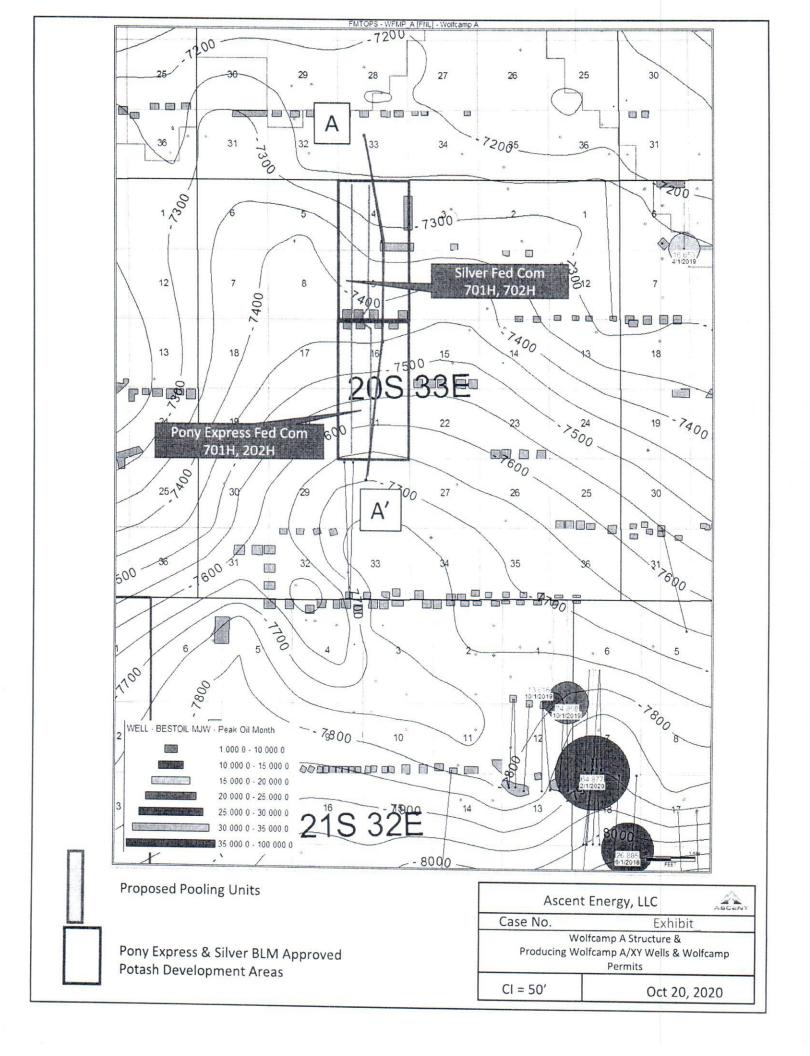
Case No. 21505: W2W2 Bone Spring 501H, 502H & 601H

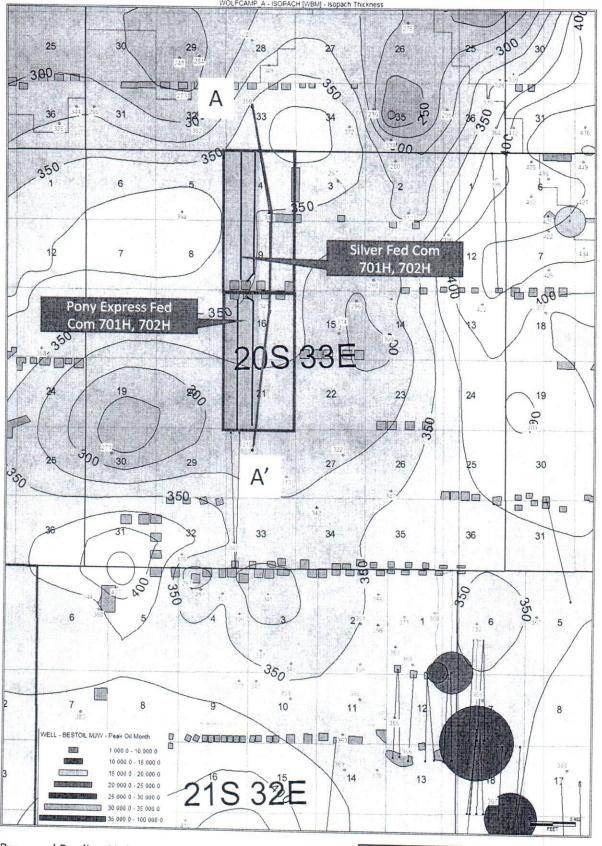
Case No. 21506: Wolfcamp 701H

Case No. 21507 E2W2 Bone Spring 503H &602H

Case No. 21508: E2W2 Wolfcamp 702H

ATTACHMENT A

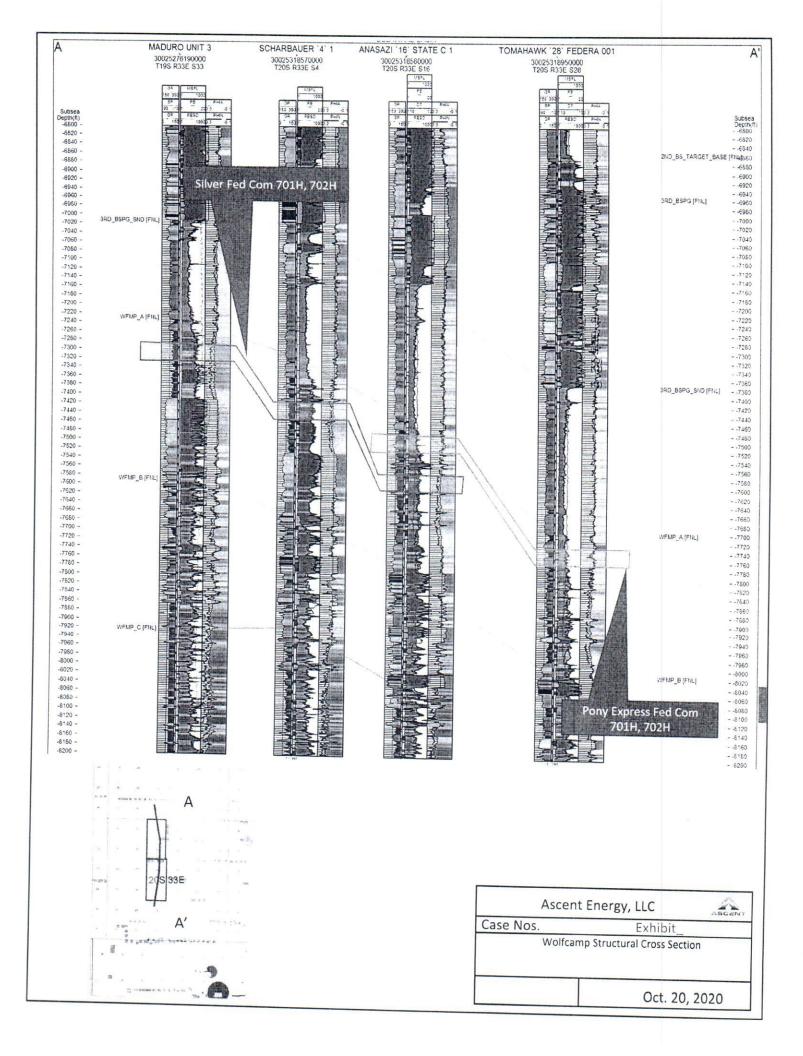




Proposed Pooling Units

Pony Express & Silver BLM Approved Potash Development Areas

Ascent	nergy, LLC	CENT
Case Nos.	Exhibit	
Wolfca Producing Wolfc	np A Gross Isopach & mp Wells & Wolfcamp Perm	its
CI = 25'	Oct. 20, 2020	



30025448530000 MATADOR PRODUCTON CO 30025448510000 CHIS-IOLM ENERGY OFERATING LLC 30025448530000 CHIS-IOLM ENERGY OFERATING LLC	MACH PARCE	IWN	RGE SI	SEC SPUD DATE		COMP DATE Mo	Month M	Month	Month	Month CUMOIL CUMGAS CUM WATER	CUMGAS	CUM WATER	CUMOIL	CUMGAS	CUMGAS CUMWTR	LA LEKAL	HOR ZONE
	VERNA RAE FEDERAL CO 204H	205	346	6 9/26/2018	2018 1/17/2019	-	16,653 1.	-	31,469	70,386	58,947	139,068	122,905	99,367	227,199		WCA/WCXY
	TOQUE STATE COM 701H	215	33E (6 8/5/2019	019 1/14/2020				215,054	164,606	219,140	546,354	164,606	219,140	546,354		WCA/WCXY
	MINIS 1 FEDERAL COM 010H	215	32E	1 7/3/2019	010/11/201		-		62,303	49,920	68,867	203,267	69,171	98,553	257,259		WCA/WCXY
	MINIS 1 FEDERAL COM 016H	215	328	1 8/23/2019		1		14,771	60,762	61,806	57,212	175,262	92,766	90,992	241,324	100000000	WC A/WC XY
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Ascent Energy, LLC

Case Nos.

Wolfcamp A XY Production

Oct. 20, 2020

District I 1625 N. French Dr., Hebbs, NM, 88240 Phone (\$75) 303-6161. Fax (\$75) 393-0720 District II

Planet II 811 S. Lirat St., Amesia NM 86210 Planet 578 (48-1283) nr (573) 748-9720 District III 1000 Rio Brazio, Rood, Amee NM 87410 Planet (593) 332-6178 Jul (503) 332-6176

1220 S. St. Francis Dr., Santa Le, NM 57505 Phone: (505) 476-3460 Luc (505) 476-3463

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

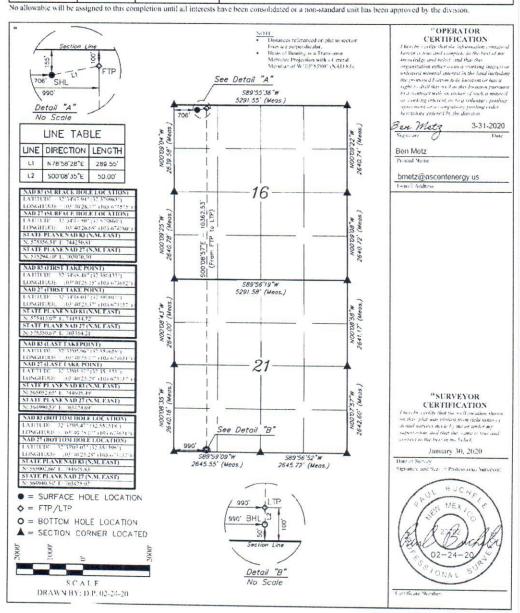
API Number	Pool Cede	Pool Name
Property Code	Property Name PONY EXPRESS FE	
OGRID No.	*Operator Name ASCENT ENER	

"Surface Location

UL or int no. Section Lownship Range Lot Idn Feet from the North/South line Feet from the Fast/West line

U	10	205	33E		155	NORTH	706	WEST	LEA	
			- 0	Bottom II	ole Location I	f Different From	Surface			

UL or lot no.	Section 21	Township 20S	Range 33E	Lot liln	Feet from the 50	SOU III	Feet from the 990	East/West line WEST	LEA
12 Dediented Acr 320	1	oint or Infill	14 Cons	elidation Code	Order No.			<u></u>	



ATTACHMENT 13

Ascent Energy, LLC



Case No.

Exhibit

Pony Express FED COM 701H C-102 Well Plat

District 1 1625 N. French Dr., Hobbs, NM 88240 Phone, (\$75) 393-6161 Fax: (\$75) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone (\$75) 748-1283 Lnc (\$75) 748-0720

Distract III 1000 Ray Brazes Road, Azioc, NM 87440 Phone, (\$05) 334-6178 Fax, (\$05) 334-6176

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

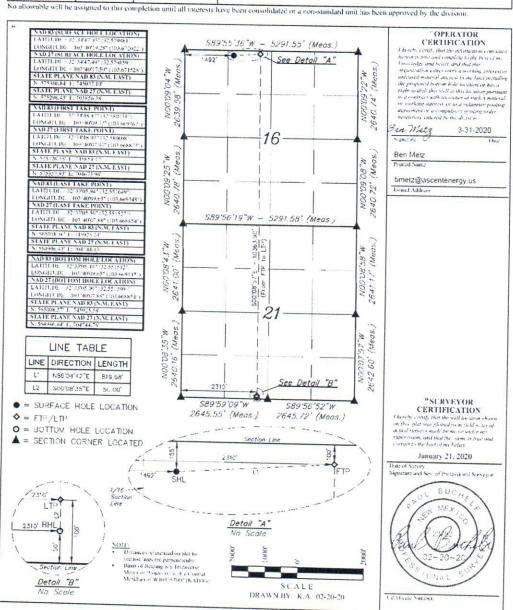
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT LAPI Number Property Code Property Name
PONY EXRESS FED COM Well Number 70211 OGRID No. ASCENT ENERGY

Surface Location 155 NORTH

"Bottom Hole Location If Different From Surface Lot Idn Feet from the 50 Feet from t 2310 WEST Joint or Infill



Ascent Energy, LLC



Case No.

Exhibit

Pony Express FED COM 702H C-102 Well Plat

District 1
IGEN N. French Dr., Hobbs NM, 88.240
IGEN N. French Dr., Hobbs NM, 88.240
Plante; (575) 393-6161 Tax, (575) 493-6720
District II
STIS First St., Artesta, NM, 88.210
Plante; (575) 488-1283 Fax; (575) 748-0720
District II
IORO Rio Brazzo, Rond, Artest, NM, 87416
Plante; (505) 334-6177 7482; (505) 346-6170
District IV
IZZON St. Francis, Dr., Sout-Fe, NM, 87505
Plante; (505) 476-3466 Fax; (505) 476-3467
Plante; (505) 476-3466 Fax; (505) 476-3467

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

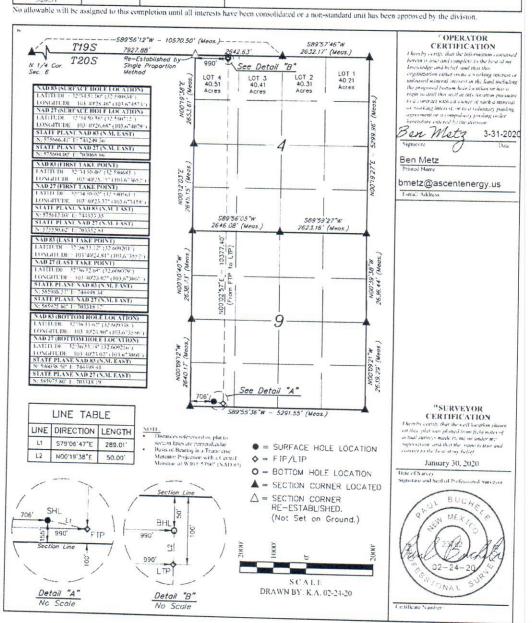
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	? Pool Code	1 Pool Name
Property Code	SProperty SILVER FL	The state of the s
OGRID No.	Operator N ASCENT EN	it They miss

				Bottom H	ole Location If	Different From	Surface		
UL or lot no. 4	Section 4	Township 20S	Range 33E	Lot Ida	Feet from the	North/South line NORTH	Feet from the 99()	East/West line WEST	County
12 Dedicated Acre	13	loint or Infill	11 Cons	olidation Code	Order No.		770	WEST	1.EA



Ascent Energy, LLC



Case No.

Exhibit

Silver FED COM 701H C-102 Well Plat

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

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 21503

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, Lea COUNTY, NEW MEXICO.

Case No. 21504

SELF-AFFIRMED STATEMENT OF NOTICE

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

James Bruce deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am an attorney for Ascent Energy, LLC.
- 3. Ascent Energy, LLC has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the applications filed herein.
- 4. Notice of the applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
 - 5. Ascent Energy, LLC has complied with the notice provisions of Division Rules.
- 6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 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.

Date: 11/4/20

James Bruce

EXHIBIT

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

October 15, 2020

CERTIFIED MAIL

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of two applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Ascent Energy, LLC, regarding:

- 1. Case No. 21503, for two Bone Spring wells in the E/2W/2 of Section 16 and the E/2W/2 of Section 21; and
- 2. Case No. 21504, for one Wolfcamp well in the E/2W/2 of Section 16 and E/2W/2 of Section 21,

All in Township 20 South, Range 33 East, NMPM, Lea County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, November 5, 2020. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emmrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, October 29, 2020. This statement may be filed online with the Division at <u>ocd.hearings@state.nm.us</u>, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and

identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

James Bruce

Attorney for Ascent Energy, LLC

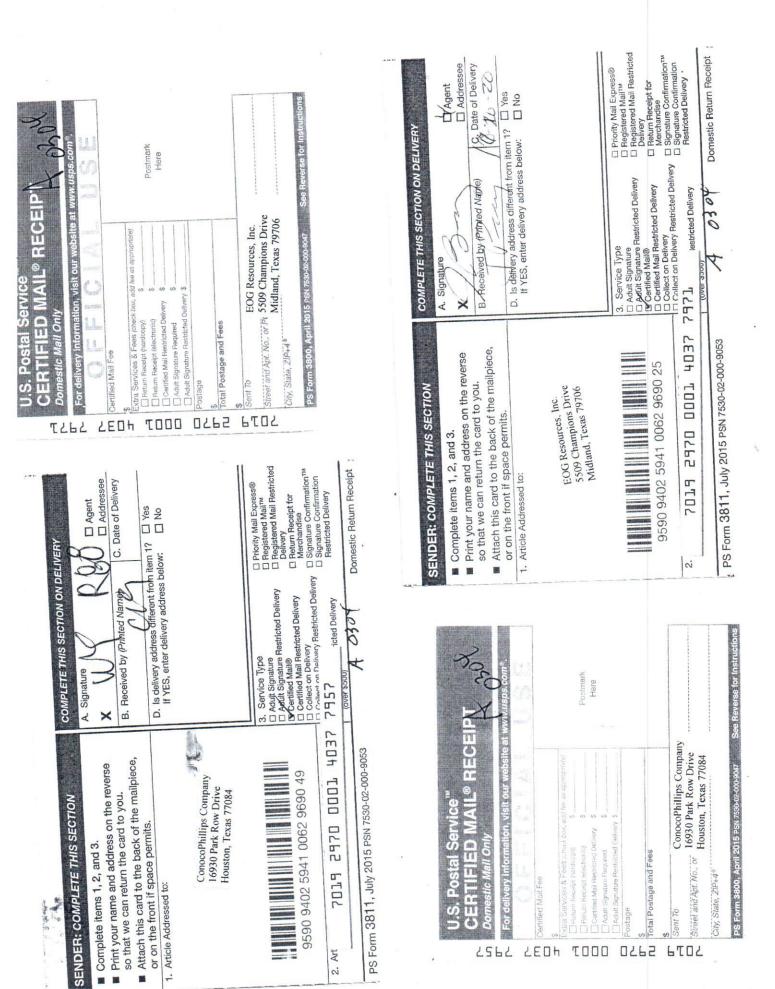
Exhibit A

COG Operating LLC 600 W. Illinois Ave. Midland, TX 79701

ConocoPhillips Company 16930 Park Row Drive Houston, Texas 77084

OXY USA WTP LP 5 Greenway Plaza, Ste. 110 Houston, TX 77046

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706



U.S. Postal Service" CERTIFIED MIAIL® RECEIVET Domestic Mail Only For delivery information, visit our website at www.usps.com* For delivery information feet for the as appropriate at www.usps.com* For delivery information feet for the as appropriate at www.usps.com* For delivery information feet for the as appropriate at www.usps.com* For delivery information feet for the as appropriate at www.usps.com* For delivery information feet feet feet feet feet feet feet fee	City, State, 219-4* Serom 3800, April 2015 PSN 750-02-000-9047 See Reverse for Instructions	d 3. A Signature C (C) B Addressee B Received by (Printed Name) C (C) B Received by (Printed Name) B Received address different from item 1? D Yes If YES, enter delivery address below: D No	3. Service Type	Certified Mail® Certified Mail® Certified Mail® Certified Mail® Certified Mail® Instructed Delivery (over \$500)
A. Signature D. Addressee C. Date of Delivery C. Date of Delivery D. Is delivery address different from 17	3. Service Type Adult Signature Priority Mail Express® Adult Signature Restricted Delivery Pegistered Mail Mestricted Mailwall Restricted Delivery Deliv	SENDER: COM Complete iter Print your nar so that we ca Attach this ca or on the fron 1. Article Address		2. A
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. COG Operating LLC 600 W. Illinois Ave. Midland, TX 79701	3. Ser and the service label)	U.S. Postal Service" CERTIFIED MAIL® RECEIFY Pomestic Mail Only For delivery information, visit our website at www.usps.com*	Extra Services & Fees (check box, add fee as appropriate) Peturn Recipt (hardropy)	Street and Apt. No., or PG Midland, TX 79701 Oity, State, 21P48 PS Form 3800, April 2015 PSN 735042-0008047 See Reverse for Instructions

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	21503			
Date	November 5, 2020			
Applicant	Ascent Energy, LLC			
Designated Operator & OGRID (affiliation if applicable)	Ascent Energy, LLC/OGRID No. 325830			
Applicant's Counsel:	James Bruce			
Case Title:	Application of Ascent Energy, LLC for Compulsory Pooling, Lea County, New Mexico			
Entries of Appearance/Intervenors:				
Well Family	Pony Express Bone Spring wells			
Formation/Pool	1000 1000 1000 1000 1000 1000 1000 100			
Formation Name(s) or Vertical Extent:	Bone Spring Formation			
Primary Product (Oil or Gas):	Oil			
Pooling this vertical extent:	Entire Bone Spring formation			
Pool Name and Pool Code:	Teas; Bone Spring/Pool Code 58960			
Well Location Setback Rules:	Statewide rules and current horizontal well rules			
Spacing Unit Size:	Quarter-quarter Section/40 acres			
Spacing Unit				
Type (Horizontal/Vertical)	Horizontal			
Size (Acres)	320 acres			
Building Blocks:	40 acres			
Orientation:	North-South			
Description: TRS/County	E/2W/2 §16 and E/2W/2 §21-20S-33E, NMPM, Lea County			
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes			
Other Situations				
Depth Severance: Y/N. If yes, description	No			
Proximity Tracts: If yes, description	No			
Proximity Defining Well: if yes, description	EXHIBIT 9			
Applicant's Ownership in Each Tract	Exhibit 2-B			
Well(s)				
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Pony Express Fed. Com. Well No. 503H API No. 30-025-Pending SHL: 155 FNL & 1517 FWL §16 BHL: 50 FSL & 2178 FWL §21 FTP: 100 FNL & 2178 FWL §16 LTP: 100 FSL & 2178 FWL §21 Second Bone Spring Sand/TVD 10097 feet/MD 20408 feet			

	Pony Express Fed. Com. Well No. 601H
	API No. 30-025-Pending
-6	SHL: 155 FNL & 1467 FWL §16
	BHL: 50 FSL & 1650 FWL §21
	FTP: 100 FNL & 1650 FWL §16
	LTP: 100 FSL & 1650 FWL §21
	Third Bone Spring Sand/TVD 10934 feet/MD 21198 feet
Horizontal Well First and Last Take	See above
Points	
Completion Target (Formation, TVD and	See above
MD)	
AFE Capex and Operating Costs	· 10. 维生素 10. 40 x 20 x
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost + 200%/Exhibit 2, page 2
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20	
days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10	
days before hearing)	Not Needed
Ownership Determination	
Land Ownership Schematic of the	
Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and	
owners)	
Pooled Parties (including ownership	
type)	Exhibit 2-B
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including	
percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of	
JOA)	Exhibit 2A-B
Chronology of Contact with Non-Joined	
Working Interests	Exhibit 2
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	\$8000/\$800
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	Exhibit 2-D
Summary (including special	
considerations)	Exhibit 3A
Spacing Unit Schematic	Exhibit 3A
Gunbarrel/Lateral Trajectory Schematic	Exhibit A
Well Orientation (with rationale)	Standup/Exhibit 3A
,	Talliant JA

Target Formation	Bone Spring
HSU Cross Section	Exhibit 3A
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit 3A-C
Tracts	Exhibit 2-B
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibit 2-B
General Location Map (including basin)	Exhibit 2-A
Well Bore Location Map	Exhibit 2-B
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including	
wells)	Exhibit 3A
Cross Section (including Landing Zone)	Exhibit 3A
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	James Bruce
Date:	November 4, 2020

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	21504	
Date	November 5, 2020	
Applicant	Ascent Energy, LLC	
Designated Operator & OGRID (affiliation if applicable)	Ascent Energy, LLC/OGRID No. 325830	
Applicant's Counsel:	James Bruce	
Case Title:	Application of Ascent Energy, LLC for Compulsory Pooling, Lea Cour New Mexico	nty,
Entries of Appearance/Intervenors:		-
Well Family	Pony Express Bone Wolfcamp wells	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Wolfcamp Formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Entire Wolfcamp formation	
Pool Name and Pool Code:	Hat Mesa; Wolfcamp/Pool Code 58960	
Well Location Setback Rules:	Statewide rules and current horizontal well rules	
Spacing Unit Size:	Quarter-quarter Section/40 acres	
Spacing Unit		15. 3
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	320 acres	
Building Blocks:	40 acres	
Orientation:	North-South	
Description: TRS/County	E/2W/2 §16 and E/2W/2 §21-20S-33E, NMPM, Lea County	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes	
Other Situations		
Depth Severance: Y/N. If yes, description	No	
Proximity Tracts: If yes, description	No	
Proximity Defining Well: if yes, description	EXHIBIT	
Applicant's Ownership in Each Tract	Exhibit 2-B	
Well(s)	· · · · · · · · · · · · · · · · · · ·	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Pony Express Fed. Com. Well No. 702H API No. 30-025-Pending SHL: 155 FNL & 1492 FWL §16 BHL: 50 FSL & 2310 FWL §21 FTP: 100 FNL & 2310 FWL §16 LTP: 100 FSL & 2310 FWL §21 Wolfcamp/TVD 11065 feet/MD 21360 feet	

Horizontal Well First and Last Take	Con all aug
Points	See above
Completion Target (Formation, TVD and	Sasahaya
MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost + 200%/Exhibit 2, page 2
Notice of Hearing	Cost + 200%/Exhibit 2, page 2
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20	EXHIBIT 1
days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10	LAMBIC 4
days before hearing)	Not Needed
Ownership Determination	Not Needed
Land Ownership Schematic of the	
Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and	EXHIBIT 2-B
owners)	
Pooled Parties (including ownership	
type)	Exhibit 2-B
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including	Notice
percentage above & below)	None
Joinder	None
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of	EXHIBIT 2-C
JOA)	Exhibit 2A-B
Chronology of Contact with Non-Leined	
Chronology of Contact with Non-Joined Working Interests	E-1:1:2.2
Overhead Rates In Proposal Letter	Exhibit 2
Cost Estimate to Drill and Complete	\$8000/\$800
	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Fullibita 2B
	Exhibit 3B
Spacing Unit Schematic	Exhibit 3B
Gunbarrel/Lateral Trajectory Schematic	Exhibit A
Well Orientation (with rationale)	Standup/Exhibit 3B
Target Formation	Wolfcamp
HSU Cross Section	Exhibit 3B
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit 3A-C

Tracts	Exhibit 2-B
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibit 2-B
General Location Map (including basin)	Exhibit 2-A
Well Bore Location Map	Exhibit 2-B
Structure Contour Map - Subsea Depth	Exhibit 3B
Cross Section Location Map (including	
wells)	Exhibit 3B
Cross Section (including Landing Zone)	Exhibit 3B
Additional Information	
CERTIFICATION: I hereby certify that the	及為 全款法 表 其 多
information provided in this checklist is	
complete and accurate.	是因[李] (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)
Printed Name (Attorney or Party	
Representative):	Jam <i>g</i> 's Bruce
Signed Name (Attorney or Party	
Representative):	(Lallies There
Date:	November 4, 2020

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*** 85 385